

COMMONWEALTH of VIRGINIA

DEPARTMENT OF ENVIRONMENTAL QUALITY

James S. Gilmore, III
Governor

John Paul Woodley, Jr.
Secretary of Natural Resources

5636 Southern Boulevard
Virginia Beach, VA 23462
(757) 518-2000
<http://www.deq.state.va.us>
Fax (757) 518-2003

Dennis H. Treacy
Director

Francis L. Daniel
Tidewater Regional Director

DATE: 7/22/99

I. D. NO.: 700-00071

FILE NO.: 451

Enclosed is a copy of the report generated as a result of our recent inspection of your facility. If you have any questions, please contact me at (757) 518-2158.

Sincerely,

A handwritten signature in black ink, appearing to read "R.C. Craft".

Richard C. Craft
Air Compliance Manager

RCC (cm/air/form-doc/inspcvr.ltr)

COMMONWEALTH OF VIRGINIA
DEPARTMENT OF ENVIRONMENTAL QUALITY
SOURCE INSPECTION REPORT FORM

I. GENERAL INFORMATION

SOURCE NAME: Pier IX Terminal Company REGISTRATION NO.:60979

LOCATION: Harbor Road, Newport News 23607 INSPECTION DATE: 7/1/99

COUNTY NO. : 700 PLANT ID: 00071 FILE NO.: 451

SOURCE CLASS: A X SM B NSPS PSD NESHAP MACT

SOURCE CONTACT: Robert C. Coffey

WEATHER CONDITIONS: 77°F, and overcast with southerly winds 15 - 20 mph

TYPE OF INSPECTION:

CMS Complete Permit Completion

Surveillance Follow up

Stack Test Complaint Investigation

CEMS Audit: _____

OTHER (EXPLAIN) _____

ANNOUNCED INSPECTION: No

INSPECTION LEVEL PERFORMED 2

COMPLIANCE CODE 1

VEE PERFORMED NO

OPERATING RATE: @ capacity

INSPECTOR: Jerome Brooks & Tiffany Davis

STAFF CODE: 743

CODING INFORMATION FOR COMPLIANCE STATUS

0 - UNKNOWN

1 - IN VIOLATION - NO SCHEDULE

2 - IN COMPLIANCE BY SOURCE TEST

3 - IN COMPLIANCE BY INSPECTION

4 - IN COMPLIANCE BY CERTIFICATION

5 - IN VIOLATION, MEETING SCHEDULE

6 - IN VIOLATION, NOT MEETING SCHEDULE

7 - IN VIOLATION, UNKNOWN WITH RESPECT
TO SCHEDULE

8 - NO APPLICABLE REGULATION

9 - IN COMPLIANCE, CLOSED

Pier IX Terminal Company

I.D. # 700-00071

Reg. # 60979

Date: 7/1/99

November 1987 Permit to Operate a Coal Storage & Export Facility

Permit Cond. #	Condition Summary	Source Status
Part 1, # 4	Annual Throughput of coal \leq 30 million tons	in compliance
Part 1, # 5	Maximum storage of coal at one time \leq 1 million tons	in compliance
Part 1, # 6	Fugitive emissions from storage piles controlled by wet suppression	Yes
Part 1, # 7	Fugitive emissions from transfer points controlled by wet suppression	Yes
Part 1, # 9	Opacity of visible emission from all emission points \leq 5 %	Yes
Part 1, #11	Each spray cycle covers 100% of yard and uses \geq 20,000 gallons water	Yes
Part 1, #16	Coal Storage piles are truncated and compacted	Yes
Part 2, #6	There are records of employee training on wet suppression equipment	No
Part 2, #7	There are operating procedures and maintenance records for the wet suppression equipment	No

August 1995 Permit to Operate a Cement Unloading, Storage and Truck & Railcar Loadout

Permit Cond. #	Condition Summary	Source Status
3	Annual throughput of cement \leq 500,000 tons	in compliance
4	Particulate emissions for all transfer points, conveyor belts and silos controlled by baghouses.	Yes
6	Fugitive emissions from truck loadout system controlled by maintaining a negative pressure in the retractable chute	Yes
7	Particulate emissions from truck traffic controlled by wet suppression	Yes
9	Visible Emissions from all baghouse vents \leq 5% opacity	Yes
15	There are maintenance records and spare parts inventory for pollution control equipment	No
16	There are records of employee training on operation of pollution control equipment	No

I. Inspection Summary

Pier IX terminal has a November 1987 permit to operate a coal storage and export facility, and a August 1995 permit to operate a cement unloading, storage and truck & railcar loadout facility. The source has recently come under new ownership and was purchased by Kinder Morgan in January of 1999.

