United States Environmental Protection Agency

Region 6 Enforcement and Compliance Assurance Division

INSPECTION REPORT

Inspection Date(s):	03/29/2022 – 03/31/2022	
Media Program:	Air	
Regulatory Program(s)	Clean Air Act Section 112(r) and 40 Code of Federal Regulations (C.F.R.) Part 68 Chemical Accident Risk Management Plan (RMP)	
Company Name:	Gas Innovations	
Facility Name:	**Gas Innovations**	
Facility Physical Location:	18005 E. Hwy 225	
(city, state, zip code)	La Porte, TX 77571	
Mailing address:	18005 E. Hwy 225	
(city, state, zip code)	La Porte, TX 77571	
County/Parish:	Harris	
Facility Contact:	Chris Brandt	VP-Operations
	Cbrandt@gasinnovations.com	
FRS Number:	110033874911	
Identification/Permit Number:	Permit By Rule No. 79180	
Media Identifier Number:	RMP 1000 0020 2817	
NAICS:	42471 Petroleum Bulk Stations and Terminals	
NAICS:	42469 Other Chemicals and Allied Products Merchant Wholesalers	
Personnel participating in inspection:		
Tony Robledo	U.S. EPA	Inspector/Enforcement Officer
Daniel Williams	U.S. EPA	Inspector/Enforcement Officer
Chris Brandt	Gas Innovations	VP-Operations
Steven Ead	Gas Innovations	Plant Engineer
Bill Whipka	Gas Innovations	Consultant-Operations
Robert Tannehill	RSB Environmental	Consultant
EPA Lead Inspector Signature/Date	ANTHONY ROBLEDO Digitally signed by ANTHONY ROBLEDO DN: c=US, o=U.S. Government, ou=Environmental Protection Agency, cn=ANTHONY ROBLEDO, 0.9.2342.19200300.100.1.1=68001003655529 Date: 2022.04.12 16:15:40 -05'00'	
	Tony Robledo	
Supervisor Signature/Date	SAMUEL TATES Digitally signed by SAMUEL TATES Date: 2022.04.13 12:53:28 -05'00'	
	Samuel Tates	

6ENFORM-020-R8.2 (02/12/2020)

Section I – INTRODUCTION PURPOSE OF THE INSPECTION

We, Environmental Protection Agency (EPA) Region 6 inspectors Tony Robledo and Daniel Williams, arrived at Gas Innovations at approximately 9:00 a.m. on March 29, 2022, for an announced inspection. We met with Chris Brandt, Gas Innovations (GI), and GI staff at the opening meeting. We presented our credentials to him and GI staff, and informed them that this was an EPA inspection to determine compliance with the Clean Air Act (CAA) Sections 112(r)(1) and 112(r)(7). The scope of the inspection was a partial compliance evaluation (PCE) and included evaluation of the compliance with 40 C.F.R. Part 68 – Chemical Accident Prevention Provisions.

FACILITY DESCRIPTION

The facility is authorized as a wholesale gas supplier. Its operations include the filling, storing, and transfer of industrial gases that are used in many different applications. The facility receives bulk gases in tanker trailers and then transfers the gases to storage tanks before again transferring them to smaller containers or back into tanker trailers for wholesale. Additionally, the facility receives nearly empty bulk trailers and containers that must be emptied before refilling. Some of the containers are refurbished through welding, sand blasting, and painting before being put back into circulation. The two main operations at the facility are the high-pressure operations and the low-pressure operations. The high-pressure operation handles ethane, methane, ethylene, and carbon monoxide. The low-pressure operation handles propylene, propane, butane, and isobutane. The facility plans to install two separate flares to control emission from the venting of residual gases in returned tanker trailers and containers in both its high-pressure and low-pressure operations. The facility handles both regulated flammable and toxic substances above their threshold quantities. There are 62 full-time employees at this non-union plant. The plant operates one shift 6:00 a.m. – 4:00 p.m.

Section II – OBSERVATIONS

EPA Inspectors conducted a walk-through of the facility, accompanied by GI personnel, to observe the facility process, equipment, pressure vessels, and operations. We observed no spills, leaks, or fugitive hydrocarbon emission trails with the Forward Looking Infrared (FLIR™) Series GF320 camera. Additional observations and findings are found on the RMP Program Level 3 Checklist, located in **Appendix #1**.

Section III – AREAS OF CONCERN

Closing Meeting – We convened a closing meeting on Thursday, March 31, 2022, to discuss the Areas of Concern (AOC) noted during the inspection, the completion process, and to answer questions from GI personnel.

AOC 1 - 40 C.F.R. § 68.15(a)(b)(c) Management

> *(a) The owner or operator of a stationary source with processes subject to Program 2 or Program 3 shall develop a management system to oversee the implementation of the risk management program elements. (b) The owner or operator shall assign a qualified person or position that has the overall responsibility for the development, implementation, and integration of the risk management program elements. (c) When responsibility for implementing individual requirements of this part is assigned to persons other than the person identified under paragraph (b) of this section, the names or positions of*

these people shall be documented and the lines of authority defined through an organization chart or similar document.

