EXECUTIVE SUMMARY - ENFORCEMENT MATTER

DOCKET NO.: 2006-0012-AIR-E **TCEQ ID:** RN100238385 **CASE NO.:** 27826

RESPONDENT NAME: Valero Refining-Texas, L.P.

ORDER TYPE:

X 1660 AGREED ORDER	__FINDINGS AGREED ORDER	__AMENDED ORDER	__IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER
__SHUTDOWN ORDER	__FINDINGS DEFAULT ORDER	__EMERGENCY ORDER	

CASE TYPE:

__AGRICULTURE	X AIR	__INDUSTRIAL AND HAZARDOUS WASTE	__MUNICIPAL SOLID WASTE
__OCCUPATIONAL CERTIFICATION	__PETROLEUM STORAGE TANKS	__PUBLIC WATER SUPPLY	__RADIOACTIVE WASTE
__MULTI-MEDIA (check all that apply)	__SEWAGE SLUDGE	__UNDERGROUND INJECTION CONTROL	__USED OIL
__USED OIL FILTER	__WATER QUALITY		

SITE WHERE VIOLATION(S) OCCURRED: Valero Texas City Refinery, 1301 Loop 197 South, Texas City, Galveston County

TYPE OF OPERATION: Petroleum refinery

SMALL BUSINESS: ___ Yes __X__ No

OTHER SIGNIFICANT MATTERS: There are no complaints. There is no record of additional pending enforcement actions regarding this facility location.

INTERESTED PARTIES: No one other than the ED and the Respondent has expressed an interest in this matter.

COMMENTS RECEIVED: The *Texas Register* comment period expired on May 15, 2006. No comments were received.

CONTACTS AND MAILING LIST:

TCEQ Attorney/SEP Coordinator: None

TCEQ Enforcement Coordinator: Ms. Kimberly Morales, Enforcement Division, Enforcement Section III, MC R-12, (713) 422-8938; Mr. Steven Lopez, Enforcement Division, Enforcement Section I, MC 219, (512) 239-1896

TCEQ Field Investigator: Mr. Joel Anderson, Houston Regional Office, MC R-12, (713) 767-3750

Respondent: Mr. Leslie G. Rucker, Director-Health, Safety and Environmental Affairs, Valero Refining-Texas, L.P., P.O. Box 3429, Texas City, Texas 77592-3429

Respondent's Attorney: Not represented by counsel on this enforcement matter

VIOLATION SUMMARY CHART:

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
Type of Investigation: __ Complaint _X_ Routine __ Enforcement Follow-up __ Records Review **Date of Complaint Relating to this Case:** None **Date of Investigation Relating to this Case:** November 9, 2005 **Date of NOE Relating to this Case:** December 8, 2005 (NOE) **Background Facts:** This was a routine investigation. One violation was documented. **AIR** Failed to install continuous emissions monitoring systems ("CEMS") on boilers B-07 and B-11 by March 31, 2005 [30 TEX. ADMIN. CODE § 117.520(c)(2)(A)(i) and TEX. HEALTH & SAFETY CODE § 382.085(b)].	**Total Assessed:** $35,550 **Total Deferred:** $7,110 _X_ Expedited Settlement __Financial Inability to Pay **SEP Conditional Offset:** $0 **Total Paid to General Revenue:** $28,440 **Site Compliance History Classification:** __High _X_ Avg. __Poor **Person Compliance History Classification:** __High _X_ Avg. __Poor **Major Source:** _X_ Yes __ No **Applicable Penalty Policy:** September 2002	**Ordering Provisions** The Order will require the Respondent to: a. Within 60 days after the effective date of this Agreed Order: i. Submit written certification and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate that alternate monitoring was conducted in the form of stack tests for Boilers B-07 and B-11 in February, April and June 2006 to demonstrate compliance with Nitrogen Oxide ("NO_x") and Carbon Monoxide ("CO") limits for burner firing rates as established during the stack tests. The burner firing rate data must have been continuously recorded and made available at the request of the TCEQ Houston Regional Director; and ii. Submit written certification and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate that by June 30, 2006, a CEMS was installed on boilers B-07 and B-11 or that the boilers were permanently removed from service.

Attachment: Site Compliance History

Penalty Calculation Worksheet (PCW)

TCEQ

Policy Revision 2 (September 2002) *PCW Revision May 19, 2005*

DATES					
Assigned	12-Dec-2005				
PCW	28-Feb-2006	Screening	29-Dec-2005	EPA Due	02-Sep-2006

RESPONDENT/FACILITY INFORMATION

Respondent	Valero Refining-Texas, L.P.		
Reg. Ent. Ref. No.	RN100238385		
Facility/Site Region	12-Houston	Major/Minor Source	Major Source

CASE INFORMATION

Enf./Case ID No.	27826	No. of Violations	1
Docket No.	2006-0012-AIR-E	Order Type	1660
Media Program(s)	Air Quality	Enf. Coordinator	Kimberly Morales
Multi-Media		EC's Team	Enforcement Team 6
Admin. Penalty $ Limit Minimum	$0	Maximum	$10,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties) *Subtotal 1* $15,000

ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

Compliance History 87% Enhancement *Subtotals 2, 3, & 7* $13,050

Notes: Penalty enhancement for 18 NOVs for unrelated violations, 13 self-reported effluent violations, and one Findings Agreed Order.

