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

Salt Lake City Terminal

Facility Name and Address: Salt Lake City Terminal 2825 West 500 South Salt Lake City, Utah 84101 **Latitude, Longitude:** 40.757933, -111.961357 **Contact/Telephone:** Sharanya Shanbhogue, EHS Manager (661) 440-6491 **Mailing Address:** Midstream Energy Partners, USA, LLC 9224 Tupman Road Tupman, California 93276	**Date of Inspection:** 09/12/2023 **RMP EPA ID #:** 1000 0023 7497 • **Program Level:** 3 • **Covered Substances:** Propane **TRIFID #:** NA **NAICS:** 42471 Petroleum Bulk Stations and Terminals **# Employees at this location:** 0 Normally unoccupied except for drivers

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 section 312. The facility was chosen to be inspected because of its location in a potential Environmental Justice (EJ) focus area and the RMP submitted to the EPA was overdue for its 5-year resubmission.

The Facility uses, handles, and/or stores more than a threshold quantity of propane, 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: The Salt Lake City Terminal is a propane storage facility owned and operated by Midstream Energy Partners, USA, LLC. A compressor unit is used to unload propane from truck tanks into the two above-ground bullet storage tanks. A loading pump is used to transfer the liquid propane from each storage bullet tank to truck tanks. The facility was purchased from the previous owner, Crestwood Midstream Partners LP, as part of an acquisition of Crestwood assets completed on October 26, 2018. Prior to the first RMP for this location submitted by Crestwood on 12/14/2017, the property was owned by Turner Gas Company.

OBSERVATIONS

CAA § 112(r)(7) (RMP):

1. **Requirement found at Subpart D – Prevention Program – Process Safety Information [68.65]:**
   (a) The owner or operator shall complete a compilation of written process safety information before conducting any process hazard analysis required by the rule. The compilation of written process safety information is to enable the owner or operator and the employees involved in operating the process to identify and understand the hazards posed by those processes involving regulated substances. This process safety information shall include information pertaining to the hazards of the regulated substances used or produced by the process, information pertaining to the technology of the process, and information pertaining to the equipment in the process.
   (b) Information pertaining to the hazards of the regulated substances in the process. This information shall consist of at least the following:
   (1) Toxicity information;
   (2) Permissible exposure limits;
   (3) Physical data;
   (4) Reactivity data:
   (5) Corrosivity data;
   (6) Thermal and chemical stability data; and
   (7) Hazardous effects of inadvertent mixing of different materials that could

foreseeably occur.

(c) Information pertaining to the technology of the process.

(1) Information concerning the technology of the process shall include at least the following:

(i) A block flow diagram or simplified process flow diagram;

(ii) Process chemistry;

(iii) Maximum intended inventory;

(iv) Safe upper and lower limits for such items as temperatures, pressures, flows or compositions; and,

(v) An evaluation of the consequences of deviations.

- **The facility did not compile written documentation on the safe upper and lower limits for such items as temperatures, pressures, flows, or compositions. There is also no evaluation of the consequences of deviations from these safe upper and lower limits.**

2. **Requirement found at Subpart D – Program 3 Prevention Program - Process hazard analysis [68.67(e)]:** The owner or operator shall establish a system to promptly address the team's findings and recommendations; assure that the recommendations are resolved in a timely manner and that the resolution is documented; document what actions are to be taken; complete actions as soon as possible; develop a written schedule of when these actions are to be completed; communicate the actions to operating, maintenance and other employees whose work assignments are in the process and who may be affected by the recommendations or actions.

   - **Both the initial PHA and the PHA Revalidation did not establish a system to promptly address the team's findings and recommendations; assure the recommendations are resolved in a timely manner and that the resolution is documented.**
     - **The initial PHA was conducted by Crestwood Midstream Partners on 5/26/2017. There were 12 recommendations listed in the Section 4. Manage Recommendations table with a risk ranking priority of medium or high. The status and dates of completion for all recommendations were blank in this table.**
     - **The PHA revalidation was conducted by Midstream Energy Partners on 5/25/2023 – 6/1/2022. There were two recommendations listed in the Section 4. Manage Recommendations table with a risk ranking priority of medium. The status and dates of completion for the two recommendations were blank in this table. These were identical recommendations found in the 2017 initial PHA, but the risk rankings dropped from high to medium:**
     - **During the inspection, the facility representative stated they**

determined the risk rankings in the initial PHA were too high. The adjusted risk rankings dropped nine of the recommendations to an Acceptable/Low classification. They also decided Recommendation 9 did not warrant implementing. This decision was not documented.

- **During the inspection, the facility representative stated they were still waiting for the parts to replace the hydrostatic relief valves for Recommendation 1. The action was completed for Recommendation 2.**

3. **Requirement found at Subpart D – Program 3 Prevention Program – Operating procedures [68.69(a)]:** The owner or operator shall develop and implement written operating procedures that provide clear instructions for safely conducting activities involved in each covered process consistent with the process safety information and shall address at least the following elements.
   (2) Operating limits:
   (i) Consequences of deviation; and
   (ii) Steps required to correct or avoid deviation.

   - **The SLC Terminal operating procedures do not contain the consequences of deviation from the operating limits and steps required to correct or avoid deviation.**

4. **Requirement found at Subpart D – Program 3 Prevention Program – Operating procedures [68.69(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.

