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Self-Disclosure/Air Enforcement: Arkansas Department of Environmental Quality and Crittenden County, Arkansas, Petroleum Storage/Distribution Terminal Enter into Consent Administrative Order

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The Arkansas Department of Environmental Quality (“ADEQ”) and Valero Partners West Memphis, LLC (“Valero”) entered into a January 29th Consent Administrative Order (“CAO”) to address an alleged air permit violation. See LIS No. 19-009.

The CAO provides that Valero owns and operates a petroleum storage and distribution terminal (“Facility”) in Crittenden County, Arkansas.

The Facility operates pursuant to an Air Operating Permit (“Permit”) 0668-AOP-R10. Specific Condition 93 of the Permit is stated to limit gasoline throughput at SN-22 to 231,000,000 gallons per rolling twelve month period.

Valero is stated to have determined during a monthly records update of throughput and emissions on September 14, 2018, that it had exceeded the Permit’s gasoline throughout limit at SN-22 for the rolling twelve month period ending August 31, 2018. The recorded throughput for this period is stated to be 244,612, 865 gallons of gasoline. This is stated to be an exceedance of 612,856 gallons and violates Specific Condition 93 of the Permit.

The CAO provides that Valero, in correspondence dated October 3, 2018, requested consideration under ADEQ’s Environmental Self-Disclosure Incentive Policy for its disclosure of the non-compliance issues associated with Specific Condition 93 of the Permit. This correspondence is noted to have stated in part that:

. . .because this is a rolling limit that it had calculated that at zero (0) throughput the twelve (12) month rolling gasoline throughput will remain above the permitted level until December of 2018.

The correspondence also listed remediation measures undertaken by Valero which included:

1. Shut down loading of gasoline barges at the facility

2. Before restarting operations, submit a variance request to ADEQ and await approval of the request from ADEQ to return to the previously permitted throughput limit of 252,000,000 gallons of gasoline per rolling twelve month period found in Specific Condition 31 of the Permit
3. Evaluate a permit modification to make this variance limit permanent

Valero is also stated to have determined in its review conducted on September 14, 2018, that the Benzene content in the Hazardous Air Pollutants (“HAPs”) speciation that was provided to ADEQ with the previous Title V permit renewal application was more than double the actual Benzene content of the gasoline loaded. The information submitted was stated to have been based on information before the Mobile Source Air Toxics rules required refiners to meet an annual gasoline Benzene content standards of 0.62 volume percent. When using the updated speciation, the actual emissions for VOC and Total HAPs did not exceed the permitted limits.

Valero submitted on October 3, 2018, a request for a temporary variance to load as much as 252,000,000 gallons of gasoline on a twelve month rolling basis at SN-22 until a new permit could be issued with the rolling total resetting as of the date of the variance approval. It is stated to have requested that the definition of petroleum intermediates be limited to naphtha and not include alkylate and reformat as these are types of gasolines. An updated HAPs speciation is included. Further, an air permit modification was submitted on September 22, 2018, addressing this issue.

ADEQ’s Director is stated to have considered the statutory factors for allowing the temporary variance and determined that the request provided adequate information and granted the variance for a period of no longer than 90 days. Further, the state agency informed Valero that it had completed review of the self-disclosure and found that it met all conditions of its policy. As a result, ADEQ stated it may mitigate up to 100 percent of the gravity-based component of any civil administrative penalty regarding the self-disclosed violations.

The CAO provides certain time tables for required submissions and assesses no civil penalty.

A copy of the CAO can be found [here](#).