Culpability No 0% Enhancement *Subtotal 4* $0

Notes: The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply 0% Reduction *Subtotal 5* $0

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary		
N/A	x	*(mark with a small x)*

Notes: The Respondent is not yet in compliance.

Economic Benefit 50% Enhancement* *Subtotal 6* $7,500

**Capped at the Total EB $ Amount*

Total EB Amounts	$55,095
Approx. Cost of Compliance	$630,000

SUM OF SUBTOTALS 1-7 Final Subtotal $35,550

OTHER FACTORS AS JUSTICE MAY REQUIRE Adjustment $0

Reduces or enhances the Final Subtotal by the indicated percentage. *(Enter number only; e.g. -30 for -30%.)*

Notes:

Final Penalty Amount $35,550

STATUTORY LIMIT ADJUSTMENT Final Assessed Penalty $35,550

DEFERRAL 20% Reduction Adjustment -$7,110

Reduces the Final Assessed Penalty by the indicted percentage. *(Enter number only; e.g. 20 for 20% reduction.)*

Notes: Deferral offered for expedited settlement.

PAYABLE PENALTY $28,440

Screening Date 29-Dec-2005 **Docket No.** 2006-0012-AIR-E **PCW**
Respondent Valero Refining-Texas, L.P. *Policy Revision 2 (September 2002)*
Case ID No. 27826 *PCW Revision May 19, 2005*
Reg. Ent. Reference No. RN100238385
Media [Statute] Air Quality
Enf. Coordinator Kimberly Morales

Compliance History Worksheet

>> **Compliance History *Site* Enhancement (Subtotal 2)**

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written NOVs with same or similar violations as those in the current enforcement action *(number of NOVs meeting criteria)*	0	0%
	Other written NOVs	31	62%
Orders	Any agreed final enforcement orders containing a denial of liability *(number of orders meeting criteria)*	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	1	25%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government *(number of judgements or consent decrees meeting criteria)*	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government *(number of counts)*	0	0%
Emissions	Chronic excessive emissions events (number of events)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 *(number of audits for which notices were*	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 *(number of audits for which violations were disclosed)*	0	0%
		Please Enter Yes or No	
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) **87%**

>> **Repeat Violator (Subtotal 3)**

No ***Adjustment Percentage (Subtotal 3)*** **0%**

>> **Compliance History *Person* Classification (Subtotal 7)**

Average Performer ***Adjustment Percentage (Subtotal 7)*** **0%**

>> **Compliance History Summary**

Compliance History Notes Penalty enhancement for 18 NOVs for unrelated violations, 13 self-reported effluent violations, and one Findings Agreed Order.

Total Adjustment Percentage (Subtotals 2, 3, & 7) **87%**

Screening Date 29-Dec-2005 **Docket No.** 2006-0012-AIR-E **PCW**

Respondent Valero Refining-Texas, L.P. *Policy Revision 2 (September 2002)*

Case ID No. 27826 *PCW Revision May 19, 2005*

Reg. Ent. Reference No. RN100238385

Media [Statute] Air Quality

Enf. Coordinator Kimberly Morales

Violation Number 1

Primary Rule Cite(s) 30 Tex. Admin. Code § 117.520(c)(2)(A)(i)

Secondary Rule Cite(s) Tex. Health & Safety Code § 382.085(b)

Violation Description Failure to install continuous emissions monitoring systems ("CEMS") on boilers B-07 and B-11 by March 31, 2005.

Base Penalty $10,000

>> Environmental, Property and Human Health Matrix

Release	Harm: Major	Moderate	Minor
Actual			
Potential		x	

OR

Percent 25%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent

Matrix Notes: Human health or the environment will or could be exposed to significant amounts of pollutants which would not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment -$7,500

Base Penalty Subtotal $2,500

Violation Events

Number of Violation Events 6

mark only one use a small x	
daily	
monthly	
quarterly	x
semiannual	
annual	
single event	

Violation Base Penalty $15,000

Six quarterly events are recommended (three for each boiler) for the failure to install CEMS by March 31, 2005 through the screening date of December 29, 2005.

