

Office of Enforcement and Compliance Assurance, Air Enforcement Division
INSPECTION REPORT

Inspection Date(s):	02/07/2024	
Media Program:	Air	
Regulatory Program(s)	Title V, NESHAP	
Company Name:	Natgasoline LLC	
Facility Name:	Beaumont Gas to Gasoline Plant	
Facility Physical Location:	2366 Sulfur Plant RD	
(city, state, zip code)	Beaumont, TX 77705	
Mailing address:	PO Box 20339	
(city, state, zip code)	Beaumont, TX 77720	
County/Parish:	Jefferson County	
Facility Phone Number	409-344-4900, Ext.3300	
Facility Contact:	Miguel Martinez	Environmental Manager
	miguel.martinez@natgasoline.com	
FRS Number:	110070183112	
Identification/Permit Number:	RN106586795/Title V Air Operating Permit 3963	
Media Identifier Number:	ICIS-Air TX0000004824500747	
NAICS:	325110	
SIC:	2869	
Personnel participating in inspection:		
Daniel Hoyt	EPA OECA AED	Environmental Engineer
Nate Hicks	EPA OECA AED	Physical Scientist
Philip Myers	EPA OECA NEIC	Mechanical Engineer
Richard Helmich	EPA OECA NEIC	Chemist
Justin Chen	EPA Region 6 ECDAT	Environmental Engineer
Ben Donaldson	EPA Region 6 ECDAT	Environmental Engineer
Kenneth McPherson	EPA Region 6 ECDAT	Life Scientist
Miguel Martinez	Natgasoline LLC Representative	Environmental Manager
Sarah Lee	Natgasoline LLC Representative	Safety and Emergency Response
David Williamson	Natgasoline LLC Representative	Environmental Engineer
Brendon Stout	Natgasoline LLC Representative	Production Manager
Scott Kolb	Natgasoline LLC Representative	Environmental Engineer
Reid Guidry	Natgasoline LLC Representative	SSR
EPA Lead Inspector Signature/Date	 Digitally signed by DANIEL HOYT Date: 2024.04.03 12:33:32 -04'00'	
	Daniel Hoyt	Date
Supervisor Signature/Date	 Digitally signed by GREGORY FRIED Date: 2024.04.03 12:53:01 -04'00'	
	Gregory Fried	Date

Section I – INTRODUCTION

PURPOSE OF THE INSPECTION

EPA inspectors Daniel Hoyt and Nate Hicks (Air Enforcement Division, “AED”) accompanied by Philip Myers and Richard Helmich (National Enforcement Investigations Center, “NEIC”) arrived at the Natgasoline LLC/Beaumont Gas to Gasoline Plant at 1:15 pm CT on February 7, 2024, for an unannounced inspection. Region 6 EPA inspectors Ben Donaldson, Kenneth McPherson and Justin Chen arrived at the Natgasoline LLC/Beaumont Gas to Gasoline Plant at around 1:45 pm CT. The EPA team met Sarah Lee and Miguel Martinez and watched a safety video. Credentials were presented to Miguel Martinez and Daniel Hoyt informed Sarah Lee and Miguel Martinez that this was an EPA inspection to evaluate potential sources of excess emissions using EPA’s Geospatial Measurement of Air Pollution (“GMAP”) vehicle and evaluate compliance with the facility’s Title V Air Permit and the Clean Air Act. The scope of the inspection is a partial evaluation (“PCE”). This inspection occurred as part of a multi-scale monitoring project in the Beaumont-Port Arthur area. Photographs and video taken during the inspection can be found in Appendix 1 and 2, respectively.

FACILITY DESCRIPTION

The Natgasoline LLC/Beaumont Gas to Gasoline Plant is a petrochemical manufacturing facility (NAICS Code 325110) that operates under Title V Air Operating Permit O3963, issued August 21, 2019. The facility produces methanol from natural gas, steam and oxygen, and includes equipment for separating the produced methanol by distillation, methanol storage tanks and equipment for loading methanol into trucks and rail cars.

Section II - OBSERVATIONS

The NEIC GMAP was driven by Richard Helmich and the instruments were operated by Philip Myers. Facility representatives, including Miguel Martinez, accompanied the GMAP. Conditions were partly cloudy, winds from the south-southeast at 15 to 20 mph. Daniel Hoyt, Nathan Hicks, Ben Donaldson, Kenneth McPherson and Justin Chen were escorted/followed the GMAP in two vehicles. The GMAP drove on all available facility roads measuring air pollutant concentrations downwind of each of the process areas, if possible. A full report from the GMAP will be issued by NEIC at a later date.

Daniel Hoyt and Nathan Hicks operated a Data Acquisition in Real Time (DART) unit on their vehicle, equipped with a photoionization detector (PID) that measures VOC in the air, and a wind monitor that monitors wind speed, wind direction and geolocation. The DART unit had a 10.6ev PID installed.

