EXECUTIVE SUMMARY - ENFORCEMENT MATTER

DOCKET NO.: 2006-1433-AIR-E **TCEQ ID:** RN100222512 **CASE NO.:** 30908

RESPONDENT NAME: Delek Refining, Ltd.

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: Delek Tyler Refinery, 1702 East Commerce Street, Tyler, Smith 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 April 2, 2007. No comments were received.

CONTACTS AND MAILING LIST:

TCEQ Attorney/SEP Coordinator: Ms. Melissa Keller, Enforcement Division, MC 219, (512) 239-1768

TCEQ Enforcement Coordinator: Mr. Terry Murphy, Enforcement Division, Enforcement Section III, MC 149, (512) 239-5025; Mr. Steven Lopez, Enforcement Division, MC 219, (512) 239-1896

TCEQ Field Investigator: Ms. Celeste Lane, Tyler Regional Office, MC R-05, (903) 535-5126

Respondent: Delek US Refining GP, LLC, Registered Agent, Delek Refining, Ltd., Attn: General Counsel, 425 McMurrey Drive, Tyler, Texas 75702
Mr. Scott Snedden, Environmental Manager, Delek Tyler Refinery, 1702 East Commerce Street, Tyler, Texas 75702
Mr. Michael Norman, Vice President-Environmental & Regulatory Affairs, Delek Refining, Ltd., 425 McMurrey Drive, Tyler, Texas 75702
Mr. Frederec Green, Chief Operating Officer, Delek Refining, Ltd., 425 McMurrey Drive, Tyler, Texas 75702

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

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
Type of Investigation: __ Complaint _X_ Routine __ Enforcement Follow-up _X_ Records Review **Date of Complaint Relating to this Case:** None **Dates of Investigations Relating to this Case:** July 12 to July 26, 2006 and December 13, 2006 **Date of NOE Relating to this Case:** August 11, 2006 (NOE) **Background Facts:** These were routine investigations. Twenty five violations were documented. **AIR** 1) Failed to maintain records of quarterly opacity observations. Specifically, Delek reported that it failed to record observations from May 6, 2005 through May 5, 2006 [Federal Operating Permit ("FOP") O-01257, Special Terms and Conditions ("STC"), 3.A.iii. and 3.B.iii., 30 TEX. ADMIN. CODE § 122.143(4), and TEX. HEALTH & SAFETY CODE § 382.085(b)]. MAINTENAN 2) Failed to submit semiannual startup, shutdown, and ~~malfunction~~ ("SSM") reports. Specifically, Delek reported that it failed to submit the SSM reports from May 6, 2005 through May 5, 2006 [FOP O-01257, STC 1.A. and 8.G., 30 TEX. ADMIN. CODE §§ 101.20(2) and 122.143(4), 40 CODE OF FEDERAL REGULATIONS ("CFR") §§ 63.10(d)(5)(i) and 63.654(h), and TEX. HEALTH & SAFETY CODE § 382.085(b)]. 3) Loaded tank trucks not having current leak test certifications. Specifically, Delek reported that, on April 11, 2006 and May 4, 2006, two trucks were loaded without having been leak tested within the last year [New Source Review ("NSR") Air Permit No. 72, Special Conditions ("SC") 5., FOP O-01257, STC 1.A., 30 TEX. ADMIN. CODE §§ 115.214(b)(1)(C) and 116.115(c), and TEX. HEALTH & SAFETY CODE § 382.085(b)].	**Total Assessed:** $288,395 **Total Deferred:** $57,679 _X_ Expedited Settlement __ Financial Inability to Pay **SEP Conditional Offset:** $115,358 **Total Paid to General Revenue:** $115,358 **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	**Corrective Actions Taken:** 1) The Executive Director recognizes that Delek has implemented the following corrective measures at the Plant: a. By April 1, 2006, completed improvements to record keeping procedures and began recording quarterly opacity observations; b. By September 22, 2006, began submitting semiannual SSM reports; c. By September 22, 2006, completed improvements to reporting procedures designed to ensure MACT reports are sent to the proper address; d. By September 22, 2006, completed improvements to procedures designed to ensure weekly cooling tower sampling; e. NSR Air Permit No. 5955A was amended effective April 24, 2006 to allow for an increase in sulfur production levels; f. By December 5, 2005, completed improvements to procedures that ensure offsite shipments of waste containing benzene will include a notice that the waste contains benzene and needs to be treated as required; g. By September 22, 2006, initiated a program to obtain the necessary data and records to identify benzene-containing waste streams; h. By September 22, 2006, made improvements to vent system visual inspection procedures and completed visual inspections; i. By September 22, 2006, made improvements to tank seal inspection procedures and completed seal inspections; j. By September 22, 2006, made improvements to record keeping procedures designed to provide complete information on Leak Detection and Repair ("LDAR") reports; k. By September 22, 2006, made improvements to the quarterly CEMS ("continuous emissions monitoring systems") reports;

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
9) Failed to conduct vent system visual inspections. Specifically, Delek reported that it did not perform quarterly visual inspections of the closed vent system on the stripper overheads (ID No. PRO-WWS) from May 6, 2005 to May 5, 2006, nor of the vent system from the separator to the wastewater flare (ID No. WWSFUSEPR) from May 6, 2005 to November 5, 2005 [FOP O-01257, STC 1.A., 30 TEX. ADMIN. CODE §§ 101.20(2), 113.340 and 122.143(4), 40 CFR §§ 61.349(f) and 63.647(a), and TEX. HEALTH & SAFETY CODE § 382.085(b)]. 10) Failed to conduct yearly internal floating roof tank seal inspections on tanks in Hazardous Air Pollutant ("HAP") service. Specifically, Delek reported that, during the period May 6, 2005 to November 5, 2005, it did not visually inspect the internal floating roof seals on 23 tanks in HAP service (Tank Nos. 2, 4, 30, 31, 37, 53, 54, 55, 59, 61, 62, 63, 116, 122, 123, 124, 125, 136, 137, 160, 161, 162, and 163) within 12 months of the previous inspection [FOP O-01257, STC 1.A., 30 TEX. ADMIN. CODE §§ 113.340 and 122.143(4), 40 CFR §§ 63.120(a)(3)(ii), 63.646(a), and 63.646(g), and TEX. HEALTH & SAFETY CODE § 382.085(b)]. 11) Failed to timely perform visual tank seal inspections on tanks in benzene service within 12 months of the previous inspections. Specifically, Delek reported that it failed to conduct visual inspections of the primary and secondary seals on three tanks (Tank Nos. 34, 35, and 154) in benzene service [FOP O-01257, STC 1.A., 30 TEX. ADMIN. CODE §§ 101.20(1), 101.20(2), and 122.143(4), 40 CFR §§ 60.113b(a)(2) and 61.351(a)(1), and TEX. HEALTH & SAFETY CODE § 382.085(b)]. 12) Failed to perform a timely visual tank inspection of primary and secondary seals within ten years of the previous inspection. Specifically, Delek reported that it failed to conduct timely inspections on Tank No. 122, a tank in HAP service [FOP O-01257, STC 1.A., 30 TEX. ADMIN. CODE §§ 113.340 and 122.143(4), 40 CFR §§ 63.120(a)(2)(i), 63.120(a)(3)(iii), and 63.646(a), and TEX. HEALTH & SAFETY CODE § 382.085(b)]. 13) Failed to install an instrument to continuously monitor and record hydrogen sulfide ("H_2S") on fuel gas combustion devices. Specifically, Delek reported that it failed to install H_2S monitors on Flares 1, 2, 3, 4, 5, and the wastewater flare. The investigation also documented that a monitor was not installed on the Platformer Heater [FOP O-01257, STC 1.A., 30 TEX. ADMIN. CODE §§ 101.20(1) and 122.143(4), 40 CFR § 60.105(a)(4), and TEX. HEALTH & SAFETY CODE § 382.085(b)].		iii. Daily H_2S drift calculations on the H_2S monitor on the Vacuum Unit Heater are being performed; iv. All 54 OELs referenced in Section II, Allegation No. 15 have been equipped with a cap, blind flange, plug, or a second valve; and v. A stripper overhead flare design and operation certification has been produced and is being maintained.

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
4) Failed to submit a Maximum Achievable Control Technology ("MACT") report to the proper address. Specifically, on September 14, 2005, Delek submitted the report to an address different from the address specified in the rule [FOP O-01257, STC 11.F., 30 TEX. ADMIN. CODE §§ 113.340 and 122.143(4), 40 CFR §§ 63.13(a) and 63.642(f), and TEX. HEALTH & SAFETY CODE § 382.085(b)]. 5) Failed to conduct weekly cooling tower sampling. Specifically, during the week ending August 8, 2005, Delek failed to sample water from Cooling Tower No.1, and during the week ending October 9, 2005, failed to sample from Cooling Tower No. 5 [NSR Air Permit No. 5955, SC 11.F., FOP O-01257, STC 13., and 30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), and TEX. HEALTH & SAFETY CODE § 382.085(b)]. 6) Failed to maintain sulfur production levels below the maximum limit. Specifically, the permit requires that the permit holder not exceed a sulfur production limit of 16.6 long tons per day ("LTD"), but on May 9, 2005 and on March 25, 2006, Delek reported that the production levels were 17.7 LTD on both days, respectively. Additionally, a review of Delek's records showed production exceedances on May 25 and December 26, 2005 and on January 1, January 15, and March 15, 2006 of 16.8, 16.9, 17.6, 18.4, and 16.7 LTD, respectively [NSR Air Permit No. 5955A, SC 4., FOP O-01257, STC 13., 30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), and TEX. HEALTH & SAFETY CODE § 382.085(b)]. 7) Failed to include a notice with offsite benzene waste shipments. Specifically, Delek reported that, between May 6 and July 15, 2005, it shipped wastes containing benzene without including a notice that they contained benzene and needed to be treated as required [FOP O-01257, STC 1.A. and 10.E., 30 TEX. ADMIN. CODE §§ 101.20(2) and 122.143(4), 40 CFR §§ 61.342(f)(2), and TEX. HEALTH & SAFETY CODE § 382.085(b)]. 8) Failed to identify each benzene-containing waste stream. Specifically, Delek reported that, for the period May 6, 2005 to May 5, 2006, its records do not identify each uncontrolled waste, the annual waste quantity of those wastes, nor do they document that the total annual benzene quantity in exempt waste streams does not exceed two megagrams per year [FOP O-01257, STC 1.A. and 10., 30 TEX. ADMIN. CODE §§ 101.20(2), 113.340, and 122.143(4), 40 CFR §§ 61.356(a), 61.356(b)(1), 61.356(b)(2), and 63.654(a), and TEX. HEALTH & SAFETY CODE § 382.085(b)].		l. By September 22, 2006, made improvements to procedures designed to ensure the submittal of complete and timely MACT CC reports; m. By September 22, 2006, made improvements to procedures designed to ensure the timely submittal of MACT UUU reports; n. By June 5, 2006, completed improvements to procedures that ensure the regular monthly sampling of carbon monoxide ("CO") in the gas feed to Boiler EPN54; o. By September 22, 2006, made improvements to procedures designed to ensure timely storage tank refilling notifications; p. By September 22, 2006, made improvements to a system for ensuring the timely inspections of storage tank seal gap measurements; and q. By November 29, 2006, sealed the vent on the junction box in the wastewater drain system that had been venting to the atmosphere. **Ordering Provisions:** 2) The Order will require the Respondent to implement and complete Supplemental Environmental Projects (SEPs). (See SEP Attachments A and B) 3) The Order will also require the Respondent to: a. Within 180 days after the effective date of this Agreed Order, Delek shall submit written certification that: i. Improvements have been implemented to procedures that address the loading of tank trucks not having current leak test certifications; ii. Installation of H_2S monitors on Flares 1, 2, 3, 4, 5, the wastewater flare, and the Platformer Heater has been completed, or an Alternative Monitoring Program has been approved;

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
14) Failed to perform daily H_2S calculations. Specifically, Delek reported that it had not performed daily drift calculations on the H_2S monitor on the Vacuum Unit Heater since May 6, 2005 [FOP O-01257, STC 6.F., 30 TEX. ADMIN. CODE §§ 101.20(1) and 122.143(4), 40 CFR §§ 60.105(a)(4) and 60.13(d)(1), and TEX. HEALTH & SAFETY CODE § 382.085(b)].		
15) Failed to equip open-ended lines ("OELs") or valves with a cap, blind flange, plug, or a second valve. Specifically, Delek reported that 36 OELs in HAP service in Units 2HD (ten OELs), Sat #2 (two OELs), Crude (sixteen OELs), Tank Farm (four OELs), and Coker (four OELs), had not been equipped with caps, blind flanges, plugs, or second valves. During the physical investigation, a further nine OELs in the Alky Unit and nine OELs in the Sat Gas Unit, all in VOC service, were documented [FOP O-01257, STC 1.A., 30 TEX. ADMIN. CODE §§ 101.20(1), 113.340, and 122.143(4), 40 CFR §§ 60.482-6(a)(1) and 63.648(a), and TEX. HEALTH & SAFETY CODE § 382.085(b)].		
16) Failed to provide complete information on a Leak Detection and Repair ("LDAR") report. Specifically, Delek reported that it did not record instrument operator identification, instrument number, nor the expected date of repair on the monthly Delay of Repair list [FOP O-01257, STC 1.A., 30 TEX. ADMIN. CODE §§ 101.20(1), 113.340, and 122.143(4), 40 CFR §§ 60.486(c)(1), 60.486(c)(7), and 63.648(a), and TEX. HEALTH & SAFETY CODE § 382.085(b)].		
17) Failed to certify the accuracy and completeness of quarterly continuous emissions monitoring (CEMS) reports. Specifically, Delek reported that it did not include language in the quarterly CEMS reports for the period January 24 to May 5, 2006 certifying their accuracy and completeness [FOP O-01257, STC 1.A., 30 TEX. ADMIN. CODE §§ 101.20(1) and 122.143(4), 40 CFR §§ 60.105(e)(3)(ii), 60.7(c)(2), and 60.107(f), and TEX. HEALTH & SAFETY CODE § 382.085(b)].		
18) Failed to submit a timely and complete MACT CC report. Specifically, Delek reported that it needed to submit a MACT CC report (concerning flares not meeting general control device requirements) by March 15, 2006, but did not do so until April 12, 2006, that the report did not include the period of December 31, 2005 through January 15, 2006, and that the absence of the flare pilot on December 17, 2005 was not included in the report [FOP O-01257, STC 1.A., 30 TEX. ADMIN. CODE §§ 113.340 and 122.143(4), 40 CFR § 63.654(g) and 63.654(g)(5)(iii), and TEX. HEALTH & SAFETY CODE § 382.085(b)].		
19) Failed to timely submit a MACT UUU report. Specifically, Delek reported that it did not submit the MACT UUU report (concerning catalytic cracking, catalytic reforming, and sulfur recovery units) that was due on January 31, 2006 until July 31, 2006 [FOP O-01257, STC 1.A., 30 TEX. ADMIN. CODE §§ 113.340 and 122.143(4), 40 CFR §§ 63.10(d) and 63.1575(b)(2), and TEX. HEALTH & SAFETY CODE § 382.085(b)].		

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
20) Failed to conduct monthly carbon monoxide ("CO") sampling. Specifically, Delek reported that it did not sample for CO in the gas fed to Boiler EPN 54 during the month of May 2005 [NSR Air Permit No. 4902, SC 7., FOP O-01257, STC 13., 30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), and TEX. HEALTH & SAFETY CODE § 382.085(b)].		
21) Failed to notify the TCEQ at least 30 days prior to refilling storage tanks in HAP service. Specifically, Delek reported that it refilled Tank Nos. 118 and 122, during the period November 6, 2005 to May 5, 2006, without prior notification [FOP O-01257, STC 1.A., 30 TEX. ADMIN. CODE §§ 113.340 and 122.143(4), 40 CFR §§ 63.120(a)(5) and 63.646(a), and TEX. HEALTH & SAFETY CODE § 382.085(b)].		
22) Failed to perform timely tank seal gap measurements on tanks in HAP service. Specifically, Delek reported that, during the period November 6, 2005 to May 5, 2006, it failed to timely perform annually required, secondary seal gap measurements on Tank Nos. 151, 155, and 156 [FOP O-01257, STC 1.A., 30 TEX. ADMIN. CODE §§ 113.340 and 122.143(4), 40 CFR §§ 63.120(b)(1)(iii) and 63.646(a), and TEX. HEALTH & SAFETY CODE § 382.085(b)].		
23) Failed to perform timely tank seal gap measurements on a tank in volatile organic compounds ("VOC") service. Specifically, Delek reported that, during the period November 6, 2005 to May 5, 2006, it failed to timely inspect Tank No. 172's secondary seal gap measurements (required annually) [FOP O-01257, STC 1.A., 30 TEX. ADMIN. CODE §§ 101.20(1) and 122.143(4), 40 CFR § 60.113b(b)(1)(ii), and TEX. HEALTH & SAFETY CODE § 382.085(b)].		
24) Failed to maintain a signed and dated flare certification. Specifically, Delek reported that it did not have a certification for the stripper overhead flare stating it is designed to operate at the desired performance level at the highest expected loads [FOP O-01257, STC 1.A., 30 TEX. ADMIN. CODE §§ 101.20(2), 113.340, and 122.143(4), 40 CFR §§61.356(f)(1) and 63.654(a), and TEX. HEALTH & SAFETY CODE § 382.085(b)].		
25) Failed to install a flow indicator. Specifically, the vent pipe on one junction box in the wastewater drain system was vented to the atmosphere, and a flow indicator was not installed to ensure that no venting of organic vapors was occurring [FOP O-01257, STC 1.A., 30 TEX. ADMIN. CODE §§ 113.340, and 122.143(4), and 40 CFR §§ 61.346(b)(2)(ii)(A) and 63.654(a), and TEX. HEALTH & SAFETY CODE § 382.085(b)].		

