

January 17, 2018

Mr. Robert Koster  
Department of Ecology  
Eastern Regional Office  
4601 N Monroe  
Spokane, WA 99205-1235



**Tesoro Logistics Operations LLC**  
475 West 900 North  
Salt Lake City, UT 84103

**Re: Notice of Construction Application  
Marine Vapor Combustor Emission Reduction Project  
Tesoro Logistics Operations LLC Pasco, WA Terminal**

Dear Ms. Johnson:

Tesoro Logistics Operations LLC (Tesoro) hereby submits the attached Notice of Construction Application for a project to reduce combustion emissions created by the unnecessary burning of propane when transferring diesel and jet fuel onto barges at Tesoro's Pasco Terminal. Tesoro is requesting that only gasoline vapors be collected and ducted to the marine vapor combustor unit during transfer operations.

A duplicate Application, along with a check for \$875, has been mailed to the following:

WA Department of Ecology  
Cashiering Unit  
P.O. Box 47611  
Olympia, WA 98504-7611

Should you need any additional information regarding this submission, please contact me at [Kirt.w.rhoads@andeavor.com](mailto:Kirt.w.rhoads@andeavor.com), or (801) 606-2169.

Sincerely,

A handwritten signature in black ink, appearing to read "Kirt Rhoads", written in a cursive style.

Kirt Rhoads  
Senior Environmental Specialist  
Tesoro Logistics GP, LLC

cc: Allen Gross; Pasco Terminal Manager

Enclosures



## Notice of Construction Application

A notice of construction permit is required before installing a new source of air pollution or modifying an existing source of air pollution. This application applies to facilities in Ecology's jurisdiction. Submit this application for review of your project. For general information about completing the application, refer to Ecology Forms ECY 070-410a-g, "Instructions for Ecology's Notice of Construction Application."

Ecology offers up to 2 hours of free pre-application help. We encourage you to schedule a pre-application meeting with the contact person specified for the location of your proposal (see below). For more help than the initial 2 free hours, submit Part 1 of the application and the application fee. You may schedule a meeting with us at any point in the process.

Completing the application, enclose it with a check for the initial fee and mail to:

**WA Department of Ecology  
Cashiering Unit  
P.O. Box 47611  
Olympia, WA 98504-7611**

*For Fiscal Office Use Only:*  
001-NSR-216-0299-000404

Check the box for the location of your proposal. For help, call the contact listed below.		
	Ecology Permitting Office	Contact
<input type="checkbox"/>	<b>Chelan, Douglas, Kittitas, Klickitat, or Okanogan County</b> Ecology Central Regional Office – Air Quality Program <b>CRO</b>	Lynnette Haller (509) 457-7126 <a href="mailto:lynnette.haller@ecy.wa.gov">lynnette.haller@ecy.wa.gov</a>
<input checked="" type="checkbox"/>	<b>Adams, Asotin, Columbia, Ferry, Franklin, Garfield, Grant, Lincoln, Pend Oreille, Stevens, Walla Walla, or Whitman County</b> Ecology Eastern Regional Office – Air Quality Program <b>ERO</b>	Jolaine Johnson (509) 329-3452 <a href="mailto:jolaine.johnson@ecy.wa.gov">jolaine.johnson@ecy.wa.gov</a>
<input type="checkbox"/>	<b>San Juan County</b> Ecology Northwest Regional Office – Air Quality Program <b>NWRO</b>	Dave Adler (425) 649-7267 <a href="mailto:david.adler@ecy.wa.gov">david.adler@ecy.wa.gov</a>
<input type="checkbox"/>	<b>Kraft and Sulfite Paper Mills and Aluminum Smelters</b> Ecology Industrial Section – Waste 2 Resources Program Permit manager: _____ <b>IND</b>	James DeMay (360) 407-6868 <a href="mailto:james.demay@ecy.wa.gov">james.demay@ecy.wa.gov</a>
<input type="checkbox"/>	<b>U.S. Department of Energy Hanford Reservation</b> Ecology Nuclear Waste Program <b>NWP</b>	Phil Gent (509) 372-7983 <a href="mailto:phil.gent@ecy.wa.gov">phil.gent@ecy.wa.gov</a>

To request ADA accommodation, call (360) 407-6800, 711 (relay service), or 877-833-6341 (TTY).



## Notice of Construction Application

Check the box for the fee that applies to your application.