Economic Benefit (EB) for this violation

Estimated EB Amount $55,095

Statutory Limit Test

Violation Final Penalty Total $35,550

This violation Final Assessed Penalty (adjusted for limits) $35,550

Economic Benefit Worksheet

Respondent Valero Refining-Texas, L.P.
Case ID No. 27826
Reg. Ent. Reference No. RN100238385
Media [Statute] Air Quality
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
	No commas or $						
Delayed Costs							
Equipment	$65,000	31-Mar-2005	30-Jun-2006	1.2	$271	$5,414	$5,684
Buildings	$400,000	31-Mar-2005	30-Jun-2006	1.2	$1,666	$33,315	$34,981
Other (as needed)				0.0	$0	$0	$0
Engineering/construction	$165,000	31-Mar-2005	30-Jun-2006	1.2	$687	$13,742	$14,430
Land				0.0	$0	n/a	$0
Record Keeping System				0.0	$0	n/a	$0
Training/Sampling				0.0	$0	n/a	$0
Remediation/Disposal				0.0	$0	n/a	$0
Permit Costs				0.0	$0	n/a	$0
Other (as needed)				0.0	$0	n/a	$0

Notes for DELAYED costs Costs associated with installation of new CEMS on boilers B-07 and B-11. Date required is the date CEMS were required to be installed. Final date is the projected date of compliance.

Avoided Costs							
	ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)						
Disposal				0.0	$0	$0	$0
Personnel				0.0	$0	$0	$0
Inspection/Reporting/Sampling				0.0	$0	$0	$0
Supplies/equipment				0.0	$0	$0	$0
Financial Assurance [2]				0.0	$0	$0	$0
ONE-TIME avoided costs [3]				0.0	$0	$0	$0
Other (as needed)				0.0	$0	$0	$0

Notes for AVOIDED costs

Approx. Cost of Compliance $630,000

TOTAL $55,095

Compliance History

Customer/Respondent/Owner-Operator:	CN600127468	Valero Refining-Texas, L.P.	Classification: AVERAGE	Rating: 1.99
Regulated Entity:	RN100238385	VALERO REFINING TEXAS CITY REFINERY	Classification: AVERAGE	Site Rating: 0.76

ID Number(s):

AIR OPERATING PERMITS	ACCOUNT NUMBER	GB0073P
AIR OPERATING PERMITS	PERMIT	1253
AIR OPERATING PERMITS	PERMIT	2599
AIR OPERATING PERMITS	PERMIT	2599
WASTEWATER	PERMIT	WQ0000449000
WASTEWATER	PERMIT	TPDES0006009
AIR NEW SOURCE PERMITS	PERMIT	39142
AIR NEW SOURCE PERMITS	PERMIT	32025
AIR NEW SOURCE PERMITS	PERMIT	42395
AIR NEW SOURCE PERMITS	PERMIT	42394
AIR NEW SOURCE PERMITS	PERMIT	48330
AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	GB0073P
AIR NEW SOURCE PERMITS	PERMIT	962
AIR NEW SOURCE PERMITS	PERMIT	8352
AIR NEW SOURCE PERMITS	PERMIT	53530
AIR NEW SOURCE PERMITS	EPA ID	PSDTX822
AIR NEW SOURCE PERMITS	AFS NUM	0007
AIR NEW SOURCE PERMITS	EPA ID	PSDTX822M2
AIR NEW SOURCE PERMITS	REGISTRATION	70611
AIR NEW SOURCE PERMITS	REGISTRATION	70955
AIR NEW SOURCE PERMITS	PERMIT	71076
AIR NEW SOURCE PERMITS	REGISTRATION	75644
AIR NEW SOURCE PERMITS	REGISTRATION	75542
AIR NEW SOURCE PERMITS	REGISTRATION	75815
AIR NEW SOURCE PERMITS	REGISTRATION	75695
AIR NEW SOURCE PERMITS	REGISTRATION	76153
AIR NEW SOURCE PERMITS	REGISTRATION	76056
AIR NEW SOURCE PERMITS	REGISTRATION	75663
AIR NEW SOURCE PERMITS	REGISTRATION	71300
AIR NEW SOURCE PERMITS	REGISTRATION	72438
AIR NEW SOURCE PERMITS	REGISTRATION	72478
AIR NEW SOURCE PERMITS	REGISTRATION	72517
AIR NEW SOURCE PERMITS	REGISTRATION	72813
AIR NEW SOURCE PERMITS	REGISTRATION	72830
AIR NEW SOURCE PERMITS	PERMIT	72896
AIR NEW SOURCE PERMITS	REGISTRATION	73059
AIR NEW SOURCE PERMITS	REGISTRATION	73180
AIR NEW SOURCE PERMITS	REGISTRATION	73799
AIR NEW SOURCE PERMITS	REGISTRATION	73905
AIR NEW SOURCE PERMITS	REGISTRATION	74029
AIR NEW SOURCE PERMITS	REGISTRATION	75066
AIR NEW SOURCE PERMITS	REGISTRATION	76530
AIR NEW SOURCE PERMITS	REGISTRATION	76564
AIR NEW SOURCE PERMITS	REGISTRATION	76882
AIR NEW SOURCE PERMITS	REGISTRATION	76940
AIR NEW SOURCE PERMITS	REGISTRATION	76967
AIR NEW SOURCE PERMITS	REGISTRATION	74880
INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION # (SWR)	30011
WASTE WATER GENERAL PERMIT	PERMIT	TXG670004
WASTE WATER GENERAL PERMIT	PERMIT	TXG670007

