DEPARTMENT OF ENVIRONMENTAL QUALITY
AIR QUALITY DIVISION
ACTIVITY REPORT: Scheduled Inspection

B904149669

FACILITY: CITGO PETROLEUM CORP		**SRN / ID:** B9041
LOCATION: 2001 MORRILL RD, JACKSON		**DISTRICT:** Jackson
CITY: JACKSON		**COUNTY:** JACKSON
CONTACT: Kevin Salgat , Terminal Manager		**ACTIVITY DATE:** 07/25/2019
STAFF: Stephanie Weems	**COMPLIANCE STATUS:** Compliance	**SOURCE CLASS:** SM OPT OUT
SUBJECT: Scheduled inspection.		
RESOLVED COMPLAINTS:		

Scheduled Partial Compliance Inspection (PCE) and Full Compliance Evaluation (FCE) of Citgo Petroleum Corp (B9041).

Facility Contacts:

Kevin Salgat – Terminal Manager

Phone: 517-787-6645

Email: ksalgat@citgo.com

Website: citgo.com

Purpose

On July 25, 2019 I conducted an unannounced compliance inspection of Citgo Petroleum Corp located at 2001 Morrill Rd. Jackson, MI. The purpose of the inspection was to determine the facility's compliance status with the applicable federal and state air pollution regulations, particularly Michigan Act 451, Part 55, Air Pollution Control Act and administrative rules and Opt-out Permit to Install (PTI) 103-06A.

Facility Location

The facility is located in a rural area of Jackson. It is surrounded by trees to the East and South, with a residential area located to the Northeast.

Facility Background

PTI 103-06A was approved for this facility on December 21, 2011.

A Full Compliance Evaluation (FCE) and Inspection (PCE) was conducted September 15, 2015 by AQD staff. At that time, the facility was found to be in compliance.

This Citgo Petroleum Corp facility is a petroleum bulk station and terminal. The facility has many storage tanks consisting of both fixed roof and floating roof tanks.

Regulatory Applicability

Active Permits:

Opt-Out Permit PTI 103-06A for the following emission units:

Emission Unit ID	Emission Unit Description (Process Equipment & Control Devices)	Flexible Group ID
EULOADRACK	3 bay loading rack (8 gasoline loading arms and 5 diesel loading arms) controlled by a vapor recovery unit (VRU) – modified in 1982.	NA
EUTANK1	1,386,000 gallon internal floating roof storage tank – floating roof installed in 1972.	FGIFRTANKS

Emission Unit ID	Emission Unit Description (Process Equipment & Control Devices)	Flexible Group ID
EUTANK2	1,012,200 gallon internal floating roof storage tank – floating roof installed in 2012	FGIFRTANKS
EUTANK3	1,331,400 gallon internal floating roof storage tank – floating roof installed in 1972.	FGIFRTANKS
EUTANK4	1,486,800 gallon vertical fixed roof storage tank – installed before August 15, 1972.	NA
EUTANK5	1,579,200 gallon internal floating roof storage tank – installed in 1972.	FGIFRTANKS
EUTANK6	2,310,000 gallon internal floating roof storage tank – installed in 1977.	FGIFRTANKS
EUTANK9	10,000 gallon above ground horizontal gasoline additive storage tank – installed in 1990.	NA
EUTANK10	8,000 gallon above ground horizontal gasoline additive storage tank – installed in 1990.	NA
EUTANK11	6,000 gallon above ground horizontal diesel additive storage tank.	NA
EUTANK12	8,000 gallon above ground horizontal diesel additive storage tank – installed in 1990.	NA
EUTANK13	30,000 gallon fixed roof ethanol storage tank – installed in 2005.	NA
EUTANK14	30,000 gallon fixed roof ethanol storage tank – installed in 2005.	NA
EUTANK20	10,000 gallon fixed roof petroleum contact water storage tank.	NA
EUOWS	10,000 gallon horizontal underground oil/water separator storage tank.	NA
EUKNOCKOUT	550 gallon horizontal underground VRU knockout storage tank.	NA
Changes to the equipment described in this table are subject to the requirements of R 336.1201, except as allowed by R 336.1278 to R 336.1290.		

MAERS:

Facility reported 22.01 tons of VOC emitted in 2018.

This facility is subject to the following federal regulations:

- 40 CFR Part 60, Subpart A – General Provisions

- 40 CFR Part 60, Subpart K – Standards of Performance for Storage Vessels for Petroleum Liquids for Which Construction, Reconstruction, or Modification Commenced After June 11, 1973, and Prior to May 19, 1978.

- 40 CFR Part 60, Subpart XX – Standards of Performance for Bulk Gasoline Terminals

- 40 CFR Part 63, Subpart BBBBBB – National Emission Standards for Hazardous Air Pollutants (NESHAP) for Source Category: Gasoline Distribution Bulk Terminals, Bulk Plants, and Pipeline Facilities

Though EGLE does not have delegation over the NESHAP – Subpart BBBBBB, compliance reports submitted by the company indicate that they are maintaining compliance with this subpart.

