



REGION 5

CHICAGO, IL 60604

MEMORANDUM

SUBJECT: CLEAN AIR ACT INSPECTION REPORT
Valero – Hammond Terminal

FROM: Meaghan Pashen, Environmental Engineer
AECAB (MN/OH)

THRU: Brian Dickens, Section Supervisor
AECAB (MN/OH)

TO: File

BASIC INFORMATION

Facility Name: Valero – Hammond Terminal

Facility Location: 1020 141st Street, Hammond, Indiana 46327

Date of Inspection: November 30, 2023

EPA Inspector(s):

1. Meaghan Pashen, Environmental Engineer
2. Dave Sutlin, Environmental Engineer

Other Attendees:

1. Clifford Yukawa, Environmental Manager 2, IDEM
2. Ramelito Biscocho, Compliance Inspector, IDEM
3. Terry Landgraf, Terminal Manager, Valero

Contact Email Address: jeremy.faught@valero.com

Purpose of Inspection: To assess petroleum product tank compliance with National Emission Standards for Hazardous Air Pollutants Subpart BBBBBB – Gasoline Distribution Bulk Terminals, Bulk Plants, and Pipeline Facilities (NESHAP Subpart BBBBBB) and Part 70 Permit No. 089-46656-00209 (the Permit)

Facility Type: Petroleum product bulk terminal

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Date of Inspection: November 30, 2023

Regulations Central to Inspection: NESHAP Subpart BBBB, including the obligation to control volatile organic compound (VOC) emissions from internal and external floating roof tanks (IFR and EFR tanks).

The Permit, including the monitoring requirement to visually inspect Tanks 2, 3, 5, 6, 7, 8, and 9 through roof hatches at least once annually after initial fill to ensure that there is no liquid accumulated on the roof, the seal is not detached, and there are no holes or tears in the seal fabric, and perform corrective actions if deficiencies are found.

Arrival Time: 8:45 AM

Departure Time: 11:30 AM

Inspection Type:

- ☒ Unannounced Inspection
- ☐ Announced Inspection

OPENING CONFERENCE

- ☒ Presented Credentials
- ☒ Stated authority and purpose of inspection
- ☒ Small Business Resource Information Sheet not provided. Reason: Not a small business
- ☒ Provided CBI warning to facility

The following information was obtained verbally from Terry Landgraf unless otherwise noted.

Company Ownership: Ownership has not changed in the past five years; however, Valero bought the facility from Premcor Pipeline Co. – Hammond Terminal in 2005. Premcor Pipeline Co. – Hammond Terminal is still the facility name in the Permit.

Process Description:

Valero (the facility) stores and distributes petroleum products. Product is piped in through two pipelines and stored at one of six in-service tanks. There are two gasoline tanks (Tanks 2 and 6), one natural gasoline tank (Tank 5), two transmix tanks (Tanks 7 and 8), and one jet fuel tank (Tank 9). Tanks 5 and 7 were EFR tanks that were retrofitted with geodesic domes to become IFR tanks. Tanks 2, 6, 8, and 9 are IFR tanks. There is no material blending on-site. Product is piped out of the facility through three pipelines.

Staff Interview:

The tank truck loading operation (LR-1) has not operated since 2018. No trucks have been loaded at the facility since 2018. Tank 1 has been permanently out-of-service for over 10 years due to a hole in the tank. Tank 3 is an IFR tank that is currently not in service but can be used if needed. There is currently no material inside of Tank 3.

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The facility does monthly sight/sound/smell inspections. Seals are inspected through roof hatches every six months to ensure that there is no liquid accumulated on the roof, the seal is not detached, and there are no holes or tears in the seal fabric. Out-of-service inspections are conducted every 10 years. EPA requested the seal inspection records for Tanks 2, 5, and 6 from the past year and the most recent out-of-service inspection records for Tanks 2, 5, and 6.

The Permit requires that Tanks 2, 3, 5, 6, 7, 8, and 9 not store a volatile organic liquid (VOL) with a vapor pressure greater than or equal to 11.1 psia as stored. Vapor pressures of liquids stored are maintained and verified by an outside laboratory on a quarterly basis. EPA requested these records for liquids stored in Tanks 2, 5, and 6 from the most recent quarterly report.

TOUR INFORMATION

EPA Tour of the Facility: Yes

Data Collected and Observations:

No tanks were being filled during the inspection. EPA used a forward looking infrared (FLIR) camera to screen the entire tank farm for potential emission leaks. The circumference of each gasoline tank was scanned, and emissions were visualized from vents of Tanks 2, 5, and 6. Tank 2 is a 2,339,092-gallon IFR containing gasoline. Tank 5 is a 6,270,795-gallon geodesic domed IFR tank containing natural gasoline. Tank 6 is an 8,387,708-gallon IFR tank containing gasoline. See Media Appendix.

Photos and/or Videos: were taken during the inspection.

Field Measurements: were not taken during this inspection.

CLOSING CONFERENCE

☒ Provided U.S. EPA point of contact to the facility

Requested documents:

- Information on geodesic dome sealing to prevent water infiltration;
- Monthly tank inspection reports for Tanks 2, 5, and 6 (past year);
- Tank seal inspection reports for Tanks 2, 5, and 6 (past year);
- Most recent out-of-service inspection reports for Tanks 2, 5, and 6;
- Vapor pressures of liquids stored in Tanks 2, 5, and 6 (from most recent quarterly report); and
- Facility tank map with tank specifications.

DIGITAL SIGNATURES

Report Author: **MEAGHAN PASHEN**  Digitally signed by MEAGHAN PASHEN
Date: 2024.01.24 13:56:49 -06'00'

Section Supervisor: **BRIAN DICKENS**  Digitally signed by BRIAN DICKENS
Date: 2024.01.24 15:40:19 -06'00'

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APPENDICES AND ATTACHMENTS

1. Appendix A: Media Appendix

Facility Name: Valero – Hammond Terminal
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APPENDIX A: MEDIA APPENDIX

1. Inspector Name: Dave Sutlin	2. Archival Record Location: Region 5 Electronic Records Center
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Image Number	File Name	Date and Time (incl. Time zone and DST)	Latitude and Longitude	Description of Media
1	FLIR0047.mp4	11/30/2023 09:47 AM	N/A	FLIR video at Tank 5
2	FLIR0048.mp4	11/30/2023 09:51 AM	N/A	FLIR video at Tank 5
3	FLIR0049.mp4	11/30/2023 10:22 AM	N/A	FLIR video at Tank 6
4	FLIR0050.mp4	11/30/2023 10:26 AM	N/A	FLIR video at Tank 6
5	FLIR0051.mp4	11/30/2023 10:34 AM	N/A	FLIR video at Tank 2
6	FLIR0052.mp4	11/30/2023 10:35 AM	N/A	FLIR video at Tank 2
7	FLIR0053.mp4	11/30/2023 10:36 AM	N/A	FLIR video at Tank 2
8	FLIR0054.mp4	11/30/2023 10:38 AM	N/A	FLIR video at Tank 2
9	IMG_0422.pdf	11/30/2023 11:25 AM	N/A	Tank farm map
10	IMG_0423.pdf	11/30/2023 11:25 AM	N/A	Tank farm map with specifications