Location: 1301 LOOP 197 S, TEXAS CITY, TX, 77590 Rating Date: September 01 05 Repeat Violator: NO

TCEQ Region: REGION 12 - HOUSTON

Date Compliance History Prepared: December 28, 2005

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: December 28, 2000 to December 28, 2005

TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History

Name: Kimberly Morales Phone: (713) 422-8938

Site Compliance History Components

1. Has the site been in existence and/or operation for the full five year compliance period? Yes
2. Has there been a (known) change in ownership of the site during the compliance period? No

3. If Yes, who is the current owner? N/A
4. If Yes, who was/were the prior owner(s)? N/A

5. When did the change(s) in ownership occur? N/A

Components (Multimedia) for the Site :

A. Final Enforcement Orders, court judgements, and consent decrees of the state of Texas and the federal government.

Effective Date: 03/11/2005 ADMINORDER 2002-1217-IWD-E
Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)

Rqmt Prov: Effluent Limitations and Monitoring Reqs PERMIT
Description: Failure to comply with the WET limit NOEC of 8% effluent specified in the permit.

B. Any criminal convictions of the state of Texas and the federal government.

N/A

C. Chronic excessive emissions events.

N/A

D. The approval dates of investigations. (CCEDS Inv. Track. No.)

1	08/28/2002	(5435)
2	05/27/2003	(35847)
3	07/19/2002	(1982)
4	08/21/2001	(158504)
5	08/23/2002	(158505)
6	01/31/2003	(21539)
7	05/06/2003	(27702)
8	08/31/2002	(7607)
9	06/24/2003	(158506)
10	02/13/2003	(24351)
11	06/21/2002	(2243)
12	06/21/2002	(2455)
13	09/24/2001	(158508)
14	01/04/2005	(282000)
15	09/23/2002	(158509)
16	05/30/2003	(37806)
17	07/15/2005	(348789)
18	06/19/2003	(36509)
19	08/04/2004	(276497)
20	10/24/2001	(158511)
21	01/12/2005	(339012)
22	07/22/2005	(440845)
23	08/28/2002	(5452)
24	04/26/2005	(343243)
25	10/16/2003	(152454)
26	03/02/2004	(254943)
27	03/10/2004	(261338)
28	08/23/2005	(440846)
29	05/27/2003	(34689)
30	05/21/2004	(268720)
31	10/21/2002	(158512)
32	06/21/2002	(2142)
33	11/12/2004	(281637)
34	09/23/2005	(440847)
35	06/23/2005	(378628)
36	08/20/2002	(4926)
37	12/14/2004	(281320)

38	07/22/2005	(397707)
39	01/10/2005	(339417)
40	11/26/2001	(158515)
41	10/04/2002	(13258)
42	04/27/2005	(282002)
43	07/20/2004	(273783)
44	08/25/2003	(143078)
45	03/16/2004	(265447)
46	08/13/2005	(400189)
47	06/30/2005	(397555)
48	01/31/2005	(285435)
49	11/18/2002	(158516)
50	12/16/2004	(281398)
51	12/28/2004	(281856)
52	10/19/2004	(334137)
53	07/16/2004	(272858)
54	07/22/2004	(257997)
55	12/13/2004	(340262)
56	01/06/2005	(346230)
57	07/02/2004	(272940)
58	12/16/2004	(283937)
59	08/17/2004	(289843)
60	08/28/2002	(5429)
61	08/28/2003	(149898)
62	04/16/2003	(24233)
63	06/18/2004	(272120)
64	07/10/2001	(136720)
65	12/27/2001	(158519)
66	07/09/2001	(136719)
67	07/03/2001	(136718)
68	07/26/2004	(352180)
69	07/03/2001	(136717)
70	07/05/2004	(271296)
71	12/20/2002	(158520)
72	08/24/2004	(352181)
73	06/28/2001	(136716)
74	02/14/2005	(274930)
75	11/12/2004	(283676)
76	06/26/2001	(136715)
77	08/03/2004	(286886)
78	09/23/2004	(352182)
79	06/25/2001	(136714)
80	10/22/2004	(352183)
81	06/08/2001	(136713)
82	08/28/2002	(5447)
83	01/18/2001	(158522)
84	06/05/2001	(136712)
85	05/30/2001	(136711)
86	01/22/2002	(158523)
87	11/18/2004	(352184)
88	08/07/2002	(IE0018603001002)
89	08/19/2002	(5341)
90	05/07/2001	(136710)
91	05/21/2004	(268709)
92	04/11/2001	(136709)
93	05/02/2005	(350537)
94	01/21/2003	(158524)
95	04/10/2001	(136708)
96	12/23/2004	(339913)