Attachment A
Docket Number: 2006-1433-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	**Delek Refining, Ltd.**
Payable Penalty Amount:	**Two Hundred Thirty Thousand Seven Hundred Sixteen Dollars ($230,716)**
SEP Amount:	**Ninety-Two Thousand Three Hundred Fifty-Eight Dollars ($92,358)**
Type of SEP:	**Pre-approved**
Third-Party Recipient:	**Texas Association of Resource Conservation and Development Areas, Inc. (RC&D)-Household Hazardous Waste Clean-Up**
Location of SEP:	**Smith County**

The Texas Commission on Environmental Quality ("TCEQ") agrees to offset a portion of the administrative Penalty Amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project ("SEP"). The offset is equal to the SEP Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project Description

A. Project

The Respondent shall contribute the SEP Amount to the Third-Party Recipient pursuant to the agreement between the Third-Party Recipient and the TCEQ. Specifically, the contribution will be used to provide local residents with a means of properly disposing household hazardous wastes such as paint, thinners, pesticides, oil and gas, corrosive cleaners, and fertilizers in one day collection events. SEP monies will be used to pay for the associated labor, materials, and disposal costs. Citizens will not be charged disposal fees. The project is administered in accordance with TCEQ guidance on household hazardous waste and in compliance with federal, state, and local environmental laws and regulations. All dollars contributed will be used solely for the direct cost of the project and no portion will be spent on administrative costs.

The Respondent certifies that there is no prior commitment to do this project and that it is being performed solely in an effort to settle this enforcement action.

B. Environmental Benefit

This SEP will provide a discernible environmental benefit by providing a means of properly disposing household hazardous waste which might otherwise be disposed of in storm drains, the sewage system, or other means detrimental to the environment.

C. Minimum Expenditure

The Respondent shall contribute at least the SEP Amount to the Third-Party Recipient and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Amount to the Third-Party Recipient. The Respondent shall mail the contribution, with a copy of the Agreed Order, to:

Texas Association of Resource Conservation and Development Areas, Inc.
1716 Briarcrest Drive, Suite 510
Bryan, Texas 77802

3. Records and Reporting

Concurrent with the payment of the SEP Amount, the Respondent shall provide the TCEQ SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Amount to the Third-Party Recipient. The Respondent shall mail a copy of the check and transmittal letter to:

Enforcement Division
Attention: SEP Coordinator, MC 219
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If the Respondent does not perform its obligations under this SEP in any way, including full payment of the SEP Amount and submittal of the required reporting described in Section 3 above, the Executive Director may require immediate payment of all or part of the SEP Amount.

The check for any amount due shall be made out to "Texas Commission on Environmental Quality" and mailed to:

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

The Respondent shall also mail a copy of the check to the TCEQ SEP Coordinator at the address in Section 3 above.

5. Publicity

Any public statements concerning this SEP made by or on behalf of the Respondent must include a clear statement that the project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.

6. Clean Texas Program

The Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, the Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP identified in this Agreed Order has not been, and shall not be, included as an SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.

Attachment B
Docket Number: 2006-1433-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	**Delek Refining, Ltd.**
Payable Penalty Amount:	**Two Hundred Thirty Thousand Seven Hundred Sixteen Dollars ($230,716)**
SEP Amount:	**Twenty-Three Thousand Dollars ($23,000)**
Type of SEP:	**Pre-approved**
Third-Party Recipient:	**Texas Association of Resource Conservation and Development Areas, Inc. ("RC&D")- Wastewater Treatment Assistance**
Location of SEP:	**Smith County**

The Texas Commission on Environmental Quality ("TCEQ") agrees to offset a portion of the administrative Penalty Amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project ("SEP"). The offset is equal to the SEP Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment B.

1. Project Description

A. Project

The Respondent shall contribute to the Third-Party Recipient pursuant to the agreement between the Third-Party Recipient and the TCEQ. Specifically, the contribution will be used to provide low income rural homeowners with assistance to enable the repair or replacement of their failing on-site wastewater systems. SEP monies will be used to pay for the labor and materials costs related to repairing or replacing the failing systems. The recipients will not be charged for the cost of replacing or repairing the failing systems

The Respondent certifies that there is no prior commitment to do this project and that it is being performed solely in an effort to settle this enforcement action.

B. Environmental Benefit

This SEP will provide a discernible environmental benefit by protecting water sources for drinking, recreation, and wildlife from contamination from failing treatment systems

C. Minimum Expenditure

The Respondent shall contribute at least the SEP Amount to the Third-Party Recipient and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Amount to the Third-Party Recipient. The Respondent shall mail the contribution, with a copy of the Agreed Order, to:

Texas Association of Resource Conservation and Development Areas, Inc.
1716 Briarcrest Drive
Bryan, Texas 77802-2700

3. Records and Reporting

Concurrent with the payment of the SEP Amount, the Respondent shall provide the TCEQ SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Amount to the Third-Party Recipient. The Respondent shall mail a copy of the check and transmittal letter to:

Enforcement Division
Attention: SEP Coordinator, MC 219
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If the Respondent does not perform its obligations under this SEP in any way, including full payment of the SEP Amount and submittal of the required reporting described in Section 3 above, the Executive Director may require immediate payment of all or part of the SEP Amount.

The check for any amount due shall be made out to "Texas Commission on Environmental Quality" and mailed to:

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

The Respondent shall also mail a copy of the check to the TCEQ SEP Coordinator at the address in Section 3 above.

5. Publicity

Any public statements concerning this SEP made by or on behalf of the Respondent must include a clear statement that the project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.

6. Clean Texas Program

The Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, the Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP identified in this Agreed Order has not been, and shall not be, included as an SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.

Penalty Calculation Worksheet (PCW)

TCEQ

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

DATES					
Assigned	14-Aug-2006				
PCW	11-Jan-2007	Screening	24-Aug-2006	EPA Due	22-Jul-2007

RESPONDENT/FACILITY INFORMATION

Respondent	Delek Refining, Ltd.		
Reg. Ent. Ref. No.	RN100222512		
Facility/Site Region	5-Tyler	Major/Minor Source	Major Source

CASE INFORMATION

Enf./Case ID No.	30908	No. of Violations	26
Docket No.	2006-1433-AIR-E	Order Type	1660
Media Program(s)	Air Quality	Enf. Coordinator	Terry Murphy
Multi-Media		EC's Team	Enforcement Team 5
Admin. Penalty $ Limit Minimum	$0	Maximum	$10,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties) — *Subtotal 1* $109,100

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History — **132%** Enhancement — *Subtotals 2, 3, & 7* $144,012

Notes: The penalty was enhanced by three 1660 orders, one findings order, one EPA order without a denial of liability, one same or similar NOV, and six dissimilar NOVs. The penalty was reduced by early compliance.

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 does not meet the good faith criteria.

Economic Benefit — **50%** Enhancement* — *Subtotal 6* $35,283

**Capped at the Total EB $ Amount*

Total EB Amounts	$35,283
Approx. Cost of Compliance	$148,750

SUM OF SUBTOTALS 1-7 — Final Subtotal $288,395

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 $288,395

STATUTORY LIMIT ADJUSTMENT — Final Assessed Penalty $288,395

DEFERRAL — 20% Reduction — Adjustment -$57,679

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 $230,716

Screening Date 24-Aug-2006 **Docket No.** 2006-1433-AIR-E **PCW**

Respondent Delek Refining, Ltd. *Policy Revision 2 (September 2002)*

Case ID No. 30908 *PCW Revision May 19, 2005*

Reg. Ent. Reference No. RN100222512

Media [Statute] Air Quality

Enf. Coordinator Terry Murphy

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)*	1	5%
	Other written NOVs	6	12%
Orders	Any agreed final enforcement orders containing a denial of liability *(number of orders meeting criteria)*	3	60%
	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	1	35%
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	0	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	0	0%
	Participation in a voluntary pollution reduction program	0	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	Yes	-5%

Adjustment Percentage (Subtotal 2) **132%**

>> 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

The penalty was enhanced by three 1660 orders, one findings order, one EPA order without a denial of liability, one same or similar NOV, and six dissimilar NOVs. The penalty was reduced by early compliance.

Total Adjustment Percentage (Subtotals 2, 3, & 7) **132%**

Screening Date 24-Aug-2006 **Docket No.** 2006-1433-AIR-E **PCW**

Respondent Delek Refining, Ltd. *Policy Revision 2 (September 2002)*

Case ID No. 30908 *PCW Revision May 19, 2005*

Reg. Ent. Reference No. RN100222512

Media [Statute] Air Quality

Enf. Coordinator Terry Murphy

Violation Number 1

Primary Rule Cite(s) Federal Operating Permit (FOP) O-01257, Special Terms and Conditions (STC) 3.A.iii. and 3.B.iii., and 30 Tex. Admin. Code § 122.143(4)

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

Violation Description Failed to maintain records of quarterly opacity observations, as documented during an investigation conducted from July 12 to July 26, 2006 and a records review conducted on December 13, 2006. Specifically, the Respondent reported that it failed to record observations from May 6, 2005 through May 5, 2006.

Base Penalty $10,000

>> **Environmental, Property and Human Health Matrix**

Release	Harm: Major	Moderate	Minor
Actual			
Potential			

OR

Percent

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor
		x	

Percent 10%

Matrix Notes: The Respondent failed to comply with between 30% and 70% of the rule.

Adjustment -$9,000

Base Penalty Subtotal $1,000

Violation Events

Number of Violation Events: 1

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

Violation Base Penalty $1,000

One single event is recommended.

Economic Benefit (EB) for this violation

Estimated EB Amount $1,095

Statutory Limit Test

Violation Final Penalty Total $2,643

This violation Final Assessed Penalty (adjusted for limits) $2,643

Economic Benefit Worksheet

Respondent Delek Refining, Ltd.
Case ID No. 30908
Reg. Ent. Reference No. RN100222512
Media [Statute] Air Quality
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost (No commas or $)	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	$0	$0	$0
Buildings				0.0	$0	$0	$0
Other (as needed)				0.0	$0	$0	$0
Engineering/construction				0.0	$0	$0	$0
Land				0.0	$0	n/a	$0
Record Keeping System	$1,000	06-May-2005	01-Apr-2006	0.9	$45	n/a	$45
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: Estimated costs to revise recording procedures and maintain records. The Date Required is the date of the initial reporting period, and the Final Date is the date the Respondent began recording opacity observations and maintaining those records.

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]	$1,000	06-May-2005	01-Apr-2006	1.0	$50	$1,000	$1,050
Other (as needed)				0.0	$0	$0	$0

Notes for AVOIDED costs: Estimated costs to have recorded opacity observations and maintained the records. The Date Required is the date of the initial reporting period, and the Final Date is the date the Respondent began recording opacity observations and maintaining those records.

Approx. Cost of Compliance: $2,000

TOTAL $1,095

Screening Date 24-Aug-2006 **Docket No.** 2006-1433-AIR-E **PCW**

Respondent Delek Refining, Ltd. *Policy Revision 2 (September 2002)*

Case ID No. 30908 *PCW Revision May 19, 2005*

Reg. Ent. Reference No. RN100222512

Media [Statute] Air Quality

Enf. Coordinator Terry Murphy

Violation Number 2

Primary Rule Cite(s) FOP O-01257, STC 1.A. and 8.G., 40 Code of Federal Regulations (CFR) §§ 63.10(d)(5)(i) and 63.654(h), and 30 Tex. Admin. Code §§ 101.20(2) and 122.143(4)

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

Violation Description Failed to submit semiannual startup, shutdown, and malfunction (SSM) reports, as documented during an investigation conducted from July 12 to July 26, 2006 and a records review conducted on December 13, 2006. Specifically, the Respondent reported that it failed to submit the SSM reports from May 6, 2005 through May 5, 2006.

Base Penalty $10,000

>> **Environmental, Property and Human Health Matrix**

OR

Release	Harm: Major	Moderate	Minor
Actual			
Potential			

Percent

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor
	x		

Percent 25%

Matrix Notes: The Respondent failed to comply with 100% of the rule.

Adjustment -$7,500

Base Penalty Subtotal $2,500

Violation Events

Number of Violation Events: 1

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

Violation Base Penalty $2,500

One single event is recommended.

Economic Benefit (EB) for this violation

Estimated EB Amount $569

Statutory Limit Test

Violation Final Penalty Total $6,608

This violation Final Assessed Penalty (adjusted for limits) $6,608

Economic Benefit Worksheet

Respondent Delek Refining, Ltd.
Case ID No. 30908
Reg. Ent. Reference No. RN100222512
Media [Statute] Air Quality
Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost (No commas or $)	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	$0	$0	$0
Buildings				0.0	$0	$0	$0
Other (as needed)				0.0	$0	$0	$0
Engineering/construction				0.0	$0	$0	$0
Land				0.0	$0	n/a	$0
Record Keeping System	$1,000	06-Nov-2005	22-Sep-2006	0.9	$44	n/a	$44
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: Estimated costs to revise reporting procedures, prepare and submit reports. The Date Required is the date of the initial reporting period, and the Final Date is the date the Respondent began submitting the required reports.

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]	$500	06-Nov-2005	22-Sep-2006	1.0	$25	$500	$525
Other (as needed)				0.0	$0	$0	$0

Notes for AVOIDED costs: Estimated costs to have prepared and submitted reports. The Date Required is the date of the initial reporting period, and the Final Date is the date the Respondent began submitting the required reports.

Approx. Cost of Compliance: $1,500

TOTAL $569

Screening Date 24-Aug-2006 **Docket No.** 2006-1433-AIR-E **PCW**

Respondent Delek Refining, Ltd. *Policy Revision 2 (September 2002)*

Case ID No. 30908 *PCW Revision May 19, 2005*

Reg. Ent. Reference No. RN100222512

Media [Statute] Air Quality

Enf. Coordinator Terry Murphy

Violation Number 3

Primary Rule Cite(s) New Source Review (NSR) Air Permit No. 72, Special Condition (SC) 5., FOP O-01257, STC 1.A., and 30 Tex. Admin. Code §§ 115.214(b)(1)(C) and 116.115(c)

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

Violation Description Loaded tank trucks not having current leak test certifications, as documented during an investigation conducted from July 12 to July 26, 2006 and a records review conducted on December 13, 2006. Specifically, the Respondent reported that, on April 11, 2006 and May 4, 2006, two trucks were loaded without having been leak tested within the last year.

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 could be exposed to significant amounts of pollutants which would not exceed levels 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: 2

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

Violation Base Penalty $5,000

Two single events are recommended.

Economic Benefit (EB) for this violation

Estimated EB Amount $81

Statutory Limit Test

Violation Final Penalty Total $13,217

This violation Final Assessed Penalty (adjusted for limits) $13,217

Economic Benefit Worksheet

Respondent Delek Refining, Ltd.
Case ID No. 30908
Reg. Ent. Reference No. RN100222512
Media [Statute] Air Quality
Violation No. 3

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost (No commas or $)	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	$0	$0	$0
Buildings				0.0	$0	$0	$0
Other (as needed)	$1,000	11-Apr-2006	01-Apr-2007	1.0	$3	$65	$68
Engineering/construction				0.0	$0	$0	$0
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: Estimated costs to revise procedures to ensure only timely tested tank trucks are loaded. The Date Required is the date of the initial reported violation, and the Final Date is the date the Respondent is expected to have completed improved procedures/oversight.

Avoided Costs	ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)						
Disposal				0.0	$0	$0	$0
Personnel	$200	11-Apr-2006	04-May-2006	0.1	$1	$13	$13
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: Estimated costs to have had improved procedures/oversight. The Date Required is the date of the first violation, and the Final Date is the date of the second violation.

Approx. Cost of Compliance: $1,200

TOTAL $81

Screening Date 24-Aug-2006 **Docket No.** 2006-1433-AIR-E **PCW**

Respondent Delek Refining, Ltd. *Policy Revision 2 (September 2002)*

Case ID No. 30908 *PCW Revision May 19, 2005*

Reg. Ent. Reference No. RN100222512

Media [Statute] Air Quality

Enf. Coordinator Terry Murphy

Violation Number 4

Primary Rule Cite(s) FOP O-01257, STC 11.F., 30 Tex. Admin. Code §§ 113.340, 122.143(4), and 40 CFR §§ 63.13(a) and 63.642(f)

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

Violation Description Failed to submit a Maximum Achievable Control Technology (MACT) report to the proper address, as documented during an investigation conducted from July 12 to July 26, 2006 and a records review conducted on December 13, 2006. Specifically, on September 14, 2005, the Respondent submitted the report to an address different from the address specified in the rule.

