

Executive Summary – Enforcement Matter – Case No. 60332
Valero Refining-Texas, L.P.
RN100219310
Docket No. 2021-0202-AIR-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

AIR

Small Business:

No

Location(s) Where Violation(s) Occurred:

Valero Houston Refinery, 9701 Manchester Street, Houston, Harris County

Type of Operation:

Petroleum refining plant

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: February 25, 2022

Comments Received: No

Penalty Information

Total Penalty Assessed: \$27,414

Amount Deferred for Expedited Settlement: \$5,482

Total Paid to General Revenue: \$10,966

Total Due to General Revenue: \$0

Payment Plan: N/A

Supplemental Environmental Project (“SEP”) Conditional Offset: \$10,966

Name of SEP: Houston-Galveston Area Council-AERCO (Third-Party Pre-Approved)

Compliance History Classifications:

Person/CN - Satisfactory

Site/RN - Satisfactory

Major Source: Yes

Statutory Limit Adjustment: N/A

Applicable Penalty Policy: April 2014 and January 2021

Investigation Information

Complaint Date(s): N/A

Complaint Information: N/A

Date(s) of Investigation: September 28, 2020 through October 23, 2020, January 25, 2021 through February 16, 2021, January 27, 2021 through February 16, 2021, and February 11, 2021 through May 5, 2021

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RN100219310
Docket No. 2021-0202-AIR-E

Date(s) of NOE(s): January 13, 2021

Violation Information

1. Failed to prevent unauthorized emissions. Specifically, the Respondent released 3,798.90 pounds ("lbs") of sulfur dioxide ("SO₂"), 311.60 lbs of carbon monoxide ("CO"), and 231.90 lbs of nitrogen oxides ("NO_x") from the Fluid Catalytic Cracker Unit Stack, Emissions Point Number ("EPN") 42CB2201, during an emissions event (Incident No. 276598) that began on January 16, 2018 and lasted nine hours and 13 minutes. The emissions event occurred when caustic solution froze in the piping routed from Tank 4401 to the Complex I Scrubber, resulting in the release to the atmosphere. Since the emissions event was not caused by a sudden unavoidable breakdown of equipment or process beyond the control of the owner or operator and could have been avoided by better design and/or better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(c), and 122.143(4), New Source Review ("NSR") Permit Nos. 2501A and PSDTX767M2, Special Conditions ("SC") No. 1, Federal Operating Permit ("FOP") No. O1381, General Terms and Conditions ("GTC") and Special Terms and Conditions ("STC") No. 24, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

2. Failed to identify all required information on the final record for a reportable emissions event. Specifically, the Respondent did not identify the estimated total quantities for CO and NO_x that were released during the emissions event on the final record for Incident No. 276598 [30 TEX. ADMIN. CODE §§ 101.201(b)(1)(G) and (H) and 122.143(4), FOP No. O1381, GTC and STC No. 2.F, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

3. Failed to prevent unauthorized emissions. Specifically, the Respondent released 30.01 lbs of ammonia ("NH₃"), 995.89 lbs of CO, 71.49 lbs of hydrogen sulfide ("H₂S"), 513.06 lbs of NO_x, 130.05 lbs of particulate matter ("PM"), 10,449.71 lbs of SO₂, and 614.75 lbs of volatile organic compounds ("VOC") from multiple EPNs during an emissions event (Incident No. 348897) that began on January 10, 2021 and lasted 15 hours and 55 minutes. The emissions event occurred due to a failure of the Amine Recovery Unit 2 Regenerator Reflux Drum Level Transmitter that led to a high level and liquid carry over into the Amine Acid Gas Knockout Drum and caused the Safety Instrumentation System to activate and safely shutdown the Sulfur Recovery Unit C, resulting in flaring and in the releases to the atmosphere. Since the emissions event was not caused by a sudden unavoidable breakdown of equipment or process beyond the control of the owner or operator and could have been avoided by better design and/or better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(c), and 122.143(4), NSR Permit Nos. 2501A and

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PSDTX767M2, SC No. 1, NSR Permit No. 124424, SC No. 1, FOP No. O1381, GTC and STC No. 24, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

4. Failed to prevent unauthorized emissions. Specifically, the Respondent released 3.35 lbs of NH₃, 3,383.98 lbs of CO, 11.95 lbs of H₂S, 645.96 lbs of NO_x, 23.03 lbs of PM, 4,337.53 lbs of SO₂, and 1,539.54 lbs of VOC from multiple EPNs during an emissions event (Incident No. 348796) that began on January 8, 2021 and lasted 23 hours and 22 minutes. The emissions event occurred due to the natural gas makeup supply valves being inadvertently closed during a planned maintenance activity that tripped all operating steam generating boilers and caused the Safety Instrumentation Systems to activate and safely shutdown most of the major process units, resulting in flaring and in the releases to the atmosphere. Since the emissions event was not caused by a sudden unavoidable breakdown of equipment or process beyond the control of the owner or operator and could have been avoided by better design and/or better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(c), and 122.143(4), NSR Permit Nos. 2501A and PSDTX767M2, SC No. 1, NSR Permit No. 124424, SC No.1, FOP No. O1381, GTC and STC No. 24, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

5. Failed to prevent unauthorized emissions. Specifically, the Respondent released 574.50 lbs of VOC as fugitive emissions, during an emissions event (Incident No. 349784) that occurred on January 31, 2021 and lasted nine hours and two minutes. The emissions event occurred due to a mechanical failure of a tube in the Fluid Catalytic Cracker High Stage Trim Coolers, resulting in the release to the atmosphere. Since the emissions event was not caused by a sudden unavoidable breakdown of equipment or process beyond the control of the owner or operator and could have been avoided by better design and/or better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(c), and 122.143(4), NSR Permit Nos. 2501A and PSDTX767M2, SC No. 1, FOP No. O1381, GTC and STC No. 24, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

The Respondent implemented the following corrective measures:

- a. On September 14, 2018, electrically traced the piping from Tank 4401 to the Complex I Scrubber to mitigate potential freezing events in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 276598;

Executive Summary – Enforcement Matter – Case No. 60332
Valero Refining-Texas, L.P.
RN100219310
Docket No. 2021-0202-AIR-E

b. On October 12, 2020, provided the estimated total quantities for CO and NOx that were released during Incident No. 276598;

c. By January 14, 2021, reviewed and assessed the incident, reviewed the training history, and conducted awareness training for operations personnel in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 348796;

d. On February 5, 2021, repaired and plugged the tube in the Fluid Catalytic Cracker High Stage Trim Coolers and plugged the entire circumference of tubes for a total of 86 tubes to mitigate potential fretting and impingement issues in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 349784.; and

e. On February 9, 2021, permanently repaired and installed new clamps on the sensor rod, removed the insulators, verified rod tightness, and updated the frequency of the inspection of the level instrument on the level bridle to a quarterly basis in order to prevent the recurrence of emissions events due to the same or similar cause as Incident No. 348897.