Philip Myers indicated that the GMAP detected methane downwind from the 20-inch natural gas plant inlet pipe at around 2:20 pm. Philip Myers used an optical gas imaging camera and indicated that he saw emissions coming from two valves associated with the natural gas inlet pipe. I used a FLIR GFx320 optical gas imaging camera. I observed emissions from the first valve, which were barely visible using in high sensitivity mode. I observed emissions from the second valve, noted that the emissions were visible using optical gas imaging in both high sensitivity mode and auto-mode, and observed that the second valve was located near equipment tag number 1707. I took one visible light/color photograph of valve

1707 with a FLIR GFX320 camera (See Appendix 1 Photo Log, FLIR0002) and recorded one optical gas imaging video of the emissions from the second valve near tag 1707 using a FLIR GFX320 in standard mode (see Appendix 2 Video Log, FLIR0001).

The site GMAP survey ended at 3:00 pm CT and we returned to the Natgasoline LLC conference room.

Section III – AREAS OF CONCERN

I, Daniel Hoyt, conducted a closing conference at the Natgasoline LLC/Beaumont Gas to Gasoline Plant at 3:00 pm CT on February 7, 2024, for the inspection (see sign-in sheet, included as Appendix 3). Philip Meyers and I summarized the facility tour and presented the emissions observations, including the following Area of Concern:

GMAP detected elevated methane downwind from the 20-inch natural gas plant inlet pipe at around 2:20 pm CT. Philip Myers used an optical gas imaging camera and indicated that he saw emissions coming from two valves associated with the natural gas inlet pipe.

Natgasoline LLC's Prevention of Significant Deterioration Permit (GHGPSDTX54, dated June 17, 2020), Special Permit Condition III.A.7.a., indicates the facility is subject to the Texas Commission on Environmental Quality (TCEQ) 28VHP leak detection and repair (LDAR) program for fugitive emissions of methane. The TCEQ 28VHP LDAR program requires "[d]amaged or leaking valves or connectors found to be emitting VOC in excess of 500 parts per million by volume (ppmv)" to be "tagged and replaced or repaired", and that a leaking component must "be repaired as soon as practicable, but no later than 15 days after the leak is found" unless "the repair of a component would require a unit shutdown that would create more emissions than the repair would eliminate".

In response to the methane detected by GMAP during the facility survey, Miguel Martinez indicated during the Exit Briefing that Natgasoline LLC:

- Conducted initial leak detection and repair monitoring with a TVA, finding that:
 - The concentration of emissions around the first valve was 406 ppm.
 - The concentration of emissions around the second valve near tag 1707 caused the TVA instrument to "flame-out".
- Attempted to address emissions from the first valve by tightening the valve cap.
- Had not yet addressed emissions from the second valve near tag 1707 because a ladder was needed.

The facility made no claims of confidential business regarding the photograph taken and optical gas imaging video recorded. The facility was informed that a copy of the video and photograph would be made available to the facility following the inspection. We departed the facility at 3:15 pm CT.

Section IV – FOLLOW UP

Miguel Martinez provided a follow up email on March 5, 2024, in response to an email dated February 29, 2024, from Daniel Hoyt (see Appendix 4). In that email, Miguel Martinez provided documentation, including calibration records, indicating Natgasoline LLC used EPA Method 21 in response to the

methane detected by GMAP during the facility survey. The email response indicates Natgasoline LLC detected emissions coming from valves on the 20-inch natural gas pipeline interconnect on the pipeline section associated with a 24-inch receiver. The documentation provided by Miguel Martinez indicates the detected emissions were coming from two valves identified with tags 1706 and 1711, and provides the following results for initial EPA Method 21 monitoring:

- Tag 1706 18297 ppm February 7, 2024, at 2:46 pm CT
- Tag 1711 19040 ppm February 7, 2024, at 2:49 pm CT

The documentation provided by email further indicates that after the respective valve hatches were tightened, the repairs were deemed successful based on the following EPA Method 21 monitoring results:

- Tag 1706 308 ppm February 7, 2024, at 4:00 pm CT
- Tag 1711 84.8 ppm February 7, 2024, at 4:05 pm CT

Section V – LIST OF APPENDICES

Appendix 1 – Photo Log – one photograph taken February 7, 2024

Appendix 2 – Video Log – one FLIR video recorded February 7, 2024

Appendix 3 – Closing conference sign-in sheet

Appendix 4 – Email response and attachments from Miguel Martinez dated March 5, 2024

