

PWSRCAC Valdez Air Quality & NESHAP OLD Project History

The Valdez Air Quality Project has a long standing history dating back to the 1992 Valdez air health study and the subsequent debate with Alyeska Pipeline Service Company (APSC) over air quality. By 1997 PWSRCAC was successful in obtaining marine vessel loading vapor controls on some of the berths. Although Prince William Sound Regional Citizens' Advisory Council (PWSRCAC) actively pursued emission control of the Ballast Water Treatment Facility (BWTF), during the 1990s, APSC did not install emission control. Thus, the current Valdez Air Quality Project has focused on developing air quality regulations that would require reducing the amount of hazardous air pollution emitted from the BWTF.

1998

- The Environmental Protection Agency (EPA) meets with industry and advises ballast water will be exempted from regulation under the 1996 Offsite Waste NESHAP Rule, since it will be addressed in the upcoming OLD (Organic Liquid Distribution) NESHAP Rule.
- EPA summarizes that emission characterization for OLD industry includes “waste treatments.”
- EPA describes known wastewater control techniques and notes that the OLD rule developed will examine these control techniques.
- EPA’s Memorandum on sub-categorization of the OLD Industry: “The EPA description of HAPs emission sources at these facilities will include: (1) storage vessels, (2) liquid transfers and loading, (3) equipment leaks, (4) wastewater and other wastes.”
- APSC submits a response to EPA data survey stating that it did not know what the emissions were from the BWTF, even though they had completed a three-volume Valdez Air Health Study in 1992 that concluded this facility emitted well over 100 tons of pollution.

2000

- EPA issues a technical support document for NESHAP proposed standards that states: “Wastewater is generated from OLD operations due to tank and line cleanings, spills, liquid blending and packaging activities, rainwater drainage, and miscellaneous other sources...Ballast water from tankers carrying crude oil or organic liquids is also potentially a source of wastewater for the OLD source category.”

2001

- PWSRCAC Board refers air quality and health effects from emissions of hazardous air pollutants at the VMT to the SAC and TOEM committees for development and to provide recommendations back to the PWSRCAC Board.

2002

- PWSRCAC Board approves a letter to APSC requesting information on emissions from the BWTF.
- PWSRCAC white paper on air quality issues is developed. White paper is approved as roadmap for planning and implementation of project.
- EPA issues proposed OLD rule in Federal Register.

- PWSRCAC submits comments on the proposed rule for National Emissions Standards for Hazardous Air Pollutants (HAPS) to EPA requesting removal of black oil and wastewater exemptions. Also, Trans Alaska Pipeline System (TAPS) Right of Way grant and lease are renewed with an extensive environmental impact statement citing the potential to emit in excess of 122 tons of HAPS per year from the VMT including benzene, a known human carcinogen.

2003

- PWSRCAC report, "Air Monitoring Options for Measuring Benzene Concentrations in Valdez" is developed.
- Elimination of the NESHAP-OLD exemptions for crude oil and wastewater are pursued with EPA.
- EPA visits Valdez Marine Terminal.
- EPA issues "Final" NESHAP-OLD without the black oil exemption but with the wastewater exemption.
- PWSRCAC provides generally favorable comments to EPA regarding its Water9 modeling of BWTF.
- City of Valdez passes a resolution encouraging the EPA and State of Alaska to enforce air quality regulations in Valdez that reflect the highest national standards.
- EPA officials meet with PWSRCAC and commit to working closely with PWSRCAC and APSC to evaluate emission options for resolution.

2004

- February: EPA estimates emissions of HAPs from the BWTF to be 340 tons per year using its Water9 emissions model. With respect to emissions from wastewater, EPA appears to not have considered PWSRCAC's comments on its NESHAP-OLD rule and publishes the final NESHAP OLD rule in the Federal Register that retains the exemption for emissions from wastewater (specifically including ballast water in the exemption).
- March: PWSRCAC files a Petition for Reconsideration of the NESHAP-OLD rule with the District of Columbia Circuit Court objecting to the exclusion of emissions from wastewater. PWSRCAC Board member Stan Stephens personally files a Petition for Review of the NESHAP-OLD rule also objecting to the exclusion of emissions from wastewater.
- April: EPA grants PWSRCAC's petition for review and the D.C. Circuit Court stays action on the Petition for Review pending EPA action on PWSRCAC's Petition for Reconsideration.
- April: Mayor of Valdez writes letter to EPA supporting PWSRCAC Petition for Reconsideration.
- May: PWSRCAC requests that APSC provide data on emission modeling and analysis.
- September: APSC starts development of its Strategic Reconfiguration (SR) of the VMT by issuing a report, "Strategic Reconfiguration of the Valdez Marine Terminal: Environmental Report," that does not include reducing HAPs emissions from BWTF processes.
- December: EPA issues a letter to Joint Pipeline Office Bureau of Land Management (JPO/BLM) stating that the JPO's Environmental Assessment of Alyeska's Environmental Report for the SR of the VMT lacked sufficient analysis of human health and indirect effects from air quality impacts at the VMT.

