

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

N793136165

FACILITY: LANSING ASPHALT TERMINAL CO		SRN / ID: N7931
LOCATION: 3900 SOUTH CREYTS RD, LANSING		DISTRICT: Lansing
CITY: LANSING		COUNTY: EATON
CONTACT: Kevin Novak, Terminal Manager		ACTIVITY DATE: 08/15/2016
STAFF: Michelle Luplow	COMPLIANCE STATUS: Compliance	SOURCE CLASS: MINOR
SUBJECT: Scheduled, unannounced compliance inspection to determine compliance with PTI 381-07A and conducted in response to the multiple odor complaints in the area.		
RESOLVED COMPLAINTS:		

Inspected by: Michelle Luplow

Personnel Present: Kevin Novak, Terminal Manager ([knovak@interstateterminal.com](mailto:knovak@interstateterminal.com))  
Kevin Gravitt, Terminal Loader

Other Personnel: Chuck Thomas, VP Safety & Special Projects ([cthomas@interstateasphalt.com](mailto:cthomas@interstateasphalt.com))

**Purpose:**

Conduct an unannounced, scheduled compliance inspection by determining compliance with Lansing Asphalt Terminal Company's (LATCO) Permit to Install (PTI) No. 381-07A for asphalt cement storage and transfer. The main purpose for conducting this inspection was in response to multiple asphalt odor complaints within the area.

**Facility Background/Regulatory Overview:**

LATCO, a liquid asphalt storage tank farm, is located approximately ½ mile west of small neighborhoods along Old Lansing Road. They sell liquid AC to Rieth Riley and other asphalt companies.

LATCO operating hours are from 7 a.m. – 3 p.m., K. Novak said, with a security shift from 3 p.m. – 11 p.m. He said they operate year-round.

K. Novak said that all the asphalt cement tanks are empty by the time winter comes. He said that during the winter they will load the product into the tanks so that there is product ready to be shipped out during the summer months. During the winter he said these tanks are not kept up to temperature as they would be during the summer; the tanks/tank lines are kept between 250°-270°F, just warm enough to keep the temperature of the lines ready for transferring product into the tanks.

K. Novak said they have two different grades of liquid asphalt that they store and transfer: 5828 and 6422, which he said have been the only products they've carried since they began operating. There has not been a need, therefore, to conduct cleaning of the liquid asphalt storage tanks, and therefore no emissions associated with cleaning the tanks.

There are 2 natural gas-fired boilers rated at 5.64 MMBtu/hr that are used to heat oil which in turn heats the asphalt cement tanks. There is another natural gas-fired boiler that LATCO installed in May 2016 rated at 3.2 MM Btu/hr that LATCO wants to use to heat the railcar transfer rack when it is installed. These 3 boilers are exempt from a PTI per Rule 282(b)(i).

In the 2007 PTI application, LATCO applied for the installation of a rail transfer rack and an associated natural gas-fired boiler to heat the railcars. The boiler for the railcars was installed in May 2016, and is exempt from a Permit to Install under Rule 282(b)(i) because it is rated at less than 50 MMBtu/hr. K. Novak said the rail transfer rack has not yet been installed. He believes that they may install it in the spring of 2017. The permit for the 2007 application was issued in December 2007. Per Rule 201(4), LATCO would have had to apply for an extension in order to install the railcar transfer rack in 2017; Rule 201(4) requires that a permit be voided if delays in construction or interruption of construction lasts for periods longer than 18 months. Brian Culham addressed in his 6/23/2009 inspection report that the 18-month period would end by mid-June 2009. By 2013, when PTI 381-07A was issued, all other equipment allowed per the PTI were installed except for the rail transfer rack. In light of this, it has been more than 18 months since LATCO received PTI 381-07 and the railcar transfer rack portion of

the PTI is considered null and void. I will inform LATCO of this to ensure that they reapply for a permit for rail transfer if they still have intentions of installing this equipment.

PTI 381-07A was issued in response to violations issued September 2012 and December 2012. Monitoring/Recordkeeping conditions were constructed in an attempt to reduce future complaints of odors in the area.

**Inspection:**

This was an unannounced compliance inspection. At approximately 1:00 p.m. on August 15, 2016, I met with Kevin Novak, Terminal Manager, who opened LATCO's gate to allow me entry. I explained to Kevin why I was there, and explained what I would be looking for. I gave K. Novak a DEQ "Environmental Inspections: Rights and Responsibilities" brochure to illustrate a typical inspection procedure, a July 2014 Permit to Install Exemption handbook, and a Boiler MACT outreach brochure. Upon leaving the site around 2:18, level 2 odors were detected throughout the plant yard. There was no loading or unloading of trucks during the inspection.

