

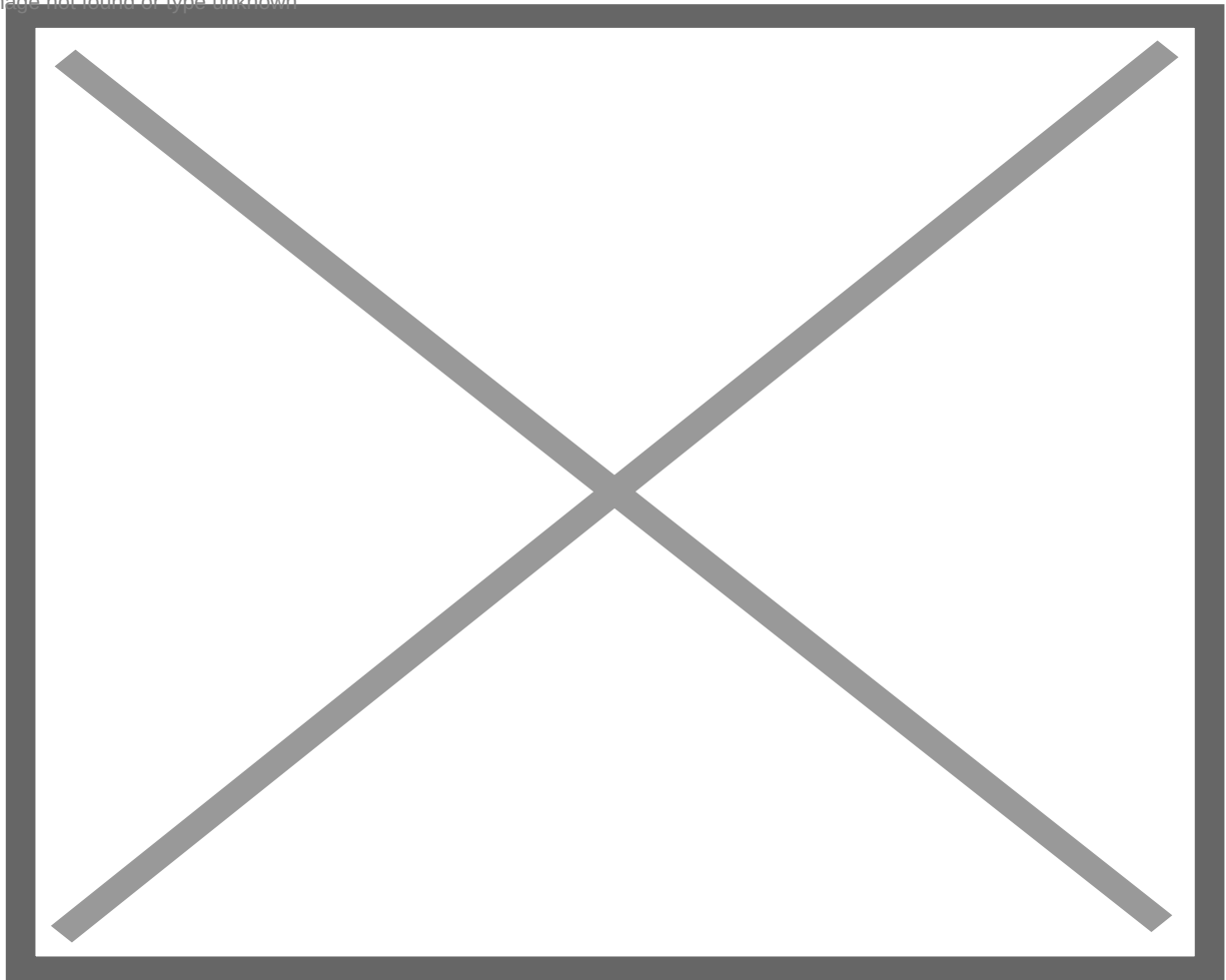
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Refinery Owners Must Ensure That 'Flare Rainout' Events Do Not Occur if They Intend to Reopen, EPA Warns in Letter Listing Restart Conditions

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The Limetree Bay Refinery on the South Shore of St. Croix. By. ERNICE GILBERT/ V.I. CONSORTIUM

The Limetree Bay Refinery, now under the ownership of West Indies Petroleum and Port Hamilton Refining and Transportation LLLP, must ensure that "flare rainout" events such as the incident that [culminated in the refinery's closure](#) in 2021 do not occur if the new owners intend to restart refining at the facility.

This requirement was among several demands the Environmental Protection Agency and the U.S. Dept. of Justice sought as seen in a letter the federal authorities [made public on March 2](#).

"It is very important to avoid any repeat of the incidents that occurred at the Refinery in the first half of 2021, involving emissions of hydrogen sulfide (H₂S), sulfur dioxide (SO₂), uncombusted hydrocarbons, and/or flare rainout from the Refinery," the EPA letter stated.

The letter directs WIPL and PHRT to meet a number of regulatory compliance rules governing flare management so as to ensure safeguards from future releases.

The EPA also cited regulations that require the refinery to conduct benzene fenceline monitoring, "and if that monitoring shows annual exceedances above the specified action level, conduct a root cause analysis (RCA) to determine the causes and undertake appropriate corrective action. The EPA believes that Limetree's RCA was inadequate and needs to be reevaluated.

The EPA wrote to Limetree Bay Refinery in January about the benzene fenceline exceedance matter in a separate letter, [stating](#), "EPA has reviewed this submittal and is concerned that the root cause analysis is poorly reasoned and thus unlikely to have identified all of the actual root causes of the exceedances or all of the appropriate corrective actions. If Limetree or a new owner were to restart the refinery, further analysis would be needed to identify the root causes contributing to exceedances of the action level, and corrective actions to prevent further exceedances of the action level would need to be implemented."

The letter made public in March further reads, "WIPL and PHRT must also comply with the Federal Implementation Plan for Regional Haze for the United States Virgin Islands... that the source notify EPA 60 days in advance of startup and resumption of operation of refinery process units and provide required information." The full letter is [here](#).

Neither West Indies Petroleum nor Port Hamilton Refining and Transporting have said much about their plans following their [successful closing in January](#). Though the sale is now completed, the new owners must go through an arduous EPA process.

WIPL had been seeking a PSD, or [prevention of significant deterioration permit](#) from the EPA in its quest to restart the refinery. The PSD permit requires a minimum of 11-18 months that includes inspections, planning and other aspects of permit approval. The EPA throughout the auction sale preferred this strategy over losing bidder St. Croix Energy's, which would see SCE continuing operations under the Limetree Bay operating agreement while seeking to rectify compliance issues with the EPA — a strategy the EPA admitted during a Dec. 6 hearing it would rather not entertain. Whether WIPL and PHRT have abandoned the PSD route for a path leading to more immediate refinery operations remains to be seen.