

Page 1 of 3

**EXECUTIVE SUMMARY - ENFORCEMENT MATTER**  
**DOCKET NO.:** 2010-0390-AIR-E **TCEQ ID:** RN100238385 **CASE NO.:** 39305  
**RESPONDENT NAME:** Valero Refining-Texas, L.P.

<b>ORDER TYPE:</b>		
<input checked="" type="checkbox"/> <b>166o AGREED ORDER</b>	<input type="checkbox"/> <b>FINDINGS AGREED ORDER</b>	<input type="checkbox"/> <b>FINDINGS ORDER FOLLOWING SOAH HEARING</b>
<input type="checkbox"/> <b>FINDINGS DEFAULT ORDER</b>	<input type="checkbox"/> <b>SHUTDOWN ORDER</b>	<input type="checkbox"/> <b>IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER</b>
<input type="checkbox"/> <b>AMENDED ORDER</b>	<input type="checkbox"/> <b>EMERGENCY ORDER</b>	
<b>CASE TYPE:</b>		
<input checked="" type="checkbox"/> <b>AIR</b>	<input type="checkbox"/> <b>MULTI-MEDIA (check all that apply)</b>	<input type="checkbox"/> <b>INDUSTRIAL AND HAZARDOUS WASTE</b>
<input type="checkbox"/> <b>PUBLIC WATER SUPPLY</b>	<input type="checkbox"/> <b>PETROLEUM STORAGE TANKS</b>	<input type="checkbox"/> <b>OCCUPATIONAL CERTIFICATION</b>
<input type="checkbox"/> <b>WATER QUALITY</b>	<input type="checkbox"/> <b>SEWAGE SLUDGE</b>	<input type="checkbox"/> <b>UNDERGROUND INJECTION CONTROL</b>
<input type="checkbox"/> <b>MUNICIPAL SOLID WASTE</b>	<input type="checkbox"/> <b>RADIOACTIVE WASTE</b>	<input type="checkbox"/> <b>DRY CLEANER REGISTRATION</b>
<p><b>SITE WHERE VIOLATION(S) OCCURRED:</b> Valero Refining Texas City Refinery, 1301 Loop 197 South, Texas City, Galveston County</p> <p><b>TYPE OF OPERATION:</b> Petroleum 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 two additional pending enforcement actions regarding this facility location, Docket Nos. 2010-0098-AIR-E and 2010-0924-AIR-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 August 30, 2010. 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> Ms. Trina Grieco, Enforcement Division, Enforcement Team 5, MC R-13, (210) 403-4006; Ms. Laurie Eaves, Enforcement Division, MC 219, (512) 239-4495  <b>Respondent:</b> Mr. Adrian Araiza, Manager, Environmental Affairs, Valero Refining-Texas, L.P., P.O. Box 3429, Texas City, Texas 77592-3429  <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 checked="" type="checkbox"/> Routine  <input type="checkbox"/> Enforcement Follow-up  <input 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, 2010</p> <p><b>Date of NOV/NOE Relating to this Case:</b> February 25, 2010 (NOE)</p> <p><b>Background Facts:</b> This was a routine investigation.</p> <p><b>AIR</b></p> <p>1) Failure to operate combustion sources (28 heaters and three boilers) within the firing rates established during the highly reactive volatile organic compound ("HRVOC") emission testing at Heaters H-58, H-60, H-57, H-13-1451, H-16, H-17, H-13-1480, H-18 through H-23, H-28, H-34, H-45, H-50, H-13-1401, and Boiler B-18 from July 1 through December 31, 2006 and again at Boilers B-18 and B-27 and Heaters H-1451, H-1480, H-16, H-17, H-28, H-31, H-32, H-57, H-58, and H-60 from November 13, 2007 through May 18, 2008 [30 TEX. ADMIN. CODE §§ 115.729(a) and 122.143(4), TEX. HEALTH &amp; SAFETY CODE § 382.085(b), and Federal Operating Permit ("FOP") No. O-01253, Special Condition 1.H.ii.].</p> <p>2) Failure to operate flares with a minimum of 300 British thermal units per standard cubic feet net heating value for the gas being combusted by assisted flares [30 TEX. ADMIN. CODE §§ 101.20(2) and (3), 115.126(1)(B), and 116.715(a), 40 CODE OF FEDERAL REGULATIONS ("CFR") § 63.11(b)(6)(ii), TEX. HEALTH &amp; SAFETY CODE § 382.085(b), Flexible New Source Review ("NSR") Permit No. 39142 and PSD-TX-822M2, Special Condition 12.A. (formerly 13.A.), and FOP No. O-01253, Special Conditions 1.A. and 30 (formerly 28)].</p>	<p><b>Total Assessed:</b> \$233,000</p> <p><b>Total Deferred:</b> \$46,600  <input checked="" type="checkbox"/> Expedited Settlement  <input type="checkbox"/> Financial Inability to Pay</p> <p><b>SEP Conditional Offset:</b> \$93,200</p> <p><b>Total Paid to General Revenue:</b> \$93,200</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 has implemented the following corrective measures at the Plant:</p> <p>a. Retested the heaters and boilers to establish a new firing rate by December 31, 2008;</p> <p>b. Installed a Flare Gas Recovery System to achieve compliance with flare requirements on April 28, 2009; and</p> <p>c. Closed Tank T-478 vents and the Tank T-565 vacuum breaker as reported in the January 30, 2008 deviation report.</p> <p><b>Ordering Provisions:</b></p> <p>The Order will require the Respondent to implement and complete a Supplemental Environmental Project (SEP). (See SEP Attachment A)</p>

3) Failure to operate Flare FL-1 with a maximum exit velocity of 60 feet per second ("fps") intermittently between January 1, 2007 and May 23, 2007 (exit velocity ranged from 71.05 fps to 111.70 fps), for one hour on April 10, 2008 (exit velocity was 66.06 fps), and for one hour on August 24, 2008 (exit velocity was 73.67 fps) [30 TEX. ADMIN. CODE §§ 101.20(2) and (3), 115.126(1)(B), 116.715(a), and 122.143(4), 40 CFR 63.11(b)(7)(i), TEX. HEALTH & SAFETY CODE § 382.085(b), Flexible NSR Permit No. 39142 and PSD-TX-822M2, Special Condition 12.A. (formerly 13.A.), FOP No. O-01253, Special Conditions 1.A. and 30 (formerly 28)].

4) Failure to operate flares without visible emissions (emissions visible for more than five minutes in a two-hour period) from Flare FL-2 on September 25, 2007 and June 7, 2008 and from Flare FL-4 on October 29, 2007 [30 TEX. ADMIN. CODE §§ 101.20(1) and (2), 111.111(a)(4)(A), and 122.143(4), 40 CFR §§ 60.18(c)(1) and 63.11(b)(4), TEX. HEALTH & SAFETY CODE § 382.085(b), and FOP No. O-01253, Special Condition 1.A.].

5) Failure to maintain Group 1 storage tanks free of leaks. Specifically, Tank T-478 vacuum breaker leaked for 24-hour periods on August 9, 2006, June 1, 2008, and September 14, 2009, and during each period 5.52 pounds of volatile organic compounds ("VOCs") were released; and Tank T-565 vacuum breaker leaked for 34 hours on June 17, 2008 during which 7.82 pounds of VOCs were released [30 TEX. ADMIN. CODE §§ 101.20(2) and (3), 115.112(a)(2)(B), 116.715(a), and 122.143(4), 40 CFR § 63.119(c)(2)(iii), TEX. HEALTH & SAFETY CODE § 382.085(b), Flexible NSR Permit No. 39142 and PSD-TX-822M2, Special Condition 4.B., and FOP No. O-01253, Special Conditions 1.A. and 30].

Additional ID No(s): GBo073P



Attachment A  
Docket Number: 2010-0390-AIR-E

**SUPPLEMENTAL ENVIRONMENTAL PROJECT**

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

**Payable Penalty Amount:** One Hundred Eighty-Six Thousand Four Hundred Dollars (\$186,400)

**SEP Amount:** Ninety-Three Thousand Two Hundred Dollars (\$93,200)

**Type of SEP:** Pre-approved

**Third-Party Recipient:** Houston-Galveston AERCO's Clean Cities/Clean Vehicles Program

**Location of SEP:** Texas Air Quality Control Region 216 – Houston-Galveston

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

**1. Project Description**

A. Project

The Respondent shall contribute the SEP offset amount to the Third-Party Recipient named above. The contribution will be to *Houston-Galveston AERCO* for the **Clean Cities/Clean Vehicles Program** as set forth in an agreement between the Third-Party Recipient and the TCEQ. SEP monies will be used to aid local school districts and area transit agencies in reaching local match requirements mandated by the Federal Highway Administration's ("FHWA") Congestion Mitigation/Air Quality Funding program. SEP monies will be disbursed to school districts and transit agencies in need of funding assistance in the Houston-Galveston non-attainment area. Those SEP monies will be used exclusively by the school districts and transit agencies as supplements to meet the local match requirements of the EPA. SEP monies will be used to pay for the cost of replacing older diesel buses with alternative fueled or clean diesel buses. The old buses will be permanently retired and only sold for scrap. The schools and transit agencies will also use the SEP monies to retrofit more buses to reduce emissions. Houston-Galveston AERCO will send the TCEQ verification in the form of paid invoices and other documentation to show that the retrofits were completed. Retrofit technologies include particulate matter traps, diesel particulate matter filters, NOx reduction catalyst technology in combination with diesel particulate filters, and other emission control technologies that are developed and approved by EPA or the California Air Resources Board.

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



B. Environmental Benefit

This SEP will provide a discernible environmental benefit by reducing particulate emissions of buses by more than 90% below today's level and reducing hydrocarbons below measurement capability.

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:

Houston-Galveston Area Council  
Houston-Galveston AERCO  
P.O. Box 22777  
Houston, Texas 77227-2777

**3. Records and Reporting**

Concurrent with the payment of the SEP amount, the Respondent shall provide the Enforcement Division 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:

Litigation Division  
Attention: SEP Coordinator, MC 175  
Texas Commission on Environmental Quality  
P.O. Box 13088  
Austin, Texas 78711-3088

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

**5. Publicity**

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

**6. Clean Texas Program**

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

**7. Other SEPs by TCEQ or Other Agencies**

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





# Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

**TCEQ**

<b>DATES</b>	Assigned	1-Mar-2010	<b>Screening</b>	11-Mar-2010	<b>EPA Due</b>	22-Nov-2010
	PCW	5-Mar-2010				

## RESPONDENT/FACILITY INFORMATION

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

## CASE INFORMATION

<b>Enf./Case ID No.</b>	39305	<b>No. of Violations</b>	5
<b>Docket No.</b>	2010-0390-AIR-E	<b>Order Type</b>	1660
<b>Media Program(s)</b>	Air	<b>Government/Non-Profit</b>	No
<b>Multi-Media</b>		<b>Enf. Coordinator</b>	Trina Grieco
		<b>EC's Team</b>	Enforcement Team 5
<b>Admin. Penalty \$ Limit Minimum</b>	\$0	<b>Maximum</b>	\$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**

**Culpability**   Enhancement **Subtotal 4**

**Notes**

**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 Indicted percentage. (Enter number only; e.g. 20 for 20% reduction.)

