

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

July 26, 2007

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STATE OF ILLINOIS
Pollution Control Board

MARATHON PIPE LINE LLC)	
)	
Petitioner,)	
)	
v.)	
)	IEPA-07-DB01
ILLINOIS ENVIRONMENTAL PROTECTION)	
AGENCY,)	(Provisional
)	Variance- Air)
Respondent.)	
)	

Re: Request for Provisional Variance – Marine Terminal Vapor Collection and Control Requirements

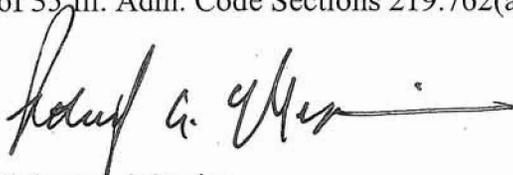
On June 29, 2007, the Illinois EPA received from Marathon Pipe Line LLC (“MPL”) a request for provisional variance, with supplemental information provided by letter dated July 9, 2007, to allow the barge loading and shipment of crude oil at Wood River Station, located in Wood River, Illinois, without the required vapor collection and control system designed to control volatile organic material (“VOM”) emissions. The request was accepted for review pursuant to the requirements of the Illinois Environmental Protection Act (“Act”) and the applicable regulations.

The Illinois EPA evaluated the request pursuant to the requirements of Sections 35, 36, and 37 of the Act and the Agency regulations at 35 Ill. Adm. Code Part 180. MPL seeks provisional variance from permit conditions 6(b) and 9(b) pertaining to gasoline or crude oil loadout and VOM emissions limitations relative to barge loading operations, respectively, contained within Federally Enforceable State Operating Permit (“FESOP”) number 73021451 and 35 Ill. Adm. Code Part 219 Subpart GG (Marine Terminals) volatility standards. The Illinois EPA is denying the request for provisional variance as the source has failed to demonstrate that an arbitrary and unreasonable hardship will result in the event of a denial.

As set forth within the request, in October 2006, MPL completed design plans and purchased equipment to facilitate the installation of one marine vapor combustion unit (“MVCU”) estimating approximately 11 months for the manufacture, delivery, and installation of the control system. On March 22, 2007, the Illinois EPA issued to MPL construction permit number 06120048 allowing the construction of one MVCU to control

VOM emissions generated during barge loading operations described within a permit application received by the Illinois EPA, on December 26, 2006. MPL seeks a provisional variance from vapor collection and control system requirements asserting the ability to conduct barge loading operations during the period August 1 through September 14, 2007, without utilizing a MVCU to control VOM emissions, will help smooth the domestic energy logistical network and mitigate foreign crude oil logistical dislocations, diversify supply alternatives, reduce the impact of hurricane disruptions, and capture the security of supply foreign crude oil provides.

Having evaluated the request, the Illinois EPA has determined compliance with 35 Ill. Adm. Code Part 219 Subpart GG requirements will not impose an arbitrary and unreasonable hardship. Based upon information contained within the request, the schedule implemented by MPL to design, purchase, and install one MVCU is self-imposed. In addition, information has not been received demonstrating that an unanticipated disruption in the loading, shipment, and supply of domestic and/or foreign crude oil is imminent. Accordingly, the Illinois EPA is denying relief to MPL from conditions 6(b) and 9(b) pertaining to control requirements and VOM emissions generated during barge loading operations, respectively, and the applicable requirements of 35 Ill. Adm. Code Sections 219.762(a) and (b).

A handwritten signature in black ink, appearing to read "Robert A. Messina", with a long horizontal line extending to the right.

Robert A. Messina
Chief Counsel

cc: IPCB, Clerk