Clean Air Act - Section 112(r)
Risk Management Program
and EPCRA 312 – Tier II
Facility Desk Audit Report

FACILITY INFORMATION:

Name:	Alto Magic Valley, LLC
Physical Address:	2600 Washington Avenue, Burley, Idaho 83318
Phone Number:	(916) 403-2744
Latitude/Longitude:	42.520278/-113.823889
EPA Facility ID#	1000 0020 1998

CONTACT INFORMATION (RMP Implementation):

Name:	Zack Jenson, Plant Manager
Phone Number:	(208) 678-6548
E-mail:	zjensen@pacificethanol.com

EMERGENCY CONTACT INFORMATION:

Name:	Zack Jenson, Plant Manager
Phone (24-hr):	(208) 409-5992
E-mail:	ehsscompliance@altoingredients.com
Website:	www.altoingredients.com/magic-valley-id

AUDIT DETAILS:

Contact Date:	September 1, 2022
Inspectors:	Peter Phillips, US EPA Region 10 SEE Grantee, RMP Inspector

DATE AND PROGRAM LEVELS OF SUBMITTED RMP:

Initial Submission Date:	March 20, 2008
Date of Latest Update:	March 9, 2018

Process (Program 1, 2, 3) as reported in RMP:

Process ID	Description	Process Chemical ID	NAICS Code	Program Level	Chemical Name CAS Number	Quantity (lbs)
1000085955	Denaturant Tank	1000107303	325193	3	Flammable Mixture, (00-11-11)	321,000
1000085956	Aqueous Ammonia Tank	1000107304	325193	3	Ammonia, Aqueous (7664-41-7)	275,000

PURPOSE:

The purpose of this document review was to determine whether this facility is in compliance with Section 112(r) of the Clean Air Act and Title 40 Code of Federal Regulations (CFR) Part 68, Chemical Accident Prevention Provisions and compliance with Section 312 of the Emergency Planning and Community Right to Know Act (EPCRA) which requires the Tier II Chemical Inventory Reports to be submitted annually. EPA Region 10 RMP inspectors are conducting offsite compliance monitoring when warranted for the RMP facility.

- The facility has been previously inspected in the past 5 years: No ☒ Yes ☐
- Is the emergency contact information current? No ☐ Yes ☒
- The facility is High Risk: No ☒ Yes ☐

- Joint EPCRA inspection: No ☐ Yes ☒

<u>CAA Title V Air Permit</u>:
Does the facility have a CAA Title V Permit? No ☐ Yes ☒
If Yes, Permit Number: P-2009.0124

<u>RELEASE/ACCIDENT HISTORY</u>:
Did the facility have a reportable release in the past 5 years? No ☒ Yes ☐

<u>EPCRA TIER II REPORTING</u>:
Did the facility submit their 2021 Tier II report to the SERC? No ☐ Yes ☒
If Yes, Date the Tier II was submitted: March 1, 2022

Did the facility submit a Tier II to the LEPC and local fire department? No ☐ Yes ☒
If Yes, Date the Tier II was submitted: March 1, 2022

<u>GENERAL INFORMATION</u>:
The facility is regulated under the Risk Management Program as a Program Level 3 process and is owned and operated by Alto Magic Valley, LLC. Alto Magic Valley LLC, Burley, Idaho operates a dry mill ethanol facility to produce ethyl alcohol or fuel ethanol primarily from corn. The facility also produces animal feed such as wet distiller's grain, distiller's syrup, and distillers corn oil as a byproduct of ethanol production. There are 38 full-time employees on site.

Note: The facility was closed and ceased ethanol production on 3/28/2020 due to the COVID pandemic. The entire staff was furloughed except for a few managers to patrol the facility. The facility resumed ethanol production on 10/7/2021 with an entirely new staff.

<u>INFORMATION REQUESTED FROM FACILITY</u>:

1. **Process Hazard Analysis** – A copy of the last two PHAs with recommendations and tracking sheets.
2. **Compliance Audit** – A copy of the last two Compliance Audits with recommendations and tracking sheets.
3. **Training** – Training records for each process operator
    a. **Initial Training Records**: Training in the overview of the process and in the operating procedures, emphasis on the specific safety and health hazards, emergency operations including shutdown, and safe work practices applicable to the employee's job tasks.
    b. **Refresher Training Records**: Training of each employee involved in operating a process to assure that the employee understands and adheres to the current operating procedures of the process.
    c. **Training Documentation:** Records which contains the identity of the employee, the date of training, and the means used to verify that the employee understood the training.
    d. **Annual Certification**: Annual operating procedures certification and review.
    e. Fill in **Facility Training Summary** sheet.

4. **Emergency Response** – A copy of emails, letters, or notes on meetings with LEPC and local responders including contact information (individual names, phone numbers, email addresses, organization name), dates, and coordination activities.
5. **Tier II Reporting** - Evidence of submission of a Tier II as described in 40 C.F.R. Part 370 to the State Emergency Response Commission ("SERC"), the Local Emergency Response Commission ("LEPC"), and the fire department with jurisdiction over the facility.

ANALYSIS OF DOCUMENTATION SUBMITTED:

1. **Process Hazard Analysis (PHA):**

   Alto Magic Valley submitted their 2016 and 2021 PHAs for evaluation. The 2016 PHA was completed on July 15. The 2016 PHA identified twenty-one (21) findings that were completed prior to the 2021 PHA except for Item 14.1.1 that was completed on 3/15/2022, six years after identifying the discrepancy.

