From: Susan Jablonski
To: Edge, David

Cc: OCE; Schmidt, Steven; Gore, Wes; Michelle Harris; Rosalind Stockton; George Ortiz

Subject: RE: Request for Enforcement Discretion Response -NuStar San Antonio Refined Products South Terminal

Date: Sunday, April 5, 2020 6:35:39 PM

David Edge NuStar Energy Manager Environmental – Central West South Region San Antonio Refined Products South Terminal San Antonio, Texas

Re: Request for Enforcement Discretion – San Antonio Refined Products South Terminal, Bexar County (RN102310901).

Dear Mr. Edge:

This is in response to your request dated April 3, 2020, requesting an extension for the San Antonio Refined Products South Terminal, Bexar County, RN102310901, internal Tank 105 inspection required by Special Condition 88 of Air Permit No. 6348 and currently due on May 26, 2020.

The TCEQ is exercising enforcement discretion on a case-by-case base for regulated entities that are experiencing impacts due to the COVID-19 pandemic. The issues you outline in your request are issues we would consider granting enforcement discretion. Due to the limited availability of staff and protection of staff, your request is approved. This correspondence will serve as authorization for that request. A 60-day extension is granted for enforcement discretion until July 25, 2020. The required inspection should be completed as soon as practicable, as conditions allow, before this date. Should an extension beyond July 25, 2020 be needed, please re-submit your request accordingly.

This discretion is limited to the Texas Commission on Environmental Quality and does not limit the U.S. Environmental Protection Agency'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.

If you or members of NuStar's staff have any questions, please feel free to contact Mr. George Ortiz at (210) 403-4030.

Sincerely,

Susan Jablonski, P.E. Area Director for Central Texas Texas Commission on Environmental Quality (512) 239-6731 From: Edge, David <

Sent: Friday, April 3, 2020 9:41 AM

To: OCE < OCE@tceq.texas.gov >; Ramiro Garcia < ramiro.garcia@tceq.texas.gov >

Cc: Gore, Wes <

<

Subject: NuStar San Antonio Refined Products South Terminal - Request for Enforcement Discretion

Ramiro Garcia Jr, Deputy Director, Office of Compliance and Enforcement (OCE),

NuStar Logistics, LP (NuStar) owns and operates the San Antonio Refined Products Terminal South (SAT) located in San Antonio, Bexar County (RN102310901). NuStar requests enforcement discretion from OCE in regard to delaying the internal inspection of the floating roof seals and fittings in Storage Tank 105 (Tank 105) as required by Special Condition 8B of Air Permit No. 6348. The inspection is due on May 26, 2020. Tank 105 is currently dedicated to storing ethanol which is blended into gasoline as tanker trucks are loaded for distribution to fueling stations/convenience stores/etc. in the local market. Ethanol blending is required by regulations designed to reduce emissions from gasoline fueled engines and to meet renewable fuel standards. The terminal cannot distribute any gasoline without ethanol blending capability to meet fuel standards.

Inspection of the floating roof seals and fittings requires Tank 105 to be taken out-of-service. Therefore, ethanol must be transferred to a different tank at the site while Tank 105 is being cleaned and inspected. Transfer of ethanol to another tank requires modifications to piping and connections that require labor and engineering oversight. NuStar planned to make the piping modifications in March to facilitate moving ethanol service from Tank 105 to Tank 104 which has comparable emission controls prior to it being necessary for the summer gasoline RVP change. The plan has been impacted by the concern for containing coronavirus in general and preventing it from impacting the personnel at SAT in particular.

Concise statement supporting request for enforcement discretion

The piping modifications required to facilitate transfer of ethanol service to a different tank has been delayed due to travel and social distancing recommendations being followed by NuStar with regard to slowing the spread of Coronavirus provided by the State of Texas as well as Bexar and Nueces Counties. Modifications to piping and subsequent cleaning of Tank 105 will require multiple work crews of 5 to 10 people from outside the San Antonio area to enter the site at various points in the project and work in close proximity to each other as well as NuStar personnel. In addition, the personnel working on the project would require overnight stays in hotels which NuStar does deem advisable at this time

Anticipated duration of need for enforcement discretion

The duration of the Coronavirus disruption is unknown at the current time. NuStar requests to delay the inspection for four months, to no later than the end September of 2020. Tank 105 is in good operating condition and a visual inspection of the floating roof and fittings from the roof hatch

performed on April 1, 2020 do not indicate any issues. Performing the inspection in September would be within the 10th calendar year since the last internal inspection which was performed on May 26, 2010. The four months would allow NuStar to complete the necessary piping changes after the advisories are lifted (presumably) and change ethanol service to Tank 104 immediately after the summer gasoline season which will allow the terminal to continue operating and supplying critical fuel to the San Antonio market. NuStar believes the inspection delay would result in no or very minimal additional emissions to the environment due to the good condition of the tank and the relatively low vapor pressure of ethanol.

NuStar will perform a visual inspection of the floating roof of Tank 105 monthly (currently required by permit annually) and perform a daily audio, visual and olfactory (AVO) inspection. Record of the visual observations and AVOs will be maintained on-site. A visual inspection of the floating roof was performed on April 1, 2020 and no issues were found.

Citation of rule / permit provision for which enforcement discretion is requested

NuStar requests enforcement discretion from 30 TAC §116.115(c) which states "holders of permits, special permits, standard permits, and special exemptions shall comply with all special conditions contained in the permit document." Special Condition 8B of Air Permit No. 6348 requires an internal inspection of the tank seals and fitting at least every 10 years. The special condition incorporates this inspection requirement by referencing the "visual inspections and any seal gap measurements specified in Title 40 Code of Federal Regulations § 60.113(b) Testing and Procedures to verify fitting seal and integrity." It is important to note 40 CFR § 60.113(b) is not applicable to Tank 105 as a standalone federal requirement and is only required to comply with the inspection requirement due to reference by the state air permit.

NuStar appreciates your consideration of this request during these challenging times. Please feel free to contact me by phone or e-mail (provided below) if you have any questions or need additional information.



David Edge NuStar Energy Manager Environmental – Central West South Region 361-249-9446 - Office 361-694-3008 - Cell