II. Coal Storage and Export Operation

A. Coal Transport Throughout the Facility

Coal at this facility is received by railcar and is removed within an enclosed rotary railcar dumper. A piping system applies water to the coal as it is being dumped to control fugitive dust emissions. A small amount of surfactant, an aqueous solution or soap, is sometimes added per tandem dump to increase the effectiveness of the wet suppression system. The coal transport system is controlled by a computer, but can be manually overridden if need be. After being removed from the railcar, the coal is transported by a shielded conveyor belt, which can travel up to 1000 ft/min, up to the gantry and is dispersed into the storage piles by a retractable chute. This system can stack the coal into piles at a rate of 4800 tons per hour. The piles are compacted and truncated to reduce fugitive emissions, complying with permit condition #16. During this inspection, no coal was being dumped from railcars or stacked into piles. The last date that coal was dumped was 6/29/99.

The coal is transported from the piles to the ship on shielded conveyor belts. Underneath the coal piles are hatches which open, allowing the coal to drop onto a conveyor belt. From there, the coal travels to the ship. Portions of the unshielded conveyor belt are equipped with a sprinkler system which is manually activated when necessary to reduce fugitive coal dust. During the inspection, coal was being loaded onto an Japanese export ship. There were no signs of fugitive emissions.

B. Wet Suppression System

This source uses an automated wet suppression system which is based on a K-Factor system. The system takes into consideration weather conditions, such as temperature, relative humidity, wind speed, wind direction, etc. Based on the hourly readings of these parameters, the computer determines how often the rainbirds must cycle. The yard is divided into four quadrants. During a wetting cycle, water is applied to each quadrant for six minutes at a rate of 1000 gallons per minute. The source estimates that approximately 22,000 gallons of water actually reaches the coal piles which satisfies permit condition #11 which mandates that each cycle will use at least 20,000 gallons of water. Due to weather conditions, they were not watering at the time of the inspection. However, they turned on the system and applied water to two quadrants, illustrating that the system is working. In addition, there are 22 rainbirds located around the perimeter of the coal piles which are manually turned on when necessary. A printout of the K-Factor report for the last week was provided by the source. The source also has a water truck which is used as needed.

C. Throughputs and Permit Limits

Permit condition #4 limits the facilities coal throughput to 30 million tons per year. Records provided by the source indicate that from July 1998 through June 1999, the throughput of coal was 5,113,255 tons. Condition #5 of the permit limits the amount of coal stored at the facility at any one time to 1 million tons. Records indicate that the source is storing an average of 412,839 tons. Both of these permit conditions are being met by the source at this time.

D. Record Keeping

Condition #6 and #7 of the permit mandate that the source must maintain records of employee training, operating procedures, and maintenance schedules. The source was unable to produce these records and was issued a Request for Corrective Action. The source contact stated that under their new ownership, documentation and record keeping of all aspects of their operation is now top priority.

III. Cement Unloading, Storage, and Truck and Railcar Loadout

A. Cement Transport and Storage

The source receives cement from ships. The cement travels on a covered conveyor belt to a bucket elevator which deposits it into three storage silos. Silos 1 and 3 have a rated capacity of 11,800 tons and Silo 2 has a rated capacity of 12,500 tons. All the silos appeared to be structurally sound. From the silos, the cement is gravity fed into trucks or is pumped underground and loaded into railcars. During this inspection, both of these operations were observed. A cement truck was being loaded at 10,000 lbs/min. The truck loadout baghouse was operating with a differential pressure of 1.5" of water, pulsating every 12 seconds with no visible emissions. A railcar was being loaded at a rate of 4,000 lbs/min. The railcar loadout baghouse was operating with a pressure drop of 1.75" of water, pulsating every 12 seconds, with no visible emissions. The source indicated that a video camera canvasses the perimeter of the railcar during loading to ensure no cement is escaping into the atmosphere. Fugitive emissions from the entire cement operation are controlled by a total of eight baghouses; five for the silo filling and off loading, one for the truck loadout, and two for the railcar loadout, satisfying permit condition #4.

