
FACT SHEET: GLOBAL COMPANIES, LLC ALBANY TERMINAL TANK CONVERSION/ BOILER INSTALLATION-updated 7/30/14

The Global Companies, LLC (Global) Albany Terminal is an existing stationary bulk petroleum storage and transfer terminal located within the Port of Albany along the Hudson River. The Albany Terminal has been operating since the 1920s and Global has operated the facility since 2007. The facility consists of several above ground petroleum storage tanks and truck and marine loading positions for storage and distribution of various petroleum products (i.e. gasoline, ethanol, distillate, butane, additive and crude oil). The Albany Terminal is located adjacent to the Kenwood Yard rail facility. Kenwood Yard was previously used as an intermodal tractor trailer truck shipping and transfer facility before being converted by Global for ethanol delivery to the terminal in 2009.

Governor Cuomo Executive Order/Letter to Federal Officials

On January 28, 2014, Governor Andrew M. Cuomo issued an executive order directing several State agencies to do a top-to-bottom review of safety procedures and emergency response preparedness related to rail and water shipments of volatile crude oil from the Bakken oil fields in North Dakota, Montana and Canada.

[Executive Order #125](#) directs the NYS Departments of Environmental Conservation (DEC), Transportation, and Health, the Division of Homeland Security and Emergency Services, and the New York State Energy Research and Development Authority, in consultation with federal authorities, to conduct an extensive assessment of the State's prevention and response rules and inspection programs involving the transportation of petroleum products by rail and water.

The state agencies will report to the Governor by April 30, 2014 summarizing the State's existing capacity to prevent and respond to accidents involving the shipment of crude oil by rail, ship and barge, including the role that the local governments across the State have in protecting their communities; whether any statutory or regulatory changes are needed to increase safety; and how to enhance coordination with federal agencies to improve the State's capacity to prevent and respond to such accidents.

At the Governor's direction, DEC and the other state agencies also sent a letter to federal officials specifically requesting:

- Revised design specifications of certain railcars to minimize the release of crude oil and other hazardous materials in the event of an accident;
- Aggressive phase-out of certain tank cars that cannot be retrofitted;
- More stringent standards to test the properties of crude oil being shipped by rail;
- Amendments to federal standards for flammable liquids to include new combustible liquids such as Bakken crude oil; and
- Review of the routing of crude oil trains to ensure they are the most appropriate.

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The State also is requesting that the U.S. Coast Guard adopt certain safety precautions to ensure that facilities and vessels safely transfer the Bakken crude oil from railcars to ships and barges. These protocols would require that equipment, procedures and pre-arranged spills agreements be in place in specific locations, which must be approved by the U.S. Coast Guard, for rapid and effective response to any incidents, including pre-deployed assets all along the Hudson River in order to ensure emergency responders can immediately initiate clean up operations.

Governmental Jurisdiction

The facility operates under a DEC Air Title V Facility permit; a Major Oil Storage Facility license, which includes a Spill Prevention, Control and Countermeasure (SPCC) plan and Bulk Storage tank requirements; and an Industrial Stormwater State Pollutant Discharge Elimination System permit. DEC also has jurisdiction through Article 12 of the NYS Navigation Law whose legislative intent is to protect and preserve the lands and waters of NYS from petroleum releases.

Federal rail regulatory agencies exclusively govern rail transportation and rail transport equipment.

Recent History

In 2011, Global was authorized to store crude oil in their existing petroleum storage tanks and to load crude oil at the marine loading rack. In November 2012, after a DEC review including public notice and a public comment period, Global was permitted to use its existing capacity to increase throughput of gasoline, ethanol and crude oil from a combined limit of 450 million gallons per year to a limit of 1.8 billion gallons per year of crude oil.

The 2012 modification also called for the reconfiguration of rail tracks to facilitate off-loading of distillate product and to allow for secondary containment, pumps and piping.

Environmental Controls

The Global facility at the Port of Albany operates under numerous air, water and petroleum storage regulations designed to protect public health and the environment. This includes the control of volatile organic compound emissions through vapor recovery equipment at all truck, rail and marine barge/tanker transfer points as well as on the storage tanks themselves via internal floating roofs that minimize liquid petroleum evaporation. Under state and federal requirements the facility must also have a spill containment, control and countermeasures plan, which covers all rail, truck and marine barge/tanker transfer operations and product storage. Storage tanks must also meet bulk tank storage standards which govern tank strength and integrity, and which require periodic hydrostatic leak testing using water. Secondary containment for storage tanks is also required at the facility. Stormwater requirements include collection and treatment systems implemented through best management practices.

