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

| FACILITY: SAVOY ENERGY LP | | SRN / ID: N7903 |
|--|---------------------------------------|---------------------------|
| LOCATION: NE 1/4 PF NE 1/4 SEC 4, MANISTEE TWP | | DISTRICT: Cadillac |
| CITY: MANISTEE TWP | | COUNTY: MANISTEE |
| CONTACT: | | ACTIVITY DATE: 08/11/2014 |
| STAFF: Caryn Owens | COMPLIANCE STATUS: Compliance | SOURCE CLASS: MINOR |
| SUBJECT: Field Inspection and | Records Review | |
| RESOLVED COMPLAINTS: | · · · · · · · · · · · · · · · · · · · | |

On Monday, August 11, 2014, Caryn Owens of the DEQ-AQD conducted a scheduled on-site inspection of the Savoy Energy, LP (Savoy) facility (N7903) located in the northeast quarter of the northeast quarter, of Section 4, T22N, R16W in Manistee Township, Manistee County, Michigan. More specifically the site was located on the west side of Miller Road, approximately 1.25 miles from Orchard Highway (M-22) and Miller Road split. The purpose of this inspection was to determine the facility's compliance with permit to install (PTI) 352-07. The site is currently a minor site, and only the glycol dehydrator is covered in PTI 352-07. The engine and separator are listed as exempt equipment under R 336.1282(b)(i), and the 400-bbl above ground storage tanks are listed as exempt equipment under R 336.1284(e). The site is an area source for National Emission Standards for Hazardous Air Pollutants (NESHAP) 40 CFR Part 63 Subpart HH, and NESHAP 40 CFR Part 63 Subpart ZZZZ. The State of Michigan does not have delegated authority of the area source NESHAPs, and thus these areas were not reviewed by the DEQ.

DEQ was unaccompanied during the field inspection, and an inspection brochure was not given to anyone at the facility. The weather was cloudy, about 70°F, with calm winds from the south.

The site consists of: a compressor building with a small Catepillar G3306 NA compressor (145hp) inside; a heater treater separator unit; four 400-barrel above ground storage tanks; and a glycol dehydrator system containing, a reboiler, flash tank, and condenser unit. The compressor was operating at 486 rpm, and 46 psi. A heat shimmer was observed from the compressor stack, and a steam plume was observed from the flash tank off the glycol dehydrator system. Slight petroleum-like odors were present inside the compressor building and near the glycol dehydrator system. The odors were not present off site.

Records Reviewed

Emission Limits: The facility is limited to no more than 9.24 tons per 12-month rolling time period of volatile organic compounds (VOCs), and no more than 40 pounds (lbs) per month of benzene. Based on the records reviewed, the highest emissions between July 2013 through July 2014 were 0.7544 tons per 12-month rolling time period of VOCs and 0.0006 lbs of benzene per month, which are compliant with the permitted limits.

Materials/Fuels: The facility shall not use stripping gas in EUDEHY01. Based on the records reviewed, the facility does not use stripping gas for the glycol dehydrator system.

Process/Operational Parameters: The glycol re-circulation rate shall not exceed 0.2 gallons per minute and the EUDEHY01 condenser exhaust gas temperature shall not exceed 125°F. Based on the records reviewed between July 2013 and July 2014, the highest glycol re-circulation rate was 0.0832 gallons per minute, and the condenser exhaust temperature did not exceed 85°F, which are compliant with the permitted limits.

Testing Sampling Equipment: During the inspection, DEQ observed a flash tank and condenser connected to EUDEHY01 which appeared to be operating properly.

DEQ obtained an analysis report of the wet gas stream sampled from the facility, sampled on August 14, 2014.

Monitoring/Recordkeeping: The facility monitors the exhaust gas temperature on a continuous basis, and the glycol recirculation rate is determined by counting the pump strokes and calculating a flow rate on a daily basis.

Reporting: The facility calculates the VOC and benzene emission rates from EUDEHY01 for each month and 12-month rolling time period. The calculated emission rates are within permitted limits, and are discussed above under Emission Limits, above. The records are well kept.

Evaluation Summary: Based on the field inspection and records review, the facility is in compliance with PTI 352-07, and no further actions are necessary at this time.

MACES- Activity Report

NAME ____

Caryn Chris DATE 2/28/14 SUPERVISOR

http://intranet.deq.state.mi.us/maces/WebPages/ViewActivityReport.aspx?ActivityID=24514496 9/2/2014