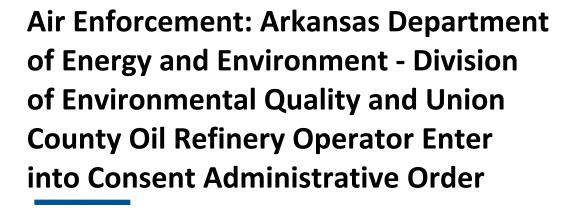
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The Arkansas Department of Energy and Environment – Division of Environmental Quality ("DEQ") and Martin Operating Partnership L.P. ("MOP") entered into an April 1st Consent Administrative Order ("CAO") addressing alleged violations of an air permit. See LIS No. 21-028.

The CAO states that MOP owns and operates an oil refinery ("Refinery") in Union County, Arkansas.

The Refinery operates pursuant to an Air Operating Permit ("Permit").

MOP is stated to have submitted a 2019 Annual Compliance Certification ("ACC") in a letter dated April 1, 2019, to DEQ for review. The ACC is stated to have covered March 1, 2018, through February 28, 2019.

DEQ personnel are stated to have performed a compliance inspection of the Refinery on January 28, 2020. The inspection is stated to have covered the reporting period January 2019 through December 2019.

The CAO indicates that based on the 2019 ACC report and records reviewed during the previously referenced inspection, certain violations were identified. The alleged violations are listed in a Table in Paragraph 8 of the CAO.

Alleged violations referenced included:

- Exceedance of the throughput limit at SN-02
- Violation of 40 C.F.R. § 60.104(a)(1), Subpart J Standard of Performance for Petroleum Refineries
- Exceedance of the control count at SN-23
- Violation of Plantwide Condition 22 (R5) and 40 C.F.R. § 60.108(d), Subpart Ja
- Violation of 40 C.F.R. § 61.355(a and 40 C.F.R. § 61.357(a)(1), Subpart FF National Emission
 Standard for Benzene Waste Operations

In response to a DEQ March 9, 2020, letter, MOP addressed areas of concern (pursuant to an April 7, 2020, letter) allegedly identified in the 2019 ACC report and 2020 inspection. The information provided by MOP included:

- 1. In regards to the areas of concern found in Paragraph 8a above, Respondent stated that the throughput limit at SN-02 was removed from the permit and therefore removed he requirements of Specific Condition 10 form Permit R5.
- Respondent also stated that fuel and natural gas are mixed and burned at SN-12. Since these
 fuel types are mixed and burned at SN-12, distinguishing between them cannot be made;
 therefore, SO2 emission exceedances are assumed as stated in Paragraph 8b. To prevent future
 emission exceedances, Respondent installed monitors to identify instances of excess emissions
 events.
- 3. Respondent also stated that the violation of the control count stated in Paragraph 8c was assumed to be variable based on the language in the permit. The component counts were based on estimates of proposed processes that were never constructed.
- 4. The violation found at SN-40, as stated in Paragraph 8d, was the result of Respondent incorrectly permitting the Crude Unit Flare (SN-40) for the combustion of pilot gas and hydrogen reformer gas. SN-40 should have been permitted to allow for the combustion of fuel gas instead. Permit R6 increased the permit limit at SN-40 and the combustion of fuel gas.
- 5. The violation stated in Paragraph 8e of benzene quantity from facility waste was due to sampling being done at the wrong locations at the facility. Due to this finding, Respondent stated that sampling at all nine locations would begin April 2019. Respondent responded that though valid sampling was not conducted, the facility does not feel that the limit would have been exceeded.

MOP also provided a summary of H2S deviations and indicated that additional improvements to the NaHS unit would be undertaken which would include:

- Replacement of the existing low-pressure filter system
- Modifications to the high-pressure caustic pumps
- Installation of additional pH probes

MOP also requested that violations relevant to certain air permit conditions only include those that occurred after the installation of the H2S analyzer.

The CAO requires that within 30 calendar days of its effective date that MOP submit the annual count record required to demonstrate compliance with Specific Condition 31 of Permit R7. Further, within 30 calendar days of the effective date of the CAO MOP is required to submit three months of records for SN-40 to demonstrate compliance with Specific Condition 99 and Plantwide Condition 29 of Permit R7.

A civil penalty of \$29,790 is assessed. However, the CAO provides that \$15,000 of the civil penalty may be held in abeyance and dismissed in the event that MOP demonstrates full compliance with the emission limitations of Plantwide Conditions 29 and completes the requirements of paragraph 2 of the Order and Agreement.

A copy of the CAO can be downloaded <u>here</u>.