



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 5  
77 WEST JACKSON BOULEVARD  
CHICAGO, IL 60604-3590

AUG 29 2007

REPLY TO THE ATTENTION OF  
(AE-17J)

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Michael D. Graves, Esq.  
Hall & Estill  
320 South Boston Avenue  
Suite 400  
Tulsa, OK 74103-3708

RE: Magellan Pipeline Company, L.P., Roseville, Minnesota

Dear Mr. Graves:

I have enclosed a file stamped Consent Agreement and Final Order ("CAFO") which resolves case docket number CAA-05-2007-0023 with Magellan Pipeline Company, L.P. ("Magellan"). As indicated by the filing stamp on its first page, we filed the CAFO with the Regional Hearing Clerk on AUG 31 2007.

Pursuant to paragraph 41 of the CAFO, Magellan must pay the civil penalty within 30 days of the date the CAFO is filed. Your check must display the case docket number, CAA-05-2007-0023, and the billing document number 2750703A026.

I have enclosed an executed copy of an Administrative Consent Order between, and the United States Environmental Protection Agency.

If you have any questions regarding this case, please contact Sabrina Argenitieri, Associate Regional Counsel at

(312) 353-5485.

Sincerely yours,



William L. MacDowell, Chief  
Minnesota/Ohio Air Enforcement and Compliance Assurance Section

cc: Ann Foss, Chief, Major Air and Construction Section  
Majors and Remediation Division  
Minnesota Pollution Control Agency

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 5**

<b>IN THE MATTER OF:</b>	)	Docket No. <b>CAA-05-2007-0023</b>
	)	
MAGELLAN PIPELINE COMPANY, L.P. Roseville, Minnesota	)	Proceeding to Assess a Civil Penalty under § 113(d) of the Clean Air Act, 42 U.S.C.
<b>Respondent</b>	)	§ 7413(d)
	)	
	)	

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**Consent Agreement and Final Order**

**Preliminary Statement**

1. This is an administrative action commenced under § 113(d) of the Clean Air Act (the Act), 42 U.S.C. 7413(d), and Sections 22.1(a)(2), 22.13(b), and 22.18(b) of the Consolidated Rules of Practice Concerning the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits (Consolidated Rules) as codified at 40 C.F.R. Part 22 (2004).
2. Complainant is the Director of the Air and Radiation Division, United States Environmental Protection Agency, Region 5 (U.S. EPA).
3. Respondent is Magellan Pipeline Company, L.P. (Magellan), a partnership doing business in Minnesota.
4. Where the parties agree to settle one or more causes of action before the filing of a complaint, the administrative action may be commenced and concluded simultaneously by the issuance of a Consent Agreement and Final Order (CAFO). 40 C.F.R. § 22.13(b) (2004).
5. The parties agree that settling this action without the filing of a complaint or the adjudication of any issue of fact or law is in their interest and in the public interest.
6. Respondent consents to entry of this CAFO and the assessment of the specified civil penalty, and agrees to comply with the terms of the CAFO.

**Jurisdiction and Waiver of Right to Hearing**

7. Magellan admits the jurisdictional allegations in this CAFO, and neither admits nor denies the factual allegations in this CAFO.

8. Magellan waives its right to request a hearing as provided at 40 C.F.R. § 22.15(c), any right to contest the allegations in this CAFO, and its right to appeal this CAFO.

#### Statutory and Regulatory Background

9. Section 502(a) of the Act, 42 U.S.C. § 7661a(a), and 40 C.F.R. § 70.7(b) provide that, after the effective date of any permit program approved or promulgated under Title V of the Act, no source subject to Title V may operate except in compliance with a Title V permit.
10. Section 502(a) of the Act, 42 U.S.C. § 7661a(a), among other things, makes the prohibition on operating without a Title V operating permit applicable to sources subject to standards or regulations under sections 111 or 112 of the Act.
11. 40 C.F.R. § 70.1(b) provides that all sources subject to the Part 70 regulations shall have a permit to operate that assures compliance by the source with all applicable requirements, as defined in 40 C.F.R. § 70.2.
12. Section 503(c) of the Act, 42 U.S.C. § 7661b(c), requires any person required to have a permit under Title V to timely submit an application for a permit.
13. 40 C.F.R. § 70.5(a) provides that an owner or operator shall submit a timely and complete permit application in accordance with Part 70 requirements.
14. 40 C.F.R. §§ 70.5(a)(2) and 70.5(c) require that the application for a Title V permit must include citation and description of all applicable requirements, and that the application may not omit information needed to determine the applicability of, or to impose any applicable requirement.
15. On June 16, 1995, U.S. EPA granted interim approval to Minnesota Air Rule 7007 as Minnesota's Title V Operating Permit Program. 60 Fed. Reg. 31637. U.S. EPA fully approved the program on December 4, 2001. 66 Fed. Reg. 62967. The approval became effective on November 30, 2001.
16. Minnesota Air Rule 7007.0150, Subpart 1, prohibits the owner or operator of an emissions unit, emission facility, or stationary source from operating or modifying that emissions unit, emission facility, or stationary source except in compliance with an air emission permit from the Minnesota Pollution Control Agency (MPCA).