Technical Requirements:

The Order will require the Respondent to implement and complete a SEP (see SEP Attachment A).

Contact Information

TCEQ Attorney: N/A

TCEQ Enforcement Coordinator: Margarita Dennis, Enforcement Division, Enforcement Team 5, MC R-04, (817) 588-5892; Michael Parrish, Enforcement Division, MC 219, (512) 239-2548

TCEQ SEP Coordinator: Stuart Beckley, SEP Coordinator, Enforcement Division, MC 219, (512) 239-3565

SEP Third-Party Administrator: Houston-Galveston Area Council-AERCO, P.O. Box 22777, Houston, Texas 77227-2777

Respondent: Mike Jasek, Environmental Engineering Manager, Valero Refining-Texas, L.P., 9701 Manchester Street, Houston, Texas 77012

Respondent's Attorney: N/A



Penalty Calculation Worksheet (PCW)

Policy Revision 4 (April 2014)

PCW Revision March 26, 2014

DATES	Assigned	20-Jan-2021	Screening	27-Jan-2021	EPA Due	
	PCW	15-Jul-2021				

RESPONDENT/FACILITY INFORMATION	
Respondent	Valero Refining-Texas, L.P.
Reg. Ent. Ref. No.	RN100219310 (PCW No. 1)
Facility/Site Region	12-Houston
Major/Minor Source	Major

CASE INFORMATION			
Enf./Case ID No.	60332	No. of Violations	2
Docket No.	2021-0202-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Margarita Dennis
		EC's Team	Enforcement Team 5
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$25,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$4,000
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ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History	15.0%	Adjustment	Subtotals 2, 3, & 7	\$600
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Notes: Enhancement for one NOV with same/similar violations and one order without a denial of liability. Reduction for nine notices of intent to conduct an audit and three disclosures of violations.

Culpability	No	0.0%	Enhancement	Subtotal 4	\$0
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Notes: The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply Total Adjustments	Subtotal 5	-\$999
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Economic Benefit	0.0%	Enhancement*	Subtotal 6	\$0
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Total EB Amounts: \$1,421
 Estimated Cost of Compliance: \$42,250
 *Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7	Final Subtotal	\$3,601
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OTHER FACTORS AS JUSTICE MAY REQUIRE	0.0%	Adjustment	\$0
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

Final Penalty Amount	\$3,601
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$3,601
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DEFERRAL	20.0%	Reduction	Adjustment	-\$720
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Reduces the Final Assessed Penalty by the indicated percentage.

Notes:

Deferral offered for expedited settlement.

PAYABLE PENALTY	\$2,881
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Screening Date 27-Jan-2021

Docket No. 2021-0202-AIR-E

PCW

Respondent Valero Refining-Texas, L.P.

Policy Revision 4 (April 2014)

Case ID No. 60332

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN100219310 (PCW No. 1)

Media Air

Enf. Coordinator Margarita Dennis

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Number	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action (<i>number of NOVs meeting criteria</i>)	1	5%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	1	25%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgments or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	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 (<i>number of audits for which notices were submitted</i>)	9	-9%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	3	-6%
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) 15%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Satisfactory Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

Enhancement for one NOV with same/similar violations and one order without a denial of liability. Reduction for nine notices of intent to conduct an audit and three disclosures of violations.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 15%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 15%

Screening Date 27-Jan-2021
Respondent Valero Refining-Texas, L.P.
Case ID No. 60332
Reg. Ent. Reference No. RN100219310 (PCW No. 1)
Media Air

Docket No. 2021-0202-AIR-E

PCW

*Policy Revision 4 (April 2014)
 PCW Revision March 26, 2014*

Enf. Coordinator Margarita Dennis

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code §§ 101.20(3), 116.115(c), and 122.143(4), New Source Review Permit Nos. 2501A and PSDTX767M2, Special Conditions No. 1, Federal Operating Permit ("FOP") No. O1381, General Terms and Conditions ("GTC") and Special Terms and Conditions ("STC") No. 24, and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to prevent unauthorized emissions. Specifically, the Respondent released 3,798.90 pounds ("lbs") of sulfur dioxide, 311.60 lbs of carbon monoxide ("CO"), and 231.90 lbs of nitrogen oxides ("NOx") from the Fluid Catalytic Cracker Unit Stack, Emissions Point Number ("EPN") 42CB2201, during an emissions event (Incident No. 276598) that began on January 16, 2018 and lasted nine hours and 13 minutes. The emissions event occurred when caustic solution froze in the piping routed from Tank 4401 to the Complex I Scrubber, resulting in the release to the atmosphere. Since the emissions event was not caused by a sudden unavoidable breakdown of equipment or process beyond the control of the owner or operator and could have been avoided by better design and/or better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 Tex. Admin. Code § 101.222.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
		Actual			
Potential					

>> Programmatic Matrix

Matrix Notes	Falsification	Major	Moderate	Minor	Percent

Human health or the environment has been exposed to insignificant amounts of pollutants that do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$21,250

\$3,750

Violation Events

Number of Violation Events 1 1 Number of violation days

daily	
weekly	
monthly	
quarterly	x
semiannual	
annual	
single event	

Violation Base Penalty \$3,750

One quarterly event is recommended.

Good Faith Efforts to Comply

25.0% Reduction \$937

	Before NOE/NOV	NOE/NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary	x	
N/A		

Notes The Respondent achieved compliance on September 14, 2018, prior to the Notice of Enforcement ("NOE") dated January 13, 2021.

