

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 18, 2005
Subject: Propane Storage, Vaporization and Distribution
Date Issued: Expiration Date:
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 (100 tons/year of each), 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>Natural Gas Usage</u>		<u>E M I S S I O N S</u>	
	<u>(mmscf/Mo)</u>	<u>(mmscf/Yr)</u>	<u>NO_x</u> <u>(Tons/Yr)</u>	<u>CO</u> <u>(Tons/Yr)</u>
Compressor (1)	2.0	2.0	4.4	1.8
Compressor (2)	2.0	2.0	4.4	1.8
Compressor (3)	2.0	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

(Continued) <u>Item of Equipment</u>	Natural Gas Usage		E M I S S I O N S	
	<u>(mmscf/Mo)</u>	<u>(mmscf/Yr)</u>	<u>NO_x (Tons/Yr)</u>	<u>CO (Tons/Yr)</u>
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
Pump Engine (102HP)	0.3	0.3	0.67	0.27
Generator	0.2	0.2	0.5	0.2
Vaporizer	30.0	30.0	1.5	1.3
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, Table 3.2-4, for the engines and generator and Section 1.4 for other units. 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, total emissions from all such units 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 notify the Illinois EPA of any change in the type of materials stored that are different from those identified in the application.
7. The Illinois EPA shall be allowed to sample all fuels stored at the above location.
8. This permit is issued based on no loading of any organic material from the aggregate loading pipes of any loading area having throughput of greater than 151 cubic meters per day (40,000 gallons/day) into any railroad tank car, tank truck or trailer.

9. 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).
10. 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.
11. 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.
12. 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

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
Lotus Notes

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 mmcf of natural gas per year. The resulting maximum emissions are 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.

<u>Equipment</u>	<u>NO_x</u> <u>(Tons/Year)</u>	<u>CO</u> <u>(Tons/Year)</u>	<u>VOM</u> <u>(Tons/Year)</u>
Natural Gas	41.2	18.4	---
Storage Tanks			<u>0.44</u>
Totals	<u>41.2</u>	<u>18.4</u>	<u>0.44</u>

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