## Octank Energy

**REFINERY INSPECTION AND PLAN REVIEW CHECKLIST**

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| **ONSHORE REFINING, PETROCHEMICAL AND WORKOVER FACILITIES** |

**Overview of the Checklist**

This checklist is designed to assist inspectors in conducting a thorough and nationally consistent inspection of a facility’s compliance with the Spill Prevention, Control, and Countermeasure (SPCC) rule at 40 CFR part 112. It is a required tool to help federal inspectors (or their contractors) record observations for the site inspection and review of the SPCC Plan. While the checklist is meant to be comprehensive, the inspector should always refer to the SPCC rule in its entirety, the SPCC Regional Inspector Guidance Document, and other relevant guidance for evaluating compliance. This checklist must be completed in order for an inspection to count toward an agency measure (i.e., OEM inspection measures or GPRA). The completed checklist and supporting documentation (i.e. photo logs or additional notes) serve as the inspection report.

This checklist addresses requirements for onshore oil drilling, production and workover facilities (including Tier II Qualified Facilities that meet the eligibility criteria set forth in §112.3(g)(2)). Qualified facilities must meet the rule requirements in §112.6 and other applicable sections specified in §112.6, except for deviations that provide environmental equivalence and secondary containment impracticability determinations as allowed under §112.6.

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| Separate and standalone checklists address the requirements for: |
| All other onshore facilities including Tier II Qualified Facilities (i.e., those facilities not involved in oil drilling, production and workover activities); |
| Offshore oil drilling, production and workover facilities; and |
| Tier I Qualified Facilities (for facilities that meet the eligibility criteria defined in §112.3(g)(1)). |

The checklist is organized according to the SPCC rule. Each item in the checklist identifies the relevant section and paragraph in 40 CFR part 112 where that requirement is stated.

* Sections 112.1 through 112.5 specify the applicability of the rule and requirements for the preparation, implementation, and amendment of SPCC Plans. For these sections, the checklist includes data fields to be completed, as well as several questions with “yes,” “no” “NA” answers.
* Section 112.6 includes requirements for qualified facilities. These provisions are addressed in Attachment D.
* Section 112.7 includes general requirements that apply to all facilities (unless otherwise excluded).
* Section 112.9 specifies spill prevention, control, and countermeasures requirements for onshore oil drilling, production and workover facilities
* Section 112.10 specifies spill prevention, control, and countermeasures requirements for onshore oil drilling, production and workover facilities.

The inspector needs to evaluate whether the requirement is addressed adequately or inadequately in the SPCC Plan and whether it is implemented adequately in the field (either by field observation or record review). For the SPCC Plan and implementation in the field, if a requirement is addressed adequately, mark the “Yes” box in the appropriate column. If a requirement is not addressed adequately, mark the “No” box. If a requirement does not apply to the particular facility or the question asked is not appropriate for the facility, mark as “NA”. Discrepancies or descriptions of inspector interpretation of “No” vs. “NA” may be documented in the comments box subsequent to each section. If a provision of the rule applies only to the SPCC Plan, the “Field” column is shaded.

Space is provided throughout the checklist to record comments. Additional space is available as Attachment E at the end of the checklist. Comments should remain factual and support the evaluation of compliance.

Attachments

* Attachment A is for recording information about containers at the facility that require secondary containment.
* Attachment B is a checklist for documentation of the tests and inspections the facility operator is required to keep with the SPCC Plan.
* Attachment C is a checklist for oil spill contingency plans following 40 CFR 109. The same requirement for an oil spill contingency plan applies to the owner or operator of a facility with qualified oil-filled operational equipment that chooses to implement alternative requirements instead of general secondary containment requirements as provided in 40 CFR 112.7(k).
* Attachment D is a checklist for Tier II Qualified Facilities.
* Attachment E is for recording additional comments or notes.
* Attachment F is for recording information about photos.