Violation Subtotal \$2,813

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$1,387 **Violation Final Penalty Total** \$3,376

This violation Final Assessed Penalty (adjusted for limits) \$3,376

Economic Benefit Worksheet

Respondent Valero Refining-Texas, L.P.
Case ID No. 60332
Reg. Ent. Reference No. RN100219310 (PCW No. 1)
Media Air
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

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

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				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)	\$42,000	16-Jan-2018	14-Sep-2018	0.66	\$1,387	n/a	\$1,387

Notes for DELAYED costs

Actual cost to electrically trace the piping from Tank 4401 to the Complex I Scrubber to mitigate potential freezing events in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 276598. Date Required is the date the emissions event began. Final Date is the date of compliance.

Avoided Costs

ANNUALIZE 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				0.00	\$0	\$0	\$0
ONE-TIME avoided costs				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$42,000

TOTAL

\$1,387

Screening Date 27-Jan-2021
Respondent Valero Refining-Texas, L.P.
Case ID No. 60332
Reg. Ent. Reference No. RN100219310 (PCW No. 1)
Media Air
Enf. Coordinator Margarita Dennis

Docket No. 2021-0202-AIR-E

PCW

Policy Revision 4 (April 2014)
PCW Revision March 26, 2014

Violation Number

Rule Cite(s) 30 Tex. Admin. Code §§ 101.201(b)(1)(G) and (H) and 122.143(4), FOP No. O1381, GTC and STC No. 2.F, and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to identify all required information on the final record for a reportable emissions event. Specifically, the Respondent did not identify the estimated total quantities for CO and NOx that were released during the emissions event on the final record for Incident No. 276598.

Base Penalty

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="0.0%"/>
	Potential	<input type="text"/>	<input type="text"/>	<input type="text"/>	

>> Programmatic Matrix

Matrix Notes	Falsification	Major	Moderate	Minor	Percent
Less than 30% of the rule requirements were not met.					

Adjustment

Violation Events

Number of Violation Events Number of violation days

daily	<input type="text"/>
weekly	<input type="text"/>
monthly	<input type="text"/>
quarterly	<input type="text"/>
semiannual	<input type="text"/>
annual	<input type="text"/>
single event	<input type="text" value="x"/>

Violation Base Penalty

One single event is recommended.

Good Faith Efforts to Comply

Reduction

	Before NOE/NOV	NOE/NOV to EDPRP/Settlement Offer
Extraordinary	<input type="text"/>	<input type="text"/>
Ordinary	<input type="text" value="x"/>	<input type="text"/>
N/A	<input type="text"/>	<input type="text"/>

Notes The Respondent achieved compliance on October 12, 2020, prior to the NOE dated January 13, 2021.

Violation Subtotal

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount

Violation Final Penalty Total

This violation Final Assessed Penalty (adjusted for limits)

Economic Benefit Worksheet

Respondent Valero Refining-Texas, L.P.
Case ID No. 60332
Reg. Ent. Reference No. RN100219310 (PCW No. 1)
Media Air
Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

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

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				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)	\$250	31-Jan-2018	12-Oct-2020	2.70	\$34	n/a	\$34

Notes for DELAYED costs

Estimated delayed cost to provide the estimated total quantities for CO and NOx that were released during Incident No. 276598. The Date Required is the date the final record was due. Final Date is the date of compliance.

Avoided Costs

ANNUALIZE 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				0.00	\$0	\$0	\$0
ONE-TIME avoided costs				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance \$250

TOTAL \$34



Penalty Calculation Worksheet (PCW)

Policy Revision 4 (April 2014)

PCW Revision March 26, 2014

DATES	Assigned	6-Apr-2021	Screening	8-Apr-2021	EPA Due	
	PCW	14-Sep-2021				

RESPONDENT/FACILITY INFORMATION	
Respondent	Valero Refining-Texas, L.P.
Reg. Ent. Ref. No.	RN100219310 (PCW No. 2)
Facility/Site Region	12-Houston
Major/Minor Source	Major

CASE INFORMATION			
Enf./Case ID No.	60332	No. of Violations	2
Docket No.	2021-0202-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Margarita Dennis
		EC's Team	Enforcement Team 5
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$25,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$11,250
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ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History	52.0% Adjustment	Subtotals 2, 3, & 7	\$5,850
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Notes: Enhancement for two NOVs with same/similar violations, one NOV with dissimilar violations, one order without a denial of liability, and one Final Judgment containing a denial of liability. Reduction for nine notices of intent to conduct an audit and three disclosures of violations.

Culpability	No	0.0% Enhancement	Subtotal 4	\$0
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Notes: The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply Total Adjustments	Subtotal 5	-\$2,812
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Economic Benefit	0.0% Enhancement*	Subtotal 6	\$0
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Total EB Amounts: \$9
 Estimated Cost of Compliance: \$10,224
 *Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7	Final Subtotal	\$14,288
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OTHER FACTORS AS JUSTICE MAY REQUIRE	0.0% Adjustment	\$0
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

Final Penalty Amount	\$14,288
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$14,288
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DEFERRAL	20.0% Reduction	Adjustment	-\$2,857
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Reduces the Final Assessed Penalty by the indicated percentage.

Notes:

Deferral offered for expedited settlement.

PAYABLE PENALTY	\$11,431
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Screening Date 8-Apr-2021**Docket No.** 2021-0202-AIR-E**PCW****Respondent** Valero Refining-Texas, L.P.**Case ID No.** 60332

Policy Revision 4 (April 2014)

Reg. Ent. Reference No. RN100219310 (PCW No. 2)

PCW Revision March 26, 2014

Media Air**Enf. Coordinator** Margarita Dennis**Compliance History Worksheet****>> Compliance History Site Enhancement (Subtotal 2)**

Component	Number of...	Number	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action (<i>number of NOVs meeting criteria</i>)	2	10%
	Other written NOVs	1	2%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	1	25%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgments or consent decrees meeting criteria</i>)	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 (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	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 (<i>number of audits for which notices were submitted</i>)	9	-9%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	3	-6%
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) 52%**>> Repeat Violator (Subtotal 3)**

No

Adjustment Percentage (Subtotal 3) 0%**>> Compliance History Person Classification (Subtotal 7)**

Satisfactory Performer

Adjustment Percentage (Subtotal 7) 0%**>> Compliance History Summary****Compliance History Notes**

Enhancement for two NOVs with same/similar violations, one NOV with dissimilar violations, one order without a denial of liability, and one Final Judgment containing a denial of liability. Reduction for nine notices of intent to conduct an audit and three disclosures of violations.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 52%**>> Final Compliance History Adjustment****Final Adjustment Percentage *capped at 100%** 52%