The source indicated that they had a problem with the C14 belt which carries cement to the bucket elevator. During the cement transport from the ship, millions of superficial cracks in the surface of the belt fill with cement. As the belt turns around a bend, the cement is released from the cracks into the atmosphere. The source is planning on enclosing this belt system within the next 60 days.

B. Throughputs and Permit Limits

Permit condition #3 limits the annual throughput of cement to 500,000 tons. Records provided during the inspection indicate that from July 1998 through June 1999, the throughput of cement was 388,533 tons. Therefore, the source is in compliance with this permit condition.

C. Record Keeping

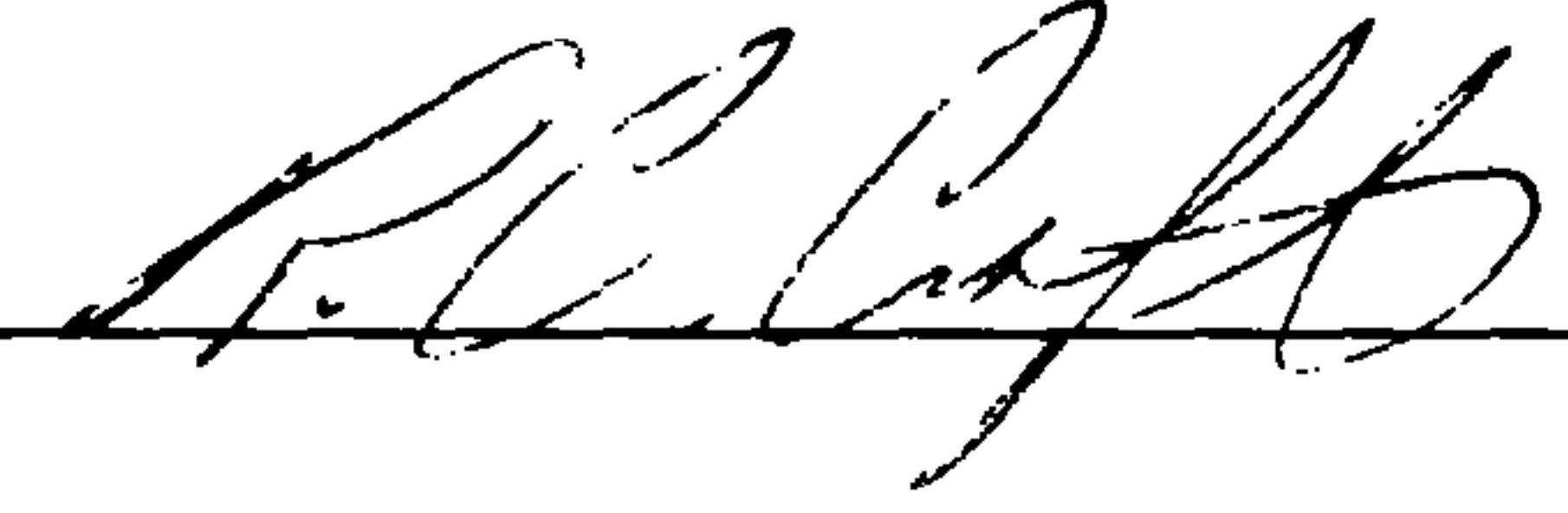
Permit conditions #15 and #16 mandate that the source will maintain records of maintenance, spare part inventory and employee training of the pollution control equipment. The source was unable to produce these records and was issued an Request for Corrective Action.

III. General Notes

During the inspection, no fugitive coal or cement dust was detected from any of the facility operations. The K-Factor system seems to be performing adequately. The source needs to develop a better record keeping procedure. Due to inadequate maintenance and training records, the source was issued a Request for Corrective Action and given 30 days to respond in writing. At this time, the source is not in compliance.

