From: <u>Jonathan Walling</u>

To: Sweeley, Brian J.; Bordes, Randy M.; Clingan, Mark A.; Livings, Vicky G.; Darcey, Larry; Kaysen, Eric R.; Elizondo,

<u>Julian J.</u>

Cc: OCE

Subject: [EXTERNAL] MPC Request #3 related to COVID-19 Response - Blanchard GBR\_Supplemental\_Extension\_October

2020

**Date:** Thursday, October 22, 2020 9:49:52 AM

Attachments: <u>image001.png</u>

Good morning, Mr. Sweeley:

The TCEQ has evaluated your request for enforcement discretion.

Regarding your request below pertaining to Blanchard's Galveston Bay Refinery for the FCCU3 (EPN 34A) and SRU TGI (EPN 384), the requests do not appear to be related to an unavoidable noncompliance directly related to COVID-19. Therefore, enforcement discretion through this avenue is denied.

Testing notification requirements included in permit conditions provide the TCEQ an opportunity to review test plans, schedule pre-test meetings, and observe testing. Regarding the testing scheduled for FCCU3, the TCEQ regional office will need to receive the notification of testing as required by the NSR permit. Requests for shortened notification times and additional time to perform testing for FCCU3 and SRU TGI should be directed to the TCEQ Houston Regional Office. The request can be sent to R12Stack@tceq.texas.gov or by contacting Mark Kolkmeier at 713-767-3719.

Regards,

Jonathan Walling, Area Director Coastal & East Texas Area Texas Commission on Environmental Quality

From: Sweeley, Brian J. <

Sent: Monday, October 19, 2020 4:34 PM

To: Jonathan Walling <jonathan.walling@tceq.texas.gov>

Cc: OCE <OCE@tceq.texas.gov>; Bordes, Randy M. < Clingan, Mark A. < Livings, Vicky G.

Darcey, Larry < Kaysen, Eric R. < Elizondo, Julian J. <

**Subject:** RE: [EXTERNAL] MPC Request #3 related to COVID-19 Response - Blanchard GBR\_Supplemental\_Extension\_October 2020

Mr. Walling,

The purpose of this email is provide an update on performance testing at Fluid Catalytic Cracking Unit No. 3 (FCCU3, EPN 34A) and Sulfur Recovery Unit Tail Gas Incinerator (SRU TGI, EPN 384). In

your email, dated 9/2/2020, TCEQ directed Blanchard to retest each unit within 60 days after achieving rates that exceed by 10% the rates at which a unit was tested, as required by NSR Permit 47256, Special Condition 41. The current status of each unit is summarized below:

## Fluid Catalytic Cracking Unit No. 3 (FCCU3, EPN 34A)

- Following the successful performance test in August, the Texas gulf coast was impacted by several hurricanes and tropical storms. Port closures limited Blanchard's ability to transport many of our products into the market. As a result, Blanchard was forced to reduce rates at FCCU3 and other process units. Now that ports have reopened, Blanchard plans to increase rates for approximately two weeks to recover lost production. The rates planned for FCCU3 will exceed by 10% the rate at which the unit was tested in August. Blanchard tentatively plans to retest FCCU3 during the week of October 19, 2020.
- **Request:** Permit 47256, Special Condition 41A states, "The TCEQ Houston Regional Office shall be contacted as soon as testing is scheduled, but not less than 45 days prior to sampling to schedule a pretest meeting." Blanchard requests enforcement discretion for this notification requirement.