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| FACILITY INFORMATION | | | | | | | | | | | | | | | | | | | | | | | |
| FACILITY NAME: Sandy Point Refinery | | | | | | | | | | | | | | | | | | | | | | | |
| UNIT NAME: Crude Distillation Unit | | | | | | | | | | | | | | | | | | | | | | | |
| EQUIPMENT #: T-301 | | | | | | | | | | | | | | | | | | | | | | | |
| LATITUDE: 29.372295 | | | | | LONGITUDE: -94.873172 | | | | | | | | | | GPS DATUM: WGS84 | | | | | | | | |
| ADDRESS: 600 Dike Rd | | | | | | | | | | | | | | | | | | | | | | | |
| CITY: Texas City | | | | STATE: TX | | | | | | | ZIP: 77590 | | | | | | | | COUNTY: Galveston | | | | |
| TELEPHONE: 713-304-9785 | | | | | | FACILITY CONTACT NAME/TITLE: Robert Gallagher | | | | | | | | | | | | | | | | | |
| OWNER NAME: Octank Energy | | | | | | | | | | | | | | | | | | | | | | | |
| OWNER ADDRESS: 810 Crockett | | | | | | | | | | | | | | | | | | | | | | | |
| CITY: Houston | | | | STATE: TX | | | | | | | ZIP: 77006 | | | | | | | | | COUNTY: Harris | | | |
| FACILITY OPERATOR NAME (IF DIFFERENT FROM OWNER – IF NOT, PRINT “SAME”): SAME | | | | | | | | | | | | | | | | | | | | | | | |
| FACILITY TYPE: Crude Oil Refinery | | | | | | | | | | | | | | | | | | | NAICS CODE: 29386 | | | | |
| HOURS PER DAY FACILITY ATTENDED: 24 | | | | | | | | | | TOTAL FACILITY CAPACITY: 160 kBD | | | | | | | | | | | | | |
| TYPE(S) OF OIL STORED: WTI, Brent | | | | | | | | | | | | | | | | | | | | | | | |
| **INSPECTION/PLAN REVIEW INFORMATION** | | | | | | | | | | | | | | | | | | | | | | | |
| PLAN REVIEW DATE: 12/31/2020 | | | | | | | REVIEWER NAME: Richard Dunston | | | | | | | | | | | | | | | | |
| INSPECTION DATE: 8/14/2020 | | | | | | | TIME: 7:00 AM | | | | | ACTIVITY ID NO: | | | | | | | | | | | |
| LEAD INSPECTOR: Zain Smith | | | | | | | | | | | | | | | | | | | | | | | |
| OTHER INSPECTOR(S): Tina Sakowitz | | | | | | | | | | | | | | | | | | | | | | | |
| **INSPECTOR ACKNOWLEDGMENT** | | | | | | | | | | | | | | | | | | | | | | | |
| *I performed an SPCC inspection at the facility specified above.* | | | | | | | | | | | | | | | | | | | | | | | |
| INSPECTOR SIGNATURE: Tina Sakowitz | | | | | | | | | | | | | | | | | | | | | DATE: 8/14/2020 | | |
| SUPERVISOR REVIEW/SIGNATURE: Zain Smith | | | | | | | | | | | | | | | | | | | | | DATE: 8/20/2020 | | |
| SPCC GENERAL APPLICABILITY—40 CFR 112.1 | | | | | | | | | | | | | | | | | | | | | | | |
| IS THE FACILITY REGULATED UNDER 40 CFR part 112? | | | | | | | | | | | | | | | | | | | | | | | |
| The completely buried oil storage capacity is over 42,000 U.S. gallons, **OR** the aggregate aboveground oil storage capacity is over 1,320 U.S. gallons **AND**  The facility is a non-transportation-related facility engaged in drilling, producing, gathering, storing, processing, refining, transferring, distributing, using, or consuming oil and oil products, which due to its location could reasonably be expected to discharge oil into or upon the navigable waters of the United States | | | | | | | | | | | | | | | | | | | | | | | Yes  No  Yes  No |
| AFFECTED WATERWAY(S): Galveston Bay | | | | | | | | | | | | | | DISTANCE: 0.5 miles | | | | | | | | | |
| Does the facility have an SPCC Plan? | | | | | | | | | | | | | | | | | | Yes  No | | | | | |
| FACILITY RESPONSE PLAN (FRP) APPLICABILITY—40 CFR 112.20(f) | | | | | | | | | | | | | | | | | | | | | | | |
| A non-transportation related onshore facility is required to prepare and implement an FRP as outlined in 40 CFR 112.20 if:  The facility transfers oil over water to or from vessels and has a total oil storage capacity greater than or equal to  42,000 U.S. gallons, **OR**  The facility has a total oil storage capacity of at least 1 million U.S. gallons, **AND** at least one of the following is true:  The facility does not have secondary containment sufficiently large to contain the capacity of the largest aboveground tank plus sufficient freeboard for precipitation.  The facility is located at a distance such that a discharge could cause injury to fish and wildlife and sensitive environments.  The facility is located such that a discharge would shut down a public drinking water intake.  The facility has had a reportable discharge greater than or equal to 10,000 U.S. gallons in the past 5 years. | | | | | | | | | | | | | | | | | | | | | | | |
| Facility has FRP:  Yes  No  NA | | | | | | | | | | | | | FRP Number: FRP9328TX3456 | | | | | | | | | | |
| Facility has a completed and signed copy of Appendix C, Attachment C-II,  “Certification of the Applicability of the Substantial Harm Criteria.” | | | | | | | | | | | | | | | | | | | | | | | Yes  No |