**Notes**

**PAYABLE PENALTY**

Screening Date 11-Mar-2010

Docket No. 2010-0390-AIR-E

PCW

Respondent Valero Refining-Texas, L.P.

Policy Revision 2 (September 2002)

Case ID No. 39305

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100238385

Media [Statute] Air

Enf. Coordinator Trina Grieco

**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)	15	75%
	Other written NOVs	14	28%
Orders	Any agreed final enforcement orders containing a denial of liability (number of orders meeting criteria)	9	180%
	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	5	125%
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)	3	-3%
	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) 435%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Average Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

Penalty enhancement due to 15 NOVs issued for same or similar violations, 14 NOVs issued for dissimilar violations, nine agreed orders issued with a denial of liability, five agreed orders issued without a denial of liability, and one court order issued with a denial of liability. Penalty reduction due to three Notice of Audits submitted.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 435%

Screening Date 11-Mar-2010

Docket No. 2010-0390-AIR-E

PCW

Respondent Valero Refining-Texas, L.P.

Policy Revision 2 (September 2002)

Case ID No. 39305

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100238385

Media [Statute] Air

Enf. Coordinator Trina Grieco

Violation Number 1 Violation Track No. 384756

Rule Cite(s) 30 Tex. Admin. Code §§ 115.729(a) and 122.143(4), Tex. Health & Safety Code § 382.085(b), and Federal Operating Permit ("FOP") No. O-01253, Special Condition 1.H.ii.

Violation Description Failed to operate combustion sources (28 heaters and three boilers) within the firing rates established during the highly reactive volatile organic compound ("HRVOC") emission testing at Heaters H-58, H-60, H-57, H-13-1451, H-16, H-17, H-13-1480, H-18 through H-23, H-28, H-34, H-45, H-50, H-13-1401, and Boiler B-18 from July 1 through December 31, 2006 and again at Boilers B-18 and B-27 and Heaters H-1451, H-1480, H-16, H-17, H-28, H-31, H-32, H-57, H-58, and H-60 from November 13, 2007 through May 18, 2008 (see Attachment A).

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

		Harm				
Release		Major	Moderate	Minor		
OR	Actual				Percent	25%
	Potential		X			

>> Programmatic Matrix

		Major	Moderate	Minor		
Falsification					Percent	0%

Matrix Notes

Human health or the environment in the Houston-Galveston-Brazoria non-attainment area could have been exposed to significant amounts of pollutants which would not have exceeded levels protective of human health or environmental receptors as a result of the violation.

Adjustment \$7,500

\$2,500

Violation Events

Number of Violation Events 5 370 Number of violation days

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

Violation Base Penalty \$12,500

Five quarterly events are recommended for the five quarters during which the firing rates were exceeded.

Good Faith Efforts to Comply

25.0% Reduction \$3,125

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

Notes The Respondent completed corrective actions by December 31, 2008 (prior to the February 25, 2010 NOE).

Violation Subtotal \$9,375

Economic Benefit (EB) for this Violation

Statutory Limit Test

Estimated EB Amount \$626

Violation Final Penalty Total \$63,750

This violation Final Assessed Penalty (adjusted for limits) \$63,750

# Economic Benefit Worksheet

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

**Case ID No.** 39305

**Reg. Ent. Reference No.** RN100238385

**Media** Air

**Violation No.** 1

<b>Percent Interest</b>	<b>Years of Depreciation</b>
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)	\$5,000	1-Jul-2006	31-Dec-2008	2.50	\$626	n/a	\$626

**Notes for DELAYED costs**

Estimated cost to retest the boilers and heaters and establish a new firing rate. The date required is the date of the first exceedance and the final date is the date corrective actions 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**

\$5,000

**TOTAL**

\$626

Screening Date 11-Mar-2010

Docket No. 2010-0390-AIR-E

PCW

Respondent Valero Refining-Texas, L.P.

Policy Revision 2 (September 2002)

Case ID No. 39305

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100238385

Media [Statute] Air

Enf. Coordinator Trina Grieco

Violation Number 2 Violation Track No. 384817

Rule Cite(s)

30 Tex. Admin. Code §§ 101.20(2) and (3), 115.128(1)(B), 116.715(a), 40 Code of Federal Regulations ("CFR") § 63.11(b)(6)(II), Tex. Health & Safety Code § 382.085(b), Flexible New Source Review ("NSR") Permit No. 39142 and PSD-TX-822M2, Special Condition 12.A. (formerly 13.A.), and FOP No. O-01253, Special Conditions 1.A. and 30 (formerly 28)

Violation Description

Failed to operate flares with a minimum of 300 British thermal units per standard cubic feet ("Btu/scf") net heating value for the gas being combusted by assisted flares (see Attachment B).

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR	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 in the Houston-Galveston-Brazoria non-attainment has been exposed to insignificant amounts of contaminants that did not exceed protective levels as a result of the violation.

Adjustment \$7,500

\$2,500

Violation Events

Number of Violation Events 3 Number of violation days 7

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

Violation Base Penalty \$7,500

Three quarterly events are recommended for the three quarters during which the minimum heating values were not met.

Good Faith Efforts to Comply

25.0% Reduction

\$1,875

	Before NOV	NOV to EOPRP/Settlement Offer
Extraordinary		
Ordinary	x	
N/A		(mark with x)

Notes The Respondent completed corrective actions on April 28, 2009 (prior to the February 25, 2010 NOE).

Violation Subtotal \$5,625

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$358

Violation Final Penalty Total \$38,250

This violation Final Assessed Penalty (adjusted for limits) \$38,250

# Economic Benefit Worksheet

**Respondent** Valero Refining-Texas, L.P.  
**Case ID No.** 39305  
**Reg. Ent. Reference No.** RN100238385  
**Media** Air  
**Violation No.** 2

<b>Percent Interest</b>	<b>Years of Depreciation</b>
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)	\$3,000	8-Dec-2006	28-Apr-2009	2.39	\$358	n/a	\$358

Notes for DELAYED costs

Estimated cost to implement measures designed to ensure that the flares are operating at or above the minimum heating value. The date required is the first date the flare was operating below the minimum heating value and the final date is the date corrective actions 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

\$3,000

TOTAL

\$358

Screening Date 11-Mar-2010

Docket No. 2010-0390-AIR-E

PCW

Respondent Valero Refining-Texas, L.P.

Policy Revision 2 (September 2002)

Case ID No. 39305

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100238385

Media [Statute] Air

Enf. Coordinator Trina Grieco

Violation Number 3 Violation Track No. 384827

Rule Cite(s) 30 Tex. Admin. Code §§ 101.20(2) and (3), 116.128(1)(B), 116.715(a), and 122.143(4), 40 CFR 63.11(b)(7)(i), Tex. Health & Safety Code § 382.085(b), Flexible NSR Permit No. 39142 and PSD-TX-822M2, Special Condition 12.A. (formerly 13.A.), FOP No. O-01253, Special Conditions 1.A. and 30 (formerly 28)

Violation Description Failed to operate Flare FL-1 with a maximum exit velocity of 60 feet per second ("fps") intermittently between January 1, 2007 and May 23, 2007 (exit velocity ranged from 71.06 fps to 111.70 fps), for one hour on April 10, 2008 (exit velocity was 66.06 fps), and for one hour on August 24, 2008 (exit velocity was 73.67 fps).

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

Table with columns: Release (Actual, Potential), Harm (Major, Moderate, Minor), and Percent (25%). Includes 'OR' label.

>> Programmatic Matrix

Table with columns: Falsification, Major, Moderate, Minor, and Percent (0%).

Matrix Notes

Human health or the environment in the Houston-Galveston-Brazoria non-attainment area has been exposed to insignificant amounts of contaminants that did not exceed protective levels as a result of the violation.

Adjustment \$7,500

\$2,500

Violation Events

Number of Violation Events 4 Number of violation days 144

Table with frequency options: daily, weekly, monthly, quarterly (marked with x), semiannual, annual, single event.

Violation Base Penalty \$10,000

Four quarterly events are recommended for four quarters during which the maximum velocity was exceeded.

Good Faith Efforts to Comply

Table for Good Faith Efforts to Comply with columns: Reduction (25.0%), Before NOV, NOV to EDCRP/Saltwater Offer, and rows: Extraordinary, Ordinary (marked with x), N/A.

\$2,500

Notes The Respondent completed corrective actions on April 28, 2009 (prior to the February 25, 2010 NOE).

Violation Subtotal \$7,500

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$348

Violation Final Penalty Total \$51,000

This violation Final Assessed Penalty (adjusted for limits) \$51,000

## Economic Benefit Worksheet

**Respondent** Valero Refining-Texas, L.P.  
**Case ID No.** 39305  
**Reg. Ent. Reference No.** RN100238385  
**Media** Air  
**Violation No.** 3

<b>Percent Interest</b>	<b>Years of Depreciation</b>
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)	\$3,000	1-Jan-2007	28-Apr-2009	2.32	\$348	n/a	\$348

Notes for DELAYED costs

Estimated cost to operate flares with a maximum velocity of 60 feet per second. The date required is the date of the first occurrence the flare was operating below the maximum velocity and the final date is the date corrective actions 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

\$3,000

TOTAL

\$348

Screening Date 11-Mar-2010

Docket No. 2010-0390-AIR-E

PCW

Respondent Valero Refining-Texas, L.P.

Policy Revision 2 (September 2002)

Case ID No. 39305

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100238385

Media [Statute] Air

Enf. Coordinator Trina Grieco

Violation Number 4 Violation Track No. 384845

Rule Cite(s) 30 Tex. Admin. Code §§ 101.20(1) and (2), 111.111(a)(4)(A), 122.143(4), 40 CFR §§ 60.18(c)(1) and 63.11(b)(4), Tex. Health & Safety Code § 382.085(b), and FOP No. O-01253, Special Condition 1.A.

Violation Description Failed to operate flares without visible emissions (emissions visible for more than five minutes in a two-hour period) from Flare FL-2 on September 25, 2007 and June 7, 2008 and from Flare FL-4 on October 29, 2007.

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 in the Houston-Galveston-Brazoria non-attainment area was exposed to insignificant amounts of contaminants that did not exceed protective levels as a result of the violation.

Adjustment \$7,500

\$2,500

Violation Events

Number of Violation Events 3 Number of violation days 3

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

Violation Base Penalty \$7,500

Three quarterly events are recommended for the two quarters during which the violations occurred from Flare FL-2 and the one quarter during which the violation occurred from Flare FL-4.

