



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 7
901 NORTH 5TH STREET
KANSAS CITY, KANSAS 66101

JUN 16 2010

Marian Massoth, Air Permitting Chief
Kansas Department of Health and Environment
Bureau of Air and Radiation
1000 SW Jackson, Suite 310
Topeka, KS 66612-1366

RE: National Cooperative Refinery Association Prevention of Significant Deterioration
Permitting comments

Dear Ms. Massoth:

On May 13, 2010, the United States Environmental Protection Agency (EPA) Region 7 received notification of the Kansas Department of Health and Environment's (KDHE) intent to revise the Prevention of Significant Deterioration (PSD) construction permit for National Cooperative Refinery Association (NCRA) that was issued on August 15, 2008. The refinery is located at 1391 Iron Horse Road, McPherson, Kansas, and the permit revision proposed is for NCRA's Heavy Crude Expansion Project (HCEP) and Benzene Reduction Project (BRP). We have completed our review of the proposed permit revision and have the following comments.

Comment 1.

An evaluation of the volatile organic compound (VOC) emissions from the project was conducted, and the emission factor proposed was 0.005 lb VOC/mmBTU. Since netting was used to ensure that the project does not exceed significance thresholds for VOC, the permit should limit the emissions by stating the emission factor as an enforceable emission limit that was used in the netting analysis (0.005 lb VOC/mmBTU) to validate the netting for the following new emission units: Hydrogen Unit heater (EU-HYD-3) and New Coker Unit Heater (EU-NCU-1). We recommend that the permit require performance testing for these two emission units to assure the limits are being achieved.

Even though our comment is focused on VOC emissions for these two heaters, KDHE should consider establishing NOx emission limits in the permit and require performance testing for these emission units. The netting analysis uses the emission factor 0.03 lb NOx/mmBtu, and we recommend that limit, or one that will validate the netting and assure that the significance thresholds for NOx is not triggered, be stated in the permit.

Comment 2.

Appendix C, page C-9 of the application states the limits that were used in the netting analysis for the Coker Drum Steam Vent emissions as 3.4 lb hydrocarbon/event with a limit of 626 events/year. Since this emission unit was included in the netting analysis to ensure that the project does not exceed significance thresholds for VOC, the permit should state the emission limit that was used (3.4 lb hydrocarbon/event with a limit of 626 events/year) to validate the netting for the new emission unit.

Comment 3.

Appendix C, page C-10 of the application states the limit that was used in the netting analysis for the Hydrogen Unit Deaerator Vent (EU-HYD-2) emissions as 0.84 lb VOC/hour. Since this emission unit was included in the netting analysis to ensure that the project does not exceed significance thresholds for VOC, the permit should state the emission limit that was used (0.84 lb VOC/hour) to validate the netting for the new emission unit.

As always, we appreciate the opportunity to provide what we hope you will find to be constructive comments. Please contact Patricia Scott at (913) 551-7312 if you have any questions or comments regarding this letter.

Sincerely,



Mark A. Smith, Chief
Air Permitting and Compliance Branch
Air and Waste Management Division