| Comments: All health, safety, and environmental executives have been briefed on the FRP and approved during June board meeting. | | | | | | | | | | | | | | | | | | | | | | | |
| **SPCC TIER II QUALIFIED FACILITY APPLICABILITY—40 CFR 112.3(g)(2)** | | | | | | | | | | | | | | | | | | | | | | | |
| The aggregate aboveground oil storage capacity is 10,000 U.S. gallons or less **AND** | | | | | | | | | | | | | | | | | | | | | | Yes  No | |
| In the three years prior to the SPCC Plan self-certification date, or since becoming subject to the rule (if the facility has been in operation for less than three years), the facility has **NOT** had: | | | | | | | | | | | | | | | | | | | | | |  | |
| * A single discharge as described in §112.1(b) exceeding 1,000 U.S. gallons, **OR** | | | | | | | | | | | | | | | | | | | | | | Yes  No | |
| * Two discharges as described in §112.1(b) each exceeding 42 U.S. gallons within any twelve-month period[[1]](#footnote-1) | | | | | | | | | | | | | | | | | | | | | | Yes  No | |
| IF ***YES*** TO ALL OF THE ABOVE, THEN THE FACILITY IS A TIER II QUALIFIED FACILITY[[2]](#footnote-2)  SEE ATTACHMENT D FOR TIER II QUALIFIED FACILITY CHECKLIST | | | | | | | | | | | | | | | | | | | | | | | |
| **REQUIREMENTS FOR PREPARATION AND IMPLEMENTATION OF A SPCC PLAN—40 CFR 112.3** | | | | | | | | | | | | | | | | | | | | | | | |
| Date facility began operations: 4/17/1984 | | | | | | | | | | | | | | | | | | | | | | | |
| Date of initial SPCC Plan preparation: 5/31/1985 | | | | | | | | Current Plan version (date/number): 3.1 | | | | | | | | | | | | | | | |
| **112.3(a)** | For drilling, production or workover facilities, including mobile or portable facilities, that are offshore or have an offshore component; or facilities required to have and submit a FRP: | | | | | | | | | | | | | | | | | | | | |  | |
|  | * In operation on or prior to November 10, 2010: Plan prepared and/or amended and fully implemented by **November 10, 2010** | | | | | | | | | | | | | | | | | | | | | Yes  No  NA | |
|  | * Facilities beginning operation after November 10, 2010:   + Plan prepared and fully implemented before drilling and workover facilities begin operations; or   + Plan prepared and fully implemented within six months after oil production facilities begin operations | | | | | | | | | | | | | | | | | | | | | Yes  No  NA  Yes  No  NA | |
|  | For all other drilling, production or workover facilities, including mobile or portable facilities:   * In operation on or prior to November 10, 2011: Plan prepared and/or amended and fully implemented by **November 10, 2011** | | | | | | | | | | | | | | | | | | | | | Yes  No  NA | |
| * Facilities beginning operation after November 10, 2011:   + Plan prepared and fully implemented before drilling and workover facilities begin operations; or   + Plan prepared and fully implemented within six months after oil production facilities begin operations | | | | | | | | | | | | | | | | | | | | | Yes  No  NA  Yes  No  NA | |
| **112.3(d)** | Plan is certified by a registered Professional Engineer (PE) and includes statements that the PE attests: | | | | | | | | | | | | | | | | | | | | | Yes  No  NA | |
| * PE is familiar with the requirements of 40 CFR part 112 | | | | | | | | | | | | | | | | | | | | | Yes  No  NA | |
| * PE or agent has visited and examined the facility | | | | | | | | | | | | | | | | | | | | | Yes  No  NA | |
| * Plan is prepared in accordance with good engineering practice including consideration of applicable industry standards and the requirements of 40 CFR part 112 | | | | | | | | | | | | | | | | | | | | | Yes  No  NA | |
|  | * Procedures for required inspections and testing have been established | | | | | | | | | | | | | | | | | | | | | Yes  No  NA | |
|  | * Plan is adequate for the facility | | | | | | | | | | | | | | | | | | | | | Yes  No  NA | |
|  | * For produced water containers subject to 112.9(c)(6), any procedure to minimize the amount of free-phase oil is designed to reduce the accumulation of free-phase oil and the procedures and frequency for required inspections, maintenance and testing have been established and are described in the Plan, if applicable | | | | | | | | | | | | | | | | | | | | | Yes  No  NA | |
| PE Name: Todd Lenhart | | | License No.: 927634-02 | | | | | | State: TX | | | | | | | | Date of certification: 11/4/2003 | | | | | | |
| **112.3(e)(1)** | Plan is available onsite if attended at least 4 hours per day. If facility is unattended, Plan is available at the nearest field office. *(Please note nearest field office contact information in comments section below.)* | | | | | | | | | | | | | | | | | | | | | Yes  No  NA | |
| Comments: Plan is available in both digital and hard copy at refinery and headquarters in Houston | | | | | | | | | | | | | | | | | | | | | | | |
