

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 5**

**IN THE MATTER OF:** )  
 )  
Countrymark Cooperative, Inc. ) **NOTICE OF VIOLATION**  
Mount Vernon, Indiana )  
 ) **EPA-5-99-IN-14**  
 )  
Proceedings Pursuant to )  
Section 113(a)(1) of the )  
Clean Air Act, 42 U.S.C. )  
§ 7413(a)(1) )

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**NOTICE OF VIOLATION**

Pursuant to Section 113(a)(1) of the Clean Air Act (Act), 42 U.S.C. § 7413(a)(1), the Administrator of the United States Environmental Protection Agency (U.S. EPA), by authority duly delegated to the undersigned, hereby notifies the State of Indiana and Countrymark Cooperative, Inc. (Countrymark) that U.S. EPA finds Countrymark's petroleum refinery located at 1200 Refinery Road, Mount Vernon, Indiana to be in violation of the Indiana State Implementation Plan (SIP), as follows:

**Regulatory Background**

1. On October 7, 1994, U.S. EPA approved 326 IAC 2-1-4(a) as part of the federally enforceable SIP for the State of Indiana. 59 Federal Register 51108.
2. 326 IAC 2-1-4(a) prohibits the operation of a facility subject to the construction and operating permit regulations set forth at 326 IAC 2-1(b)(1) without first applying for and obtaining an operating permit. The permitting regulations apply to any facility with potential to emit 25 tons per year or more of any regulated pollutant. A "facility" is defined at 326 IAC 1-2-27 as "any one...piece of equipment...which emits or has the potential to emit any air contaminant."
3. Prior to the approval of 326 IAC 2-1-4(a), APC 19 was in effect. On February 16, 1982, U.S. EPA approved APC 19 as part of the federally enforceable SIP for the State of Indiana. 47 Federal Register 6621.

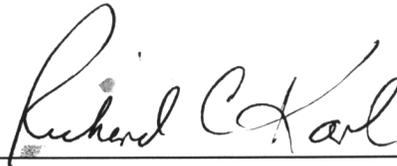
4. Section 5(a) of APC 19 provides that no person shall operate any facility with the potential to emit 25 tons per year or more of any one regulated pollutant without first applying for and obtaining a permit to operate.

**Finding of Violation**

5. Countrymark owns and operates a refinery located at 1200 Refinery Road, Mount Vernon, Indiana.
6. Countrymark's refinery includes a flare that combusts, among other things, excess refinery fuel gas that is produced primarily from April through November each year.
7. Based on data received from Countrymark in response to an information request dated July 22, 1998, the flare has the potential to emit at least 67 tons per year of SO<sub>2</sub>. This is based on combustion of excess refinery fuel gas for 200 days per year.
8. Countrymark has never obtained an operating permit for the flare.
9. Since at least 1994, Countrymark has operated its flare without an operating permit. The flare is a facility with a potential to emit, among other things, at least 25 tons per year of SO<sub>2</sub>. Operation of the flare without an operating permit is a violation of 326 IAC 2-1-4(a) and APC 19, Section 5(a) of the Indiana SIP.

3-25-99

Date



Richard C. Karl, Acting Director  
Air and Radiation Division

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 5**

**IN THE MATTER OF:** )  
 )  
Countrymark Cooperative, Inc ) **FINDING OF VIOLATION**  
Mount Vernon, Indiana )  
 ) **EPA-5-99-IN-15**  
 )  
Proceedings Pursuant to )  
the Clean Air Act, )  
42 U.S.C. § 7401 et seq. )  
\_\_\_\_\_ )

**FINDING OF VIOLATION**

The United States Environmental Protection Agency (U.S. EPA), hereby notifies the State of Indiana and Countrymark Cooperative, Inc., (Countrymark) that U.S. EPA finds, that Countrymark's refinery at 1200 Refinery Road, Mount Vernon, Indiana is in violation of Section 111(e) of the Clean Air Act (the Act), 42 U.S.C. § 7411(e), and the regulations promulgated under Section 111 of the Act, setting forth the General Provisions of the New Source Performance Standards (NSPS), 40 C.F.R. Part 60, Subpart A, and the Standards of Performance for Equipment Leaks of VOC in Petroleum Refineries, 40 C.F.R. Part 60, Subpart GGG. Specifically, Countrymark is in violation of 40 C.F.R. Part 60, Subparts A and GGG as follows:

Regulatory Background

1. 40 C.F.R. Part 60, Subpart GGG applies to any affected facility constructed after January 4, 1983 within a petroleum refinery. The regulation specifies at 40 C.F.R. § 60.590 that the group of all equipment within a process unit is an affected facility.
2. 40 C.F.R. § 60.591 defines "equipment" as each valve, pump, pressure relief device, sampling connection system, open-ended valve or line, and flange or other connector in VOC service.
3. 40 C.F.R. § 60.592(a) requires owners or operators subject to NSPS Subpart GGG to comply with the specific standards for each type of equipment set forth at 40 C.F.R. § 60.482-1 through 60.482-10. In addition, 40 C.F.R. § 60.592(d)

requires owners or operators subject to NSPS Subpart GGG to comply with the test methods and procedures set forth at 40 C.F.R. § 60.485, except as provided in 40 C.F.R. § 60.593.