How Air Emissions are Controlled at Global's Facility

Gasoline and ethanol air emissions at both the marine and rail loading areas are controlled by vapor combustion units. The gasoline/ethanol truck loading operation is controlled with a vapor assist and a vapor recovery unit. The crude oil from the terminal facility is loaded into vessels, and the air displaced during the loading process is routed to another vapor combustion unit. Also, the crude, gasoline and ethanol that are unloaded and piped into the terminal are stored in tanks that are equipped with internal floating roofs to minimize emissions and odors.

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Global's Current Permit Modification Application

The current permit application by Global is for a modification of the Air Title V permit to allow the company's oil handling capabilities at the terminal to include heated petroleum products (crude, residual fuel and bio-fuels). It would not involve an expansion of the storage capacity of the facility. In fact, there would be a net reduction of 50 million gallons of crude oil allowed to pass through the Global facility under this draft permit.

Specifically, the modification seeks the following:

- Reconfiguration of the existing Kenwood Yard rail facility to allow for the off loading of heated petroleum products;
- Conversion of Tank 33, which currently stores distillate oil, to volatile petroleum product storage (crude oil, gasoline, ethanol);
- Conversion of tank 118 to distillate service and taken out of gasoline, crude and ethanol service;
- Installation of seven new boilers that will heat viscous petroleum products. Three of the boilers are exempt from permitting per 6NYCRR 201-3.2(1)(i) because they are rated less than 10 million British thermal units per hour (MMbtu/hr) and four of the boilers are rated at 13 MMBtu/hr and therefore are subject to permitting.

The petroleum products would be heated inside rail tank cars to varying temperatures based on the thickness of the product so it can be pumped. The facility's potential to emit volatile organic compounds would not change as a result of this modification.

The modification would not involve any increase in the amount of crude oil allowed to pass through the facility. In fact, under the proposed permit modification, the maximum amount of crude oil that would be allowed to pass through the facility will be reduced by 50 million gallons per year, from 1.8 billion gallons to 1.75 billion gallons, in order to offset the increase of emissions from the conversion of Tank 33.

The proposed permit maintains rail throughput for ethanol/gasoline at 150 million gallons per year, maintains cargo truck rack throughput for gasoline/ethanol at 639 million gallons per year, maintains marine loading of gasoline/ethanol at 450 million gallons per year, and maintains distillate loading via rail, truck and marine at 229 million gallons per year.

Application History and Status

- June 12, 2013 - Application for the Air Title V Facility permit modification received by DEC
- November 21, 2013 – DEC issued State Environmental Quality Review Act (SEQR) Negative Declaration, Notice of Complete Application (http://www.dec.ny.gov/enb/20131231_reg4.html#Global_Companies_LL_C) and Draft Air Title V Facility Permit (http://www.dec.ny.gov/dardata/boss/afs/permits/401010011200029_r2_5.pdf)
- February 12, 2014 – Public Information Meeting, Giffen Memorial Elementary School
- September 30, 2014 – Public Comment Period Ends (extended from April 2, June 2, & Aug 1 dates)

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Other Agencies with Jurisdiction

Federal rail regulatory agencies exclusively govern rail transportation and rail transport equipment. By virtue of federal law and a long history of court decisions interpreting those authorities, states do not have jurisdictional authority or control over the transport of petroleum or other products by rail. The U.S. Coast Guard governs marine vessels and has jurisdiction pertaining to spill response and containment on the Hudson River. The EPA regulates activities under the Clean Air Act and handles federally-mandated Risk Management Plans. The Albany Fire Department exercises jurisdiction over fire safety issues at the Global facility.

How can I stay informed?

DEC requested and Global has agreed to implement a public outreach plan to engage the environmental justice community and residents surrounding Global's facility. Public comments can be submitted until June 2, 2014 at r4dep@gw.dec.state.ny.us and DEC held a public information session on February 12. In addition, through GovDelivery, you can sign up to be notified when DEC's webpage is updated at <https://public.govdelivery.com/accounts/NYSDEC/subscriber/new>. Information will also be available in the community at the John A. Howe branch of the Albany Public Library at 105 Schuyler St., Albany and at DEC's Central Office at 625 Broadway, Albany.

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FREQUENTLY ASKED QUESTIONS

What is the notification procedure if there is a leak at a Major Oil Storage Facility (MOSF)?