Good Faith Efforts to Comply

25.0% Reduction

\$1,875

	Before NOV	NOV to EDRP/Settlement Offer
	Extraordinary	
Ordinary	x	
N/A		(mark with x)

Notes The Respondent completed corrective actions on April 28, 2009 (prior to the February 25, 2010 NOE).

Violation Subtotal \$5,625

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$239

Violation Final Penalty Total \$38,250

This violation Final Assessed Penalty (adjusted for limits) \$30,000

# Economic Benefit Worksheet

**Respondent** Valero Refining-Texas, L.P.  
**Case ID No.** 39305  
**Reg. Ent. Reference No.** RN100238385  
**Media** Air  
**Violation No.** 4

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)	\$3,000	25-Sep-2007	28-Apr-2009	1.59	\$239	n/a	\$239

**Notes for DELAYED costs**

Estimated cost to implement measures designed to ensure the flares are operating without visible emissions. The date required is the date visible emissions were first observed and the final date is the date corrective actions 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

\$3,000

**TOTAL**

\$239

Screening Date 11-Mar-2010

Docket No. 2010-0390-AIR-E

PCW

Respondent Valero Refining-Texas, L.P.

Policy Revision 2 (September 2002)

Case ID No. 39305

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100238385

Media [Statute] Air

Enf. Coordinator Trina Grieco

Violation Number 5 Violation Track No. 384953

Rule Cite(s) 30 Tex. Admin. Code §§ 101.20(2) and (3), 116.112(a)(2)(B), 116.715(a) and 122.143(4), 40 CFR § 63.119(c)(2)(iii), Tex. Health & Safety Code § 382.085(b), Flexible NSR Permit No. 39142 and PSD-TX-822M2, Special Condition 4.B., and FOP No. O-01253, Special Conditions 1.A. and 30

Violation Description Failed to maintain Group 1 storage tanks free of leaks. Specifically, Tank T-478 vacuum breaker leaked for 24-hour periods on August 9, 2006, June 1, 2008, and September 14, 2009, and during each period 5.52 pounds of volatile organic compounds ("VOCs") were released; and Tank T-565 vacuum breaker leaked for 34 hours on June 17, 2008 during which 7.82 pounds of VOCs were released.

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 in the Houston-Galveston-Brazoria non-attainment area was exposed to insignificant amounts of pollutants which did not exceed levels protective of human health or environmental receptors as a result of the violation.

Adjustment \$7,500

\$2,500

Violation Events

Number of Violation Events 4 Number of violation days 5

daily	
weekly	
monthly	
quarterly	x
semiannual	
annual	
single event	

mark only one with an x

Violation Base Penalty \$10,000

Four quarterly events are recommended for the three quarters during which leaks were documented from Tank T-478 and the one quarter during which leaks were documented from Tank T-565.

Good Faith Efforts to Comply

25.0% Reduction

\$2,500

	Before NOV	NOV to EDP/PP/ Settlement Offer
Extraordinary		
Ordinary	x	
N/A		(mark with x)

Notes The Respondent completed corrective actions by January 30, 2008.

Violation Subtotal \$7,500

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$37

Violation Final Penalty Total \$51,000

This violation Final Assessed Penalty (adjusted for limits) \$50,000

# Economic Benefit Worksheet

**Respondent** Valero Refining-Texas, L.P.  
**Case ID No.** 39305  
**Reg. Ent. Reference No.** RN100238385  
**Media** Air  
**Violation No.** 6

<b>Percent Interest</b>	<b>Years of Depreciation</b>
5.0	15

	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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Item Description 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)	\$500	9-Aug-2006	30-Jan-2008	1.48	\$37	n/a	\$37

Notes for DELAYED costs

Estimated cost to close the T-478 vents and the T-565 vacuum breakers. The date required is the date of the first leak and the final date is the date corrective actions 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

\$500

TOTAL

\$37

**Attachment A**

Docket No. 2010-0390-AIR-E; Case No. 39305

**Range of exceedances in pounds per million British thermal units (“lbs/MMBtu”) for Violation 1**

2006					
Date range	Duration (hours)	Source	Actual Firing Rate Range (lbs/MMBTU)	Firing Rate Limit (lbs/MMBTU)	Excess Firing Rate Range (lbs/MMBTU)
12/05/06	1	Boiler B-18	154.4	154	0.4
7/04/06 to 8/28/06	879	Heater H-16 Heater H-17	235.0 to 258.9	234	1.0 to 24.9
12/13/06	2	Heater H-16 Heater H-17	268.5	265	3.5
9/19/06 to 12/02/06	1,194	Heater H-28	81.0 to 88.5	80	1.0 to 8.5
12/05/06 and 12/16/06	6	Heater H-28	91.2 to 98.0	90	1.2 to 8.0
7/01/06 to 9/06/06	386	Heater H-34	73.0 to 77.0	72	1.0 to 5.0
9/14/06 to 12/13/06	156	Heater H-34	78.3 to 82.3	78	0.3 to 4.3
7/01/06 to 8/30/06	210	Heater H-13- 1480	98.0 to 110.5	97	1.0 to 13.5
7/17/06 to 12/21/06	150	Heater H-13- 1401	31.3 to 33.5	31	0.3 to 2.5
7/27/06 to 12/25/06	176	Heater H-13- 1451	31.4 to 38.0	31	0.4 to 7.0
7/01/06 to 8/24/06	726	Heater H-50	46.4 to 62.2	46	0.4 to 16.2
9/03/06 to 12/31/06	953	Heater H-50	56.6 to 64.2	56	0.6 to 8.2
7/01/06 to 9/06/06	1,355	Heaters H-18 through H-23	224.0 to 235.9	223	1.0 to 12.9
7/13/06 to 7/22/06	71	Heater H-45	222.8 to 227.5	222	0.8 to 5.5
12/12/06	1	Heater H-57	137.0	133	4.0
8/07/06	1	Heater H-58	137.0	133	4.0
7/01/06 to 12/16/06	114	Heater H-60	123.0 to 132.5	122	1.0 to 10.5

2007					
Date range	Duration (hours)	Source	Actual Firing Rate Range (lbs/MMBTU)	Firing Rate Limit (lbs/MMBTU)	Excess Firing Rate Range (lbs/MMBTU)
7/01/07 to 11/13/07	40	Boiler B-18	154.2 to 186.5	154	0.2 to 32.5
7/26/07 and 11/14/07	3	Boiler B-27	376.0 to 376.6	372	4.0 to 4.5
10/28/07 to 11/26/07	305	Heaters H-16 and H-17	265.2 to 276.3	265	0.2 to 11.3
7/20/07 to 12/19/07	288	Heater H-28	103.2 to 109.6	103	0.6 to 7.0
7/05/07	10	Heater H-1451	52.3	48	4.3
11/18/07 and 12/02/07	5	Heater H-1480	128.9 and 129.8	126	2.9 and 3.8
11/10/07	2	Heaters H-31 and H-32	42.3	36	6.7
10/11/07	9	Heater H-57	134.5 to 145.4	134	1.0 to 11.9
7/11/07 to 11/23/07	13	Heater H-58	133.9 to 151.6	134	0.4 to 18.1
11/21/07 to 11/28/07	26	Heater H-60	125.4 to 134.4	125	0.4 to 9.4

2008					
Date range	Duration (hours)	Source	Actual Firing Rate Range (lbs/MMBTU)	Firing Rate Limit (lbs/MMBTU)	Excess Firing Rate Range (lbs/MMBTU)
1/23/08 to 5/18/08	17	Heater H-28	103.1 to 107.1	103	0.5 to 4.5
4/30/08 to 5/24/08	56	Heater H-50	71.6 to 73.5	71	0.5 to 2.4
5/15/08	2	Heater H-60	132.7	125	8.2

**Attachment B**

Docket No. 2010-0390-AIR-E; Case No. 39305

**Range of exceedances in British thermal units per standard cubic foot (Btu/scf) for  
Violation 2**

Date range	Duration (hours)	Source	Actual Value	Minimum Required Value	Shortage Range
12/08/06	5	FL-2	288.62 to 291.46	300	8.54 to 11.38
04/18/07	1	FL-2	238.35	300	61.65
04/30/07	2	FL-2	266.70 to 266.75	300	33.25 to 33.30
05/23/07	7	FL-1	48.57 to 102.98	300	197.02 to 251.43
04/07/08	2	FL-2	293.78 to 297.83	300	2.17 to 6.22
05/24/08	1	FL-1	298.46	300	1.54
05/31/08	1	FL-3	284.88	300	15.12



# Compliance History Report

Customer/Respondent/Owner-Operator:	CN600127468 Valero Refining-Texas, L.P.	Classification: AVERAGE	Rating: 10.27
Regulated Entity:	RN100238385 VALERO REFINING TEXAS CITY REFINERY	Classification: AVERAGE	Site Rating: 7.60

ID Number(s):	AIR OPERATING PERMITS	ACCOUNT NUMBER	GB0073P
	AIR OPERATING PERMITS	PERMIT	1253
	AIR OPERATING PERMITS	PERMIT	2599
	AIR OPERATING PERMITS	PERMIT	2599
	WASTEWATER	PERMIT	TPDES0006009
	WASTEWATER	PERMIT	WQ0000449000
	WASTEWATER	PERMIT	TX0008009
	AIR NEW SOURCE PERMITS	PERMIT	39142
	AIR NEW SOURCE PERMITS	REGISTRATION	42395
	AIR NEW SOURCE PERMITS	REGISTRATION	42394
	AIR NEW SOURCE PERMITS	REGISTRATION	48330
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	GB0073P
	AIR NEW SOURCE PERMITS	PERMIT	962
	AIR NEW SOURCE PERMITS	PERMIT	8352
	AIR NEW SOURCE PERMITS	REGISTRATION	53530
	AIR NEW SOURCE PERMITS	EPA ID	PSDTX822
	AIR NEW SOURCE PERMITS	REGISTRATION	75542
	AIR NEW SOURCE PERMITS	REGISTRATION	75695
	AIR NEW SOURCE PERMITS	AFS NUM	4816700007
	AIR NEW SOURCE PERMITS	EPA ID	PSDTX822M2
	AIR NEW SOURCE PERMITS	REGISTRATION	71076
	AIR NEW SOURCE PERMITS	REGISTRATION	72517
	AIR NEW SOURCE PERMITS	REGISTRATION	73799
	AIR NEW SOURCE PERMITS	REGISTRATION	76530
	AIR NEW SOURCE PERMITS	REGISTRATION	76967
	AIR NEW SOURCE PERMITS	REGISTRATION	77806
	AIR NEW SOURCE PERMITS	REGISTRATION	79850
	AIR NEW SOURCE PERMITS	REGISTRATION	79881
	AIR NEW SOURCE PERMITS	REGISTRATION	80059
	AIR NEW SOURCE PERMITS	REGISTRATION	80581
	AIR NEW SOURCE PERMITS	REGISTRATION	81005
	AIR NEW SOURCE PERMITS	REGISTRATION	81523
	AIR NEW SOURCE PERMITS	REGISTRATION	81621
	AIR NEW SOURCE PERMITS	REGISTRATION	81695
	AIR NEW SOURCE PERMITS	REGISTRATION	82055
	AIR NEW SOURCE PERMITS	REGISTRATION	84258
	AIR NEW SOURCE PERMITS	REGISTRATION	87844
	AIR NEW SOURCE PERMITS	REGISTRATION	87694
	AIR NEW SOURCE PERMITS	REGISTRATION	83921
	AIR NEW SOURCE PERMITS	REGISTRATION	82462
	AIR NEW SOURCE PERMITS	REGISTRATION	84166
	AIR NEW SOURCE PERMITS	REGISTRATION	84575
	AIR NEW SOURCE PERMITS	REGISTRATION	82434
	AIR NEW SOURCE PERMITS	REGISTRATION	91499
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION # (SWR)	30011
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	EPA ID	TXD000792937