Arrival & Facility Contact

No visible emissions or odors were observed upon my approach to the facility. I arrived at approximately 10:00 AM, proceeded to the facility office to request access for an inspection, provided my identification, and met with Kevin Salgat, the terminal manager.

NOTE: To gain access to the facility, a phone call must be made to Kevin or the assistant manager for them to open the gate. Entrance will be granted through the truck exit gate.

A pre-inspection discussion was held with Kevin. I informed him of my intent to conduct a facility inspection and to review the various records as necessary. Kevin extended his full cooperation during the inspection, accompanied me during the full duration of the inspection, and fully addressed my questions.

Pre-Inspection Meeting

I began by providing Kevin with a copy of their PTI, a copy of the most recent inspection report, and a list of records that would be needed to determine compliance.

The plant has 2 employees, Kevin and his assistant manager. Their normal work hours span from 6:30 AM to 4:30 PM with additional hours put in for emergencies or loads outside of normal working hours.

Kevin began by explaining the process of the tanks and the loading racks. He explained how the load arm loads a truck at about 475-600 gallons per minute. He also explained the procedures the truck drivers take before entering the load rack, including conducting an inspection for unsafe conditions.

Onsite Inspection

Before beginning the onsite inspection, Kevin explained the dangers of going into the tank farm. I then had to sign a safety waiver so that I could climb to the top of one of the tanks.

EULOADRACK

Consists of 3 bays (8 gasoline loading arms and 5 diesel loading arms) controlled by a vapor recovery unit (VRU).

The VRU is under the control of the Marathon bulk terminal across the street. Kevin explained that, if there were ever to be an issue with the VRU, Citgo's load rack would be locked out to loading. They would only be able to resume loading when all alarms are cleared.

Due to dangers associated with the load rack and the need to be fitted with a fire-resistant jumpsuit, we did not go under the load rack. Kevin did, however, point out the vapor hoses that are used at the rack to ensure proper vapor collection. Procedures for the operation of control measures required by Rule 609 continue to remain posted near the loading device as required by the permit.

FGIFRTANKS

Consisting of 5 internal floating-roof storage tanks (EUTANK1, EUTANK2, EUTANK3, EUTANK5, and EUTANK6).

A tour of the tank field was conducted. The field is very neat and well maintained. Kevin explained that EUTANK1 is out of service currently and has been since August of 2016. We climbed to the top of Tank 1 so Kevin could explain the different aspects of the tank. We were able to see the vent at the top-middle of the tank, and Kevin opened a hatch to a small opening where you would normally be able to see the floating roof inside. He also explained how each tank is equipped with ports for testing and quality purposes. They check for leaks on these tanks on a quarterly basis.

FGFACILITY

Consisting of all process equipment source-wide including equipment covered by other permits, grand-fathered equipment and exempt equipment.

The facility has 9 tanks in addition to those in FGIFRTANKS. All of these tanks, except for Tank 15, are listed in the facility's PTI.

Overall, the facility appeared well-kept and maintained.

Post-Inspection Meeting

I held a brief post-inspection meeting with Kevin. We reviewed the permit and the previous inspection report. Kevin looked over the list of emission units in the PTI and stated that the only changes were that EUTANK1 was out of service and they have another ethanol tank – Tank 15.

When asked about the LDAR monitoring, Kevin showed me the binder where they keep the procedures and records for the checks they conduct. He also explained how a daily walkthrough of the facility is done, noting any sights, smells, or sounds. He said if anything is found during these walkthroughs, repairs are initiated as quickly as possible.

I also asked Kevin about the testing/sampling condition for EULOADRACK. This condition discusses testing of any vapor collection system subject to the provisions of subrule 6 of Rule 627. Kevin said the last test was conducted in November of 2010, and any future testing would be initiated my Marathon as the VRU is controlled by them.

Finally, I asked about any boilers or engines that may be located or used by the site. Kevin stated that they don't have any boilers or engines.

I thanked Kevin for his time and cooperation, and I departed the facility around 10:40AM.

Recordkeeping Request

The following records were requested from the facility:

DOCUMENT REQUEST

ALL RECORDS ARE REQUESTED FROM JULY 2018 TO PRESENT

EULOADRACK

1. Throughput records (12 month rolling) for the following:
   - Gasoline (Condition EULOADRACK II.1.a)
   - Diesel (Condition EULOADRACK II.1.b)
   - Ethanol (Condition EULOADRACK II.1.d)
2. Gallons per month of diesel used without the VRU operating (Condition EULOADRACK II.1.c)
3. Gallons per month of ethanol used without the VRU operating (Condition EULOADRACK II.1.e)
4. Monthly and 12 month rolling records of:
   - Controlled VOC emission calculations (Condition EULOADRACK VI.4.a)
   - Fugitive VOC emission calculations (Condition EULOADRACK VI.4.b.)
   - Miscellaneous VOC emission calculations (Condition EULOADRACK VI.4.c)
5. Records of compliance with leak tests for each vessel (Condition EULOADRACK VI.5.a)
6. Records of part replacements, repairs, and maintenance for loading rack control device (Condition EULOADRACK VI.5.b)
7. Records of all vapor recovery unit malfunctions or failures (Condition EULOADRACK VI.5.c)
8. All recordkeeping requirements for compliance with Condition EULOADRACK VI.6