### New project or equipment

<input type="checkbox"/>	<b>\$1,500: Basic project</b> initial fee covers up to 16 hours of review
<input type="checkbox"/>	<b>\$10,000: Complex project</b> initial fee covers up to 106 hours of review

### Change to an existing permit or equipment

<input type="checkbox"/>	<b>\$200: Administrative or simple change</b> initial fee covers up to 3 hours of review Ecology may determine your change is complex during completeness review of your application. If your project is complex, you must pay the additional \$675 before we will continue working on your application.
<input checked="" type="checkbox"/>	<b>\$875: Complex change</b> initial fee covers up to 10 hours of review
<input type="checkbox"/>	<b>\$350 flat fee: Replace or alter control technology equipment (WAC 173-400-114)</b> Ecology will contact you if we determine your change belongs in another fee category. You must pay the fee associated with that category before we will continue working on your application.

Read each statement, then check the box next to it to acknowledge that you agree.

<input checked="" type="checkbox"/>	The initial fee you submitted may not cover the cost of processing your application. Ecology will track the number of hours spent on your project. If the number of hours Ecology spends exceeds the hours included in your initial fee, Ecology will charge you \$95 per hour for the extra time.
<input checked="" type="checkbox"/>	You must include all information in this application. Ecology may not process your application if it does not include all the information requested.
<input checked="" type="checkbox"/>	Submittal of this application allows Ecology staff to inspect your facility.



# Notice of Construction Application

## Part 1: General Information

### I. Project, Facility, and Company Information

1. Project Name Tesoro Logistics Operations LLC Pasco Terminal Marine Vapor Combustor Unit Emission Reduction	
2. Facility Name Tesoro Logistics Operations Pasco Terminal	
3. Facility Street Address 2900 Sacajawea Park Road, Pasco WA 99301	
4. Facility Legal Description N46.2153 W119.0303	
5. Company Legal Name (if different than Facility Name)	
6. Company Mailing Address (street, city, state, zip) same	

### II. Contact Information and Certification

1. Facility Contact Name (who will be on-site) Brent Pierce	
2. Facility Contact Mailing Address (if different than Company Mailing Address)	
3. Facility Contact Phone Number 509-543-6104	4. Facility Contact Email Jack.b.pierce@andeavor.com
5. Billing Contact Name (who should receive billing information) Brent Pierce	
6. Billing Contact Mailing Address (if different than Company Mailing Address)	
7. Billing Contact Phone Number	8. Billing Contact Email
9. Consultant Name (optional – if 3rd party hired to complete application)	
10. Consultant Organization/Company	
11. Consultant Mailing Address (street, city, state, zip)	
12. Consultant Phone Number	13. Consultant Email
14. Responsible Official Name and Title (person responsible for project policy or decision-making) Jamey McLaughlin, Area Manager, Logistics Operations - MW	
15. Responsible Official Mailing Address 495 W. 900 North, Salt Lake City, UT 84103	
16. Responsible Official Phone 801-366-2045	17. Responsible Official Email Jamey.d.mclaughlin@andeavor.com
18. Responsible Official Certification and Signature I certify that the information on this application is accurate and complete.	
Signature	Date <u>01/16/2018</u>



## Notice of Construction Application

### Part 2: Technical Information

The Technical Information may be sent with this application to the Ecology Cashiering Unit, or may be sent directly to the appropriate Ecology office along with a copy of this application.

For all sections, check the box next to each item as you complete it.

### III. Project Description

Attach the following to your application:

- Description of your proposed project
- Projected construction start and completion dates
- Operating schedule and production rates
- List of all major process equipment with manufacturer and maximum rated capacity
- Process flow diagram with all emission points identified
- Plan view site map
- Manufacturer specification sheets for major process equipment components
- Manufacturer specification sheets for pollution control equipment
- Fuel specifications, including type, consumption (per hour and per year), and percent sulfur

### IV. State Environmental Policy Act (SEPA) Compliance

Check the appropriate box below.

- SEPA review is complete.  
Include a copy of the final SEPA checklist and SEPA determination (e.g., DNS, MDNS, EIS) with your application.
- SEPA review has not been conducted.

- If SEPA review will be conducted by another agency, list the agency. You must provide a copy of the final SEPA checklist and SEPA determination before Ecology will issue your permit.

Agency Reviewing SEPA:

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- If SEPA review will be conducted by Ecology, fill out a SEPA checklist and submit it with your application. You can find a SEPA checklist online at <http://www.ecy.wa.gov/programs/sea/sepa/forms.htm>.