Screening Date 8-Apr-2021
Respondent Valero Refining-Texas, L.P.
Case ID No. 60332
Reg. Ent. Reference No. RN100219310 (PCW No. 2)

Docket No. 2021-0202-AIR-E

PCW

*Policy Revision 4 (April 2014)
 PCW Revision March 26, 2014*

Media Air
Enf. Coordinator Margarita Dennis

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code §§ 101.20(3), 116.115(c), and 122.143(4), New Source Review ("NSR") Permit Nos. 2501A and PSDTX767M2, Special Conditions ("SC") No. 1, NSR Permit No. 124424, SC No. 1, Federal Operating Permit ("FOP") No. O1381, General Terms and Conditions ("GTC") and Special Terms and Conditions ("STC") No. 24, and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to prevent unauthorized emissions. Specifically, the Respondent released 30.01 pounds ("lbs") of ammonia ("NH3"), 995.89 lbs of carbon monoxide ("CO"), 71.49 lbs of hydrogen sulfide ("H2S"), 513.06 lbs of nitrogen oxides ("NOx"), 130.05 lbs of particulate matter ("PM"), 10,449.71 lbs of sulfur dioxide ("SO2"), and 614.75 lbs of volatile organic compounds ("VOC") from multiple Emissions Point Numbers ("EPNs", see attached Emissions Event Table, Attachment A), during an emissions event (Incident No. 348897) that began on January 10, 2021 and lasted 15 hours and 55 minutes. The emissions event occurred due to a failure of the Amine Recovery Unit 2 Regenerator Reflux Drum Level Transmitter that led to a high level and liquid carry over into the Amine Acid Gas Knockout Drum and caused the Safety Instrumentation System to activate and safely shutdown the Sulfur Recovery Unit C, resulting in flaring and in the releases to the atmosphere. Since the emissions event was not caused by a sudden unavoidable breakdown of equipment or process beyond the control of the owner or operator and could have been avoided by better design and/or better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 Tex. Admin. Code § 101.222.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual		x		30.0%
	Potential				

>> Programmatic Matrix

Matrix Notes	Falsification	Harm			Percent
		Major	Moderate	Minor	
					0.0%

Human health or the environment has been exposed to significant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$17,500

\$7,500

Violation Events

Number of Violation Events 1 1 Number of violation days

daily	
weekly	
monthly	x
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty \$7,500

One monthly event is recommended.

Good Faith Efforts to Comply

25.0% Reduction \$1,875

	Before NOE/NOV	NOE/NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary	x	
N/A		

Notes The Respondent achieved compliance on February 9, 2021, prior to the Notice of Enforcement ("NOE") dated March 30, 2021.

Violation Subtotal \$5,625

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$1 **Violation Final Penalty Total** \$9,525

This violation Final Assessed Penalty (adjusted for limits) \$9,525

Economic Benefit Worksheet

Respondent Valero Refining-Texas, L.P.
Case ID No. 60332
Reg. Ent. Reference No. RN100219310 (PCW No. 2)
Media Air
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Costs Saved	EB Amount
------------------	-----------	---------------	------------	-----	----------------	-------------	-----------

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)	\$224	10-Jan-2021	9-Feb-2021	0.08	\$1	n/a	\$1

Notes for DELAYED costs

Actual cost to permanently repair and install new clamps on the sensor rod, remove the insulators, verify rod tightness, and update the frequency of the inspection of the level instrument on the level bridge to a quarterly basis in order to prevent the recurrence of emissions events due to the same or similar cause as Incident No. 348897. Date Required is the date the emissions event began. Final Date is the date of compliance.

Avoided Costs

ANNUALIZE 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				0.00	\$0	\$0	\$0
ONE-TIME avoided costs				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$224

TOTAL

\$1

Screening Date 8-Apr-2021
Respondent Valero Refining-Texas, L.P.
Case ID No. 60332
Reg. Ent. Reference No. RN100219310 (PCW No. 2)
Media Air
Enf. Coordinator Margarita Dennis

Docket No. 2021-0202-AIR-E

PCW

*Policy Revision 4 (April 2014)
 PCW Revision March 26, 2014*

Violation Number 2

Rule Cite(s) 30 Tex. Admin. Code §§ 101.20(3), 116.115(c), and 122.143(4), NSR Permit Nos. 2501A and PSDTX767M2, SC No.1, NSR Permit No. 124424, SC No.1, FOP No. 01381, GTC and STC No. 24, and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to prevent unauthorized emissions. Specifically, the Respondent released 3.35 lbs of NH3, 3,383.98 lbs of CO, 11.95 lbs of H2S, 645.96 lbs of NOx, 23.03 lbs of PM, 4,337.53 lbs of SO2, and 1,539.54 lbs of VOC from multiple EPNs (see attached Emissions Event Table, Attachment B), during an emissions event (Incident No. 348796) that began on January 8, 2021 and lasted 23 hours and 22 minutes. The emissions event occurred due to the natural gas makeup supply valves being inadvertently closed during a planned maintenance activity that tripped all operating steam generating boilers and caused the Safety Instrumentation Systems to activate and safely shutdown most of the major process units, resulting in flaring and in the releases to the atmosphere. Since the emissions event was not caused by a sudden unavoidable breakdown of equipment or process beyond the control of the owner or operator and could have been avoided by better design and/or better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 Tex. Admin. Code § 101.222.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
Actual				X	15.0%
Potential					

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
				0.0%

Matrix Notes

Human health or the environment has been exposed to insignificant amounts of pollutants that do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$21,250

\$3,750

Violation Events

Number of Violation Events 1 1 Number of violation days

daily	
weekly	
monthly	
quarterly	X
semiannual	
annual	
single event	

Violation Base Penalty \$3,750

One quarterly event is recommended.

Good Faith Efforts to Comply

25.0%

Reduction \$937

Before NOE/NOV NOE/NOV to EDPRP/Settlement Offer

Extraordinary		
Ordinary	X	
N/A		

Notes

The Respondent achieved compliance by January 14, 2021, prior to the NOE dated March 30, 2021.