<u>EU</u>	<u>Emission Unit description</u>	<u>PTI/Exemption</u>	<u>Status</u>
<u>EUTANK1</u>	2.8 MM gallon storage tank	381-07A	Compliance
<u>EUTANK2</u>	2.8 MM gal storage tank	381-07A	Compliance
<u>EUTANK3</u>	2.8 MM gal storage tank	381-07A	Compliance
<u>EUTANK4</u>	2.8 MM gal storage tank	381-07A	Compliance
<u>EUTANK5</u>	930,000 gal storage tank	381-07A	Compliance
<u>EUTruckTransfer</u>	truck transfer rack for transfers between facility and trucks  Top/splash loading  385 gal/min capacity	381-07A	Compliance
<u>EURailTransfer</u>	Transfer rack between facility and railcars  Top/splash loading  385 gal/min capacity	Void/Null – Rule 201(4)	18+ months since last installation/construction of plant
<u>Boiler</u>	5.6 MMBtu/hr natural gas-fired boiler used to heat thermal oil for asphalt cement tank heating	Rule 282(b)(i)	Compliance
<u>Boiler</u>	5.6 MMBtu/hr natural gas-fired boiler used to heat thermal oil for asphalt cement tank heating	Rule 282(b)(i)	Compliance
<u>Boiler</u>	3.2 MMBtu/hr natural gas-fired boiler used to heat railcars/rail transfer rack.	Rule 282(b)(i)	Installed May 2016.  Compliance

PTI No. 381-07A, FGFACILITY

**Monitoring/Recordkeeping**

LATCO is required to calculate the VOC emission rate on a monthly and 12-month rolling basis in order to determine compliance with their VOC emission limit of 5.0 tons per 12-month rolling year. LATCO uses the EPA FIRE 6.24 program to calculate their VOC emissions. K. Gravitt provided me with VOC emission data from 2013 through July 2016. Monthly and 12-month rolling calculations are conducted in this program to produce VOC monthly and 12-month rolling outputs. VOC emissions from August 2015 – July 2016 was 0.28 tons.


The total amount of asphalt cement transferred to and from the equipment is also required to be monitored and recorded on a calendar month basis to determine compliance with the 74,400 tons/month limit for total asphalt cement transferred. K. Novak said that LATCO calculates the total gallon throughput (loading+unloading) by using the gauges installed inside the tanks. The gallons throughput is then converted to tonnage in their tank logs. There is no column that converts the gallons asphalt cement to tons asphalt cement in the records provided, but the record does provide the density of the asphalt cement. I chose the month with the highest total throughput from 2013 – 2016 to determine the maximum throughput tonnage: July 2013; 4,119,594.87 gallons throughput \* 7.8 lb/gal = 32,132,840 lbs = 16,066 tons. I will inform K. Novak that a monthly tonnage column should be added, or to provide me another record that documents the total tons of throughput.

The temperature of the asphalt cement in each storage tank is required to be monitored and recorded at least once per week if the temperature set point is less than 300°F, and monitored and recorded at least once per day if the set point is greater than or equal to 300°F. K. Novak said that the set point ranges from 290°-300°F in order to keep the lines warm for shipping out material. LATCO creates "Morning Reports" which contain the temperature of each tank's material, the type of material stored, and the tons stored in the tank at that time. They also attach the daily weather report from weather.com, which has a time and date stamp. These reports are done on a daily basis. I asked for the month of June 2016 daily records, but LATCO only provided me with sporadic records throughout the month of June for a total of 8 days out of the month. I will ensure that LATCO provides me with all requested documents during the next compliance inspection. From the documents provided, none of the asphalt cement temperatures exceeded 302°F. If the material temperature were ever to exceed 370° F, LATCO is required to quickly reduce the temperature, and keep records of such actions.

LATCO is also required to keep records of transfer activity, including the time transfer began/ended, the quantity of asphalt cement transferred and the type of transfer (tank to truck, truck to tank). LATCO has transfer activity records (attached) that include tank to tank transfer and truck loading/unloading. The start and end times of the tank to tank transfers are recorded, but not the truck loading/unloading. I will inform LATCO that they need to incorporate times truck-to-tank and tank-to-truck transfer times start and end into their recordkeeping. Tank-to-tank and truck-to-tank, tank-to-truck transfer times and quantities are helpful as air displacement within and between tanks could contribute to odors escaping from the tanks' gooseneck vents.

LATCO is required to keep a log of all odor complaints that either they have received directly or that are communicated to them by others, such as the AQD. LATCO provided me with complaint records from 2015 and 2016 (up through the date of my inspection). All records indicate that LATCO has logged the complaints that AQD has reported to them.

LATCO is in compliance with PTI 381-07A at this time.

NAME 

DATE 9/29/16

SUPERVISOR 