Rqmt Prov: TCEQ Flexible Air Permit #39142, SC #1 PERMIT  
Description: Exceeded permit limits during an avoidable emissions event.  
Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: 39142/ PSD-TX-822M2 PERMIT  
Description: Valero failed to prevent a back-up pump from tripping off.  
Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: TCEQ Flexible Air Permit #39142, SC #1 PERMIT  
Description: Exceeded permit limits during an avoidable emissions event.  
Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: 39142, SC No. 1 PA  
Description: Exceeded permit limit during an avoidable emissions event.  
Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: TCEQ Flexible Air Permit #39142, SC #1 PERMIT  
Description: Exceeded permit limits during an avoidable emissions event.  
Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: TCEQ Flexible Air Permit #39142, SC #1 PERMIT  
Description: Exceeded permit limits during an avoidable emissions event.  
Classification: Moderate  
Citation: 5C THC Chapter 382, SubChapter A 382.085(a)  
Description: Failed to prevent an avoidable emissions event.  
Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter B 116.110(a)(1)  
5C THC Chapter 382, SubChapter A 382.085(b)  
Description: Failed to prevent an avoidable emissions event.

Effective Date: 10/19/2006 ADMINORDER 2006-0549-IWD-E  
Classification: Moderate  
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)  
30 TAC Chapter 305, SubChapter F 305.125(1)  
Rqmt Prov: Effluent Limits PERMIT  
Description: Failure to comply with permit effluent limits as documented by a TCEQ record review of self-reported data.

Effective Date: 05/11/2007 ADMINORDER 2006-0012-AIR-E  
Classification: Moderate  
Citation: 30 TAC Chapter 117, SubChapter E 117.520(c)(2)(A)(i)  
5C THC Chapter 382, SubChapter A 382.085(b)  
Description: Failure to install continuous emissions monitoring systems ("CEMS") on boilers B-07 and B-11 by March 31, 2005.

Effective Date: 08/23/2007 ADMINORDER 2006-1067-AIR-E  
Classification: Moderate  
Citation: 30 TAC Chapter 112, SubChapter B 112.31  
30 TAC Chapter 116, SubChapter G 116.715(a)

5C THC Chapter 382, SubChapter A 382.085(b)  
Rqmt Prov: TCEQ Flexible Air Permit No. 39142, SC1 PERMIT  
Description: As evidenced by Findings of Fact No. 12, Valero failed to prevent unauthorized emissions that exceeded the fence line H2S concentration limit during an emissions event that started on October 4, 2004.  
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: 39142, SC No. 1 PA  
Description: Failure to prevent an overpressure condition resulting in unauthorized emissions.  
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: 39142, SC No. 1 PA  
Description: Failure to prevent a control valve malfunction resulting in unauthorized emissions.  
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: 39142, SC No. 1 PA  
Description: Failure to maintain calibration of a level indicator resulting in unauthorized emissions.  
Classification: Minor  
Citation: 30 TAC Chapter 101, SubChapter F 101.201(c)  
5C THC Chapter 382, SubChapter D 382.085(b)  
Description: Failure to submit final report no later than two weeks after end of emissions event.  
Classification: Minor  
Citation: 30 TAC Chapter 101, SubChapter F 101.201(c)  
5C THC Chapter 382, SubChapter D 382.085(b)  
Description: Failure to submit a final report no later than two weeks after the end of an emissions event.  
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: 39142, SC No. 1 PA  
Description: Failure to prevent a control valve malfunction resulting in unauthorized emissions.  
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: 39142 SC No. 1 PA  
Description: Failure to prevent a control valve malfunction resulting in unauthorized emissions  
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: 39142, SC No. 1 PA  
Description: Failure to prevent a tank overflow resulting in unauthorized emissions.  
Classification: Minor  
Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)(1)(H)  
5C THC Chapter 382, SubChapter D 382.085(b)  
Description: Failure to provide preconstruction authorization number on final report.  
Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter D 382.085(b)  
Rqmt Prov: 39142, SC 1 PA  
Description: Exceeded permit limits during an avoidable emissions event.  
Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter D 382.085(b)  
Rqmt Prov: 39142, SC No. 1 PA  
Description: Exceeded permit limits during an avoidable emissions event.

Effective Date: 11/19/2007

ADMINORDER 2006-0468-MLM-E

Classification: Moderate

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

Rqmt Prov: No. 39142, SC No. 1 PA

Description: Failed to prevent unauthorized emissions from Flare Nos. 2 and 3 (EPN EFL-02 and EFL-03) during an emissions event which occurred on October 13, 2005 in the Utilities Unit and lasted 2 hours and 15 minutes, as documented during a record review conducted on February 8, 2006. Since this emissions event was avoidable, Valero failed to meet the demonstrations for an affirmative defense in 30 TEX. ADMIN. CODE § 101.222.

Classification: Moderate

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

Rqmt Prov: 39142, SC No. 1 PA

Description: Failed to prevent unauthorized emissions from Flare Nos. 2, 3 and 4 (EPN EFL-02, EFL-03 and EFL-04) during an emissions event which occurred on November 28, 2005 in the Utilities Unit and lasted 24 hours and 29 minutes, as documented during a record review conducted on January 25, 2006. Since this emissions event was avoidable, Valero failed to meet the demonstrations for an affirmative defense in 30 TEX. ADMIN. CODE § 101.222.

Classification: Moderate

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

Rqmt Prov: No. 39142, SC No. 1 PA

Description: Failed to prevent unauthorized emissions from the Inclinator Stack (EPN EG-18-1403) during an emissions event which occurred on September 20, 2005 in the Gas-Oil Hydrotreater (GOHT) Unit (PRU) and lasted 55 hours, as documented during an investigation conducted on November 29, 2005. Since this emissions event was avoidable, Valero failed to meet the demonstrations for an affirmative defense in 30 TEX. ADMIN. CODE § 101.222.

Classification: Moderate

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

Rqmt Prov: 39142 PA

Description: Failed to prevent unauthorized emissions during a September 25, 2006 emissions event, as documented during a record review conducted on November 29, 2006. Specifically, during the September 25, 2006 emissions event the following unauthorized emissions were released from the No. 2 and No. 3 Flare over a period of fifty-five minutes: 2,101 lbs of sulfur dioxide, 328.5 lbs of volatile organic compounds, 191 lbs of carbon monoxide, and 26.4 lbs of nitrogen oxides.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(c)(2)  
5C THC Chapter 382, SubChapter D 382.085(b)

Rqmt Prov: 39142, SC No. 1 PA

Description: Failed to prevent unauthorized emissions and failure to operate a flare with a flame present during an October 14, 2006 emissions event, as documented during a record review conducted on December 13, 2006. Specifically, on October 14, 2006 through October 15, 2006, over a period of 4 hours and 14 minutes, Flare No. 3 (EPN EFL-03) located in the Utilities Unit, emitted 1,333.4 lbs of ethylene and 1,394.5 lbs of propane. Flexible Air Permit No. 39142 does not authorize any upset emissions.

Effective Date: 06/19/2008

ADMINORDER 2007-1512-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: 39142, Special Condition No. 1 PERMIT

Description: As evidenced by Findings of Fact No. 3, Valero failed to prevent unauthorized emissions during a May 9, 2007 emissions event, in violation of Air Permit No. 39142, Special Condition No. 1, 30 TEX. ADMIN. CODE § 116.715(a), and TEX. HEALTH & SAFETY CODE § 382.085(b). Since the emissions event was avoidable the demonstrations in 30 TEX. ADMIN. CODE § 101.222 necessary to prevent an affirmative defense were not met.



HEALTH & SAFETY CODE § 382.085(b). Since the emissions event was avoidable Valero was unable to meet the demonstration criteria for an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.

Classification: Moderate

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

Rqmt Prov: 39142, SC No. 1 PERMIT

Description: Valero failed to prevent unauthorized emissions during a March 4, 2007 emissions event in the Sats Gas Unit, in violation of Air Permit No. 39142, Special Condition No. 1, 40 CODE OF FEDERAL REGULATIONS § 60.18(b), 30 TEX. ADMIN. CODE § 116.715(a), and TEX. HEALTH & SAFETY CODE § 382.085(b). Since the emissions event was avoidable Valero was unable to meet the demonstration criteria for an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.

Effective Date: 09/21/2009

ADMINORDER 2009-0448-AIR-E

Classification: Moderate

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

Rqmt Prov: 39142, Special Conditon No. 1 PERMIT

Description: Failure to prevent unauthorized emissions. Failure to prevent Level Indicator LI-15142 on A-82 Vacuum Tower from malfunctioning.

Effective Date: 10/31/2009

ADMINORDER 2007-1413-AIR-E

Classification: Moderate

Citation: 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 A 60.18(c)(3)(ii)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT A 63.11(b)(6)(ii)  
5C THC Chapter 382, SubChapter D 382.085(b)

Rqmt Prov: NSR 39142, SC 2A PERMIT

NSR 39142, SC 4A PERMIT

Title V O-01253, SC 1A OP

Title V O-01253, SC 22 OP

Description: Failed to maintain the net heating value of the gas being combusted by assisted flares at 300 British thermal units per standard cubic foot ("Btu/scf") or greater.

Classification: Moderate

Citation: 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 A 60.18(c)(4)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT A 63.11(b)(7)  
5C THC Chapter 382, SubChapter D 382.085(b)

Rqmt Prov: NSR 39142, SC 2A PERMIT

NSR 39142, SC 4A PERMIT

Title V O-01253, SC 1A OP

Title V O-01253, SC 22 OP

Description: Failed to operate an assisted flare with an exit velocity of less than 60 feet per second ("ft/sec").