Violation Subtotal \$2,813

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$8

Violation Final Penalty Total \$4,763

This violation Final Assessed Penalty (adjusted for limits) \$4,763

Economic Benefit Worksheet

Respondent Valero Refining-Texas, L.P.
Case ID No. 60332
Reg. Ent. Reference No. RN100219310 (PCW No. 2)
Media Air
Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

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

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				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)	\$10,000	8-Jan-2021	14-Jan-2021	0.02	\$8	n/a	\$8

Notes for DELAYED costs

Estimated cost to review and assess the incident, review the training history, and conduct awareness training for operations personnel in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 348796. Date Required is the date the emissions event began. Final Date is the date of compliance.

Avoided Costs

ANNUALIZE 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				0.00	\$0	\$0	\$0
ONE-TIME avoided costs				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$10,000

TOTAL

\$8

Attachment A
Valero Refining-Texas, L.P.
Docket No. 2021-0202-AIR-E

Emissions Event Table (Incident No. 348897)

Emissions Point Name	EPN	Pollutants						
		NH₃	CO	H₂S	NO_x	PM	SO₂	VOC
Crude Heater	17H01	2.30	6.50	7.50	41.29	1.20	880.40	0.31
Atmospheric Tower Heater	23BC201	0.00	15.20	8.20	138.10	26.70	955.10	19.40
"C" Unifiner Reactor Charge Heater	27BA1000	0.00	0.30	0.60	26.30	2.40	75.20	1.70
Main Refinery Flare	30FL1	0.00	867.70	30.30	168.20	0.00	5,655.90	589.20
Tail Gas Incinerator Unit 39 SRU	39CB2001	0.01	0.88	0.05	0.77	2.92	9.71	0.05
"D" Unifiner Reactor Charge Heater	41BA101	0.00	64.60	0.49	14.90	1.60	55.10	1.20
"D" Unifiner Rerun Tower Reboiler	41BA102	0.00	4.80	0.50	23.00	2.20	61.00	1.60
Boiler No. 2	50BF02	8.20	18.80	5.20	33.40	23.43	610.00	0.32
Boiler No. 3	50BF03	7.50	17.10	8.05	43.90	35.20	937.20	0.47
Boiler No. 4	50BF04	12.00	0.01	10.60	23.20	34.40	1,210.10	0.50
	Totals	30.01	995.89	71.49	513.06	130.05	10,449.71	614.75

Attachment B
Valero Refining-Texas, L.P.
Docket No. 2021-0202-AIR-E

Emissions Event Table (Incident No. 348796)

Emissions Point Name	EPN	Pollutants						
		NH ₃	CO	H ₂ S	NO _x	PM	SO ₂	VOC
Crude Heater	17H01	0.13	0.69	0.00	8.54	0.05	0.35	0.01
Atmospheric Tower Heater	23BC201	0.00	3.00	0.10	25.50	5.00	18.50	3.60
"C" Unifiner Reactor Charge Heater	27BA1000	0.00	0.01	0.00	0.60	0.05	0.46	0.03
"A" Unifiner Reactor Charge Heater	28BA1200	0.00	0.00	0.00	0.06	0.01	0.09	0.01
Main Refinery Flare	30FL1	0.00	661.90	2.40	102.80	0.00	442.50	698.50
ULSD Flare	30FL6	0.00	2,510.50	7.80	468.60	0.00	1,459.70	793.70
Tail Gas Incinerator Unit 39 SRU	39CB2001	0.00	1.30	0.10	1.10	4.30	937.90	0.10
"D" Unifiner Reactor Charge Heater	41BA101	0.00	0.50	0.00	0.10	0.01	0.16	0.01
"D" Unifiner Rerun Tower Reboiler	41BA102	0.00	0.60	0.01	3.10	0.30	1.20	0.20
Tail Gas Incinerator Unit 46 SRU	46CB6301	0.00	0.50	0.10	0.40	2.10	1,438.50	0.03
Boiler No. 2	50BF02	0.42	94.78	0.06	3.16	1.21	10.90	0.02
Boiler No. 3	50BF03	1.20	74.30	0.08	8.60	5.50	15.10	0.07
Boiler No. 4	50BF04	1.60	35.90	0.06	23.40	4.50	11.00	0.06
Fugitives	FUG	0.00	0.00	1.24	0.00	0.00	1.17	43.20
Totals		3.35	3,383.98	11.95	645.96	23.03	4,337.53	1,539.54



Penalty Calculation Worksheet (PCW)

Policy Revision 5 (January 28, 2021)

PCW Revision February 11, 2021

DATES	Assigned PCW	10-May-2021	Screening	17-May-2021	EPA Due	
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RESPONDENT/FACILITY INFORMATION	
Respondent	Valero Refining-Texas, L.P.
Reg. Ent. Ref. No.	RN100219310 (PCW No. 3)
Facility/Site Region	12-Houston
Major/Minor Source	Major

CASE INFORMATION			
Enf./Case ID No.	60332	No. of Violations	1
Docket No.	2021-0202-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Margarita Dennis
		EC's Team	Enforcement Team 5
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$25,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$7,500
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ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History	52.0%	Adjustment	Subtotals 2, 3, & 7	\$3,900
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Notes: Enhancement for two NOV's with same/similar violations, one NOV with dissimilar violations, one order without a denial of liability, and one Final Judgment containing a denial of liability. Reduction for nine notices of intent to conduct an audit and three disclosures of violations.

Culpability	No	0.0%	Enhancement	Subtotal 4	\$0
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Notes: The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply Total Adjustments	Subtotal 5	-\$1,875
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Economic Benefit	0.0%	Enhancement*	Subtotal 6	\$0
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Total EB Amounts: \$24
 Estimated Cost of Compliance: \$20,000
 *Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7	Final Subtotal	\$9,525
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OTHER FACTORS AS JUSTICE MAY REQUIRE	0.0%	Adjustment	\$0
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

Final Penalty Amount	\$9,525
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$9,525
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DEFERRAL	20.0%	Reduction	Adjustment	-\$1,905
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Reduces the Final Assessed Penalty by the indicated percentage.

Notes:

Deferral offered for expedited settlement.

PAYABLE PENALTY	\$7,620
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Screening Date 17-May-2021

Docket No. 2021-0202-AIR-E

PCW

Respondent Valero Refining-Texas, L.P.

