DEPARTMENT OF ENVIRONMENTAL QUALITY
AIR QUALITY DIVISION
ACTIVITY REPORT: On-site Inspection

B908558139

FACILITY: BUCKEYE TERMINALS- NILES WEST TERMINAL		SRN / ID: B9085
LOCATION: 2150 SOUTH 3RD STREET, NILES		DISTRICT: Kalamazoo
CITY: NILES		COUNTY: BERRIEN
CONTACT: Tony Kozel , Terminal Operator		ACTIVITY DATE: 05/19/2021
STAFF: Matthew Deskins	COMPLIANCE STATUS: Compliance	SOURCE CLASS: SM OPT OUT
SUBJECT: Announced "Scheduled" Inspection due to current our department's COVID-19 Pandemic Protocols.		
RESOLVED COMPLAINTS:		

On May 19, 2021 AQD staff (Matt Deskins) went to conduct a scheduled inspection of the Buckeye Terminals (B9085) facility located in Niles, Berrien County. This inspection had to be scheduled due to the COVID-19 Pandemic Protocols that are currenlty in place by the department (EGLE). The facility is a petroleum bulk storage terminal and has five petroleum product storage tanks and a two-bay loading rack. The air permit (PTI No. 586-92B) most recently modified and re-issued to the facility back in June 2018 covers the operations of tanks #1 and #3 along with loading rack when doing gasoline storage and distribution. Tanks #1 and #3 are equipped with Internal Floating Roofs (IFRs). These two tanks are also subject to 40 CFR Part 63 Subpart BBBBBB (Gasoline Distribution Bulk Terminals, Bulk Plants, and Pipeline Facilities) but this inspection will not be determining compliance with this regulation since the AQD isn't delegated by the EPA to enforce it. Staff and the facility had scheduled the inspection for 10:00 a.m., so staff departed the district office at approximately 8:35 a.m.

Staff arrived at what Buckeye refers to as their "Main" Niles Terminal (B9132) at approximately 9:50 a.m. This Terminal is located just to the south and east of the one staff would be inspecting. The one staff would be inspecting they refer to as the "West" Niles Terminal and they don't have any employees based there. Its operations are monitored from the "Main" Niles Terminal. Staff then proceeded to the entrance door and rang the bell to notify someone that staff was there. Staff was then greeted by Tony Kozel who is the Lead Terminal Operator and with whom staff had scheduled the inspection with. Staff had also met with Tony during previous inspections of both Buckeye Terminals located in Niles. Tony let staff in and staff proceeded to sign in the log book and then gave him the Covid questionnaire that they had been asked to fill out prior to their arrival. We then went into the conference room where Tony asked where staff would like to start first. Staff responded by saying that they would like to go over the permit requirements and review any records required to be kept by it first, and then we could proceed to go over to where the "West" Terminal is located to look at the equipment. Tony said it would be easier to review and/or go over things in his office so we proceeded there. The following is a summary of staff's discussions with Tony.

As mentioned in the preceding paragraph, Buckeye refers to the Terminal (B9085) as their "West" Terminal. Tony said there still aren't any employees based out of that Terminal and that they still operate it from their "Main" Niles Terminal (B9132) where we were currently located. He said that they do go down there every day to get gauge readings and do their facility check where they ensure all equipment looks good and is functioning. He said that the "West" Terminal is still being used strictly for diesel operations (ULSD) and that the two permitted gasoline tanks (#1 and #3) that have internal floating roofs (IFRs) store ULSD and Trans-Mix respectively. He went on to say that tanks 2, 4, and 5 also store ULSD. Staff then asked what the size of these tanks (2, 4, and 5) were. Tony said that tank 2 is 1,062,012 gallons, tank 4 is 1,259,871 gallons, and tank 5 is 625,881 gallons. These tanks appear to be exempt from permitting under Rule 284(d) which is why they aren't included in the PTI. Staff then asked if they still had the two-bay loading rack to which he replied that they did. He said that Bay 1 is strictly used for diesel loading and Bay 2 strictly for Trans-Mix. Staff then

asked if he ever forsees them putting the "West" Terminal back into gasoline service which he replied that he didn't due to having the "Main" Terminal. Staff then asked how many tankers get loaded out of that "West" Terminal per day and he responded that it still only averages about one per day. He said that most tankers are getting multiple products which they can get at the "Main" Terminal. Staff then asked if they still use the Vapor Combustion Unit (VCU) even while loading the diesel products. He said that they do and that the corporate office still requires it. After the above discussions, staff the proceeded to go through the permit conditions with Tony and the following are the special conditions along with staff's comments regarding them.