Base Penalty $10,000

>> **Environmental, Property and Human Health Matrix**

Release	Harm: Major	Moderate	Minor
Actual			
Potential			

OR

Percent

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor
			x

Percent 1%

Matrix Notes: The Respondent failed to comply with less than 30% of the rule.

Adjustment -$9,900

Base Penalty Subtotal $100

Violation Events

Number of Violation Events: 1

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

Violation Base Penalty $100

One single event is recommended.

Economic Benefit (EB) for this violation

Estimated EB Amount $20

Statutory Limit Test

Violation Final Penalty Total $264

This violation Final Assessed Penalty (adjusted for limits) $264

Economic Benefit Worksheet

Respondent Delek Refining, Ltd.
Case ID No. 30908
Reg. Ent. Reference No. RN100222512
Media [Statute] Air Quality
Violation No. 4

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost (No commas or $)	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	$0	$0	$0
Buildings				0.0	$0	$0	$0
Other (as needed)				0.0	$0	$0	$0
Engineering/construction				0.0	$0	$0	$0
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)	$400	14-Sep-2005	22-Sep-2006	1.0	$20	n/a	$20

Notes for DELAYED costs: Estimated cost to remail the report to the proper address and to improve reporting procedures. The Date Required is the date of the mailing to the wrong address, and the Final Date is the date the Respondent created a new reporting template.

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: $400

TOTAL $20

Screening Date 24-Aug-2006 **Docket No.** 2006-1433-AIR-E **PCW**

Respondent Delek Refining, Ltd. *Policy Revision 2 (September 2002)*

Case ID No. 30908 *PCW Revision May 19, 2005*

Reg. Ent. Reference No. RN100222512

Media [Statute] Air Quality

Enf. Coordinator Terry Murphy

Violation Number 5

Primary Rule Cite(s) NSR Air Permit No. 5955, SC 11.F., FOP O-01257, STC 13., and 30 Tex. Admin. Code §§ 116.115(c) and 122.143(4)

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

Violation Description Failed to conduct weekly cooling tower sampling, as documented during an investigation conducted from July 12 to July 26, 2006 and a records review conducted on December 13, 2006. Specifically, during the week ending August 8, 2005, the Respondent failed to sample water from Cooling Tower No. 1, and during the week ending October 9, 2005, failed to sample from Cooling Tower No. 5.

Base Penalty $10,000

>> **Environmental, Property and Human Health Matrix**

Release	Harm: Major	Moderate	Minor
Actual			
Potential			x

OR

Percent 10%

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor

Percent

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

Adjustment -$9,000

Base Penalty Subtotal $1,000

Violation Events

Number of Violation Events 2

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

Violation Base Penalty $2,000

Two single events are recommended.

Economic Benefit (EB) for this violation

Estimated EB Amount $266

Statutory Limit Test

Violation Final Penalty Total $5,287

This violation Final Assessed Penalty (adjusted for limits) $5,287

Economic Benefit Worksheet

Respondent Delek Refining, Ltd.
Case ID No. 30908
Reg. Ent. Reference No. RN100222512
Media [Statute] Air Quality
Violation No. 5

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost (No commas or $)	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	$0	$0	$0
Buildings				0.0	$0	$0	$0
Other (as needed)				0.0	$0	$0	$0
Engineering/construction				0.0	$0	$0	$0
Land				0.0	$0	n/a	$0
Record Keeping System				0.0	$0	n/a	$0
Training/Sampling	$1,000	08-Aug-2005	22-Sep-2006	1.1	$56	n/a	$56
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: Estimated costs to improve procedures/oversight to ensure weekly samples are collected. The Date Required is the date of the initial reported violation, and the Final Date is the date the Respondent completed improved procedures/oversight.

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]	$200	08-Aug-2005	09-Oct-2005	1.0	$10	$200	$210
Other (as needed)				0.0	$0	$0	$0

Notes for AVOIDED costs: Estimated costs to have had improved procedures/oversight. The Date Required is the date of the initial reported violation, and the Final Date is the last date of the reported violation.

Approx. Cost of Compliance: $1,200

TOTAL $266

Screening Date 24-Aug-2006 **Docket No.** 2006-1433-AIR-E **PCW**

Respondent Delek Refining, Ltd. *Policy Revision 2 (September 2002)*

Case ID No. 30908 *PCW Revision May 19, 2005*

Reg. Ent. Reference No. RN100222512

Media [Statute] Air Quality

Enf. Coordinator Terry Murphy

Violation Number 6

Primary Rule Cite(s) NSR Air Permit No. 5955A, SC 4., FOP O-01257, STC 13., and 30 Tex. Admin. Code §§ 116.115(c) and 122.143(4)

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

Violation Description Failed to maintain sulfur production levels below the maximum limit, as documented during an investigation conducted from July 12 to July 26, 2006 and a records review conducted on December 13, 2006. Specifically, the permit requires that the permit holder not exceed a sulfur production limit of 16.6 long tons per day (LTD), but on May 9, 2005 and on March 25, 2006, the Respondent reported that the production levels were 17.7 on both days. Additionally, a review of the Respondent's records showed production exceedances on May 25 and December 26, 2005 and on January 1, January 15, and March 15, 2006 of 16.8, 16.9, 17.6, 18.4, and 16.7 LTD, respectively.

Base Penalty $10,000

>> **Environmental, Property and Human Health Matrix**

OR

Release	Harm: Major	Moderate	Minor
Actual			
Potential			x

Percent 10%

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor

Percent

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

Adjustment -$9,000

Base Penalty Subtotal $1,000

Violation Events

Number of Violation Events 7

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

Violation Base Penalty $7,000

Seven single events are recommended.

Economic Benefit (EB) for this violation

Estimated EB Amount $153

Statutory Limit Test

Violation Final Penalty Total $18,504

This violation Final Assessed Penalty (adjusted for limits) $18,504

Economic Benefit Worksheet

Respondent Delek Refining, Ltd.
Case ID No. 30908
Reg. Ent. Reference No. RN100222512
Media [Statute] Air Quality
Violation No. 6

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost (No commas or $)	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	$0	$0	$0
Buildings				0.0	$0	$0	$0
Other (as needed)				0.0	$0	$0	$0
Engineering/construction				0.0	$0	$0	$0
Land				0.0	$0	n/a	$0
Record Keeping System				0.0	$0	n/a	$0
Training/Sampling	$1,000	09-May-2005	24-Apr-2006	1.0	$48	n/a	$48
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: Estimated costs to improve procedures/oversight to ensure production levels are not exceeded. The Date Required is the date of the first reported violation, and the Final Date is the date NSR Air Permit No. 5955A was amended to allow for an increase in the sulfur production level.

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]	$100	09-May-2005	25-Mar-2006	1.0	$5	$100	$105
Other (as needed)				0.0	$0	$0	$0

Notes for AVOIDED costs: Estimated costs to have had improved procedures/oversight. The Date Required is the date of the first reported violation, and the Final Date is the date of the last documented exceedance.

Approx. Cost of Compliance: $1,100

TOTAL $153

Screening Date 24-Aug-2006 **Docket No.** 2006-1433-AIR-E **PCW**

Respondent Delek Refining, Ltd. *Policy Revision 2 (September 2002)*

Case ID No. 30908 *PCW Revision May 19, 2005*

Reg. Ent. Reference No. RN100222512

Media [Statute] Air Quality

Enf. Coordinator Terry Murphy

Violation Number 7

Primary Rule Cite(s) FOP O-01257, STC 1.A., 10.E., 30 Tex. Admin. Code §§ 101.20(2) and 122.143(4), and 40 CFR § 61.342(f)(2)

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

Violation Description Failed to include a notice with an offsite benzene waste shipment, as documented during an investigation conducted from July 12 to July 26, 2006 and a records review conducted on December 13, 2006. Specifically, the Respondent reported that, between May 6 and July 15, 2005, it sent one shipment of waste containing benzene without including a notice that it contained benzene and needed to be treated as required.

Base Penalty $10,000

>> **Environmental, Property and Human Health Matrix**

Release	Harm: Major	Moderate	Minor
Actual			
Potential			

OR

Percent

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor
		x	

Percent 10%

Matrix Notes The Respondent failed to comply with between 30% and 70% of the rule.

Adjustment -$9,000

Base Penalty Subtotal $1,000

Violation Events

Number of Violation Events 1

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

Violation Base Penalty $1,000

One single event is recommended.

Economic Benefit (EB) for this violation

Estimated EB Amount $653

Statutory Limit Test

Violation Final Penalty Total $2,643

This violation Final Assessed Penalty (adjusted for limits) $2,643

Economic Benefit Worksheet

Respondent Delek Refining, Ltd.
Case ID No. 30908
Reg. Ent. Reference No. RN100222512
Media [Statute] Air Quality
Violation No. 7

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost (No commas or $)	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	$0	$0	$0
Buildings				0.0	$0	$0	$0
Other (as needed)				0.0	$0	$0	$0
Engineering/construction				0.0	$0	$0	$0
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							
Avoided Costs	ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)						
Disposal				0.0	$0	$0	$0
Personnel	$200	06-May-2005	15-Jul-2005	0.2	$2	$38	$40
Inspection/Reporting/Sampling	$1,000	06-May-2005	05-Dec-2005	0.6	$29	$584	$613
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: Estimated costs ($200) for additional personnel oversight. The Date Required is the date the Respondent reported the beginning of the violation period, and the Final Date is the date the Respondent reported the end of the violation period. Estimated costs ($1,000) to have had improved procedures. The Date Required is the date the Respondent reported the beginning of the violation period, and the Final Date is the date the Respondent reported that improved procedures had been implemented.

Approx. Cost of Compliance: $1,200

TOTAL $653

Screening Date 24-Aug-2006 **Docket No.** 2006-1433-AIR-E **PCW**

Respondent Delek Refining, Ltd. *Policy Revision 2 (September 2002)*

Case ID No. 30908 *PCW Revision May 19, 2005*

Reg. Ent. Reference No. RN100222512

Media [Statute] Air Quality

Enf. Coordinator Terry Murphy

Violation Number 8

Primary Rule Cite(s) FOP O-01257, STC 1.A. and 10., 30 Tex. Admin. Code §§ 101.20(2), 113.340, and 122.143(4), 40 CFR §§ 61.356(a), 61.356(b)(1), 61.356(b)(2), and 63.654(a)

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

Violation Description Failed to identify each benzene-containing waste stream, as documented during an investigation conducted from July 12 to July 26, 2006 and a records review conducted on December 13, 2006. Specifically, the Respondent reported that, for the period May 6, 2005 to May 5, 2006, its records do not identify each uncontrolled waste, the annual waste quantity of those wastes, nor do they document that the total annual benzene quantity in exempt waste streams does not exceed 2 megagrams per year.

Base Penalty $10,000

>> **Environmental, Property and Human Health Matrix**

Release	Harm: Major	Moderate	Minor
Actual			
Potential			

OR

Percent

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor
		x	

Percent 10%

Matrix Notes: The Respondent failed to comply with more than 70% of the rule.

Adjustment -$9,000

Base Penalty Subtotal $1,000

Violation Events

Number of Violation Events: 1

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

Violation Base Penalty $1,000

One single event is recommended.

Economic Benefit (EB) for this violation

Estimated EB Amount $1,169

Statutory Limit Test

Violation Final Penalty Total $2,643

This violation Final Assessed Penalty (adjusted for limits) $2,643

Economic Benefit Worksheet

Respondent Delek Refining, Ltd.
Case ID No. 30908
Reg. Ent. Reference No. RN100222512
Media [Statute] Air Quality
Violation No. 8

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost (No commas or $)	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	$0	$0	$0
Buildings				0.0	$0	$0	$0
Other (as needed)				0.0	$0	$0	$0
Engineering/construction				0.0	$0	$0	$0
Land				0.0	$0	n/a	$0
Record Keeping System	$1,000	06-May-2005	22-Sep-2006	1.4	$69	n/a	$69
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: Estimated costs to improve records and documentation. The Date Required is the date of the initial reported violation period, and the Final Date is the date the Respondent initiated a program to obtain the necessary data and records that had been maintained by the prior owner.

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]	$1,000	06-May-2005	05-Jun-2006	2.0	$100	$1,000	$1,100
Other (as needed)				0.0	$0	$0	$0

Notes for AVOIDED costs: Estimated costs to have documented the waste streams and maintained the records. The Date Required is the date of the initial, reported violation period, and the Final Date is the date the Respondent reported the last failure to properly identify the waste.

Approx. Cost of Compliance: $2,000

TOTAL $1,169

Screening Date 24-Aug-2006 **Docket No.** 2006-1433-AIR-E **PCW**

Respondent Delek Refining, Ltd. *Policy Revision 2 (September 2002)*

Case ID No. 30908 *PCW Revision May 19, 2005*

Reg. Ent. Reference No. RN100222512

Media [Statute] Air Quality

Enf. Coordinator Terry Murphy

Violation Number 9

Primary Rule Cite(s) FOP O-01257, STC 1.A., 30 Tex. Admin. Code §§ 101.20(2), 113.340 and 122.143(4), and 40 CFR §§ 61.349(f) and 63.647(a)

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

Violation Description Failed to conduct vent system visual inspections, as documented during an investigation conducted from July 12 to July 26, 2006 and a records review conducted on December 13, 2006. Specifically, the Respondent reported that it did not perform quarterly visual inspections of the closed vent system on the stripper overheads (ID No. PRO-WWS) from May 6, 2005 to May 5, 2006, nor of the vent system from the separator to the wastewater flare (ID No. WWSFUSEPR) from May 6, 2005 to November 5, 2005.

Base Penalty $10,000

>> **Environmental, Property and Human Health Matrix**

Release	Harm: Major	Moderate	Minor
Actual			
Potential			x

OR

Percent 10%

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor

Percent

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

Adjustment -$9,000

Base Penalty Subtotal $1,000

Violation Events

Number of Violation Events 2

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

Violation Base Penalty $2,000

Two single events are recommended (one for the stripper overheads and one for the separator to wastewater system).

Economic Benefit (EB) for this violation

Estimated EB Amount $1,186

Statutory Limit Test

Violation Final Penalty Total $5,287

This violation Final Assessed Penalty (adjusted for limits) $5,287

Economic Benefit Worksheet

Respondent Delek Refining, Ltd.
Case ID No. 30908
Reg. Ent. Reference No. RN100222512
Media [Statute] Air Quality
Violation No. 9

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost (No commas or $)	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	$0	$0	$0
Buildings				0.0	$0	$0	$0
Visual Inspections	$500	06-May-2005	22-Sep-2006	1.4	$2	$46	$48
Visual Inspections	$500	06-May-2005	05-Jun-2006	1.1	$2	$36	$38
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: Estimated costs to revise visual inspection procedures. The Date Required is the date of the initial violation reporting period. June 5, 2006 is the date the Respondent added the stripper overheads system to its visual inspection program, and September 22, 2006 is the date the Respondent made improvements to inspection procedures and began conducting visual inspections of the other system.

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
Stripper overheads inspections - ONE-TIME avoided costs [3]	$500	06-May-2005	22-Sep-2006	2.0	$50	$500	$550
Separator-to flare system inspections	$500	06-May-2005	05-Jun-2006	2.0	$50	$500	$550

Notes for AVOIDED costs: Estimated costs to have performed visual inspections. The Date Required is the date of the initial violation reporting period. The Final Date for the stripper overheads (June 5, 2006) is the date the Respondent added that system to its visual inspection program. The Final Date for the separator-to-wastewater-flare system is the date the Respondent reported all systems being inspected.

Approx. Cost of Compliance: $2,000

TOTAL $1,186

Screening Date 24-Aug-2006 **Docket No.** 2006-1433-AIR-E **PCW**

Respondent Delek Refining, Ltd. *Policy Revision 2 (September 2002)*

Case ID No. 30908 *PCW Revision May 19, 2005*

Reg. Ent. Reference No. RN100222512

Media [Statute] Air Quality

Enf. Coordinator Terry Murphy

Violation Number 10

Primary Rule Cite(s) FOP O-01257, STC 1.A., 30 Tex. Admin. Code §§ 113.340 and 122.143(4), and 40 CFR §§ 63.120(a)(3)(ii), 63.646(a), and 63.646(g)

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

Violation Description Failed to timely conduct yearly internal floating roof tank seal inspections on tanks in hazardous air pollutants (HAP) service, as documented during an investigation conducted from July 12 to July 26, 2006 and a records review conducted on December 13, 2006. Specifically, the Respondent reported that, during the period May 6, 2005 to November 5, 2005, it had not visually inspected the internal floating roof seals on 23 tanks in HAP service (Tank Nos. 2, 4, 30, 31, 37, 53, 54, 55, 59, 61, 63, 116, 122, 123, 124, 125, 136, 137, 160, 161, 162, and 163) within 12 months of the previous inspection.