## Sulfur Recovery Unit Tail Gas Incinerator (SRU TGI, EPN 384)

- During the performance test in August, Blanchard processed a typical blend of many different crude oils. A small portion of the blend consisted of a specific type of heavy sour crude oil (HS Crude X for confidentiality reasons). Sulfur production from the SRU was higher than originally projected but still much lower than rates generated prior to the pandemic. Emission rates during the August test were well below all permit and regulatory limits.
- In late September, sulfur production from the SRU unexpectedly exceeded by 10% the August test rate. Upon further investigation, Blanchard identified HS Crude X as the likely cause of elevated sulfur production. Please note that shipments of HS Crude X are received by the refinery only 5-7 times each year. Shipments are won through a bidding process, and the next earliest HS Crude X shipment (assuming Blanchard wins the bid) will be delivered in December (more than 60 days after sulfur production exceeded by 10% the August test rate).
- **Request:** Blanchard requests that TCEQ extend the 60-day retest requirement to 180 days to allow Blanchard the ability to retest while processing HS Crude X, or similar heavy sour crude oil. Otherwise, the second test will occur at sulfur production rates that are actually lower than the August test rate.

Thank you and feel free to contact me at 409-370-6368 or you have any questions.

Sincerely,

Brian Sweeley
Environmental Supervisor – Air Permitting
Marathon Galveston Bay Refinery
409-943-7253 (office)
409-370-6368 (cell)

From: Jonathan Walling <jonathan.walling@tceq.texas.gov>

Sent: Thursday, October 1, 2020 12:54 PM

To: Sweeley, Brian J. < Bordes, Randy M.

< Clingan, Mark A. < Livings, Vicky G. < Darcey, Larry

< Kaysen, Eric R. < Elizondo, Julian J. < Cc: OCE <OCE@tceq.texas.gov>

Subject: [EXTERNAL] MPC Request #3 related to COVID-19 Response - Blanchard

Good afternoon, Mr. Sweeley:

GBR\_Supplemental\_Extension\_October 2020

The TCEQ has evaluated your request for an extension to conduct performance testing at the Dock 30 F-708 Thermal Oxidizer (EPN 294-2), due to programming and technical issues within Blanchard's instrumentation system.

The TCEQ will extend the previously approved deadline for this testing (established on September 2, 2020) which will be valid through October 31, 2020. The required testing shall be completed as soon as practicable by this date.

This enforcement discretion is limited to the Texas Commission on Environmental Quality and does not limit EPA's ability to enforce federal regulations.

Blanchard must maintain records adequate to document activities related to the noncompliance under enforcement discretion, including details of Blanchard's best efforts to comply.

Regards,

Jonathan Walling, Area Director
Coastal & East Texas Area
Texas Commission on Environmental Quality

From: Sweeley, Brian J. <
Sent: Wednesday, September 30, 2020 4:33 PM

To: Jonathan Walling < jonathan.walling@tceq.texas.gov >
Cc: Bordes, Randy M. < Clingan, Mark A.

Livings, Vicky G. < Darcey, Larry < Kaysen, Eric R.

Elizondo, Julian J. <
OCE < OCE@tceq.texas.gov >

**Subject:** RE: [EXTERNAL] MPC Request #3 related to COVID-19 Response - Blanchard GBR\_Supplemental\_Extension\_September 2020

## Mr. Walling,

The purpose of this email is provide an update on performance testing at the Dock 30 F-708 Thermal Oxidizer (EPN 294-2). The instrument parts were delivered during the last week in September. Blanchard immediately installed the parts and attempted to operate the thermal oxidizer on 9/28/2020 to prove the new instrumentation. However, programming and technical issues within the instrumentation system caused the thermal oxidizer to shut down before proving was complete. The thermal oxidizer cannot be placed into operation until these issues are resolved. Therefore, Blanchard requests an extension until October 31, 2020, to complete the testing.

Please feel free to contact me at 409-370-6368 or any questions.

Thank you,

Brian Sweeley Environmental Supervisor – Air Permitting Marathon Galveston Bay Refinery 409-943-7253 (office) 409-370-6368 (cell)

From: Jonathan Walling <ionathan.walling@tceq.texas.gov>

Sent: Wednesday, September 2, 2020 5:08 PM

To: Sweeley, Brian J. <
Cc: Bordes, Randy M. <
Clingan, Mark A.

Livings, Vicky G. <
Darcey, Larry <
Kaysen, Eric R.