NOTE 1: Staff asked Tony to e-mail them some of the records so that staff could review them later. Tony e-mailed these to staff on the same date as the inspection.

NOTE 2: It doesn't appear that a lot of these conditions would currently apply given that they are mainly for gasoline loading and storage which hasn't been done at the "West" Terminal in years (to my knowledge last done around 2008). Also, staff deleted any conditions that were N/A.

SPECIAL CONDITIONS

EMISSION UNIT SUMMARY TABLE

The descriptions provided below are for informational purposes and do not constitute enforceable conditions.

Emission Unit ID	Emission Unit Description (Process Equipment & Control Devices)	Installation Date / Modification Date	Flexible Group ID
EULOADRACK	Two-bay loading rack and associated control device.	1993	NA
EUTANK#1	1,382,000-gallon gasoline storage tank with an internal floating roof with primary and secondary seals.	1972	FGIRTANKS
EUTANK#3	771,000-gallon gasoline storage tank with an internal floating roof with primary and secondary seals.	1972	FGIRTANKS
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			

The following conditions apply to:

EULOADRACK

DESCRIPTION: Two-bay loading rack and associated control device.

Flexible Group ID: NA

POLLUTION CONTROL EQUIPMENT: Vapor Combustion Unit

I. EMISSION LIMITS

Pollutant	Limit	Time Period / Operating Scenario	Equipment	Testing / Monitoring Method	Underlying Applicable Requirements
1. VOC	26.4 pph	Hourly	EULOADRACK	SC VI.3	R 336.1225, R 336.1702(a)
2. VOC	35 mg/L of gasoline loaded	Monthly average	EULOADRACK	SC VI.3	R 336.1225, R 336.1702(a)

AQD Comment: Appears to be in Compliance with the Above. These two limits are based off of gasoline loading which hasn't been done at the "West" Terminal for years. They still maintain monthly VOC emission records based off of diesel and trans-mix throughputs though.

II. MATERIAL LIMITS

Material	Limit	Time Period / Operating Scenario	Equipment	Testing / Monitoring Method	Underlying Applicable Requirements
1. Gasoline	90,000 gallons per hour	Hourly	EULOADRACK	SC VI.2	R 336.1225, R 336.1702(a)
2. Gasoline	23,000,000 gallons per month	Monthly average	EULOADRACK	SC VI.2	R 336.1225, R 336.1702(a)

AQD Comment: Appears to be in Compliance with the Above. The facility hasn't loaded gasoline out of the "West" Terminal for years.

III. PROCESS/OPERATIONAL RESTRICTIONS

1. The permittee shall install, maintain and operate in a satisfactory manner, a vapor tight collection line which delivers the organic vapor to a loading rack control device when loading any delivery vessel with an organic compound having a true vapor pressure greater than 1.5 psia, or when loading a delivery vessel which has previously contained an organic compound

having a true vapor pressure greater than 1.5 psia. (R 336.1225, R 336.1609, R 336.1702(a), R 336.1910)

AQD Comment: Appears to be in Compliance. The loading rack is equipped with a vapor tight collection line which collects vapors during tanker loading and sends them to a control device (enclosed flare) as required. Staff was told that they continue to use the flare even for diesel loading.

1. **The permittee shall not load any delivery vessel with gasoline unless all provisions of Rule 609 and Rule 627 are met. (R 336.1205(1)(a), R 336.1225, R 336.1609, R 336.1627, R 336.1702(d), R 336.1910)**

AQD Comment: Appears to be in Compliance. The facility appears to be complying with all the provisions of AQD Rules 609 and 627. These rules mainly pertain to vapor collection, delivery vessel testing, and equipment inspections. Staff was told that for the Annual Tanker Certification, companies are required to submit them prior to the expiration date of the existing one. Should a driver try to load an un-certified tanker the system will lock both the tanker and the driver out. This prevents the driver from trying to enter in a different tanker number.