17. Minnesota Air Rule 7007.0200, Subpart 1, requires the owner or operator of a major source, as defined in 7007.0200, Subpart 2, to obtain a part 70 (Title V) permit from the MPCA.
18. Minnesota Air Rule 7007.0500 requires that the application for a Title V permit must include citation and description of all applicable requirements, and that the application may not omit information needed to determine the applicability of, or to impose any applicable requirement.
19. Pursuant to § 111 of the Act, 42 U.S.C. § 7411, U.S. EPA promulgated on April 4, 1980, as amended on April 8, 1987, the Standards of Performance for Storage Vessels for Petroleum Liquids for Which Construction, Reconstruction, or Modification Commenced After May 18, 1978, and Prior to July 23, 1984 (hereinafter, "the 1978/1984 Storage Vessel NSPS"). 45 Fed. Reg. 23379. U.S. EPA codified the 1978/1984 Storage Vessel NSPS at 40 C.F.R. 60, Subpart Ka, §§ 60.110a through 60.115a.
20. The 1978/1984 Storage Vessel NSPS applies to the owner or operator or each petroleum liquid storage vessel with a storage capacity greater than 40,000 gallons for which construction or modification is commenced after May 18, 1978.
21. On December 16, 1975, U.S. EPA promulgated General Provisions pertaining to the modification of an existing facility as defined in 40 C.F.R. § 60.2 and codified the modification provisions at 40 C.F.R. § 60.14.
22. 40 C.F.R. § 60.14(a) sets forth:

Except as provided under 40 C.F.R. § 60.14(e) and (f), any physical or operational change to an existing facility which results in an increase in the emission rate to the atmosphere of any pollutant to which a standard applies shall be considered a modification within the meaning of § 111 of the Act. Upon modification, an existing facility shall become an affected facility for each pollutant to which a standard applies and for which there is an increase in the emission rate to the atmosphere.
23. Section 113(a)(3) of the Act, 42 U.S.C. § 7413(a), authorizes the Administrator to initiate an enforcement action whenever the Administrator finds, among other things, that any person has violated or is in violation of a

requirement or prohibition of Title V of the Act, or any rule promulgated, issued or approved under Title V of the Act.

24. The Administrator of U.S. EPA (the Administrator) may assess a civil penalty of up to \$27,500 per day of violation of the Act up to a total of \$220,000 for violations that occurred from January 31, 1997 through March 15, 2004, and may assess a civil penalty of up to \$32,500 per day of violation up to a total of \$270,000 for violations that occurred after March 15, 2004 under Section 113(d)(1) of the Act, 42 U.S.C. § 7413(d)(1), and 40 C.F.R. Part 19 (2004).
25. Section 113(d)(1) of the Act limits the Administrator's authority to matters where the first alleged date of violation occurred no more than 12 months prior to initiation of the administrative action, except where the Administrator and Attorney General of the United States jointly determine that a matter involving a longer period of violation is appropriate for an administrative penalty action.
26. The Administrator and the Attorney General of the United States, each through their respective delegates, have determined jointly that an administrative penalty action is appropriate for the period of violations alleged in this CAFO.

#### **Factual Allegations**

27. Magellan owns and operates petroleum liquid storage vessels at 2451 W County Road C, Roseville, Minnesota (hereinafter, "the Roseville Terminal").
28. The Roseville Terminal is a "major source" as that term is defined in Minnesota Air Rule 7007.0200, Subpart 2.
29. In 1954, Magellan, or one of its predecessors, commenced construction of storage vessels 813, 814, 822, 824, and 827 at the Roseville Terminal.
30. Each storage vessel cited in paragraph 29, above, has a fixed roof design with a storage capacity greater than 40,000 gallons. Magellan and its predecessors stored petroleum liquids as defined in 40 C.F.R. § 60.111a, in each storage vessel. The true vapor pressure of the petroleum liquids was less than 1.0 psia at 68°F.