| **AMENDMENT OF SPCC PLAN BY REGIONAL ADMINISTRATOR (RA)—40 CFR 112.4** | | | | | | | | | | | | | | | | | | | | | | | |
| **112.4(a),(c)** | Has the facility discharged more than 1,000 U.S. gallons of oil in a single reportable discharge or more than 42 U.S. gallons in each of two reportable discharges in any 12-month period?[[3]](#footnote-3) | | | | | | | | | | | | | | | | | | | | | Yes  No | |
| If **YES** | * Was information submitted to the RA as required in §112.4(a)?[[4]](#footnote-4) | | | | | | | | | | | | | | | | | | | | | Yes  No  NA | |
|  | * Was information submitted to the appropriate agency or agencies in charge of oil pollution control activities in the State in which the facility is located§112.4(c) | | | | | | | | | | | | | | | | | | | | | Yes  No  NA | |
|  | * Date(s) and volume(s) of reportable discharges(s) under this section:   2/16/2020 140 bbl | | | | | | | | | | | | | | | | | | | | |  | |
|  | * Were the discharges reported to the NRC[[5]](#footnote-5)? | | | | | | | | | | | | | | | | | | | | | Yes  No | |
| **112.4(d),(e)** | Have changes required by the RA been implemented in the Plan and/or facility? | | | | | | | | | | | | | | | | | | | | | Yes  No  NA | |
| Comments: February freeze caused complications in flow control resulting in a fluid discharge that was stopped within 30 minutes. | | | | | | | | | | | | | | | | | | | | | | | |
|  | | | | | | | | | | | | | | | | **PLAN** | | | | | | **FIELD** | |
| (5) | | **Flow-through Process Vessels.** Alternate requirements in lieu of sized secondary containment required in (c)(2) and requirements in (c)(3) above for facilities with flow-through process vessels: | | | | | | | | | | | | | | | | | | | | | |
| (i) | | Flow-through process vessels and associated components (e.g. dump valves) are periodically and on a regular schedule visually inspected and/or tested for leaks, corrosion, or other conditions that could lead to a discharge as described in §112.1(b) | | | | | | | | | | | | | | Yes  No  NA | | | | | | Yes  No  NA | |
| (ii) | | Corrective actions or repairs have been made to flow-through process vessels and any associated components as indicated by regularly scheduled visual inspections, tests, or evidence of an oil discharge | | | | | | | | | | | | | | Yes  No  NA | | | | | | Yes  No  NA | |
| (iii) | | Oil removed or other actions initiated to promptly stabilize and remediate any accumulation of oil discharges associated with the produced water container | | | | | | | | | | | | | | Yes  No  NA | | | | | | Yes  No  NA | |
| (iv) | | All flow-through process vessels comply with §§112.9(c)(2) and (c)(3) within six months of any flow-through process vessel discharge of more than 1,000 U.S. gallons of oil in a single discharge as described in §112.1(b) or discharges of more than 42 U.S. gallons of oil in each of two discharges as described in §112.1(b) within any twelve month period.[[6]](#footnote-6) | | | | | | | | | | | | | | Yes  No  NA | | | | | | Yes  No  NA | |
| (6) | | **Produced Water Containers.** Alternate requirements in lieu of sized secondary containment required in (c)(2) and requirements in (c)(3) above for facilities with produced water containers: | | | | | | | | | | | | | | | | | | | | | |
| (i) | | A procedure is implemented on a regular schedule for each produced water container that is designed to separate the free-phase oil that accumulates on the surface of the produced water.   * A description is included in the Plan of the procedures, frequency, and amount of free-phase oil expected to be maintained inside the container; * PE certifies in accordance with §112.3(d)(1)(vi); * Records of such events are maintained in accordance with §112.7(e). | | | | | | | | | | | | | | Yes  No  NA  Yes  No  NA  Yes  No  NA  Yes  No  NA | | | | | | Yes  No  NA | |
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|  | |
| Yes  No  NA | |
|  | | If this procedure is not implemented as described in the Plan or no records are maintained, then  facility owner/operator must comply with §112.9(c)(2) and (c)(3). | | | | | | | | | | | | | | | | | | | | | |
| (ii) | | Each produced water container and associated piping is visually inspected, on a regular basis, for leaks, corrosion, or other conditions that could lead to a discharge as described in §112.1(b) in accordance with good engineering practice. | | | | | | | | | | | | | | Yes  No  NA | | | | | | Yes  No  NA | |
| (iii) | | Corrective action or necessary repairs were made to any produced water container and associated piping as indicated by regularly scheduled visual inspections, tests, or evidence of an oil discharge. | | | | | | | | | | | | | | Yes  No  NA | | | | | | Yes  No  NA | |