1. To minimize loading rack control device downtime, the permittee shall implement and maintain an approved malfunction abatement plan (MAP). The MAP shall include the following:
   a. Recordkeeping provisions for part replacements, repairs and maintenance with respect to the loading rack control device.
   b. Procedures for maintaining and operating EULOADRACK, the loading rack control device, and any monitoring equipment in a satisfactory manner during malfunction events.
   c. A program for corrective action for all malfunction events.

   If the malfunction abatement plan fails to address or inadequately addresses an event that meets the characteristics of a malfunction at the time the plan is initially developed, the owner or operator shall revise the malfunction abatement plan within 45 days after such an event occurs. **(R 336.1205(3), R 336.1225, R 336.1702(a), R 336.1910)**

AQD Comment: Appears to be in Compliance. The facility has a malfunction abatement plan (MAP) and it is a program they have on their computer called JDE. It is also used as a Preventative Maintenance Program and it tracks when maintenance is required on all equipment and documents what is done. The facility does some of their own maintenance on equipment as well as having outside contractors work on equipment as necessary.

IV. DESIGN/EQUIPMENT PARAMETERS

1. The permittee shall not fill any delivery vessel unless the vapor balance system is installed, maintained and operated in a satisfactory manner as follows:

   a. The vapor-tight collection line shall be connected to the delivery vessel before any gasoline is transferred.
   b. The vapor-tight collection line shall close upon disconnection so as to prevent release of gasoline vapor.
   c. Hatch and other openings on the delivery vessel shall be closed and vapor-tight to prevent emission of displaced gasoline vapor during transfer operations, except under emergency conditions.
   d. The liquid transfer line shall be equipped with a device, or a procedure shall be implemented, to prevent liquid drainage from the line when it is disconnected and not in use.

The permittee shall develop written procedures for the operation of all the control measures described above, and such procedures shall be available in an accessible location near the transfer equipment. (R 336.1205(1)(a), R 336.1225, R 336.1608, R 336.1609, R 336.1702(d))

AQD Comment: Appears to be in Compliance. The facility has a vapor recovery system installed and it appears they appear to be maintaining and operating it properly. The facility also has written procedures posted for operating the vapor control unit by the loadout racks.

VI. MONITORING/RECORDKEEPING

Records shall be maintained on file for a period of five years. (R 336.1201(3))

1. **All required calculations shall be completed in a format acceptable to the AQD District Supervisor and made available by the 15th day of the calendar month, for the previous calendar month, unless otherwise specified in any recordkeeping, reporting or notification special condition. (R 336.1205(3), R 336.1225, R 336.1702(a))**

AQD Comment: Appears to be in Compliance.

1. The permittee shall keep records of the EULOADRACK throughput of each specific petroleum product for each calendar month and 12-month rolling time period. All records shall be kept on file for a period of at least five years and made available to the Department upon request. **(R 336.1205(1)(a), R 336.1225, R 336.1702(a))**

AQD Comment: Appears to be in Compliance. The Terminal is only loading out ULSD or Trans-Mix and are tracking all product throughputs.

1. The permittee shall keep the following information on a monthly basis for EULOADRACK:
   a. Controlled VOC emission calculations.
   b. Fugitive VOC emission calculations using an emission factor based on current gasoline distribution facilities loading rack collection system emission factors.
   c. Miscellaneous VOC emission calculations from pumps, valves, and fittings based on current gasoline distribution facilities emission factors.

All records shall be kept on file for a period of at least five years and made available to the Department upon request. (R 336.1205(1)(a), R 336.1225, R 336.1702(a))

AQD Comment: Appears to be in Compliance. As mentioned earlier, gasoline is not being loaded out but the facility is tracking any emissions resulting from diesel and/or trans-mix loading.

1. The permittee shall keep records of the following:
   a. Part replacements, repairs and maintenance for the loading rack control device as specified in the malfunction abatement plan (MAP).
   b. All loading rack control device malfunctions or failures.

All records shall be kept on file for a period of at least five years and made available to the Department upon request. (R 336.1205(1)(a), R 336.1225, R 336.1627, R 336.1702(a), R 336.1910)

AQD Comment: Appears to be in Compliance. The facility is maintaining maintenance records for the loadout rack and control device as specified in the MAP (their JDE computer program).