INSPECTOR'S SIGNATURE:  DATE: July 2, 1999

SUPERVISOR'S COMMENTS: _____

SUPERVISOR'S SIGNATURE  DATE: 7/2/99

File 451



ODA-172-99

COMMONWEALTH of VIRGINIA

James S. Gilmore, III
Governor

John Paul Woodley, Jr.
Secretary of Natural Resources

DEPARTMENT OF ENVIRONMENTAL QUALITY

Street address: 629 East Main Street, Richmond, Virginia 23219

Mailing address: P.O. Box 10009, Richmond, Virginia 23240

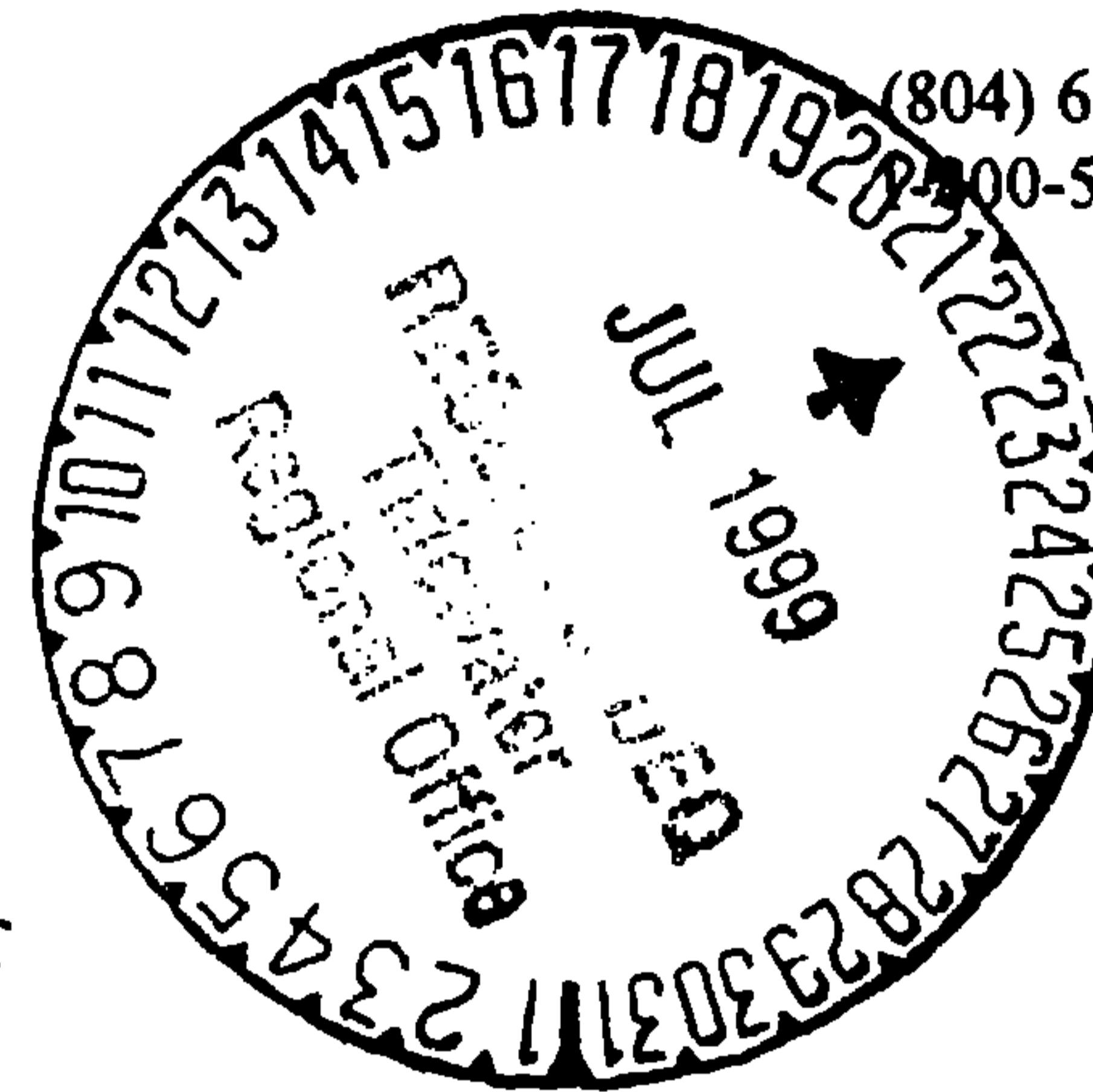
Fax (804) 698-4500 TDD (804) 698-4021

<http://www.deq.state.va.us>

Dennis H. Treacy
Director

(804) 698-4000
400-592-5482

July 21, 1999



Mr. Robert Coffey
Maintenance Manager and Environmental Coordinator
KMBT Pier IX Terminal
P.O. Box 38
Newport News, VA 23607