   - **Midstream Energy Partners, USA, LLC did not certify annually that the operating procedures are current and accurate.**
   - **The Operations and Training Manual had a table for the revision history with dates approved 09/11/2017 and 09/22/2022 and the Facility Supervisor's Name. The Signature space was blank for both. Above this Revision History table was this statement:** *"As noted by the signatures below, Midstream supervisory personnel authorize and attest to the accuracy of both the processes to update pertinent safety and regulatory compliance documentation and the validity of that information."*

5. **Requirement found at Subpart D – Program 3 Prevention Program – Training [68.71(a)(1)]:** Each employee presently involved in operating a process, and each employee before being involved in operating a newly assigned process, shall be trained in an overview of the process and in the operating procedures as specified in § 68.69. The training shall include emphasis on the specific safety and health hazards, emergency operations including shutdown, and safe work practices

applicable to the employee's job tasks.

- **The facility could not provide records of the initial training of the two Transco Logistics drivers or the Operations Manager. Training records for the two drivers were provided and dated 10/3/2022, which was 4 years after the facility was purchased by Midstream Energy Partners.**

6. **Requirement found at Subpart D – Program 3 Prevention Program – Compliance Audits [68.79(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.

   - **Midstream Energy Partners provided a compliance audit report dated August 11, 2021, but it did not certify they have evaluated compliance with the provisions of Subpart D at least every three years.**

7. **Requirement found at Subpart D – Program 3 Prevention Program – Compliance Audits [68.79(d)]:** The owner or operator shall promptly determine and document an appropriate response to each of the findings of the compliance audit, and document that deficiencies have been corrected.

   - **Midstream Energy Partners provided two documents regarding compliance audits: a Compliance Audit Report dated August 11, 2021, and an Excel spreadsheet titled *Crestwood Compliance Audit 2018.* Neither of these document that the recommendations/deficiencies have been corrected.**
   - **The 2021 Compliance Audit includes two recommendations that were marked corrected, but could not be verified during this inspection because of a lack of documentation:**
     - **Close out all 2016 PHA open action items during the 2022 PHA revalidation. (See Observation #2.)**
     - **Close out all 2018 Compliance Audit open items. There were still action items in the Excel spreadsheet marked "Not Complete."**
   - **The 2021 Compliance Audit had three recommendations marked "In Progress."**

8. **Requirement found at Subpart D – Program 3 Prevention Program – Compliance Audits [68.79(e)]:** The owner or operator shall retain the two (2) most recent compliance audit reports.

   - **The facility did not retain the two most recent compliance audit reports. There is no compliance audit report for 2018.**

9. **Requirement found at Subpart E – Emergency Response coordination activities [68.93]:** The owner or operator of a stationary source shall coordinate response needs with local emergency planning and response organizations to determine how the stationary source is addressed in the community emergency response plan and to ensure that local response organizations are aware of the regulated substances at the stationary source, their quantities, the risks presented by covered processes, and the resources and capabilities at the stationary source to respond to an accidental release of a regulated substance.
   (a) Coordination shall occur at least annually, and more frequently, if necessary, to address changes: At the stationary source; in the stationary source's emergency response and/or emergency action plan; and/or in the community emergency response plan.
   (b) Coordination shall include providing to the local emergency planning and response organizations: The stationary source's emergency response plan if one exists; emergency action plan; updated emergency contact information; and other information necessary for developing and implementing the local emergency response plan. For responding stationary sources, coordination shall also include consulting with local emergency response officials to establish appropriate schedules and plans for field and tabletop exercises required under § 68.96(b). The owner or operator shall request an opportunity to meet with the local emergency planning committee (or equivalent) and/or local fire department as appropriate to review and discuss those materials.
   (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.

   - **Every year Midstream Energy Partners and Transco Logistics coordinate site inspections with the Utah Fire Marshall.**
   - **Midstream Energy Partners did not document that this annual coordination provided the Salt Lake City Terminal emergency response plan and the requirements for the local fire department to respond to an accidental release of propane.**

10. **Requirement found at Subpart G – Risk Management Plan – Required corrections [68.195(b)]:** Emergency contact information—Beginning June 21, 2004, within one month of any change in the emergency contact information required under § 68.160(b)(6), the owner or operator shall submit a correction of that information.

    - **The current emergency contact took over that role in August 2021. This was not corrected within one month of the change. The correction was done when the RMP was resubmitted on July 26, 2023.**

EPCRA § 312:

1. **Requirement found at Part 370 – Hazardous Chemical Reporting: Community Right-To-Know - Subpart B – What hazardous chemicals must I report under this part? [40 CFR 370.12]:**
   (a) You must report any hazardous chemical for which you are required to prepare or have available an MSDS (or SDS) under OSHA HCS that is present at your facility equal to or above the applicable threshold specified in § 370.10. (Specific exemptions from reporting are in § 370.13.)
   (b) The EPA has not issued a list of hazardous chemicals subject to reporting under this part. A substance is a hazardous chemical if it is required to have an MSDS (or SDS) and meets the definition of hazardous chemical under the OSHA regulations found at 29 CFR 1910.1200(c).

   - The SLC Terminal did not report propane on a Tier II report for calendar years 2020, 2021, and 2022. Propane was present at the facility at any one time during each of these years in an amount equal to or greater than the threshold level specified in § 370.10.

INSPECTION REPORT REVIEW RECORD		
		Date:
Author:	*Toxics and Pesticides Enforcement Section Inspector*	*11/30/2023*
Final Reviewer:	*Section Supervisor*	*12/6/2023*