GI failed to develop a management system to oversee the implementation of the risk management program; assign a qualified person with the responsibility of development, implementation, and integration of the risk management program; and document lines of authority through an organization chart or similar document.

AOC 2 – 40 C.F.R § 68.65(d)(2) Process Safety Information

(2) The owner or operator shall document that equipment compiles with recognized and generally accepted good engineering practices.

GI failed to document that covered process equipment located in the low-pressure dock area and the high-pressure area to include the hydrogen chloride refiling area complies with recognized and generally accepted good engineering practices (RAGAGEP).

AOC 3 – 40 C.F.R § 68.67(a) Process Hazard Analysis

(a) The owner or operator shall perform an initial process hazard analysis (hazard evaluation) on processes covered by this part. The process hazard analysis shall be appropriate to the complexity of the process and shall identify, evaluate, and control the hazards involved in the process. The owner or operator shall determine and document the priority order for conducting process hazard analyses based on a rationale which includes such considerations as extent of the process hazards, number of potentially affected employees, age of the process, and operating history of the process. The process hazard analysis shall be conducted as soon as possible, but not later than June 21, 1999. Process hazards analyses completed to comply with 29 CFR 1910.119(e) are acceptable as initial process hazards analyses. These process hazard analyses shall be updated and revalidated, based on their completion date.

GI failed to conduct an initial process hazard analysis on or before its startup of operations in the year 2003, and to perform any subsequent update or revalidation every five years of its process hazard analysis which should have occurred in years 2008, 2013, and 2018.

AOC 4 – 40 C.F.R § 68.69(c) Operating Procedures

(c) The operating procedures shall be reviewed as often as necessary to assure that they reflect current operating practice, including changes that result from changes in process chemicals, technology, and equipment, and changes to stationary sources. The owner or operator shall certify annually that these operating procedures are current and accurate.

GI failed to certify annually that its operating procedures were current and accurate.

AOC 5 – 40 C.F.R § 68.71(b) Training

(b) Refresher training shall be provided at least every three years, and more often, if necessary, to each employee involved in operating a process to assure that the employee understands and adheres to the current operating procedures of the process. The owner or operator, in consultation with the

employees involved in operating the process, shall determine the appropriate frequency of refresher training.

GI failed to provide documentation of refresher training for two of its four covered process operators.

AOC 6 – 40 C.F.R § 68.73(d)(4) Mechanical Integrity

(4) The owner or operator shall document each inspection and test that has been performed on process equipment. The documentation shall identify the date of the inspection or test, the name of the person who performed the inspection or test, the serial number or other identifier of the equipment on which the inspection or test was performed, a description of the inspection or test performed, and the results of the inspection or test.

GI failed to provide documentation on inspection or tests conducted on seven pressure vessel's located in the low-pressure dock area to include the date of the inspection or test, the name of the person who performed the inspection or test, the identification of the pressure vessel on which the inspection or test was performed, a description of the inspection or test performed and the results of the inspection or test in accordance with any RAGAGEP. The applicable RAGAGEP includes the *American Petroleum Institute (API) 510, Pressure Vessel Inspection Code: In-service Inspection, Rating, Repair, and Alteration,* 10^{th} Edition, May 2014. GI provided general maintenance logs for the seven pressure vessel's for the years 2019, 2020, 2021, and 2022.

AOC 7 – 40 C.F.R § 68.77(a) Pre-startup Review

(a) 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.

GI failed to conduct a pre-startup safety review for any of its management of changes that affected a covered process. A pre-startup safety sample template was provided to GI during the inspection.

AOC 8 – 40 C.F.R § 68.79(a) Compliance Audits

(a) The owner or operator shall certify that they have evaluated compliance with the provisions of this subpart at least every three years to verify that procedures and practices developed under this subpart are adequate and are being followed.

GI failed to conduct risk management program compliance audits. GI had conducted internal audits in the years 2017, 2018, and 2019, but not according to this subpart. A 2021 process safety management audit was conducted in the year 2021.

AOC 9 – 40 C.F.R § 68.83(b) Employee Participation

(b) The owner or operator shall develop a written plan of action regarding the implementation of the employee participation required by this section.

GI failed to provide a written employee participation plan on how consultation with its employees is conducted in regard to the conduct and development of process hazard analyses and access to such documentation.

AOC 10 – 40 CFR § 68.93(c) Emergency Response Coordination Activities

> *(c) The owner or operator shall document coordination with local authorities, including: The names of individuals involved and their contact information (phone number, email address, and organizational affiliations); dates of coordination activities; and nature of coordination activities.*

GI failed to provide documentation that it had coordinated with local authorities regarding its emergency response coordination activities.

Section IV – FOLLOW UP

There were no additional records requested and no additional follow up for this inspection.

Section V – LIST OF APPENDICES

Appendix #1 – RMP Program 3 Checklist
Inspection Symbol Key: Y - Yes, N - No, N/A - Not Applicable;
S - Satisfactory, M - Marginal, U - Unsatisfactory.