

217/782-2113

FEDERALLY ENFORCEABLE STATE OPERATING PERMIT
RENEWAL

PERMITTEE

North Shore Gas Company
Attn: Mr. Steven J. Matuszak
130 East Randolph Drive
Chicago, Illinois 60601

Application No.: 85080021 I.D. No.: 097090ABN
Applicant's Designation: PETRDFESOP Date Received: April 24, 2000
Subject: Propane Storage, Vaporization and Distribution
Date Issued: October 23, 2000 Expiration Date: October 23, 2005
Location: Peterson Road and U.S. Route 45, Libertyville

Permit is hereby granted to the above-designated Permittee to OPERATE emission source(s) and/or air pollution control equipment consisting of eight (8) heavy duty natural gas fired pipeline compressor engines, three (3) natural gas fired I.C. engines powering 3 pumps, a natural gas fired I.C. emergency generator, two (2) natural gas fired boilers, a natural gas fired Vaporizer, ten (10) natural gas fired small heating units, nine (9) - 61,400 gallon aboveground propane pressurized storage tanks, twenty-four (24) 60,000 gallon aboveground propane pressurized storage tanks and eighteen (18) 30,000 gallon aboveground propane pressurized storage tanks pursuant to the above-referenced application. This Permit is subject to standard conditions attached hereto and the following special condition(s)

- 1a. This federally enforceable state operating permit is issued to limit the emissions of Nitrogen Oxide (NO_x) and Carbon Monoxide (CO) from the propane storage, vaporization and distribution plant to less than major source thresholds, as further described in Attachment A. As a result, the source is excluded from requirements to obtain a Clean Air Act Permit Program permit.
- b. Prior to issuance, a draft of this permit has undergone a public notice and comment period.
- c. This permit supersedes the current permit(s) issued for this location.
- 2a. Operation of the natural gas fired equipment shall not exceed the following limits:

<u>Item of Equipment</u>	<u>Throughput</u> (mmscf/Mo) (mmscf/Yr)		<u>E M I S S I O N S</u>	
			<u>NO_x</u> (Tons/Yr)	<u>CO</u> (Tons/Yr)
Compressor (1)	2.0	2.0	4.4	1.8
Compressor (2)	2.0	2.0	4.4	1.8
Compressor (3)	1.0	2.0	4.4	1.8

Compressor (4)	2.0	2.0	4.4	1.8
Compressor (5)	2.0	2.0	4.4	1.8
Compressor (6)	2.0	2.0	4.4	1.8
Compressor (7)	2.0	2.0	4.4	1.8
Compressor (8)	2.0	2.0	4.4	1.8
Pump engine (50HP)	0.3	0.3	0.67	0.27
Pump engine (90HP)	0.3	0.3	0.67	0.27

<u>Item of Equipment</u> (Tons/Yr)	<u>Throughput</u>		<u>E M I S S I O N S</u>	
	<u>(mmscf/Mo)</u>	<u>(mmscf/Yr)</u>	<u>NO_x</u> (Tons/Yr)	<u>CO</u>
Pump engine (102HP)	0.3	0.3	0.67	0.27
Generator	0.2	0.2	----	----
Vaporizer	30.0	30.0	1.5	1.26
Boiler (1)	10.0	10.0	0.5	0.42
Boiler (2)	10.0	10.0	0.5	0.42
Heaters (1-10) (Each)	20.0	20.0	1.0	0.84

These limits are based on maximum natural gas usage and standard AP-42 emission factors. Compliance shall be determined from a running total of the previous 12 months of data.

- b. Natural gas shall be the only fuel fired in this equipment.
- 3. This permit is issued based on negligible emission of volatile organic material from the 51 pressurized propane storage tanks. For this purpose, emissions shall not exceed nominal emission rates of 0.1 lb/hr and 0.44 ton/year.
- 4. In the event that the operation of this source results in an odor nuisance, the Permittee shall take appropriate and necessary actions to minimize odors, including but not limited to, changes in raw material or installation of controls, in order to eliminate the odor nuisance.
- 5. At all times the Permittee shall, to the extent practicable, maintain and operate the equipment, including associated air pollution control equipment, in a manner consistent with good pollution control practices for minimizing emissions.
- 6. The Permittee shall maintain monthly records of the following items:
 - a. Usage rates of natural gas for each type of emission units covered in this permit (mmscf/month).
- 7. The emissions of Hazardous Air Pollutants (HAPs) as listed in Section 112(b) of the Clean Air Act shall not equal or exceed 10 tons per year of any single HAP or 25 tons per year of any combination of such HAPs, or such lesser quantity as USEPA may establish in rule which would require the Permittee to obtain a CAAPP permit from the Illinois EPA. As a result of this condition, this permit is issued based on the emissions of any HAP from this source not triggering the requirement to obtain a CAAPP permit from

the Illinois EPA.

