

10840 Glazanof Drive
Anchorage, Alaska 99507

August 24, 2008

Ms. Eurika Durr
Clerk of the Board
Environmental Appeals Board (MC 11038)
Ariel Rios Building
1200 Pennsylvania Avenue, N.W.
Washington, D.C. 20460-0001

Re: Public Petition of a Title V Air Quality Permit, Shell Offshore Inc.'s Alaska Outer Continental Shelf (OCS) Air Quality Control Minor Permit No. R10OCS-AK-07-01 (Revised) – OCS Source: Kulluk Drilling Unit

Dear Ms. Durr:

Under the provisions of the July 22, 2008 Order Revising Briefing Schedule of the Environmental Appeals Board, I wish to include two further documents in my appeal of the issuance of Air Quality Control Minor Permit No. R10OCS-AK-07-01 (Revised) Shell Offshore Inc.'s Kulluk Drilling Unit.

The disaggregation of Shell Offshore Inc.'s Kulluk Drilling Unit was justified by EPA based entirely on the January 2, 2007 Oil and Gas Memorandum from EPA Acting Assistant Administrator William Wehrum (Wehrum Oil and Gas Memo). My appeal was based primarily on my belief that the Wehrum Oil and Gas Memo sets a policy that is an abrogation of the 1990 Clean Air Act in terms of accountability and fairness.

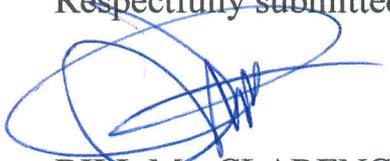
My first enclosure is a October 22, 1993 Memorandum from Gerald M. Yamada, Acting General Council to Michael H. Shapiro, Acting Administrator, Office of Air and Radiation, Re: Use of Clean air Act Title V Permit Fees as Match for Section 105 Grants. This decision references Sec. 502(b)(3)(A), "polluters must pay to the state a fee 'sufficient to cover all reasonable (direct and indirect) costs required to develop and administer the permit program requirements.'" By not requiring aggregation of all sources within Shell Offshore Inc.'s lease, there is the potential of not accounting for or paying fees for many air pollutant emissions from their operations.

The second enclosure is the August 19, 2008 decision of the United States Court of Appeals for the District of Columbia Circuit concerning monitoring requirements for sources of air pollution. This decision was rendered after the original July 15, 2008 filing date of my appeal.

The decision requires sources of air pollution to periodically monitor and report on all their emissions. The Wehrum Oil and Gas Memo specifically excludes numerous sources in the oil and gas industry from these monitoring requirements and is therefore directly opposed to the Court's decision. The result of this policy is that there is no way to quantify or to assess the impact of oil and gas pollutant emissions in aggregate for any oil and gas production area.

As previously stated, I have no objection to the issuance of this permit as long as there is not an exception granted to the provisions of the Clean Air Act based on an illegal disaggregation of the Shell Offshore Inc.'s facility.

Respectfully submitted,



BILL MacCLARENCE, P.E.

Enclosures:

- 1) EPA Policy Memorandum concerning Title V Permit Fees
- 2) Decision of the United States Court of Appeals for the District of Columbia Circuit concerning monitoring requirements for sources of air pollution