| (iv) | | Oil removed or other actions initiated to promptly stabilize and remediate any accumulation of oil discharges associated with the produced water container. | | | | | | | | | | | | | | Yes  No  NA | | | | | | Yes  No  NA | |
| (v) | | All produced water containers comply with §§112.9(c)(2) and (c)(3) within six months of any produced water container discharge of more than 1,000 U.S. gallons of oil in a single discharge as described in §112.1(b) or discharges of more than 42 U.S. gallons of oil in each of two discharges as described in §112.1(b) within any twelve month period.14 | | | | | | | | | | | | | | Yes  No  NA | | | | | | Yes  No  NA | |
| Comments: | | | | | | | | | | | | | | | | | | | | | | | |
|  | | | | | | | | | | | | | | | | **PLAN** | | | | | | **FIELD** | |
| **112.9(d) Facility transfer operations, pumping, and facility process** | | | | | | | | | | | | | | | | | | | | | | | |
| (1) | | All aboveground valves and piping associated with transfer operations are inspected periodically and upon a regular schedule to determine their general condition. Include the general condition of flange joints, valve glands and bodies, drip pans, pipe supports, pumping well polish rod stuffing boxes, bleeder and gauge valves, and other such items | | | | | | | | | | | | | | Yes  No  NA | | | | | | Yes  No  NA | |
| (2) | | Saltwater (oil field brine) disposal facilities inspected often to detect possible system upsets capable of causing a discharge, particularly following a sudden change in atmospheric temperature | | | | | | | | | | | | | | Yes  No  NA | | | | | | Yes  No  NA | |
| (3) | | If flowlines and intra-facility gathering lines are not provided with secondary containment in accordance with §112.7(c) and the facility is not required to submit an FRP under §112.20, then the SPCC Plan includes: | | | | | | | | | | | | | |  | | | | | |  | |
| (i) | | * An oil spill contingency plan following the provisions of 40 CFR part 109[[7]](#footnote-7) | | | | | | | | | | | | | | Yes  No  NA | | | | | | Yes  No  NA | |
| (ii) | | * A written commitment of manpower, equipment, and materials required to expeditiously control and remove any quantity of oil discharged that might be harmful | | | | | | | | | | | | | | Yes  No  NA | | | | | | Yes  No  NA | |
| (4) | | A flowline/intra-facility gathering line maintenance program to prevent discharges is prepared and implemented and includes the following procedures: | | | | | | | | | | | | | |  | | | | | |  | |
| (i) | | Flowlines and intra-facility gathering lines and associated valves and equipment are compatible with the type of production fluids, their potential corrosivity, volume, and pressure, and other conditions expected in the operational environment | | | | | | | | | | | | | | Yes  No  NA | | | | | | Yes  No  NA | |
| (ii) | | Flowlines and intra-facility gathering lines and associated appurtenances are visually inspected and/or tested on a periodic and regular schedule for leaks, oil discharges, corrosion, or other conditions that could lead to a discharge as described in §112.1(b).  If flowlines and intra-facility gathering lines are not provided with secondary containment in accordance with §112.7(c), the frequency and type of testing allows for the implementation of a contingency plan as described under 40 CFR 109 or an FRP submitted under §112.20 | | | | | | | | | | | | | | Yes  No  NA  Yes  No  NA | | | | | | Yes  No  NA  Yes  No  NA | |
| (iii) | | Repairs or other corrective actions are made to any flowlines and intra-facility gathering lines and associated appurtenances as indicated by regularly scheduled visual inspections, tests, or evidence of a discharge | | | | | | | | | | | | | | Yes  No  NA | | | | | | Yes  No  NA | |
| (iv) | | Oil removed or other actions initiated to promptly stabilize and remediate any accumulations of oil discharges associated with the flowlines, intra-facility gathering lines, and associated appurtenances | | | | | | | | | | | | | | Yes  No  NA | | | | | | Yes  No  NA | |
| **ONSHORE OIL PROCESSING AND WORKOVER FACILITIES—40 CFR 112.10**  NA | | | | | | | | | | | | | | | | | | | | | | | |
| **112.10(b)** | | Mobile workover equipment is positioned or located to prevent a discharge as described in §112.1(b) | | | | | | | | | | | | | | Yes  No  NA | | | | | | Yes  No  NA | |
| **112.10(c)** | | Catchment basins or diversion structures are provided to intercept and contain discharges of fuel, crude oil, or oily fluids | | | | | | | | | | | | | | Yes  No  NA | | | | | | Yes  No  NA | |
| Comments: | | | | | | | | | | | | | | | | | | | | | | | |