Base Penalty $10,000

>> **Environmental, Property and Human Health Matrix**

Release	Harm: Major	Moderate	Minor
Actual			
Potential			

OR

Percent

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor
		x	

Percent 10%

Matrix Notes: The Respondent complied with between 30% and 70% of the rule, and none of the tanks that were subsequently inspected had damaged or deteriorated seals.

Adjustment -$9,000

Base Penalty Subtotal $1,000

Violation Events

Number of Violation Events 22

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

Violation Base Penalty $22,000

Twenty-two single events are recommended.

Economic Benefit (EB) for this violation

Estimated EB Amount $5,443

Statutory Limit Test

Violation Final Penalty Total $58,155

This violation Final Assessed Penalty (adjusted for limits) $58,155

Economic Benefit Worksheet

Respondent Delek Refining, Ltd.
Case ID No. 30908
Reg. Ent. Reference No. RN100222512
Media [Statute] Air Quality
Violation No. 10

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost (No commas or $)	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	$0	$0	$0
Buildings				0.0	$0	$0	$0
Other (as needed)	$2,000	06-May-2005	22-Sep-2006	1.4	$9	$184	$193
Engineering/construction				0.0	$0	$0	$0
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: Estimated costs to revise annual tank seal visual inspection procedures. The Date Required is the date of the initial violation reporting period, and the Final Date is the date the Respondent improved procedures to ensure timely visual inspections.

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]	$5,000	06-May-2005	05-Nov-2005	1.0	$250	$5,000	$5,250
Other (as needed)				0.0	$0	$0	$0

Notes for AVOIDED costs: Estimated costs to have performed visual inspections on tanks. The Date Required is the date of the initial violation reporting period, and the Final Date is the date the Respondent last reported inspection violations.

Approx. Cost of Compliance: $7,000

TOTAL $5,443

Screening Date 24-Aug-2006 **Docket No.** 2006-1433-AIR-E **PCW**

Respondent Delek Refining, Ltd. *Policy Revision 2 (September 2002)*

Case ID No. 30908 *PCW Revision May 19, 2005*

Reg. Ent. Reference No. RN100222512

Media [Statute] Air Quality

Enf. Coordinator Terry Murphy

Violation Number 11

Primary Rule Cite(s) FOP O-01257, STC 1.A., 30 Tex. Admin. Code §§ 101.20(1), 101.20(2), and 122.143(4), and 40 CFR §§ 60.113b(a)(2) and 61.351(a)(1)

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

Violation Description Failed to timely perform visual tank seal inspections on tanks in benzene service within 12 months of the previous inspections, as documented during an investigation conducted from July 12 to July 26, 2006 and a records review conducted on December 13, 2006. Specifically, the Respondent reported that it failed to conduct visual inspections of the primary and secondary seals on three tanks (Tank Nos. 34, 35, and 154) in benzene service.

Base Penalty $10,000

>> **Environmental, Property and Human Health Matrix**

Release	Harm: Major	Moderate	Minor
Actual			
Potential			

OR

Percent

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor
		x	

Percent 10%

Matrix Notes: The Respondent complied with between 30% and 70% of the rule, and none of the tanks that were subsequently inspected had damaged or deteriorated seals.

Adjustment -$9,000

Base Penalty Subtotal $1,000

Violation Events

Number of Violation Events: 3

mark only one use a small x

daily	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty $3,000

Three single events are recommended.

Economic Benefit (EB) for this violation

Estimated EB Amount $0

Statutory Limit Test

Violation Final Penalty Total $7,930

This violation Final Assessed Penalty (adjusted for limits) $7,930

Economic Benefit Worksheet

Respondent Delek Refining, Ltd.
Case ID No. 30908
Reg. Ent. Reference No. RN100222512
Media [Statute] Air Quality
Violation No. 11

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost (No commas or $)	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	$0	$0	$0
Buildings				0.0	$0	$0	$0
Other (as needed)				0.0	$0	$0	$0
Engineering/construction				0.0	$0	$0	$0
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	Economic benefits for this violations are included in Violation No. 10.						
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 $0

TOTAL $0

Screening Date 24-Aug-2006 **Docket No.** 2006-1433-AIR-E **PCW**

Respondent Delek Refining, Ltd. *Policy Revision 2 (September 2002)*

Case ID No. 30908 *PCW Revision May 19, 2005*

Reg. Ent. Reference No. RN100222512

Media [Statute] Air Quality

Enf. Coordinator Terry Murphy

Violation Number 12

Primary Rule Cite(s) FOP O-01257, STC 1.A., 30 Tex. Admin. Code §§ 113.340 and 122.143(4), and 40 CFR §§ 63.120(a)(2)(i), 63.120(a)(3)(iii), and 63.646(a)

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

Violation Description Failed to perform a timely visual tank inspection of primary and secondary seals within ten years of the previous inspection, as documented during an investigation conducted from July 12 to July 26, 2006 and a records review conducted on December 13, 2006. Specifically, the Respondent reported that it failed to conduct a timely inspection of the seals on Tank No. 122, a tank in HAP service.

Base Penalty $10,000

>> **Environmental, Property and Human Health Matrix**

Release	Harm: Major	Moderate	Minor
Actual			
Potential			

OR

Percent

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor
		x	

Percent 10%

Matrix Notes: The Respondent complied with between 30% and 70% of the rule. When the tank was subsequently inspected, it did not have damaged or deteriorated seals.

Adjustment -$9,000

Base Penalty Subtotal $1,000

Violation Events

Number of Violation Events: 1

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

Violation Base Penalty $1,000

One single event is recommended.

Economic Benefit (EB) for this violation

Estimated EB Amount $0

Statutory Limit Test

Violation Final Penalty Total $2,643

This violation Final Assessed Penalty (adjusted for limits) $2,643

Economic Benefit Worksheet

Respondent Delek Refining, Ltd.
Case ID No. 30908
Reg. Ent. Reference No. RN100222512
Media [Statute] Air Quality
Violation No. 12

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost (No commas or $)	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	$0	$0	$0
Buildings				0.0	$0	$0	$0
Other (as needed)				0.0	$0	$0	$0
Engineering/construction				0.0	$0	$0	$0
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	Economic benefits for this violation are included in Violation 10.						
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 $0

TOTAL $0

Screening Date	24-Aug-2006	**Docket No.** 2006-1433-AIR-E	**PCW**
Respondent	Delek Refining, Ltd.		*Policy Revision 2 (September 2002)*
Case ID No.	30908		*PCW Revision May 19, 2005*
Reg. Ent. Reference No.	RN100222512		
Media [Statute]	Air Quality		
Enf. Coordinator	Terry Murphy		

Violation Number 13

Primary Rule Cite(s) FOP O-01257, STC 1.A., 30 Tex. Admin. Code §§ 101.20(1) and 122.143(4), and 40 CFR § 60.105(a)(4)

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

Violation Description Failed to install an instrument to continuously monitor and record hydrogen sulfide (H_2S) on emergency flares, as documented during an investigation conducted from July 12 to July 26, 2006 and a record review conducted on December 13, 2006. Specifically, the Respondent reported that it failed to install H_2S monitors on Flares 1, 2, 3, and 4.

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 could be exposed to significant amounts of pollutants which would not exceed levels 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: 12

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

Violation Base Penalty $30,000

Twelve semiannual events are recommended (4 devices X 3 semiannual periods), from the initial deviation report date (May 6, 2005) through the enforcement screening date (August 24, 2006).

Economic Benefit (EB) for this violation

Estimated EB Amount $10,625

Statutory Limit Test

Violation Final Penalty Total $79,302

This violation Final Assessed Penalty (adjusted for limits) $79,302

Economic Benefit Worksheet

Respondent: Delek Refining, Ltd.
Case ID No.: 30908
Reg. Ent. Reference No.: RN100222512
Media [Statute]: Air Quality
Violation No.: 13

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost (No commas or $)	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment	$100,000	24-Sep-2005	01-Apr-2007	1.5	$506	$10,119	$10,625
Buildings				0.0	$0	$0	$0
Other (as needed)				0.0	$0	$0	$0
Engineering/construction				0.0	$0	$0	$0
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: Estimated costs to install monitors or demonstrate exemption for 7 devices. The Date Required is the date of an ordering provision applicable to the previous refinery owner requiring installation or demonstrated exemption, and the Final Date is the date the Respondent is expected to achieve compliance. The economic benefits for Violation 14 are included here.

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: $100,000

TOTAL: $10,625

Screening Date	24-Aug-2006	**Docket No.** 2006-1433-AIR-E	**PCW**
Respondent	Delek Refining, Ltd.		*Policy Revision 2 (September 2002)*
Case ID No.	30908		*PCW Revision May 19, 2005*
Reg. Ent. Reference No.	RN100222512		
Media [Statute]	Air Quality		
Enf. Coordinator	Terry Murphy		

Violation Number 14

Primary Rule Cite(s) FOP O-01257, STC 1.A., 30 Tex. Admin. Code §§ 101.20(1) and 122.143(4), and 40 CFR § 60.105(a)(4)

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

Violation Description Failed to install an instrument to continuously monitor and record hydrogen sulfide (H_2S) on fuel gas combustion devices, as documented during an investigation conducted from July 12 to July 26, 2006 and a records review conducted on December 13, 2006. Specifically, the Respondent reported that it failed to install H_2S monitors on Flare 5, the wastewater flare, and the Platformer Heater.

Base Penalty $10,000

>> **Environmental, Property and Human Health Matrix**

Release	Harm: Major	Moderate	Minor
Actual			
Potential			x

OR

Percent 10%

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor

Percent

Matrix Notes: Human health or the environment could be exposed to insignificant amounts (the streams to these three devices have a sulfur content of less than 160 ppm) of pollutants which would not exceed levels protective of human health or environmental receptors as a result of the violation.

Adjustment -$9,000

Base Penalty Subtotal $1,000

Violation Events

Number of Violation Events: 3

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

Violation Base Penalty $3,000

Three single events are recommended.

Economic Benefit (EB) for this violation

Estimated EB Amount $0

Statutory Limit Test

Violation Final Penalty Total $7,930

This violation Final Assessed Penalty (adjusted for limits) $7,930

Economic Benefit Worksheet

Respondent Delek Refining, Ltd.
Case ID No. 30908
Reg. Ent. Reference No. RN100222512
Media [Statute] Air Quality
Violation No. 14

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost (No commas or $)	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	$0	$0	$0
Buildings				0.0	$0	$0	$0
Other (as needed)				0.0	$0	$0	$0
Engineering/construction				0.0	$0	$0	$0
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	Economic benefits for this violation are included in Violation 13.						
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 $0

TOTAL $0

Screening Date	24-Aug-2006	**Docket No.** 2006-1433-AIR-E	**PCW**
Respondent	Delek Refining, Ltd.		*Policy Revision 2 (September 2002)*
Case ID No.	30908		*PCW Revision May 19, 2005*
Reg. Ent. Reference No.	RN100222512		
Media [Statute]	Air Quality		
Enf. Coordinator	Terry Murphy		

Violation Number 15

Primary Rule Cite(s) FOP O-01257, STC 6.F., 30 Tex. Admin. Code §§ 101.20(1) and 122.143(4), and 40 CFR §§ 60.105(a)(4) and 60.13(d)(1)

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

Violation Description Failed to perform daily H_2S calculations, as documented during an investigation conducted from July 12 to July 26, 2006 and a records review conducted on December 13, 2006. Specifically, the Respondent reported that it had not performed daily drift calculations on the H_2S monitor on the Vacuum Unit Heater since May 6, 2005.

Base Penalty $10,000

>> **Environmental, Property and Human Health Matrix**

Release	Harm: Major	Moderate	Minor
Actual			
Potential			x

OR

Percent 10%

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor

Percent

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

Adjustment -$9,000

Base Penalty Subtotal $1,000

Violation Events

Number of Violation Events: 1

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

Violation Base Penalty $1,000

One single event is recommended.

Economic Benefit (EB) for this violation

Estimated EB Amount $9,289

Statutory Limit Test

Violation Final Penalty Total $2,643

This violation Final Assessed Penalty (adjusted for limits) $2,643

Economic Benefit Worksheet

Respondent Delek Refining, Ltd.
Case ID No. 30908
Reg. Ent. Reference No. RN100222512
Media [Statute] Air Quality
Violation No. 15

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost (No commas or $)	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment	$7,300	06-May-2005	01-Apr-2007	1.9	$46	$927	$973
Buildings				0.0	$0	$0	$0
Other (as needed)				0.0	$0	$0	$0
Engineering/construction				0.0	$0	$0	$0
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: Estimated costs to perform daily calculations. The Date Required is the date of the initial violation reporting period, and the Final Date is the date the Respondent is expected to begin doing daily calculations or have approval for an alternate monitoring plan.

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	$7,300	06-May-2005	06-Jun-2006	1.1	$396	$7,920	$8,316
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: Estimated costs to have performed daily calculations. The Date Required is the date of the initial violation reporting period, and the Final Date is the date the Respondent reported the last failure to do daily calculations or have approval for an alternate monitoring plan.

Approx. Cost of Compliance: $14,600

TOTAL $9,289

Screening Date 24-Aug-2006 **Docket No.** 2006-1433-AIR-E **PCW**

Respondent Delek Refining, Ltd. *Policy Revision 2 (September 2002)*

Case ID No. 30908 *PCW Revision May 19, 2005*

Reg. Ent. Reference No. RN100222512

Media [Statute] Air Quality

Enf. Coordinator Terry Murphy

Violation Number 16

Primary Rule Cite(s) FOP O-01257, STC 1.A., 30 Tex. Admin. Code §§ 101.20(1), 113.340, and 122.143(4), and 40 CFR §§ 60.482-6(a)(1) and 63.648(a)

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

Violation Description Failed to equip open-ended lines (OELS) or valves with a cap, blind flange, plug, or a second valve, as documented during an investigation conducted from July 12 to July 26, 2006 and a records review conducted on December 13, 2006. Specifically, the Respondent reported that 36 OELs in HAP service in Units 2HD (10 OELs), Sat #2 (2 OELs), Crude (16 OELs), Tank Farm (4 OELs), and Coker (4 OELs), had not been equipped with caps, blind flanges, plugs, or second valves. During the physical investigation, a further nine OELs in the Alky Unit and nine OELs in the Sat Gas Unit, all in volatile organic compounds (VOC) service, were documented.

Base Penalty $10,000

>> **Environmental, Property and Human Health Matrix**

Release	Harm: Major	Moderate	Minor
Actual			x
Potential			

OR

Percent 25%

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor

Percent

Matrix Notes: Human health or the environment has been exposed to insignificant amounts of pollutants not exceeding levels 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, from the initial deviation report date (May 6, 2005) through the enforcement screening date (August 24, 2006).

Economic Benefit (EB) for this violation

Estimated EB Amount $360

Statutory Limit Test

Violation Final Penalty Total $39,651

This violation Final Assessed Penalty (adjusted for limits) $39,651

Economic Benefit Worksheet

Respondent Delek Refining, Ltd.
Case ID No. 30908
Reg. Ent. Reference No. RN100222512
Media [Statute] Air Quality
Violation No. 16

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost (No commas or $)	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment	$2,700	06-May-2005	01-Apr-2007	1.9	$17	$343	$360
Buildings				0.0	$0	$0	$0
Other (as needed)				0.0	$0	$0	$0
Engineering/construction				0.0	$0	$0	$0
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: Estimated costs to cap open ended lines. The Date Required is the date of the initial reporting period, and the Final Date is the date the Respondent is expected to have completed capping open ended lines.

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: $2,700

TOTAL: $360

Screening Date 24-Aug-2006 **Docket No.** 2006-1433-AIR-E **PCW**

Respondent Delek Refining, Ltd. *Policy Revision 2 (September 2002)*

Case ID No. 30908 *PCW Revision May 19, 2005*

Reg. Ent. Reference No. RN100222512

Media [Statute] Air Quality

Enf. Coordinator Terry Murphy

Violation Number 17

Primary Rule Cite(s) FOP O-01257, STC 1.A., 30 Tex. Admin. Code §§ 101.20(1), 113.340, and 122.143(4), and 40 CFR §§ 60.486(c)(1), 60.486(c)(7), and 63.648(a)

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

Violation Description Failed to provide complete information on a Leak Detection and Repair (LDAR) report, as documented during an investigation conducted from July 12 to July 26, 2006 and a records review conducted on December 13, 2006. Specifically, the Respondent reported that it did not record instrument operator identification, instrument number, and the expected date of repair on the monthly Delay of Repair list.

Base Penalty $10,000

>> **Environmental, Property and Human Health Matrix**

Release	Harm: Major	Moderate	Minor
Actual			
Potential			

OR

Percent

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor
			x

Percent 1%

Matrix Notes: The Respondent provided more than 70% of the required information.

Adjustment -$9,900

Base Penalty Subtotal $100

Violation Events

Number of Violation Events: 1

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

Violation Base Penalty $100

One single event is recommended.