- December: EPA requests more information on present and future potential emissions, ambient concentrations, exposures and risks to the Valdez community associated with the VMT, including the BWTF, to determine the significance of the SR project's impacts. EPA completes its Water9 model and reports that in excess of 200 tons of HAPS per year are emitted from the BWTF.

2005

- March: PWSRCAC commissions an engineering study with Superior Engineering to estimate the cost associated with properly engineered emission controls for BWTF processes. Superior's report indicates that emission controls are definitely cost-effective for the dissolved air flotation processes (estimated \$6.9M).
- May: APSC completes its BTEX Fate Study and estimates, in sharp contrast with the EPA's Water9 modeling, that approximately 130 tons of HAPS per year are emitted from the BWTF.
- May: APSC refuses to permit air quality measurements at the BWTF and PWSRCAC commissions a liquids-only measurement project to assess microbial action in the BWTF's biological treatment tanks. The results of the study prepared by Payne, Driskell, Braddock and Bailey are reported in "Hydrocarbon Biodegradation in the Ballast Water Treatment Facility, Alyeska Marine Terminal."
- July: PWSRCAC report titled "The Profitability and Economical Viability of Alaska North Slope and Associated Pipeline Operations," by Richard Fineberg, is approved for distribution and for use in analyzing the economics of air pollution controls at the BWTF.
- July: APSC challenges PWSRCAC's engineering costs. APSC announces that it has ceased all work on its SR of the VMT project and announces initiation of a short list of special projects including modification to BWTF processes.
- November: APSC installs DAF weir dam to effect reduction of emissions from weir turbulence.
- November: Senator Lisa Murkowski issues a letter to EPA Assistant Administrator implying that PWSRCAC misled EPA with respect to the VMT's emissions and to operations at the VMT. Murkowski questions the benefit of regulating the VMT and requests more information.

2006

- January: EPA responds to Sen. Murkowski's letter stating that it is premature to respond directly to the points cited in her letter because the NESHAP-OLD wastewater rule is still under development.
- February: EPA provides PWSRCAC with its regulatory justification for excluding the 80s tanks from regulation as oil storage tanks because they are wastewater tanks.
- February: Congressman Don Young issues a letter to EPA very similar to that submitted by Murkowski. Young states that the VMT operator informed him that the BWTF is being overhauled with modern technology resulting in a significant reduction of emissions and he does not see the benefit of this type of rulemaking.
- May: PWSRCAC Board requests that APSC provide a written commitment to the emission reduction estimates within 30 days.
- May: PWSRCAC meets with APSC executives and presents a specific settlement point (a request for performance specifications and defined schedule) that, if agreed to, would cause PWSRCAC to request that EPA suspend action on PWSRCAC's petition for reconsideration while APSC implements emission controls

at the BWTF. PWSRCAC requests APSC and the Owners commit to the proposed settlement during the 30 day window.

- May: APSC requests a 30-day extension for a commitment from the Owners regarding funding for the BWTF work. PWSRCAC agrees to additional delays and informs EPA that it is acceptable to PWSRCAC for EPA to defer work on the wastewater rule until mid-July 2006.
- June: APSC submits to JPO their plans for reconfiguration of the 80s and 90s tanks and requests a notice to proceed.
- June: APSC reports that the Owners authorized funding for controlling vapors around the BWTF. PWSRCAC requests documentation confirming the intent by the Owners.
- July: APSC writes PWSRCAC stating that they are committed to the engineering needed to mitigate the explosive atmosphere in the 80s and 90s tanks, which should also reduce emissions from the tanks, although emissions controls are not among the design criteria.
- July: APSC engages in conceptual and preliminary engineering for selected BWTF processes. PWSRCAC is invited to observe the engineering design reviews. APSC's proposed 2006 BWTF work for the 80s and 90s tanks is implemented. APSC's work for the out years is still in the conceptual stage and without construction funding. Consequently, there are no guarantees that work planned for the out years will ever be completed.
- September: PWSRCAC requests EPA to continue the rulemaking process.
- October: APSC provides information to EPA and PWSRCAC stating that they plan to reduce the emissions from the BWTF to below the major source threshold (25 tons/year) by 2009. PWSRCAC again requests Owner documented commitment to this reduction. APSC reports that the Owners can't make such commitment because a budget for this work cannot be approved outside the "normal" budgeting cycle.
- October: JPO issues an environmental assessment with a finding of no significant impact.
- October: PWSRCAC Board authorizes staff to develop a media campaign that would commence on November 5, 2006, requesting the Owners to commit, in writing, to the reduction of emissions from the BWTF by 2009.
- November: PWSRCAC representatives are contacted by BP and ConocoPhillips Owner representatives who commit to a meeting with all Owner representatives, PWSRCAC and Alyeska to develop a mutually acceptable plan for reducing the emissions from the BWTF. PWSRCAC postpones the media campaign pending this meeting.