Classification: Moderate

Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(4)(A)  
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 A 60.18(c)(1)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT A 63.11(b)(4)  
5C THC Chapter 382, SubChapter D 382.085(b)

Rqmt Prov: NSR 39142, SC 13C PERMIT

NSR 39142, SC 2A PERMIT

NSR 39142, SC 4A PERMIT

Title V O-01253, SC 1A OP

Title V O-01253, SC 22 OP

Description: Failed to operate flares with visible emissions not to exceed five minutes during any consecutive two hour period.

Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT UUU 63.1566(a)(2)

5C THC Chapter 382, SubChapter D 382.085(b)  
 Rqmt Prov: Title V O-01253, SC 1A OP  
 Description: Failed to maintain the daily average combustion zone temperature of Reformer Heater H-REF2 above 1279.3 degrees Fahrenheit.  
 Classification: Moderate  
 Citation: 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)(2)(I)  
 5C THC Chapter 382, SubChapter D 382.085(b)  
 Rqmt Prov: NSR 39142, SC 2C PERMIT  
 Title V O-01253, SC 1A OP  
 Title V O-01253, SC 22 OP  
 Description: Failed to prevent the discharge of sulfur dioxide ("SO2") to the atmosphere in excess of 250 parts per million ("ppm").

Effective Date: 01/28/2010

ADMINORDER 2009-1314-AIR-E

Classification: Moderate  
 Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
 5C THSC Chapter 382 382.085(b)  
 Rqmt Prov: 39142, Special Condition No. 1 PERMIT  
 Description: Failure to prevent unauthorized emissions. Valero failed to prevent a flashover on Gas Circuit Breaker #3 (GCB #3), which resulted in power loss at the refinery.

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	03/22/2005	(381869)
2	03/31/2005	(350576)
3	04/25/2005	(419706)
4	04/26/2005	(281994)
5	04/26/2005	(343243)
6	04/27/2005	(282002)
7	05/02/2005	(349631)
8	05/02/2005	(350537)
9	05/20/2005	(348483)
10	05/23/2005	(419707)
11	05/25/2005	(351133)
12	06/14/2005	(373350)
13	06/14/2005	(378741)
14	06/14/2005	(419708)
15	06/23/2005	(378628)
16	06/27/2005	(397418)
17	06/28/2005	(348790)
18	06/30/2005	(397555)
19	07/07/2005	(399131)
20	07/13/2005	(399194)
21	07/15/2005	(348789)
22	07/22/2005	(397707)
23	07/22/2005	(440845)
24	08/02/2005	(348759)
25	08/03/2005	(403101)
26	08/03/2005	(403276)
27	08/08/2005	(403521)
28	08/08/2005	(403525)
29	08/10/2005	(396623)
30	08/13/2005	(397699)

31	08/13/2005	(400189)
32	08/17/2005	(400929)
33	08/18/2005	(406027)
34	08/19/2005	(396740)
35	08/22/2005	(406017)
36	08/23/2005	(440846)
37	08/24/2005	(400925)
38	08/29/2005	(406800)
39	09/01/2005	(400337)
40	09/23/2005	(440847)
41	10/20/2005	(468457)
42	11/22/2005	(468458)
43	12/06/2005	(438942)
44	12/20/2005	(468459)
45	12/28/2005	(449585)
46	12/29/2005	(439223)
47	12/29/2005	(449459)
48	01/17/2006	(431818)
49	01/24/2006	(468460)
50	01/30/2006	(440131)
51	02/01/2006	(451967)
52	02/15/2006	(439989)
53	02/17/2006	(439355)
54	02/17/2006	(468454)
55	02/21/2006	(455248)
56	03/16/2006	(455002)
57	03/21/2006	(468455)
58	03/29/2006	(453666)
59	03/31/2006	(434168)
60	04/13/2006	(468456)
61	04/26/2006	(457610)
62	04/27/2006	(460539)
63	05/08/2006	(453710)
64	05/11/2006	(461750)
65	05/15/2006	(462815)
66	05/17/2006	(464808)
67	05/18/2006	(498220)
68	05/25/2006	(457878)
69	05/31/2006	(463733)
70	06/16/2006	(498221)
71	06/27/2006	(481343)
72	06/30/2006	(462803)
73	06/30/2006	(462898)
74	06/30/2006	(481516)
75	06/30/2006	(483867)
76	07/06/2006	(482247)
77	07/14/2006	(486365)
78	07/15/2006	(486391)
79	07/17/2006	(479861)
80	07/18/2006	(498222)
81	07/19/2006	(482178)
82	07/19/2006	(483638)
83	07/19/2006	(483715)
84	07/21/2006	(487175)
85	07/21/2006	(487390)
86	07/21/2006	(487892)
87	07/25/2006	(488179)
88	07/26/2006	(462901)
89	07/26/2006	(482594)

90	08/10/2006	(520234)
91	08/25/2006	(488734)
92	09/01/2006	(466735)
93	09/01/2006	(466736)
94	09/01/2006	(478491)
95	09/01/2006	(478556)
96	09/01/2006	(478638)
97	09/01/2006	(487342)
98	09/01/2006	(487896)
99	09/01/2006	(488020)
100	09/01/2006	(488032)
101	09/01/2006	(488134)
102	09/01/2006	(488176)
103	09/01/2006	(488191)
104	09/01/2006	(488541)
105	09/01/2006	(488559)
106	09/01/2006	(488624)
107	09/01/2006	(488633)
108	09/01/2006	(488740)
109	09/01/2006	(488979)
110	09/01/2006	(489434)
111	09/01/2006	(489467)
112	09/01/2006	(489815)
113	09/01/2006	(489837)
114	09/01/2006	(489863)
115	09/01/2006	(489866)
116	09/01/2006	(490185)
117	09/01/2006	(508690)
118	09/01/2006	(509158)
119	09/01/2006	(509713)
120	09/01/2006	(509730)
121	09/01/2006	(509756)
122	09/01/2006	(509784)
123	09/18/2006	(520235)
124	09/27/2006	(512555)
125	09/28/2006	(509876)
126	10/11/2006	(514061)
127	10/19/2006	(520236)
128	10/23/2006	(512981)
129	10/31/2006	(517239)
130	11/07/2006	(516594)
131	11/13/2006	(518837)
132	11/15/2006	(519473)
133	11/15/2006	(544546)
134	11/21/2006	(519775)
135	12/13/2006	(544547)
136	12/18/2006	(345058)
137	12/21/2006	(532369)
138	12/21/2006	(532370)
139	01/16/2007	(534075)
140	01/19/2007	(532751)
141	01/19/2007	(544548)
142	02/07/2007	(536972)
143	02/09/2007	(534096)
144	02/14/2007	(544545)
145	03/15/2007	(531898)
146	03/15/2007	(533196)
147	03/15/2007	(575352)
148	03/23/2007	(543996)

149	04/02/2007	(539574)
150	04/05/2007	(543902)
151	04/09/2007	(543124)
152	04/09/2007	(555314)
153	04/10/2007	(543795)
154	04/11/2007	(556037)
155	04/11/2007	(556038)
156	04/17/2007	(575353)
157	04/30/2007	(556603)
158	04/30/2007	(556624)
159	04/30/2007	(557962)
160	05/08/2007	(555995)
161	05/10/2007	(559617)
162	05/10/2007	(559619)
163	05/10/2007	(559620)
164	05/11/2007	(558768)
165	05/14/2007	(555999)
166	05/14/2007	(558769)
167	05/14/2007	(559618)
168	05/20/2007	(575354)
169	05/31/2007	(542320)
170	06/01/2007	(561100)
171	06/04/2007	(561098)
172	06/20/2007	(575355)
173	06/22/2007	(561101)
174	07/03/2007	(566302)
175	07/09/2007	(564575)
176	07/11/2007	(431249)
177	07/20/2007	(575356)
178	07/23/2007	(531864)
179	07/31/2007	(564508)
180	08/10/2007	(512666)
181	08/10/2007	(564206)
182	08/10/2007	(564225)
183	08/20/2007	(607555)
184	08/24/2007	(570706)
185	08/24/2007	(570707)
186	09/20/2007	(607556)
187	10/02/2007	(572268)
188	10/05/2007	(572254)
189	10/05/2007	(595008)
190	10/09/2007	(594109)
191	10/10/2007	(595720)
192	10/11/2007	(567830)
193	10/11/2007	(568141)
194	10/11/2007	(568182)
195	10/11/2007	(568234)
196	10/11/2007	(593936)
197	10/12/2007	(572190)
198	10/12/2007	(572204)
199	10/12/2007	(572244)
200	10/15/2007	(593466)
201	10/16/2007	(568501)
202	10/17/2007	(595009)
203	10/19/2007	(607557)
204	11/15/2007	(619522)
205	11/16/2007	(568445)
206	11/19/2007	(571858)
207	11/19/2007	(595089)

208	11/19/2007	(597629)
209	11/19/2007	(597934)
210	11/19/2007	(598398)
211	11/27/2007	(571671)
212	12/05/2007	(609936)
213	12/17/2007	(619523)
214	12/21/2007	(600245)
215	01/18/2008	(619524)
216	01/30/2008	(613666)
217	02/20/2008	(672044)
218	03/03/2008	(637489)
219	03/14/2008	(672045)
220	03/25/2008	(616898)
221	04/18/2008	(672046)
222	04/25/2008	(636923)
223	05/15/2008	(637714)
224	05/16/2008	(689958)
225	05/23/2008	(638602)
226	06/06/2008	(682334)
227	06/19/2008	(689959)
228	07/07/2008	(657176)
229	07/08/2008	(670867)
230	07/18/2008	(689960)
231	07/21/2008	(682766)
232	07/21/2008	(684727)
233	07/30/2008	(687563)
234	08/11/2008	(688850)
235	08/14/2008	(710740)
236	08/18/2008	(687788)
237	09/19/2008	(710741)
238	09/20/2008	(686586)
239	10/16/2008	(671077)
240	10/16/2008	(671086)
241	10/17/2008	(710742)
242	10/24/2008	(687335)
243	10/27/2008	(686049)
244	10/27/2008	(686129)
245	10/27/2008	(686138)
246	10/28/2008	(686938)
247	10/29/2008	(686783)
248	10/29/2008	(686930)
249	11/17/2008	(727485)
250	11/20/2008	(703368)
251	12/08/2008	(687448)
252	12/15/2008	(686189)
253	12/15/2008	(721180)
254	12/16/2008	(701325)
255	12/17/2008	(700705)
256	12/17/2008	(701512)
257	12/17/2008	(703349)
258	12/18/2008	(727486)
259	12/18/2008	(727487)
260	01/06/2009	(689065)
261	01/06/2009	(706089)
262	01/20/2009	(706090)
263	02/04/2009	(704245)
264	02/04/2009	(725522)
265	02/05/2009	(723030)
266	02/12/2009	(684569)