Economic Benefit (EB) for this violation

Estimated EB Amount $2,338

Statutory Limit Test

Violation Final Penalty Total $264

This violation Final Assessed Penalty (adjusted for limits) $264

Economic Benefit Worksheet

Respondent Delek Refining, Ltd.
Case ID No. 30908
Reg. Ent. Reference No. RN100222512
Media [Statute] Air Quality
Violation No. 17

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost (No commas or $)	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	$0	$0	$0
Buildings				0.0	$0	$0	$0
Other (as needed)				0.0	$0	$0	$0
Engineering/construction				0.0	$0	$0	$0
Land				0.0	$0	n/a	$0
Record Keeping System	$2,000	06-May-2005	22-Sep-2006	1.4	$138	n/a	$138
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: Estimated costs for improvements to the Delay of Repair record keeping system. The Date Required is the date of the initial reporting period, and the Final Date is the date the Respondent completed improvements to record keeping procedures.

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]	$2,000	06-May-2005	06-Jun-2006	2.0	$200	$2,000	$2,200
Other (as needed)				0.0	$0	$0	$0

Notes for AVOIDED costs: Estimated savings for not having kept complete records. The Date Required is the date of the initial reporting period, and the Final Date is the date the Respondent reported the last failure to provide a complete record.

Approx. Cost of Compliance: $4,000

TOTAL $2,338

Screening Date 24-Aug-2006 **Docket No.** 2006-1433-AIR-E **PCW**

Respondent Delek Refining, Ltd. *Policy Revision 2 (September 2002)*

Case ID No. 30908 *PCW Revision May 19, 2005*

Reg. Ent. Reference No. RN100222512

Media [Statute] Air Quality

Enf. Coordinator Terry Murphy

Violation Number 18

Primary Rule Cite(s) FOP O-01257, STC 1.A., 30 Tex. Admin. Code §§ 101.20(1) and 122.143(4), and 40 CFR §§ 60.105(e)(3)(ii), 60.7(c)(2), and 60.107(f)

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

Violation Description Failed to certify the accuracy and completeness of quarterly CEMS reports, as documented during an investigation conducted from July 12 to July 26, 2006 and a records review conducted on December 13, 2006. Specifically, the Respondent reported that it did not include language in the quarterly CEMS reports for the period January 24 to May 5, 2006 certifying their accuracy and completeness.

Base Penalty $10,000

>> **Environmental, Property and Human Health Matrix**

Release	Harm: Major	Moderate	Minor
Actual			
Potential			

OR

Percent

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor
			x

Percent 1%

Matrix Notes: The Respondent provided more than 70% of the required information.

Adjustment -$9,900

Base Penalty Subtotal $100

Violation Events

Number of Violation Events: 2

mark only one use a small x

daily	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty $200

Two single events are recommended for the two deficient reports.

Economic Benefit (EB) for this violation

Estimated EB Amount $36

Statutory Limit Test

Violation Final Penalty Total $529

This violation Final Assessed Penalty (adjusted for limits) $529

Economic Benefit Worksheet

Respondent Delek Refining, Ltd.
Case ID No. 30908
Reg. Ent. Reference No. RN100222512
Media [Statute] Air Quality
Violation No. 18

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost (No commas or $)	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	$0	$0	$0
Buildings				0.0	$0	$0	$0
Other (as needed)				0.0	$0	$0	$0
Engineering/construction				0.0	$0	$0	$0
Land				0.0	$0	n/a	$0
Record Keeping System	$1,100	24-Jan-2006	22-Sep-2006	0.7	$36	n/a	$36
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: Estimated costs to improve the CEMS reporting documents. The Date Required is the date of the first deficient report, and the Final Date is the date the Respondent completed improvements to the documents.

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: $1,100

TOTAL $36

Screening Date 24-Aug-2006 **Docket No.** 2006-1433-AIR-E **PCW**

Respondent Delek Refining, Ltd. *Policy Revision 2 (September 2002)*

Case ID No. 30908 *PCW Revision May 19, 2005*

Reg. Ent. Reference No. RN100222512

Media [Statute] Air Quality

Enf. Coordinator Terry Murphy

Violation Number 19

Primary Rule Cite(s) FOP O-01257, STC 1.A., 30 Tex. Admin. Code §§ 113.340 and 122.143(4), and 40 CFR § 63.654(g) and 63.654(g)(5)(iii)

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

Violation Description Failed to submit a timely and complete MACT CC report, as documented during an investigation conducted from July 12 to July 26, 2006 and a records review conducted on December 13, 2006. Specifically, the Respondent reported that it needed to submit a MACT CC report (concerning flares not meeting general control device requirements) by March 15, 2006, but did not do so until April 12, 2006, that the report did not include the period of December 31, 2005 through January 15, 2006, and that the absence of the flare pilot on December 17, 2005 was not included in the report.

Base Penalty $10,000

>> **Environmental, Property and Human Health Matrix**

Release	Harm: Major	Moderate	Minor
Actual			
Potential			

OR

Percent

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor
		x	

Percent 10%

Matrix Notes: The Respondent complied with between 30% and 70% of the rule.

Adjustment -$9,000

Base Penalty Subtotal $1,000

Violation Events

Number of Violation Events: 1

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

Violation Base Penalty $1,000

One single event is recommended.

Economic Benefit (EB) for this violation

Estimated EB Amount $33

Statutory Limit Test

Violation Final Penalty Total $2,643

This violation Final Assessed Penalty (adjusted for limits) $2,643

Economic Benefit Worksheet

Respondent Delek Refining, Ltd.
Case ID No. 30908
Reg. Ent. Reference No. RN100222512
Media [Statute] Air Quality
Violation No. 19

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost (No commas or $)	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	$0	$0	$0
Buildings				0.0	$0	$0	$0
Other (as needed)				0.0	$0	$0	$0
Engineering/construction				0.0	$0	$0	$0
Land				0.0	$0	n/a	$0
Record Keeping System	$1,000	15-Mar-2006	23-Oct-2006	0.6	$30	n/a	$30
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)	$100	15-Mar-2006	23-Oct-2006	0.6	$3	n/a	$3

Notes for DELAYED costs: Estimated costs to improve the MACT CC reporting system ($1,000). The Date Required is the date the report was due, and the Final Date is the date the Respondent completed improvements to the reporting system. Estimated costs to prepare and submit a corrected report ($100). The Date Required is the date the report was due, and the Final Date is the date the Respondent submitted a corrected report.

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: $1,100

TOTAL $33

Screening Date 24-Aug-2006 **Docket No.** 2006-1433-AIR-E **PCW**

Respondent Delek Refining, Ltd. *Policy Revision 2 (September 2002)*

Case ID No. 30908 *PCW Revision May 19, 2005*

Reg. Ent. Reference No. RN100222512

Media [Statute] Air Quality

Enf. Coordinator Terry Murphy

Violation Number 20

Primary Rule Cite(s) FOP O-01257, STC 1.A., 30 Tex. Admin. Code §§ 113.340 and 122.143(4), and 40 CFR §§ 63.10(d) and 63.1575(b)(2)

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

Violation Description Failed to timely submit a MACT UUU report, as documented during an investigation conducted from July 12 to July 26, 2006 and a records review conducted on December 13, 2006. Specifically, the Respondent reported that it did not submit the MACT UUU report (concerning catalytic cracking, catalytic reforming, and sulfur recovery units) that was due on January 31, 2006 until July 31, 2006.

Base Penalty $10,000

>> **Environmental, Property and Human Health Matrix**

Release	Harm: Major	Moderate	Minor
Actual			
Potential			

OR

Percent

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor
			x

Percent 1%

Matrix Notes: The Respondent complied with more than 70% of the rule.

Adjustment -$9,900

Base Penalty Subtotal $100

Violation Events

Number of Violation Events: 1

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

Violation Base Penalty $100

One single event is recommended.

Economic Benefit (EB) for this violation

Estimated EB Amount $34

Statutory Limit Test

Violation Final Penalty Total $264

This violation Final Assessed Penalty (adjusted for limits) $264

Economic Benefit Worksheet

Respondent Delek Refining, Ltd.
Case ID No. 30908
Reg. Ent. Reference No. RN100222512
Media [Statute] Air Quality
Violation No. 20

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost (No commas or $)	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	$0	$0	$0
Buildings				0.0	$0	$0	$0
Other (as needed)				0.0	$0	$0	$0
Engineering/construction				0.0	$0	$0	$0
Land				0.0	$0	n/a	$0
Record Keeping System	$800	31-Jan-2006	23-Oct-2006	0.7	$29	n/a	$29
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)	$200	31-Jan-2006	31-Jul-2006	0.5	$5	n/a	$5

Notes for DELAYED costs: Estimated costs to improve the MACT UUU reporting system ($800) and to prepare and submit a report ($200). The Date Required is the date of the report was due, and the Final Date is the date the Respondent completed improvements to the reporting system. The overdue report itself was submitted on July 31, 2006.

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: $1,000

TOTAL $34

Screening Date 24-Aug-2006 **Docket No.** 2006-1433-AIR-E **PCW**

Respondent Delek Refining, Ltd. *Policy Revision 2 (September 2002)*

Case ID No. 30908 *PCW Revision May 19, 2005*

Reg. Ent. Reference No. RN100222512

Media [Statute] Air Quality

Enf. Coordinator Terry Murphy

Violation Number 21

Primary Rule Cite(s) NSR Air Permit No. 4902, SC 7., FOP O-01257, STC 13. and 30 Tex. Admin. Code §§ 116.115(c) and 122.143(4)

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

Violation Description Failed to conduct monthly CO sampling, as documented during an investigation conducted from July 12 to July 26, 2006 and a records review conducted on December 13, 2006. Specifically, the Respondent reported that it did not sample for CO in the gas fed to Boiler EPN 54 during the month of May 2005.

Base Penalty $10,000

>> **Environmental, Property and Human Health Matrix**

Release	Harm: Major	Moderate	Minor
Actual			
Potential			x

OR

Percent 10%

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor

Percent

Matrix Notes: Human health or the environment could have been exposed to insignificant amounts of pollutants which would not have exceeded levels protective of human health or environmental receptors as a result of the violation.

Adjustment -$9,000

Base Penalty Subtotal $1,000

Violation Events

Number of Violation Events 1

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

Violation Base Penalty $1,000

One single event is recommended.

Economic Benefit (EB) for this violation

Estimated EB Amount $49

Statutory Limit Test

Violation Final Penalty Total $2,643

This violation Final Assessed Penalty (adjusted for limits) $2,643

Economic Benefit Worksheet

Respondent Delek Refining, Ltd.
Case ID No. 30908
Reg. Ent. Reference No. RN100222512
Media [Statute] Air Quality
Violation No. 21

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost (No commas or $)	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	$0	$0	$0
Buildings				0.0	$0	$0	$0
Other (as needed)				0.0	$0	$0	$0
Engineering/construction				0.0	$0	$0	$0
Land				0.0	$0	n/a	$0
Record Keeping System				0.0	$0	n/a	$0
Training/Sampling	$500	01-May-2005	05-Jun-2006	1.1	$27	n/a	$27
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: Estimated costs to improve procedures to ensure regular sampling. The Date Required is the first day of the violation month, and the Final Date is the date the Respondent reported improvements to procedures had been completed.

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	$250	01-May-2005	31-May-2005	0.1	$1	$21	$22
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: Estimated costs to have done sampling. The Date Required is the first day of the violation month, and the Final Date is the last day of the violation month.

Approx. Cost of Compliance: $750

TOTAL $49

Screening Date 24-Aug-2006 **Docket No.** 2006-1433-AIR-E **PCW**

Respondent Delek Refining, Ltd. *Policy Revision 2 (September 2002)*

Case ID No. 30908 *PCW Revision May 19, 2005*

Reg. Ent. Reference No. RN100222512

Media [Statute] Air Quality

Enf. Coordinator Terry Murphy

Violation Number 22

Primary Rule Cite(s) FOP O-01257, STC 1.A., 30 Tex. Admin. Code §§ 113.340 and 122.143(4), and 40 CFR §§ 63.120(a)(5) and 63.646(a)

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

Violation Description Failed to notify the TCEQ at least 30 days prior to refilling storage tanks in HAP service, as documented during an investigation conducted from July 12 to July 26, 2006 and a records review conducted on December 13, 2006. Specifically, the Respondent reported that it refilled Tank Nos. 118 and 122, during the period November 6, 2005 to May 5, 2006, without prior notification.

Base Penalty $10,000

>> **Environmental, Property and Human Health Matrix**

Release	Harm: Major	Moderate	Minor
Actual			
Potential			

OR

Percent

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor
	x		

Percent 25%

Matrix Notes: The Respondent failed to comply with 100% of the rule.

Adjustment -$7,500

Base Penalty Subtotal $2,500

Violation Events

Number of Violation Events: 2

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

Violation Base Penalty $5,000

Two single events are recommended.

Economic Benefit (EB) for this violation

Estimated EB Amount $232

Statutory Limit Test

Violation Final Penalty Total $13,217

This violation Final Assessed Penalty (adjusted for limits) $13,217

Economic Benefit Worksheet

Respondent Delek Refining, Ltd.
Case ID No. 30908
Reg. Ent. Reference No. RN100222512
Media [Statute] Air Quality
Violation No. 22

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost (No commas or $)	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	$0	$0	$0
Buildings				0.0	$0	$0	$0
Other (as needed)				0.0	$0	$0	$0
Engineering/construction				0.0	$0	$0	$0
Land				0.0	$0	n/a	$0
Record Keeping System	$500	06-Nov-2005	22-Sep-2006	0.9	$22	n/a	$22
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: Estimated costs to improve procedures to ensure timely tank refilling notifications. The Date Required is the first day of the reported violation period, and the Final Date is the date the Respondent completed improvements to procedures.

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]	$200	06-Nov-2005	05-May-2006	1.0	$10	$200	$210
Other (as needed)				0.0	$0	$0	$0

Notes for AVOIDED costs: Estimated costs to have notified the TCEQ of tank refillings. The Date Required is the first day of the reported violation period, and the Final Date is the last date of the reported violation period.

Approx. Cost of Compliance: $700

TOTAL $232

Screening Date 24-Aug-2006 **Docket No.** 2006-1433-AIR-E **PCW**

Respondent Delek Refining, Ltd. *Policy Revision 2 (September 2002)*

Case ID No. 30908 *PCW Revision May 19, 2005*

Reg. Ent. Reference No. RN100222512

Media [Statute] Air Quality

Enf. Coordinator Terry Murphy

Violation Number 23

Primary Rule Cite(s) FOP O-01257, STC 1.A., 30 Tex. Admin. Code §§ 113.340 and 122.143(4), and 40 CFR §§ 63.120(b)(1)(iii) and 63.646(a)

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

Violation Description Failed to perform timely tank seal gap measurements on tanks in HAP service, as documented during an investigation conducted from July 12 to July 26, 2006 and a records review conducted on December 13, 2006. Specifically, the Respondent reported that, during the period November 6, 2005 to May 5, 2006, it failed to timely perform annually required, secondary seal gap measurements on Tank Nos. 151, 155, and 156.

Base Penalty $10,000

>> **Environmental, Property and Human Health Matrix**

Release	Harm: Major	Moderate	Minor
Actual			
Potential			

OR

Percent

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor
		x	

Percent 10%

Matrix Notes: The Respondent complied with between 70% and 30% of the rule, and none of the tanks that were subsequently inspected had noncompliant seal gaps.

Adjustment -$9,000

Base Penalty Subtotal $1,000

Violation Events

Number of Violation Events: 3

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

Violation Base Penalty $3,000

Three single events are recommended.

Economic Benefit (EB) for this violation

Estimated EB Amount $1,619

Statutory Limit Test

Violation Final Penalty Total $7,930

This violation Final Assessed Penalty (adjusted for limits) $7,930

Economic Benefit Worksheet

Respondent Delek Refining, Ltd.
Case ID No. 30908
Reg. Ent. Reference No. RN100222512
Media [Statute] Air Quality
Violation No. 23

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost (No commas or $)	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	$0	$0	$0
Buildings				0.0	$0	$0	$0
Other (as needed)				0.0	$0	$0	$0
Engineering/construction				0.0	$0	$0	$0
Land				0.0	$0	n/a	$0
Record Keeping System				0.0	$0	n/a	$0
Training/Sampling	$1,000	06-Nov-2005	22-Sep-2006	0.9	$44	n/a	$44
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: Estimated costs to improve procedures to ensure timely tank inspections. The Date Required is the first day of the reported violation period, and the Final Date is the date the Respondent completed improvements to a system for tracking inspection due dates.

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]	$1,500	06-Nov-2005	31-Oct-2006	1.0	$75	$1,500	$1,575
Other (as needed)				0.0	$0	$0	$0

Notes for AVOIDED costs: Estimated costs to have performed tank inspections. The Date Required is the first day of the reported violation period, and the Final Date is the date by which the Respondent reported that the inspections had been conducted.