1. Oil discharges that result from natural disasters, acts of war, or terrorism are not included in this determination. The gallon amount(s) specified (either 1,000 or 42) refers to the amount of oil that actually reaches navigable waters or adjoining shorelines not the total amount of oil spilled. The entire volume of the discharge is oil for this determination. [↑](#footnote-ref-1)
2. An owner/operator who self-certifies a Tier II SPCC Plan may not include any environmentally equivalent alternatives or secondary containment impracticability determinations unless reviewed and certified by a PE. [↑](#footnote-ref-2)
3. A reportable discharge is a discharge as described in §112.1(b)(see 40 CFR part 110). The gallon amount(s) specified (either 1,000 or 42) refers to the amount of oil that actually reaches navigable waters or adjoining shorelines not the total amount of oil spilled. The entire volume of the discharge is oil for this determination [↑](#footnote-ref-3)
4. Triggering this threshold may disqualify the facility from meeting the Qualified Facility criteria if it occurred in the three years prior to self-certification [↑](#footnote-ref-4)
5. Inspector Note-Confirm any spills identified above were reported to NRC [↑](#footnote-ref-5)
6. Oil discharges that result from natural disasters, acts of war, or terrorism are not included in this determination. The gallon amount(s) specified (either 1,000 or 42) refers to the amount of oil that actually reaches navigable waters or adjoining shorelines not the total amount of oil spilled. The entire volume of the discharge is oil for this determination. [↑](#footnote-ref-6)
7. Note that the implementation of a 40 CFR part 109 plan does not require a PE impracticability determination for this specific requirement [↑](#footnote-ref-7)