Photo Log – one photograph taken by Daniel Hoyt on February 7, 2024

Photo #	File Name	Date/Time (CST)	Description
1	FLIR002.jpg	2024-02-07/2:30 pm	Valve near Tag 1707 on 20-inch natural gas pipeline interconnect on the pipeline section associated with a 24-inch receiver, from which emissions were observed using optical gas imaging



Video Log – one FLIR video recorded by Daniel Hoyt on February 7, 2024

Photo #	File Name	Date/Time (CST)	Duration	Description
1	FLIR001.mp4	2024-02-07/2:30 pm	00:00:16	VOC emissions observed using optical gas imaging from valve near Tag 1707 on 20-inch natural gas pipeline interconnect on the pipeline section associated with a 24-inch receiver, recorded in standard mode

Closing Conference Sign-in Sheet

BPAGMAP2024

Facility Name/FRS Natgasoline

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Inspection Notes:

Closing conference sign in

Name	Company	Title	Email
Ben Donaldson	EPA R06	Env. Eng.	Donaldson.Benjamin@epa.gov
Kenneth McPherson	EPA R06	Life Scientist	mcpherson.kenneth@epa.gov
Reid Guidry	NATGASOLINE	SSR	Reid.Guidry@NATGASOLINE.CO
DAVID WILLIAMSON	NATGASOLINE	ENV. ENG.	david.williamson@natgasoline.
Richard Helmich	EPA	Chemist	helmich.richard@epa.gov
Daniel Hoyt	EPA	Env. Eng	hoyt.daniel@epa.gov
Justin Chen	EPA	Env Eng	chen.justin@epa.gov
Nate Hicks	EPA	Physical Scientist	Hicks.Nathaniel@EPA
Sarah Lee	Natgasoline	OHSST	sarah.lee@natgasoline.com
Brendon Stout	Natgasoline	Production Manager	brendon.stout@natgasoline.com
Miguel A. Martinez	NATGASOLINE	ENV. MGR.	miguel.martinez@natgasoline.com
Philip Myers	EPA	Mich. Engineer	myers.philip@epa.gov

BR

Initials / Date: BR, 7/7/24

From: [Miguel Martinez](#)
To: [Hoyt, Daniel](#)
Cc: [Robert Wiess](#); [Larry Richard](#)
Subject: RE: Natgasoline Follow-up
Date: Tuesday, March 5, 2024 4:57:12 PM
Attachments: [NATG-X-1005 \(03\) Natgas TETCO Interconnect - 20{6} Pipeline - Receiver Area - P&ID \(ID 79664\).pdf](#)
[Calibration.pdf](#)

Caution: This email originated from outside EPA, please exercise additional caution when deciding whether to open attachments or click on provided links.

Good Afternoon, Mr. Hoyt:

As requested in your email below, Natgasoline is providing a narrative and the corrective actions associated with your team's visit.

Requested Information

EPA visited the Natgasoline-Beaumont Methanol facility on February 7, 2024, at approximately 13:00. The EPA was represented by:

- Daniel W. Hoyt
- Nathaniel C. Hicks
- Richard J. Helmich
- Phillip Meyers
- Justin Chen
- Ben Donaldson
- Ken McPherson

The Natgasoline Environmental team was represented by:

- Miguel A. Martinez
- Scott Kolb
- David Williamson

EPA used its Geospatial Measurement of Air Pollution (GMAP) vehicle to monitor the process state. The GMAP detected a methane emission from the 20" Natural Gas pipeline interconnect on the section associated with the 24" Receiver. Optical gas imaging (OGI) indicated the emissions were coming from valves 1707 and 1711. The initial Method 21 readings for the associated LDAR tags were:

- Tag 1706 18297 ppm 02/07/2024 14:46

- Tag 1711 19040 ppm 02/07/2024 14:49

Both the EPA OGI and the Natgasoline Method 21 TVA narrowed the location of the methane leaks to the valve hatches for V-1706 and V-1711.

Corrective Action

Natgasoline Environmental called ECHO, the rapid response mechanical contractor, to inspect the valve hatches. ECHO determined the repair requirements, identified possible safety risks, and tightened the valve hatches. The first attempt repair was successful where the leak measurement readings were:

- Tag 1706 **308 ppm** 02/07/2024 16:00
- Tag 1711 **84.8 ppm** 02/07/2024 16:05

If you have any questions, please call me at 713-419-8935 or email me at miguel.martinez@natgasoline.com . Thank you, sir.

Regards,

Miguel A. Martinez
Environmental Manager



PO Box 20339
Beaumont, TX 77720
2366 Sulphur Plant Road
Beaumont, TX 77705
Cell: 713-419-8935

miguel.martinez@natgasoline.com

From: Hoyt, Daniel <Hoyt.Daniel@epa.gov>
Sent: Thursday, February 29, 2024 1:39 PM
To: Miguel Martinez <Miguel.Martinez@natgasoline.com>
Subject: Natgasoline Follow-up

You don't often get email from hoyt.daniel@epa.gov. [Learn why this is important](#)

CAUTION: This is an external email. Please take care when clicking links or opening unexpected attachments. Contact IT at helpdesk@natgasoline.com if you require assistance.

