

NOTICE OF THE OPPORTUNITY FOR PUBLIC COMMENT

GEORGIA DEPARTMENT OF NATURAL RESOURCES
ENVIRONMENTAL PROTECTION DIVISION
AIR PROTECTION BRANCH

STATE OF GEORGIA
COUNTY OF CHATHAM
NOTICE OF PSD PRELIMINARY DETERMINATION AND
DRAFT PART 70 OPERATING PERMIT MODIFICATION

To All Interested Parties:

The Georgia Environmental Protection Division (EPD) announces its intent to modify Part 70 Air Quality Operating Permit No. 4922-051-0003-V-01-0 issued to Southern LNG Inc. - Elba Island LNG Terminal by the issuance of Prevention of Significant Deterioration (PSD) Permit Amendment No. 4922-051-0003-V-01-2. The facility is located at Elba Island, Savannah, Georgia. The facility operates a liquefied natural gas (LNG) terminal.

The primary purpose of this permit amendment is to authorize the installation and operation of six 121.4 MM Btu/hr natural gas fired liquefied natural gas (LNG) vaporizer boilers with ID Nos. V009 – V014, two LNG storage tanks with ID Nos. D-5 and D-6, an 11.74 MM Btu/hr natural gas fired heated vent stack heater with ID No. B002, and associated LNG pumps and piping. The Georgia Environmental Protection Division is preparing Title V Operating Permits in accordance with Title V of the Clean Air Act. This permit amendment will be enforceable by the Georgia EPD, the U.S. Environmental Protection Agency (EPA), and other persons as otherwise authorized by law.

The draft permit, preliminary determination, and all information used to develop the draft permit are available for review. This includes the application and all other relevant materials available to the permitting authority. This information is available for review at the office of the Air Protection Branch, 4244 International Parkway, Atlanta Tradeport - Suite 120, Atlanta, Georgia 30354. A copy of the application is also available for review at GA EPD Coastal District (Savannah) Office located at 6555 Abercorn St., Suite 130, Savannah, GA 31405 (Telephone: 912-353-3225), along with a copy of the draft permit, narrative, and application summary. Copies of the draft Title V permit, narrative, PSD Preliminary Determination, and application summary will be available at our internet site <http://www.georgiaair.org/airpermit> by selecting “Permits and Title V Applications” and then “PSD/112(g)/NAA-NSR/PCP Permits” on the menu. (Please note that the Internet is generally accessible from most public libraries in Georgia and at the Air Protection Branch office listed above.)

If copies are desired, a copying machine for public use is provided by EPD at the Atlanta Air Protection Branch office. The first 25 copies are free of charge and every page thereafter costs \$0.10 per page. Copies will be made on a first-come, first-served basis. Files are available for review and copying 8:30 a.m. to 4:00 p.m., Monday – Friday, excluding holidays.

You are hereby notified of the opportunity to submit written public comments concerning the draft Part 70 Operating Permit Modification. Persons wishing to comment on the draft Part 70 Operating Permit Modification are required to submit their comments, in writing, to EPD at the Atlanta Air Protection Branch address above. Comments must be received by the EPD no later than 30 days after the date on which this notice is published in the newspaper. (Should the comment period end on a weekend or holiday, comments will be accepted up until the next working day.) The Division, in making its final decision to issue the Part 70 permit, will consider all comments received on or prior to that date.

You are also hereby notified of the opportunity to submit written public comments concerning the PSD application for the modification at the Southern LNG Inc. - Elba Island LNG Terminal facility and the EPD's Preliminary Determination concerning the application. The Preliminary Determination is a summary of the technical review of the application and contains a copy of the Company's application along with supporting documents and the draft Permit Amendment. The draft permit serves as both a draft PSD construction permit and a draft Part 70 operating permit amendment.

You are hereby notified of the opportunity to request a public hearing regarding the draft Part 70 Operating Permit Modification or the PSD preliminary determination. Any requests for a public hearing must be made in writing within the 30-day public comment period. Such requests should specify in detail the portion of the Air Quality Control Rules which the individual believes may not have been adequately reviewed. A public hearing may be held if the Director of the EPD finds that such a hearing would assist the EPD in a proper review of the proposed facility's capability to comply with the requirements of Federal and State Air Quality Control regulations. State laws specify that a permit shall be issued on evidence satisfactory to the Director of compliance with applicable State and Federal regulations and requirements.

The Division has concluded that Southern LNG Inc. - Elba Island LNG Terminal's application should be approved and that a permit should be granted. This conclusion is based upon evidence that the proposed project, when completed, will comply with the Division's Rules for Air Quality Control, Chapter 391-3-1; that the emissions from the facility will not cause or contribute to a violation of any applicable National Ambient Air Quality Standard (NAAQS) or Prevention of Significant Deterioration (PSD) increment, and will comply with the PSD Regulations, 40 CFR 52.21, including the use of Best Available Control Technology (BACT) for regulated pollutants.

Net emission increases of volatile organic compounds (VOC), particulate matters (PM/PM10), and sulfur dioxide (SO₂) from the proposed project do not exceed the significant emission levels established by the PSD regulation. The net emission increases of nitrogen oxides (NO_x) and carbon monoxide (CO) from the proposed project exceed the significant emission levels established by the PSD regulation. The Division has determined that these emissions will not cause an adverse impact on ambient air quality, and the air quality levels should pose no significant health risk around the terminal.

The PSD regulations allow specific maximum incremental increases in ambient concentrations of nitrogen dioxide (NO₂). EPD has determined that the maximum predicted impacts of additional NO₂ due to the proposed modification will consume 21.6 percent of the annual NO₂ PSD increment. Thus EPD has concluded that the facility will not adversely affect the air quality (i.e., exceed the allowable incremental increases in ambient concentrations of NO₂).

With regard to the Class I areas (i.e., the Wolf Island National Wildlife Refuge, Okefenokee National Wildlife Refuge, and Cape Romain National Wildlife Refuge), EPD has determined that the allowable NO₂ emissions from the terminal due to the proposed modification will consume 0.324, 0.0480, and 0.0804 percent of the Class I annual NO₂ PSD increment for the Wolf Island National Wildlife Refuge, Okefenokee National Wildlife Refuge, and Cape Romain National Wildlife Refuge, respectively. With this in mind, EPD has concluded that the facility will not adversely affect the air quality (i.e., exceed the allowable Class I incremental increases in ambient concentrations of NO₂).

Following the 30 day public comment period, as required by PSD and Part 70 regulations, a proposed amendment, incorporating any changes that result from comments received during the public comment period, will be made available to U.S. EPA and affected states. In accordance with Part 70 regulations, EPA Region 4 has a 45-day period in which to review this proposed permit amendment. Information pertaining to U.S. EPA's review period can be found on their website at www.epa.gov/region4/air/permits.

After the comment periods have expired, the EPD will consider all comments, make any necessary changes, and issue the Part 70 Operating Permit and a Final Determination. Copies of the final Title V Operating Permit, Final Determination, comments received, EPD's responses to comments, and any other relevant information will then be made available for public review during normal business hours at the office of the Air Protection Branch. A summary of comments and any changes made to the final permit will be found in an addendum to the narrative. A copy of this narrative, final Title V permit, and the Final Determination will be added to the information already available at the Internet addresses given above.

For additional information, contact James Capp, Program Manager, Stationary Source Permitting Program, at the Atlanta address, or by phone at 404/363-7000. Please refer to this notice when requesting information.