   The 2021 PHA was completed on March 31, 2021. The 2021 PHA identified fifteen (15) findings. Eleven findings were completed by July 2022. The remaining four (4) findings have proposed completion dates of December 2022.

   Alto Magic Valley facility is conducting PHAs at least every five years.

2. **Compliance Audit:**

   Alto Magic Valley submitted their 2017 and 2020 Compliance Audits for review. The 2017 Compliance Audit was completed on April 27, 2017. The facility carried over the following 2017 audit findings into their 2020 audit:

   1. PSI-3: Update the Normal operating procedure manual to include the consequences of deviation from safe operating limits.
   2. PSI-5: Update the PSV design and design basis to include sizing calculations and appropriate relief area of each PSV.
   3. PSI-6: Update the PSM program to include ventilation design and design basis.

   The 2020 audit was completed on March 10, 2020. All findings in the 2020 Compliance Audit, including the three findings carried over from their 2017 audit either have been completed or scheduled to be completed by December 2022.

   Alto Magic Valley facility is conducting audits at least every three years.

3. **Training:**

   The Alto Magic Valley facility has fourteen (14) process operators. The facility hired nine new operators in 2022 and their refresher training was due until 2025. The facility closing in early 2020 and reopening until 2022 due to the COVID pandemic caused them to hire new employees. Alto Magic Valley provided initial training documentation for all fourteen (14) process operators. The facility provided refresher training documentation for their five operators hired prior to 2022 who are receiving refresher training at least every three years from their initial training dates, including online training during the facility's shutdown.

   The facility's SOPs were reviewed and certified on 4/20/2022 for annual certification.

4. **Emergency Response Coordination (Required annually after 9/21/18):**

   The Alto Magic Valley (AMV) facility provided an email on 10/12/2022 (with 6 pdf files) documenting that a planning meeting was held on August 11, 2022, at the facility to discuss a drill of the Emergency Action Plan scheduled for September 22, 2022. In attendance for this meeting were the following:

- Shannon Tolman, Chief Burley Fire Department
- Casey Harman, Deputy Chief Burley Fire Department
- Captain Jerrod Thompson, Undersheriff, Cassia County Sheriffs
- Lieutenant Hicks, Patrol Division, Cassia County Sheriff
- Keisha Hendricks, Paramedic Supervisor, Intermountain Cassia
- Zack Jensen, Plant Manager, Alto Magic Valley
- Kevin J. Reid, EHSS Manager, Alto Magic Valley

All agencies in attendance were provided with AMV Integrated Contingency Plan and Emergency Action Plan. The meeting consisted of a detailed overview of the processes that are conducted at AMV to include: Ethanol Production and Grain Handling. An overview of the fire suppression systems at AMV were presented, the chemicals onsite, the amount, and the hazards of the materials. Questions by attendees were fielded and answered. The drill scenario discussed was a large volume release of ethanol in the tank farm due to valve failure. A subsequent fire involving Denature Ethanol because of the amount released. Two AMV employees would have become causalities from becoming contaminated with ethanol. Injuries to AMV employees would include burns to face, extremities, and torso, plus blunt force trauma from the initial explosion. The location of the causalities would be: one just to the east of the Tank Farm, outside of the containment, and the second would be located at the west door of Distillation, Dehydration, and Evaporation Unit.

No emergency response coordination documentation prior to 2022 was provided by the facility.

5. **Tier II Reporting:**

   Alto Magic valley submitted their 2021 on March 1, 2022. The facility provided documentation that their Tier II was submitted to the Cassia County LEPC and the City of Burley Fire Department.

AREAS OF CONCERNS:

1. **PHA**: Alto Magic Valley did not assure that the 2016 PHA recommendations were resolved in a timely manner and completed actions as soon as possible. [68.67(e)]. The 2016 PHA recommendation, Item 14.1.1 was completed on 3/15/2022, six years after identifying the finding.
2. **Compliance Audits**: Alto Magic Valley did not promptly determine and document an appropriate response to each of the 2017 audit findings and document that deficiencies had been corrected. [68.79(d)]. The 2017 Compliance Audit findings, PSI-3, PSI-5, and PSI-6 were carried over as findings in the 2020 audit with a scheduled completion date of 12/31/2022.
3. **Emergency Response Coordination**: Alto Magic Valley could not produce documentation that annual emergency response coordination activities were conducted prior to 2022. [68.93]. This requirement has been in effect since September 21, 2018.

The findings in this report will be discussed with the facility via telephone and email after certification of this report.

DOCUMENTS REQUESTED ON FOLLOW-UP:
The following documents were requested after the initial submission of documents. These documents will still be reviewed to determine compliance with Section 112(r) of the Clean Air Act.

No follow-up documents were requested.

AUDIT REPORT CERTIFICATION:
This is to certify that I, Peter Phillips, was the lead inspector at this facility and that I have verified the accuracy of the observations in this inspection report:

PETER PHILLIPS (Affiliate) Digitally signed by PETER PHILLIPS (Affiliate)
Date: 2022.11.22 11:17:52 -08'00'

Signature Date

JAVIER MORALES Digitally signed by JAVIER MORALES
Date: 2022.11.22 11:29:16 -08'00'

RMP Coordinator/Approval Date

ERIN WILLIAMS Digitally signed by ERIN WILLIAMS
Date: 2022.11.22 13:35:18 -08'00'

EPCRA Coordinator/Approval Date

Jennifer A Sullivan Digitally signed by Jennifer A Sullivan
Date: 2022.11.25 08:01:42 -08'00'

Land Enforcement Section Chief/Approval Date