FGIFRTANKS

9. Monthly and 12 month rolling throughput records for each specific product. (Condition FGIFRTANKS VI.2)
10. Monthly and 12 month rolling VOC emission calculation records (Condition FGIFRTANKS VI.3)
11. Records of petroleum liquid stored, the period of storage, and max true vapor pressure of that liquid during storage period for EUTANK6. (Condition FGIFRTANKS VI.4.a)
12. Records of inspections and operating information for EUTANK2 (Condition FGIFRTANKS VI.5)

FGFACILITY

13. Monthly and 12 month rolling VOC, individual HAP, and total HAP emission rate calculations (Condition FGFACILITY VI.2)

Recordkeeping/Compliance Review

After reviewing AQD's facility files, it appears that the installation of Tank 15 was demonstrated to meet PTI exemption Rule 284(2)(i) in June of 2012. AQD district and permit staff worked with Citgo to determine applicability. Since Tank 15 was installed by itself and not part of a project, AQD staff determined the installation of this tank would meet the exemption. AQD staff informed Citgo that emissions from this tank would still need to be reported under their FG-FACILITY emission limits.

Attachment 1 shows material throughput values, VOC emissions, and HAP emissions. All material throughput limits reported show compliance with permit limits in EULOADRACK II.1. VOC and HAP emissions also show compliance with all permit limits.

Attachment 2 shows gasoline tank truck pressure/vacuum test records for different gasoline tank trucks. These documents show compliance with Citgo's requirement to keep records of emissions and operating information to comply with the federal Standards of Performance for New Stationary sources as specified in 40 CFR Part 60 Subparts A and XX. These records show compliance with EULOADRACK SC VI.6.

Attachment 3 is the facility records for equipment leak detection and repair. These records show compliance.

Attachment 4 is the facility records for Citgo's quarterly internal floating roof seal inspections. These records show compliance.

Attachment 5 is the VRU inspection, maintenance, and malfunction records. These records show compliance.

Attachment 6 is the preventative maintenance plan (PMP) for EULOADRACK, as well as the daily checklist that the facility follows to check for maintenance and leak issues. These records show compliance.

Compliance Summary

Based upon the facility inspection, review of the records, and review of applicable requirements the company was found to be in compliance at the time of this inspection.

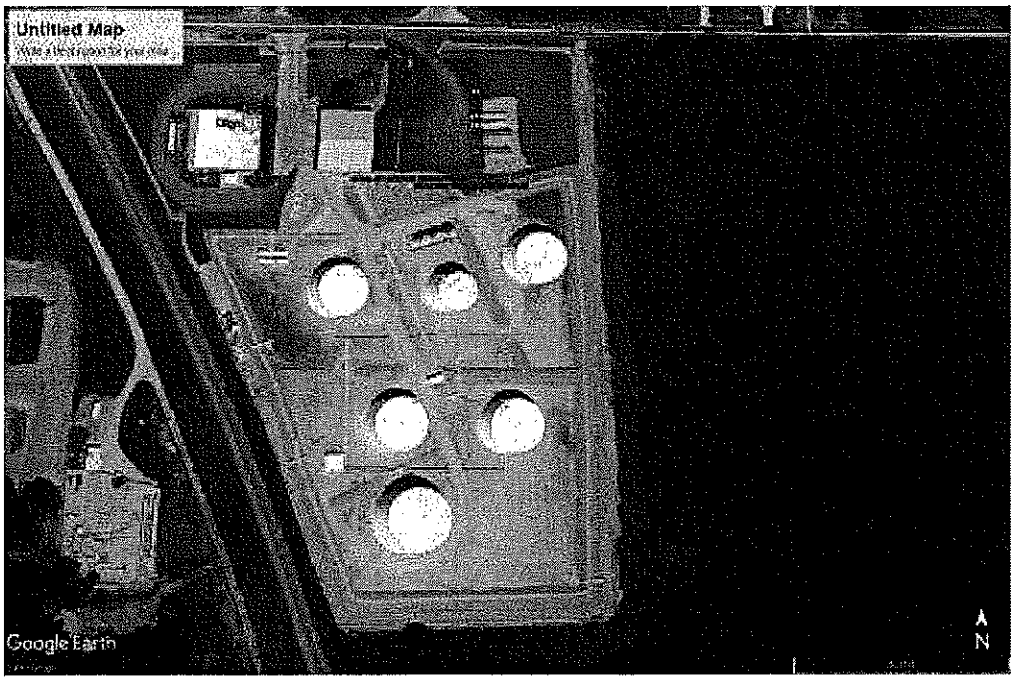

Image 1(1) : Aerial view

NAME _____ DATE 8.2.19 SUPERVISOR _____