Approx. Cost of Compliance: $2,500

TOTAL $1,619

Screening Date 24-Aug-2006 **Docket No.** 2006-1433-AIR-E **PCW**

Respondent Delek Refining, Ltd. *Policy Revision 2 (September 2002)*

Case ID No. 30908 *PCW Revision May 19, 2005*

Reg. Ent. Reference No. RN100222512

Media [Statute] Air Quality

Enf. Coordinator Terry Murphy

Violation Number 24

Primary Rule Cite(s) FOP O-01257, STC 1.A., 30 Tex. Admin. Code §§ 101.20(1) and 122.143(4), and 40 CFR § 60.113b(b)(1)(ii)

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

Violation Description Failed to perform timely tank seal gap measurements on a tank in VOC service, as documented during an investigation conducted from July 12 to July 26, 2006 and a records review conducted on December 13, 2006. Specifically, the Respondent reported that, during the period November 6, 2005 to May 5, 2006, it failed to timely inspect Tank No. 172's secondary seal gap measurements (required annually).

Base Penalty $10,000

>> **Environmental, Property and Human Health Matrix**

Release	Harm: Major	Moderate	Minor
Actual			
Potential			

OR

Percent

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor
		x	

Percent 10%

Matrix Notes: The Respondent complied with between 30% and 70% of the rule, and the subsequent seal gap inspection determined that none of the seal gaps were noncompliant.

Adjustment -$9,000

Base Penalty Subtotal $1,000

Violation Events

Number of Violation Events 1

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

Violation Base Penalty $1,000

One single event is recommended.

Economic Benefit (EB) for this violation

Estimated EB Amount $0

Statutory Limit Test

Violation Final Penalty Total $2,643

This violation Final Assessed Penalty (adjusted for limits) $2,643

Economic Benefit Worksheet

Respondent Delek Refining, Ltd.
Case ID No. 30908
Reg. Ent. Reference No. RN100222512
Media [Statute] Air Quality
Violation No. 24

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost (No commas or $)	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	$0	$0	$0
Buildings				0.0	$0	$0	$0
Other (as needed)				0.0	$0	$0	$0
Engineering/construction				0.0	$0	$0	$0
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	Economic benefits for this violation are included in Violation 23.						
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 $0

TOTAL $0

Screening Date 24-Aug-2006 **Docket No.** 2006-1433-AIR-E **PCW**

Respondent Delek Refining, Ltd. *Policy Revision 2 (September 2002)*

Case ID No. 30908 *PCW Revision May 19, 2005*

Reg. Ent. Reference No. RN100222512

Media [Statute] Air Quality

Enf. Coordinator Terry Murphy

Violation Number 25

Primary Rule Cite(s) FOP O-01257, STC 1.A., 30 Tex. Admin. Code §§ 101.20(2), 113.340, and 122.143(4), and 40 CFR §§ 61.356(f)(1) and 63.654(a)

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

Violation Description Failed to maintain a signed and dated flare certification, as documented during an investigation conducted from July 12 to July 26, 2006, and a records review conducted on December 13, 2006. Specifically, the Respondent reported that it did not have a certification for the stripper overhead flare stating it is designed to operate at the desired performance level at the highest expected loads.

Base Penalty $10,000

>> **Environmental, Property and Human Health Matrix**

Release	Harm: Major	Moderate	Minor
Actual			
Potential			

OR

Percent

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor
			x

Percent 1%

Matrix Notes: The Respondent complied with more than 70% of the rule.

Adjustment -$9,900

Base Penalty Subtotal $100

Violation Events

Number of Violation Events: 1

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

Violation Base Penalty $100

One single event is recommended.

Economic Benefit (EB) for this violation

Estimated EB Amount $19

Statutory Limit Test

Violation Final Penalty Total $264

This violation Final Assessed Penalty (adjusted for limits) $264

Economic Benefit Worksheet

Respondent Delek Refining, Ltd.
Case ID No. 30908
Reg. Ent. Reference No. RN100222512
Media [Statute] Air Quality
Violation No. 25

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost (No commas or $)	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	$0	$0	$0
Buildings				0.0	$0	$0	$0
Other (as needed)				0.0	$0	$0	$0
Engineering/construction				0.0	$0	$0	$0
Land				0.0	$0	n/a	$0
Stripper overhead flare certification	$200	06-May-2005	01-Apr-2007	1.9	$19	n/a	$19
Training/Sampling				0.0	$0	n/a	$0
Remediation/Disposal				0.0	$0	n/a	$0
Permit Costs				0.0	$0	n/a	$0
API separator flare certification				0.0	$0	n/a	$0
Notes for DELAYED costs	Estimated costs to prepare and maintain a flare certification. The Date Required is the first day of the reported violation period. The Final Date is the date the Respondent is expected to have the certification completed.						
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 $200

TOTAL $19

Screening Date 24-Aug-2006 **Docket No.** 2006-1433-AIR-E **PCW**

Respondent Delek Refining, Ltd. *Policy Revision 2 (September 2002)*

Case ID No. 30908 *PCW Revision May 19, 2005*

Reg. Ent. Reference No. RN100222512

Media [Statute] Air Quality

Enf. Coordinator Terry Murphy

Violation Number	26
Primary Rule Cite(s)	FOP O-01257, STC 1.A., 30 Tex. Admin. Code §§ 113.340, and 122.143(4), and 40 CFR §§ 61.346(b)(2)(ii)(A) and 63.654(a)
Secondary Rule Cite(s)	Tex. Health & Safety Code § 382.085(b)
Violation Description	Failed to install a flow indicator, as documented during an investigation conducted from July 12 to July 26, 2006 and a records review conducted on December 13, 2006. Specifically, the vent pipe on one junction box in the wastewater drain system was vented to the atmosphere, and a flow indicator was not installed to ensure that no venting of organic vapors was occurring.

Base Penalty $10,000

>> **Environmental, Property and Human Health Matrix**

Release	Harm: Major	Moderate	Minor
Actual			
Potential			x

OR

Percent 10%

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor

Percent

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

Adjustment -$9,000

Base Penalty Subtotal $1,000

Violation Events

Number of Violation Events: 1

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

Violation Base Penalty $1,000

One quarterly event is recommended from the investigation date (July 12, 2006) to the enforcement screening date (August 24, 2006).

Economic Benefit (EB) for this violation

Estimated EB Amount $12

Statutory Limit Test

Violation Final Penalty Total $2,643

This violation Final Assessed Penalty (adjusted for limits) $2,643

Economic Benefit Worksheet

Respondent Delek Refining, Ltd.
Case ID No. 30908
Reg. Ent. Reference No. RN100222512
Media [Statute] Air Quality
Violation No. 26

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost (No commas or $)	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	$0	$0	$0
Buildings				0.0	$0	$0	$0
Other (as needed)	$500	26-Jul-2006	29-Nov-2006	0.3	$1	$12	$12
Engineering/construction				0.0	$0	$0	$0
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: Estimated costs to seal the vent. The Date Required is the day of the investigation, and the Final Date is the date the Respondent reported having completed the project.

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: $500

TOTAL $12

Compliance History

Customer/Respondent/Owner-Operator:	CN602831232	Delek Refining, Ltd.	Classification: AVERAGE	Rating: 3.25
Regulated Entity:	RN100222512	DELEK TYLER REFINERY	Classification: AVERAGE	Site Rating: 3.50

ID Number(s):

AIR OPERATING PERMITS	ACCOUNT NUMBER	SK0022A
AIR OPERATING PERMITS	PERMIT	1257
WASTEWATER	PERMIT	WQ0001590000
WASTEWATER	PERMIT	TPDES0001449
WASTEWATER	PERMIT	TX0001449
INDUSTRIAL AND HAZARDOUS WASTE GENERATION	PERMIT	50062
INDUSTRIAL AND HAZARDOUS WASTE GENERATION	EPA ID	TXD007333800
INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION # (SWR)	30872
INDUSTRIAL AND HAZARDOUS WASTE STORAGE	PERMIT	50062
INDUSTRIAL AND HAZARDOUS WASTE STORAGE	PERMIT	50062
AIR NEW SOURCE PERMITS	PERMIT	72
AIR NEW SOURCE PERMITS	PERMIT	3903
AIR NEW SOURCE PERMITS	PERMIT	3904
AIR NEW SOURCE PERMITS	PERMIT	4028
AIR NEW SOURCE PERMITS	PERMIT	4902
AIR NEW SOURCE PERMITS	PERMIT	5955
AIR NEW SOURCE PERMITS	PERMIT	5955A
AIR NEW SOURCE PERMITS	PERMIT	7488
AIR NEW SOURCE PERMITS	PERMIT	10819
AIR NEW SOURCE PERMITS	PERMIT	14200
AIR NEW SOURCE PERMITS	PERMIT	21104
AIR NEW SOURCE PERMITS	PERMIT	46067
AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	SK0022A
AIR NEW SOURCE PERMITS	PERMIT	56479
AIR NEW SOURCE PERMITS	AFS NUM	0001
AIR NEW SOURCE PERMITS	PERMIT	56281
AIR NEW SOURCE PERMITS	PERMIT	56648
AIR NEW SOURCE PERMITS	REGISTRATION	75087
IHW CORRECTIVE ACTION	SOLID WASTE REGISTRATION # (SWR)	30872
INDUSTRIAL AND HAZARDOUS WASTE PROCESSING	PERMIT	50062
INDUSTRIAL AND HAZARDOUS WASTE COMPLIANCE PLANS	PERMIT	50062
UNDERGROUND INJECTION CONTROL	PERMIT	5X2600283

Location: 1702 E COMMERCE ST, TYLER, TX 75702 Rating Date: 9/1/2005 Repeat Violator: NO

TCEQ Region: REGION 05 - TYLER

Date Compliance History Prepared: August 18, 2006

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: August 18, 2001 to August 18, 2006

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

Name: Terry Murphy Phone: (512) 239-5025

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? Yes
3. If Yes, who is the current owner? Delek Refining, Ltd.
4. if Yes, who was/were the prior owner(s)? La Gloria Oil and Gas Company
5. When did the change(s) in ownership occur? April 28, 2005

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: 06/15/2006 1660-style Admin. Order 2006-0028-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter F 101.211(a)
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failure to report unauthorized emissions resulting from an emissions event.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
30 TAC Chapter 116, SubChapter B 116.115(c)

5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: 4902 Special Condition 1 PA
Description: Failure to prevent unauthorized emissions during an emissions event at the FCCU/#9 Boiler. Since Delek failed to properly report the emissions event, the affirmative defense could not be met pursuant to 30 TAC §101.222(c)(1).

Effective Date: 04/03/2005 1660-style Admin. Order 2004-0291-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: Special Condition 4 PERMIT
Description: Failed to comply with emission limits for sulphur dioxide.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: Special Condition 1 PERMIT
Description: Failure to comply with emission limits for carbon monoxide from Boiler No. 9.

During an investigation conducted on November 07, 2002, t

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)(B)
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failure to notify the TCEQ Tyler Regional office within 24 hours of two reportable emissions events.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: Special Condition 2 PERMIT
Description: Failue to control emissions from the sulfur storage pit at the Sulfur Recovery Plant.

Classification: Minor

Citation: 30 TAC Chapter 115, SubChapter C 115.212(b)(4)(C)
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failure to equip the gasoline loading terminal with a system to automatically stop the transfer of gasoline if the emission control device malfunctions.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
40 CFR Part 60, Subpart J 60.105(a)(4)

5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failure to install an instrument to continuously monitor and record the concentrations of hydrogen sulfide in the fuel gas prior to being burned by any fuel gas combustion device.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)[G]
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: Special Condition 1 PERMIT
Description: Failed to comply with the special condition of its permit.

Effective Date: 10/24/2005 Findings Admin. Order 2005-0342-AIR-E

Classification: Major

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: SPECIAL CONDITION NO. 1 OP
Description: La Gloria failed to comply with emission limits for sulfur dioxide (SO2) from the refinery fuel gas system.

Effective Date: 05/12/2006 1660-style Admin. Order 2005-1354-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)[G]
30 TAC Chapter 101, SubChapter F 101.201(b)
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failure to properly report the incidents associated to the January 18, 2005 emisisons event.

Classification: Major

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: Special Condition 1 PERMIT
Description: Failure to comply with permitted emissions limits during an emisisons event on January 18, 2005. Since the emissions event was not properly reported La Gloria was unable to meet the demonstration for an affirmative defense under 30 Tex. Admin. Code § 101.222.

Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.145(2)(B)
30 TAC Chapter 122, SubChapter B 122.165(a)(7)

5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failure to submit a deviation report within 30 days after the end of the reporting period and include certification by a responsibile official.

Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: Permit O-01257 STC 3Aiii and 3Biii OP
Description: Failed to maintain records documenting quarterly opacity observations, as reported in deviation reports for the period of May 6, 2004 to November 5, 2004 and November 6, 2004 to April 28, 2005.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 122, SubChapter B 122.143(4)

40 CFR Chapter 60, SubChapter C, PT 60, SubPT J 60.105(a)(4)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: Permit O-01257, ST&C 1.A. OP
Description: Failed to install an instrument for continuously monitoring and recording the concentration of hydrogen sulfide in fuel gases before being burned in any fuel gas combustion device.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: Permit 5955A, SC 4 PA
SOP O-01257, ST&C 13 OP

Description: Failed to maintain sulfur production below the maximum limit of 16.6 long tons per day ("LTD").

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: Permit 5955A, SC 5B PA
Permit O-01257, SC 13 OP

Description: Failed to maintain records demonstrating the date, time, and specific repairs made for leaks that were discovered during olfactory, visual, and audible ("OVA") leak checks.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)

5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: Permit 21104, SC 2 PA
Permit O-01257, SC 13 OP

Description: Failed to maintain nitrogen oxide ("NOx") emissions below 64 parts per million volumetric dry ("ppmvd").

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT Kb 60.113b(b)(5)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: Permit O-01257 STC 1A OP

Description: Failed to notify the Administrator in writing 30 days in advance of conducting seal gap measurements.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT Kb 60.115b(b)(2)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: SOP O-01257, STC 1A OP

Description: Failed to submit a report to the Administrator within 60 days after conducting seal gap measurements.

Classification: Moderate

Citation: 30 TAC Chapter 113, SubChapter C 113.340
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT AA 63.646(a)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.120(a)(5)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: SOP O-01257 STC 1A OP

Description: Failed to notify the Administrator in writing 30 days prior to refilling an empty storage vessel.

Classification: Moderate

Citation: 30 TAC Chapter 113, SubChapter C 113.340
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT AA 63.646(a)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.120(b)(1)(iii)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: SOP O-01257 STC 1A OP

Description: Failed to perform seal gap measurements of external floating roof vessels equipped with primary and secondary seals at least once per year after the initial compliance date.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT J 60.107(b)(1)(i)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT J 60.107(b)(1)(iii)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: Permit 4902 SC 2 PA
SOP O-01257 STC 13 OP

Description: Failed to maintain complete quality control records for the CEMS and continuous opacity monitoring system ("COMS") on BLRHT0009.

Classification: Moderate

Citation: 30 TAC Chapter 113, SubChapter C 113.340
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.487(c)(2)(vii)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.487(c)(4)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT AA 63.648(a)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: SOP O-01257 STC 1A OP

Description: Failed to include in semi-annual reports submitted to the Administrator facts that explain each delay of repair, and where appropriate, why a process unit shutdown was technically infeasible, and changes to components that have occurred since the submission of previous semi-annual reports

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.110(a)[G]
5C THC Chapter 382, SubChapter D 382.085(b)

Description: Failed to obtain authorization for construction and operation of the Reformer HCl Fixed Bed Absorber installed on April 11, 2005.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(2)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.342(f)(2)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: SOP O-01257 STC 10E OP
Description: Failed to include with each off-site shipment a notice stating that the waste contains benzene which is required to be managed and treated in accordance with 40 Code of Federal Regulations Subpart FF.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(2)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.357(d)(2)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: SOP O-01257 STC 10K OP
Description: Failed to submit an annual benzene report that includes the total benzene quantity from facility waste, a table identifying each waste stream and whether or not the waste stream is being controlled for benzene emissions, or a statement that there were not changes fromthe previous annual report.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(2)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.357(d)(8)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: SOP O-01257 STC 10F OP
Description: Failed to include in the annual report a summary of all inspections in which detectable emissions are measured that could result in benzene emissions.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(2)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.356(f)(1)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: SOP O-01257 STC 1A OP
Description: Failed to maintain a signed and dated certification that closed-vent systems and control devices in benzene waste operations are designed to operate at the documented performance level when operated at the highest load or capacity expected to occur.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(2)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.356(e)(1)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: SOP O-01257 STC 1A OP
Description: Failed to maintain a signed and dated certification that a treatment process unit in benzene waste operations is designed to operate at the documented performance level when the waste stream entering the unit is at the highest waste stream flow rate and benzene content expected to occur.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(2)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.349(f)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: SOP O-01257 STC 1A OP
Description: Failed to visually inspect on a quarterly basis each closed-vent system and control device in benzene waste operations.

