

TCEQ Develops Standard Permit for Marine Loading Operations

Article By:

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On December 18, 2020, the Texas Commission on Environmental Quality (TCEQ) published notice of its intent to issue a non-rule standard permit for Marine Loading Operations (MLO). ^[i] The 30 day comment period ends on January 22 and instructions for the submittal of written comments are provided in the notice. A telephonic public meeting will be held on January 21 at 10:00 a.m. Instructions for participation are provided in the notice. In addition, the standard permit section of the TCEQ website includes a background document and a copy of the permit. ^[ii]

Interested parties should consider using these opportunities for public participation to comment on the standard permit. All comments will be considered and the standard permit may be modified in response to comments.

TCEQ may issue standard permits for specific, well characterized classes of facilities as authorized under the Texas Health and Safety Code Chapter 382 (the Texas Clean Air Act). The standard permit must include a list of authorized facilities and activities as well as general and operational requirements. To use the standard permit, MLO facilities must meet all the requirements in the standard permit, register and pay a fee. Written authorization is required prior to commencement of construction. The MLO standard permit may also be used for existing or modified facilities. An updated registration, payment and prior written approval is required if there is a change in the method of control or character of emissions, a change results in an increase in previously reported concentrations of a contaminant at the property boundary, a change in a previously reported emission rate or a change resulting in the emission of a new contaminant.

MLOs transfer and store gases and liquids using various types of storage, loading and control equipment. The MLO standard permit specifically describes facilities and activities authorized under the standard permit. Other facilities or activities must be authorized using other permit mechanisms. The standard permit specifically exempts certain Standard Industrial Classification (SIC) Codes from authorization, including 1311 (Crude Oil Petroleum and Natural Gas), 1321 (Natural Gas Liquids), 4612 (Crude Petroleum Pipelines), 4613 (Refined Petroleum Pipelines), 4922 (Natural Gas Transmission), and 4923 (Natural Gas Transmission and Distribution). ^[iii] The sources covered by the standard permit registration must operate independently from sources covered by other permitting mechanisms to ensure the protectiveness review covers all impacts from the MLO.

Prior to the issuance of the MLO standard permit, MLO facilities must use a combination of Permits by Rule (PBR) or a case-by-case New Source Review (NSR) Permit. Authorizing MLO construction and operations under PBRs creates inherent limitations and the NSR permitting process can be lengthy and subjects the facility to notice and comment with the potential for public hearing. In order to develop the MLO standard permit, TCEQ staff reviewed authorized facilities to develop common methods of operation, control techniques, emission rate calculation methodologies and air contaminants. A Best Available Control Technology (BACT) analysis was also performed.

The MLO standard permit requires an air quality analysis of the potential impact on the environment and human health associated with the emissions and addresses specific operational and monitoring requirements. The MLO standard permit only applies to facilities with chemicals for which an effects screening level (ESL) has been established and listed on the Toxicity Factor Database. A benzene analysis is required if concentrations of benzene in gasoline or crude oil is greater than 1%. A methyl tertiary-butyl-ether (MTBE) analysis is required if MTBE is present in any gasoline.

The requirements in the MLO standard permit include submission of calculations for all sources of emissions using TCEQ approved calculation methodologies. To be authorized, the registration must include the emissions. In addition, certain equipment such as vapor combustion units, vapor oxidizers, boilers and heaters must undergo initial performance testing to demonstrate compliance with the calculations in the registration application.

The MLO standard permit may not cover all facilities. It is however a means to bring clarity, greater operational flexibility and a more expeditious process for the construction, modification and operation of MLOs.

[i] See Public Notice available [1218ia \(1\)](#) (find at 45 Tex Reg 9309)

[ii] Copies are available here

[iii] SIC Code 1311 covers operating oil and gas field properties. Such activities may include exploration for crude petroleum and natural gas; drilling, SIC Code 1321 covers establishments primarily engaged in producing liquid hydrocarbons from oil and gas field gases. SIC Code 4612 covers establishments primarily engaged in the pipeline transportation of crude petroleum. SIC Code 4613 covers establishments primarily engaged in the pipeline transportation of refined products of petroleum, such as gasoline and fuel oil. SIC Code 4922 covers establishments engaged in the transmission and/or storage of natural gas for sale. SIC Code 4923 covers establishments engaged in both the transmission and distribution of natural gas for sale.

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