VIII. STACK/VENT RESTRICTIONS

The exhaust gases from the stacks listed in the table below shall be discharged unobstructed vertically upwards to the ambient air unless otherwise noted:

Stack & Vent ID	Maximum Exhaust Diameter/Dimensions (inches)	Minimum Height Above Ground (feet)	Underlying Applicable Requirements
1. SVVDU	96	45	R 336.1225

AQD Comment: Appears to be in Compliance. The stack on the John Zinc flare for the vapor recovery unity appears to be 96 inches in diameter and 45 feet high as listed in the permit.

FLEXIBLE GROUP SUMMARY TABLE

The descriptions provided below are for informational purposes and do not constitute enforceable conditions.

Flexible Group ID	Flexible Group Description	Associated Emission Unit IDs
FGIFRTANKS	All storage tanks with internal floating roofs.	EUTANK#1, EUTANK#3
FGFACILITY	All process equipment source-wide including equipment covered by other permits, grand-fathered equipment and exempt equipment.	NA

The following conditions apply to:

FGIFRTANKS

DESCRIPTION: All storage tanks with internal floating roofs.

Emission Units: EUTANK#1, EUTANK#3

POLLUTION CONTROL EQUIPMENT: Welded internal floating roofs

I. EMISSION LIMITS

Pollutant	Limit	Time Period/ Operating Scenario	Equipment	Testing / Monitoring Method	Underlying Applicable Requirements
1. VOC	10.53 tpy		FGIFRTANKS	SC VI.2	

Pollutant	Limit	Time Period/ Operating Scenario	Equipment	Testing / Monitoring Method	Underlying Applicable Requirements
		12-month rolling time period as determined at the end of each calendar month.			R 336.1225, R 336.1702(a)

AQD Comment: Appears to be in Compliance with the above. As mentioned earlier, neither of these tanks are used to store gasoline. Tank #1 stores ULSD and #3 Trans-Mix. However, records reviewed by staff indicate 12-Month Rolling VOC emissions for these two tanks ending April 2021 was 1.29 tons.

III. PROCESS/OPERATIONAL RESTRICTIONS

1. The permittee shall not load any stationary vessel with gasoline unless all provisions of Rule 607 and Rule 627 are met. (R 336.1205(1)(a), R 336.1607, R 336.1627, R 336.1910)

AQD Comment: Appears to be in Compliance.

2. The permittee shall not operate any stationary vessel unless all provisions of Rule 604 are met. (R 336.1205(1)(a), R 336.1604)

AQD Comment: Appears to be in Compliance.

IV. DESIGN/EQUIPMENT PARAMETERS

The permittee shall equip and maintain the internal floating roof storage tanks with a welded deck, liquid mounted primary seal configuration, and a secondary seal. (R 336.1205(1)(a), R 336.1604)

AQD Comment: Will Assume they are in Compliance. Staff did not walk up the attached tank ladders to verify, but was told that the two tanks are equipped with internal floating roofs, welded decks, liquid mounted primary seals, and have a secondary seal as required.

VI. MONITORING/RECORDKEEPING

Records shall be maintained on file for a period of five years. (R 336.1201(3))

1. All required calculations shall be completed in a format acceptable to the AQD District Supervisor and made available by the 15th day of the calendar month, for the previous calendar month, unless otherwise specified in any recordkeeping, reporting or notification special condition. (R 336.1205(1)(a))

AQD Comment: Appears to be in Compliance.

1. The permittee shall keep records of the FGIFRTANKS throughput of each specific petroleum product for each calendar month and 12-month rolling time period. All records shall be kept on file for a period of at least five years and made available to the Department upon request. (R 336.1205(1)(a))

AQD Comment: Appears to be in Compliance. The facility is maintaining records of both monthly and 12-month rolling totals of each specific petroleum product (ULSD and trans-mix) through the tanks.

1. The permittee shall keep, in a satisfactory manner, monthly and 12-month rolling time period records of VOC emissions calculations for FGIFRTANKS, as required by SC I.1. All records shall be kept on file for a period of at least five years and made available to the Department upon request. (R 336.1205(1)(a))

AQD Comment: Appears to be in Compliance. The facility is maintaining records of both monthly and 12-month rolling totals of VOC emissions from the two tanks.

