

DEPARTMENT OF HEALTH AND ENVIRONMENTAL SCIENCES



TED SCHWINDEN, GOVERNOR

COGSWELL BUILDING

STATE OF MONTANA

HELENA, MONTANA 59620

October 20, 1985

Montana Refining Company
1900 Tenth Street
Black Eagle, MT 59414

Attention: Mike Tramelli

Your air quality permit application dated August 14, 1985, and received in this office on September 6, 1985, for Refinery Equipment (Major) to be located in Sec. 1 T20N R3E, Cascade County is approved. The application was given permit number 2161.

Conditions:

1. Refinery sulfur dioxide emissions shall not exceed seven (7) tons per day.
2. The Fluid Catalytic Cracking (FCC) unit shall be source tested for both carbon monoxide and sulfur dioxide. Carbon monoxide emissions shall not exceed 12.9 tons per day or 4700 tons per year.
3. In addition, recipient shall also submit a plan for quantifying sulfur dioxide emissions from the following pieces of equipment:
 - (a) boilers;
 - (b) crude heater;
 - (c) vacuum heater;
 - (d) reformer heater;
 - (e) NHDS heater.
4. The above test results, including a final report, shall be submitted to the Air Quality Bureau no later than May 15, 1986.
5. Applicable test methods and procedures outlined in 40 CFR, part 60 shall be followed unless recipient can demonstrate that other test methods are more appropriate or equivalent.
6. Recipient shall comply with all general conditions noted on attached page.

We appreciate your interest in this matter.

For the Department,

Harold Robbins, Chief
Air Quality Bureau

VIII - F - 1

BEFORE THE DEPARTMENT OF HEALTH AND ENVIRONMENTAL SCIENCES
OF THE STATE OF MONTANA

In the matter of the)
MONTANA REFINING COMPANY,)
Cascade County; compliance) STIPULATION
with ARM 16.8.811, ambient)
air quality standard for)
carbon monoxide)

The Montana Department of Health and Environmental Sciences ("DHES") and the Montana Refining Company ("MRC"), in accordance with the provisions and requirements of the Montana Clean Air Act, Title 75, Chapter 2, MCA ("Act"), hereby agree to and undertake the stipulations set forth below concerning MRC's compliance with the Montana Ambient Air Quality Standard for Carbon Monoxide adopted by the Montana Board of Health and Environmental Sciences ("BHES") at ARM 16.8.811.

1. MRC is a major stationary source of carbon monoxide as defined by ARM 16.8.921(22) and is located approximately one mile north of downtown Great Falls.
2. As a source in existence as of November 23, 1968, MRC is not subject to the permitting requirements applicable to major stationary sources pursuant to ARM 16.8.1104.
3. In accordance with the federal Clean Air Act, 42 USC 7401 et seq. part of the Great Falls AQCR was designated nonattainment for carbon monoxide by the U.S. Environmental Protection Agency ("EPA"). Such designation resulted in a 1977 emission inventory prepared by DHES' Air Quality Bureau which estimated MRC's carbon monoxide ("CO") emissions to be 11,000 tons annually, or 18% of area wide CO emissions.
4. Based upon a 1977 DHES emission inventory of CO and upon current (1985) monitored emissions of CO in the Great Falls area, the DHES has determined that compliance with both federal and state standards for CO may be achieved and maintained in the Great Falls area if MRC continues to

VII - F-2

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32

operate its refinery without exceeding current maximum CO emissions of approximately 4,700 tons annually.

5. With the intention of maintaining compliance with federal and state ambient air quality standards for CO in the Great Falls area, DHES and MRC, pursuant to Section 75-2-401(4), MCA, have determined that compliance by MRC with ARM 16.2.811 will be maintained and assured most appropriately by the following:

(a) MRC expressly relinquishes and waives any right or entitlement it may have under the Montana Clean Air Act to operate its Great Falls refinery without an air quality permit for carbon monoxide issued by DHES under ARM Title 16, Chapter 8, Sub-chapter 11.

(b) MRC agrees to subject itself to the provisions and requirements for carbon monoxide applicable to air quality permittees set forth in ARM Title 16, Chapter 8, Sub-chapter 11, and specifically has completed and submitted an application for an air quality permit and has followed the procedure for obtaining an air quality permit set forth in ARM Title 16, Chapter 8, Sub-chapter 11 as the same relates to control of carbon monoxide.

(c) DHES reviewed MRC's permit application in accordance with the provisions of ARM Title 16, Chapter 8, Sub-chapter 11, and, with respect to the level of CO emissions from MRC's refinery to be allowed under such permit, DHES represents and agrees to establish such level in accordance with MRC's existing level of emissions, which are approximately 4,700 tons per year.

6. MRC agrees that the stipulations agreed to herein shall be

VIII F-3
2

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32

binding upon its transferees and assignees and any other persons who may become responsible for the operation of the refinery and that MRC will apprise in writing any such transferees, assignees, or persons of the stipulations agreed to herein.

- 7. This Stipulation shall be made an Appendix of Air Quality Permit #2161 which was issued by DHES on October 20, 1985 to MRC under ARM Title 16, Chapter 8, Sub-chapter 11.
- 8. MRC, by obtaining an air quality permit under ARM Title 16, Chapter 8, Sub-chapter 11 and by complying with the terms of such air quality permit concerning carbon monoxide emissions, will be deemed by DHES to be in compliance with ARM 16.8.811 as such rule exists on August 1, 1985.

MONTANA REFINING COMPANY

MONTANA DEPARTMENT OF HEALTH AND ENVIRONMENTAL SCIENCES

By M. C. Trammell
M. C. Trammell
Title

By Harold W. Robbins
Chief, Air Quality Bureau
Title

DATED this 5 day of
DECEMBER, 1985

DATED this 2 day of
December, 1985

VIII - F - 4