ELIZABETH HERNBERG
MANAGING DIRECTOR,
HEALTH, SAFETY &
ENVIRONMENTAL COMPLIANCE

August 2, 2013

Ms. Elizabeth Kudarauskas
U.S. Environmental Protection Agency Region 1
5 Post Office Square, Suite 100
Mail Code OES-04-2
Boston, MA 02109-3912

Re: Testing Order for Information Under Section 114 of the Clean Air Act, 42 U.S.C. § 7414(a); Sprague Operating Resources LLC

Dear Beth:

Sprague Operating Resources LLC ("Sprague") received a Testing Order ("Order") on September 27, 2011 from US Environmental Protection Agency ("EPA") requiring Sprague to monitor and sample the headspace of a tank containing #6 oil and a tank containing asphalt for VOC and HAP content, and to monitor and sample related loading operations at a Sprague location in EPA Region 1 – New England. With EPA's approval, the testing was conducted when the next scheduled shipments of the products were delivered to Sprague's Searsport, Maine facility.

Enclosed are materials related to asphalt system testing in Sprague's Searsport, Maine terminal including:

1. Report related to the work associated with VOC and HAP emissions testing and
2. Physical product sampling for vapor pressure.

This report concludes the work related to the Order and follows two Reporting Requirements and an additional Testing Order from EPA, related to VOC and HAP emissions from #6 oil and asphalt systems. Sprague believes it has now complied with all aspects of these Orders and Reporting Requirements and has communicated and cooperated fully with EPA through these matters. Sprague remains committed to maintaining compliance with all environmental requirements including the Clean Air Act (CAA), and we believe the enclosed report confirms that Sprague New England facilities are minor sources with respect to VOC and HAP emissions.

Testing Background

In an effort to comply with EPA's Orders, Sprague retained Eastmount Environmental Services ("Eastmount"), who specializes in stack and air emissions testing, to develop a procedure that could measure VOC and HAP emissions from #6 oil and asphalt storage tanks. After rejecting Eastmount's initial approach to sample emissions, EPA mandated a procedure which was then

TWO INTERNATIONAL DRIVE, SUITE 200 PORTSMOUTH, NH 03901 (O) 603-430-7298 (C) 603-502-4706

performed on Sprague's #6 oil system in Searsport mid-2012. This involved fabricating and installing a temporary total enclosure (TTE) over the passive tank vents, which connected to a conveyance system that captured and measured VOC emissions. Eastmount's #6 oil report, provided by Sprague to EPA in October 2012, identified inherent shortcomings of the test methodology and the likelihood that the TTE approach, along with the fan device, was artificially inducing emissions causing an overstatement of actual emissions. Sprague discussed these findings with EPA Region 1 in December 2012 and requested a different methodology be applied for the asphalt testing that Sprague believed would provide the basis for more credible and conclusive results. Despite Eastmount's assertion of over-sampling VOC emissions when implementing the testing approach used in mid-2012 for No. 6 oil, EPA directed Sprague to apply this same methodology to the asphalt portion of the Order.

Testing Results

Eastmount's enclosed report provides all information required from Section B of the Order, including the consolidated results from the prior #6 oil testing. The report shows that based on the field emissions testing prescribed by EPA, Sprague's total #6 oil and asphalt system VOC emissions for tank breathing during static operation, vessel transfer activities, and truck transfer were not in excess of 29.6 tons/year over the past five years at the Searsport terminal. HAP levels were much lower and not in excess of 4.5 tons/year total HAPs for the combined activities. Both these peak levels occurred in 2008, and have decreased measurably over time with the industry erosion in #6 oil volumes. Application of the emissions data to each of the Sprague's New England terminals demonstrates that none of the terminals has a potential to emit VOCs and/or HAPs in excess of major source thresholds.

Since December 2010, Sprague has complied with a number of Reporting and Testing Orders along with hosting several EPA site visits to our Region 1 terminals.
We have been committed to complying with these Orders, and have also sought ways to demonstrate Sprague has been in compliance with the Clean Air Act. This effort has been an expensive undertaking and consumed a great deal of internal resources, and we hope that the enclosed report will conclude these efforts. Following your review of this material and the prior submissions, we are very interested in EPA's views on this matter.

