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October 28, 2020

Alaska Department of Environmental Conservation
Division of Air Quality
Attn: Rebecca Smith
PO Box 111800
Juneau, Alaska 99811-1800
Via email: dec.air.comment@alaska.gov

Re: Petro Star's Requests for Clarification

To whom it may concern:

Petro Star Inc. (Petro Star) is the only Alaska-owned refiner in the State of Alaska, and the only producer of #2 Heating Oil in Alaska, the subject of the Serious State Implementation Plan (SIP) prohibition in Best Available Control Measure (BACM) #51. Previously, Petro Star provided comments in opposition of BACM #51 because this control measure proposed to dictate to Interior residents what they can and can't burn for home heating oil, while significantly increasing the energy cost burden to those same residents.

Request for clarification – Timing

Petro Star requests ADEC to confirm the date upon when it will impose a restriction on the use of #2 Heating Oil, as the following citations to the revised 2020 amendments cite to different dates or time periods:

- Public Notice Draft Amendments to State Air Quality Control Plan Vol.II:III.D.7.6, page 51 of Table 7.6-15 specifically describes 2023 as the implementation year, while the text in D7.6 and D7.7 describes September 1, 2022 as the implementation date.
- Public Notice Draft Amendments to State Air Quality Control Plan Vol.II:III.D.7.7, pages 23-24 of Section 7.7.12.4.4 Control Measures Selection specifically describe an area wide switch from Diesel #2 (2,556 ppm) to Diesel #1 (1,000 ppm) by September 1, 2022;
- Public Notice Draft Amendments to State Air Quality Control Plan Vol.II:III.D.7.7, page 29 of Table 7.7-28 specifically describe a start year for STF-12, BACM 1 as 2023.

Request for additional information – Removal of BACM #51

Petro Star also requests that ADEC consider the removal of BACM #51 in its future reevaluation, to wit: Public Notice Draft Amendments to State Air Quality Control Plan Vol.II:III.D.7.7 on page 24 stating that, "After implementation of the fuel switch to Diesel #1 in 2022, the department will be able to see if this significant sulfur reduction is making impactful reductions in sulfate at the air monitoring sites and whether the additional expense to homeowners of requiring the use of ULSD heating oil is needed to further address the air pollution problem." Petro Star requests ADEC ensure that:

- 1) The air monitoring data during this time remains transparent to the public so that we can continue to monitor changes for our own planning purposes.
- 2) If it is determined that the switch from #2 to #1 offered no significant benefits in terms of PM_{2.5} reduction, that ADEC reconsider the ban on Diesel #2 as heating oil, in order to reduce the energy cost burden on Interior Alaska homeowners and businesses.



During this time of uncertainty, Petro Star has also pursued expansion of its North Pole Refinery to meet the needs of the Interior residents for #1 heating oil through a debottlenecking project beginning in 2021, helping to alleviate some of the supply side concerns and additional transportation costs that this regulatory change will impose upon residents. Petro Star has also actively engaged with Golden Valley Electric Association to ensure security of supply and strategic reserve as it faces additional challenges due to the regulatory burdens imposed by the State SIP. While these efforts will not completely address the supply shortfalls likely to occur once a mandatory switch is enacted, Petro Star continues to be a partner to the Interior residents and businesses as well as in providing ADEC with accurate information to evaluate the impacts of its regulatory changes.

We thank ADEC for the opportunity to submit these comments and as always, welcome any feedback or questions.

Regards,

Doug Chapados

[Doug Chapados \(Oct 26, 2020 08:57 AKDT\)](#)

Doug Chapados
CEO/President






PM 2.5 Public Comment 10-28-2020 - Petro Star

Final Audit Report

2020-10-28

Created:	2020-10-28
By:	Angela Speight (aspeight@petrostar.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAC64PkoPewe_dRjLnEa4JfXUp2VvJhr3D

"PM 2.5 Public Comment 10-28-2020 - Petro Star" History

-  Document created by Angela Speight (aspeight@petrostar.com)
2020-10-28 - 3:43:57 PM GMT- IP address: 199.249.161.4
-  Document emailed to Doug Chapados (dchapados@petrostar.com) for signature
2020-10-28 - 3:44:40 PM GMT
-  Email viewed by Doug Chapados (dchapados@petrostar.com)
2020-10-28 - 4:55:01 PM GMT- IP address: 199.249.161.4
-  Document e-signed by Doug Chapados (dchapados@petrostar.com)
Signature Date: 2020-10-28 - 4:57:02 PM GMT - Time Source: server- IP address: 199.249.161.4
-  Agreement completed.
2020-10-28 - 4:57:02 PM GMT