## Notice of Construction Application

### V. Emissions Estimations of Criteria Pollutants

Does your project generate air pollutant emissions?  Yes  No

If yes, provide the following information about your air pollutant emissions:

- Air pollutants emitted, such as carbon monoxide (CO<sub>2</sub>), lead (Pb), nitrogen dioxide (NO<sub>2</sub>), ozone (O<sub>3</sub>), and volatile organic compounds (VOC), particulate matter (PM<sub>2.5</sub>, PM<sub>10</sub>, TSP), sulfur dioxide (SO<sub>2</sub>)
- Potential emissions of criteria air pollutants in tons per hour, tons per day, and tons per year (include calculations)
- Fugitive air pollutant emissions – pollutant and quantity

### VI. Emissions Estimations of Toxic Air Pollutants

Does your project generate toxic air pollutant emissions?  Yes  No

If yes, provide the following information about your toxic air pollutant emissions:

- Toxic air pollutants emitted (specified in WAC 173-460-150<sup>1</sup>)
- Potential emissions of toxic air pollutants in pounds per hour, pounds per day, and pounds per year (include calculations)
- Fugitive toxic air pollutant emissions - pollutant and quantity

### VII. Emission Standard Compliance

Does your project comply with all applicable standards identified?  Yes  No

- Provide a list of all applicable new source performance standards, national emission standards for hazardous air pollutants, national emission standards for hazardous air pollutants for source categories, and emission standards adopted under the Washington Clean Air Act, Chapter 70.94 RCW.

### VIII. Best Available Control Technology

- Provide a complete evaluation of Best Available Control Technology (BACT) for your proposal.

NA

<sup>1</sup> <http://apps.leg.wa.gov/WAC/default.aspx?cite=173-460-150>



## Notice of Construction Application

### IX. Ambient Air Impacts Analyses

Does your project cause or contribute to a violation of any ambient air quality standard or acceptable source impact level?  Yes  No

Provide the following:

- Ambient air impacts analyses for criteria air pollutants (including fugitive emissions)
- Ambient air impacts analyses for toxic air pollutants (including fugitive emissions)
- Discharge point data for each point included in ambient air impacts analyses (include only if modeling is required)
  - Exhaust height
  - Exhaust inside dimensions (diameter or length and width)
  - Exhaust gas velocity or volumetric flow rate
  - Exhaust gas exit temperature
  - Volumetric flow rate
  - Discharge description (i.e., vertically or horizontally) and if there are any obstructions (e.g., raincap)
  - Emission unit(s) discharging from the point
  - Distance from the stack to the nearest property line
  - Emission unit building height, width, and length
  - Height of tallest building on-site or in the vicinity, and the nearest distance of that building to the exhaust
  - Facility location (urban or rural)

January 15, 2018

Tesoro Logistics Operations LLC  
Pasco Terminal  
Marine Vapor Combustor Unit  
Emission Reduction Project

Tesoro Logistics Operations, LLC (TLO) is proposing to reduce combustion emissions including nitrogen oxides (NO<sub>x</sub>), sulfur dioxide (SO<sub>2</sub>), carbon monoxide (CO), and of volatile organic compounds (VOCs), created by the unnecessary burning of propane required to enrich the fuel-to-air ratio when diesel and/or jet fuel is transferred onto barges. As diesel and jet fuel have a low vapor pressure, when collected by the vapor collection system and directed to the marine vapor combustor unit (MVCU), the concentration/volume of vapors is insufficient to sustain the following: 1) stoichiometry for combustion; and 2) the temperature needed to achieve the desired VOC destruction efficiency rate. Therefore, large amounts of propane are supplemented to the combustion zone of the MVCU to achieve stoichiometry for combustion and to achieve necessary temperatures. Collecting and routing vapors from transferring diesel and jet fuel into barges generates an aggregate of more emissions, through the burning of large amounts of propane than not collecting these vapors.

In addition, it is unusual and not industry standard to capture and burn diesel and/or jet vapors created during product transfer to barges in air attainment areas. Typically vapors generated during the loading process are routed to a central collection system and vented via a stack located on the barge. These vapors are not combusted. Previous permits issued by WA Department of Ecology (DOE) to TLO/Chevron did not require the capture and destruction of diesel or jet fuel during transfer operations. Additionally, Section 3.4 of Pasco Terminal's NOC Order No. 16A-E021 specifically addresses that inspections for visible emissions only occur while *gasoline* is being transferred to trucks or barges.

*Possible Solutions*

Tesoro Logistics Operations (TLO) is requesting a change to permit No. 16AQ-E021 which still requires emissions from barge loading to be controlled by a vapor collection system ducted to a MVCU and that the MVCU is operating properly during any transfer into barges. Specifically, TLO requests that the following modifications be made to its current permit:

1. In Permit Condition 7.3, remove the word "*any*", and replace it with the word "*gasoline*."
2. Section 2.4 is reworded to state that "Emissions from transferring gasoline onto barges shall be controlled by a vapor collection system ducted to a marine vapor combustor unit."