Classification: Moderate

Citation: 30 TAC Chapter 113, SubChapter C 113.340
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-1(a)

40 CFR Chapter 63, SubChapter C, PT 63, SubPT CC 63.648(a)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: SOP O-01257 STC 1A OP
Description: Failed to demonstrate compliance with the standards of performance for equipments leaks by failing to monitor components for fugitive emissions.
Classification: Moderate

Citation: 30 TAC Chapter 113, SubChapter C 113.340
30 TAC Chapter 122, SubChapter B 122.143(4)

40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-5(a)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT CC 63.648(a)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: SOP O-01257 STC 1A OP
Description: Failed to equip each sampling system connection with a closed-purge, closed-loop, or closed-vent system.
Classification: Moderate

Citation: 30 TAC Chapter 113, SubChapter C 113.340
30 TAC Chapter 122, SubChapter B 122.143(4)

40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(1)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT CC 63.648(a)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: SOP O-01257 STC 1A OP
Description: Failed to equip open-ended lines with a cap, blind flange, plug, or second valve.

Classification: Moderate

Citation: 30 TAC Chapter 113, SubChapter C 113.340
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.486(c)(1)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.486(c)(5)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT CC 63.648(a)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: SOP O-01257 STC 1A OP
Description: Failed to maintain a complete log of information relating to the detection of leaks.
Classification: Moderate

Citation: 30 TAC Chapter 113, SubChapter C 113.340
30 TAC Chapter 122, SubChapter B 122.143(4)

40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.486(e)(2)(ii)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT CC 63.648(a)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: SOP O-01257 STC 1A OP
Description: Failed to include all required information on the list of identification number for equipment that has been designated as having no detectable emissions.

Classification: Moderate

Citation: 30 TAC Chapter 113, SubChapter C 113.340
30 TAC Chapter 122, SubChapter B 122.143(4)

40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(a)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT CC 63.648(a)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: SOP O-01257 STC 1A OP
Description: Failed to monitor valves monthly.

Classification: Moderate

Citation: 30 TAC Chapter 113, SubChapter C 113.340
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT A 63.11(b)(5)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: SOP O-01257 STC 1A OP
Description: Failed to operate a flare with a flame present at all times.

Classification: Moderate

Citation: 30 TAC Chapter 113, SubChapter C 113.340
30 TAC Chapter 122, SubChapter B 122.143(4)

40 CFR Chapter 63, SubChapter C, PT 63, SubPT AA 63.646(a)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.119(b)(1)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.119(c)
5C THC Chapter 382, SubChapter D 382.085(b)

Rqmt Prov: SOP O-01257 STC 1A OP
Description: Failed to maintain the internal or external floating roof resting on the liquid surface at all times except during the initial fill, after the vessel has been completely emptied and degassed.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.10(b)(1)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: SOP O-01257 STC 2E OP
Description: Failed to submit an emissions inventory report that includes the amount of emissions not identified in previous inventories.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT Kb 60.115b(b)(3)[G]
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: SOP O-01257 STC 1A OP
Description: Failed to maintain records of the calculations used to determine the seal gap size.

See addendum for information regarding federal actions.

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	06/20/2002	(154578)	61	10/12/2004	(337088)
			62	06/06/2005	(393861)
			63	06/30/2005	(395659)
2	06/23/2003	(154579)	64	05/09/2006	(464560)
			65	03/30/2005	(375383)
3	07/23/2002	(154582)	66	04/14/2005	(440525)
4	07/21/2003	(154583)	67	05/18/2005	(440526)
5	08/22/2003	(294018)	68	07/08/2005	(377143)
6	05/27/2003	(154584)	69	06/20/2005	(440527)
7	08/10/2004	(277299)	70	07/18/2005	(440528)
			71	08/22/2005	(440529)
8	09/22/2003	(294020)	73	04/19/2006	(497864)
9	12/01/2003	(249843)	74	05/22/2006	(497865)
10	08/21/2002	(154587)	75	02/24/2006	(467879)
11	03/23/2004	(260662)	76	06/22/2006	(497866)
12	10/16/2003	(294022)	77	03/20/2006	(467880)
13	11/20/2003	(294023)	78	05/07/2004	(271719)
14	09/26/2001	(154589)	79	03/21/2006	(467881)
15	08/19/2004	(291454)	80	12/01/2003	(249992)
16	06/29/2004	(278310)	81	02/27/2002	(154562)
17	12/17/2003	(294025)	82	04/04/2006	(460987)
18	09/20/2002	(154590)	83	09/19/2005	(467882)
19	11/18/2005	(436024)	84	12/22/2003	(255756)
20	01/20/2004	(294027)	85	02/27/2003	(154563)
21	01/12/2005	(346996)	86	10/24/2005	(467883)
22	05/23/2005	(380964)	87	11/18/2005	(434907)
23	06/20/2002	(110533)	88	08/11/2005	(402434)
24	04/06/2006	(455316)	89	11/14/2005	(467884)
25	04/02/2002	(110532)	90	07/19/2004	(351528)
26	10/24/2001	(154592)	91	08/07/2003	(147667)
27	01/10/2002	(110531)	92	12/15/2005	(467885)

28	12/04/2001	(110530)
29	12/15/2005	(449493)
30	06/30/2004	(277972)
31	10/21/2002	(154593)
32	12/04/2001	(110529)
33	11/28/2001	(110528)
34	10/04/2001	(110527)
35	08/30/2001	(110526)
36	11/18/2005	(435670)
37	12/03/2001	(154596)
38	08/11/2005	(402997)
39	04/11/2006	(462336)
40	03/10/2006	(458489)
41	11/22/2002	(154597)
42	07/08/2005	(399231)
43	02/03/2006	(454186)
44	12/20/2001	(154600)
45	07/08/2005	(398026)
46	10/12/2005	(434239)
47	08/11/2005	(402151)
48	08/31/2004	(279748)
49	12/19/2002	(154601)
50	02/14/2005	(381554)
51	03/17/2005	(381555)
52	01/25/2002	(154604)
53	12/17/2004	(381556)
54	10/10/2005	(433513)
55	01/24/2003	(154605)
56	05/23/2005	(392910)
57	03/10/2006	(458379)
58	06/19/2003	(112335)
59	11/18/2005	(435759)
60	04/03/2003	(15290)
93	02/27/2006	(457446)
94	03/25/2002	(154565)
95	08/26/2004	(351529)
96	04/19/2006	(462370)
97	03/19/2003	(154566)
98	09/20/2004	(351530)
99	08/11/2006	(483839)
100	02/20/2004	(294007)
101	12/20/2005	(449726)
102	10/25/2004	(292842)
103	10/18/2004	(351531)
104	03/12/2004	(294010)
105	01/12/2005	(343693)
106	04/18/2002	(154570)
107	04/12/2004	(294011)
108	04/16/2003	(154571)
109	11/16/2004	(351532)
110	05/17/2004	(294013)
111	11/17/2004	(351533)
112	05/20/2002	(154574)
113	06/18/2004	(294015)
114	04/20/2005	(377421)
115	05/27/2003	(154575)
116	03/23/2006	(459993)
117	05/30/2006	(464785)
118	02/02/2005	(346810)

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

Date: 08/31/2001 (154589)
Self Report? YES Classification: Moderate
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: 10/02/2003 (249843)
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(2)(H)
5C THC Chapter 382, SubChapter A 382.085(a)
Description: Failure to provide an estimate of the total quantities of air contaminants emitted in an initial report submitted to the TCEQ Tyler Regional office on September 5, 2003 at 1744 hrs for an emissions event occurring that same day at 0130 hrs.
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(2)(F)
30 TAC Chapter 101, SubChapter F 101.201(a)(2)(H)
5C THC Chapter 382, SubChapter A 382.085(a)
Description: Failure to provide an estimated event duration and an estimate of the total quantities of air contaminants emitted in an initial report submitted to the TCEQ Tyler Regional office on September 11, 2003 at 0953 hrs for an emissions event occurring on September 10, 2003 at 1005 hrs.
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(2)(F)
30 TAC Chapter 101, SubChapter F 101.201(a)(2)(H)
5C THC Chapter 382, SubChapter A 382.085(a)
Description: Failure to provide an estimated event duration and an estimate of the total quantities of air contaminants emitted in an initial report submitted to the TCEQ Tyler Regional office on September 16, 2003 at 1644 hrs for an emissions event occurring on September 15, 2003 at 2359 hrs.

Date: 08/31/2002 (154590)
Self Report? YES Classification: Moderate
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 (294027)
Self Report? YES Classification: Moderate
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: 11/30/2001 (154600)
Self Report? YES Classification: Moderate
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: 06/30/2006 (467881)
Self Report? YES Classification: Moderate
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: 02/28/2002 (154565)
Self Report? YES Classification: Moderate
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. Yes

Sites Outside of Texas

N/A

Addendum to Compliance Histo
Federal Enforcement Actions

CUSTOMER (Defendant):	Crown Central, LLC	CUSTOMER NO.:	CN600131221
REGULATED ENTITY:	LA GLORIA OIL & GAS COMPANY	REG. ENTITY NO.:	RN100222512
REG. ENTITY ADDRESS:	1702 E. COMMERCE ST.		
REG. ENTITY CITY:	TYLER		

Violations

EPA CASE NO.:	WF-2005-1008	CLASSIFICATION:	MODERATE
ORDER ISSUED DATE (YYYYMMDD):	20050518	STATUTE: CAA	SECT. OF STATUTE: 211
ENFORCEMENT ACTION TYPE:	Administrative Penalty Order	CITATION:	CITE PART: CITE SECT.:
		PROGRAM:	Mobile Sources
CASE RESULT:	Final Order With Penalty	VIOLATION TYPE:	Gasoline High Sulfur

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

IN THE MATTER OF AN	§	**BEFORE THE**
ENFORCEMENT ACTION	§	
CONCERNING	§	**TEXAS COMMISSION ON**
DELEK REFINING, LTD.	§	
RN100222512	§	**ENVIRONMENTAL QUALITY**

AGREED ORDER
DOCKET NO. 2006-1433-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 Delek Refining, Ltd. ("Delek") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and Delek appear before the Commission and together stipulate that:

1. Delek owns and operates a petroleum refinery at 1702 East Commerce Street in Tyler, Smith 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 Delek agree that the Commission has jurisdiction to enter this Agreed Order, and that Delek is subject to the Commission's jurisdiction.

4. Delek received notice of the violations alleged in Section II ("Allegations") on August 14, 2006.

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

6. An administrative penalty in the amount of Two Hundred Eighty-Eight Thousand Three Hundred Ninety-Five Dollars ($288,395) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). Delek has paid One Hundred Fifteen Thousand Three Hundred Fifty-Eight Dollars ($115,358) of the administrative penalty and Fifty-Seven Thousand Six Hundred Seventy-Nine Dollars ($57,679) is deferred contingent upon Delek'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 Delek fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require Delek to pay all or part of the deferred penalty. One Hundred Fifteen Thousand Three Hundred Fifty-Eight Dollars

($115,358) shall be conditionally offset by Delek's completion of two Supplemental Environmental Projects.

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 Delek have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.

9. The Executive Director recognizes that Delek has implemented the following corrective measures at the Plant:

   a. By April 1, 2006, completed improvements to record keeping procedures and began recording quarterly opacity observations;

   b. By September 22, 2006, began submitting semiannual startup, shutdown, and malfunction ("SSM") reports;

   c. By September 22, 2006, completed improvements to reporting procedures designed to ensure Maximum Achievable Control Technology ("MACT") reports are sent to the proper address;

   d. By September 22, 2006, completed improvements to procedures designed to ensure weekly cooling tower sampling;

   e. NSR Air Permit No. 5955A was amended effective April 24, 2006 to allow for an increase in sulfur production levels;

   f. By December 5, 2005, completed improvements to procedures that ensure offsite shipments of waste containing benzene will include a notice that the waste contains benzene and needs to be treated as required;

   g. By September 22, 2006, initiated a program to obtain the necessary data and records to identify benzene-containing waste streams;

   h. By September 22, 2006, made improvements to vent system visual inspection procedures and completed visual inspections;

   i. By September 22, 2006, made improvements to tank seal inspection procedures and completed seal inspections;

   j. By September 22, 2006, made improvements to record keeping procedures designed to provide complete information on Leak Detection and Repair ("LDAR") reports;

   k. By September 22, 2006, made improvements to the quarterly continuous emissions monitoring systems ("CEMS") reports;

l. By September 22, 2006, made improvements to procedures designed to ensure the submittal of complete and timely MACT CC reports;

m. By September 22, 2006, made improvements to procedures designed to ensure the timely submittal of MACT UUU reports;

n. By June 5, 2006, completed improvements to procedures that ensure the regular monthly sampling of carbon monoxide ("CO") in the gas feed to Boiler EPN54;

o. By September 22, 2006, made improvements to procedures designed to ensure timely storage tank refilling notifications;

p. By September 22, 2006, made improvements to a system for ensuring the timely inspections of storage tank seal gap measurements; and

q. By November 29, 2006, sealed the vent on the junction box in the wastewater drain system that had been venting to the atmosphere.

10. 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 Delek has not complied with one or more of the terms or conditions in this Agreed Order.

11. 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.

12. 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, Delek is alleged to have:

1. Failed to maintain records of quarterly opacity observations, in violation of Federal Operating Permit ("FOP") O-01257, Special Terms and Conditions ("STC"), 3.A.iii. and 3.B.iii., 30 TEX. ADMIN. CODE § 122.143(4), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from July 12 to July 26, 2006 and a records review conducted on December 13, 2006. Specifically, Delek reported that it failed to record observations from May 6, 2005 through May 5, 2006.

2. Failed to submit semiannual SSM reports, in violation of FOP O-01257, STC 1.A. and 8.G., 30 TEX. ADMIN. CODE §§ 101.20(2) and 122.143(4), 40 CODE OF FEDERAL REGULATIONS ("CFR") §§ 63.10(d)(5)(i) and 63.654(h), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from July 12 to July 26, 2006 and a records review conducted on

December 13, 2006. Specifically, Delek reported that it failed to submit the SSM reports from May 6, 2005 through May 5, 2006.

3. Loaded tank trucks not having current leak test certifications, in violation of New Source Review ("NSR") Air Permit No. 72, Special Conditions ("SC") 5., FOP O-01257, STC 1.A., 30 TEX. ADMIN. CODE §§ 115.214(b)(1)(C) and 116.115(c), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from July 12 to July 26, 2006 and a records review conducted on December 13, 2006. Specifically, Delek reported that, on April 11, 2006 and May 4, 2006, two trucks were loaded without having been leak tested within the last year.

4. Failed to submit a MACT report to the proper address, in violation of FOP O-01257, STC 11.F., 30 TEX. ADMIN. CODE §§ 113.340, 122.143(4), 40 CFR §§ 63.13(a) and 63.642(f), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from July 12 to July 26, 2006 and a records review conducted on December 13, 2006. Specifically, on September 14, 2005, Delek submitted the report to an address different from the address specified in the rule.

5. Failed to conduct weekly cooling tower sampling, in violation of NSR Air Permit No. 5955, SC 11.F., FOP O-01257, STC 13., and 30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from July 12 to July 26, 2006 and a records review conducted on December 13, 2006. Specifically, during the week ending August 8, 2005, Delek failed to sample water from Cooling Tower No.1, and during the week ending October 9, 2005, failed to sample from Cooling Tower No. 5.

6. Failed to maintain sulfur production levels below the maximum limit, in violation of NSR Air Permit No. 5955A, SC 4., FOP O-01257, STC 13., 30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from July 12 to July 26, 2006 and a records review conducted on December 13, 2006. Specifically, the permit requires that the permit holder not exceed a sulfur production limit of 16.6 long tons per day ("LTD"), but on May 9, 2005 and on March 25, 2006, Delek reported that the production levels were 17.7 LTD on both days, respectively. Additionally, a review of Delek's records showed production exceedances on May 25 and December 26, 2005 and on January 1, January 15, and March 15, 2006 of 16.8, 16.9, 17.6, 18.4, and 16.7 LTD, respectively.

7. Failed to include a notice with offsite benzene waste shipments, in violation of FOP O-01257, STC 1.A. and 10.E., 30 TEX. ADMIN. CODE §§ 101.20(2) and 122.143(4), 40 CFR §§ 61.342(f)(2), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from July 12 to July 26, 2006 and a records review conducted on December 13, 2006. Specifically, Delek reported that, between May 6 and July 15, 2005, it shipped wastes containing benzene without including a notice that they contained benzene and needed to be treated as required.

8. Failed to identify each benzene-containing waste stream, in violation of FOP O-01257, STC 1.A. and 10., 30 TEX. ADMIN. CODE §§ 101.20(2), 113.340, and 122.143(4), 40 CFR §§ 61.356(a), 61.356(b)(1), 61.356(b)(2), and 63.654(a), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from July 12 to July 26, 2006 and a records review conducted on December 13, 2006. Specifically, Delek reported that, for the period May 6, 2005 to May 5, 2006, its records do not identify each uncontrolled waste, the annual waste quantity of those

wastes, nor do they document that the total annual benzene quantity in exempt waste streams does not exceed two megagrams per year.

9. Failed to conduct vent system visual inspections, in violation of FOP O-01257, STC 1.A., 30 TEX. ADMIN. CODE §§ 101.20(2), 113.340 and 122.143(4), 40 CFR §§ 61.349(f) and 63.647(a), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from July 12 to July 26, 2006 and a records review conducted on December 13, 2006. Specifically, Delek reported that it did not perform quarterly visual inspections of the closed vent system on the stripper overheads (ID No. PRO-WWS) from May 6, 2005 to May 5, 2006, nor of the vent system from the separator to the wastewater flare (ID No. WWSFUSEPR) from May 6, 2005 to November 5, 2005.