Policy Revision 5 (January 28, 2021)

Case ID No. 60332

PCW Revision February 11, 2021

Reg. Ent. Reference No. RN100219310 (PCW No. 3)

Media Air

Enf. Coordinator Margarita Dennis

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Number	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action (<i>number of NOVs meeting criteria</i>)	2	10%
	Other written NOVs	1	2%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	1	25%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgments or consent decrees meeting criteria</i>)	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 (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	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 (<i>number of audits for which notices were submitted</i>)	9	-9%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	3	-6%
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) 52%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Satisfactory Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

Enhancement for two NOVs with same/similar violations, one NOV with dissimilar violations, one order without a denial of liability, and one Final Judgment containing a denial of liability. Reduction for nine notices of intent to conduct an audit and three disclosures of violations.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 52%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 52%

Screening Date 17-May-2021
Respondent Valero Refining-Texas, L.P.
Case ID No. 60332
Reg. Ent. Reference No. RN100219310 (PCW No. 3)
Media Air
Enf. Coordinator Margarita Dennis

Docket No. 2021-0202-AIR-E

PCW

*Policy Revision 5 (January 28, 2021)
 PCW Revision February 11, 2021*

Violation Number 1

Rule Cite(s)

30 Tex. Admin. Code §§ 101.20(3), 116.115(c), and 122.143(4), New Source Review Permit Nos. 2501A and PSDTX767M2, Special Conditions No. 1, Federal Operating Permit No. O1381, General Terms and Conditions and Special Terms and Conditions No. 24, and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to prevent unauthorized emissions. Specifically, the Respondent released 574.50 pounds of volatile organic compounds as fugitive emissions, during an emissions event (Incident No. 349784) that occurred on January 31, 2021 and lasted nine hours and two minutes. The emissions event occurred due to a mechanical failure of a tube in the Fluid Catalytic Cracker High Stage Trim Coolers, resulting in the release to the atmosphere. Since the emissions event was not caused by a sudden unavoidable breakdown of equipment or process beyond the control of the owner or operator and could have been avoided by better design and/or better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 Tex. Admin. Code § 101.222.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			X
Potential			

Percent 30.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

Human health or the environment has been exposed to insignificant amounts of pollutants that do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$17,500

\$7,500

Violation Events

Number of Violation Events 1 1 Number of violation days

daily	
weekly	
monthly	X
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty \$7,500

One monthly event is recommended.

Good Faith Efforts to Comply

25.0%

Reduction \$1,875

	Before NOE/NOV	NOE/NOV to EDRP/Settlement Offer
Extraordinary		
Ordinary	X	
N/A		

Notes The Respondent achieved compliance on February 5, 2021, prior to the NOE dated May 7, 2021.

Violation Subtotal \$5,625

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$19

Violation Final Penalty Total \$9,525

This violation Final Assessed Penalty (adjusted for limits) \$9,525

Economic Benefit Worksheet

Respondent Valero Refining-Texas, L.P.
Case ID No. 60332
Reg. Ent. Reference No. RN100219310 (PCW No. 3)
Media Air
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

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

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$5
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)	\$20,000	31-Jan-2021	5-Feb-2021	0.01	\$14	n/a	\$14

Notes for DELAYED costs

Estimated cost to repair and plug the tube in the Fluid Catalytic Cracker High Stage Trim Coolers and to plug the entire circumference of tubes for a total of 86 tubes to mitigate potential fretting and impingement issues in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 349784. Date Required is the date the emissions event occurred. Final Date is the date of compliance.

Avoided Costs

ANNUALIZE 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				0.00	\$0	\$0	\$0
ONE-TIME avoided costs				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$20,000

TOTAL

\$19

The TCEQ is committed to accessibility.

To request a more accessible version of this report, please contact the TCEQ Help Desk at (512) 239-4357.



Compliance History Report

Compliance History Report for CN600127468, RN100219310, Rating Year 2020 which includes Compliance History (CH) components from September 1, 2015, through August 31, 2020.

Customer, Respondent, or Owner/Operator: CN600127468, Valero Refining-Texas, L.P. **Classification:** SATISFACTORY **Rating:** 5.61

Regulated Entity: RN100219310, VALERO HOUSTON REFINERY **Classification:** SATISFACTORY **Rating:** 9.78

Complexity Points: 31 **Repeat Violator:** NO

CH Group: 02 - Oil and Petroleum Refineries

Location: 9701 Manchester Street, Houston, Harris County, Texas 77012-2408

TCEQ Region: REGION 12 - HOUSTON

ID Number(s):

AIR OPERATING PERMITS ACCOUNT NUMBER HG0130C
AIR OPERATING PERMITS PERMIT 3784
AIR NEW SOURCE PERMITS REGISTRATION 37102
AIR NEW SOURCE PERMITS REGISTRATION 40306
AIR NEW SOURCE PERMITS REGISTRATION 42119
AIR NEW SOURCE PERMITS REGISTRATION 44387
AIR NEW SOURCE PERMITS REGISTRATION 45869
AIR NEW SOURCE PERMITS REGISTRATION 50138
AIR NEW SOURCE PERMITS PERMIT 2501A
AIR NEW SOURCE PERMITS REGISTRATION 7158A
AIR NEW SOURCE PERMITS REGISTRATION 34151
AIR NEW SOURCE PERMITS REGISTRATION 34094
AIR NEW SOURCE PERMITS REGISTRATION 33383
AIR NEW SOURCE PERMITS REGISTRATION 10580A
AIR NEW SOURCE PERMITS REGISTRATION 13020A
AIR NEW SOURCE PERMITS REGISTRATION 133453
AIR NEW SOURCE PERMITS REGISTRATION 75514
AIR NEW SOURCE PERMITS AFS NUM 4820100065
AIR NEW SOURCE PERMITS REGISTRATION 70289
AIR NEW SOURCE PERMITS REGISTRATION 54510
AIR NEW SOURCE PERMITS REGISTRATION 71680
AIR NEW SOURCE PERMITS REGISTRATION 73824
AIR NEW SOURCE PERMITS REGISTRATION 73869
AIR NEW SOURCE PERMITS REGISTRATION 76694
AIR NEW SOURCE PERMITS REGISTRATION 78574
AIR NEW SOURCE PERMITS REGISTRATION 81526
AIR NEW SOURCE PERMITS EPA PERMIT PSDTX767M2
AIR NEW SOURCE PERMITS EPA PERMIT PSDTX767
AIR NEW SOURCE PERMITS REGISTRATION 88508
AIR NEW SOURCE PERMITS REGISTRATION 92272
AIR NEW SOURCE PERMITS REGISTRATION 105003
AIR NEW SOURCE PERMITS REGISTRATION 101541
AIR NEW SOURCE PERMITS REGISTRATION 102846
AIR NEW SOURCE PERMITS REGISTRATION 105025
AIR NEW SOURCE PERMITS REGISTRATION 131534
AIR NEW SOURCE PERMITS REGISTRATION 118800
AIR NEW SOURCE PERMITS REGISTRATION 139777
AIR NEW SOURCE PERMITS REGISTRATION 139439
AIR NEW SOURCE PERMITS REGISTRATION 104999
AIR NEW SOURCE PERMITS REGISTRATION 136714
AIR NEW SOURCE PERMITS REGISTRATION 105000

