

Briefing for PWSRCAC Board of Directors – January 2025

INFORMATION ITEM

Sponsor: Sadie Blancaflor and the TOEM Committee

Project number and name or topic: 5057 - Air Quality Review of the VMT

1. **Description of agenda item:** This is an information item to provide the Board an update on Volatile Organic Compound (VOC) and Hazardous Air Pollutant (HAP) Emissions from the 2022 VMT Crude Oil Storage Tank Vent Incident. PWSRCAC contractor Ron Sahu will provide a briefing to the Board on his work estimating the emissions that were released.

2. **Why is this item important to PWSRCAC:** The 2022 VMT Crude Oil Storage Tank Vent Incident resulted in several tank vents being severely damaged or sheared off entirely due to excessive snow load and ice accumulation, resulting in VOC and HAP emissions being released into the surrounding atmosphere. These emissions may pose adverse environmental and health impacts to residents of Prince William Sound, necessitating the need to quantify the exact volume that was released.

3. **Previous actions taken by the Board on this item:**

<u>Meeting</u>	<u>Date</u>	<u>Action</u>
Board	1/25/2024	The Board authorized a contract with Ron Sahu, Ph.D., in an amount not to exceed \$50,000 to conduct work related to VMT Title V air quality permit review and associated air quality issues under project 5570 - Valdez Air Quality.

4. **Summary of policy, issues, support, or opposition:** A Notice of Violation (NOV) letter was issued to Alyeska on May 3, 2022. The letter alleges that Alyeska violated the VMT's Air Quality Permit No. AQ0082TVP02, Air Quality Control Regulations as established by Alaska Administrative Code, 18 AAC 50, and Alaska Statute Title 46, Chapter 14. Violations two (2) and three (3) each have twelve (12) separate counts. Each of the 12 counts of violation (2) state, "The Department is still investigating the circumstances and the actual volume of vapor released from the Crude Oil Storage Tank," and each of the 12 counts of violation (3) state, "The Department is still investigating the circumstances and the volume of Volatile Organic Compounds (VOCs) and Hazardous Air Pollutants (HAPs) that was released to the atmosphere from the Crude Oil Storage Tank."

It is the Council's understanding that this Alaska Department of Environmental Conservation (ADEC) investigation is still ongoing; separately, a U.S. Environmental Protection Agency (EPA) criminal investigation has also been launched and is still ongoing, nearly three years after the incident occurred.

These NOVs were issued against the VMT's 2012 Title V Air Quality permit AQ0082TVP02, under which Alyeska is being allowed to indefinitely continue operating through a "permit

Emissions from the 2022 VMT Crude Oil Storage Tank Vent Incident 4-2

shield.” After the ADEC Division of Air Quality published a 2017 Public Notice for renewal of Alyeska’s Title V Air Quality Permit for the VMT (Permit Number AQ0082TVP03), the permit did not advance due to changes made by the EPA to the Organic Liquids Distribution Maximum Achievable Control Technology (MACT) under the National Emission Standards for Hazardous Air Pollutants (NESHAP) Organic Liquids Distribution (OLD). Furthermore, it is the Council’s understanding that Alyeska’s October 7, 2020 Motion to Stay the Final NESHAP-OLD Rule submitted to U.S. Circuit Court of Appeals for the District of Columbia (D.C. Circuit) and the petition for reconsideration granted by the EPA to Alyeska on December 15, 2020, regarding the final Residual Risk and Technology Review of NESHAP-OLD (85 Fed. Reg. 40740 dated July 7, 2020), is adding to these delays.

5. **Committee Recommendation:** The TOEM Committee recommended via e-mail poll conducted the week of October 4, 2024, that Dr. Ron Sahu present his preliminary findings to the Board.

6. **Relationship to LRP and Budget:** Work associated with this project was included in the FY2025 budget under contract 5057.24.01 that was approved by the Board in an amount not to exceed \$50,000.

7. **Action Requested of the Board of Directors:** None, this item is for information only.

8. **Attachments:** None.