

PETRO MARINE SERVICES

A Petroleum Marketing and Distribution Company

Ms. Brittany Crutchfield
Alaska Department of Environmental Conservation
Air Permits Program
555 Cordova Street
Anchorage, Alaska 99501

April 15, 2021

Subject: Comments on Draft Owner Requested Limit, AQ0057ORL01, for Petro 49, Inc.'s Douglas Terminal

Dear Ms. Crutchfield:

On behalf of Petro 49, Inc., I am submitting comments which request changes to the Department's Draft Owner Requested Limit (ORL) for our Douglas, Alaska Terminal. The text below addresses several details of the ORL which are important to change to ensure that Petro 49, Inc. is fully capable of complying with the terms and conditions of the ORL. Furthermore, I am also requesting that the ORL be changed to incorporate an operational and infrastructure change that is currently in-progress. The infrastructure change will not result in changing the ORL specified annual gasoline throughput limit.

Requested changes to the Draft ORL:

- 1) Condition 1 contains an apparent typographical error in that it states: "The owner/operator shall limit gasoline throughput ...to no more than 10,0000 gallons...". The limiting gasoline throughput volume requested was 10,000,000 gallons. Please change the condition to reflect 10 million gallons. This change also needs to be incorporated into Table 2 of the ORL.
- 2) Condition 1.3. requires that monthly gasoline throughput values from each Emission Unit be calculated and recorded at the "end of each calendar month". Similarly Condition 1.4 requires that the monthly EU specific throughput values be summed for a facility wide gasoline throughput total at "the end of the month". Condition 1.5 then requires that the rolling 12-month aggregate gasoline throughput be "calculated and recorded" at "the end of the month". Petro 49, Inc. does not object to performing these tasks, yet completing these at the close of business on the last day of each month creates an impractical and unnecessary constraint on operations. While the end of the month goal may be attainable for some months, it is not realistically attainable every month. There are many important and some critical tasks associated with a monthly close out. This is not one of those. We suggest the language of all three sub-conditions use the phrase: "within 7 days after the last day of each month".
- 3) Condition 1.6 appears to have an error. The clause refers to Condition 3 for details required for the annual operating report. However, Condition 4 not 3, addresses annual operating reports.
- 4) Table 1 of the ORL identifies Emission Units subject to limits. The table correctly omits storage tanks dedicated to diesel fuel storage as diesel fuel products are not regulated by the terms of the ORL. Applying the same principle, we suggest that EU 11, the tank truck loading rack, should only list gasoline and not also include diesel. We believe this is an important clarification because as written, Table 1 could be interpreted to mean the vapor recovery system (VRU) must also be operated to capture vapors from loading diesel fuel products. As the Department knows, the VRU is a required technology for Gasoline Bulk Terminals under 40 CFR 60, Subpart XX. It is not a required technology for diesel fuel loading operations. We would appreciate the clarification because it is important to our daily facility operations.



- 5) Storage Tank #1 is listed in Table 2 of the Draft ORL as dedicated to storing Jet A fuel. That designation is consistent with our ORL application and historical use of Tank #1. Within the past months Petro 49, Inc. has decided to increase the storage capacity of gasoline products at the Douglas Terminal and commenced actions to convert Tank #1 to gasoline service. As of this date, Tank #1 is being emptied with integrity inspections soon to follow and the subsequent installation of an internal floating roof consistent with federal rules in 40 CFR 60, Subpart Kb. We anticipate that Tank #1 will commence gasoline service in late April.

While this action will increase our storage capacity for gasoline products, we are not requesting to alter the ORL annual gasoline throughput limit of 10 million gallons. Because an additional gasoline storage tank will come into service, VOC emissions will increase modestly. Based upon re-running the EPA Tanks 4.0 model (reports attached) for the revised gasoline storage tank inventory, overall emissions of volatile organic compounds from these tanks will increase from 4.43 to 5.62 tons per year in the event the annual throughput approaches the ORL limit of 10 million gallons.

To reflect the change in operations, Petro 49, Inc. requests the following amendments be made when preparing the final ORL:

- Please change ORL Condition 1 to read:

Owner Requested Limit to keep volatile organic compounds (VOC) emissions below 5.7 tons per year (tpy).

The owner/operator shall limit gasoline throughput for emission units (EUs) 1 through 4 and 6 listed in Table 1 to no more than 10,000,000 gallons of fuel combined for any consecutive 12-month period. Monitor, record, and report as follows: *(note: the subsections of Condition 1 do not require editing)*

- Please amend the **Statement of Avoided Requirement** to include EU ID 1.
- Please amend Table 1 to include EU ID 1 by inserting the following row in Table 1:

EU ID	Unit Description	Capacity (bbls)	Year Construction	Product Stored
1	Gasoline Storage Tank	6,016	1949	Gasoline

- Please amend Table 2 by revising the information presented for EU IDs 1-6 as follows and then also revise the Total Potential to Emit at the bottom of the table to 8.36.

EU ID	Unit ID / Description	Maximum Rating or Capacity	Operating Limits	VOC	
				EF	PTE (tpy)
1	Gasoline Storage Tank	6016 bbls.	10,000,000 gal/yr	Tanks Model 4.0	1.20
2	Gasoline Storage Tank	2417 bbls.			1.04
3	Gasoline Storage Tank	2417 bbls.			1.04
4	Gasoline Storage Tank	2350 bbls.			0.96
6	Gasoline Storage Tank	8952 bbls.			1.39

Petro 49, Inc. very much appreciates the Department's consideration of the above suggested changes to the Draft ORL. We also request to be apprised of comments submitted by other parties concerning the Draft ORL.

Should you have any questions or need additional information, please contact me at 907-865-2325 or email DavidS@Petro49.com. We look forward to receiving a final ORL for the Douglas Terminal.

Sincerely,



David W. Simmerman
Environmental Compliance Manager
Petro Maine Services
2010 East 63rd Avenue
Anchorage, AK, 99507

Enclosure:

Petro 49 Tanks Model Output Reports

Cc:

Matthew Lindsey, Petro 49, via email, w/o enclosure

Jeff Irwin, Petro 49, via email, w/o enclosure

Russell Cooper, Petro 49, via email, w/o enclosure

Tom Chapple, HMH Consulting, LLC via email tom@hmhconsulting.org w/o enclosure

Yesenia Camarena, ADEC Permit Intake Clerk via email Yesenia.camarena@alaska.gov w/o enclosure