267	02/16/2009	(700894)
268	02/16/2009	(726273)
269	02/16/2009	(750275)
270	02/20/2009	(702755)
271	03/11/2009	(750276)
272	03/18/2009	(726731)
273	03/20/2009	(725138)
274	03/27/2009	(726604)
275	04/10/2009	(741302)
276	04/16/2009	(750277)
277	04/24/2009	(739887)
278	05/04/2009	(741618)
279	05/12/2009	(768371)
280	05/12/2009	(768373)
281	05/18/2009	(742104)
282	05/18/2009	(742106)
283	05/19/2009	(704309)
284	06/10/2009	(747592)
285	06/12/2009	(768372)
286	06/15/2009	(749180)
287	07/16/2009	(749643)
288	07/21/2009	(745746)
289	07/21/2009	(747426)
290	07/21/2009	(747606)
291	07/21/2009	(747870)
292	07/21/2009	(747871)
293	07/21/2009	(748463)
294	07/21/2009	(749055)
295	07/21/2009	(749736)
296	07/24/2009	(747873)
297	07/27/2009	(748462)
298	08/04/2009	(746919)
299	08/04/2009	(763276)
300	08/12/2009	(747867)
301	08/13/2009	(741161)
302	08/13/2009	(747864)
303	08/13/2009	(765709)
304	08/14/2009	(759251)
305	08/14/2009	(765330)
306	08/21/2009	(759999)
307	08/28/2009	(765498)
308	09/02/2009	(748460)
309	09/02/2009	(761012)
310	09/04/2009	(749814)
311	09/16/2009	(762161)
312	09/17/2009	(749687)
313	09/28/2009	(748457)
314	10/08/2009	(760318)
315	10/12/2009	(763115)
316	10/21/2009	(565970)
317	11/20/2009	(747602)
318	11/23/2009	(779180)
319	12/22/2009	(786019)
320	12/23/2009	(781696)
321	12/23/2009	(781948)
322	01/05/2010	(782111)
323	01/05/2010	(782355)
324	01/06/2010	(784275)
325	01/15/2010	(785848)

326 01/15/2010 (785874)  
327 01/22/2010 (747282)  
328 01/26/2010 (788199)  
329 01/26/2010 (788690)  
330 01/26/2010 (788810)  
331 01/26/2010 (788823)  
332 01/27/2010 (788843)  
333 01/27/2010 (788914)  
334 01/29/2010 (785853)  
335 02/19/2010 (792191)  
336 02/25/2010 (747260)

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

Date: 03/31/2005 (419706) 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: 08/10/2005 (396623) CN600127468  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
39142, Special Condition No. 1 PA  
5C THC Chapter 382, SubChapter A 382.085(b)  
Description: Valero failed to control hydrocarbon carryover from the Delayed Coker Unit into the Amine Unit.

Date: 10/31/2005 (468458) 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: 11/30/2005 (468459) 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: 12/31/2005 (468460) 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: 01/31/2006 (451967) CN600127468  
Self Report? NO Classification: Moderate  
Citation: No. 00449-000 Page 7, No. 2g PERMIT  
TWC Chapter 26 26.121(a)(1)  
Description: Failure to prevent unauthorized discharges of solids and oil into waters of the State.

Self Report? NO Classification: Moderate  
Citation: 00449-000 Page 2, No. 1 & Page 2d, no. 1 PERMIT  
30 TAC Chapter 305, SubChapter F 305.125(1)  
Description: Failure to maintain compliance with the self-monitored, permitted effluent limits for Total Suspended Solids, Oil & Grease, and Total Zinc.

Date: 02/21/2006 (455248)  
Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter A 382.085(b)  
No. 39142 PA

Description: Exceeded permit limits during an avoidable emissions event.

Date: 04/30/2006 (498220) 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 (481516) CN600127468

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
39142, SC No. 1 PA  
5C THC Chapter 382, SubChapter D 382.085(b)

Description: Failure to prevent an unplanned compressor shutdown resulting in unauthorized emissions from flaring.

Date: 06/30/2006 (483867) CN600127468

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 117, SubChapter B 117.206(e)(2)

Description: RE exceeded the NH3 emission limit of 10 ppm set forth in 30 TAC 117.206(e)(2).

Date: 09/29/2006 (509876) CN600127468

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
39142, SC No. 1 PA  
5C THC Chapter 382, SubChapter D 382.085(b)

Description: Exceeded permit limits during an avoidable emissions event.

Date: 01/31/2007 (544545) 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: 03/31/2007 (575353) 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: 04/04/2007 (539574) CN600127468

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
39142, SC No. 1 PA  
5C THC Chapter 382, SubChapter D 382.085(b)

Description: Exceeded permit limits during an avoidable emissions event.

Date: 04/10/2007 (543996) CN600127468

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
39142, SC No. 1 PA  
5C THC Chapter 382, SubChapter D 382.085(b)

Description: Exceeded permit limits during an avoidable emissions event.

Date: 06/04/2007 (561098) CN600127468

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
39142, SC No. 1 PERMIT

5C THC Chapter 382, SubChapter D 382.085(b)  
Description: Failure to exercise good maintenance practices.  
Date: 06/30/2007 (575356) 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: 07/31/2007 (607555) 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: 10/31/2007 (619522) CN600127468  
Self Report? YES Classification: Moderate  
Citation: 2D TWC Chapter 28, 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: 01/16/2008 (567857) CN600127468  
Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 117, SubChapter B 117.345(b)(1)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THC Chapter 382, SubChapter D 382.085(b)  
Title V O-01253; SC 1.A. OP  
Description: failed to submit written notification of the performance test for Boiler B-26 within 15 days after the testing was conducted on December 13, 2005

Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 117, SubChapter B 117.345(b)(2)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THC Chapter 382, SubChapter D 382.085(b)  
Title V O-01253, SC 1A OP  
Description: failed to submit written notification of the continuous emissions monitoring system (CEMS) relative accuracy test audit (RATA) within 15 days after the testing was conducted

Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 117, SubChapter B 117.345(f)(6)(B)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THC Chapter 382, SubChapter D 382.085(b)  
Title V O-01253; SC 1.A. OP  
Description: failed to maintain records of hours of operation for Engines DE-07, DE-08, DE-24, and DE-27

Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 117, SubChapter B 117.345(f)(10)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THC Chapter 382, SubChapter D 382.085(b)  
Title V O-01253; SC 1.A. OP  
Description: failed to maintain records of each time the engine is operated for testing and maintenance for Engines

Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 117, SubChapter B 117.310(c)(1)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THC Chapter 382, SubChapter D 382.085(b)  
Title V O-01253; SC 1.A. OP  
Description: failed to meet the CO emission limit of 3.0 g/hp-hr for Engines

Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THC Chapter 382, SubChapter D 382.085(b)  
Title V O-01253; SC 21. OP  
Description: failed to conduct monthly opacity observations for Stacks

Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)

30 TAC Chapter 122, SubChapter B 122.143(4)  
 5C THC Chapter 382, SubChapter D 382.085(b)  
 NSR 39142; SC 13.D. PERMIT  
 Title V O-01253; SC 22. OP  
**Description:** failed to retain records of the vent stream flows to flares  
**Self Report?** NO **Classification:** Moderate  
**Citation:** 30 TAC Chapter 117, SubChapter B 117.340(b)(1)  
 30 TAC Chapter 122, SubChapter B 122.143(4)  
 5C THC Chapter 382, SubChapter D 382.085(b)  
 Title V O-01253; SC 1.A. OP

**Description:** failed to install O2 CEMS for H-13-1421 by the deadline of March 31, 2005  
**Self Report?** NO **Classification:** Moderate  
**Citation:** 30 TAC Chapter 117, SubChapter B 117.340(e)  
 30 TAC Chapter 122, SubChapter B 122.143(4)  
 5C THC Chapter 382, SubChapter D 382.085(b)  
 Title V O-01253; SC 1.A. OP

**Description:** failed to install CO CEMS for H-13-1421 by the deadline of March 31, 2005 as specified in 30 TAC 117.9020(2)(A)(I)  
**Self Report?** NO **Classification:** Minor  
**Citation:** 30 TAC Chapter 117, SubChapter G 117.8100(a)(1)(A)  
 30 TAC Chapter 122, SubChapter B 122.143(4)

40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.13(e)  
 5C THC Chapter 382, SubChapter D 382.085(b)  
 Title V O-01253; SC 1.A. & 10.F. OP  
**Description:** failed to continuously monitor CO and NOx emissions from Heater H-13-1480 on December 12, 2005  
**Self Report?** NO **Classification:** Minor  
**Citation:** 30 TAC Chapter 122, SubChapter B 122.143(4)  
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT UUU 63.1572(c)(3)  
 5C THC Chapter 382, SubChapter D 382.085(b)  
 Title V O-01253; SC 1.A. OP

**Description:** failed to have valid hourly average data of SO2 emissions  
**Self Report?** NO **Classification:** Minor  
**Citation:** 30 TAC Chapter 115, SubChapter H 115.781(b)  
 30 TAC Chapter 122, SubChapter B 122.143(4)  
 5C THC Chapter 382, SubChapter D 382.085(b)  
 Title V O-01253; SC 1.A. OP

**Description:** failed to properly perform fugitive monitoring of components in highly-reactive volatile organic compound (HRVOC) in September 2005  
**Self Report?** NO **Classification:** Moderate  
**Citation:** 30 TAC Chapter 117, SubChapter B 117.310(c)(1)  
 30 TAC Chapter 122, SubChapter B 122.143(4)  
 5C THSC Chapter 382 382.085(b)  
 Title V Permit O-01253, SC 1A OP

**Description:** failed to maintain the firing rate limits, which were established as a surrogate parameter to the CO emission limit of 400 ppmvd, for Boilers B-7 and B-11  
**Self Report?** NO **Classification:** Moderate  
**Citation:** 30 TAC Chapter 115, SubChapter H 115.725(a)(1)(C)  
 30 TAC Chapter 122, SubChapter B 122.143(4)  
 5C THSC Chapter 382 382.085(b)  
 Title V Permit O-01253, SC 1.M.(i) OP

**Description:** failed to meet the hourly firing rate limits for boilers and heaters  
**Self Report?** NO **Classification:** Minor  
**Citation:** 30 TAC Chapter 122, SubChapter B 122.143(4)  
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT A 63.7(b)(1)  
 5C THSC Chapter 382 382.085(b)  
 Title V Permit O-01253, SC 16.D. OP

**Description:** failed to notify the Administrator in writing of the intention to conduct performance tests for Boilers B-27 and B-28  
**Self Report?** NO **Classification:** Minor  
**Citation:** 30 TAC Chapter 117, SubChapter B 117.310(f)  
 30 TAC Chapter 122, SubChapter B 122.143(4)  
 5C THSC Chapter 382 382.085(b)  
 Title V Permit O-01253, SC 1.A. OP

