

**EXECUTIVE SUMMARY - ENFORCEMENT MATTER**

**DOCKET NO.:** 2009-0510-AIR-E **TCEQ ID:** RN100211663 **CASE NO.:** 37441

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

<b>ORDER TYPE:</b>		
<input checked="" type="checkbox"/> 1660 AGREED ORDER	<input type="checkbox"/> FINDINGS AGREED ORDER	<input type="checkbox"/> FINDINGS ORDER FOLLOWING SOAH HEARING
<input type="checkbox"/> FINDINGS DEFAULT ORDER	<input type="checkbox"/> SHUTDOWN ORDER	<input type="checkbox"/> IMMEDIATE AND SUBSTANTIAL ENDANGERMENT ORDER
<input type="checkbox"/> AMENDED ORDER	<input type="checkbox"/> EMERGENCY ORDER	
<b>CASE TYPE:</b>		
<input checked="" type="checkbox"/> AIR	<input type="checkbox"/> MULTI-MEDIA (check all that apply)	<input type="checkbox"/> INDUSTRIAL AND HAZARDOUS WASTE
<input type="checkbox"/> PUBLIC WATER SUPPLY	<input type="checkbox"/> PETROLEUM STORAGE TANKS	<input type="checkbox"/> OCCUPATIONAL CERTIFICATION
<input type="checkbox"/> WATER QUALITY	<input type="checkbox"/> SEWAGE SLUDGE	<input type="checkbox"/> UNDERGROUND INJECTION CONTROL
<input type="checkbox"/> MUNICIPAL SOLID WASTE	<input type="checkbox"/> RADIOACTIVE WASTE	<input type="checkbox"/> DRY CLEANER REGISTRATION
<p><b>SITE WHERE VIOLATION(S) OCCURRED:</b> Valero Corpus Christi Refinery East Plant, 1300 Cantwell Lane, Corpus Christi, Nueces County</p> <p><b>TYPE OF OPERATION:</b> Refinery</p> <p><b>SMALL BUSINESS:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p><b>OTHER SIGNIFICANT MATTERS:</b> There are no complaints. There are three additional pending enforcement actions regarding this facility location, Docket Nos. 2009-0288-AIR-E, 2008-1002-AIR-E, and 2007-1813-MLM-E.</p> <p><b>INTERESTED PARTIES:</b> No one other than the ED and the Respondent has expressed an interest in this matter.</p> <p><b>COMMENTS RECEIVED:</b> The <i>Texas Register</i> comment period expired on September 14, 2009. No comments were received.</p> <p><b>CONTACTS AND MAILING LIST:</b> <b>TCEQ Attorney/SEP Coordinator:</b> Mr. Phillip Hampsten, SEP Coordinator, Enforcement Division, MC 219, (512) 239-6732 <b>TCEQ Enforcement Coordinator:</b> Mr. John Muennink, Enforcement Division, Enforcement Team 5, MC R-14, (361) 825-3423; Ms. Cari-Michel La Caille, Enforcement Division, MC 219, (512) 239-1387 <b>Respondent:</b> Mr. Dennis Payne, Vice President and General Manager, Valero Refining-Texas, L.P., P.O. Box 9370, Corpus Christi, Texas 78469 <b>Respondent's Attorney:</b> Not represented by counsel on this enforcement matter</p>		

**VIOLATION SUMMARY CHART:**

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p><b>Type of Investigation:</b>  <input type="checkbox"/> Complaint  <input type="checkbox"/> Routine  <input type="checkbox"/> Enforcement Follow-up  <input checked="" type="checkbox"/> Records Review</p> <p><b>Date(s) of Complaints Relating to this Case:</b> None</p> <p><b>Date of Investigation Relating to this Case:</b> January 13, 2009 through March 20, 2009</p> <p><b>Date of NOV/NOE Relating to this Case:</b> April 17, 2009 (NOE)</p> <p><b>Background Facts:</b> This was a record review.</p> <p><b>AIR</b></p> <p>1) Failure to prevent unauthorized emissions. Specifically, the Respondent released 338.32 pounds ("lbs") of volatile organic compounds ("VOC"), 21.87 lbs of benzene, 13.34 lbs of toluene, 12.24 lbs of hydrogen sulfide ("H2S"), 5.22 lbs of xylene and 1.23 lbs of ethylbenzene during an avoidable emissions event (Incident No. 116871) that began November 19, 2008 and lasted 45 hours. The unauthorized release was the result of a failure to bolt or fasten covers on each access hatch to form an air-tight seal on Tank 9. Since there was no air tight seal, benzene water was allowed to collect on the roof of the tank, partially sinking the roof. Since this emissions event could have been avoided by better operational practices, the demonstrations in 30 TEX. ADMIN. CODE § 101.222 necessary to present an affirmative defense were not met. [30 TEX. ADMIN. CODE §§ 116.715(a), 122.143(4), 113.120, 101.20(1), (2) and (3), TEX. HEALTH &amp; SAFETY CODE § 382.085(b), 40 CODE OF FEDERAL REGULATIONS ("CFR") §§ 60.112b(a)(1)(i) and (a)(1)(iv), 61.351(a)(1), 63.119(b)(1) and (b)(6), 63.133(a)(2)(ii), Permit No. O-2250, Special Terms and Conditions No. 1A, and Flexible Permit No. 2937/PSD-TX-1023M1, Special Condition No. 1].</p>	<p><b>Total Assessed:</b> \$13,706</p> <p><b>Total Deferred:</b> \$2,741  <input checked="" type="checkbox"/> Expedited Settlement  <input type="checkbox"/> Financial Inability to Pay</p> <p><b>SEP Conditional Offset:</b> \$5,482</p> <p><b>Total Paid to General Revenue:</b> \$5,483</p> <p><b>Site Compliance History Classification</b>  <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p><b>Person Compliance History Classification</b>  <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p><b>Major Source:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><b>Applicable Penalty Policy:</b> September 2002</p>	<p><b>Corrective Actions Taken:</b></p> <p>The Executive Director recognizes that the Respondent installed a flange type plate, by February 3, 2009, on the roof's manway that can be gasketed and bolted down to form an air-tight seal.</p> <p><b>Ordering Provisions:</b></p> <p>1) The Order will require the Respondent to implement and complete a Supplemental Environmental Project (SEP). (See SEP Attachment A)</p> <p>2) The Order will also require the Respondent to:</p> <p>a. Within 30 days after the effective date of this Agreed Order, implement measures designed to ensure the timely submittal of emissions events reports; and</p> <p>b. Within 45 days after the effective date of this Agreed Order, submit written certification to demonstrate compliance with Ordering Provision 2.a.</p>

<p>2) Failure to prevent unauthorized emissions. Specifically, the Respondent released 3,669.45 lbs of sulfur dioxide, 39.78 lbs of H<sub>2</sub>S, 4.59 lbs of carbon monoxide, 0.90 lbs of nitrogen oxide, 0.16 lbs of VOCs and 0.04 lbs of ammonia during an emissions event (Incident No. 116693) that began November 16, 2008 and lasted 48 minutes. The unauthorized release was the result of an electronic loader malfunction that caused the acid gas feed control valve to close. Because the final report for this emissions event was submitted late, the demonstrations in 30 TEX. ADMIN. CODE § 101.222 necessary to present an affirmative defense were not met [30 TEX. ADMIN. CODE §§ 116.715(a) and 101.20(3), TEX. HEALTH &amp; SAFETY CODE § 382.085(b), and Flexible Permit No. 2937/PSD-TX-1023M1, Special Condition No. 1].</p> <p>3) Failure to submit the final report for Incident No. 116693 in a timely manner. Specifically, the report was due November 30, 2008 and was submitted on December 1, 2008 [30 TEX. ADMIN. CODE § 101.201(b) and (c) and TEX. HEALTH &amp; SAFETY CODE § 382.085(b)].</p>		
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Additional ID No(s): NE0043A



Attachment A  
Docket Number: 2009-0510-AIR-E

**SUPPLEMENTAL ENVIRONMENTAL PROJECT**

<b>Respondent:</b>	<b>Valero Refining-Texas, L.P.</b>
<b>Payable Penalty Amount:</b>	<b>Ten Thousand Nine Hundred Sixty-Five Dollars (\$10,965)</b>
<b>SEP Amount:</b>	<b>Five Thousand Four Hundred Eighty-Two Dollars (\$5,482)</b>
<b>Type of SEP:</b>	<b>Pre-approved</b>
<b>Third-Party Recipient:</b>	<b>Texas A&amp;M University Kingsville – Corpus Christi Airshed Quality Monitoring</b>
<b>Location of SEP:</b>	<b>Nueces County</b>

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 to the Third-Party Recipient pursuant to the agreement between the Third-Party Recipient and the TCEQ. The performing party shall establish three air quality monitoring stations within four facilities of the San Patricio Municipal Water District. The stations will consist of ambient air quality monitoring instruments, meteorological instruments, and ancillary equipment. The primary objective of these new monitoring stations is to provide continuous information on air quality. This includes generating data on background concentrations, pollutant transport from outside the air shed, and pollutant transport from the industrial district during the periods of predominant southeast to northwest wind patterns. The monitoring sites will be located at the Odem Raw Water Station, the Taft Texana Blending Station, and the San Patricio Country Municipal Water District Main Office. These new sites will be in addition to the already existing site located at the Aransas Pass Treatment Plant, for a total of four sites. SEP Funds will be used to pay for the instruments, installation, and maintenance and/or operation of the instruments, data validation, software license, and web server costs related solely to this project.

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**

The SEP will provide a discernible environmental benefit by providing the community with more knowledge of pollutant concentrations and potential sources of air pollutants entering or exiting the Corpus Christi area airshed. This data can also be used by other parties interested in the air quality in the Corpus Christi area. The formation and transport of ozone is complex, and a better understanding of the sources of precursors and long-range transport are necessary to generate good scientific information for decision-making purposes. Well-located monitoring stations provide valuable information for these purposes.

**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:

Sandra Garcia, Director, Sponsored Research  
Texas A&M University Kingsville  
700 University Boulevard, MSC 201  
Corpus Christi, Texas 78363

**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.





Policy Revision 2 (September 2002)

# Penalty Calculation Worksheet (PCW)

PCW Revision October 30, 2008

<b>DATES</b>	Assigned	6-Apr-2009	Screening	13-Apr-2009	EPA Due	28-Dec-2009
	PCW	8-Apr-2009				

<b>RESPONDENT/FACILITY INFORMATION</b>			
Respondent	Valero Refining-Texas, L.P.		
Reg. Ent. Ref. No.	RN100211663		
Facility/Site Region	14-Corpus Christi	Major/Minor Source	Major

<b>CASE INFORMATION</b>			
Enf./Case ID No.	37441	No. of Violations	3
Docket No.	2009-0510-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	John Muennink
		EC's Team	Enforcement Team 5
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$10,000

<b>Penalty Calculation Section</b>			
<b>TOTAL BASE PENALTY (Sum of violation base penalties)</b>		<b>Subtotal 1</b>	<b>\$5,100</b>
<b>ADJUSTMENTS (+/-) TO SUBTOTAL 1</b>			
<small>Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the Indicated percentage.</small>			
<b>Compliance History</b>	181.0% Enhancement	<b>Subtotals 2, 3, &amp; 7</b>	<b>\$9,231</b>
Notes	Enhancement due to seven NOVs with same or similar violations, eight NOVs with unrelated violations, five 1660 Agreed Orders and one Court Order with a denial of liability.		
<b>Culpability</b>	No 0.0% Enhancement	<b>Subtotal 4</b>	<b>\$0</b>
Notes	The Respondent does not meet the culpability criteria.		
<b>Good Faith Effort to Comply Total Adjustments</b>		<b>Subtotal 5</b>	<b>\$625</b>
<b>Economic Benefit</b>	0.0% Enhancement	<b>Subtotal 6</b>	<b>\$0</b>
Total EB Amounts	\$174	*Capped at the Total EB \$ Amount	
Approx. Cost of Compliance	\$5,250		
<b>SUM OF SUBTOTALS 1-7</b>		<b>Final Subtotal</b>	<b>\$13,706</b>
<b>OTHER FACTORS AS JUSTICE MAY REQUIRE</b>	0.0%	<b>Adjustment</b>	<b>\$0</b>
<small>Reduces or enhances the Final Subtotal by the indicated percentage.</small>			
Notes			
		<b>Final Penalty Amount</b>	<b>\$13,706</b>
<b>STATUTORY LIMIT ADJUSTMENT</b>		<b>Final Assessed Penalty</b>	<b>\$13,706</b>
<b>DEFERRAL</b>	20.0% Reduction	<b>Adjustment</b>	<b>-\$2,741</b>
<small>Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)</small>			
Notes	Deferral offered for expedited settlement.		
<b>PAYABLE PENALTY</b>			<b>\$10,965</b>

**Screening Date** 13-Apr-2009

**Docket No.** 2009-0510-AIR-E

**PCW**

**Respondent** Valero Refining-Texas, L.P.

Policy Revision 2 (September 2002)

**Case ID No.** 37441

PCW Revision October 30, 2008

**Reg. Ent. Reference No.** RN100211663

**Media [Statute]** Air

**Enf. Coordinator** John Muennink

### 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)	7	35%
	Other written NOVs	8	16%
Orders	Any agreed final enforcement orders containing a denial of liability (number of orders meeting criteria)	5	100%
	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	0	0%
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)	1	30%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (number of counts)	0	0%
Emissions	Chronic excessive emissions events (number of events)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which notices were submitted)	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%
<i>Please Enter Yes or No</i>			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

**Adjustment Percentage (Subtotal 2)** 181%

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

**Adjustment Percentage (Subtotal 3)** 0%

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

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

>> **Compliance History Summary**

**Compliance History Notes**

Enhancement due to seven NOVs with same or similar violations, eight NOVs with unrelated violations, five 1660 Agreed Orders and one Court Order with a denial of liability.

**Total Adjustment Percentage (Subtotals 2, 3, & 7)** 181%

<b>Screening Date</b> 13-Apr-2009	<b>Docket No.</b> 2009-0510-AIR-E	<b>PCW</b>
<b>Respondent</b> Valero Refining-Texas, L.P.	<i>Policy Revision 2 (September 2002)</i>	
<b>Case ID No.</b> 37441	<i>PCW Revision October 30, 2008</i>	
<b>Reg. Ent. Reference No.</b> RN100211663		
<b>Media [Statute]</b> Air		
<b>Enf. Coordinator</b> John Muennink		
<b>Violation Number</b> <input type="text" value="1"/>		
<b>Rule Cite(s)</b>	30 Tex. Admin. Code §§ 116.715(a), 122.143(4), 113.120, 101.20(1), (2) and (3), Tex. Health & Safety Code § 382.085(b), 40 Code of Federal Regulations §§ 60.112b(a)(1)(i) and (a)(1)(iv), 61.351(a)(1), 63.119(b)(1) and (b)(6), 63.133(a)(2)(ii), Permit No. O-2250, Special Terms and Conditions No. 1A and Flexible Permit No. 2937/PSD-TX-1023M1, Special Condition No. 1	
<b>Violation Description</b>	Failed to prevent unauthorized emissions. Specifically, the Respondent released 338.32 pounds ("lbs") of volatile organic compounds ("VOC"), 21.87 lbs of benzene, 13.34 lbs of toluene, 12.24 lbs of hydrogen sulfide ("H2S"), 5.22 lbs of xylene and 1.23 lbs of ethylbenzene during an avoidable emissions event (Incident No. 116871) that began November 19, 2008 and lasted 45 hours. The unauthorized release was the result of a failure to bolt or fasten covers on each access hatch to form an air-tight seal on Tank 9. Since there was no air tight seal, benzene water was allowed to collect on the roof of the tank, partially sinking the roof. Since this emissions event could have been avoided by better operational practices, the demonstrations in 30 Tex. Admin. Code § 101.222 necessary to present an affirmative defense were not met.	
<b>Base Penalty</b>	<input type="text" value="\$10,000"/>	
<b>&gt;&gt; Environmental, Property and Human Health Matrix</b>		
<b>OR</b>	<b>Release</b>	<b>Harm</b>
	Actual	Major    Moderate    Minor
	<input type="text"/>	<input type="text" value="X"/>
	Potential	<input type="text"/>
	<b>Percent</b>	<input type="text" value="25%"/>
<b>&gt;&gt; Programmatic Matrix</b>		
	Falsification	Major    Moderate    Minor
	<input type="text"/>	<input type="text"/>
	<b>Percent</b>	<input type="text" value="0%"/>
<b>Matrix Notes</b>	Human health or the environment has been exposed to an insignificant amount of pollutants that do not exceed levels protective of human health or environmental receptors.	
<b>Adjustment</b>	<input type="text" value="\$7,500"/>	
<b>\$2,500</b>		
<b>Violation Events</b>		
Number of Violation Events	<input type="text" value="1"/>	<input type="text" value="2"/> Number of violation days
mark only one with an x daily weekly monthly quarterly semiannual annual single event	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text" value="X"/> <input type="text"/> <input type="text"/> <input type="text"/>	<b>Violation Base Penalty</b>
		<input type="text" value="\$2,500"/>
One quarterly event is recommended based on the emissions event dates of November 19 through 20, 2008.		
<b>Good Faith Efforts to Comply</b>		
	<b>25.0% Reduction</b>	<b>\$625</b>
	Before NCV    NOV to EDPRP/Settlement Offer	
Extraordinary	<input type="text"/>	<input type="text"/>
Ordinary	<input type="text" value="X"/>	<input type="text"/>
N/A	<input type="text"/>	(mark with x)
<b>Notes</b>	The Respondent completed corrective measures on February 3, 2009.	
<b>Violation Subtotal</b>	<input type="text" value="\$1,875"/>	
<b>Economic Benefit (EB) for this violation</b>		
<b>Estimated EB Amount</b>	<input type="text" value="\$21"/>	<b>Statutory Limit Test</b>
	<b>Violation Final Penalty Total</b>	<input type="text" value="\$6,400"/>
	<b>This violation Final Assessed Penalty (adjusted for limits)</b>	
	<input type="text" value="\$6,400"/>	

## Economic Benefit Worksheet

**Respondent:** Valero Refining-Texas, L.P.  
**Case ID No.:** 37441  
**Reg. Ent. Reference No.:** RN100211683  
**Media:** Air  
**Violation No.:** 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

**Delayed Costs**

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$2,000	19-Nov-2008	3-Feb-2009	0.21	\$21	n/a	\$21

Notes for DELAYED costs

Estimated expense to install a flange type plate on the roof's manway so it can be gasketed and bolted down to form an air-tight seal. The Date Required is the date of the emissions event. The Final Date is the date that corrective measures were completed.

**Avoided Costs**

**ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)**

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$2,000

**TOTAL**

\$21

<b>Screening Date</b> 13-Apr-2009	<b>Docket No.:</b> 2009-0510-AIR-E	<b>PCW</b>	
<b>Respondent</b> Valero Refining-Texas, L.P.	<i>Policy Revision 2 (September 2002)</i>		
<b>Case ID No.</b> 37441	<i>PCW Revision October 30, 2009</i>		
<b>Reg. Ent. Reference No.</b> RN100211663			
<b>Media [Statute]</b> Air			
<b>Enf. Coordinator</b> John Muennink			
<b>Violation Number</b> 2			
<b>Rule Cite(s)</b>	30 Tex. Admin. Code §§ 116.715(a) and 101.20(3), Tex. Health & Safety Code § 382.085(b) and Flexible Permit No. 2937/PSD-TX-1023M1, Special Condition No. 1		
<b>Violation Description</b>	Failed to prevent unauthorized emissions. Specifically, the Respondent released 3,669.45 lbs of sulfur dioxide, 39.78 lbs of H2S, 4.59 lbs of carbon monoxide, 0.90 lbs of nitrogen oxide, 0.16 lbs of VOCs and 0.04 lbs of ammonia during an emissions event (Incident No. 116693) that began November 16, 2008 and lasted 48 minutes. The unauthorized release was the result of an electronic loader malfunction that caused the acid gas feed control valve to close. Because the final report for this emissions event was submitted late, the demonstrations in 30 Tex. Adm'n. Code § 101.222 necessary to present an affirmative defense were not met.		
<b>Base Penalty</b>	\$10,000		
<b>&gt;&gt; Environmental, Property and Human Health Matrix</b>			
OR	<b>Release</b>	<b>Harm</b>	
		Major      Moderate      Minor	
	Actual	<input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/>	<b>Percent</b> <input type="text" value="25%"/>
	Potential	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	
<b>&gt;&gt; Programmatic Matrix</b>			
	Falsification	Major      Moderate      Minor	
	<input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<b>Percent</b> <input type="text" value="0%"/>
<b>Matrix Notes</b>	Human health or the environment has been exposed to an insignificant amount of pollutants that do not exceed levels protective of human health or environmental receptors.		
<b>Adjustment</b>			\$7,500
			<b>\$2,500</b>
<b>Violation Events</b>			
	<b>Number of Violation Events</b>	<input type="text" value="1"/>	<b>Number of violation days</b>
		<input type="text" value="1"/>	
<i>mark only one with an x</i>	daily	<input type="checkbox"/>	<b>Violation Base Penalty</b> <input type="text" value="\$2,500"/>
	weekly	<input type="checkbox"/>	
	monthly	<input type="checkbox"/>	
	quarterly	<input checked="" type="checkbox"/>	
	semiannual	<input type="checkbox"/>	
	annual	<input type="checkbox"/>	
	single event	<input type="checkbox"/>	
One quarterly event is recommended based on the emissions event date of November 16, 2008.			
<b>Good Faith Efforts to Comply</b>			<b>\$0</b>
	<b>0.0% Reduction</b>		
	Before NOV	NOV to EDPRP/Settlement Offer	
Extraordinary	<input type="checkbox"/>	<input type="checkbox"/>	
Ordinary	<input type="checkbox"/>	<input type="checkbox"/>	
N/A	<input checked="" type="checkbox"/>	(mark with x)	
<b>Notes</b>	The Respondent does not meet the good faith criteria for this violation.		
<b>Violation Subtotal</b>			\$2,500
<b>Economic Benefit (EB) for this violation</b>			
<b>Statutory Limit Test</b>			
<b>Estimated EB Amount</b>	<input type="text" value="\$78"/>	<b>Violation Final Penalty Total</b>	<input type="text" value="\$7,025"/>
<b>This violation Final Assessed Penalty (adjusted for limits)</b>			<input type="text" value="\$7,025"/>

## Economic Benefit Worksheet

**Respondent:** Valero Refining-Texas, L.P.  
**Case ID No.:** 37441  
**Reg. Ent. Reference No.:** RN100211863  
**Media:** Air  
**Violation No.:** 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

**Delayed Costs**

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System	\$500	16-Nov-2008	1-Dec-2009	1.04	\$26	n/a	\$26
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$1,000	16-Nov-2008	1-Dec-2009	1.04	\$52	n/a	\$52

**Notes for DELAYED costs:** Estimated expense to implement measures designed to prevent electronic loader malfunctions and additional oversight and management practices designed to ensure proper reporting procedures are followed. The Date Required is the date of the emissions event. The Final Date is the date that corrective measures are estimated to be completed.

**Avoided Costs**

**ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)**

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

**Notes for AVOIDED costs:**

Approx. Cost of Compliance	\$1,500	<b>TOTAL:</b>	\$78
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<b>Screening Date:</b> 13-Apr-2009		<b>Docket No.:</b> 2009-0510-AIR-E		<b>PCW</b>
<b>Respondent:</b> Valero Refining-Texas, L.P.		<small>Policy Revision 2 (September 2002)</small>		
<b>Case ID No.:</b> 37441		<small>PCW Revision October 30, 2008</small>		
<b>Reg. Ent. Reference No.:</b> RN100211663				
<b>Media [Statute]:</b> Air				
<b>Enf. Coordinator:</b> John Muennink				
<b>Violation Number:</b>	<input type="text" value="3"/>			
<b>Rule Cite(s):</b>	30 Tex. Admin. Code §§ 101.201(b) and (c) and Tex. Health & Safety Code § 382.085(b)			
<b>Violation Description:</b>	Failed to submit the final report for Incident No. 116693 in timely manner. Specifically, the report was due November 30, 2008 and was submitted on December 1, 2008.			
<b>Base Penalty:</b>				<input type="text" value="\$10,000"/>
<b>&gt;&gt; Environmental, Property and Human Health Matrix</b>				
<b>OR</b>	<b>Harm</b>			
	<b>Release</b>	<b>Major</b>	<b>Moderate</b>	<b>Minor</b>
	<b>Actual</b>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>Potential</b>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<b>Percent</b> <input type="text" value="0%"/>
<b>&gt;&gt; Programmatic Matrix</b>				
<b>Falsification</b>				
<b>Major</b>				
<b>Moderate</b>				
<b>Minor</b>				
<input type="text"/>				
<input type="text"/>				
<input type="text"/>				
<input type="text" value="x"/>				
<b>Percent</b> <input type="text" value="1%"/>				
<b>Matrix Notes:</b>	The Respondent met at least 70% of the rule requirement.			
<b>Adjustment:</b>				<input type="text" value="\$9,900"/>
				<input type="text" value="\$100"/>
<b>Violation Events</b>				
<b>Number of Violation Events:</b>		<input type="text" value="1"/>		
<b>Number of violation days:</b>		<input type="text" value="1"/>		
<small>mark only one with an x</small>	daily	<input type="text"/>		
	weekly	<input type="text"/>		
	monthly	<input type="text"/>		
	quarterly	<input type="text"/>		
	semiannual	<input type="text"/>		
	annual	<input type="text"/>		
	single event	<input type="text" value="x"/>		
<b>Violation Base Penalty:</b>				<input type="text" value="\$100"/>
One single event is recommended based on the one late report.				
<b>Good Faith Efforts to Comply</b>				
		<b>0.0% Reduction</b>		<input type="text" value="\$0"/>
		<small>Before NOV</small>	<small>NOV to EDPRP/Settlement Offer</small>	
Extraordinary	<input type="text"/>	<input type="text"/>		
Ordinary	<input type="text"/>	<input type="text"/>		
N/A	<input type="text" value="x"/>	<small>(mark with x)</small>		
<b>Notes:</b>	The Respondent does not meet the good faith criteria for this violation.			
<b>Violation Subtotal:</b>				<input type="text" value="\$100"/>
<b>Economic Benefit (EB) for this violation</b>				
<b>Statutory Limit Test</b>				
<b>Estimated EB Amount:</b>		<input type="text" value="\$75"/>		
<b>Violation Final Penalty Total:</b>				<input type="text" value="\$281"/>
<b>This violation Final Assessed Penalty (adjusted for limits):</b>				<input type="text" value="\$281"/>

## Economic Benefit Worksheet

**Respondent:** Valero Refining-Texas, L.P.

**Case ID No.:** 37441

**Reg. Ent. Reference No.:** RN100211663

**Media:** Air

**Violation No.:** 3

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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**Delayed Costs**

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling	\$1,500	30-Nov-2008	30-Sep-2009	0.83	\$62	n/a	\$62
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$250	30-Nov-2008	1-Dec-2009	1.00	\$13	n/a	\$13

**Notes for DELAYED costs:** Estimated expense to submit a timely final report and to ensure the timely submittal of emissions events reports. The Date Required is the date the report was due. The Final Date is the date that the report was submitted and when corrective measures are estimated to be completed.

**Avoided Costs**

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

**Notes for AVOIDED costs:**

Approx. Cost of Compliance

\$1,750

**TOTAL**

\$75

# Compliance History Report

Customer/Respondent/Owner-Operator:	CN600127468 Valero Refining-Texas, L.P.	Classification: AVERAGE	Rating: 9.90
Regulated Entity:	RN100211663 VALERO CORPUS CHRISTI REFINERY EAST PLANT	Classification: AVERAGE	Site Rating: 15.72

ID Number(s):	Description	Category	Value
	AIR OPERATING PERMITS	ACCOUNT NUMBER	NE0043A
	AIR OPERATING PERMITS	PERMIT	1231
	AIR OPERATING PERMITS	PERMIT	2238
	AIR OPERATING PERMITS	PERMIT	2239
	AIR OPERATING PERMITS	PERMIT	2250
	WASTEWATER	PERMIT	WQ0000465000
	WASTEWATER	PERMIT	TX0006904000
	WASTEWATER	PERMIT	TX0006904
	AIR NEW SOURCE PERMITS	REGISTRATION	71884
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	NE0043A
	AIR NEW SOURCE PERMITS	PERMIT	1084
	AIR NEW SOURCE PERMITS	PERMIT	1085
	AIR NEW SOURCE PERMITS	PERMIT	2937
	AIR NEW SOURCE PERMITS	PERMIT	9344
	AIR NEW SOURCE PERMITS	PERMIT	10923
	AIR NEW SOURCE PERMITS	PERMIT	11456
	AIR NEW SOURCE PERMITS	PERMIT	11652
	AIR NEW SOURCE PERMITS	PERMIT	13764
	AIR NEW SOURCE PERMITS	PERMIT	2180A
	AIR NEW SOURCE PERMITS	PERMIT	3477
	AIR NEW SOURCE PERMITS	PERMIT	3783
	AIR NEW SOURCE PERMITS	PERMIT	5285A
	AIR NEW SOURCE PERMITS	PERMIT	5487A
	AIR NEW SOURCE PERMITS	PERMIT	5488A
	AIR NEW SOURCE PERMITS	PERMIT	16859
	AIR NEW SOURCE PERMITS	PERMIT	21656
	AIR NEW SOURCE PERMITS	PERMIT	21563
	AIR NEW SOURCE PERMITS	PERMIT	22390
	AIR NEW SOURCE PERMITS	PERMIT	30275
	AIR NEW SOURCE PERMITS	PERMIT	41936
	AIR NEW SOURCE PERMITS	PERMIT	46768
	AIR NEW SOURCE PERMITS	REGISTRATION	75588
	AIR NEW SOURCE PERMITS	AFS NUM	4835500177
	AIR NEW SOURCE PERMITS	AFS NUM	4835500018
	AIR NEW SOURCE PERMITS	REGISTRATION	72781
	AIR NEW SOURCE PERMITS	EPA ID	PSDTX1023M1
	AIR NEW SOURCE PERMITS	EPA ID	PSDTX1023
	AIR NEW SOURCE PERMITS	REGISTRATION	78472
	AIR NEW SOURCE PERMITS	REGISTRATION	78481
	AIR NEW SOURCE PERMITS	REGISTRATION	87486
	AIR NEW SOURCE PERMITS	REGISTRATION	87896
	AIR NEW SOURCE PERMITS	REGISTRATION	84566
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION # (SWR)	30530
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	EPA ID	TXD008132268
	IHW CORRECTIVE ACTION	SOLID WASTE REGISTRATION #	30530

(SWR)

INDUSTRIAL AND HAZARDOUS WASTE STORAGE	PERMIT	50261
WASTEWATER LICENSING	LICENSE	WQ0000465000
INDUSTRIAL AND HAZARDOUS WASTE COMPLIANCE PLANS	PERMIT	50261
WASTE WATER GENERAL PERMIT	PERMIT	TXG670074

Location: 1300 CANTWELL LN, CORPUS CHRISTI, TX, 78407

TCEQ Region: REGION 14 - CORPUS CHRISTI

Date Compliance History Prepared: April 07, 2009

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: April 07, 2004 to April 07, 2009

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

Name: John Muennink Phone: (361) 825-3423

### 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/operator of the site during the compliance period? Yes
3. If Yes, who is the current owner/operator? Valero Refining-Texas, L.P.  
Coastal Refining & Marketing, Inc.
4. If Yes, who was/were the prior owner(s)/operator(s)? Coastal Refining and Marketing Inc
5. When did the change(s) in owner or operator occur? 11/08/2004
6. Rating Date: 9/1/2008
7. Repeat Violator: NO

### Components (Multimedia) for the Site :

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

Effective Date: 11/23/2005

COURTORDER

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)

Description: Failure to provide notification of reportable emissions, released as a result of emissions events at the Vacuum Jet Compressor on September 21, 2002 and February 7, 2003, within 24 hours of discovery.

Classification: Moderate

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

Rqmt Prov: TCEQ Permit 6797 PA

Description: Failure to obtain regulatory authority for, or satisfy all of the demonstration criteria to exempt from compliance limitations, emissions involving the Vacuum Jet Compressor during eleven emissions events.

Classification: Moderate

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

Rqmt Prov: TCEQ Permit 6797 PA

Description: Failure to obtain regulatory authority for, or satisfy all of the demonstration criteria to exempt from compliance limitations, emissions involving the Ingersoll Rand (IR) Compressor during an emissions event on June 27, 2002.

Classification: Moderate

Citation: ~~30 TAC Chapter 116, SubChapter B 116.115(b)(2)(G)~~

30 TAC Chapter 116, SubChapter B 116.115(c)

Rqmt Prov: TCEQ Permit 21655 PA

Description: Failure to obtain regulatory authority for, or satisfy all of the demonstration criteria to exempt from compliance limitations, emissions involving the Sulfur Recovery Unit Incinerator during an emissions event which started on June 20, 2002 and ended on June 24, 2002.

Classification: Minor

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

Description: Failure to provide rule required information in the notification of a reportable emissions, released as a result of emissions events at the Vacuum Jet Compressor on September 23, 2003, to the commission's regional office within 24 hours of discovery.

Classification: Moderate

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

Rqmt Prov: General Conditions PA

Description: Failure to obtain regulatory authority for, or satisfy all demonstration criteria to exempt from compliance limitations, the emissions (including approximately 3 tons of sulfur dioxide) that were released from the Vacuum Jet Compressor facility during an emissions event on September 23, 2003.

Classification: Moderate

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

Rqmt Prov: 6797 PA

Description: Failure to satisfy all demonstration criteria in 30 TAC §101.222(b) and (c) and obtain regulatory authority for the emissions (including approximately 89 tons of sulfur dioxide) that were released from the Vacuum Jet Compressor facility during emissions events and scheduled activities.

Classification: Moderate

Citation: 30 TAC Chapter 112, SubChapter B 112.31

Description: Failure to prevent emissions of hydrogen sulfide from a source or sources operated on a property or multiple sources operated on contiguous properties from exceeding a net ground level concentration of 0.80 parts per million averaged over a 30-minute period.

Classification: Moderate

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

Rqmt Prov: SC 1 PA

Description: Failure to satisfy all demonstration criteria in 30 TAC §101.222(b) and obtain regulatory authority for the emissions (including approximately 6.3 tons of sulfur dioxide) that were released from the Vacuum Jet Compressor facility during an emissions event on or about May 5, 2004.

Classification: Moderate

Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(4)(A)(ii)

Description: Failure to prevent visible emissions from the flare (EPN: EP-FLARE1) from exceeding the required limit, as reported on January 21, 2004 in Incident 33605.

Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)(B)

Description: Failure to notify the TCEQ Corpus Christi Region Office within twenty four hours after the discovery of a reportable emissions event.

Classification: Moderate

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

Rqmt Prov: Special Condition 1 PERMIT

Description: Failure to satisfy all demonstrations criteria in 30 TAC §101.222(b) and gain an affirmative defense for the unauthorized emissions that were released during TCEQ incident 37739.

Classification: Moderate

Rqmt Prov: Provision No. 3 PERMIT

Description: Failed to prevent the discharge of floating solids and visible foam in other than trace amounts at Outfall 001.

Effective Date: 12/30/2005

ADMINORDER 2001-1023-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.6(a)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: SC1 PERMIT

Description: Fail. obtain regulatory auth. or meet demonstration requirements of 30TAC101.11 for emissions resulting from upset event that occurred 7/2/00 - 7/7/00.

Classification: Minor

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

Description: Fail. maintain complete records regarding upset event that occurred on 9/8/2000.

Classification: Moderate

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

Rqmt Prov: SC1 PERMIT

Description: Fail. obtain regulatory auth. or meet demonstration requirements of 30TAC101.11 for emissions resulting from upset events that occurred on 7/2/00 thru 7/7/00.

Classification: Moderate

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

Rqmt Prov: SC1 PERMIT

Description: Fail. obtain regulatory auth. or meet demonstration requirements of 30TAC101.11 for emissions resulting from upset that occurred on 9/26/00.

Classification: Moderate

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

Rqmt Prov: SC1 PERMIT

Description: Fail. obtain regulatory auth. or meet demonstration requirements of 30TAC101.11 for emissions resulting from upset event that occurred on 9/26/00.

Classification: Moderate

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

Rqmt Prov: SC1 PERMIT

Description: Fail. obtain regulatory auth. or meet demonstration requirements of 30TAC101.11 for emissions resulting from 20 upset events at crude & vacuum unit.

Classification: Minor

Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(4)(A)(ii)  
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Fail. maintain flare observation log for 4 flares for may & June 2000 & for east plt. main flare for december 2000.

Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter B 115.114(b)(2)  
30 TAC Chapter 115, SubChapter B 115.114(b)(3)  
30 TAC Chapter 115, SubChapter B 115.114(b)(4)  
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Fail. visually inspect or physically measure secondary seal gaps of vessels numbered 84, 98, 100, 151, 153, 355 & 358 at least once every 12 months during calendar yr. 2000.

Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter D 115.322(5)  
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Fail. mark applicable pipeline valves & pressure relief valves in gaseous VOC serv. in manner readily obvious to monitoring personnel.

Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter D 115.324(1)(C)  
30 TAC Chapter 115, SubChapter D 115.326(2)  
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Fail. measure emissions from all affected process drains on yearly basis.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)  
30 TAC Chapter 101, SubChapter A 101.20(2)  
30 TAC Chapter 113, SubChapter C 113.130  
30 TAC Chapter 115, SubChapter D 115.325(1)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.485(b)  
40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.355(h)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.180(b)

Rqmt Prov: SC 11 & 12 PERMIT

SC 13F PERMIT  
SC 16F & 16G PERMIT  
SC 1F & 1G PERMIT  
SC 3F & 3G PERMIT  
SC 5 & 6 PERMIT  
SC 5F, 5G & 6 PERMIT  
SC 6 PERMIT  
SC4 PERMIT

Description: Fail. properly conduct test method 21.

Classification: Minor

Citation: 30 TAC Chapter 115, SubChapter D 115.326(1)  
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Fail. submit monitoring program plan which includes list of refinery units & quarter in which they will be monitored copy of log book format & make & model of monitoring equip. to be used.

Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter D 115.327(4)  
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Fail. submit required compliance plan & start up notification before #2 reformer at Quintana plt. was re-started in 1/2001.

Classification: Minor

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

Rqmt Prov: SC13 PERMIT  
SC29E PERMIT

Description: Fail. submit accurate summ.rpt. for SRU#1 for 3rd qurtr. cal. yr. 1999(3Q99)&for SRU#1 &SRU #2 for 2Q00 &fail. to submit CMS EER for 1Q97,2Q97,4Q98 &2Q99 for fuel gas hydrogen sulfide content 3Q00 SRU#1 SO2 emissions,3Q97 &1Q00 co-gen.unit NOX emiss.

Classification: Minor

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

Description: Fail. submit rpt. at least semi-annual cert. indicating whether any changes were made in opers. SRU#1 & SRU#2 emission control system when SO2 data wasn't available from CEMS.

Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)  
40 CFR Part 60, Subpart NNN 60.665(a)  
40 CFR Part 60, Subpart NNN 60.665(d)

Description: Fail. submit notification indicating method of compliance w/ 40CFR60.662 & fail. provide records of flow rates & semi-annual rpts. as required.

Classification: Minor

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

Rqmt Prov: SC11A PERMIT  
SC13A PERMIT  
SC16A PERMIT  
SC3A PERMIT  
SC4A PERMIT  
SC5A & 6A PERMIT

Description: Fail. provide records of throughput and service and emission control tanks repairs/replacements.

Classification: Moderate

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

Rqmt Prov: SC11F PERMIT  
SC16F PERMIT  
SC4F PERMIT  
SC6F PERMIT  
SCF5 PERMIT

Description: Fail. utilize directed maintenance program to monitor accessible valves.

Classification: Minor

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

Rqmt Prov: SP 8D,8E &8F PERMIT

Description: Fail. maintain record of semi-annual & yr.-to-date emissions calculations for annual &

short-term emissions for vessels.

Classification: Moderate

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

Rqmt Prov: GC1 PERMIT

Description: Fail to produce, upon request, proper records of CO emissions.

Classification: Minor

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

Rqmt Prov: SC8 PERMIT

Description: Failed to include emissions from the CO boiler and the collapse of the roof of storage vessel no. 352 in teh EIU for calendar year 1999.

Classification: Moderate

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

Rqmt Prov: SC1 PERMIT

Description: Fail. maintain emissions of CO, VOC & PM at or below allowable emission limits for reactor heater 3-H-3 for calendar yr. 2000.

Classification: Moderate

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

Rqmt Prov: SC3 PERMIT

Description: Fail. comply w/ required fuel rate limit for reactor heater 3-H-3 from 10/1999 - 6/2000 & 8/2000

Classification: Minor

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

Rqmt Prov: SC8A PERMIT

Description: Fail. properly maintain records of fuel throughput for reactor heater 3-H-3.

Classification: Minor

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

Rqmt Prov: SC7 PERMIT

Description: Fail. report results of annual test runs to confirm accuracy of weekly sampling procedures of SC4 of TNRCC air permit #3784A for 1999 & 2000.

Classification: Moderate

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

Description: Fail. maintain emissions of VOC, NOx & CO at or below allowable emission limits for #2 reformer flare REF2FL1 for calendar yrs. 1999 & 2000 and misrepresentation of these emissions in 1/22/92 permit app..

Classification: Minor

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

Rqmt Prov: SC5 PERMIT

Description: Fail. maintain records of daily avg. fuel gas usage for heater QL-10.

Classification: Moderate

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

Rqmt Prov: GC8 PERMIT

Description: Fail. maintain emissions of CO at or below allowable emission limits for heater QH-125 for calendar yrs. 1999 & 2000.

Classification: Moderate

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

Rqmt Prov: SC1 PERMIT

Description: Fail. maintain emissions of VOC at or below allowable emission limits for heater Q10-H-1 for calendar yr. 2000.

Classification: Moderate

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

Rqmt Prov: SC6 PERMIT

Description: Fail. comply w/ required feed rate limit for heater Q10-H-1 for 12/1999.

Classification: Moderate

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

Rqmt Prov: SC4 PERMIT

Description: Fail. comply w/ required hourly firing rate limit for heater 8-H-6 from 1/1 to 5/27, 6/3 to 6/18, 7/3 to 7/6 & 7/21 to 9/9, 1999; and fail. comply w/ required hourly firing rate limit for heaters 8-H-3 & 8-H-5 for 17 hrs. between 1/22 & 4/21, 1999.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: SC11E PERMIT

Description: Fail. manually switch CEMS monitor between stacks cogen-1 & cogen-2 every 3 months during calendar yrs. 1999 & 2000.

Classification: Moderate

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

Rqmt Prov: SC1 OP

Description: Failure to produce on request records of VOC emission levels for for Coker Heater 7-H-2 for calendar year 1999 and for emission levels of VOCs, PM and CO for calendar year 2000

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.116(b)(1)  
5C THC Chapter 382, SubChapter A 382.085(b)

Description: misrepresented the West Plant Flare as an emergency flare instead of a process flare

Classification: Minor

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

Rqmt Prov: SC18 OP

Description: failed to complete all samples required for cooling water VOC leak detection sampling

Effective Date: 08/23/2007

ADMINORDER 2007-0131-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter D 382.085(b)

Rqmt Prov: TCEQ 2937 / SC 1 PA

Description: Failure to satisfy all demonstration criteria in 30 TAC §101.222(b) and gain an affirmative defense against penalties for unauthorized emissions that were released from the No. 4 Vacuum Unit during an emissions event (TCEQ STEERS No. 75676) which occurred on or about May 10, 2006.

Effective Date: 11/19/2007

ADMINORDER 2006-0468-MLM-E

Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)  
30 TAC Chapter 335, SubChapter A 335.4

Description: Failed to prevent the discharge of slop oil and wastewater to the environment, as documented during an investigation conducted on June 20, 2006. Specifically, the investigator documented that a spill of hazardous wastewater occurred from Tank 109 into the earthen dike surrounding the tank on June 1, 2006, and the contaminated soils in the earthen dike had not been removed and properly disposed.

Classification: Moderate

Citation: 30 TAC Chapter 305, SubChapter F 305.125(9)  
Rqmt Prov: TCEQ Water Quality Permit No. 00465 PERMIT

Description: Failed to report any noncompliance which may endanger human health, safety, or the environment within 24 hours of becoming aware of the noncompliance, as documented during an investigation conducted on June 20, 2006. Specifically, Valero did not submit notification of the overflow of slop oil and hazardous wastewater from Tank 109.

Effective Date: 04/14/2008

ADMINORDER 2007-1189-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter D 382.085(b)

Rqmt Prov: No.: 2937 PERMIT  
PSD-TX-1023M1 PERMIT

Description: This permit authorizes emissions only from those points listed in the attached table entitled "Emission Sources - Emission Caps and Individual Emission Limitations".

Effective Date: 11/17/2008

ADMINORDER 2007-1545-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter F 101.211(b)(1)(H)  
30 TAC Chapter 101, SubChapter F 101.211(b)(1)(I)  
5C THC Chapter 382, SubChapter D 382.085(b)

Description: Failed to submit an administratively complete final report within two weeks after the end of the activity. Specifically, the Respondent failed to individually list all compounds or mixtures of air contaminants involved in the emissions activity, their estimated total quantities, the authorized emissions limits for those contaminants, and the preconstruction authorization in the final report for Incident Number 87955.

Classification: Major

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

Rqmt Prov: TCEQ Air Permit 2937/PSD-TX-1023MI PERMIT

Description: Failed to prevent unauthorized emissions. Specifically, the Respondent released 63.38 lbs of benzene, 2,173.93 lbs of VOCs, 67.95 lbs of toluene, 19.5 lbs of xylene and 6.3 lbs of ethylbenzene during a maintenance activity involving Tank 102 that began March 6, 2007 and lasted 24 hours.

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	04/15/2004	(258186)
2	04/22/2004	(296108)
3	05/17/2004	(265353)
4	05/18/2004	(296110)
5	06/07/2004	(274416)
6	06/15/2004	(269771)
7	06/21/2004	(296112)
8	06/22/2004	(270344)
9	06/30/2004	(277545)
10	06/30/2004	(277770)
11	07/20/2004	(352431)
12	08/19/2004	(352432)
13	08/27/2004	(289772)
14	08/31/2004	(267107)
15	09/13/2004	(352433)
16	10/07/2004	(292867)
17	10/21/2004	(334534)
18	10/21/2004	(352434)
19	11/23/2004	(352435)
20	11/30/2004	(342509)
21	11/30/2004	(342556)
22	12/06/2004	(342868)
23	12/22/2004	(381980)
24	12/28/2004	(345193)
25	01/14/2005	(381981)

26	02/10/2005	(342544)
27	02/22/2005	(381978)
28	03/18/2005	(381979)
29	04/11/2005	(350299)
30	04/15/2005	(373717)
31	04/19/2005	(430046)
32	05/23/2005	(430047)
33	06/02/2005	(394325)
34	06/02/2005	(394464)
35	06/21/2005	(430048)
36	06/27/2005	(375543)
37	07/05/2005	(397974)
38	07/09/2005	(397621)
39	07/15/2005	(397268)
40	07/20/2005	(430049)
41	08/19/2005	(405862)
42	08/19/2005	(440955)
43	08/24/2005	(402929)
44	08/30/2005	(418769)
45	09/19/2005	(440956)
46	10/14/2005	(433213)
47	10/24/2005	(440957)
48	10/25/2005	(432976)
49	11/17/2005	(403617)
50	11/21/2005	(468638)
51	12/21/2005	(439798)
52	12/21/2005	(468639)
53	01/23/2006	(468640)
54	01/28/2006	(453260)
55	02/08/2006	(453776)
56	02/22/2006	(468635)
57	03/20/2006	(468637)
58	03/28/2006	(458315)
59	04/19/2006	(462919)
60	04/24/2006	(498341)
61	05/08/2006	(464657)
62	05/08/2006	(465221)
63	05/23/2006	(498342)
64	05/25/2006	(479708)
65	06/06/2006	(480816)
66	06/19/2006	(465775)
67	06/21/2006	(498343)
68	07/07/2006	(485108)
69	07/10/2006	(462991)
70	07/19/2006	(481002)
71	07/20/2006	(498344)
72	08/18/2006	(520356)
73	08/22/2006	(483293)
74	08/29/2006	(488424)
75	08/29/2006	(509898)
76	08/30/2006	(509065)
77	09/13/2006	(510965)
78	09/19/2006	(520357)
79	10/16/2006	(511059)
80	10/20/2006	(544689)
81	11/16/2006	(544690)
82	11/30/2006	(531095)
83	12/05/2006	(532536)
84	12/06/2006	(532499)

85	12/19/2006	(544691)
86	12/20/2006	(511278)
87	01/08/2007	(533142)
88	01/19/2007	(532903)
89	01/22/2007	(544692)
90	01/26/2007	(534329)
91	01/26/2007	(537711)
92	02/05/2007	(517485)
93	02/08/2007	(538991)
94	02/20/2007	(575585)
95	02/21/2007	(541385)
96	02/26/2007	(533896)
97	03/16/2007	(553836)
98	03/20/2007	(575586)
99	04/23/2007	(575587)
100	05/21/2007	(575588)
101	06/04/2007	(540935)
102	06/22/2007	(575589)
103	06/29/2007	(554747)
104	07/18/2007	(575590)
105	07/27/2007	(564471)
106	08/01/2007	(565791)
107	08/20/2007	(563339)
108	08/20/2007	(607581)
109	08/21/2007	(562042)
110	08/22/2007	(570744)
111	08/28/2007	(573456)
112	08/29/2007	(573753)
113	08/29/2007	(573754)
114	08/29/2007	(573755)
115	08/30/2007	(570541)
116	08/31/2007	(567701)
117	09/14/2007	(594164)
118	09/21/2007	(607582)
119	10/09/2007	(595753)
120	10/19/2007	(597755)
121	10/19/2007	(619627)
122	10/22/2007	(597742)
123	10/31/2007	(598205)
124	10/31/2007	(599527)
125	11/09/2007	(599099)
126	11/14/2007	(598476)
127	11/20/2007	(619628)
128	12/12/2007	(609425)
129	12/12/2007	(610539)
130	12/17/2007	(611173)
131	12/19/2007	(619629)
132	12/21/2007	(612065)
133	01/17/2008	(672155)
134	01/25/2008	(614986)
135	02/15/2008	(618558)
136	02/21/2008	(672153)
137	02/22/2008	(636427)
138	02/28/2008	(636485)
139	03/03/2008	(637496)
140	03/20/2008	(672154)
141	03/31/2008	(640957)
142	04/08/2008	(636416)
143	04/14/2008	(641040)

144 04/18/2008 (690060)  
~~145 05/05/2008 (654417)~~  
146 05/21/2008 (690061)  
147 05/23/2008 (680306)  
148 05/28/2008 (671660)  
149 05/30/2008 (641327)  
150 05/30/2008 (654560)  
151 05/30/2008 (657246)  
152 05/31/2008 (532287)  
153 06/10/2008 (641355)  
154 06/12/2008 (636082)  
155 06/16/2008 (690062)  
156 06/17/2008 (681285)  
157 07/17/2008 (710843)  
158 08/05/2008 (684282)  
159 08/20/2008 (688327)  
160 08/24/2008 (687945)  
161 08/25/2008 (710844)  
162 08/26/2008 (700018)  
163 08/28/2008 (685562)  
164 08/28/2008 (700302)  
165 09/18/2008 (710845)  
166 10/09/2008 (704922)  
167 10/13/2008 (704797)  
168 10/22/2008 (727556)  
169 10/22/2008 (727557)  
170 10/31/2008 (705894)  
171 11/24/2008 (727558)  
172 12/03/2008 (708988)  
173 12/15/2008 (720987)  
174 12/15/2008 (721366)  
175 12/16/2008 (727559)  
176 12/22/2008 (709272)  
177 02/17/2009 (687011)  
178 02/17/2009 (710231)  
179 02/17/2009 (723902)  
180 02/25/2009 (735573)  
181 02/27/2009 (736841)  
182 03/17/2009 (737727)  
183 04/02/2009 (723632)

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

Date: 08/19/2004 (289772)  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(4)(A)(II)  
Description: Failure to prevent visible emissions from the flare (EPN: EP-FLARE1) from exceeding the required limit, as reported on January 21, 2004 in incident 33605.

Date: 01/31/2006 (468635)  
Self Report? YES Classification: Moderate  
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)  
TWC Chapter 26 26.121(a)  
Description: Failure to meet the limit for one or more permit parameter

Date: 08/23/2006 (488424)  
Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 113, SubChapter C 113.340  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT CC 63.654(l)

Description: Failure to maintain records as required by applicable federal rule.  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 113, SubChapter C 113.130  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.163(b)(1)

Description: Failure to conduct required monthly monitoring of six pumps.  
Self Report? NO 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 61.345(b)  
FOP O-02250, Special Condition No. 15(A) OP

Description: Failure to conduct visual inspections as required by federal rule.

Date: 08/29/2006 (509065)  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(2)  
40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.345(b)  
O-01231 STC No. 10A OP

Description: Failure to visually inspected initially and quarterly thereafter to ensure that all containers are closed and gasketed properly.  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 115, SubChapter B 115.132(b)(1)  
O-01231 STC 13 OP

Description: The Regulated Entity failed to keep the gauging and sampling devices vapor-tight except during gauging or sampling, citing 30 TAC § 115.132(b)(1) / FOP No. O-01231 Permit Provision No. 13 for the reporting period covering, 10/11/2005 to 10/17/2005.

Date: 08/29/2006 (509898)  
Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 122, SubChapter B 122.145(2)(A)  
FOP No. O-02238 OP

Description: Failure to submit a complete deviation report for Title V Federal Operating Permit No. O-02238 for the semi-annual reporting periods of April 19, 2005 through October 18, 2005 and October 19, 2005 through April 18, 2006. Specifically, the deviation reports were inadequate as the probable cause was

Self Report? NO 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 61.345(b)  
FOP O-02238 Special Term & Condition 10A OP

Description: Failure to conduct visual inspections of vacuum trucks during the third quarter (July 1, 2005 through September 30, 2005) as required by applicable federal rule.

Date: 05/31/2007 (575589)  
Self Report? YES Classification: Moderate  
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)  
TWC Chapter 26 26.121(a)

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

Date: 08/24/2007 (570744)  
Self Report? YES Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.20  
30 TAC Chapter 115, SubChapter D 115.322(4)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
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 61, SubChapter C, PT 61, SubPT V 61.242-6(a)  
Special Condition 24E (2937/PSDTX1023M1) PERMIT  
Special Term & Condition 1A (FOP O-2238) OP

Description: Failure to equip each open-ended valve or line with a cap, blind flange, plug, or a second valve. According to the TCEQ Enforcement Initiation Criteria, this is a Category C violation, Subcategory 10.

Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(2)

30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 113, SubChapter C 113.130  
30 TAC Chapter 115, SubChapter D 115.322(4)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 61, SubChapter C, PT 61, SubPT V 61.242-6(a)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.167(a)(1)  
Special Condition 25E (2937/PSDTX1023M1) PERMIT  
Special Term & Condition 1A (FOP O-2238) OP

Description: Failure to equip each open-ended valve or line with a cap, blind flange, plug, or a second valve. According to the TCEQ Enforcement Initiation Criteria, this is a Category C violation, Subcategory 10.

Date: 08/29/2007 (573456)

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 115, SubChapter D 115.322(2)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
Permit No. 2937/PSD-TX-1023, SC 24(I) PERMIT

Description: Failure to conduct repairs of leaking components no later than 15 calendar days after they were found to be leaking. Specifically, twenty-two valves on the following dates: 6/13/2006, 6/14/2006, 6/17/2006, 6/21/2006, 6/23/2006 and 8/29/2006, and three pumps on the following dates: 6/13/2006, 6/23/2006 and 7/31/2006, were found to be leaking.

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 113, SubChapter C 113.120  
30 TAC Chapter 113, SubChapter C 113.340  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT CC 63.646(a)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.120(a)(2)(II)

Description: Failure to conduct a primary seal inspection on storage tank TK-326 at the end of its 10 year inspection cycle.

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)  
30 TAC Chapter 113, SubChapter C 113.340  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-2(c)(2)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT CC 63.648(a)

Description: Failure to conduct an initial repair attempt within a 5-day period after a pump (tag no. E16169) located in the EP South Tank Farm Area was detected as leaking on 9/22/2006. The initial repair attempt was due no later than 09/27/2006 and was not performed until 09/28/2006.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 113, SubChapter C 113.130  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT CC 63.648(c)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.163(c)(1)

Description: Failure to repair a pump within the 15-day period after it was discovered to be leaking on 6/26/2006. The pump, tag no. O10963, was due to be repaired no later than 7/11/2006. The pump was repaired on 7/24/2006.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 113, SubChapter C 113.130  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT CC 63.648(c)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.168(f)(1)

Description: Failure to repair a valve within the 15-day period after it was discovered to be leaking on 6/24/2006. The valve, tag no. O10834, was due to be repaired no later than 7/9/2006. The valve was repaired on 7/12/2006.

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 113, SubChapter C 113.130  
30 TAC Chapter 113, SubChapter C 113.340  
30 TAC Chapter 115, SubChapter D 115.322(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)

Description: Failure to properly operate or equip each open-ended line (OELs) with a cap, blind flange, plug or a second valve. Specifically, two open-ended lines located in the South Tank Farm and identified as tag nos.: 17702 and 17713 were not equipped with a cap, blind flange, plug or a second valve as required. The OELs were discovered on 8/30/2006 and 9/13/2006, respectively.

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)

30 TAC Chapter 113, SubChapter C 113.340  
30 TAC Chapter 115, SubChapter D 115.325(1)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.485(b)(1)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT CC 63.648(a)  
Description: Failure to perform equipment calibration and monitoring of components according to test Method 21. Specifically, cylinder standards of 500 parts per million (ppm), 1,000 ppm, 2,000 ppm and 10,000 ppm were passed documented shelf life.

Date: 08/30/2007 (570541)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(2)  
40 CFR Chapter 61, SubChapter C, PT 61, SubPT V 61.242-2(c)  
O-01750 OP

Description: Failure to comply with EPA standards, any applicable NESHAPS promulgated by the EPA pursuant to the Federal Clean Air Act, §112, as amended;

Date: 10/31/2007 (619628)

Self Report? YES Classification: Moderate

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

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

Date: 08/26/2008 (700018)

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 111, SubChapter A 111.11(a)(4)(A)(II)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)  
Special Terms and Conditions No. 1.A. OP

Description: Failure to record daily notations of observations of the flare for at least 98% of the time.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(2)  
30 TAC Chapter 115, SubChapter B 115.132(b)(1)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.347(c)  
5C THSC Chapter 382 382.085(b)  
Special Terms and Conditions No. 1.A. OP  
Special Terms and Conditions No. 13 OP

Description: Failure to operate the corrugated plate interceptor (CPI) oil/water separator in such a manner as to maintain a vapor tight seal to prevent volatile organic compound (VOC) emissions from escaping to the atmosphere as per 30 TAC §115.132(b)(1).

Self Report? NO 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 61.347(c)  
5C THSC Chapter 382 382.085(b)  
Special Terms and Conditions No. 1.A. OP

Description: Failure to conduct a first attempt repair of leaking components of the CPI oil/water separator no later than fifteen calendar days after the leak is found.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)  
30 TAC Chapter 116, SubChapter G 116.715(d)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT J 60.104(a)(1)  
5C THSC Chapter 382 382.085(b)  
Special Condition No. 9 PERMIT  
Special Terms and Conditions No. 14 OP

Description: Failure to maintain the 0.10 grain per dry standard cubic foot (gr/dscf) concentration of hydrogen sulfide (H<sub>2</sub>S), as averaged over a one-hour period, for fuel gas used in a combustion device.

Date: 08/28/2008 (687945)

Self Report? NO 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)  
5C THSC Chapter 382 382.085(b)

Description: Failure to conduct storage vessel inspections according to the frequency stipulated in provisions of applicable regulations.  
This further constitutes a violation of special terms and conditions of Title V - Federal Operating Permit No. O-02250 and 5C Texas Health and Safety Code §382.085(b).

Self Report? NO 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 G 63.120  
5C THSC Chapter 382 382.085(b)

Description: Failure to conduct storage vessel inspections according to the frequency stipulated in provisions of applicable regulations.  
This further constitutes a violation of special terms and conditions of Title V - Federal Operating Permit No. O-02250 and 5C Texas Health and Safety Code §382.085(b).  
40 CFR § 63.120(b)(1)(iv) = TK 85  
40 CFR §63.120(a)(4) = TK 152

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.349(a)(1)(i)  
5C THSC Chapter 382 382.085(b)

Description: Failure to monitor closed vent system at least once per year by the methods specified in 40 CFR §61.355(h) of Subpart FF.  
Eight (8) activated carbon canister closed vent systems used to control vapor from oily water sewer junction boxes were not monitored during the preceding year.  
This further constitutes a violation of special terms and conditions of Title V - Federal Operating Permit No. O-02250 and 5C Texas Health and Safety Code §382.085(b).

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.485(b)(1)  
5C THSC Chapter 382 382.085(b)

Description: Failure to calibrate monitoring instruments with a certified calibration gas. Specifically, Method 21 Instrument calibration utilized a gas standard for 2,000 ppm with an expired shelf life. This further constitutes a violation of special terms and conditions of Title V - Federal Operating Permit No. O-02250 and 5C Texas Health and Safety Code §382.085(b).

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 113, SubChapter C 113.130  
30 TAC Chapter 115, SubChapter D 115.322(2)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-1  
40 CFR Part 63, Subpart H 63.163  
5C THSC Chapter 382 382.085(b)  
NSR Flex No. 2937 SC 24 (I) PA

Description: Failure to comply with applicable requirements for timely repair of leaking components. This further constitutes a violation of special terms and conditions of Title V - Federal Operating Permit No. O-02250 and 5C Texas Health and Safety Code §382.085(b).

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter D 115.322(4)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-1  
5C THSC Chapter 382 382.085(b)  
NSR Flex 2937 / SC 24(E) PA

Description: Failure to properly equip and operate each open-ended line (OELs) with a cap, blind flange, plug or a second valve. This further constitutes a violation of

special terms and conditions of Title V - Federal Operating Permit No. O-02250 and 5C Texas Health and Safety Code §382.085(b).

Instances noted to be related to specific violations under the regulatory standards are as follows:  
30 TAC §§115.322(4) & 116.715(a), 40 CFR §60.482-6 = 7 open-ended lines

Date: 08/28/2008 (700302)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 113, SubChapter C 113.130  
30 TAC Chapter 116, SubChapter G 116.715(a)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.163(c)(1)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.163(c)(2)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.168(f)(1)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.174(d)  
5C THSC Chapter 382 382.085(b)  
Special Condition No. 23 PA  
Special Terms and Conditions No. 21 OP

Description: Failure to conduct a first attempt repair of leaking components no later than five calendar days after the leak is found, and failure to repair leaking components no later than 15 calendar days after the leak is found for fugitive components subject to 40 CFR 63 Subpart H.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)  
30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 111, SubChapter A 111.111(a)(1)(A)  
30 TAC Chapter 113, SubChapter C 113.780  
30 TAC Chapter 116, SubChapter G 116.715(a)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT J 60.102(a)(2)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT UUU 63.1564(a)(1)(i)  
5C THSC Chapter 382 382.085(b)  
Special Condition No. 17 PA  
Special Terms and Conditions No. 21 OP  
Special Terms and Conditions No. 3 OP

Description: Failure to prevent visible emissions greater than 30 percent opacity averaged over a six-minute period in any one-hour period from rapping/soot blowing operations. Specifically, 192 rapping/soot blowing operations conducted from April 30, 2007 through March 17, 2008 exceeded 30 percent opacity for at least two six-minute periods within one hour.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(1)(E)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)  
Special Terms and Conditions No. 3 OP

Description: Failure to prevent visible emissions greater than 30 percent opacity averaged over a six-minute period in any 60 consecutive minutes, nor more than six hours in any 10-day period from rapping/soot blowing operations.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)  
30 TAC Chapter 113, SubChapter C 113.780  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT J 60.103(a)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT UUU 63.1564(a)(1)(i)  
5C THSC Chapter 382 382.085(b)  
Special Terms and Conditions No. 1D OP

Description: Failure to prevent the discharge into the atmosphere from any fluid catalytic cracking unit catalyst (FCCU) regenerator any gases that contain carbon monoxide (CO) in excess of 500 parts per million (ppm) by volume (dry basis). Specifically, five instances on January 7, 2008 and one instance on March 11, 2008 occurred where the concentration of CO at the FCCU stack exceeded the 500 ppm limit as averaged over a one-hour period.

Self Report? NO Classification: Moderate

**Citation:** 30 TAC Chapter 101, SubChapter A 101.20(1)  
30 TAC Chapter 113, SubChapter C 113.780  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT J 60.104(a)(2)(I)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT UUU 63.1568(a)(1)  
5C THSC Chapter 382 382.085(b)  
Special Terms and Conditions No. 1D OP

**Description:** Failure to prevent the discharge into the atmosphere from any Claus sulfur recovery plant any gases that contain Sulfur Dioxide (SO<sub>2</sub>) in excess of 250 parts per million (ppm) by volume (dry basis).

**Self Report?** NO **Classification:** Moderate

**Citation:** 30 TAC Chapter 113, SubChapter C 113.780  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT UUU 63.1569(c)(1)  
5C THSC Chapter 382 382.085(b)  
Special Terms and Conditions No. 1D OP

**Description:** Failure to install a car-seal or lock-and-key device on the mechanism by which the bypass device flow position is controlled when the bypass device is in the closed position such that the bypass line valve cannot be opened without breaking the seal or removing the device. Specifically, a bypass to the continuous catalytic reformer (CCR) Unit scrubber (#4 Platformer) was discovered on October 16, 2007 to have no car-seal present.

**Self Report?** NO **Classification:** Moderate

**Citation:** 30 TAC Chapter 101, SubChapter A 101.20(1)  
30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT J 60.104(a)(1)  
5C THSC Chapter 382 382.085(b)  
Special Condition No. 9 PERMIT  
Special Terms and Conditions No. 21 OP

**Description:** Failure to prevent the burning in any fuel gas combustion device any fuel gas that contains hydrogen sulfide (H<sub>2</sub>S) in excess of 230 mg/dscm (0.10 gr/dscf) as per 40 CFR 60.104(a)(1).

**Self Report?** NO **Classification:** Moderate

**Citation:** 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)  
Special Condition No. 14 PA  
Special Terms and Conditions No. 21 OP

**Description:** Failure to capture and route to the Scot Tail Gas Incinerator (TGI) all gases displaced during sulfur loading operations. Specifically, during the loading of sulfur, three truck tank trailers on October 5, 2007 and fifty-seven truck tank trailers on January 10, 2008 through January 18, 2008, were not routed to the TGI at the No. 2 Sulfur Recovery Unit. This results in a violation of Special Condition No. 14 of TCEQ Air Permit No. 2937/PSD-TX-1023M1.

**Self Report?** NO **Classification:** Moderate

**Citation:** 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 113, SubChapter C 113.300  
30 TAC Chapter 116, SubChapter G 116.715(a)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT Y 63.562(b)  
5C THSC Chapter 382 382.085(b)  
Special Condition No. 6 PA  
Special Terms and Conditions No. 18 OP  
Special Terms and Conditions No. 21 OP

**Description:** Failure to capture and route to the thermal oxidizer all marine loading emissions of materials with vapor pressures greater than 0.5 pounds per square inch atmosphere (psia). Specifically, on August 18, 2007, 5,400 barrels of Naphtha were loaded uncontrolled at the No. 6 Dock.

**Self Report?** NO **Classification:** Moderate

**Citation:** 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 115, SubChapter D 115.322(2)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
30 TAC Chapter 122, SubChapter B 122.143(4)

5C THSC Chapter 382 382.085(b)

Special Condition No. 23 PA  
Special Terms and Conditions No. 21 OP

Description: Failure to conduct a first attempt repair of leaking components no later than five calendar days after the leak is found, and failure to repair leaking components no later than 15 calendar days after the leak is found.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)  
30 TAC Chapter 101, SubChapter A 101.20(2)  
30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 113, SubChapter C 113.130  
30 TAC Chapter 115, SubChapter D 115.322(4)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 1, SubChapter C, PT 61, SubPT V 61.242-6(a)(1)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.167(a)(1)  
5C THSC Chapter 382 382.085(b)  
Special Condition No. 23 PA  
Special Terms and Conditions No. 21 OP

Description: Failure to properly operate or equip each open-ended line (OELs) with a cap, blind flange, plug or a second valve. Specifically, thirty-nine OELs, as identified in pages 52 through 62 of 71 of the November 16, 2007 semi-annual deviation report for Federal Operating Permit (FOP) O-02238, were discovered within the East Plant Process Units.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)  
30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-2(c)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-3(g)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(d)  
5C THSC Chapter 382 382.085(b)  
Special Condition No. 23 PA  
Special Terms and Conditions No. 21 OP

Description: Failure to conduct a first attempt repair of leaking components no later than five calendar days after the leak is found, and failure to repair leaking components no later than 15 calendar days after the leak is found for fugitive components subject to 40 CFR 60 Subpart VV.

Date: 08/28/2008 (685562)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)  
40 CFR Chapter 264, SubChapter I, PT 264, SubPT G 264.117(a)(ii)  
Permit Provision XII.F.(2)(3) OP

Description: Valero Refinery-East Plant failed to maintain the cover on the closed landfill, as applicable, such that the cover promotes drainage, prevents ponding, minimizes surface water infiltration, and minimizes erosion of the cover. Any desiccation cracks, erosion, gullyng, or other damage shall be repaired upon observance pursuant to 40 CFR 264/Permit No. HW-50261, Provision XII.F.(2)(3).

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 335, SubChapter F 335.152(a)(1)  
40 CFR Chapter 263, SubChapter I, PT 263, SubPT C 264.15(d)  
Permit Provision II.F OP

Description: Valero Refinery-East Plant failed to document date and nature of repairs and remedial action in response to facility inspections pursuant to 40 CFR 264.15/Permit No. HW-50261, Provision II.F. During review of C-7 Landfill Inspection record, it was noted "grass needs to be mowed." However, Valero Refinery-East Plant did not document the date in which the grass was mowed on the closed landfill.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 305, SubChapter D 305.69(c)  
40 CFR Chapter 264, SubChapter I, PT 264, SubPT G 264.112(c)  
Permit Provision I.F.6. OP

Description: Valero Refinery-East Plant failed to submit a written notification of or request for a permit-modification-to-authorize-the-placement-of-asphalt-reclaim-on-the-closed hazardous landfill cap pursuant to 40 CFR 264.112(c)/Permit No. HW-50261, Provision I.F.(6).

Date: 10/31/2008 (727558)

Self Report? YES

Classification: Moderate

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

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

F. Environmental audits.

N/A

G. Type of environmental management systems (EMSs).

N/A

H. Voluntary on-site compliance assessment dates.

N/A

I. Participation in a voluntary pollution reduction program.

N/A

J. Early compliance.

N/A

Sites Outside of Texas

N/A





**IN THE MATTER OF AN  
ENFORCEMENT ACTION  
CONCERNING  
VALERO REFINING-TEXAS, L.P.  
RN100211663**

§  
§  
§  
§  
§

**BEFORE THE  
TEXAS COMMISSION ON  
ENVIRONMENTAL QUALITY**

**AGREED ORDER  
DOCKET NO. 2009-0510-AIR-E**

**I. JURISDICTION AND STIPULATIONS**

At its \_\_\_\_\_ agenda, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Valero Refining-Texas, L.P. ("the Respondent") 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 the Respondent appear before the Commission and together stipulate that:

1. The Respondent owns and operates a refinery at 1300 Cantwell Lane in Corpus Christi, Nueces 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 the Respondent agree that the Commission has jurisdiction to enter this Agreed Order, and that the Respondent is subject to the Commission's jurisdiction.
4. The Respondent received notice of the violations alleged in Section II ("Allegations") on or about April 22, 2009.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
6. An administrative penalty in the amount of Thirteen Thousand Seven Hundred Six Dollars (\$13,706) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Five Thousand Four Hundred Eighty-Three Dollars (\$5,483) of the administrative penalty and Two Thousand Seven Hundred Forty-One Dollars

(\$2,741) is deferred contingent upon the Respondent'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 the Respondent fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require the Respondent to pay all or part of the deferred penalty. Five Thousand Four Hundred Eighty-Two Dollars (\$5,482) shall be conditionally offset by the Respondent's completion of a Supplemental Environmental Project ("SEP").

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 the Respondent 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 the Respondent installed a flange type plate, by February 3, 2009, on the roof's manway that can be gasketed and bolted down to form an air-tight seal.
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 the Respondent 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, the Respondent is alleged to have:

1. Failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 116.715(a), 122.143(4), 113.120, 101.20(1), (2) and (3), TEX. HEALTH & SAFETY CODE § 382.085(b), 40 CODE OF FEDERAL REGULATIONS ("CFR") §§ 60.112b(a)(1)(i) and (a)(1)(iv), 61.351(a)(1), 63.119(b)(1) and (b)(6), 63.133(a)(2)(ii), Permit No. O-2250, Special Terms and Conditions No. 1A and Flexible Permit No. 2937/PSD-TX-1023M1, Special Condition No. 1, as documented during a record review conducted on January 13 through March 20, 2009. Specifically, the Respondent released 338.32 pounds ("lbs") of volatile organic compounds ("VOC"), 21.87 lbs of benzene, 13.34 lbs of toluene, 12.24 lbs of hydrogen sulfide ("H<sub>2</sub>S"), 5.22 lbs of xylene and 1.23 lbs of ethylbenzene during an avoidable emissions event (Incident No. 116871) that began November 19, 2008 and lasted 45 hours. The unauthorized release was the result of a failure to bolt or fasten covers on each access hatch to form an air-tight seal on Tank 9. Since there was no air tight seal, benzene water was allowed to collect on the roof of the tank, partially sinking the roof. Since this emissions event could have been avoided by better operational practices, the demonstrations in 30 TEX. ADMIN. CODE § 101.222 necessary to present an affirmative defense were not met.

2. Failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 116.715(a) and 101.20(3), TEX. HEALTH & SAFETY CODE § 382.085(b) and Flexible Permit No. 2937/PSD-TX-1023M1, Special Condition No. 1, as documented during a record review conducted on January 13 through 20, 2009. Specifically, the Respondent released 3,669.45 lbs of sulfur dioxide, 39.78 lbs of H<sub>2</sub>S, 4.59 lbs of carbon monoxide, 0.90 lbs of nitrogen oxide, 0.16 lbs of VOCs and 0.04 lbs of ammonia during an emissions event (Incident No. 116693) that began November 16, 2008 and lasted 48 minutes. The unauthorized release was the result of an electronic loader malfunction that caused the acid gas feed control valve to close. Because the final report for this emissions event was submitted late, the demonstrations in 30 TEX. ADMIN. CODE § 101.222 necessary to present an affirmative defense were not met.
3. Failed to submit the final report for Incident No. 116693 in timely manner, in violation of 30 TEX. ADMIN. CODE §§ 101.201(b) and (c) and TEX. HEALTH & SAFETY CODE § 382.085(b) as documented during a record review conducted on January 13, 2009. Specifically, the report was due November 30, 2008 and submitted on December 1, 2008.

### III. DENIALS

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

### IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that the Respondent pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Valero Refining-Texas, L.P., Docket No. 2009-0510-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. The Respondent shall implement and complete a SEP in accordance with TEX. WATER CODE § 7.067. As set forth in Section I, Paragraph 6 above, Five Thousand Four Hundred Eighty-Two Dollars (\$5,482) of the assessed administrative penalty shall be offset with the condition that the Respondent implement the SEP defined in Attachment A, incorporated herein by reference. The Respondent'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 agreement.
3. It is further ordered that the Respondent shall undertake the following technical requirements:

- a. Within 30 days after the effective date of this Agreed Order, implement measures designed to ensure the timely submittal of emissions events reports; and
- b. Within 45 days after the effective date of this Agreed Order, submit written certification to demonstrate compliance with Ordering Provision 3.a.

The certification shall be notarized by a State of Texas Notary Public and contain the following 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 fines and imprisonment for knowing violations."

The certification shall be submitted to:

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

with a copy to:

Air Section, Manager  
Corpus Christi Regional Office  
Texas Commission on Environmental Quality  
6300 Ocean Drive, Suite 1200  
Corpus Christi, Texas 78412-5503

4. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent 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 the Respondent 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, the Respondent's failure to comply is not a violation of this Agreed Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent 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 the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent

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 the Respondent 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 Agreed Order may be executed in multiple counterparts, which together shall constitute a single original instrument. Any executed signature page to this Agreed Order may be transmitted by facsimile transmission to the other parties, which shall constitute an original signature for all purposes under this Agreed Order.
9. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to the Respondent, or three days after the date on which the Commission mails notice of the Order to the Respondent, 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

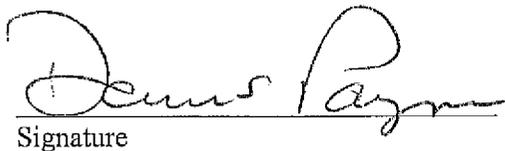
\_\_\_\_\_  
Date 10/23/2009

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

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- 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;
- Automatic referral to the Attorney General's Office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

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

  
\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date 7/9/09

\_\_\_\_\_  
Dennis Payne  
Name (Printed or typed)  
Authorized Representative of  
Valero Refining-Texas, L.P.

\_\_\_\_\_  
Vice President and General Manager  
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: 2009-0510-AIR-E**

**SUPPLEMENTAL ENVIRONMENTAL PROJECT**

<b>Respondent:</b>	<b>Valero Refining-Texas, L.P.</b>
<b>Payable Penalty Amount:</b>	<b>Ten Thousand Nine Hundred Sixty-Five Dollars (\$10,965)</b>
<b>SEP Amount:</b>	<b>Five Thousand Four Hundred Eighty-Two Dollars (\$5,482)</b>
<b>Type of SEP:</b>	<b>Pre-approved</b>
<b>Third-Party Recipient:</b>	<b>Texas A&amp;M University Kingsville – Corpus Christi Airshed Quality Monitoring</b>
<b>Location of SEP:</b>	<b>Nueces County</b>

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 to the Third-Party Recipient pursuant to the agreement between the Third-Party Recipient and the TCEQ. The performing party shall establish three air quality monitoring stations within four facilities of the San Patricio Municipal Water District. The stations will consist of ambient air quality monitoring instruments, meteorological instruments, and ancillary equipment. The primary objective of these new monitoring stations is to provide continuous information on air quality. This includes generating data on background concentrations, pollutant transport from outside the air shed, and pollutant transport from the industrial district during the periods of predominant southeast to northwest wind patterns. The monitoring sites will be located at the Odem Raw Water Station, the Taft Texana Blending Station, and the San Patricio Country Municipal Water District Main Office. These new sites will be in addition to the already existing site located at the Aransas Pass Treatment Plant, for a total of four sites. SEP Funds will be used to pay for the instruments, installation, and maintenance and/or operation of the instruments, data validation, software license, and web server costs related solely to this project.

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**

The SEP will provide a discernible environmental benefit by providing the community with more knowledge of pollutant concentrations and potential sources of air pollutants entering or exiting the Corpus Christi area airshed. This data can also be used by other parties interested in the air quality in the Corpus Christi area. The formation and transport of ozone is complex, and a better understanding of the sources of precursors and long-range transport are necessary to generate good scientific information for decision-making purposes. Well-located monitoring stations provide valuable information for these purposes.

**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:

Sandra Garcia, Director, Sponsored Research  
Texas A&M University Kingsville  
700 University Boulevard, MSC 201  
Corpus Christi, Texas 78363

**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.

Valero Refining-Texas L.P.  
Agreed Order - Attachment A

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.

