

**CLEAN AIR ACT (CAA) § 112(r)(7)
AND
EMERGENCY PLANNING, COMMUNITY RIGHT-TO-KNOW ACT (EPCRA) § 312
INSPECTION REPORT**

Monte Vista, CO

Facility Name and Address: Monte Vista, CO 2060 South Road 5 East Monte Vista, Colorado 81144 Contact/Telephone: Tom Hershey (719) 852-4775 Mailing Address: PO Box 10 100 North First Texline, Texas 79087	Date of Inspection: June 7, 2024 RMP EPA ID #: 1000 0015 8955 • Program Level: 3 • Covered Substances: Anhydrous ammonia TRIFID #: NA NAICS: 325312 # Employees at this location: 5
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INTRODUCTION

This report presents the observations of the CAA section 112(r)(7) and EPCRA section 312 inspection conducted by EPA Region 8. The purpose of this inspection was to determine compliance with the Risk Management Plan (RMP) requirements of CAA section 112(r)(7) and the Tier II reporting requirements of EPCRA sections 312.

Monte Vista, CO (MVC) uses, handles, and/or stores more than a threshold quantity of anhydrous ammonia which is a regulated substance, as specified at 40 C.F.R. §§ 68.115 and 68.130.

CAA 112(r)(7) Program Elements Reviewed:

1. Applicability [68.10]
2. OCA/ACS [68.20 – 68.39]
3. Process Safety Information [68.65]
4. Process Hazard Analysis [68.67]
5. Operating Procedures [68.69]
6. Training [68.71]
7. Mechanical Integrity [68.73]
8. Management of Change [68.75]
9. Pre-startup Safety Review [68.77]
10. Compliance Audits [68.79]
11. Incident Investigation [68.81]
12. Employee Participation [68.83]
13. Hot Work Permit [68.85]

14. Contractors [68.87]
15. Emergency Response [68.90 – 68.95]
16. Risk Management Plan [40 CFR 68.190 – 68.195]

Nature of Business:

MVC manufactures 10-34-0 fertilizer by mixing anhydrous ammonia, phosphoric acid, and water in a t-reactor. The 10-34-0 is then sold to local farmers.

OBSERVATIONS

CAA § 112(r)(7) (RMP):

1. Requirement found at Subpart D - Prevention Program – Process Safety Information [40 CFR 68.65(d)(1)(i)]: The Process Safety Information shall contain equipment specifications.

- *Equipment specifications were not available for MVC's ammonia pressure vessel*
- *An ASME U-1 form, or U-1A form, is generally used to document equipment specifications for a pressure vessel*
- *However, neither a U-1 form, nor a U-1A form, was available*
- *MVC should attempt to obtain the U1 form, U-1A form, or a similar Manufacturer Data Report*
- *The following sources may provide the form/report:*
 - *The installing contractor*
 - *The manufacturer*
 - *The Jurisdiction or Building Department*
 - *The engineering firm that designed MVC's ammonia system*
 - *MVC's insurance carrier*
 - *The National Board of Boiler and Pressure Vessel Inspectors*
 - *Previous owners of MVC, if applicable.*

2. Requirement found at Subpart D - Prevention Program – Mechanical Integrity [40 CFR 68.73(d)(2)]: The owner or operator shall follow recognized and generally accepted good engineering practices (RAGAGEP) for inspections and testing procedures.

- *MVC has not arranged for internal inspections to be performed on their ammonia pressure vessel*
- *However, according to MVC's "Mechanical Integrity Procedures", internal inspections should be performed on the pressure vessel every 10 years. The procedures also cite API 510 as the reference/RAGAGEP.*
- *The ammonia pressure vessel was manufactured in 1963 and Poole Chemical has owned the vessel since May 18, 2014*

- Therefore, the pressure vessel is overdue for an internal inspection
- Because MVC's ammonia pressure vessel may not contain a manway hatch (although it does contain nozzles of various diameters), an internal inspection may not be possible
- If this is the case, then Section 6.5.2 of API 510, entitled "On-stream Inspection in Lieu of Internal Inspections", may apply
- According to Section 6.5.2, an on-stream inspection may be substituted for the internal inspection if entering the pressure vessel is not physically possible, and if the inspector authorizes the substituted inspection
- At any rate, MVC should be conducting pressure-vessel inspections per API 510. These inspections might be internal or on-stream, depending upon the accessibility of the vessel's interior, and upon the inspector's recommendations.
- MVC should consult with an authorized inspector to determine how to comply with API 510 and then act accordingly. The inspections should also be completed at the intervals specified by the inspector.

Note 1:

MVC used the Asmark Institute's online MyRMP, Suite of Guidance Materials to create their "Mechanical Integrity Procedures".

MVC claims that the internal inspections are only recommended, not required, by MyRMP, Suite of Guidance Materials. However, MVC's "Mechanical Integrity Procedures" do not state that the internal inspections are recommended/optional. Nor do the procedures state that internal inspections are not required.

Note 2:

MVC does perform thickness testing on the ammonia pressure vessel.

3. Requirement found at Subpart D - Prevention Program – Management of Change [40 CFR 68.75]: The owner or operator shall establish and implement a management of Change (MOC) program.

- MVC initiated an MOC on 5/28/2024. The MOC concerns the safety valves and bulkheads at the ammonia pressure vessel.
- However, MVC was unable to provide any documentation, or documents, associated with the MOC.

Note:

In fairness to MVC, the changes associated with the MOC will probably not be initiated until the winter of 2024 (when the fertilizing season is over, and the ammonia pressure vessel is sitting "idle"). Therefore, the MOC, and the associated PSSR, may not be completed until just before the winter of 2024.

- 4. Requirement found at Subpart D - Prevention Program – Pre-startup Safety Review [40 CFR 68.77]:** The owner or operator shall perform a pre-startup safety review for new stationary sources and for modified stationary sources when the modification is significant enough to require a change in the process safety information.

- *MVC has not conducted a PSSR for the 5/28/2024 MOC discussed in Finding #3 above.*

Note:

Note that the MOC, discussed in Finding #3 above, will probably not be initiated until the winter of 2024 (when the fertilizing season is over, and the ammonia pressure vessel will be sitting “idle”). Therefore, the associated PSSR may not be completed until just before the winter of 2024.

- 5. Requirement found at Subpart E – Emergency Response [40 CFR 68.96(a)]:** The owner or operator of a stationary source with any Program 2 or Program 3 process shall conduct an exercise of the stationary source’s emergency response notification mechanisms before December 19, 2024, annually thereafter.

- *MVC has not conducted any exercises of its emergency response notification mechanisms*
- *MVC should ensure that it conducts an exercise of its emergency response notification mechanisms before December 19, 2024, and annually thereafter.*

EPCRA § 312:

Nothing of note from observations.

INSPECTION REPORT REVIEW RECORD		
		<i>Date:</i>
<i>Author:</i>	<i>Toxics and Pesticides Enforcement Section Inspector</i>	<i>7/26/2024</i>
<i>Final Reviewer:</i>	<i>Section Supervisor</i>	<i>8/2/2024</i>