31. Prior to any physical or operational changes, storage vessels 813, 814, 822, 824, and 827 at the Roseville Terminal were existing petroleum liquid storage vessels under 40 C.F.R. 60, Subpart Ka, as those terms are defined in 40 C.F.R. §§ 60.2 and 60.111a.
32. In 1981, Magellan, or one of its predecessors, commenced the installation of an internal floating roof for each of the storage vessels 813, 814, 822, 824, and 827 at the Roseville Terminal.
33. After Magellan, or one of its predecessors, installed the internal floating roofs on the storage vessels at the Roseville Terminal, Magellan and its predecessors have stored gasoline, a petroleum liquid as defined in 40 C.F.R. § 60.111a, in the storage vessels at the Roseville Terminal.
34. Magellan, or one of its predecessors, installed an internal floating roof, an air pollution control device or system for a storage vessel, on each storage vessel because the owner or operator wanted to store a petroleum liquid with a higher true vapor pressure. Consequently, U.S. EPA concludes that the NSPS modification applicability exemptions set forth in 40 C.F.R. § 60.14(e)(4) and (5) do not apply.
35. The true vapor pressure of the gasoline that Magellan and its predecessors have stored in the storage vessels at the Roseville Terminal ranges between approximately 6.0 and 9.0 psia at 68°F.
36. The range of the true vapor pressure of gasoline is higher than the true vapor pressure of fuel oil. Consequently, U.S. EPA concludes that the pound per hour emission rate of volatile organic compounds from the storage vessels at the Mankato, Rosemount, and Roseville Terminals increased when Magellan ceased to store fuel oil and started to store gasoline.
37. Thus, U.S. EPA concludes that Magellan, or one of its predecessors, modified Magellan's storage vessels 813, 814, 822, 824, and 827 at the Roseville Terminal, pursuant to 40 C.F.R. § 60.14. Consequently, U.S. EPA concludes that these storage vessels have been affected petroleum liquid storage vessels since Magellan installed the internal floating roofs and began to store gasoline in the storage vessels at the Roseville Terminal.

38. Magellan's Title V permit application for the Roseville Terminal did not identify nor provide information sufficient to determine that the 1978/1984 Storage Vessel NSPS is an applicable requirement for storage vessels 813, 814, 822, 824, and 827 at the Roseville Terminal.

#### Violations

39. Magellan's failure to include in its Title V permit application for the Roseville Terminal identification of, or information sufficient to determine the applicability of the 1978/1984 Storage Vessel NSPS to storage vessels 813, 814, 822, 824, and 827 at the Roseville Terminal, constitutes a violation of section 503 of the Act, and regulations at 40 C.F.R. §§ 70.1 and 70.5, and Minnesota Air Rule 7007.

#### Civil Penalty

40. Based on analysis of the factors specified in Section 113(e) of the Act, 42 U.S.C. § 7413(e), the facts of this case, and information that Magellan has submitted, U.S. EPA has determined that an appropriate civil penalty to settle this action is \$ 5,000.

41. Magellan must pay the \$ 5,000 civil penalty by cashier's or certified check payable to the "Treasurer, United States of America" within 30 days after the effective date of this CAFO.

42. Magellan must send the check to:

U.S. Environmental Protection Agency  
Region 5  
P.O. Box 371531  
Pittsburgh, Pennsylvania 15251-7531

43. A transmittal letter, stating Respondent's name, complete address, the case docket number, and the billing document number must accompany the payment. Respondent must write the case docket number and the billing document number on the face of the check. Respondent must send copies of the check and transmittal letter to:

Attn: Regional Hearing Clerk, (E-19J)  
U.S. Environmental Protection Agency, Region 5  
77 West Jackson Blvd.  
Chicago, Illinois 60604-3511

Attn: Compliance Tracker, (AE-17J)  
Air Enforcement and Compliance Assurance Branch  
Air and Radiation Division  
U.S. Environmental Protection Agency, Region 5  
77 West Jackson Blvd.  
Chicago, Illinois 60604-3511