IX. OTHER REQUIREMENTS

The permittee shall comply with all applicable provisions of the Standards of Performance for Source Category: Gasoline Distribution Bulk Terminals, Bulk Plants, and Pipeline Facilities, as specified in 40 CFR Part 63, Subpart A and Subpart BBBBBB, as they apply to FGIFRTANKS. (40 CFR 63, Subparts A and BBBBBB)

AQD Comment: Compliance was not determined since the AQD is not delegated by the EPA to enforce this regulation. Also, this regulation might not be currently applicable due to current terminal operations utilizing only ULSD and Trans-Mix.

The following conditions apply Source-Wide to:

FGFACILITY

DESCRIPTION: All process equipment source-wide including equipment covered by other permits, grand-fathered equipment and exempt equipment.

POLLUTION CONTROL EQUIPMENT: NA

I. EMISSION LIMITS

Pollutant	Limit	Time Period / Operating Scenario	Equipment	Testing / Monitoring Method	Underlying Applicable Requirements
1. VOC	70 tpy	12-month rolling time period as determined at the end of each calendar month.	FGFACILITY	SC VI.2	R 336.1205(3), R 336.1225, R 336.1702(a)
2. HAP	Less than 9 tpy	12-month rolling time period as determined at the end of each calendar month.	FGFACILITY	SC VI.2	R 336.1205(1)(a), R 336.1205(3)
3.Total HAP	Less than 22.5 tpy	12-month rolling time period as determined	FGFACILITY	SC VI.2	

Pollutant	Limit	Time Period / Operating Scenario	Equipment	Testing / Monitoring Method	Underlying Applicable Requirements
		at the end of each calendar month.			R 336.1205(1)(a), R 336.1205(3)

AQD Comment: Appears to be in Compliance with all the above. Records reviewed by staff indicate 12-Month Rolling (ending April 2021) Facility-Wide VOC emissions at 2.38 tons, Single HAP (Xylene) at 0.03 tons, and Total HAPs at 0.08 tons.

VI. MONITORING/RECORDKEEPING

Records shall be maintained on file for a period of five years. (R 336.1201(3))

1. All required calculations shall be completed in a format acceptable to the AQD District Supervisor and made available by the 15th day of the calendar month, for the previous calendar month, unless otherwise specified in any recordkeeping, reporting or notification special condition. (R 336.1205(1)(a))

AQD Comment: Appears to be in Compliance.

1. The permittee shall keep, in a satisfactory manner, records of monthly and 12-month rolling time period VOC, individual HAP, and total HAP emission rate calculations for FGFACILITY. All records shall be kept on file for a period of at least five years and made available to the Department upon request. (R 336.1205(1)(a) & (3), R 336.1225, R 336.1702(a))

AQD Comment: Appears to be in Compliance. The facility is maintaining all of the above.

After reviewing some of the records while in Tony's office (and later those that were e-mailed), staff drove down to where the "West" Terminal is located. Tony met staff there a few minutes later and un-locked the gate to gain access to the equipment. While there, staff observed the Loadrack which is still a two-bay system. Staff noted the load out area was very clean and no signs of recent leakage. Staff also observed that the Load-Out Procedures to be followed by the drivers was still displayed. Staff then observed the tank area and the containment berms. Outside of some standing water, no evidence of leakage was around the tanks nor in the berm areas. Staff then observed the enclosed flare. As noted earlier it was manufactured by John Zink. Tony said that they contract with a company called Zeco to come out twice a year to do PM on the unit. He said that they had just been out there the latter part of April or early May.

INSPECTION SUMMARY: The facility appears to be in COMPLIANCE with the terms and conditions of Permit No. 586-92B at the present time. Staff did not make a compliance determination regarding 40 CFR Part 63 Subpart BBBBBB because as mentioned previously, the AQD is not delegated by the EPA to enforce it. Staff thanked Tony for his time and departed the facility at approximately 11:35 a.m.

NAME Matt Dehl DATE 5-26-21 SUPERVISOR RJL 5/27/21