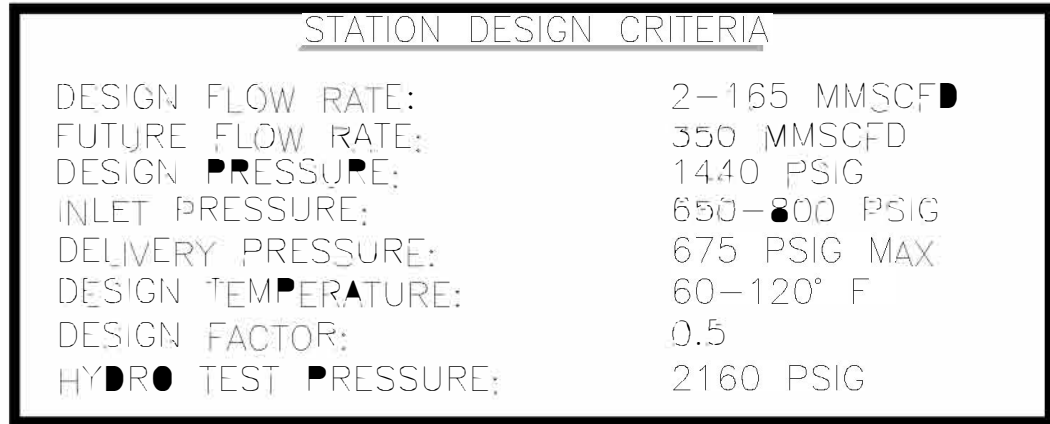
Hello Miguel Martinez,

Thank you again for your time and attention during our EPA site visit at the Natgasoline-Beaumont Gas to Gasoline Plant on February 7, 2024, with EPA's Geospatial Measurement of Air Pollution (GMAP) vehicle. As we discussed during the site visit, methane emissions were detected by the GMAP and wind direction/optical gas imaging indicated the emissions were coming from valve 1707 on Natgasoline's plant inlet natural gas pipe. You indicated during the exit briefing that Natgasoline had not yet addressed the emissions detected, coming from valve 1707 on the plant inlet natural gas pipe, because a ladder was needed. I want to document in my report if Natgasoline did take action to address the detected emissions. Please send me by email, by March 7, 2024, documentation of any corrective action taken to address the emissions detected during the site visit, coming from valve 1707 on the plant inlet natural gas pipe. Please include with the documentation a description of corrective actions taken, the dates and times of corrective actions taken, and the dates, times and results of any EPA Method 21 instrument monitoring (or optical gas imaging) conducted to confirm emissions or verify that corrective actions addressed the detected emissions. Feel free to give me a call or send me an email if you have any questions.

Regards,

-Dan Hoyt

Daniel Hoyt, Environmental Engineer
US Environmental Protection Agency
Office of Enforcement and Compliance Assurance
Office of Civil Enforcement - Air Enforcement Division
(202) 564-7898
1200 Pennsylvania Ave, NW
WJC-S, MC 2242A
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ALLIANCE CALIBRATION SUMMARY

Inspector	Deloris Welch	Instrument	2020216301	Calibration Date/Time	02/07/2024 12:47:30 PM	Is Drift	false
Inspector	Deloris Welch	Instrument	2020216301	Calibration Date/Time	02/07/2024 04:50:00 PM	Is Drift	false

ID	Cylinder ID and Expiration Date	Gas PPM	Instrument PPM	TVA Calibration Date/Time
Cylinder 1	AA2265:0:12/31/2030 8:00:00 AM	0	0	02/07/2024 12:47:30 PM
Cylinder 1	AA2265:0:12/31/2030 8:00:00 AM	0	0	02/07/2024 04:50:00 PM
Cylinder 2	K13603:483:1/18/2030 8:00:00 AM	483	486	02/07/2024 12:47:30 PM
Cylinder 2	K13603:483:1/18/2030 8:00:00 AM	483	477	02/07/2024 04:50:00 PM
Cylinder 3	K19793:1930:1/12/2030 8:00:00 AM	1930	1919	02/07/2024 12:47:30 PM
Cylinder 3	K19793:1930:1/12/2030 8:00:00 AM	1930	1911	02/07/2024 04:50:00 PM
Cylinder 4	203483:9820:10/18/2029 8:00:00 AM	9820	10000	02/07/2024 12:47:30 PM
Cylinder 4	203483:9820:10/18/2029 8:00:00 AM	9820	9987	02/07/2024 04:50:00 PM