Description: failed to follow the operating restrictions between 6 a.m. and noon for engines  
 Self Report? NO Classification: Moderate  
 Citation: 30 TAC Chapter 117, SubChapter G 117.8040(b)  
 30 TAC Chapter 122, SubChapter B 122.143(4)  
 5C THSC Chapter 382 382.085(b)  
 Title V Permit O-01253, SC 1.A. OP

Description: failed to conduct quarterly sampling for NOx and CO emissions from Engines DE-27 and DE-34  
 Self Report? NO Classification: Moderate  
 Citation: 30 TAC Chapter 117, SubChapter B 117.340(a)  
 30 TAC Chapter 122, SubChapter B 122.143(4)  
 5C THSC Chapter 382 382.085(b)  
 Title V Permit O-01253, SC 1.A. OP

Description: failed to install a totalizing fuel flow meter on Engine DE-27  
 Self Report? NO Classification: Moderate  
 Citation: 30 TAC Chapter 115, SubChapter D 115.352(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 GGG 60.592(a)  
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(d)(1)  
 5C THSC Chapter 382 382.085(b)  
 NSR Permit 39142, SC 16.H. PERMIT  
 Title V Permit O-01253, SC 1.A. OP  
 Title V Permit O-01253, SC 22. OP

Description: failed to repair eight valves and one flange within 15 calendar days  
 Self Report? NO Classification: Minor  
 Citation: 30 TAC Chapter 115, SubChapter D 115.352(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 GGG 60.592(a)  
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(1)  
 5C THSC Chapter 382 382.085(b)  
 NSR Permit 39142, SC 16.E. PERMIT  
 Title V Permit O-01253, SC 1.A. OP  
 Title V Permit O-01253, SC 22. OP

Description: failed to equip eleven open-ended lines with a plug, a cap, 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)  
 Title V Permit O-01253, SC 1.A. OP

Description: failed to conduct monthly visual or physical inspections on 28 process drains  
 Self Report? NO Classification: Minor  
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT AA 63.648(c)(6)  
 5C THSC Chapter 382 382.085(b)  
 Title V Permit O-01253, SC 1.A. OP

Description: failed to conduct monthly monitoring on three pumps in light liquid service  
 Self Report? NO Classification: Minor  
 Citation: 30 TAC Chapter 115, SubChapter H 115.725(d)(4)  
 30 TAC Chapter 122, SubChapter B 122.143(4)  
 5C THSC Chapter 382 382.085(b)  
 Title V Permit O-01253, SC 1.A. OP

Description: failed to take manual samples for flares  
 Self Report? NO Classification: Minor  
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT UUU 63.1564(c)(1)  
 5C THSC Chapter 382 382.085(b)  
 Title V Permit O-01253, SC 1.A. OP

Description: failed to continuously monitor the Fluidized Catalytic Cracking Unit (FCCU) Coke Burn Rate  
 Self Report? NO Classification: Minor  
 Citation: 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)  
 NSR Permit 39142, SC 67 PERMIT

Title V Permit O-01253, SC 22 OP  
 Description: failed to keep records of the opacity of emissions from the fluid catalytic cracking unit (FCCU) scrubber stack G-001 on May 14, 2006  
 Self Report? NO Classification: Minor  
 Citation: 30 TAC Chapter 115, SubChapter B 115.112(a)(2)(A)  
 30 TAC Chapter 122, SubChapter B 122.143(4)  
 5C THSC Chapter 382 382.085(b)  
 Title V Permit O-01253, SC 1A OP

Description: failed to maintain a gauge/sample hatch on Tank T-321 sealed completely  
 Self Report? NO Classification: Minor  
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT Db 60.48b(e)(2)  
 5C THSC Chapter 382 382.085(b)  
 Title V Permit O-01253, SC 1A OP

Description: ) failed to use the span value of 500 ppm for nitrogen oxides on the North Cogen (B-15/T-252) continuous emission monitoring system  
 Self Report? NO Classification: Minor  
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT UUU 63.1576(d)  
 5C THSC Chapter 382 382.085(b)  
 Title V Permit O-01253, SC 1A OP

Description: failed to keep records required by Table 21 for catalytic reforming unit  
 Self Report? NO Classification: Minor  
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.13(e)  
 5C THSC Chapter 382 382.085(b)  
 Title V Permit O-01253, SC 1A OP

Description: failed to continuously monitor H2S content in the plant fuel gas system  
 Self Report? NO Classification: Minor  
 Citation: 30 TAC Chapter 115, SubChapter H 115.728(a)(1)  
 30 TAC Chapter 122, SubChapter B 122.143(4)  
 5C THSC Chapter 382 382.085(b)  
 Title V Permit O-01253, SC 1A OP

Description: failed to develop, implement, and follow a written quality assurance plan for monitoring requirements relating to HRVOV vent gas control for flares  
 Self Report? NO Classification: Minor  
 Citation: 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 QQQ 60.695(a)(1)  
 5C THSC Chapter 382 382.085(b)  
 NSR Permit 39142, SC 79 PERMIT  
 Title V Permit O-01253, SC 1A OP  
 Title V Permit O-01253, SC 22 OP

Description: failed to continuously measure and record the exhaust gas temperature of the South Plant Tail Gas Incinerator G-193 for one hour  
 Self Report? NO Classification: Minor  
 Citation: 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)  
 Title V Permit O-01253, SC 1A OP

Description: failed to demonstrate continuous compliance with the work practice standards  
 Self Report? NO Classification: Minor  
 Citation: 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)  
 NSR Permit 39142, SC 79 PERMIT  
 Title V Permit O-01253, SC 22 OP

Description: failed to keep records of the flame temperature of sulfur recovery unit (SRU) thermal reactors  
 Self Report? NO Classification: Minor  
 Citation: 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)  
 NSR Permit 39142, SC 79 PERMIT  
 Title V Permit O-01253, SC 22 OP

Description: failed to keep records of the Sulfur Pit Sweep data

Self Report? NO Classification: Minor  
Citation: 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)  
NSR Permit 39142, SC 34 PERMIT  
Title V Permit O-01253, SC 22 OP  
Description: failed to maintain the pH of the FCCU caustic scrubbing solution between 8.0 and 9.0

Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT J 60.107(e)  
5C THSC Chapter 382 382.085(b)  
Title V Permit O-01253, SC 1A OP  
Description: failed to include excess emissions details for the GOHT SRU/TGU and the South Plant SRU/TGU in the submittal dated April 28, 2006

Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT UUU 63.1572(c)(1)  
5C THSC Chapter 382 382.085(b)  
Title V Permit O-01253, SC 1A OP  
Description: failed to maintain the continuous parameter monitoring system for the GOHT Tail Gas Incinerator

Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.7(a)(1)  
5C THSC Chapter 382 382.085(b)  
Title V Permit O-01253, SC 1A OP  
Description: failed to provide notification of start of construction for Reformate Tank T-569 within 30 days following the start of the construction

Self Report? NO Classification: Minor  
Citation: 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 UUU 63.1576(d)  
5C THSC Chapter 382 382.085(b)  
NSR Permit 39142, SC 48 PERMIT  
Title V Permit O-01253, SC 1A OP  
Title V Permit O-01253, SC 22 OP  
Description: failed to maintain Scrubbing Liquid pH Data or Scrubbing Liquid to Gas Flow Ratio Data for VC-50

Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
30 TAC Chapter 122, SubChapter B 122.145(2)(A)  
5C THSC Chapter 382 382.085(b)  
Title V Permit O-01253, General Terms OP  
Description: failed to report all instances of deviations in the deviation reports

Date: 07/09/2008 (670867)

Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)(1)(H)  
Description: Failure to identify the permit number in the Final Report.

Date: 08/11/2008 (688850) CN600127468

Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT AA 63.646(a)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.120(b)(1)(i)  
5C THSC Chapter 382 382.085(b)  
FOP O-01253, Special Term & Condition 1A OP  
FOP O-01253, Special Term & Condition 22 OP  
Permit 39142, Special Condition 5D PERMIT  
Description: Failure to perform primary seal inspections to Tank 478.

Date: 12/08/2008 (687448) CN600127468  
Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT Kb 60.113b(a)(4)  
5C THSC Chapter 382 382.085(b)  
FOP O-01253 SC 30A OP  
NSR 39142 SC 5 PERMIT  
Description: Failure to conduct an inspection of the primary seals for the internal floating roof of tank T-301 at least every ten years.

Date: 01/06/2009 (706089)  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
39142, Special Condition No. 1 PERMIT  
5C THSC Chapter 382 382.085(b)  
Description: Valero failed to prevent the No. 4 Flare from losing its pilots  
Self Report? NO Classification: Moderate  
Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(c)(2)  
5C THSC Chapter 382 382.085(b)  
Description: Valero failed to operate the No. 4 Flare with a flame present at all times.

Date: 04/29/2009 (738921) CN600127468  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.4  
5C THSC Chapter 382 382.085(a)  
Description: During the investigation on March 6, 2009, it was determined by Investigators Lawdermilk and Whelan that the dust from the Valero Refining Texas City Refinery contractor parking lot, between 16th and 17th Streets, Texas Avenue created a "nuisance" condition.

Date: 09/17/2009 (749687) CN600127468  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 115, SubChapter F 115.541(a)(1)(B)  
5C THSC Chapter 382 382.085(b)  
Description: Valero Texas City failed to properly degas Tank 447 from 11/28/2007 through 12/03/2007.

Date: 01/15/2010 (785848) CN600127468  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THSC Chapter 382 382.085(b)  
Special Condition No. 1 PERMIT  
Description: Failure to prevent unauthorized emissions. Valero failed to prevent the shutdown of the Train 1 Flare Gas Recovery System during maintenance activities.

Date: 01/29/2010 (785853)  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THSC Chapter 382 382.085(b)  
Special Condition No. 1 PERMIT  
Description: Valero failed to maintain a flame on the No. 2 Flare Stack at all times.  
Self Report? NO Classification: Moderate  
Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(c)(2)  
5C THSC Chapter 382 382.085(b)  
Description: Valero failed to maintain a flame on the No. 2 Flare Stack at all times.

Date: 02/25/2010 (747260) CN600127468  
Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT A 63.6(e)(3)(v)  
5C THSC Chapter 382 382.085(b)

FOP O-01253 STC 1A OP

Description: Valero failed to update the Startup, Shutdown, Malfunction Plan (SSMP) at the reforming unit and FCCU Belco Scrubber.

Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)  
GTC OP  
STC 3. A (iv) and 3. B (iv) OP

Description: Valero failed to conduct periodic monitoring of stationary vents subject to the periodic monitoring requirements.

Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 115, SubChapter E 115.412(1)(A)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)  
STC 1A OP

Description: Valero failed to cover a degreaser during monthly inspections.

Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 115, SubChapter H 115.725(d)(4)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)  
STC 1H OP

Description: Valero failed to take manual sample when an analyzer on flare FL-5 and failed to calibrate flow meter probe on flare FL-2.

Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)  
FOP O-01253 STC 30 OP  
NSR 39142 SC 12D PERMIT

Description: Valero failed to operate flare flow monitors when the flow monitors at FL-3 and FL-4 were taken out of service for maintenance activities.

Self Report? NO Classification: Minor  
Citation: 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 60.105(c)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT UUU 63.1564(b)(1)  
5C THSC Chapter 382 382.085(b)  
SC 33 PERMIT  
STC 1A OP  
STC SC 30 OP

Description: Valero failed to record and maintain data due to problems with Aspen systems when the FCCU scrubber (G-001) pH, flow rate, and coke burn rate data were lost due to DCS problems.

Self Report? NO Classification: Moderate  
Citation: 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)  
SC 33 PERMIT  
STC 30 OP

Description: Valero failed to operate within the required concentration limit when the FCCU scrubber concentration was not between 8.0 and 9.0 during off-line CEM times.

Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 115, SubChapter D 115.352(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)  
SC 13E PERMIT  
SC 14E PERMIT

Description: Valero failed to cap 399 open-ended lines at various units across the refinery. Violation Category C10.

Self Report? NO Classification: Moderate  
Citation: 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(d)(1)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(d)(2)  
5C THSC Chapter 382 382.085(b)  
SC 14H PERMIT

STC 1A OP  
STC 30 OP

Description: Valero failed to comply with the first repair attempt and final repair timeline requirements for fugitive components.

Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 115, SubChapter H 115.764(a)(3)  
5C THSC Chapter 382 382.085(b)  
STC 1H (iv) OP

Description: Valero failed to operate Cooling Tower No. 4 (CT-4) flow meter 95% of the time.

Self Report? NO Classification: Minor  
Citation: 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)  
SC 28A PERMIT  
STC 30 OP

Description: Valero failed to sample SRU for ammonia.

Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 117, SubChapter B 117.345(f)(6)(B)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)  
STC 1A OP

Description: Valero failed to operate diesel engine DE-27 within the allowable limits when it exceeded its exemption limit of hours on a 12 month basis.

Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 117, SubChapter B 117.310(f)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)

Description: Valero failed to operate diesel engines during authorized time periods.

Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THSC Chapter 382 382.085(b)  
SC 20 PERMIT  
STC 30 OP

Description: Valero failed to operate Gasoil Hydrotreater (GOHT) Sulfur Recovery unit (SRU) incinerator within the required temperature limit (Category B18 violation).

Self Report? NO Classification: Minor  
Citation: 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)

Description: Valero failed to operate the fuel gas system within the allowable H2S limit of 0.1 grains per dry standard cubic feet (gr/dscf).

F. Environmental audits.

Notice of Intent Date: 06/02/2008 (684099)

No DOV Associated

Notice of Intent Date: 08/29/2008 (704521)

No DOV Associated

Notice of Intent Date: 01/12/2009 (735551)

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.  
RN100238385

§ BEFORE THE  
§  
§ TEXAS COMMISSION ON  
§  
§ ENVIRONMENTAL QUALITY

AGREED ORDER  
DOCKET NO. 2010-0390-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 1301 Loop 197 South in Texas City, Galveston County, Texas (the "Plant").
2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
3. The Commission and 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 March 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 Two Hundred Thirty-Three Thousand Dollars (\$233,000) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Ninety-Three Thousand Two Hundred Dollars (\$93,200) of the administrative penalty and Forty-Six Thousand Six Hundred Dollars (\$46,600) 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. Ninety-Three Thousand Two Hundred Dollars (\$93,200) 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 has implemented the following corrective measures at the Plant:
  - a. Retested the heaters and boilers to establish a new firing rate by December 31, 2008;
  - b. Installed a Flare Gas Recovery System to achieve compliance with flare requirements on April 28, 2009; and
  - c. Closed Tank T-478 vents and the Tank T-565 vacuum breaker as reported in the January 30, 2008 deviation report.
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 operate combustion sources (28 heaters and three boilers) within the firing rates established during the highly reactive volatile organic compound ("HRVOC") emission testing at Heaters H-58, H-60, H-57, H-13-1451, H-16, H-17, H-13-1480, H-18 through H-23, H-28, H-34, H-45, H-50, H-13-1401, and Boiler B-18 from July 1 through December 31, 2006 and again at Boilers B-18 and B-27 and Heaters H-1451, H-1480, H-16, H-17, H-28, H-31, H-32, H-57, H-58,

- and H-60 from November 13, 2007 through May 18, 2008 (see Attachment A), in violation of 30 TEX. ADMIN. CODE §§ 115.729(a) and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), and Federal Operating Permit ("FOP") No. O-01253, Special Condition 1.H.ii., as documented during an investigation conducted on January 13, 2010.
2. Failed to operate flares with a minimum of 300 British thermal units per standard cubic feet net heating value for the gas being combusted by assisted flares (see Attachment B), in violation of 30 TEX. ADMIN. CODE §§ 101.20(2) and (3), 115.126(1)(B), 116.715(a), 40 CODE OF FEDERAL REGULATIONS ("CFR") § 63.11(b)(6)(ii), TEX. HEALTH & SAFETY CODE § 382.085(b), Flexible New Source Review ("NSR") Permit No. 39142 and PSD-TX-822M2, Special Condition 12.A. (formerly 13.A.), and FOP No. O-01253, Special Conditions 1.A. and 30 (formerly 28), as documented during an investigation conducted on January 13, 2010.
  3. Failed to operate Flare FL-1 with a maximum exit velocity of 60 feet per second ("fps") intermittently between January 1, 2007 and May 23, 2007 (exit velocity ranged from 71.05 fps to 111.70 fps), for one hour on April 10, 2008 (exit velocity was 66.06 fps), and for one hour on August 24, 2008 (exit velocity was 73.67 fps), in violation of 30 TEX. ADMIN. CODE §§ 101.20(2) and (3), 115.126(1)(B), 116.715(a), and 122.143(4), 40 CFR 63.11(b)(7)(i), TEX. HEALTH & SAFETY CODE § 382.085(b), Flexible NSR Permit No. 39142 and PSD-TX-822M2, Special Condition 12.A. (formerly 13.A.), FOP No. O-01253, Special Conditions 1.A. and 30 (formerly 28), as documented during an investigation conducted on January 13, 2010.
  4. Failed to operate flares without visible emissions (emissions visible for more than five minutes in a two-hour period) from Flare FL-2 on September 25, 2007 and June 7, 2008 and from Flare FL-4 on October 29, 2007, in violation of 30 TEX. ADMIN. CODE §§ 101.20(1) and (2), 111.111(a)(4)(A), 122.143(4), 40 CFR §§ 60.18(c)(1) and 63.11(b)(4), TEX. HEALTH & SAFETY CODE § 382.085(b), and FOP No. O-01253, Special Condition 1.A., as documented during an investigation conducted on January 13, 2010.
  5. Failed to maintain Group 1 storage tanks free of leaks, in violation of 30 TEX. ADMIN. CODE §§ 101.20(2) and (3), 115.112(a)(2)(B), 116.715(a) and 122.143(4), 40 CFR § 63.119(c)(2)(iii), TEX. HEALTH & SAFETY CODE § 382.085(b), Flexible NSR Permit No. 39142 and PSD-TX-822M2, Special Condition 4.B., and FOP No. O-01253, Special Conditions 1.A. and 30, as documented during an investigation conducted on January 13, 2010. Specifically, Tank T-478 vacuum breaker leaked for 24-hour periods on August 9, 2006, June 1, 2008, and September 14, 2009, and during each period 5.52 pounds of volatile organic compounds ("VOCs") were released; and Tank T-565 vacuum breaker leaked for 34 hours on June 17, 2008 during which 7.82 pounds of VOCs were released.

### 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. 2010-0390-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, Ninety-Three Thousand Two Hundred Dollars (\$93,200) of the assessed administrative penalty shall be offset with the condition that 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. 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.
4. 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.
5. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by 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.
6. 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.

7. 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.
8. 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

John Szoln  
\_\_\_\_\_  
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.

Adrian Ariza  
\_\_\_\_\_  
Signature

6/30/2010  
\_\_\_\_\_  
Date

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

Manager, Environmental Affairs  
\_\_\_\_\_  
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: 2010-0390-AIR-E

**SUPPLEMENTAL ENVIRONMENTAL PROJECT**

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

**Payable Penalty Amount:** One Hundred Eighty-Six Thousand Four Hundred Dollars (\$186,400)

**SEP Amount:** Ninety-Three Thousand Two Hundred Dollars (\$93,200)

**Type of SEP:** Pre-approved

**Third-Party Recipient:** Houston-Galveston AERCO's Clean Cities/Clean Vehicles Program

**Location of SEP:** Texas Air Quality Control Region 216 – Houston-Galveston

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

**1. Project Description**

**A. Project**

The Respondent shall contribute the SEP offset amount to the Third-Party Recipient named above. The contribution will be to *Houston-Galveston AERCO* for the **Clean Cities/Clean Vehicles Program** as set forth in an agreement between the Third-Party Recipient and the TCEQ. SEP monies will be used to aid local school districts and area transit agencies in reaching local match requirements mandated by the Federal Highway Administration's ("FHWA") Congestion Mitigation/Air Quality Funding program. SEP monies will be disbursed to school districts and transit agencies in need of funding assistance in the Houston-Galveston non-attainment area. Those SEP monies will be used exclusively by the school districts and transit agencies as supplements to meet the local match requirements of the EPA. SEP monies will be used to pay for the cost of replacing older diesel buses with alternative fueled or clean diesel buses. The old buses will be permanently retired and only sold for scrap. The schools and transit agencies will also use the SEP monies to retrofit more buses to reduce emissions. Houston-Galveston AERCO will send the TCEQ verification in the form of paid invoices and other documentation to show that the retrofits were completed. Retrofit technologies include particulate matter traps, diesel particulate matter filters, NOx reduction catalyst technology in combination with diesel particulate filters, and other emission control technologies that are developed and approved by EPA or the California Air Resources Board.

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.

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

B. Environmental Benefit

This SEP will provide a discernible environmental benefit by reducing particulate emissions of buses by more than 90% below today's level and reducing hydrocarbons below measurement capability.

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:

Houston-Galveston Area Council  
Houston-Galveston AERCO  
P.O. Box 22777  
Houston, Texas 77227-2777

**3. Records and Reporting**

Concurrent with the payment of the SEP amount, the Respondent shall provide the Enforcement Division 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:

Litigation Division  
Attention: SEP Coordinator, MC 175  
Texas Commission on Environmental Quality  
P.O. Box 13088  
Austin, Texas 78711-3088

The Respondent shall also mail a copy of the check to the Enforcement Division 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.

