VPT Conditional Use Permit
Project Description

Existing Tank Farm Operations

Petro Star Inc. owns and operates Valdez Petroleum Terminal (VPT) located on the north shore of the Port of Valdez approximately 1.25 miles east of the mouth of Mineral Creek. VPT handles motor gasolines, jet fuels, and ultra-low sulfur diesel fuels. Products received via ocean going barge and tank truck delivery are subsequently loaded on to tank trucks and barges for distribution. Average daily product throughput is between 10,000 – 20,000 barrels

VPT has one (1) two-lane tank truck rack that is configured with bottom loading/off-loading swing arm systems. A continuous impervious liner underlies the entire load rack area. The current gasoline through-put at the truck rack is limited to 19,900 gallons/day under the ADEC Pre-Approved Emission limit authorization and at this time, Petro Star does not intend to increase gasoline throughput beyond this limit. A strip drain system surrounds the loading area and drains to an oil water separator system.

In addition to the truck rack, the terminal facility consists of one warehouse, a pump house structure, seventeen (17) storage tanks (twelve (12) currently in-service providing a total capacity of approximately 195,000 barrels/8.2 million gallons), and associated piping. All storage tanks are located within a continuously lined and diked containment area that exceeds federal volumetric guidelines. Aboveground piping is protected from traffic by guardrails and conveys products from the pump house to the truck rack and dock pipelines.

VPT operates under an ADEC Oil Discharge Prevention and Contingency Plan and an EPA Facility Response Plan. In addition, the Terminal maintains a U.S. Coast Guard approved Operations Manual.

Proposed Tank Farm Expansion

Petro Star proposes to expand the current terminal facility at VPT by adding or modifying the following:

- Adding one (1) 50,000 barrel Internal Floating Roof Tank (IFRT) for Regular Unleaded (RUL) gasoline storage with associated piping and equipment;
- Switching two (2) existing IFR storage tanks from RUL to Premium Unleaded (PUL) gasoline service; and,

- Modifying the existing truck rack to allow both RUL and PUL loading and adding associated facilities (driver shelters, network communications, etc.).

Petro Star employs mitigating factors in its terminal facility operation, including:

- Gated and secured facility site;
- Floating roofs on tanks with gasoline to minimize VOC emissions;
- Subsurface fire foam injection capabilities for non-floating roof tanks;
- Top-side fire form systems for the proposed tank;
- Surveillance cameras;
- Facility lighting;
- Automated best available technology tank level measuring system;
- Independent automated tank overfill protection;
- Automated tank truck overfill protection; and,
- Is a 24-hour manned Facility.

Petro Star submits its application for Conditional Use Permit with the following responses:

- The proposed use will conform to the present and future development of the area in that the area is already currently being used as a tank farm;
- The effect will be minimal on present and future development, as the existing area is already in use as a tank farm;
- The need for the conditional use permit is to increase the number of tanks currently permitted in the existing tank farm;
- The site is suited to the conditional use proposed because it is already an existing tank farm;
- The proposed conditional use would have no detrimental effect because the site is already an existing tank farm; and,
- The additional tank will not significantly alter the surrounding property and uses.

Petro Star submits this Conditional Use Permit application and requests the City of Valdez's support in expanding the existing tank farm to accommodate the proposed project described above. Ideally, site preparation and construction would commence as early as possible in May/June 2018 and we request that the modifications to the Conditional Use Permit be heard before the Planning & Zoning Commission at the earliest opportunity.