Sabrina Argentieri, (C-14J)  
Office of Regional Counsel  
U.S. Environmental Protection Agency, Region 5  
77 West Jackson Blvd.  
Chicago, Illinois 60604-3511

44. This civil penalty is not deductible for federal tax purposes.
45. If Magellan does not pay timely the civil penalty, U.S. EPA may bring an action to collect any unpaid portion of the penalty with interest, handling charges, nonpayment penalties and the United States' enforcement expenses for the collection action under Section 113(d)(5) of the Act, 42 U.S.C. § 7413(d)(5). The validity, amount and appropriateness of the civil penalty are not reviewable in a collection action.
46. Interest will accrue on any overdue amount from the date payment was due at a rate established under 31 U.S.C. § 3717. Magellan will pay a \$15 handling charge each month that any portion of the penalty is more than 30 days past due. Magellan will pay a quarterly nonpayment penalty each quarter during which the assessed penalty is overdue according to Section 113(d)(5) of the Act, 42 U.S.C. § 7413(d)(5). This nonpayment penalty will be 10 percent of the aggregate amount of the outstanding penalties and nonpayment penalties accrued from the beginning of the quarter.

#### Final Statement

47. This CAFO resolves only Respondent's liability for federal civil penalties for the violations alleged in the Violations section of this CAFO.
48. This CAFO does not affect the right of U.S. EPA or the United States to pursue appropriate injunctive or other equitable relief or criminal sanctions for any violation of law.

49. This CAFO does not affect Magellan's responsibility to comply with the Act and other applicable federal, state and local laws, and regulations. Except as provided in paragraph 47 above, compliance with this CAFO will not be a defense to any actions subsequently commenced pursuant to federal laws and regulations administered by Complainant.
50. Magellan certifies that it is complying fully with the applicable requirements of the 1978/1984 Storage Vessel at the Roseville Terminal.
51. This CAFO constitutes an "enforcement response" as that term is used in "U.S. EPA's Clean Air Act Stationary Source Civil Penalty Policy" to determine Magellan's "full compliance history" under Section 113(e) of the Act, 42 U.S.C. § 7413(e).
52. The terms of this CAFO bind Magellan, and its successors, and assigns.
53. Each person signing this consent agreement certifies that he or she has the authority to sign this consent agreement for the party whom he or she represents and to bind that party to its terms.
54. Each party agrees to bear its own costs and attorneys' fees in this action.
55. This CAFO constitutes the entire agreement between the parties.

IN THE MATTER OF:

MAGELLAN MIDSTREAM PARTNERS, L.P. d/b/a MAGELLAN PIPELINE  
COMPANY, L.P., Roseville, Minnesota

U.S. Environmental Protection Agency, Complainant

8/17/07  
Date

for Mary P. Tepsa  
Stephen Rothblatt, Director  
Air and Radiation Division  
U.S. Environmental Protection Agency  
Region 5 (A-18J)

Magellan Pipeline Company, L.P., Respondent

7-25-07  
Date

Phil Olson  
Richard Olson  
Vice President, Pipeline Operations  
Magellan Pipeline Company, L.P.



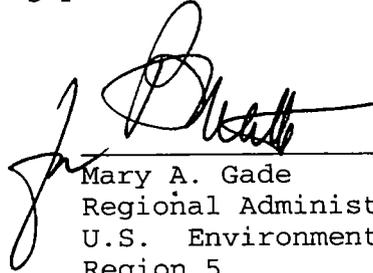
Magellan Midstream Partners, L.P., d/b/a Magellan Pipeline  
Company, L.P.

Docket No. CAA-05-2007-0023

**Final Order**

It is ordered as agreed to by the parties and as stated in the consent agreement, effective immediately upon filing of this CAFO with the Regional Hearing Clerk. This final order disposes of this proceeding pursuant to 40 C.F.R. § 22.18.

8/29/07  
Date



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Mary A. Gade  
Regional Administrator  
U.S. Environmental Protection Agency  
Region 5  
77 West Jackson Boulevard  
Chicago, Illinois 60604-3511

Protecting the environment is everyone's responsibility. Help EPA fight pollution by reporting possible harmful environmental activity. To do so, visit EPA's website at <http://www.epa.gov/compliance/complaints/index.html>.