Elizondo, Julian J. <
OCE <OCE@tceq.texas.gov>

**Subject:** [EXTERNAL] MPC Request #3 related to COVID-19 Response - Blanchard GBR\_Supplemental\_Extension\_September 2020

Good afternoon, Mr. Sweeley:

The TCEQ has evaluated your request to extend testing of the Dock 30 F-708 Thermal Oxidizer (EPN 294-2). The new deadline for this testing will be valid through September 30, 2020.

With respect to Fluid Catalytic Cracking Unit No. 3 (FCCU3, EPN 34A) and Sulfur Recovery Unit Tail Gas Incinerator (SRU TGI, EPN 384), it is acknowledged that Blanchard will retest these units within 60 days after achieving rates that exceed by 10% the rates at which a unit was tested, as required by NSR Permit 47256, Special Condition 41.

This enforcement discretion is limited to the Texas Commission on Environmental Quality and does

not limit EPA's ability to enforce federal regulations.

Regulated entities must maintain records adequate to document activities related to the noncompliance under enforcement discretion, including details of the regulated entity's best efforts to comply.

Regards,

Jonathan Walling, Area Director Coastal & East Texas Area Texas Commission on Environmental Quality

**From:** Sweeley, Brian J. <

**Sent:** Monday, August 31, 2020 3:56 PM

**To:** Jonathan Walling < <u>jonathan.walling@tceq.texas.gov</u>>

**Cc:** OCE < OCE @tceq.texas.gov >; Ramiro Garcia < ramiro.garcia@tceq.texas.gov >; Bordes, Randy M.

Clingan, Mark A. 
Livings, Vicky G. 
Darcey, Larry

Kaysen, Eric R. <

Elizondo, Julian J. <

**Subject:** RE: [EXTERNAL] MPC Request #3 related to COVID-19 Response - Blanchard GBR\_Supplemental\_Extension

Mr. Walling,

Blanchard successfully completed the required performance testing at the following emissions sources in August: Fluid Catalytic Cracking Unit No. 3 (FCCU3, EPN 34A) and Sulfur Recovery Unit Tail Gas Incinerator (SRU TGI, EPN 384). Maximum production rates could not be achieved due to impacts from the COVID-19 pandemic. As a result, Blanchard will retest these units within 60 days after achieving rates that exceed by 10% the rates at which a unit was tested.

Unfortunately, Blanchard was not able to complete performance testing at the Dock 30 F-708 Thermal Oxidizer (EPN 294-2) in August. The pandemic continued to impact operating rates and delivery of critical instrumentation parts. Therefore, Blanchard requests an extension until September 30, 2020, to complete this testing.

Please feel free to contact me at 409-370-6368 or any questions.

Thank you,

Brian Sweeley Environmental Supervisor – Air Permitting Marathon Galveston Bay Refinery 409-943-7253 (office) From: Jonathan Walling < jonathan.walling@tceq.texas.gov>

**Sent:** Friday, July 31, 2020 11:43 AM

**To:** Bordes, Randy M. <

Livings, Vicky G. <

Darcey, Larry < Kaysen, Eric R.

Sweeley, Brian J. <

Cc: OCE < OCE@tceq.texas.gov>

Subject: [EXTERNAL] MPC Request #3 related to COVID-19 Response - Blanchard

GBR\_Supplemental\_Extension

Good morning, Mr. Sweeley:

The TCEQ has evaluated your request. Since Blanchard has not yet been able to achieve maximum operating rates, it is advisable that Blanchard proceed to test at the current rate for the Fluid Catalytic Cracking Unit (FCCU3/EPN 34A), and Sulfur Recovery Unit Tail Gas Incinerator no later than August 31, 2020. Once you exceed the operating rate at which a unit was tested by 10%, then retesting the unit must be conducted within 60 days.

An extension is being provided until August 31, 2020 to conduct testing at the Dock 30 F-708 Thermal Oxidizer (EPN 294-2).

The subsequent testing frequency will remain in effect as required by NSR Permit 47256, Special Condition 41.

This enforcement discretion is limited to the Texas Commission on Environmental Quality and does not limit EPA's ability to enforce federal regulations.