AIR OPERATING PERMITS PERMIT 1381
AIR NEW SOURCE PERMITS REGISTRATION 36392
AIR NEW SOURCE PERMITS REGISTRATION 38961
AIR NEW SOURCE PERMITS REGISTRATION 41495
AIR NEW SOURCE PERMITS REGISTRATION 42999
AIR NEW SOURCE PERMITS REGISTRATION 45273
AIR NEW SOURCE PERMITS REGISTRATION 48166
AIR NEW SOURCE PERMITS REGISTRATION 8483A
AIR NEW SOURCE PERMITS REGISTRATION 7144A
AIR NEW SOURCE PERMITS REGISTRATION 33933
AIR NEW SOURCE PERMITS REGISTRATION 34119
AIR NEW SOURCE PERMITS REGISTRATION 33180
AIR NEW SOURCE PERMITS REGISTRATION 28324
AIR NEW SOURCE PERMITS REGISTRATION 10471A
AIR NEW SOURCE PERMITS REGISTRATION 35206
AIR NEW SOURCE PERMITS REGISTRATION 55752
AIR NEW SOURCE PERMITS REGISTRATION 145105
AIR NEW SOURCE PERMITS ACCOUNT NUMBER HG0130C
AIR NEW SOURCE PERMITS REGISTRATION 50600
AIR NEW SOURCE PERMITS REGISTRATION 54616
AIR NEW SOURCE PERMITS REGISTRATION 54513
AIR NEW SOURCE PERMITS REGISTRATION 73902
AIR NEW SOURCE PERMITS REGISTRATION 74363
AIR NEW SOURCE PERMITS REGISTRATION 78537
AIR NEW SOURCE PERMITS REGISTRATION 81166
AIR NEW SOURCE PERMITS REGISTRATION 81979
AIR NEW SOURCE PERMITS EPA PERMIT PSDTX767M1
AIR NEW SOURCE PERMITS REGISTRATION 84930
AIR NEW SOURCE PERMITS REGISTRATION 87909
AIR NEW SOURCE PERMITS REGISTRATION 95584
AIR NEW SOURCE PERMITS REGISTRATION 99288
AIR NEW SOURCE PERMITS REGISTRATION 101936
AIR NEW SOURCE PERMITS REGISTRATION 109220
AIR NEW SOURCE PERMITS REGISTRATION 105009
AIR NEW SOURCE PERMITS REGISTRATION 105015
AIR NEW SOURCE PERMITS REGISTRATION 105020
AIR NEW SOURCE PERMITS REGISTRATION 51612
AIR NEW SOURCE PERMITS REGISTRATION 105017
AIR NEW SOURCE PERMITS REGISTRATION 109315
AIR NEW SOURCE PERMITS REGISTRATION 105024
AIR NEW SOURCE PERMITS REGISTRATION 105027

AIR NEW SOURCE PERMITS PERMIT 124424
AIR NEW SOURCE PERMITS REGISTRATION 122947
AIR NEW SOURCE PERMITS REGISTRATION 151193
AIR NEW SOURCE PERMITS PERMIT AMOC44
AIR NEW SOURCE PERMITS REGISTRATION 164545
AIR NEW SOURCE PERMITS REGISTRATION 146851
AIR NEW SOURCE PERMITS REGISTRATION 156300

AIR NEW SOURCE PERMITS REGISTRATION 105014
AIR NEW SOURCE PERMITS REGISTRATION 105002
AIR NEW SOURCE PERMITS PERMIT AMOC57
AIR NEW SOURCE PERMITS REGISTRATION 154326
AIR NEW SOURCE PERMITS REGISTRATION 146134
AIR NEW SOURCE PERMITS REGISTRATION 162211
PETROLEUM STORAGE TANK REGISTRATION
REGISTRATION 34003
STORMWATER PERMIT TXR05K869

IHW CORRECTIVE ACTION SOLID WASTE REGISTRATION
(SWR) 30520
STORMWATER PERMIT TXR15334H
WASTEWATER EPA ID TX0002976

WASTEWATER PERMIT WQ0000535000
AIR EMISSIONS INVENTORY ACCOUNT NUMBER
HG0130C
INDUSTRIAL AND HAZARDOUS WASTE SOLID WASTE
REGISTRATION # (SWR) 30520

POLLUTION PREVENTION PLANNING ID NUMBER
P00524
INDUSTRIAL AND HAZARDOUS WASTE EPA ID
TXD053624193

Compliance History Period: September 01, 2015 to August 31, 2020 **Rating Year:** 2020 **Rating Date:** 09/01/2020

Date Compliance History Report Prepared: April 06, 2021

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: April 06, 2016 to April 06, 2021

TCEQ Staff Member to Contact for Additional Information Regarding This Compliance History.