97	09/26/2002	(10851)
98	08/16/2004	(282158)
99	04/10/2001	(136707)
100	03/23/2001	(136706)
101	06/27/2005	(397418)
102	07/07/2005	(399131)
103	03/21/2001	(136705)
104	06/19/2003	(36515)
105	02/27/2001	(136704)
106	01/19/2001	(136703)
107	05/30/2002	(1857)
108	03/01/2002	(246540)
109	02/24/2003	(6655)
110	06/28/2005	(348790)
111	01/11/2001	(136702)
112	07/30/2004	(274385)
113	08/17/2004	(258260)
114	08/02/2002	(6695)
115	08/13/2004	(261714)
116	08/03/2005	(403276)
117	07/02/2004	(271086)
118	08/18/2005	(406027)
119	08/06/2003	(143528)
120	01/03/2005	(281991)
121	01/10/2005	(339003)
122	08/08/2005	(403521)
123	05/25/2005	(351133)
124	06/14/2005	(373350)
125	11/11/2004	(281257)
126	06/25/2003	(37826)
127	08/31/2004	(268711)
128	01/10/2005	(281993)
129	08/23/2003	(60572)
130	12/13/2004	(290035)
131	07/30/2004	(278540)
132	08/28/2002	(5466)
133	08/24/2005	(400925)
134	05/27/2003	(35995)
135	08/06/2004	(258328)
136	02/22/2005	(381868)
137	04/26/2005	(281994)
138	07/02/2004	(271249)
139	01/16/2003	(17965)
140	11/07/2002	(4910)
141	03/22/2005	(381869)
142	05/20/2005	(348483)
143	08/28/2002	(5451)
144	06/24/2002	(2874)
145	08/31/2002	(7756)
146	12/14/2004	(334546)
147	08/28/2002	(5456)
148	12/20/2004	(381870)
149	09/01/2004	(291403)
150	01/24/2005	(345619)
151	01/24/2005	(381871)
152	09/15/2004	(334014)
153	07/13/2005	(399194)
154	08/19/2005	(396740)
155	08/28/2002	(5434)

156	01/10/2005	(281997)
157	11/12/2004	(281714)
158	06/25/2003	(35521)
159	02/20/2001	(158480)
160	08/02/2005	(348759)
161	09/01/2004	(289773)
162	02/19/2002	(158481)
163	02/23/2004	(295513)
164	10/21/2003	(250278)
165	02/18/2003	(158482)
166	05/09/2003	(35604)
167	08/19/2003	(148080)
168	05/28/2003	(34893)
169	10/27/2004	(289067)
170	12/17/2004	(338870)
171	03/19/2004	(295517)
172	03/23/2001	(158483)
173	08/10/2005	(396623)
174	08/31/2004	(269258)
175	04/21/2004	(295518)
176	03/25/2002	(158484)
177	07/02/2004	(272143)
178	03/24/2003	(158485)
179	08/13/2005	(397699)
180	01/04/2005	(281998)
181	05/20/2004	(295520)
182	08/08/2005	(403525)
183	08/01/2002	(6128)
184	06/11/2004	(270014)
185	02/26/2002	(136753)
186	02/25/2004	(261619)
187	02/26/2002	(136752)
188	10/16/2003	(152211)
189	02/26/2002	(136751)
190	06/21/2002	(1453)
191	06/17/2004	(295522)
192	02/26/2002	(136750)
193	04/23/2001	(158488)
194	03/31/2005	(350576)
195	02/26/2002	(136749)
196	04/22/2002	(158489)
197	02/22/2002	(136748)
198	05/02/2005	(349631)
199	02/22/2002	(136747)
200	04/21/2003	(158490)
201	02/12/2002	(136746)
202	08/28/2002	(5459)
203	02/12/2002	(136745)
204	02/27/2004	(263268)
205	09/25/2003	(295526)
206	02/07/2002	(136744)
207	05/22/2001	(158492)
208	02/07/2002	(136743)
209	08/03/2005	(403101)
210	02/07/2002	(136742)
211	08/24/2002	(4916)
212	10/23/2003	(295528)
213	07/30/2004	(274350)
214	08/13/2004	(261538)

