UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 1
5 POST OFFICE SQUARE, SUITE 100
BOSTON, MA 02109-3912

MAY - 7 2012

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

URGENT LEGAL MATTER
REQUIRES PROMPT RESPONSE

John Stackpole, President
Harbor Fuel Oil Corporation
10 Airport Road
Nantucket, MA

Re: Clean Air Act Reporting Requirement

Dear Mr. Stackpole:

The United States Environmental Protection Agency, Region 1 ("EPA"), is issuing Harbor Fuel Oil Corporation ("Harbor Fuel") this Reporting Requirement in order to evaluate the compliance of Harbor Fuel's Nantucket facility with the Clean Air Act ("the Act"), 42 U.S.C. § 7401 et. seq., and its implementing regulations. These requirements include, but are not limited to, portions of the EPA-approved, federally-enforceable state implementation plan ("SIP") for the Commonwealth of Massachusetts (310 CMR 7.00 et. seq.), as well as federal New Source Performance Standards ("NSPS") and federal National Emission Standards for Hazardous Air Pollutants ("NESHAPs").

Section 114(a)(1) of the Act, 42 U.S.C. § 7414(a)(1), authorizes EPA to require any person who owns or operates any emission source to establish and maintain records, make reports, sample emissions, and provide such other information as may reasonably be required to enable EPA to determine whether a facility is in compliance with the Clean Air Act and its implementing regulations. This letter requires Harbor Fuel to provide specific information about operations at its Nantucket facilities.

Within 60 days of receiving this letter, Harbor Fuel shall provide the following information about the bulk petroleum facility located in Nantucket, Massachusetts. Where appropriate submit responses in an electronic format consistent with and able to be manipulated by Microsoft Excel.

1. Describe Harbor Fuel's ownership and business structure:
    a. Indicate the date and state of incorporation;
    b. List any partners or corporate officers;
    c. List any parent and subsidiary corporations;
    d. Describe the relationship and provide the name and address of the owner and operator of the facility;

e. Provide the address (i.e., physical location) of the bulk plant and the facility mailing address;
f. Provide the number of employees at the facility;
g. and
h. Provide the date that Harbor Fuel began operations in New England.

2. For the Harbor Fuel bulk petroleum facility located in Nantucket, Massachusetts:
   a. Identify the types of fuels or petroleum products that are stored at the facility;
   b. Provide a facility map, drawing, or schematic that identifies each tank, and the location of any barge or truck loading systems;
   c. For each tank provide the type of material stored, the maximum true vapor pressure (as defined in 40 CFR Part 60.111b) for each product stored, the storage capacity (in gallons, barrels, and cubic meters), date of installation, and date each tank became operational;
   d. Provide the total annual throughput of each product at the facility from 2007 to 2012 (in gallons and barrels);
   e. Describe how products are delivered to the Harbor Fuels facility (by truck and/or barge); and
   f. Describe how products are shipped or sent offsite (by truck, barge, or pipeline).

3. For the gasoline storage tanks at the Harbor Fuel bulk petroleum facility located in Nantucket, Massachusetts:
   a. Describe how volatile organic compound (VOC) vapors are controlled on the gasoline storage tanks (for example, describe floating roofs and seals).
   b. Provide the date that each tank was last emptied and degassed. Provide records of any inspections, including inspection dates and findings, as well as records of any maintenance and/or repairs conducted while the tank was emptied and degassed.
   c. For the years 2010, 2011 and 2012 (if completed) provide records of annual tank inspections, including visual inspections of the internal floating roof. Provide the inspection date, inspection findings and records of corrective action taken or repairs made as a result of the inspection findings.
   d. Provide records of leak inspections conducted of equipment in gasoline service from January 2011 to the present, including inspection dates, inspection findings and records of corrective action taken or repairs made as a result of the inspection findings. Describe the monitoring methods used to identify gasoline vapor leaks. If monthly leak inspections have been conducted in accordance with 40 C.F.R. § 63.11089, provide these records from January 2011 to the present.
   e. Provide any gasoline leak repair records including any delay of repair records from January 2011 to present.
   f. Provide the facility gasoline throughput from January 2010 to the present in units of:
      i. Gallons per day;
      ii. Liters per day;
      iii. Gallons per month; and
      iv. Gallons per year.

4. For each gasoline storage tank and cargo tank equipped with a submerged fill pipe provide:
    i. The date of installation of each submerged fill pipe;
    ii. The distance as measured from the point of opening of the submerged fill pipe that is the greatest distance from the bottom of the tank.

5. Provide the maximum calculated design throughput for gasoline at the Harbor Fuel bulk petroleum facility located in Nantucket, Massachusetts. Describe how the maximum calculated design throughput was calculated and whether it is limited by:
    a. An enforceable condition under a federal, state or local permit condition or law; or
    b. A facility design capacity limitation.

    If an enforceable condition under a federal, state, or local permit condition or law applies, provide a copy of the permit or law and the date that the throughput limit went into effect (i.e., permit date).

6. Provide copies of all correspondence Harbor Fuel (or any of its predecessors) has had with state and federal environmental agencies regarding air emissions at New England facilities, including copies of:
    a. All applicability determinations;
    b. All permits issued;
    c. All permit applications; and
    d. Any requests for permit modifications.

Mail the submissions required by this letter to:

Susan Studlien, Director
Office of Environmental Stewardship
5 Post Office Square, Suite 100, OES04-2
Boston, MA 02109-3912
Attn: Elizabeth Kudarauskas, Air Technical Unit

Be aware that if Harbor Fuel does not provide the requested information, EPA may order Harbor Fuel to comply and may assess monetary penalties under Section 113 of the Act, 42 U.S.C. § 7413. Federal law also establishes criminal penalties for providing false information to EPA. This reporting requirement is not subject to Office of Management and Budget review under the Paperwork Reduction Act.

Harbor Fuel may, if desired, assert a business confidentiality claim covering part or all of the information requested, in the manner described by 40 CFR § 2.203(b). Information covered by such a claim will disclosed by EPA only to the extent, and by means of the procedures, set forth in 40 CFR Part 2, Subpart B. Note that certain categories of information, such as emissions data, are not properly the subject of such a claim. If no such claim accompanies the information when it is received by EPA, the information may be made available to the public by EPA without further notice to Harbor Fuel. Please be aware that states may have different regulations governing the protection of confidential business information.

If you have any questions regarding this reporting requirement, please contact Elizabeth Kudarauskas, Environmental Engineer at (617) 918-1564 or have your attorney call Thomas T. Olivier, Senior Enforcement Counsel at (617) 918-1737.

Sincerely,

Susan Studlien

Susan Studlien, Director
Office of Environmental Stewardship

cc: Laurel Carlson, MassDEP, Southeast Regional Office