10. Failed to conduct yearly internal floating roof tank seal inspections on tanks in HAP service, in violation of FOP O-01257, STC 1.A., 30 TEX. ADMIN. CODE §§ 113.340 and 122.143(4), 40 CFR §§ 63.120(a)(3)(ii), 63.646(a), and 63.646(g), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from July 12 to July 26, 2006 and a records review conducted on December 13, 2006. Specifically, Delek reported that, during the period May 6, 2005 to November 5, 2005, it did not visually inspect the internal floating roof seals on 23 tanks in HAP service (Tank Nos. 2, 4, 30, 31, 37, 53, 54, 55, 59, 61, 62, 63, 116, 122, 123, 124, 125, 136, 137, 160, 161, 162, and 163) within 12 months of the previous inspection.

11. Failed to timely perform visual tank seal inspections on tanks in benzene service within 12 months of the previous inspections, in violation of FOP O-01257, STC 1.A., 30 TEX. ADMIN. CODE §§ 101.20(1), 101.20(2), and 122.143(4), 40 CFR §§ 60.113b(a)(2) and 61.351(a)(1), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from July 12 to July 26, 2006 and a records review conducted on December 13, 2006. Specifically, Delek reported that it failed to conduct visual inspections of the primary and secondary seals on three tanks (Tank Nos. 34, 35, and 154) in benzene service.

12. Failed to perform a timely visual tank inspection of primary and secondary seals within ten years of the previous inspection, in violation of FOP O-01257, STC 1.A., 30 TEX. ADMIN. CODE §§ 113.340 and 122.143(4), 40 CFR §§ 63.120(a)(2)(i), 63.120(a)(3)(iii), and 63.646(a), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from July 12 to July 26, 2006 and a records review conducted on December 13, 2006. Specifically, Delek reported that it failed to conduct timely inspections on Tank No. 122, a tank in HAP service.

13. Failed to install an instrument to continuously monitor and record hydrogen sulfide ("H_2S") on fuel gas combustion devices, in violation of FOP O-01257, STC 1.A., 30 TEX. ADMIN. CODE §§ 101.20(1) and 122.143(4), 40 CFR § 60.105(a)(4), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from July 12 to July 26, 2006 and a records review conducted on December 13, 2006. Specifically, Delek reported that it failed to install H_2S monitors on Flares 1, 2, 3, 4, 5, and the wastewater flare. The investigation also documented that a monitor was not installed on the Platformer Heater.

14. Failed to perform daily H_2S calculations, in violation of FOP O-01257, STC 6.F., 30 TEX. ADMIN. CODE §§ 101.20(1) and 122.143(4), 40 CFR §§ 60.105(a)(4) and 60.13(d)(1), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from July 12 to July

26, 2006 and a records review conducted on December 13, 2006. Specifically, Delek reported that it had not performed daily drift calculations on the H_2S monitor on the Vacuum Unit Heater since May 6, 2005.

15. Failed to equip open-ended lines or valves with a cap, blind flange, plug, or a second valve, in violation of FOP O-01257, STC 1.A., 30 TEX. ADMIN. CODE §§ 101.20(1), 113.340, and 122.143(4), 40 CFR §§ 60.482-6(a)(1) and 63.648(a), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from July 12 to July 26, 2006 and a records review conducted on December 13, 2006. Specifically, Delek reported that 36 open-ended lines ("OELs") in HAP service in Units 2HD (ten OELs), Sat #2 (two OELs), Crude (sixteen OELs), Tank Farm (four OELs), and Coker (four OELs), had not been equipped with caps, blind flanges, plugs, or second valves. During the physical investigation, a further nine OELs in the Alky Unit and nine OELs in the Sat Gas Unit, all in VOC service, were documented.

16. Failed to provide complete information on a LDAR report, in violation of FOP O-01257, STC 1.A., 30 TEX. ADMIN. CODE §§ 101.20(1), 113.340, and 122.143(4), 40 CFR §§ 60.486(c)(1), 60.486(c)(7), and 63.648(a), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from July 12 to July 26, 2006 and a records review conducted on December 13, 2006. Specifically, Delek reported that it did not record instrument operator identification, instrument number, nor the expected date of repair on the monthly Delay of Repair list.

17. Failed to certify the accuracy and completeness of quarterly CEMS reports, in violation of FOP O-01257, STC 1.A., 30 TEX. ADMIN. CODE §§ 101.20(1) and 122.143(4), 40 CFR §§ 60.105(e)(3)(ii), 60.7(c)(2), and 60.107(f), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from July 12 to July 26, 2006 and a records review conducted on December 13, 2006. Specifically, Delek reported that it did not include language in the quarterly CEMS reports for the period January 24 to May 5, 2006 certifying their accuracy and completeness.

18. Failed to submit a timely and complete MACT CC report, in violation of FOP O-01257, STC 1.A., 30 TEX. ADMIN. CODE §§ 113.340 and 122.143(4), 40 CFR § 63.654(g) and 63.654(g)(5)(iii), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from July 12 to July 26, 2006 and a records review conducted on December 13, 2006. Specifically, Delek reported that it needed to submit a MACT CC report (concerning flares not meeting general control device requirements) by March 15, 2006, but did not do so until April 12, 2006, that the report did not include the period of December 31, 2005 through January 15, 2006, and that the absence of the flare pilot on December 17, 2005 was not included in the report.

19. Failed to timely submit a MACT UUU report, in violation of FOP O-01257, STC 1.A., 30 TEX. ADMIN. CODE §§ 113.340 and 122.143(4), 40 CFR §§ 63.10(d) and 63.1575(b)(2), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from July 12 to July 26, 2006 and a records review conducted on December 13, 2006. Specifically, Delek reported that it did not submit the MACT UUU report (concerning catalytic cracking, catalytic reforming, and sulfur recovery units) that was due on January 31, 2006 until July 31, 2006.

20. Failed to conduct monthly CO sampling, in violation of NSR Air Permit No. 4902, SC 7., FOP O-01257, STC 13., 30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from July 12 to July 26, 2006 and a records review conducted on December 13, 2006. Specifically, Delek reported that it did not sample for CO in the gas fed to Boiler EPN 54 during the month of May 2005.

21. Failed to notify the TCEQ at least 30 days prior to refilling storage tanks in HAP service, in violation of FOP O-01257, STC 1.A., 30 TEX. ADMIN. CODE §§ 113.340 and 122.143(4), 40 CFR §§ 63.120(a)(5) and 63.646(a), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from July 12 to July 26, 2006 and a records review conducted on December 13, 2006. Specifically, Delek reported that it refilled Tank Nos. 118 and 122, during the period November 6, 2005 to May 5, 2006, without prior notification.

22. Failed to perform timely tank seal gap measurements on tanks in HAP service, in violation of FOP O-01257, STC 1.A., 30 TEX. ADMIN. CODE §§ 113.340 and 122.143(4), 40 CFR §§ 63.120(b)(1)(iii) and 63.646(a), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from July 12 to July 26, 2006 and a records review conducted on December 13, 2006. Specifically, Delek reported that, during the period November 6, 2005 to May 5, 2006, it failed to timely perform annually required, secondary seal gap measurements on Tank Nos. 151, 155, and 156.

23. Failed to perform timely tank seal gap measurements on a tank in VOC service, in violation of FOP O-01257, STC 1.A., 30 TEX. ADMIN. CODE §§ 101.20(1) and 122.143(4), 40 CFR § 60.113b(b)(1)(ii), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from July 12 to July 26, 2006 and a records review conducted on December 13, 2006. Specifically, Delek reported that, during the period November 6, 2005 to May 5, 2006, it failed to timely inspect Tank No. 172's secondary seal gap measurements (required annually).

24. Failed to maintain a signed and dated flare certification, in violation of FOP O-01257, STC 1.A., 30 TEX. ADMIN. CODE §§ 101.20(2), 113.340, and 122.143(4), 40 CFR §§ 61.356(f)(1) and 63.654(a), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from July 12 to July 26, 2006 and a records review conducted on December 13, 2006. Specifically, Delek reported that it did not have a certification for the stripper overhead flare stating it is designed to operate at the desired performance level at the highest expected loads.

25. Failed to install a flow indicator, in violation of FOP O-01257, STC 1.A., 30 TEX. ADMIN. CODE §§ 113.340, and 122.143(4), and 40 CFR §§ 61.346(b)(2)(ii)(A) and 63.654(a), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from July 12 to July 26, 2006 and a records review conducted on December 13, 2006. Specifically, the vent pipe on one junction box in the wastewater drain system was vented to the atmosphere, and a flow indicator was not installed to ensure that no venting of organic vapors was occurring.

III. DENIALS

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

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that Delek pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and Delek'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: Delek Refining, Ltd., Docket No. 2006-1433-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. Delek shall implement and complete two Supplemental Environmental Projects ("SEPs") in accordance with TEX. WATER CODE § 7.067. As set forth in Section I, Paragraph 6, above, One Hundred Fifteen Thousand Three Hundred Fifty-Eight Dollars ($115,358) of the assessed administrative penalty shall be offset with the condition that Delek implement the SEPs defined in Attachments A and B, incorporated herein by reference. Delek's obligation to pay the conditionally offset portion of the administrative penalty assessed shall be discharged upon final completion of all provisions of the SEP agreements.

3. It is further ordered that Delek shall undertake the following technical requirements:

   a. Within 180 days after the effective date of this Agreed Order, Delek shall submit written certification that:

      i. Improvements have been implemented to procedures that address the loading of tank trucks not having current leak test certifications;

      ii. Installation of H_2S monitors on Flares 1, 2, 3, 4, 5, the wastewater flare, and the Platformer Heater has been completed, or an Alternative Monitoring Program has been approved;

      iii. Daily H_2S drift calculations on the H_2S monitor on the Vacuum Unit Heater are being performed;

      iv. All 54 OELs referenced in Section II, Allegation No. 15 have been equipped with a cap, blind flange, plug, or a second valve; and

v. A stripper overhead flare design and operation certification has been produced and is being maintained;

b. The certification required by Ordering Provision No. 3.a. shall include detailed supporting documentation including receipts, and/or other records to demonstrate compliance, be notarized by a State of Texas Notary Public and include the following certification language:

"I certify under penalty of law that I have personally examined and am familiar with the information submitted and all attached documents, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the submitted information is 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."

Submit the written certification required by this Ordering Provision 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
Tyler Regional Office
Texas Commission on Environmental Quality
2916 Teague Drive
Tyler, Texas 75701-3756

4. The provisions of this Agreed Order shall apply to and be binding upon Delek. Delek 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.

5. If Delek 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, Delek's failure to comply is not a violation of this Agreed Order. Delek shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. Delek shall notify the Executive Director within seven days after Delek becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.

6. 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 Delek shall be made in writing to the Executive Director. Extensions are not effective until Delek receives written approval from the

Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.

7. This Agreed Order, issued by the Commission, shall not be admissible against Delek 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.

8. 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.

9. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to Delek, or three days after the date on which the Commission mails notice of the Order to Delek, 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

6/4/07
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

January 24, 2007
Date

Michael Norman
Name (Printed or typed)
Authorized Representative of Delek Refining, Ltd.

VP – Environmental & Regulatory Affairs
Title

Signature

January 24, 2007
Date

Frederec Green
Name (Printed or typed)
Authorized Representative of Delek Refining, Ltd.

Chief Operating Officer
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.

Attachment A
Docket Number: 2006-1433-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	**Delek Refining, Ltd.**
Payable Penalty Amount:	**Two Hundred Thirty Thousand Seven Hundred Sixteen Dollars ($230,716)**
SEP Amount:	**Ninety-Two Thousand Three Hundred Fifty-Eight Dollars ($92,358)**
Type of SEP:	**Pre-approved**
Third-Party Recipient:	**Texas Association of Resource Conservation and Development Areas, Inc. (RC&D)-Household Hazardous Waste Clean-Up**
Location of SEP:	**Smith County**

The Texas Commission on Environmental Quality ("TCEQ") agrees to offset a portion of the administrative Penalty Amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project ("SEP"). The offset is equal to the SEP Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project Description

A. Project

The Respondent shall contribute the SEP Amount to the Third-Party Recipient pursuant to the agreement between the Third-Party Recipient and the TCEQ. Specifically, the contribution will be used to provide local residents with a means of properly disposing household hazardous wastes such as paint, thinners, pesticides, oil and gas, corrosive cleaners, and fertilizers in one day collection events. SEP monies will be used to pay for the associated labor, materials, and disposal costs. Citizens will not be charged disposal fees. The project is administered in accordance with TCEQ guidance on household hazardous waste and in compliance with federal, state, and local environmental laws and regulations. All dollars contributed will be used solely for the direct cost of the project and no portion will be spent on administrative costs.

The Respondent certifies that there is no prior commitment to do this project and that it is being performed solely in an effort to settle this enforcement action.

B. Environmental Benefit

This SEP will provide a discernible environmental benefit by providing a means of properly disposing household hazardous waste which might otherwise be disposed of in storm drains, the sewage system, or other means detrimental to the environment.

C. Minimum Expenditure

The Respondent shall contribute at least the SEP Amount to the Third-Party Recipient and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Amount to the Third-Party Recipient. The Respondent shall mail the contribution, with a copy of the Agreed Order, to:

Texas Association of Resource Conservation and Development Areas, Inc.
1716 Briarcrest Drive, Suite 510
Bryan, Texas 77802

3. Records and Reporting

Concurrent with the payment of the SEP Amount, the Respondent shall provide the TCEQ SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Amount to the Third-Party Recipient. The Respondent shall mail a copy of the check and transmittal letter to:

Enforcement Division
Attention: SEP Coordinator, MC 219
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If the Respondent does not perform its obligations under this SEP in any way, including full payment of the SEP Amount and submittal of the required reporting described in Section 3 above, the Executive Director may require immediate payment of all or part of the SEP Amount.

The check for any amount due shall be made out to "Texas Commission on Environmental Quality" and mailed to:

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

The Respondent shall also mail a copy of the check to the TCEQ SEP Coordinator at the address in Section 3 above.

5. Publicity

Any public statements concerning this SEP made by or on behalf of the Respondent must include a clear statement that the project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.

6. Clean Texas Program

The Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, the Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP identified in this Agreed Order has not been, and shall not be, included as an SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.

Attachment B
Docket Number: 2006-1433-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	**Delek Refining, Ltd.**
Payable Penalty Amount:	**Two Hundred Thirty Thousand Seven Hundred Sixteen Dollars ($230,716)**
SEP Amount:	**Twenty-Three Thousand Dollars ($23,000)**
Type of SEP:	**Pre-approved**
Third-Party Recipient:	**Texas Association of Resource Conservation and Development Areas, Inc. ("RC&D")- Wastewater Treatment Assistance**
Location of SEP:	**Smith County**

The Texas Commission on Environmental Quality ("TCEQ") agrees to offset a portion of the administrative Penalty Amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project ("SEP"). The offset is equal to the SEP Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment B.

1. Project Description

A. Project

The Respondent shall contribute to the Third-Party Recipient pursuant to the agreement between the Third-Party Recipient and the TCEQ. Specifically, the contribution will be used to provide low income rural homeowners with assistance to enable the repair or replacement of their failing on-site wastewater systems. SEP monies will be used to pay for the labor and materials costs related to repairing or replacing the failing systems. The recipients will not be charged for the cost of replacing or repairing the failing systems

The Respondent certifies that there is no prior commitment to do this project and that it is being performed solely in an effort to settle this enforcement action.

B. Environmental Benefit

This SEP will provide a discernible environmental benefit by protecting water sources for drinking, recreation, and wildlife from contamination from failing treatment systems

C. Minimum Expenditure

The Respondent shall contribute at least the SEP Amount to the Third-Party Recipient and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Amount to the Third-Party Recipient. The Respondent shall mail the contribution, with a copy of the Agreed Order, to:

Texas Association of Resource Conservation and Development Areas, Inc.
1716 Briarcrest Drive
Bryan, Texas 77802-2700

3. Records and Reporting

Concurrent with the payment of the SEP Amount, the Respondent shall provide the TCEQ SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Amount to the Third-Party Recipient. The Respondent shall mail a copy of the check and transmittal letter to:

Enforcement Division
Attention: SEP Coordinator, MC 219
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If the Respondent does not perform its obligations under this SEP in any way, including full payment of the SEP Amount and submittal of the required reporting described in Section 3 above, the Executive Director may require immediate payment of all or part of the SEP Amount.

The check for any amount due shall be made out to "Texas Commission on Environmental Quality" and mailed to:

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

The Respondent shall also mail a copy of the check to the TCEQ SEP Coordinator at the address in Section 3 above.

5. Publicity

Any public statements concerning this SEP made by or on behalf of the Respondent must include a clear statement that the project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.

6. Clean Texas Program

The Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, the Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP identified in this Agreed Order has not been, and shall not be, included as an SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.