215	02/07/2002	(136741)
216	05/23/2002	(158493)
217	12/20/2004	(281999)
218	11/21/2003	(295529)
219	07/02/2003	(60623)
220	12/29/2003	(295530)
221	05/23/2003	(158494)
222	01/07/2002	(136740)
223	04/16/2003	(24831)
224	08/31/2004	(270855)
225	12/18/2001	(136739)
226	03/16/2004	(261251)
227	12/17/2001	(136738)
228	12/29/2003	(295532)
229	12/10/2001	(136737)
230	06/28/2002	(2926)
231	12/10/2001	(136736)
232	12/06/2005	(438942)
233	12/10/2001	(136735)
234	06/02/2004	(268446)
235	08/29/2005	(406800)
236	07/02/2004	(271833)
237	06/25/2001	(158496)
238	08/22/2005	(406017)
239	05/30/2003	(37838)
240	12/10/2001	(136734)
241	01/04/2005	(338922)
242	12/07/2001	(136733)
243	06/24/2002	(158497)
244	12/14/2004	(338676)
245	12/07/2001	(136732)
246	08/16/2004	(280377)
247	05/30/2003	(37791)
248	12/07/2001	(136731)
249	06/14/2005	(378741)
250	06/24/2003	(158498)
251	12/07/2001	(136730)
252	05/27/2003	(34681)
253	04/25/2005	(419706)
254	12/07/2001	(136729)
255	01/06/2005	(285581)
256	11/30/2001	(136728)
257	08/31/2004	(271300)
258	11/06/2001	(136727)
259	07/24/2001	(158500)
260	05/23/2005	(419707)
261	11/05/2001	(136726)
262	11/12/2004	(281823)
263	06/14/2005	(419708)
264	10/16/2002	(12826)
265	07/30/2001	(136725)
266	12/10/2004	(285390)
267	08/28/2004	(264976)
268	07/25/2001	(136724)
269	07/22/2002	(158501)
270	06/21/2002	(2442)
271	09/01/2005	(400337)
272	07/24/2001	(136723)
273	11/15/2004	(337390)

274 12/14/2004 (334780)
275 07/22/2003 (158502)
276 08/17/2005 (400929)
277 02/29/2004 (251270)
278 07/30/2002 (2222)
279 07/16/2001 (136722)
280 07/12/2001 (136721)
281 08/31/2002 (4899)

E. Written notices of violations (NOV). (CCEDS Inv. Track. No.)

Date: 06/30/2003 (158502)
Classification: Moderate
Self Report? YES
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: 08/31/2001 (158508)
Classification: Moderate
Self Report? YES
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: 09/30/2002 (158512)
Classification: Moderate
Self Report? YES
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: 03/04/2004 (261689)
Classification: Moderate
Self Report? NO
Citation: 30 TAC Chapter 101, SubChapter A 101.4
Description: Valero is in of violation for adversely affecting the normal use and enjoyment of property.

Date: 08/31/2004 (270855)
Classification: Moderate
Self Report? NO
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
Rqmt Prov: PA IA
Description: Exceeded permit limits.

Date: 08/27/2003 (143078)
Classification: Minor
Self Report? NO
Citation: 30 TAC Chapter 101, SubChapter A 101.20(2)
30 TAC Chapter 115, SubChapter D 115.352(4)
30 TAC Chapter 116, SubChapter G 116.715(a)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.167(a)
Rqmt Prov: PA IA
Description: Non clerical air violation

Date: 10/31/2001 (158515)
Classification: Moderate
Self Report? YES
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: 07/06/2001 (136720)
Classification: Moderate
Self Report? NO
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
Rqmt Prov: OP IA
Description: FLEXIBLE PERMIT CONDIT

Classification: Moderate
Self Report? NO
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
Rqmt Prov: OP IA
Description: FAILURE MAINTAIN TEMP

Classification: Moderate
Self Report? NO
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
Rqmt Prov: OP IA

Description: FAIL MONITOR MONTHLY

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
Rqmt Prov: OP IA
Description: UNAUTHORIZED UPSET REL

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
Rqmt Prov: OP IA
Description: UNAUTHORIZED EMISSIONS

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
Rqmt Prov: OP IA
Description: FAILED VOLS OUT RFG SY

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
Rqmt Prov: OP IA
Description: UNAUTHORIZED EMISSIONS

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
Rqmt Prov: OP IA
Description: EXCEEDED ALLOWABLE EMI

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
Rqmt Prov: OP IA
Description: EXCEEDED ALLOWABLE EMI

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
Rqmt Prov: OP IA
Description: UNAUTHORIZED EMISSIONS

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
Rqmt Prov: OP IA
Description: UNAUTHORIZED EMISSIONS

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
Rqmt Prov: OP IA
Description: FLARING AVOIDABLE

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
Rqmt Prov: OP IA
Description: FLARE FAILURE SENSOR

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
Rqmt Prov: OP IA
Description: FLARING SENSOR FAILURE

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
Rqmt Prov: OP IA
Description: FLARING SENSOR LEVEL

Self Report? NO Classification: Moderate
Citation: 5C THC Chapter 382, SubChapter A 382.085(a)
Description: RELEASE SRU SYSTEMS

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
Rqmt Prov: OP IA
Description: OVERFILLING OF TANK

Self Report? NO Classification: Moderate
Citation: 5C THC Chapter 382, SubChapter A 382.085(a)
Description: IMPROPER PRESSURE SETT

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 115, SubChapter B 115.112(a)(2)(A)
Description: UNAUTHORIZED EMISSIONS

Classification: Moderate

Self Report? NO
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
Rqmt Prov: OP IA
Description: EXCESS EMISSIONS SRUS

Date: 07/26/2004 (257997)

Classification: Moderate

Self Report? NO
Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 116, SubChapter G 116.715(a)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT J 60.104(a)(1)
Rqmt Prov: PERMIT IA
Description: Failure to maintain Coker fuel gas H2S concentration below 162 ppm on a three-hour average basis.

