November 18, 2022

MR DAVID GARCIA

DIRECTOR OF AIR AND RADIATION DIVISION

US ENVIRONMENTAL PROTECTION AGENCY REGION 6

1201 ELM ST STE 500

DALLAS TX 75270

Re: Executive Director’s Response to EPA Objection

Minor Revision

Permit Number: O4169

Gulf Coast Growth Ventures LLC

Gulf Coast Growth Ventures

Gregory, San Patricio County

Regulated Entity Number: RN109753731

Customer Reference Number: CN605632439

Dear Mr. Garcia:

On May 13, 2022, the U.S. Environmental Protection Agency (EPA) Region 6 Office signed a letter identifying objections to federal operating permit O4169 for the above referenced site in response to a citizen petition filed on February 24, 2021. In accordance with Title 30 Texas Administrative Code § 122.360 (30 TAC § 122.360), the Texas Commission on Environmental Quality (TCEQ) shall resolve any objection and revise the permit if necessary.

EPA objections are addressed in a pending minor permit revision application that was submitted on September 27, 2022. The TCEQ has completed the technical review and offers the enclosed responses to facilitate resolution of the objections. In addition, the attached responses to the objections describe the changes, if applicable, that have been made to the revised proposed permit and supporting statement of basis (SOB). The revised proposed permit and SOB are attached for your review.

The public announcement period will begin November 22, 2022, and end December 22, 2022. In addition, if no comments are received, the EPA review period will run concurrent with the announcement and will end on January 6, 2023. If comments are received, you will be notified.

Consistent with 30 TAC §122.350, please notify the TCEQ that the EPA will not further object to the issuance of the permit and concurs resolution of the prior objections as soon as possible. If the EPA does not notify the TCEQ or file any further objections to the proposed FOP during the 45-day review period, the TCEQ will consider the objections resolved and issue the FOP.

Thank you for your cooperation in this matter. Please contact Mr. Rick Goertz at (512) 239-1294 if you have any questions concerning this matter.

Sincerely,



Samuel Short, Deputy Director

Air Permits Division

Office of Air

Texas Commission on Environmental Quality

cc: Ms. Hanh Tran, Environmental Advisor, Gulf Coast Growth Ventures LLC, Gregory

 Air Section Manager, Region 14 - Corpus Christi

 Air Permit Section Chief, U.S. Environmental Protection Agency, Region 6 - Dallas

Enclosure: TCEQ Executive Director’s Response to EPA Objection

Proposed Permit

Statement of Basis

Project Number:  34327

**Executive Director’s Response to EPA Objection**

**Permit Number O4169**

The Texas Commission on Environmental Quality (TCEQ) Executive Director (ED) provides this Response to EPA’s Objection to of the Federal Operating Permit (FOP) for Gulf Coast Growth Ventures LLC, Gulf Coast Growth Ventures, Permit No. O4169, San Patricio County, Texas.

**Background**

Procedural Background

The Texas Operating Permit Program requires that owners and operators of sites subject to 30 Tex. Admin. Code (TAC) Chapter 122 obtain a FOP that contains all applicable requirements to facilitate compliance and improve enforcement. The FOP does not authorize construction or modifications to facilities, and it does not authorize emission increases. To construct or modify a facility, the responsible party must have the appropriate new source review authorization. If the site is subject to 30 TAC Chapter 122, the owner or operator must submit a timely FOP application for the site and ultimately must obtain the FOP to operate. Gulf Coast Growth Ventures applied to the TCEQ for a new Title V permit (project 29423) for the Gulf Coast Growth Venture facility located in Gregory, San Patricio County on August 21, 2019. In response to a public petition filed in 2021, TCEQ received an objection to the permit from EPA on May 13, 2022.

In accordance with state and federal rules, the permit minor revision may not be issued until TCEQ resolves EPA’s objections.

Description of Site

Gulf Coast Growth Ventures (GCGV) owns and operates the GCGV facility, located at 6414 County Road 1612, Gregory Texas 78359.

The GCGV facility is a grassroots olefin and derivatives manufacturing complex located near Gregory in San Patricio County, which includes a process unit that will convert market pipeline ethane to olefins (“the Olefins unit”) and multiple derivative units which will receive the ethylene, produced in the Olefins unit, as feed. The derivative units include two polyethylene units and a Mono-Ethylene Glycol (MEG) Unit. The utilities and infrastructure onsite support facilities include steam, rail, cooling water, liquid transport, and wastewater treatment. The facility is a major source of volatile organic compounds, particulate matter, nitrogen oxides, hazardous air pollutants, and greenhouse gases, and is subject to Title V of the CAA. Emission units within the facility are also subject to the PSD program, other preconstruction permitting requirements, and various New Source Performance Standards (NSPS) and National Emission Standards for Hazardous Air Pollutants (NESHAP and MACT).

The following responses follow the references used in EPA’s objection letter.

**Claim 2: The Petitioners Claim That “The Proposed Permit Fails to Include and Assure Compliance with All Applicable Requirements.”**

**EPA Objection:** In order to resolve the EPA’s objection to Claim 2, TCEQ must revise the Title V permit to clearly include or incorporate the monitoring or emission calculation methods necessary to assure compliance with the applicable requirements of Permit No. PSDTX1418/146425. To the extent TCEQ incorporates such requirements by reference, it must identify the specific document incorporated by reference and the specific location within such document that contains the relevant calculation methods.

**TCEQ Response:** As directed by EPA, the proposed permit incorporates the latest issuance of SIP-approved, federally enforceable version of Permit No. PSDTX1418/146425 into the Title V permit. The permit was revised on September 23, 2022 to identify the specific pages of calculation methods within the application used to assure compliance with emission limitations.