Location: Newport News City
Registration No: 60979
County-Plant No: 700-0071

Dear Mr. Coffey:

This office is in receipt of registration information which indicates an ownership and name change of a source previously registered as **Pier IX Terminal Company, Incorporated**.

Our records have been corrected to show this source now registered as **KMBT Pier IX Terminal, owned by Kinder Morgan Energy Partners**.

Should future correspondence be necessary, please identify your source with Registration Number **60979**.

Sincerely,

Harry T. Collier
Environmental Engineer Senior
Office of Air Data Analysis

/hc

cc: Kirit Chaudhari, Director, Office of Air Data Analysis
Dick Craft, Env Mgr - Field, Tidewater Regional Office
Jerome Brooks, WC Enf/Comp Spec Sr, Tidewater Regional Office

OCR

The following pages contain the Optical Character Recognition text of the preceding scanned images.

COMMONWEALTH of V1RCjrlN1A

DEPARTNFENT OF ENVIRONMENTAL QUALITY

James S. Gilmore, 5636 Southem Boulevard Dennis H. Trcacy
Govemor Virginia Beach, VA 23462 Dix=tor

(757) 518-2000

John Paul Woodley, Jr. <http://.@.-.k-w.deq.state.va.us> Francis L. Daniel
Secretary of Natural Resources Fax (757) 518-2003 Tidewater Rcgional Director

DATE:

1. D. NO.: 0 OOD --I I

FILE NO.:

Enclosed is a copy of f he reporf generaf ed as a result of our recent
inspection of your facility.. -if you have cny questions, please contact me at
(757)
518-2158.

Sincerely,

Richcrd C. Crcft
All- Compliance Mancger

RCC (cm/air/fcrm-doc/inspcvr.I'lr)

An Agency of the Nxural Resources Secretar@--i

COMMONWEALTH OF VIRGINIA
DEPARTMENT OF ENVIRONMENTAL QUALITY
SOURCE INSPECTION REPORT FORM

1. GENERAL INFORMATION

SOURCE NAME: Pier IX Terminal Company REGISTRATION NO.: 60979

LOCATION: Harbor Road, Newport News - 73607 INSPECTION DATE: 7/1/99

COUNTY NO. : 700 PLANT ID: 00071 FILE NO.: 451

SOURCE CLASS: -A X SM -B -NSPS -PSD NESHAP MACT

SOURCE CONTACT: Robert C. Coffey

WEATHER CON'DITIONS: 77 OF, and overcast with southerly winds 15 - 20 mph
TYPE OF INSPECTION:

X CMS X Complete Permit Completion

- Surveillance Follow up

- Stack Test Complaint Investigation

CEMS Audit:

OTHER (EXPLAIN)

ANNOUNCED INSPECTION:-No

INSPECTION LEVEL PERFORMED 2 COMPLIANCE CODE -1

VEE PERFORMED NO

OPERATING RATE: 0- capacity

INSPECTOR: Jerome Brooks & Tiffanv Davis STAFF CODE: 743

CODING INFORMATION FOR COMPLIANCE STATUS

0-UNKNOWN 6 - IN VIOLATION, NOT MEETING SCHEDULE
1 - IN VIOLATION - NO SCHEDULE 7 - IN VIOLATION, UNKNOWN WITH RESPECT
2 - IN COMPLIANCE BY SOURCE TEST TO SCHEDULE
3 - IN COMPLIANCE BY INSPECTION 8 - NO APPLICABLE REGULATION
4 - IN COMPLIANCE BY CERTIFICATION 9 - IN COMPLIANCE, CLOSED
5 - IN VIOLATION, MEETING SCHEDULE