State law requires the responsible party to notify DEC within two hours of any petroleum discharge. Notification is made by calling the NYS Oil Spill Hotline at 1-800-457-7362.

What is the preparedness plan in case of emergency at a Global facility? How will residents be notified?

The safety of all New Yorkers is DEC's highest priority and state and local responders train vigorously for hazmat-related emergencies, including railcar incidents involving crude oil and ethanol. Global has developed a Facility Response Plan, an Emergency Response Plan and a Spill Prevention, Control and Countermeasure Plan, all of which must be approved by certain federal agencies. Typically, emergency response plans detail specific procedures to be followed in the event of an emergency, such as notification procedures, evacuation procedures and the identification of available resources to address different types of emergencies.

The public would be notified of major releases by first responders, if warranted, or through local media.

In the case of a spill or other emergency at the port of Albany, the first Global employee to discover or be notified of the incident must instruct personnel in the area to immediately prepare for emergency response activities. He must then notify 1) the fire and police departments; 2) a qualified individual or his alternate and advise the nature of the incident; and 3) the Terminal Manager. The Terminal Manager or his designee will determine which agencies, organizations and individuals are to be notified depending upon the nature of the emergency. Concurrent with these external notifications, facility personnel and the primary spill response contractor would be called to report to the terminal.

The following topics are included in the facility's response plan:

- Facility Information
- Emergency Notification Procedure and Phone List
- Spill Response Notification Form
- Emergency Response Personnel
- Equipment List
- Evacuation Plan
- Spill Response Plan
- Facility Diagrams and Maps

What would the estimated clean up costs be, and who would be responsible for paying for the clean up in the event of an oil spill? Will a mitigation fund be made available?

Clean up costs are highly variable and depend on several factors, including the volume of material spilled, the type of environmental material impacted and the physical properties of the material spilled. The parties responsible under state and federal law for the spill would be held liable for the clean-up and restoration costs and natural resource damages associated with any spill. If the responsible party is unwilling or unable to perform the necessary clean up, the state and federal governments will cooperatively work to arrange for an expeditious clean up using the state's Oil Spill Fund, which is set up for this type of clean-up response. Subsequent legal actions to recover the clean-up costs would also include an assessment for any natural resource damages and any associated penalties deemed appropriate.

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How has DEC made the public aware of the proposed changes to Global's facility?

DEC requested and Global has agreed to implement a public outreach plan to engage the community and residents surrounding Global's facility. In response to public concern, DEC extended the public comment period until June 2 and held a public informational meeting on February, 12. This meeting will provide an overview of the permit and its impact.

DEC welcomes the public's feedback on the draft permit, and all comments will be carefully considered before making a final determination on the permit modification.

DEC has followed the public notice and comment requirements as established under the State Environmental Quality Review Act (SEQR) and the Uniform Procedures Act for this type of air permit modification.

What is the current air quality status of the area?

DEC operates an air quality monitoring network throughout New York State. A monitor is located at the Albany County DOH building on Ferry and Green Streets. Data from that monitor, as well as data from the other monitors in the Capital Region, show the entire area meets the ambient air quality standards as set by EPA.

Has DEC looked at the possibility of disruption from other invasive projects such as pipelines and underwater/ground power lines?

Pipelines and power line changes are not proposed as part of this project.

Who is Global Partners and why did they pick the Capital Region and this neighborhood?

Global Partners is a Massachusetts-based company that purchased the Port of Albany Major Oil Storage Facility from Exxon-Mobil in 2007. This facility has been at its current location since the 1920s.

What are the proposed routes and where do they originate?

The two primary rail companies that deliver crude to the Port of Albany are Canadian Pacific Railroad and CSX rail. CSX rail cars can originate in the midwestern U.S. or Canada, travel east through the U.S., enter New York State south of Buffalo and travel along the NYS Thruway corridor to the Port of Albany.

For information about specific CSX rail routes please see the following website:

<http://www.csxcrudebyrail.com/index.cfm/resources/crude-oil-network-map/>

Canadian Pacific (CP) rail cars can originate in the Midwestern US or Canada and travel through Canada and enter New York State near Lake Champlain and travel south to the Port of Albany.

For information about specific CP rail routes please see the following websites:

<http://www.cpr.ca/en/our-network-and-facilities/Pages/default.aspx> and

<http://www.cpr.ca/en/ship-with-cp/where-you-can-ship/bakken-shale/Pages/default.aspx>

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What are the exact locations of the heating facilities?
See site map below with the locations of the proposed boilers identified.



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