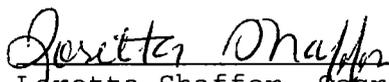
In the Matter of Magellan Midstream Partners, L.P. d/b/a Magellan Pipeline Company, L.P.  
Docket No. AA-05-2007-0023

**CERTIFICATE OF SERVICE**

I, Loretta Shaffer, certify that I hand delivered to the Regional Hearing Clerk, Region 5, United States Environmental Protection Agency, the original and one copy of the Administrative Complaint and the Consent Agreement and Final Order, docket number CAA-05-2007-~~0023~~. Further, I certify that I mailed correct copies of the Administrative Complaint and Consent Agreement and Final Order, in the Administrative Complaint by first-class, postage prepaid, certified mail, return receipt requested, to the Respondent and Respondent's Counsel by placing them in the custody of the United States Postal Service addressed as follows:

Michael D. Graves, Esq.  
Hall & Estill  
320 South Boston Avenue  
Suite 400  
Tulsa, OK 74103-3708

on the 31<sup>ST</sup> day of August, 2007.

  
\_\_\_\_\_  
Loretta Shaffer, Secretary  
AECAS (MN-OH)

CERTIFIED MAIL RECEIPT NUMBER: 7001 0320 0005 8919 1853

REGIONAL HEARING CLERK  
AUG 31 2007

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 5

IN THE MATTER OF: )  
 )  
MAGELLAN PIPELINE COMPANY, L.P. ) **Administrative Consent Order**  
Roseville, Minnesota )  
 ) **EPA-5-07-113(a)-MN-03**  
**Respondent** )  
 )  
Proceeding Under )  
Sections 113(a)(3) and 114 )  
of the Clean Air Act, )  
42 U.S.C. § 7413(a)(3) and 7414 )

**Administrative Consent Order**

1. The Director of the Air and Radiation Division, United States Environmental Protection Agency (U.S. EPA), Region 5, is issuing this Order to Magellan Pipeline Company, L.P., (Magellan) under Sections 113(a)(3)(B) and 114 of the Clean Air Act (Act), 42 U.S.C. §§ 7413(a)(3)(B) and 7414.

**Statutory and Regulatory Background**

2. Under Section 113(a)(3)(B) of the Act, 42 U.S.C. § 7413(a)(3)(B), the Administrator of U.S. EPA may issue an order requiring compliance to any person who has violated or is violating Title V of the Act. The Administrator has delegated this authority to the Director of the Air and Radiation Division.
3. Section 502(a) of the Act, 42 U.S.C. § 7661a(a), and 40 C.F.R. § 70.7(b) provide that, after the effective date of any permit program approved or promulgated under Title V of the Act, no source subject to Title V may operate except in compliance with a Title V permit.
4. Section 502(a) of the Act, 42 U.S.C. § 7661a(a), among other things, makes the prohibition on operating without a Title V operating permit applicable to sources subject to standards or regulations under sections 111 or 112 of the Act, 42 U.S.C. §§ 7411 and 7412.
5. 40 C.F.R. § 70.1(b) provides that all sources subject to the Part 70 regulations shall have a permit to operate that assures compliance by the source with all applicable requirements, as defined in 40 C.F.R. § 70.2.

6. Section 503(c) of the Act, 42 U.S.C. § 7661b(c), requires any person required to have a permit under Title V to timely submit an application for a permit.
7. 40 C.F.R. § 70.5(a) provides that an owner or operator shall submit a timely and complete permit application in accordance with Part 70 requirements.
8. 40 C.F.R. §§ 70.5(a)(2) and 70.5(c) require that the application for a Title V permit must include citation and description of all applicable requirements, and that the application may not omit information needed to determine the applicability of, or to impose any applicable requirement.
9. On June 16, 1995, U.S. EPA granted interim approval to Minnesota Air Rule 7007 as Minnesota's Title V Operating Permit Program. 60 Fed. Reg. 31637. U.S. EPA fully approved the program on December 4, 2001. 66 Fed. Reg. 62967. The approval became effective on November 30, 2001.
10. Minnesota Air Rule 7007.0150, Subpart 1, prohibits the owner or operator of an emissions unit, emission facility, or stationary source from operating or modifying that emissions unit, emission facility, or stationary source except in compliance with an air emission permit from the Minnesota Pollution Control Agency (MPCA).
11. Minnesota Air Rule 7007.0200, Subpart 1, requires the owner or operator of a major source, as defined in 7007.0200, Subpart 2, to obtain a part 70 (Title V) permit from the MPCA.
12. Minnesota Air Rule 7007.0500 requires that the application for a Title V permit must include citation and description of all applicable requirements, and that the application may not omit information needed to determine the applicability of, or to impose any applicable requirement.
13. Pursuant to section 111 of the Act, 42 U.S.C. § 7411, U.S. EPA promulgated on April 4, 1980, as amended on April 8, 1987, the Standards of Performance for Storage Vessels for Petroleum Liquids for Which Construction, Reconstruction, or Modification Commenced After May 18, 1978, and Prior to July 23, 1984 (hereinafter, "the 1978/1984 Storage Vessel NSPS"). 45 Fed. Reg. 23379. U.S. EPA codified the 1978/1984 Storage Vessel NSPS at 40 C.F.R. 60, Subpart Ka, §§ 60.110a through 60.115a.
14. The 1978/1984 Storage Vessel NSPS applies to the owner or