Pier IX Terminal Company
I.D. # 700-00071
Reg.# 60979
Date: 7/1/99

November 1987 Permit to Operate a Coal Storage & Export Facility
Permit Cond. Condition Summary Source Status
Part 1, # 4 Annual Throughput of coal < 30 million tons in compliance
Part 1, # 5 Maximum storage of coal at one time < 1 million tons in compliance
Part 1, # 6 Fugitive emissions from storage piles controlled by wet suppression Yes
Part 1, # 7 Fugitive emissions from transfer points controlled by wet suppression Yes
Part 1, # 9 Opacity of visible emission from all emission points < 5 % Yes
Part 1, #11 Each spray cycle covers 100% of yard and uses > 20,000 gallons water Yes
Part 1, #16 Coal Storage piles are truncated and compacted Yes
Part 2, #6 There are records of employee training on wet suppression equipment No
Part 2, #7 There are operating procedures and maintenance records for the wet No suppression equipment

August 1995 Permit to Operate a Cement Unloading, Storage and Truck & Railcar Loadout

Permit Cond. Condition Summary Source Status
3 Annual throughput of cement < 500,000 tons in compliance
4 Particulate emissions for all transfer points, conveyor belts and silos Yes controlled by baghouses.
6 Fugitive emissions from truck loadout system controlled by Yes maintaining a negative pressure in the retractable chute
7 Particulate emissions from truck traffic controlled by wet suppression Yes
9 Visible Emissions from all baghouse vents < 5% opacity Yes
15 There are maintenance records and spare parts inventory for No pollution control equipment
16 There are records of employee training on operation of pollution No control equipment

1. Inspection Summary

Pier IX terminal has a November 1987 permit to operate a coal storage and export facility, and a August 1995 permit to operate a cement unloading, storage and truck & railcar loadout facility. The source has recently come under new ownership and was purchased by Kinder Morgan in January of 1999.

11. Coal Storage and Export Operation

A. Coal Transport Throughout the Facility

Coal at this facility is received by railcar and is removed within an enclosed rotary railcar dumper. A piping system applies water to the coal as it is being dumped to control fugitive dust emissions. A small amount of surfactant, an aqueous solution or soap, is sometimes added per tandem dump to increase the effectiveness of the wet suppression system. The coal transport system is controlled by a computer, but can be manually overridden if need be. After being removed from the railcar, the coal is transported by a shielded conveyor belt, which can travel up to 1000 ft/min, up to the gantry and is dispersed into the storage piles by a retractable chute. This system can stack the coal into piles at a rate of 4800 tons per hour. The piles are compacted and truncated to reduce fugitive emissions, complying with permit condition #16. During this inspection, no coal was being dumped from railcars or stacked into piles.

The last date that coal was dumped was 6/29/99.

The coal is transported from the piles to the ship on shielded conveyor belts.

Underneath the coal piles are hatches which open, allowing the coal to drop onto a conveyor belt. From there, the coal travels to the ship. Portions of the unshielded conveyor belt are equipped with a sprinkler system which is manually activated when necessary to reduce fugitive coal dust. During the inspection, coal was being loaded onto an Japanese export ship. There were no signs of fugitive emissions.

B. Wet Suppression System

This source uses an automated wet suppression system which is based on a K-Factor system. The system takes into consideration weather conditions, such as temperature, relative humidity, wind speed, wind direction, etc. Based on the hourly readings of these parameters, the computer determines how often the rainbirds must cycle. The yard is divided into four quadrants. During a wetting cycle, water is applied to each quadrant for six minutes at a rate of 1000 gallons per minute. The source estimates that approximately 22,000 gallons of water actually reaches the coal piles which satisfies permit condition #1 I which mandates that each cycle will use at least 20,000 gallons of water. Due to weather conditions, they were not watering at the time of the inspection. However, they turned on the system and applied water to two quadrants, illustrating that the system is working. In addition, there are 22 rainbirds located around the perimeter of the coal piles which are manually turned on when necessary. A printout of the K-Factor report for the last week was provided by the source. The source also has a water truck which is used as needed.