Regulated entities must maintain records adequate to document activities related to the noncompliance under enforcement discretion, including details of the regulated entity's best efforts to comply.

Regards,

Jonathan Walling, Area Director Coastal & East Texas Area Texas Commission on Environmental Quality

**From:** Sweeley, Brian J. <

**Sent:** Wednesday, July 29, 2020 2:56 PM

**To:** Jonathan Walling < <u>ionathan.walling@tceq.texas.gov</u>>

Cc: OCE < OCE @tceq.texas.gov >; Clingan, Mark A. <

Vicky G. < Ramiro Garcia <<u>ramiro.garcia@tceq.texas.gov</u>>;

| Darcey, Larry <                      | Kaysen, Eric R.  |
|--------------------------------------|--|
| <                                    | Bordes, Randy M. <                                     |
| Subject: RE: [EXTERNAL] EXTERNAL] MP | PC Request #3 related to COVID-19 Response - Blanchard |

Mr. Walling,

**GBR** Supplemental

Good afternoon. The purpose of this email is to provide TCEQ with an update to Blanchard's enforcement discretion request, dated July 2, 2020. In that email, we requested performance testing extensions for two emissions sources: Dock 30 F-708 Thermal Oxidizer (EPN 294-2) and Fluid Catalytic Cracking Unit No. 3 (FCCU3, EPN 34A). We also stated that production plans would not allow us to perform the required testing at maximum production rates or throughputs. TCEQ responded and granted an extension until July 31, 2020, "to provide the TCEQ with information as to when maximum operating rates are being achieved."

Due to impacts from the COVID-19 pandemic, Blanchard's production plan does not project maximum operating rates for FCCU3 for the foreseeable future. Therefore, Blanchard requests (1) guidance on when the testing should be performed, and (2) a sufficient extension to perform the testing. Blanchard would welcome a conference call with TCEQ to discuss details, including the confidential production plans. Blanchard is also open to several potential solutions for FCCU3, including testing in August 2020 at less than maximum operating rates and retesting at a later date after FCCU3 has achieved operating rates that are at least 10% higher than the August 2020 rates.

Blanchard expects to achieve maximum operating rates at the Dock 30 F-708 Thermal Oxidizer in August 2020. Therefore, Blanchard requests an extension until August 31, 2020, to complete this testing.

**(NEW)** Special Condition 41 of Permit No. 47256 requires stack testing every 5 years at the Sulfur Recovery Unit (SRU) Tail Gas Incinerator (TGI) for H<sub>2</sub>S, NOx, CO, and VOC. The next required stack test at the SRU TGI must be completed by August 10, 2020. Similar to FCCU3, Blanchard's production plans do not project maximum operating rates for the SRU for the foreseeable future. Therefore, Blanchard also requests TCEQ guidance and enforcement discretion on delaying testing for the SRU TGI.

| Please feel free to contact me at 409-370-6368 or         |                                | if you have |
|---|--------------------------------|-------------|
| any questions or would like to schedule a conference call | to discuss this matter in more | detail.     |

Thank you,

Brian Sweeley Environmental Supervisor – Air Permitting Marathon Galveston Bay Refinery 409-943-7253 (office) 409-370-6368 (cell) From: Jonathan Walling < jonathan.walling@tceq.texas.gov>

**Sent:** Thursday, July 2, 2020 10:09 PM

**To:** Darcey, Larry <

Sweeley, Brian J. <

Livings, Vicky G. <

**Cc:** OCE < OCE@tceq.texas.gov>

Subject: [EXTERNAL] EXTERNAL] MPC Request #3 related to COVID-19 Response - Blanchard

**GBR** Supplemental

Good evening, Mr. Darcey:

The TCEQ has reviewed Blanchard Refining Company LLC Galveston Bay Refinery's (Blanchard) request for enforcement discretion to delay compliance testing at the Dock 30 F-708 Thermal Oxidizer (EPN 294-2) and to delay hydrogen cyanide stack testing at Fluid Catalytic Cracking Unit No. 3 (FCCU3, EPN 34A), as required by 40 CFR 63 Subpart Y, Special Condition 41 of Air Permit No. 47256 and Title V Permit No. 0-1541. Enforcement discretion was granted and is currently valid until July 10, 2020.