Classification: Moderate

Self Report? NO
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
Rqmt Prov: PERMIT IA
Description: Failure to maintain Coker fuel gas H2S concentration below 162 ppm on a one hour average basis.

Classification: Moderate

Self Report? NO
Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)[G]
30 TAC Chapter 116, SubChapter G 116.715(a)
Rqmt Prov: PERMIT IA
Description: Failure to report a reportable emission event which resulted in the release of H2S and benzene emissions in excess of the reportable quantity.

Classification: Moderate

Self Report? NO
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
Rqmt Prov: PERMIT IA
Description: failure to maintain the SRU thermal reactor with sour water overhead gas flow at a flame temperature of 2000 degrees F or greater.
Failure to maintain the SRU thermal reactor with sour water overhead gas flow at a flame temperature of 2000 degrees F or greater.

Date: 08/31/2004 (271300)

Classification: Moderate

Self Report? NO
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
5C THC Chapter 382, SubChapter A 382.085(b)
Rqmt Prov: PA IA
Description: Failure to prevent unauthorized emissions.

Date: 09/30/2004 (352183)

Classification: Moderate

Self Report? YES
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: 03/01/2002 (246540)

Classification: Moderate

Self Report? NO
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
Description: NON-RPT VIOS FOR MONIT PER OR PIPE

Date: 12/31/2002 (158524)

Classification: Moderate

Self Report? YES
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: 02/28/2005 (381869)

Classification: Moderate

Self Report? YES
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: 12/10/2004 (285390)

Classification: Moderate

Self Report? NO
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
5C THC Chapter 382, SubChapter A 382.085(b)
Rqmt Prov: PA IA
Description: Failure to meet demonstration criteria.

Date: 08/28/2004 (264976)

Classification: Moderate

Self Report? NO

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: PA IA

Description: Failure to prevent unauthorized emissions during an emissions event.

Date: 01/31/2005 (285435)

Classification: Moderate

Self Report? NO

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: PA IA

Description: Failure to meet demonstration criteria.

Date: 12/31/2004 (381871)

Classification: Moderate

Self Report? YES

Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]

Description: Failure to meet the limit for one or more permit parameter

Date: 12/28/2004 (281856)

Classification: Moderate

Self Report? NO

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: PA IA

Description: Failure to meet demonstration criteria.

Date: 03/02/2004 (254943)

Classification: Moderate

Self Report? NO

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: PERMIT IA

Description: Valero exceeded permitted source emission limits during an avoidable emissions event.

Classification: Moderate

Self Report? NO

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(c)(2)

Rqmt Prov: PERMIT IA

Description: Valero operated Flare #4 with no flame present.

Date: 02/29/2004 (251270)

Classification: Minor

Self Report? NO

Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)(7)

Description: Valero failed to properly report an emissions event.

Date: 08/10/2005 (396623)

Classification: Moderate

Self Report? NO

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: PA IA

Description: Valero failed to control hydrocarbon carryover from the Delayed Coker Unit into the Amine Unit.

Date: 01/31/2003 (158482)

Classification: Moderate

Self Report? YES

Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]

Description: Failure to meet the limit for one or more permit parameter

Date: 04/30/2004 (295520)

Classification: Moderate

Self Report? YES

Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: 01/06/2005 (338922)
Classification: Moderate
Self Report? NO
Citation: 30 TAC Chapter 116, SubChapter G 116.715(c)(7)
5C THC Chapter 382, SubChapter A 382.085(b)
Rqmt Prov: PA IA
Description: Failure to meet demonstration criteria.

Date: 08/31/2004 (269258)
Classification: Moderate
Self Report? NO
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
5C THC Chapter 382, SubChapter A 382.085(b)
Rqmt Prov: PA IA
Description: Failure to prevent unauthorized emissions.

Date: 01/15/2002 (136740)
Classification: Moderate
Self Report? NO
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
Rqmt Prov: OP IA
Description: FLEX PERMIT CONDITIONS

Date: 07/22/2002 (134150)
Classification: Moderate
Self Report? NO
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failed to meet the limit for one or more permit parameter.

Date: 04/30/2003 (158494)
Classification: Moderate
Self Report? YES
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: 12/31/2003 (295532)
Classification: Moderate
Self Report? YES
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: 03/31/2005 (419706)
Classification: Moderate
Self Report? YES
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

F. Environmental audits.

N/A

G. Type of environmental management systems (EMSs).

N/A

H. Voluntary on-site compliance assessment dates.

N/A

I. Participation in a voluntary pollution reduction program.

N/A

J. Early compliance.

N/A

Sites Outside of Texas

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

IN THE MATTER OF AN	§	**BEFORE THE**
ENFORCEMENT ACTION	§	
CONCERNING	§	**TEXAS COMMISSION ON**
VALERO REFINING-TEXAS, L.P.	§	
RN100238385	§	**ENVIRONMENTAL QUALITY**

AGREED ORDER
DOCKET NO. 2006-0012-AIR-E

I. JURISDICTION AND STIPULATIONS

At its _____ agenda, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Valero Refining-Texas, L.P. ("Valero") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. and 7. The Executive Director of the TCEQ, through the Enforcement Division, and Valero appear before the Commission and together stipulate that:

1. Valero owns and operates a petroleum refinery at 1301 Loop 197 South in Texas City, Galveston County, Texas (the "Plant").