C. Throughputs and Permit Limits

Permit condition #4 limits the facilities coal throughput to 30 million tons per year. Records provided by the source indicate that from July 1998 through June 1999, the throughput of coal was 5,113,255 tons. Condition #5 of the permit limits the amount of coal stored at the facility at any one time to 1 million tons. Records indicate that the source is storing an average of 412,839 tons. Both of these permit conditions are being met by the source at this time.

D. Record Keeping

Condition #6 and #7 of the permit mandate that the source must maintain records of employee training, operating procedures, and maintenance schedules. The source was unable to produce these records and was issued a Request for Corrective Action. The source contact stated that under their new ownership, documentation and record keeping of all aspects of their operation is now top priority.

111, Ce'ment Unloading, Storage, and Truck and Railcar Loadout

A. Cement Transport and Storage

The source receives cement from ships. The cement travels on a covered conveyor or belt to a bucket elevator which deposits it into three storage silos. Silos 1 and 3 have a rated capacity of 11,800 tons and Silo 2 has a rated capacity of 12,500 tons. All the silos appeared to be structurally sound. From the silos, the cement is gravity fed into trucks or is pumped underground and loaded into railcars. During this inspection, both of these operations were observed. A cement truck was being loaded at 10,000 lbs/min. The truck loadout baghouse was operating with a differential pressure of 1.5" of water, pulsating every 12 seconds with no visible emissions. A railcar was being loaded at a rate of 4,000 lbs/min.

The railcar loadout baghouse was operating with a pressure drop of 1.75" of water, pulsating every 12 seconds, with no visible emissions.

The source indicated that a video camera canvasses the perimeter of the railcar during loading to ensure no cement is escaping into the atmosphere. Fugitive emissions from the entire cement operation are controlled by a total of eight baghouses; five for the silo filling and off loading, one for the truck loadout, and two for the railcar loadout, satisfying permit condition #4.

The source indicated that they had a problem with the C14 belt which carries cement to the bucket elevator. During the cement transport from the ship, millions of superficial cracks in the surface of the belt fill with cement. As the belt turns around a bend, the cement is released from the cracks into the atmosphere. The source is planning on enclosing this belt system within the next 60 days.

B. Throughputs and Permit Limits

Permit condition #3 limits the annual throughput of cement to 500,000 tons. Records provided during the inspection indicate that from July 1998 through June 1999, the throughput of cement was 388,533 tons.

Therefore, the source is in compliance with this permit condition.

C. Record Keeping

Permit conditions #15 and #16 mandate that the source will maintain records of maintenance, spare part inventory and employee training of the pollution control equipment. The source was unable to produce these records and was issued an Request for Corrective Action.

111. General Notes

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INSPECTOR'S SIGNATURE: DATE: July 2, 1999

SUPERVISOR'S COMMENTS:

SUPERVISOR'S SIGNATURE DATE: I

COMMONWEALTH of VIRGINIA

DEPARTMENT OF ENVIRONMENTAL QUALITY Dennis H. Treacy

James S. Gilmore, III Director

Govemor Street address: 629 East Main Street, Richmond, Virginia 23219

Mailing address: P.O. Box 10009, Richmond, Virginia 23240 04) 698-4000

John Paul Woodley, Jr. Fax (804) 698-4500 TDD (804) 698-4021 0-592-5482

Secretary of Natural Resources <http://www.deq.state.va.us>

July 21, 199 9

Mr. Robert Coffey

Maintenance Manager and Environmental Coordinator

KMBT Pier IX Terminal

P.O. Box 38

Newport News, VA 23607

Location: Newport News City

Registration No: 60979

County-Plant No: 700-0071

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Our records have been corrected to show this source now registered as KMBT Pier IX Terminal, owned by Kinder Morgan Energy

Partners.

Should future correspondence be necessary, please identify your source with Registration Number 60979.

Sincerely,

ma4-L

Har T. Collier
Environmental Engineer Senior
Office of Air Data Analysis

/hc

CC: Kirit Chaudhari, Director, Office of Air Data Analysis
Dick Craft, Env Mgr - Field, Tidewater Regional office
Jerome Brooks, WC Enf /Comp Spec Sr, Tidewater Regional Office

An Agency of the Natural Resources Secretariat