If Blanchard remains unable to achieve maximum operating rates by July 31, 2020, it is preferable for the tests not to be conducted until such time as maximum operating rates are achieved. Testing at lower rates would not be representative for the duration until the next required test, which would be five years from the test date. While enforcement discretion will not be granted for testing at lower rates, enforcement discretion will be exercised in allowing Blanchard until July 31, 2020, to provide the TCEQ with information as to when maximum operating rates are being achieved. This notice shall be submitted as soon as practicable by this date. Upon receipt of this notice and providing TCEQ with a reasonable test date for the subject EPNs, further enforcement discretion will be considered, and if approved, applied at that time.

This enforcement discretion is limited to the Texas Commission on Environmental Quality and does not limit EPA's ability to enforce federal regulations.

Regulated entities must maintain records adequate to document activities related to the noncompliance under enforcement discretion, including details of the regulated entity's best efforts to comply.

Regards,

Jonathan Walling, Area Director Coastal & East Texas Area Texas Commission on Environmental Quality

From: Darcey, Larry <

**Sent:** Thursday, July 2, 2020 9:49 AM

**To:** Jonathan Walling < <u>ionathan.walling@tceq.texas.gov</u>>

Cc: OCE < OCE@tceq.texas.gov >; Clingan, Mark A. < Sweeley, Brian J. < Livings, Vicky G. < Ramiro Garcia < ramiro.garcia@tceq.texas.gov > Subject: RE: [EXTERNAL] MPC Request #3 related to COVID-19 Response - Blanchard GBR

Dear Mr. Walling,

This email is an update to our enforcement discretion request on May 5<sup>th</sup>. In that request we asked for performance testing extensions on two emissions sources [Dock 30 F-708 Thermal Oxidizer (EPN 294-2) and Fluid Catalytic Cracking Unit No. 3 (FCCU3, EPN 34A)]. In our request we indicated that production plans would not allow us to perform the testing at maximum production rates or throughputs. The requested extension at that time was until July 31, 2020; however, we were only granted an extension until July 10. 2020. Our current production forecast still indicates that we will not be operating at representative maximum rates before July 10, 2020. Therefore, Marathon requests an extension until July 31, 2020 and will complete the testing before that date. If maximum rates are not achieved during the testing, we will clearly note that in the report, but also request that TCEQ not require additional testing prior to the next scheduled testing cycle. The later statement is specific to the testing on EPN 34A. We would appreciate the opportunity to discuss further, but we are aware that TCEQ is teleworking.

Thank you for your time and consideration regarding this matter. If you have any questions or comments please contact me at (409) 943-7497.

Sincerely,

Larry G. Darcey, P.E. Environmental Supervisor Marathon Petroleum Company



2401 5<sup>th</sup> Avenue South Texas City, Texas 77590 Office: 409-943-7497 Cell: 409-502-9009

Email:

From: Jonathan Walling <<u>jonathan.walling@tceq.texas.gov</u>>

Sent: Tuesday, May 5, 2020 4:02 PM

To: Darcey, Larry <

Cc: OCE <<u>OCE@tceq.texas.gov</u>>; Clingan, Mark A. <

Sweeley, Brian J. <

Livings, Vicky G.

Kaysen, Eric R. <

Cade, Ruth A. <

Bogard, Kevin D.

Subject: [EXTERNAL] MPC Request #3 related to COVID-19 Response - Blanchard GBR

**Importance:** High

Good afternoon, Mr. Darcey:

The TCEQ has reviewed Blanchard Refining Company LLC Galveston Bay Refinery's request for enforcement discretion to delay compliance testing at the Dock 30 F-708 Thermal Oxidizer (EPN 294-2) and to delay hydrogen cyanide stack testing at Fluid Catalytic Cracking Unit No. 3 (FCCU3, EPN 34A), as required by 40 CFR 63 Subpart Y, Special Condition 41 of Air Permit No. 47256 and Title V Permit No. 0-1541.