2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).

3. The Commission and Valero agree that the Commission has jurisdiction to enter this Agreed Order, and that Valero is subject to the Commission's jurisdiction.

4. Valero received notice of the violations alleged in Section II ("Allegations") on or about December 13, 2005.

5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by Valero of any violation alleged in Section II ("Allegations"), nor of any statute or rule.

6. An administrative penalty in the amount of Thirty-Five Thousand Five Hundred Fifty Dollars ($35,550) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). Valero has paid Twenty-Eight Thousand Four Hundred Forty Dollars ($28,440) of the administrative penalty and Seven Thousand One Hundred Ten Dollars ($7,110) is deferred contingent upon Valero's timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If

Valero fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require Valero to pay all or part of the deferred penalty.

7. Any notice and procedures which might otherwise be authorized or required in this action are waived in the interest of a more timely resolution of the matter.

8. The Executive Director of the TCEQ and Valero have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.

9. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that Valero has not complied with one or more of the terms or conditions in this Agreed Order.

10. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.

11. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

II. ALLEGATIONS

As owner and operator of the Plant, Valero is alleged to have failed to install continuous emissions monitoring systems ("CEMS") on boilers B-07 and B-11 by March 31, 2005, in violation of 30 TEX. ADMIN. CODE § 117.520(c)(2)(A)(i) and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on November 9, 2005.

III. DENIALS

Valero generally denies each allegation in Section II ("Allegations").

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that Valero pay an administrative penalty as set forth in Section I, Paragraph 6 above. The imposition of this administrative penalty and Valero's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Valero Refining-Texas, L.P., Docket No. 2006-0012-AIR-E" to:

Financial Administration Division, Revenues Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088

2. It is further ordered that Valero shall undertake the following technical requirements:

a. Within 60 days after the effective date of this Agreed Order:

i. Submit written certification as described in Ordering Provision No. 2.b. below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate that alternate monitoring was conducted in the form of stack tests for Boilers B-07 and B-11 in February, April and June 2006 to demonstrate compliance with Nitrogen Oxide ("NO_x") and Carbon Monoxide ("CO") limits for burner firing rates as established during the stack tests. The burner firing rate data must have been continuously recorded and made available at the request of the TCEQ Houston Regional Director; and

ii. Submit written certification as described in Ordering Provision No. 2.b. below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate that by June 30, 2006, a CEMS was installed on boilers B-07 and B-11 or that the boilers were permanently removed from service.

b. The certifications required by Ordering Provision Nos. 2.a.i. and 2.a.ii. shall be notarized by a State of Texas Notary Public and include the following certification language:

"I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations."

The certification shall be submitted to:

Order Compliance Team
Enforcement Division, MC 149A
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

with a copy to:

Manager
Air Section
Houston Regional Office
Texas Commission on Environmental Quality
5425 Polk Avenue, Suite H
Houston, Texas 77023-1486

3. The provisions of this Agreed Order shall apply to and be binding upon Valero. Valero is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Plant operations referenced in this Agreed Order.

4. If Valero fails to comply with any of the Ordering Provisions in this Agreed Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, Valero's failure to comply is not a violation of this Agreed Order. Valero shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. Valero shall notify the Executive Director within seven days after Valero becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.

5. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by Valero shall be made in writing to the Executive Director. Extensions are not effective until Valero receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.

6. This Agreed Order, issued by the Commission, shall not be admissible against Valero in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.

7. This agreement may be executed in multiple counterparts, which together shall constitute a single original instrument. Any executed signature page to this Agreement may be transmitted by facsimile transmission to the other parties, which shall constitute an original signature for all purposes.

8. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to Valero, or three days after the date on which the Commission mails notice of the Order to Valero, whichever is earlier. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

For the Executive Director

5/5/06
Date

I, the undersigned, have read and understand the attached Agreed Order. I am authorized to agree to the attached Agreed Order on behalf of the entity, if any, indicated below my signature, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I also understand that my failure to comply with the Ordering Provisions, if any, in this order and/or my failure to timely pay the penalty amount, may result in:

- A negative impact on my compliance history;
- Greater scrutiny of any permit applications submitted by me;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions against me;
- Automatic referral to the Attorney General's Office of any future enforcement actions against me; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.

Signature

3-7-06
Date

Leslie G. Rucker
Name (Printed or typed)
Authorized Representative of
Valero Refining-Texas, L.P.

Director- HS&E
Title

Instructions: Send the original, signed Agreed Order with penalty payment to the Financial Administration Division, Revenues Section at the address in Section IV, Paragraph 1 of this Agreed Order.