operator or each petroleum liquid storage vessel with a storage capacity greater than 40,000 gallons for which construction or modification is commenced after May 18, 1978.

15. On December 16, 1975, U.S. EPA promulgated General Provisions pertaining to the modification of an existing facility as defined in 40 C.F.R. § 60.2 and codified the modification provisions at 40 C.F.R. § 60.14.
16. 40 C.F.R. § 60.14(a) sets forth:

Except as provided under 40 C.F.R. § 60.14(e) and (f), any physical or operational change to an existing facility which results in an increase in the emission rate to the atmosphere of any pollutant to which a standard applies shall be considered a modification within the meaning of § 111 of the Act. Upon modification, an existing facility shall become an affected facility for each pollutant to which a standard applies and for which there is an increase in the emission rate to the atmosphere.
17. The Administrator may require any person who owns or operates an emission source to "make reports; install, use and maintain monitoring equipment; sample emissions; provide information required by the Administrator" under Section 114(a)(1) of the Act, 42 U.S.C. § 7414(a)(1). The Administrator has delegated this authority to the Director of the Air and Radiation Division.

#### Findings

18. Magellan owns and operates petroleum liquid storage vessels at 2451 W County Road C, Roseville, Minnesota (hereinafter, "the Roseville Terminal").
19. The Roseville Terminal is a "major source" as that term is defined in Minnesota Air Rule 7007.0200, Subpart 2.
20. In 1954, Magellan, or one of its predecessors, commenced construction of storage vessels 813, 814, 822, 824, and 827 at the Roseville Terminal.
21. Each storage vessel cited in paragraph 20, above, has a fixed roof design with a storage capacity greater than 40,000 gallons. Magellan and its predecessors stored petroleum liquids as defined in 40 C.F.R. § 60.111a, in each storage vessel. The true vapor pressure of the petroleum liquids was less than 1.0 psia at 68°F.

22. Prior to any physical or operational changes, storage vessels 813, 814, 822, 824, and 827 at the Roseville Terminal were existing petroleum liquid storage vessels under 40 C.F.R. 60, Subpart Ka, as those terms are defined in 40 C.F.R. §§ 60.2 and 60.111a.
23. In 1981, Magellan, or one of its predecessors, commenced the installation of an internal floating roof for each of the storage vessels 813, 814, 822, 824, and 827 at the Roseville Terminal.
24. After Magellan, or one of its predecessors, installed the internal floating roofs on the storage vessels at the Roseville Terminal, Magellan and its predecessors have stored gasoline, a petroleum liquid as defined in 40 C.F.R. § 60.111a, in the storage vessels at the Roseville Terminal.
25. Magellan, or one of its predecessors, installed an internal floating roof, an air pollution control device or system for a storage vessel, on each storage vessel because the owner or operator wanted to store a petroleum liquid with a higher true vapor pressure. Consequently, U.S. EPA concludes that the NSPS modification applicability exemptions set forth in 40 C.F.R. § 60.14(e)(4) and (5) do not apply.
26. The true vapor pressure of the gasoline that Magellan and its predecessors have stored in the storage vessels at the Roseville Terminal ranges between approximately 6.0 and 9.0 psia at 68°F.
27. The range of the true vapor pressure of gasoline is higher than the true vapor pressure of fuel oil. Consequently, U.S. EPA concludes that the pound per hour emission rate of volatile organic compounds from the storage vessels at the Mankato, Rosemount, and Roseville Terminals increased when Magellan ceased to store fuel oil and started to store gasoline.
28. Thus, U.S. EPA concludes that Magellan, or one of its predecessors, modified Magellan's storage vessels 813, 814, 822, 824, and 827 at the Roseville Terminal, pursuant to 40 C.F.R. § 60.14. Consequently, U.S. EPA concludes that these storage vessels have been affected petroleum liquid storage vessels since Magellan installed the internal floating roofs and began to store gasoline in the storage vessels at the Roseville Terminal.
29. Magellan's Title V permit application for the Roseville