Your request for enforcement discretion, as presented, is approved and will be valid until July 10, 2020. The required activities should be completed as soon as practicable, as conditions allow, before this date. Should an extension beyond this be needed, please submit a request to extend this date.

This discretion is limited to the Texas Commission on Environmental Quality and does not limit EPA's ability to enforce federal regulations.

Regulated entities must maintain records adequate to document activities related to the noncompliance under enforcement discretion, including details of the regulated entity's best efforts to comply.

Regards,

Jonathan Walling, Area Director
Coastal & East Texas Area
Texas Commission on Environmental Quality

From: Darcey, Larry < **Sent:** Tuesday, May 5, 2020 11:16 AM To: Ramiro Garcia <ramiro.garcia@tceq.texas.gov>; OCE <OCE@tceq.texas.gov> Cc: Clingan, Mark A. < Sweeley, Brian J. Livings, Vicky G. < Cade, Ruth A. Kaysen, Eric R. < Bogard, Kevin D. < TCEQR12AIR <TCEQR12AIR@tceq.texas.gov>; Jonathan Walling <ionathan.walling@tceq.texas.gov>; 'Seager.cheryl@Epa.gov' <<u>Seager.cheryl@Epa.gov</u>>; 'Kelley.rosemarie@epa.gov' <<u>Kellev.rosemarie@epa.gov</u>>; EXECDIR <<u>EXECDIR@tceq.texas.gov</u>>; 'rschultz@gchd.org' <rschultz@gchd.org>; Elizondo, Julian J. Bordes, Randy M. **Subject:** RE: MPC Request #3 related to COVID-19 Response - Blanchard GBR **Importance:** High

Mr. Garcia,

Please find the following enforcement discretion requests for the Blanchard Refining Company LLC (Blanchard) Galveston Bay Refinery (GBR) due to impacts from the COVID-19 pandemic. (Air Account # GB-0004-L, RN 102535077, CN 604166868)

**Request #1**: Blanchard is requesting enforcement discretion to delay compliance testing at the Dock 30 F-708 Thermal Oxidizer (EPN 294-2) as required by 40 CFR 63 Subpart Y and Special Condition 41 of Permit No. 47256 on June 10, 2020 and April 26, 2020, respectively.

**Request #2:** Blanchard is requesting enforcement discretion to delay Hydrogen Cyanide (HCN) stack testing at Fluid Catalytic Cracking Unit No. 3 (FCCU3, EPN 34A) as required by Special Condition 41 of Permit No. 47256 by May 5, 2020.

**Reason for Requests #1 & #2:** Due to lower market demand resulting from the COVID-19 pandemic, Dock 30 and FCCU3 are not operating at sufficient throughput and production rates for the testing to be representative of worst case operating scenarios. Therefore, in order to perform a valid performance test the testing will need to be delayed until more representative maximum rates are achieved. The length of the delay is also necessary since a scheduled turnaround will impact rates during the month of June 2020.

**Duration:** Blanchard requests approval to delay the performance testing until at least July 31, 2020. If sufficient production rates are not achievable by that date, Blanchard will request another extension to ensure the tests are conducted at proper operating conditions.

Rule Citation/Permit Condition: 40 CFR 63 Subpart Y, Special Condition 41 of Air Permit No. 47256 and Title V Permit No. O-1541 GBR

**Mitigation Measures:** No mitigation measures are planned since stack testing will occur in a timely manner when necessary operating rates are achieved. There will be no impact to the environment by delaying these performance tests.

Thank you for your time and consideration with this matter. If you have any questions or comments please feel free to contact me at (409) 502-9009 or

Sincerely,

Larry G. Darcey, P.E. Environmental Supervisor Marathon Petroleum Company



2401 5<sup>th</sup> Avenue South Texas City, Texas 77590 Office: 409-943-7497 Cell: 409-502-9009

Email: