

EXECUTIVE SUMMARY - ENFORCEMENT MATTER
DOCKET NO.: 2010-0741-AIR-E **TCEQ ID:** RN100214386 **CASE NO.:** 39647
RESPONDENT NAME: Valero Refining-Texas, L.P.

ORDER TYPE:		
<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"/> IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER
<input type="checkbox"/> AMENDED ORDER	<input type="checkbox"/> EMERGENCY ORDER	
CASE TYPE:		
<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>SITE WHERE VIOLATION(S) OCCURRED: Valero Corpus Christi Refinery West Plant, 5900 Up River Road, Corpus Christi, Nueces County</p> <p>TYPE OF OPERATION: Petroleum refinery</p> <p>SMALL BUSINESS: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>OTHER SIGNIFICANT MATTERS: There are no complaints. There are three additional pending enforcement actions regarding this facility location, Docket Nos. 2009-0116-IHW-E, 2009-0401-AIR-E, and 2009-0559-AIR-E.</p> <p>INTERESTED PARTIES: No one other than the ED and the Respondent has expressed an interest in this matter.</p> <p>COMMENTS RECEIVED: The <i>Texas Register</i> comment period expired on September 13, 2010. No comments were received.</p> <p>CONTACTS AND MAILING LIST: TCEQ Attorney/SEP Coordinator: None TCEQ Enforcement Coordinator: Mr. John Muennink, Enforcement Division, Enforcement Team 5, MC R-14, (361) 825-3423; Ms. Laurie Eaves, Enforcement Division, MC 219, (512) 239-4495 Respondent: Mr. Dennis Payne, Vice President and General Manager, Valero Refining-Texas, L.P., One Valero Way, San Antonio, Texas 78249-1616 Respondent's Attorney: Not represented by counsel on this enforcement matter</p>		

VIOLATION SUMMARY CHART:		
VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p>Type of Investigation: <input type="checkbox"/> Complaint <input type="checkbox"/> Routine <input type="checkbox"/> Enforcement Follow-up <input checked="" type="checkbox"/> Records Review</p> <p>Date(s) of Complaints Relating to this Case: None</p> <p>Date of Investigation Relating to this Case: February 17 through April 27, 2010</p> <p>Date of NOV/NOE Relating to this Case: April 27, 2010 (NOE)</p> <p>Background Facts: This was a records review.</p> <p>AIR</p> <p>Failed to prevent unauthorized emissions. Specifically, the Respondent released 691.96 pounds ("lbs") of sulfur dioxide, 154.07 lbs of carbon monoxide, 104.23 lbs of volatile organic compounds, 22.21 lbs of nitrogen oxide, 7.51 lbs of hydrogen sulfide and 1.35 lbs of ammonia from the Complex 1 Hydrodesulfurization ("HDS") Unit 12 during an avoidable emissions event (Incident No. 132988) that began December 8, 2009 and lasted six hours and 45 minutes. The Complex 1 HDS Unit 12 operates on a duplex power supply system that is designed to automatically switch to a back-up power supply when one power source is pulled. During maintenance on a power module, operators pulled the faulty module to replace it, and the system failed to switch to the back-up power supply. It was discovered that a simplex module was installed on the duplex system, and a simplex module does not automatically switch to the back-up system. Since this emissions event could have been avoided by better maintenance and inventory control practices, the demonstrations in 30 TEX. ADMIN. CODE § 101.222 necessary to present an affirmative defense were not met [30 TEX. ADMIN. CODE §§ 101.20(3) and 116.715(a), TEX. HEALTH & SAFETY CODE § 382.085(b), and Flexible Permit No. 38754 and PSDTX324M13, Special Condition No. 1].</p>	<p>Total Assessed: \$5,350</p> <p>Total Deferred: \$1,070 <input checked="" type="checkbox"/> Expedited Settlement <input type="checkbox"/> Financial Inability to Pay</p> <p>SEP Conditional Offset: \$0</p> <p>Total Paid to General Revenue: \$4,280</p> <p>Person Compliance History Classification <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p>Site Compliance History Classification <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p>Major Source: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Applicable Penalty Policy: September 2002</p>	<p>Corrective Actions Taken:</p> <p>The Executive Director recognizes that the Respondent replaced the simplex module on the duplex system with a duplex module and surveyed the warehouse stock and removed all simplex power modules on March 4, 2010 in order to prevent a simplex module from being installed on a duplex power system in the future.</p>

Additional ID No(s): NEO112G



Penalty Calculation Worksheet (PCW)

TCEQ

DATES	Assigned	3-May-2010	Screening	10-May-2010	EPA Due	22-Jan-2011
	PCW	10-May-2010				

RESPONDENT/FACILITY INFORMATION

Respondent	Valero Refining-Texas, L.P.		
Reg. Ent. Ref. No.	RN100214386		
Facility/Site Region	14-Corpus Christi	Major/Minor Source	Major

CASE INFORMATION

Enf./Case ID No.	39647	No. of Violations	1
Docket No.	2010-0741-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	John Muennink
Admin. Penalty \$ Limit Minimum	\$0	EC's Team	Enforcement Team 5
Maximum	\$10,000		

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties) Subtotal 1

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History Enhancement Subtotals 2, 3, & 7

Notes: Enhancement due to two NOVs with same or similar violations, 13 NOVs with dissimilar violations, one 1660 Agreed Order, one Findings Order, one Court Order from the State of Texas with a denial of liability and one Federal Order with a denial of liability. Reduction due to two Notice of Audit Letters submitted.

Culpability Enhancement Subtotal 4

Notes: The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply Total Adjustments Subtotal 5

Economic Benefit Enhancement* Subtotal 6

Total EB Amounts
Approx. Cost of Compliance *Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7 Final Subtotal

OTHER FACTORS AS JUSTICE MAY REQUIRE Adjustment

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes

Final Penalty Amount

STATUTORY LIMIT ADJUSTMENT Final Assessed Penalty

DEFERRAL Reduction Adjustment

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

Notes

Deferral offered for expedited settlement.

PAYABLE PENALTY

Screening Date 10-May-2010

Docket No. 2010-0741-AIR-E

PCW

Respondent Valero Refining-Texas, L.P.

Policy Revision 2 (September 2002)

Case ID No. 39647

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100214386

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)	2	10%
	Other written NOVs	13	26%
Orders	Any agreed final enforcement orders containing a denial of liability (number of orders meeting criteria)	1	20%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	1	25%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (number of judgments or consent decrees meeting criteria)	2	60%
	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)	2	-2%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which violations were disclosed)	0	0%

Please Enter Yes or No

Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 139%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Average Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

Enhancement due to two NOVs with same or similar violations, 13 NOVs with dissimilar violations, one 1660 Agreed Order, one Findings Order, one Court Order from the State of Texas with a denial of liability and one Federal Order with a denial of liability. Reduction due to two Notice of Audit Letters submitted.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 139%

Screening Date 10-May-2010

Docket No. 2010-0741-AIR-E

PCW

Respondent Valero Refining-Texas, L.P.

Policy Revision 2 (September 2002)

Case ID No. 39647

PCW Revision October 30, 2009

Reg. Ent. Reference No. RN100214386

Media [Statute] Air

Enf. Coordinator John Muennink

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code §§ 101.20(3) and 116.715(a), Tex. Health & Safety Code § 382.085(b) and Flexible Permit No. 38754 and PSDTX324M13, Special Condition No. 1

Violation Description Failed to prevent unauthorized emissions. Specifically, the Respondent released 691.96 pounds ("lbs") of sulfur dioxide, 154.07 lbs of carbon monoxide, 104.23 lbs of volatile organic compounds, 22.21 lbs of nitrogen oxide, 7.51 lbs of hydrogen sulfide and 1.35 lbs of ammonia from the Complex 1 Hydrodesulfurization ("HDS") Unit 12 during an avoidable emissions event (incident No. 132988) that began December 8, 2009 and lasted six hours and 45 minutes. The Complex 1 HDS Unit 12 operates on a duplex power supply system that is designed to automatically switch to a back-up power supply when one power source is pulled. During maintenance on a power module, operators pulled the faulty module to replace it, and the system failed to switch to the back-up power supply. It was discovered that a simplex module was installed on the duplex system, and a simplex module does not automatically switch to the back-up system. Since this emissions event could have been avoided by better maintenance and inventory control practices, the demonstrations in 30 Tex. Admin. Code § 101.222 necessary to present an affirmative defense were not met.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

Release	Harm			Percent
	Major	Moderate	Minor	
Actual			X	25%
Potential				

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
				0%

Matrix Notes 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.

Adjustment \$7,500

\$2,500

Violation Events

Number of Violation Events 1 Number of violation days 1

mark only one with an x	daily	
	weekly	
	monthly	
	quarterly	X
	semiannual	
	annual	
	single event	

Violation Base Penalty \$2,500

One quarterly event is recommended.

Good Faith Efforts to Comply

25.0% Reduction

\$825

	Before NOV	NOV to EDPRP/Settlement
Extraordinary		
Ordinary	X	
N/A		(mark with x)

Notes The Respondent completed corrective measures on March 4, 2010, prior to the April 27, 2010 NOE date.

Violation Subtotal \$1,875

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$12

Violation Final Penalty Total \$5,350

This violation Final Assessed Penalty (adjusted for limits) \$5,350

Economic Benefit Worksheet

Respondent Valero Refining-Texas, L.P.
Case ID No. 39647
Reg. Ent. Reference No. RN100214386
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
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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)	\$1,000	8-Dec-2009	4-Mar-2010	0.24	\$12	n/a	\$12

Notes for DELAYED costs

Estimated expense to implement measures designed to ensure the installation of the proper type of power supply modules. 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

\$1,000

TOTAL

\$12

Compliance History Report

Customer/Respondent/Owner-Operator: CN600127468 Valero Refining-Texas, L.P. Classification: AVERAGE Rating: 10.27
 Regulated Entity: RN100214388 VALERO CORPUS CHRISTI REFINERY WEST PLANT Classification: AVERAGE Site Rating: 5.25

ID Number(s):	AIR OPERATING PERMITS	ACCOUNT NUMBER	NE0112G
	AIR OPERATING PERMITS	PERMIT	1458
	AIR OPERATING PERMITS	PERMIT	2601
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION # (SWR)	30478
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	EPA ID	TXD074604166
	AIR NEW SOURCE PERMITS	REGISTRATION	92246
	AIR NEW SOURCE PERMITS	PERMIT	38754
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	NE0112G
	AIR NEW SOURCE PERMITS	REGISTRATION	10157
	AIR NEW SOURCE PERMITS	REGISTRATION	10496
	AIR NEW SOURCE PERMITS	REGISTRATION	10642
	AIR NEW SOURCE PERMITS	REGISTRATION	10777
	AIR NEW SOURCE PERMITS	REGISTRATION	12722
	AIR NEW SOURCE PERMITS	REGISTRATION	12844
	AIR NEW SOURCE PERMITS	REGISTRATION	16552
	AIR NEW SOURCE PERMITS	PERMIT	20740
	AIR NEW SOURCE PERMITS	PERMIT	20992
	AIR NEW SOURCE PERMITS	REGISTRATION	23633
	AIR NEW SOURCE PERMITS	REGISTRATION	29272
	AIR NEW SOURCE PERMITS	REGISTRATION	33323
	AIR NEW SOURCE PERMITS	REGISTRATION	36004
	AIR NEW SOURCE PERMITS	REGISTRATION	37375
	AIR NEW SOURCE PERMITS	REGISTRATION	39505
	AIR NEW SOURCE PERMITS	REGISTRATION	46918
	AIR NEW SOURCE PERMITS	REGISTRATION	49888
	AIR NEW SOURCE PERMITS	REGISTRATION	55362
	AIR NEW SOURCE PERMITS	EPA ID	PSDTX324M9
	AIR NEW SOURCE PERMITS	EPA ID	PSDTX324M10
	AIR NEW SOURCE PERMITS	REGISTRATION	55688
	AIR NEW SOURCE PERMITS	AFS NUM	4835500050
	AIR NEW SOURCE PERMITS	EPA ID	PSDTX324M11
	AIR NEW SOURCE PERMITS	REGISTRATION	71034
	AIR NEW SOURCE PERMITS	EPA ID	PSDTX324M8
	AIR NEW SOURCE PERMITS	REGISTRATION	55294
	AIR NEW SOURCE PERMITS	EPA ID	PSDTX324M12
	AIR NEW SOURCE PERMITS	REGISTRATION	77580
	AIR NEW SOURCE PERMITS	REGISTRATION	77944
	AIR NEW SOURCE PERMITS	REGISTRATION	80027
	AIR NEW SOURCE PERMITS	REGISTRATION	81549
	AIR NEW SOURCE PERMITS	REGISTRATION	84572
	AIR NEW SOURCE PERMITS	EPA ID	PSDTX324M13
	AIR NEW SOURCE PERMITS	REGISTRATION	86443
	AIR NEW SOURCE PERMITS	REGISTRATION	91380
	AIR NEW SOURCE PERMITS	REGISTRATION	87894
	WASTEWATER	PERMIT	WQ0001909000
	WASTEWATER	EPA ID	TPDES0063355
	WASTEWATER	PERMIT	TX0063355
	WASTEWATER LICENSING	LICENSE	WQ0001909000
	STORMWATER	PERMIT	TXR05S045
	IHW CORRECTIVE ACTION	SOLID WASTE REGISTRATION # (SWR)	30478
	AIR EMISSIONS INVENTORY	ACCOUNT NUMBER	NE0112G

Location: 5900 UP RIVER RD, CORPUS CHRISTI, TX, 78407

TCEQ Region: REGION 14 - CORPUS CHRISTI

Date Compliance History Prepared: May 04, 2010

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: May 04, 2005 to May 04, 2010

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

Name: jmuennin Phone: (361) 825-3100

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? No

3. If Yes, who is the current owner/operator? N/A
4. If Yes, who was/were the prior owner(s)/operator(s) ? N/A
5. When did the change(s) in owner or operator occur? N/A
6. Rating Date: 9/1/2009 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 116, SubChapter B 116.115(b)(2)(G)

Description: Failed to maintain sulfate emissions from the heavy oil cracker (HOC), emission point number (EPN) 121 at levels at or below 58.3 pounds per hour.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.6(a)(1)

Description: Failure to notify the TNRCC's regional office within 24 hours after the discovery of an upset.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.110(a)

Description: Failure to meet exemption requirements for upset emissions, resulting in unauthorized emissions.

Classification: Major

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
 30 TAC Chapter 116, SubChapter G 116.715(a)
 30 TAC Chapter 116, SubChapter G 116.715(c)(7)
 5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: Emission CAP Limit PERMIT
 Special Condition No. 54 PERMIT

Description: Failure to comply with General and Special conditions of Permit Nos. 38754 and PSD-TX-324M10. Specifically, unauthorized emissions of hydrogen sulfide, sulfur dioxide, and ammonia released during four emissions events that occurred on September 1, 2004.

Effective Date: 07/13/2007

ADMINORDER 2007-0028-IWD-E

Classification: Major

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

Rqmt Prov: PC(2)(g) PERMIT

Description: Failure to prevent the unauthorized discharge of slop oil and wastewater to the environment.

Classification: Moderate

Citation: 30 TAC Chapter 305, SubChapter F 305.125(9)

Rqmt Prov: RR(7)(a) PERMIT

Description: Failure to provide notification of the unauthorized discharge of slop oil and wastewater to the environment as required by permit WQ0001909-000.

Classification: Moderate

Citation: 30 TAC Chapter 305, SubChapter F 305.125(19)

Rqmt Prov: PC(1)(a) PERMIT

Description: Failure to submit correct facts and information in its Permit Application (renewal) dated May 25, 2004, and failure to notify the Executive Director of the correct facts and information.

Effective Date: 04/03/2008

ADMINORDER 2007-1483-AIR-E

Classification: Moderate

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

Rqmt Prov: TCEQ Air Flexible Permit No. 38754 PERMIT

Description: Failed to prevent unauthorized emissions. Specifically, the Respondent released 35,136.47

lbs of SO₂, 613.1 lbs of VOCs, 257.95 lbs of CO, 381.45 lbs H₂S, 114.11 lbs NO_x, 5.67 lbs of ammonia and 141.37 lbs of hexane from the Acid Gas Flare and the Main Flare during an avoidable emissions event that began February 27, 2007 and lasted 19 hrs and 40 minutes.

See addendum for information regarding federal actions.

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

N/A

C. Chronic excessive emissions events.

N/A

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

1	05/12/2005	(380791)
2	05/18/2005	(380544)
3	05/19/2005	(583164)
4	05/25/2005	(393344)
5	06/16/2005	(395612)
6	06/20/2005	(583167)
7	06/29/2005	(397403)
8	06/29/2005	(397984)
9	06/30/2005	(395371)
10	07/01/2005	(395376)
11	07/20/2005	(583170)
12	07/22/2005	(400525)
13	07/28/2005	(402169)
14	08/13/2005	(404652)
15	08/13/2005	(404858)
16	08/19/2005	(404027)
17	08/19/2005	(405534)
18	08/19/2005	(583173)
19	08/26/2005	(406126)
20	08/29/2005	(406253)
21	08/31/2005	(400938)
22	08/31/2005	(406090)
23	09/19/2005	(583175)
24	09/21/2005	(431540)
25	09/21/2005	(432140)
26	11/18/2005	(583179)
27	12/15/2005	(583177)
28	12/19/2005	(439303)
29	12/21/2005	(583181)
30	01/20/2006	(451440)
31	01/24/2006	(583183)
32	02/01/2006	(435482)
33	02/21/2006	(583157)
34	03/01/2006	(450492)
35	03/17/2006	(583159)
36	03/27/2006	(459945)
37	04/24/2006	(583162)
38	05/23/2006	(583165)
39	06/18/2006	(583171)
40	06/21/2006	(583168)
41	07/07/2006	(485450)
42	07/12/2006	(485630)
43	08/07/2006	(481848)
44	08/14/2006	(482853)
45	08/16/2006	(497159)
46	08/16/2006	(497523)
47	08/18/2006	(583174)
48	08/23/2006	(483649)

49	08/31/2006	(450609)
50	08/31/2006	(511046)
51	09/18/2006	(583176)
52	10/20/2006	(483955)
53	10/20/2006	(583178)
54	11/02/2006	(517526)
55	11/17/2006	(583180)
56	12/13/2006	(532743)
57	12/18/2006	(583182)
58	12/20/2006	(482975)
59	01/05/2007	(535816)
60	01/11/2007	(535323)
61	01/19/2007	(583184)
62	01/24/2007	(537029)
63	02/01/2007	(538731)
64	02/08/2007	(539006)
65	02/16/2007	(540900)
66	02/16/2007	(583158)
67	03/08/2007	(540725)
68	03/19/2007	(583160)
69	04/20/2007	(583163)
70	05/15/2007	(557031)
71	05/21/2007	(583166)
72	05/22/2007	(557035)
73	06/19/2007	(583169)
74	06/29/2007	(560992)
75	07/03/2007	(566581)
76	07/11/2007	(557176)
77	07/11/2007	(566079)
78	07/18/2007	(583172)
79	07/27/2007	(567691)
80	08/08/2007	(514284)
81	08/08/2007	(539377)
82	08/28/2007	(562022)
83	09/14/2007	(565956)
84	10/02/2007	(514528)
85	10/09/2007	(595450)
86	10/15/2007	(608382)
87	10/19/2007	(596871)
88	10/22/2007	(608381)
89	11/06/2007	(595861)
90	01/23/2008	(612779)
91	02/26/2008	(612679)
92	04/07/2008	(641587)
93	04/08/2008	(638701)
94	04/15/2008	(646179)
95	05/22/2008	(670929)
96	06/13/2008	(682875)
97	08/22/2008	(646255)
98	08/25/2008	(699662)
99	08/28/2008	(641497)
100	10/30/2008	(706187)
101	11/24/2008	(706186)
102	12/18/2008	(709625)
103	12/22/2008	(721338)
104	12/23/2008	(682877)
105	01/09/2009	(708321)
106	01/13/2009	(722749)
107	01/15/2009	(708931)
108	02/26/2009	(636579)

109 02/27/2009 (701555)
 110 02/27/2009 (736312)
 111 03/06/2009 (686483)
 112 03/12/2009 (736366)
 113 03/13/2009 (737725)
 114 03/26/2009 (704382)
 115 04/06/2009 (740409)
 116 04/14/2009 (721022)
 117 05/01/2009 (742806)
 118 05/27/2009 (747008)
 119 06/04/2009 (724878)
 120 06/10/2009 (747949)
 121 06/12/2009 (748273)
 122 06/15/2009 (748749)
 123 06/15/2009 (748785)
 124 08/14/2009 (737602)
 125 08/14/2009 (744261)
 126 08/29/2009 (738347)
 127 10/08/2009 (763356)
 128 11/12/2009 (781789)
 129 11/20/2009 (782136)
 130 11/30/2009 (778897)
 131 12/01/2009 (783367)
 132 12/04/2009 (779718)
 133 12/23/2009 (778665)
 134 12/23/2009 (786131)
 135 01/15/2010 (788256)
 136 01/20/2010 (788673)
 137 01/22/2010 (780220)
 138 01/22/2010 (789029)
 139 02/03/2010 (790560)
 140 02/05/2010 (791123)
 141 02/18/2010 (790736)
 142 02/23/2010 (787550)
 143 02/25/2010 (793415)
 144 03/11/2010 (794805)
 145 03/29/2010 (794028)
 146 03/31/2010 (796152)
 147 04/13/2010 (798886)
 148 04/27/2010 (797029)
 149 05/03/2010 (792739)

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

Date: 05/31/2005 (583167) CN600127468
 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: 06/30/2006 (583171) CN600127468
 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: 08/31/2006 (450609) CN600127468
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 122, SubChapter B 122.146(5)(D)

Description: Failure to submit an accurate and complete Permit Compliance Certification including or referencng the identification of all terms and conditions of the permit for which compliance was not achieved.

Date: 12/31/2006 (583184) CN600127468

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 llimit for one or more permit parameter

Date: 04/23/2007 (557176) CN600127468

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 335, SubChapter A 335.4(1)
Description: Failure to obtain commission authorization prior to an activity of collection, handling, storage, processing, or disposal of industrial solid waste.

Date: 05/15/2007 (557031) CN600127468

Self Report? NO Classification: Moderate
Citation: Permit Conditions 2.g. PERMIT
TWC Chapter 26 26.121
Description: Failure to prevent two unauthorized discharges from the wastewater system or through a permitted outfall.

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(9)
Monitoring and Reporting Req., 7. PERMIT

Description: Failure to provide notification to the TCEQ in accordance with permit provisions.

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
Effluent Limitations PERMIT

Description: Failure to meet permit llimitation for Chemical Oxygen Demand (COD) at Outfall 006 on December 7, 2006.

Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 305, SubChapter F 305.124
Permit Conditions, 2.a. PERMIT

Description: Failure to sample Outfall 002 weekly when discharge occurs.

Date: 05/31/2007 (583169) CN600127468

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: 07/10/2007 (557176) CN600127468

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 335, SubChapter C 335.69(a)(1)
40 CFR Chapter 265, SubChapter I, PT 265, SubPT CC 265.1090(f)

Description: Failure to provide documentation verifying exemption status.

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 335, SubChapter C 335.69(a)(1)(B)
40 CFR Chapter 265, SubChapter I, PT 265, SubPT J 265.191

Description: Failure to comply with assessment of existing tank system's integrity.

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 335, SubChapter C 335.69(a)(1)(B)
40 CFR Chapter 265, SubChapter I, PT 265, SubPT J 265.194(b)

Description: Failure to comply with general operating requirements.

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 335, SubChapter C 335.69(a)(1)(B)
40 CFR Chapter 265, SubChapter I, PT 265, SubPT J 265.195

Description: Failure to comply with cathodic protection inspection and schedule.

Date: 09/30/2007 (608381) CN600127468

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: 11/06/2007 (595861) CN600127468

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 335, SubChapter C 335.69(a)(1)(B)
40 CFR Chapter 265, SubChapter I, PT 265, SubPT J 265.191

Description: Failure to comply with assessment of existing tank system's integrity.

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 335, SubChapter C 335.69(a)(1)(B)
40 CFR Chapter 265, SubChapter I, PT 265, SubPT J 265.195

Description: Failure to comply with cathodic protection inspection and schedule.

Date: 02/26/2008 (612679) CN600127468

Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
30 TAC Chapter 122, SubChapter B 122.145(2)(C)
5C THSC Chapter 382 382.085(b)

Description: Failure to submit a deviation report no later than 30 days after the end of the each reporting period. Specifically, the deviation report for the period of August 8, 2006 through February 7, 2007, due no later than March 7, 2007, was submitted late on March 15, 2007.

Self Report? NO Classification: Minor
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 63.640(n)(8)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT AA 63.646
40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.119(b)
5C THSC Chapter 382 382.085(b)

Description: Failure to conduct storage vessel inspections according to the frequency stipulated in provisions of applicable regulations.

Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 113, SubChapter C 113.340
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT Kb 60.113b(a)(4)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT AA 63.640(n)(8)
5C THSC Chapter 382 382.085(b)

Description: Failure to conduct storage vessel inspections according to the frequency stipulated in provisions of applicable regulations.

Self Report? NO Classification: Minor
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 63.640(n)(8)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT AA 63.646
5C THSC Chapter 382 382.085(b)

Description: Failure to equip affected openings of storage vessels with devices which close off liquid surface area from atmosphere.

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 60.482-7(a)
40 CFR Part 63, Subpart H 63.168
5C THSC Chapter 382 382.085(b)
Flex NSR 38754 SC 32 & 33 PA

Description: Failure to repair leaking components in a timely manner according to applicable requirements.

Self Report? NO Classification: Minor
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 60.482-6(a)(1)
5C THSC Chapter 382 382.085(b)
Flex NSR 38754 SC 32(E) PA

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

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT QQQ 60.692-2(a)(2)
5C THSC Chapter 382 382.085(b)

Description: Failure to conduct monthly inspection of drain water seal controls.

Date: 11/24/2008 (706186) CN600127468

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
Effluent Limitations and Monitoring Req. PERMIT

Description: Failure to meet permit limitations for one or more parameters on five separate Discharge Monitoring Reports (DMRs) between November, 2007, and October, 2008.

Date: 09/30/2009 (738347) CN600127468

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 116, SubChapter G 116.715(d)
5C THSC Chapter 382 382.085(b)
Permit No. 38754 SC 19 PA

Description: Failure to maintain the NOx and CO emissions limit of the respective heaters below the rate stated in the table of the special condition.

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 116, SubChapter G 116.715(d)
5C THSC Chapter 382 382.085(b)
Permit No. 38754 SC 25 PA

Description: Failure to maintain the SRU's SCOT tail gas incinerator exit temperature at greater than 1500 degrees Fahrenheit (F).

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 116, SubChapter G 116.715(d)
5C THSC Chapter 382 382.085(b)
Permit No. 38754 SC 43 PA

Description: Failure to perform emissions calculations at least once per month for the purpose of verifying compliance with the flexible permit's emissions caps.

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 60.105(a)(1)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT UUU 63.1564(b)(1)
5C THSC Chapter 382 382.085(b)
FOP No. O-01458 ST&C 1K OP

Description: Failure to maintain the proper flue gas pressure drop (delta p) across the filtering modules of the Belco scrubber (EPN 121) at greater than 80 percent of the most recent acceptable performance test as directed by the EPA Alternative Monitoring for NSPS Subpart J plan dated August 19, 1999.

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 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 60.482-2(c)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(d)

40 CFR Chapter 63, SubChapter C, PT 63, SubPT AA 63.648(a)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.168(f)(1)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.169(c)(1)
5C THSC Chapter 382 382.085(b)
Permit No. 38754 SC 32I & SC 37 PA

Description: Failure to repair hydrocarbon leaks at components (pumps and valves) in a fugitive monitoring program within the time allotted by the applicable rule and permit SC.

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 115, SubChapter D 115.322(4)
30 TAC Chapter 116, SubChapter G 116.715(a)
30 TAC Chapter 116, SubChapter G 116.715(d)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(1)
40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.347(a)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT AA 63.648(a)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.167(a)(1)
5C THSC Chapter 382 382.085(b)
Permit No. 38754 SC 32E and SC 33E PA

Description: Failure to equip each open-ended valve or line with a cap, blind flange, plug, or second valve.

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 63.1567(a)(2)
5C THSC Chapter 382 382.085(b)
FOP No. O-01458 ST&C No. 1K OP

Description: Failure to demonstrate compliance with hydrogen chloride (HCL) emissions and operating limits at the exhaust vent (EPN155) by maintaining a daily average of pH of the scrubbing liquid above the limit established during the respective performance tests of the Catalytic Reformer Unit (CRU) scrubber vent. The company failed on various days from August 8, 2006 to June 29, 2008, to maintain the required daily pH of the scrubber liquid.

Date: 11/30/2009 (778897) CN600127468

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 335, SubChapter A 335.24(h)
30 TAC Chapter 335, SubChapter H 335.241(b)(2)
40 CFR Chapter 266, SubChapter I, PT 266, SubPT F 266.70(b)(1)

Description: Failure to submit notification 90 days prior to generating, transporting, or storing recyclable materials.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 335, SubChapter H 335.241(c)
40 CFR Chapter 261, SubChapter I, PT 261, SubPT A 261.1(c)(8)
40 CFR Chapter 266, SubChapter I, PT 266, SubPT F 266.70(c)

Description: Failure to provide records demonstrating recyclable materials are not accumulated speculatively.

Date: 12/23/2009 (778665)

Self Report? NO Classification: Moderate

Citation: Effluent Limitations, Outfall 006 PERMIT
TWC Chapter 26 26.121

Description: Failure to prevent the non-permitted discharge of fire-fighting water and fire-fighting foam from Outfall 006.

Self Report? NO Classification: Moderate

Citation: Effluent Limitations, Outfall 006 PERMIT
TWC Chapter 26 26.121

Description: Failure to prevent the non-permitted discharge with a sheen through Outfall 006.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
Eff. Limit. and Mon. Req., page 2a PERMIT

Description: Failure to meet the permitted daily maximum effluent limitations for Chemical Oxygen Demand (COD) and Oil and Grease (O & G) from Outfall 006 on October

7, 2009.

F. Environmental audits.

Notice of Intent Date: 03/05/2008 (640797)

No DOV Associated

Notice of Intent Date: 05/12/2008 (682226)

No DOV Associated

G. Type of environmental management systems (EMSs).

N/A

H. Voluntary on-site compliance assessment dates.

N/A

I. Participation in a voluntary pollution reduction program.

N/A

J. Early compliance.

N/A

Sites Outside of Texas

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
VALERO REFINING-TEXAS, L.P.
RN100214386

§
§
§
§
§

BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY

AGREED ORDER
DOCKET NO. 2010-0741-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 petroleum refinery at 5900 Up River Road 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 May 2, 2010.
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 Five Thousand Three Hundred Fifty Dollars (\$5,350) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Four Thousand Two Hundred Eighty Dollars (\$4,280) of the administrative penalty and One Thousand Seventy Dollars (\$1,070) 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.

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 replaced the simplex module on the duplex system with a duplex module and surveyed the warehouse stock and removed all simplex power modules on March 4, 2010 in order to prevent a simplex module from being installed on a duplex power system in the future.
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 failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3) and 116.715(a), TEX. HEALTH & SAFETY CODE § 382.085(b) and Flexible Permit No. 38754 and PSDTX324M13, Special Condition No. 1, as documented during a record review conducted February 17 through April 27, 2010. Specifically, the Respondent released 691.96 pounds ("lbs") of sulfur dioxide, 154.07 lbs of carbon monoxide, 104.23 lbs of volatile organic compounds, 22.21 lbs of nitrogen oxide, 7.51 lbs of hydrogen sulfide and 1.35 lbs of ammonia from the Complex 1 Hydrodesulfurization ("HDS") Unit 12 during an avoidable emissions event (Incident No. 132988) that began December 8, 2009 and lasted six hours and 45 minutes. The Complex 1 HDS Unit 12 operates on a duplex power supply system that is designed to automatically switch to a back-up power supply when one power source is pulled. During maintenance on a power module, operators pulled the faulty module to replace it, and the system failed to switch to the back-up power supply. It was discovered that a simplex module was installed on the duplex system, and a simplex module does not automatically switch to the back-up system. Since this emissions event could have been avoided by better maintenance and inventory control practices, the demonstrations in 30 TEX. ADMIN. CODE § 101.222 necessary to present an affirmative defense were not met.

III. DENIALS

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

IV. ORDERING PROVISIONS

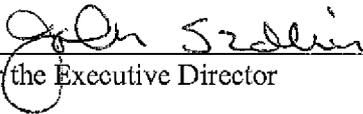
1. It is, therefore, ordered by the TCEQ that the Respondent pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations 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. 2010-0741-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 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.
3. 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.
4. 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.
5. 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

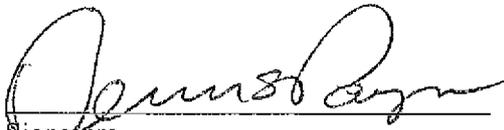
8/20/2010
Date

I, the undersigned, have read and understand the attached Agreed Order. I am authorized to agree to the attached Agreed Order on behalf of the entity 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

7/13/10
Date

Dennis Payne

Vice President & General Manager

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

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.