Terminal did not identify nor provide information sufficient to determine that the 1978/1984 Storage Vessel NSPS is an applicable requirement for storage vessels 813, 814, 822, 824, and 827 at the Roseville Terminal.

30. Magellan's failure to include in its Title V permit application for the Roseville Terminal identification of, or information sufficient to determine the applicability of the 1978/1984 Storage Vessel NSPS to storage vessels 813, 814, 822, 824, and 827 at the Roseville Terminal, constitutes a violation of section 503 of the Act, and regulations at 40 C.F.R. §§ 70.1 and 70.5, and Minnesota Air Rule 7007.

#### Compliance Program

31. Magellan shall comply with the requirements of the 1978/1984 Storage Vessel NSPS at its Roseville Terminal facility.
32. Within 90 days of the effective date of this Order, Magellan shall submit to the MPCA a request and an application to amend its Title V permit for the Roseville Terminal to include as permit conditions all applicable requirements of the 1978/1984 Storage Vessel NSPS, including but not limited to the requirements of the 1978/1984 Storage Vessel NSPS with respect to storage vessels 813, 814, 822, 824, and 827.
33. Magellan shall cooperate with MPCA and make best efforts to ensure the Title V permit for the Roseville Terminal is modified in accordance with this Order.
34. Magellan shall simultaneously submit to U.S. EPA a copy of any documentation submitted to MPCA pertaining to its permit modification requests.
35. Magellan shall notify U.S. EPA of the date the final modified permit is issued.
36. Magellan must send all reports and documentation required by this Order to:

Attention: Compliance Tracker (AE-17J)  
Air Enforcement and Compliance Assurance Branch  
U.S. EPA, Region 5  
77 West Jackson Boulevard  
Chicago, Illinois 60604

#### General Provisions

37. This Order does not affect Magellan's responsibility to

comply with other local, state, and federal laws and regulations.

38. This Order does not restrict U.S. EPA's authority to enforce any section of the Act.
39. Nothing in this Order limits U.S. EPA's authority to seek appropriate relief, including penalties under Section 113 of the Act, 42 U.S.C. § 7413, for Magellan's violation of the Act.
40. Failure to comply with this Order may subject Magellan to penalties of up to \$32,500 per day for each violation under Section 113 of the Act, 42 U.S.C. § 7413, and 69 Fed. Reg. 7121 (Feb. 13, 2004) (amending 40 C.F.R. Part 19).
41. The terms of this Order are binding on Magellan, its assignees and successors. Magellan must give notice of this Order to any successors in interest, prior to transferring ownership, and must simultaneously verify to U.S. EPA, at the above address, that Magellan has given the notice.
42. This Order is not subject to the Paperwork Reduction Act, 44 U.S.C. § 3501 et seq., because it seeks collection of information by an agency from specific individuals or entities as part of an administrative action or investigation. To aid in our electronic record keeping efforts, please provide your response to this Order without staples. Paper clips, binder clips, and 3-ring binders are acceptable.
43. U.S. EPA may use any information submitted under this Order in an administrative, civil or criminal action.
44. Magellan neither admits nor denies the factual allegations and findings in this Order or the finding of violation, but Magellan agrees to the terms of this Order and waives any right to contest or appeal the issuance of this Order.
45. This Order is effective on the date of signature by the Director of the Air and Radiation Division. This Order will terminate one year from the effective date, provided that Magellan has complied with all terms of the Order throughout its duration.

U.S. Environmental Protection Agency

*Mary P. Tysa*

*8/17/07*

*for*

Stephen Rothblatt, Director  
Air and Radiation Division  
U.S. Environmental Protection Agency  
Region 5 (A-18J)

Date

Magellan Pipeline Company, L.P.

*Richard Olson*

*7-25-07*

Richard Olson  
Vice President, Pipeline Operations  
Magellan Pipeline Company, L.P.



Date