Regards,

Elizabeth Hernberg

Elizabeth Hernberg
Managing Director, HSE

TWO INTERNATIONAL DRIVE, SUITE 200 PORTSMOUTH, NH 03901 (O) 603-430-7298 (C) 603-502-4706

cc: Mr. William Osbahr
US EPA Region 1
Mail Code EIA
11 Technology Drive
North Chelmsford, MA 01863-2431

Mr. Marc A.R. Cone, P.E.
Director, Bureau of Air Quality
17 State House Station
Augusta, ME 04333-0017

Mr. Paul Scoff, Vice President/General Counsel/Chief Compliance Officer, Sprague
Mr. Burton Russell, Vice President Operations, Sprague
Ms. Kristen Campbell, Manager HSE, Sprague

Physical Product Sampling for Vapor Pressure

SAYBOLT LP
1026 W. ELIZABETH AVE
LINDEN, NJ 07036
908-523-2000 Telephone
908-474-1503 Facsimile

Fast To The Point

Saybolt LP

Certificate of Analysis

Client:	SPRAGUE ENERGY		
Report Date:	5/29/2013	Date Sampled:	5/10/2013
Job No:	13032-00004529	Product:	Asphalt
Lab Number:	2013050090-01	Sample ID:	Tk 2
Client Ref:	N/A	Location:	SEC

Test	Method	Result	Units
Ried Vapor Pressure	ASTM D-323	0.45	psi
Vapor Pressure by Isoteniscope	ASTM D-2879*	-----	Torr
at temperature:		-----	
32°F		0.56	
68°F		1.3	
100°F		2.6	
150°F		6.6	
200°F		13.5	
250°F		26	
300°F		47	
350°F		76	
375°F		94	
378°F		95	
400°F		120	
450°F		175	
480°F		190	
500°F		245	
550°F		340	
600°F		450	
650°F		580	
670°F		660	
Vapor Pressure by Isoteniscope	ASTM D-2879*	-----	Torr
at temperature: After Drying	*See Note	-----	
32°F		0.66	
68°F		1.5	
100°F		2.9	
150°F		7.2	
200°F		15	
250°F		20	
300°F		30	

Issuer warrants that it has exercised due diligence and care with respect to the information and professional judgments embodied in this report. This report reflects only the findings at the time and place of inspection and testing. Issuer expressly disclaims any further indemnity of any kind. This report is not a guarantee or policy of insurance with respect to the goods or the contractual performance of any party. Any person relying upon this report should be aware that issuer's activities are carried out under their general terms and conditions

"Precision parameters apply in the evaluation of the test results specified above. Please also refer to ASTM D3244 (except for analysis of RFG) and IP 367 with respect to the utilization of the test data to determine conformance with specifications."

SAYBOLT LP
1026 W. ELIZABETH AVE
LINDEN, NJ 07036
908-523-2000 Telephone
908-474-1503 Facsimile

Fast To The Point

Saybolt LP

Certificate of Analysis

Client:	SPRAGUE ENERGY		
Report Date:	5/29/2013	Date Sampled:	5/10/2013
Job No:	13032-00004529	Product:	Asphalt
Lab Number:	2013050090-01	Sample ID:	Tk 2
Client Ref:	N/A	Location:	SEC

Test	Method	Result	Units
350°F		43	
375°F		50	
378°F		54	
400°F		66	
450°F		125	
480°F		190	
500°F		250	
550°F		340	
600°F		450	
650°F		580	
670°F		660	

*Analysis results are submitted by a third party laboratory. Saybolt was not present whilst the analysis was carried out, and has signed for receipt only with no liability accepted.

Decomposition of the sample was observed to begin at 265°F and 23 torr and to continue until approximately 480°F. No significant loss of volatiles occurred during oven drying. The physical state of the sample prevented drying by use of Drierite (anhydrous calcium sulfate)

Approved By:

Chad Vidal
Laboratory Technician II

Issuer warrants that it has exercised due diligence and care with respect to the information and professional judgments embodied in this report. This report reflects only the findings at the time and place of inspection and testing. Issuer expressly disclaims any further indemnity of any kind. This report is not a guarantee or policy of insurance with respect to the goods or the contractual performance of any party. Any person relying upon this report should be aware that issuer's activities are carried out under their general terms and conditions.

"Precision parameters apply in the evaluation of the test results specified above. Please also refer to ASTM D3244 (except for analysis of RFG) and IP 367 with respect to the utilization of the test data to determine conformance with specifications."