8. All records and logs required by this permit shall be retained at a readily accessible location at the source for at least three years from the date of entry and shall be made available for inspection and copying by the Illinois EPA upon request. Any records retained in an electronic format (e.g., computer) shall be capable of being retrieved and printed on paper during normal source office hours so as to be able to respond to an Illinois EPA request for records during the course of a source inspection.

9. If there is an exceedance of the requirements of this permit as determined by the records required by this permit, the Permittee shall submit a report to the Illinois EPA's Compliance Section in Springfield, Illinois within 30 days after the exceedance. The report shall include the emissions released in accordance with the recordkeeping requirements, a copy of the relevant records, and a description of the exceedance or violation and efforts to reduce emissions and future occurrences.
10. Two (2) copies of required reports and notifications concerning equipment operation or repairs, performance testing or a continuous monitoring system shall be sent to:

Illinois Environmental Protection Agency
Division of Air Pollution Control
Compliance Section (#40)
P.O. Box 19276
Springfield, Illinois 62794-9276

and one (1) copy shall be sent to the Illinois EPA's regional office at the following address unless otherwise indicated:

Illinois Environmental Protection Agency
Division of Air Pollution Control
9511 West Harrison
Des Plaines, Illinois 60016

11. The Permittee shall submit the following additional information with the Annual Emission Report, due May 1st of each year: Natural gas usage rates of each type of natural gas combustion unit for the prior calendar year. If there have been no exceedances during the prior calendar year, the Annual Emission Report shall include a statement to that effect.

If you have any questions on this, please call Randy Solomon at 217/782-2113.

Donald E. Sutton, P.E.
Manager, Permit Section
Division of Air Pollution Control

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cc: IEPA, FOS Region 1
IEPA, FOS - CMU
USEPA

Attachment A - Emissions Summary

This attachment provides a summary of the maximum emissions from the propane storage and distribution plant operating in compliance with the requirements of this federally enforceable permit. In preparing this summary, the Illinois EPA used the annual operating scenario which results in maximum emissions from such a plant. This is handling 14.6 million gallons of propane and combusting 267 mmscf of natural gas per year. The resulting maximum emissions are well below the levels, e.g., 100 tons per year of NO_x and CO at which this source would be considered a major source for purposes of the Clean Air Act Permit Program. Actual emissions from this source will be less than predicted in this summary to the extent that less material is handled, and control measures are more effective than required in this permit.

1. Emissions from the natural gas fired equipment.

<u>Item of Equipment</u>	<u>NO_x Emissions (Tons/Yr)</u>	<u>CO Emissions (Tons/Yr)</u>
Compressor (1)	4.4	1.8
Compressor (2)	4.4	1.8
Compressor (3)	4.4	1.8
Compressor (4)	4.4	1.8
Compressor (5)	4.4	1.8
Compressor (6)	4.4	1.8
Compressor (7)	4.4	1.8
Compressor (8)	4.4	1.8
Pump engine (50HP)	0.67	0.27
Pump engine (90HP)	0.67	0.27
Pump engine (102HP)	0.67	0.27
Generator	----	----
Vaporizer	1.15	1.26
Boiler (1)	0.5	0.42
Boiler (2)	0.5	0.42
Heaters (1-10) (Each)	<u>1.0</u>	<u>0.84</u>
Total	40.7	18.2

This table defines the potential emissions of the plant and is based on maximum natural gas usage and standard AP-42 emission factors.

2. Emissions from the storage tanks:

This permit is issued based on negligible emission of volatile organic material from the 51 pressurized propane storage tanks. For this purpose, emissions shall not exceed nominal emission rates of 0.1 lb/hr and 0.44 ton/year.

3. The emissions of Hazardous Air Pollutants (HAPs) as listed in Section 112(b) of the Clean Air Act shall not equal or exceed 10 tons per year of any single HAP or 25 tons per year of any combination of such HAPs, or such lesser quantity as USEPA may establish in rule which would require the Permittee to obtain a CAAPP permit from the Illinois EPA. As a result of this condition, this permit is issued based on the emissions of any HAP from this source not triggering the requirement to obtain a CAAPP permit from the Illinois EPA.

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