Limetree Bay Terminal (LBT) - Air Permitting Issues

Federal

- LBT continue to be subject to PSD and must comply with the PSD permit that was issued to HOVENSA. Refinery idling and restarting does not change the PSD applicability status for the units/processes covered under the PSD permit. [Note: PSD applies to certain process/operational units and not to every unit/process at this refinery – permits are for turbines, coker, FCC, etc.]

- 4/5/2018 letter from Bill Wehrum to LBT's counsel, LeAnn Johnson Koch determined the following LBT activities are not considered major modifications to the PSD permit (not subject to PSD review): [Note: BW letter did not determine PSD applicability – it provided determination that the restart would not be a reactivation, bio diesel project would be a separate project and that SPM would be a modification to an existing unit – it specifically said that this is not a PSD applicability determination]
    1. refinery re-startup to produce low sulfur marine grade fuel (MARPOL project)
    2. production of renewable biodiesel fuel; and
    3. addition of a Single Point Mooring project (addition of a deeper water loading dock).

- Enforcement/Investigatory / Ex. 7(a)

Local

While PSD review is not required for the above 3 projects, a Permit to Construct is required from the VIDPNR for each:

- On 4/20/2018, DPNR issued a Permit to Construct for the Single Point Mooring project and construction has commenced.
- On 6/18/2018, DPNR issued a Permit to Construct for the MARPOL project. LBT intends to produce fuel that meets the new MARPOL regulation that becomes effective on 1/1/2020.
- LBT has not submitted to DPNR a permit application for the biodiesel fuel project.

FORMER HOVENSA FACILITY
RCRA INVOLVEMENT

The former HOVENSA facility is subject to RCRA permitting and remediation requirements. The long-term management of hazardous waste disposal units at this site and legacy contamination from past operations are being addressed pursuant to requirements in the facility's 1999 Resource Conservation and Recovery Act (RCRA) Operating Permit, as amended. RCRA involvement is just for the former HOVENSA facility's permitted units and for legacy releases

from the former HOVENSA facility. RCRA is not involved in Limetree Bay Terminals' activities, and EPA does not anticipate that the proposed restarting of the Limetree Bay refinery would impact the continued remediation of these past releases.

- RCRA hazardous waste permits are in effect for three non-active hazardous waste landfarms on site. One of these landfarms is closed, and two are undergoing closure. All three require continued groundwater monitoring.
- 32 solid waste management units (SWMUs) had been identified at this site over time. Corrective action has been completed for most of these SWMUs, with institutional controls in-place to limit future use. Remediation continues at six of these SWMUs and it is being implemented by HOVENSA's Environmental Response Trust.
- In addition to the SWMUs, there had been extensive groundwater contamination as a result of relatively slow leaks from process and storage areas, as well as from the underground "oily-water" sewer system. Most of those releases have been remediated, with remediation on-going at just three of the original 9 remedial action areas. Since inception of a hydrocarbon recovery system in 1987, an estimated 1,057,360 barrels or 44,409,120 gallons (1 barrel = 42 gallons) of phase separated hydrocarbons have been recovered through the end of December 2017.