4. The regulations at 40 C.F.R. § 60.482-7 set forth standards for valves in gas/vapor service and in light liquid service. Specifically, 40 C.F.R. § 60.482-7(a) requires that each valve be monitored monthly to detect leaks by the methods specified in 40 C.F.R. § 60.485(b). According to 40 C.F.R. § 60.482-7(c), any valve for which a leak is not detected for two successive months may be monitored the first month of every quarter, beginning with the next quarter, until a leak is detected.
5. The regulation at 40 C.F.R. § 60.485(b)(1) requires that Method 21 be used to determine the presence of leaking sources.
6. Method 21, "Determination of Volatile Organic Compound Leaks", is found at 40 C.F.R. Part 60, Appendix A. This method requires that a probe be moved along the periphery of all surfaces where leaks can occur. If any increased meter reading occurs, the probe must remain at the maximum reading location for two times the response time of the sampling equipment. Method 21 also requires that for each valve, the probe be placed at the point where the valve stem exits the packing and that the stem circumference be sampled. The periphery of the packing gland take-up flange seat and all other points where a leak can occur are to be sampled. The regulation also requires that for each pump and compressor, the circumference of the outer surface of the shaft, the seal interface and all other joints on the pump or compressor housing where leakage could occur be sampled.
7. Section 60.11(d) of the NSPS General Provisions provides that at all times, including periods of startup, shutdown, and malfunction, owners and operators shall, to the extent practicable, maintain and operate any affected facility, including associated air pollution control equipment, in a manner consistent with good air pollution control practice for minimizing emissions.

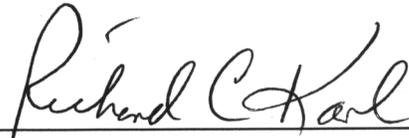
#### Finding of Violation

8. Countrymark identified two process units, in its permit application under Title 5 of the Clean Air Act Amendmentsof 1990 as subject to NSPS Subpart GGG. These process units are the CCR Platformer and the Penex Unit.

9. These units contain 968 valves which Countymark must inspect quarterly under Method 21. The valves are located in twenty-five bays. The number of valves in each bay ranges from 0 to 171.
10. Countrymark's Leak Detection and Repair (LDAR) program , as described to U.S. EPA inspectors by Countrymark personnel and as documented by records provided during the inspection, violated Method 21. Quarterly inspections were conducted by three third-shift employees who worked into the morning shift to perform the inspections and who completed such inspections in a six hour period. Countrymark was not devoting the manpower and time necessary to perform its quarterly inspections in the manner required by Method 21 in violation of 40 C.F.R. §§ 60.485(b)(1) and 60.592(a)and(d).
11. Countrymark's manner of conducting its quarterly LDAR inspections, as described above in paragraph 10, constituted a failure by Countrymark to maintain and operate an affected facility in a manner consistent with good air pollution control practice for minimizing emissions, in violation of 40 C.F.R. § 60.11(d).

3-25-99

Date



Richard C. Karl, Acting Director  
Air and Radiation Division

**CERTIFICATE OF MAILING**

I, Betty Williams, do hereby certify that a Notice of Violation and Finding of Violation was sent by Certified Mail, Return Receipt Requested, to:

John T. Deaton, Vice President  
Countrymark Cooperative, Inc.  
1200 Refinery Road  
Mount Vernon, Indiana 47620-9225

I also certify that copies of the Notice of Violation and Finding of Violation were sent by first class mail to:

Don Horning, Manager  
Environmental Control  
Countrymark Cooperative, Inc.  
1200 Refinery Road  
Mount Vernon, Indiana 47620-9225

Richard Zeiler  
Compliance Branch  
Office of Air Management  
Indiana Department of Environmental Management  
100 North Senate, Room 1001  
Indianapolis, Indiana 46206

on the 25<sup>th</sup> day of March, 1999.

  
Betty Williams, Secretary  
AECAS, (IL/IN)

CERTIFIED MAIL RECEIPT NUMBER: P140778975