



State of Ohio Environmental Protection Agency

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P.O. Box 1049  
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**CERTIFIED #91 7108 2133 3932 4449 5477**

May 7, 2010

Gene Gornall  
Heartland Refinery Group, LLC  
4001 East Fifth Avenue  
Columbus, OH 43219

**Re: NOTICE OF VIOLATION**

**Facility ID: 0125043205, Heartland Refinery Group, LLC**

**Location: 4001 East Fifth Avenue  
Columbus, OH 43219**

Dear Mr. Gornall:

Ohio Environmental Protection Agency (Ohio EPA), Division of Air Pollution Control (DAPC), Central District Office (CDO), has initiated a full compliance evaluation of Heartland Refinery Group, LLC (HRG), located at 4001 East Fifth Avenue, Columbus, Ohio due to recent facility issues, including numerous complaints alleging odors from the facility. The purpose of this compliance evaluation is to document HRG's compliance with the applicable permit to install and operate (PTIO), and applicable state and federal rules and regulations. A full compliance evaluation generally consists of an on-site evaluation of emissions units as well as a review of facility monitoring, recordkeeping, reporting and any other relevant information.

Ohio EPA, CDO/DAPC representatives performed an on-site inspection as part of this compliance evaluation and in response to odor complaints on February 19, 22, and 24, 2010.

Listed below are "Findings" based upon Ohio EPA inspector observations, specific process information, complaints filed with Ohio EPA, and observed operation of various emissions units installed at the facility. The "Finding(s)" below are followed by "Violation(s)" (where applicable) and "Requested Action(s)" considered necessary to resolve any stated violations.

1. **Finding:** Operating Without Controls

On April 28, 2010 Warren Wright (HRG) informed Ohio EPA that the dry scrubber system that controls sulfur dioxide and hydrogen chloride from emissions units B001 and P005 had developed holes in the filter bags due to acidic degradation, and that emissions units would continue to operate without sorbent injection. On April 30, 2010, Mr. Wright submitted a malfunction report to Ohio EPA stating that the dry scrubber injection system had been shut down and would remain shut down until replacement

Ted Strickland, Governor  
Lee Fisher, Lieutenant Governor  
Chris Korleski, Director



bags could be obtained and installed. On May 5, 2010 HRG informed Ohio EPA that HRG was removing the bags from the scrubber, but continuing to operate the facility, to alleviate pressure issues on the storage tanks.

Operating these emissions units without required control equipment is a violation of the effective permit (P0105498, issued October 10, 2009) for HRG which states the following:

*"The permittee shall vent all process emissions first to the P005 hot oil heater firebox followed by a sodium bicarbonate-injected dry scrubber with a minimum of 95% control efficiency for SO<sub>2</sub> and 90% control efficiency for HCl at all times that this emissions unit is operating."* (P005, Section 3.(b)(2)a.i)

and

*"All of the OC emissions from the emissions units P001, P002, P003, P004 and associated de minimis and exempt process storage tanks and process feed tanks shall be vented to the B001 firebox, using a closed-vent system, for thermal incineration when one or more of these emissions units are in operation."* (B001, Section 1.b)(2)d.ii)

**Violation:**

Failure to properly control emissions from B001 and P005 in accordance with the issued permit is a violation of the terms and conditions of PTIO P0105498. Please note that by continuing to operate the emissions unit without controls, HRG is actively operating in violation of their permit. Violations of the terms and conditions of an issued permit are also considered a violation of Ohio Revised Code (ORC) 3704.05(C), which states that:

*"No person who is the holder of a permit issued under division (F) or (G) of section 3704.03 of the Revised Code shall violate any of its terms or conditions."*

**Requested Action:**

Please be aware that a thirty day window of operation without emissions controls is not acceptable to Ohio EPA, and we are requesting that the facility immediately develop and implement additional emissions control strategies in the interim while the control device is not operating.

Ohio EPA requests that the facility provide a written plan describing what emissions control strategies will be utilized to further reduce emissions from the facility and the timeframe for implementing these strategies. Please submit this plan within seven days of receipt of this letter.

Ohio EPA requests that the facility provide written documentation of the level of sulfur compounds and hydrochloric acid emissions from the uncontrolled emission sources. This documentation should include supporting information, calculations and exposure determinations using an accepted air pollution emissions modeling program in accordance with Ohio Engineering Guide #69 (attached).

2. **Finding:** Rail Car Loading of Light Ends Fuel Oil (LEFO)

On April 23, 2010, Ohio EPA conducted an inspection of HRG in response to odor complaints received the previous night. Ohio EPA staff was informed that HRG had begun loading railcars with light ends fuel oil (LEFO) which was being purchased for use as fracturing fluid associated with natural gas and oil production. This operation occurred over a six hour period with no controls in place to reduce emissions or odors. The loading of railcars is a new operation which appears to require a PTIO.

**Violation:**

Failure to obtain an appropriate PTIO prior to installing a new air contaminant source constitutes a violation of OAC rule 3745-31-02(A). OAC rule 3745-31-02(A) states that:

*"...no person shall cause, permit, or allow the installation or modification, and subsequent operation of any new source that is not part of a facility, as defined in Chapter 3745-77 of the Administrative Code, and that is not required to obtain a Title V permit under Chapter 3745-77 of the Administrative Code, without first obtaining a PTIO from the director."*

Violations of OAC rule 3745-31-02 are also considered violations of ORC 37043.05(G).

**Requested Action:**

Ohio EPA requests that HRG identify and implement measures to minimize and/or eliminate odors associated with the rail car loading operation. Ohio EPA requests that HRG submit a summary of the measures implemented to minimize odors within 30 days of receipt of this letter.

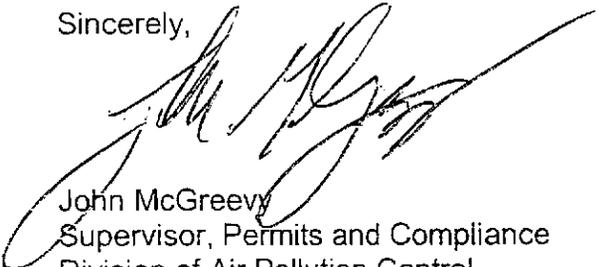
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Heartland Refinery Group. LLC  
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Ohio EPA also requests that HRG evaluate the rail car loading operation to determine if a PTIO is required. Based on the results of the evaluation, please submit either a PTIO application, if applicable, or the analysis establishing that a permit is not needed. The PTIO application or analysis should be submitted within 30 days of receipt of this letter.

Submission of the above referenced information does not constitute a waiver of the Ohio EPA's authority to seek civil penalties as provided in Section 3704.06 of the Revised Code. The determination to pursue or to decline to pursue such penalties in this case will be made by Ohio EPA at a later date.

If you have any questions, please contact Bryon J. Marusek at 614-728-3803 or e-mail [bryon.marusek@epa.state.oh.us](mailto:bryon.marusek@epa.state.oh.us).

Sincerely,



John McGreevy  
Supervisor, Permits and Compliance  
Division of Air Pollution Control  
Central District Office

c: Adam Ward, Air Unit Manager, DAPC/CDO

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