Name: Margarita Dennis

Phone: (817) 588-5892

Site and Owner/Operator History:

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

Components (Multimedia) for the Site Are Listed in Sections A - J

A. Final Orders, court judgments, and consent decrees:

- 1 Effective Date: 02/04/2019 ADMINORDER 2016-1414-AIR-E (Findings Order-Agreed Order Without Denial)
Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: Special Condition 1 PERMIT
Description: Failure to prevent unauthorized emissions. Specifically, Valero failed to prevent a flare pilot outage which resulted in unauthorized emissions. (Category A12i6)
Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)
5C THSC Chapter 382 382.085(b)
Description: Failure to submit an Initial Notification within 24 hours of the discovery of an emissions event. (Category B3)
Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: Special Condition 1 PERMIT
Description: Failure to prevent unauthorized emissions. Specifically, Valero failed to prevent a flare pilot outage during a maintenance event which resulted in unauthorized emissions. (Category A12i6)
Classification: Major
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 A 60.18(a)(2)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: Special Condition 10B PERMIT
Special Term & Condition 1 OP
Special Term & Condition 24 OP
Description: Failure to operate flare (EPN 30FL1) with pilot present at all times. (CATEGORY A12.i.6 violation)
Classification: Moderate

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)

Rqmt Prov: General Terms and Conditions OP

Description: Failure to report all instances of deviations. (CATEGORY B3 Violation)

Classification: Moderate

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

Rqmt Prov: Special Condition 1 PERMIT

Description: Failure to prevent unauthorized emissions. Specifically, Valero failed to prevent the electrical disconnect which tripped the Thermal Reactor Emergency Shutdown resulting in unauthorized emissions. (Category A12i6)

B. Criminal convictions:

N/A

C. Chronic excessive emissions events:

N/A

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

Item 1	April 19, 2016	(1338859)
Item 2	May 20, 2016	(1345656)
Item 3	June 14, 2016	(1352100)
Item 4	July 12, 2016	(1359074)
Item 5	August 01, 2016	(1315084)
Item 6	August 10, 2016	(1338023)
Item 7	August 18, 2016	(1365496)
Item 8	September 19, 2016	(1372199)
Item 9	October 14, 2016	(1378376)
Item 10	November 14, 2016	(1275853)
Item 11	November 18, 2016	(1384336)
Item 12	December 14, 2016	(1390473)
Item 13	January 17, 2017	(1397090)
Item 14	February 17, 2017	(1403974)
Item 15	February 28, 2017	(1395945)
Item 16	March 19, 2017	(1411075)
Item 17	April 18, 2017	(1417572)
Item 18	May 15, 2017	(1425168)
Item 19	June 20, 2017	(1431167)
Item 20	July 11, 2017	(1416947)
Item 21	July 20, 2017	(1439777)
Item 22	August 18, 2017	(1443465)
Item 23	September 22, 2017	(1435297)
Item 24	October 19, 2017	(1455911)
Item 25	November 14, 2017	(1461394)
Item 26	December 13, 2017	(1467773)
Item 27	December 21, 2017	(1454370)
Item 28	January 17, 2018	(1474477)
Item 29	February 20, 2018	(1486704)
Item 30	March 20, 2018	(1490382)
Item 31	April 18, 2018	(1493618)
Item 32	May 11, 2018	(1500536)
Item 33	May 22, 2018	(1459001)
Item 34	June 19, 2018	(1507653)
Item 35	July 20, 2018	(1513970)
Item 36	August 20, 2018	(1520032)
Item 37	September 18, 2018	(1527197)
Item 38	October 04, 2018	(1505648)
Item 39	October 19, 2018	(1533555)
Item 40	December 14, 2018	(1545174)
Item 41	January 18, 2019	(1559496)
Item 42	February 19, 2019	(1559494)

Item 43	March 19, 2019	(1559495)
Item 44	April 17, 2019	(1571771)
Item 45	May 15, 2019	(1583151)
Item 46	June 18, 2019	(1583152)
Item 47	July 17, 2019	(1593084)
Item 48	August 14, 2019	(1599430)
Item 49	September 19, 2019	(1606335)
Item 50	October 15, 2019	(1589664)
Item 51	October 16, 2019	(1613181)
Item 52	November 20, 2019	(1618995)
Item 53	December 06, 2019	(1603433)
Item 54	December 16, 2019	(1626347)
Item 55	January 20, 2020	(1633988)
Item 56	February 13, 2020	(1622423)
Item 57	February 19, 2020	(1640607)
Item 58	March 19, 2020	(1647127)
Item 59	April 17, 2020	(1653463)
Item 60	May 15, 2020	(1646415)
Item 61	May 20, 2020	(1660049)
Item 62	May 22, 2020	(1644629)
Item 63	May 29, 2020	(1644630)
Item 64	June 17, 2020	(1666552)
Item 65	July 13, 2020	(1673510)
Item 66	August 19, 2020	(1680284)
Item 67	September 18, 2020	(1686855)
Item 68	September 21, 2020	(1666357)
Item 69	October 16, 2020	(1693201)
Item 70	December 03, 2020	(1684788)
Item 71	March 26, 2021	(1701383)

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

A notice of violation represents a written allegation of a violation of a specific regulatory requirement from the commission to a regulated entity. A notice of violation is not a final enforcement action, nor proof that a violation has actually occurred.

- 1 Date: 08/31/2020 (1671942)
 - Self Report? NO Classification: Minor
 - Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
FOP Special Term and Condition 24 OP
Special Condition 27C PERMIT
 - Description: Failure to maintain Incinerator (EPNs: 39CB2001 & 46CB6301) six-minute average temperature. (Category C4 Violation)
 - Self Report? NO Classification: Minor
 - Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT Ja 60.103a(h)
5C THSC Chapter 382 382.085(b)
FOP Special Term and Condition 1A OP
 - Description: Failure to maintain H2S concentration for flares (EPNs: 30FL1 & 30FL6). (Category C4 Violation)
 - Self Report? NO Classification: Minor
 - Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(1)(B)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
FOP Special Term and Condition 1A OP
FOP Special Term and Condition 23 OP
FOP Special Term and Condition 24 OP
Special Condition 13 PERMIT
 - Description: Failure to prevent opacity exceedance on the scrubber (EPN: 42CB2201). (Category C4 Violation)
 - Self Report? NO Classification: Moderate
 - Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT Ja 60.108a(d)(5)
5C THSC Chapter 382 382.085(b)
FOP Special Term and Condition 1A OP

Description: Failure to report flaring events in the NSPS semi-annual report. (Category B3 Violation)
Self Report? NO Classification: Moderate
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 CC 63.670(e)
5C THSC Chapter 382 382.085(b)
FOP Special Term and Condition 19 OP
Special Condition 5 PERMIT
Description: Failure to operate flare (EPNs: 30FL1 & 30FL6) within MACT CC limit. (Category C4 Violation)

F. Environmental audits:

Notice of Intent Date: 12/30/2015 (1305793)

Disclosure Date: 09/21/2016

Viol. Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter B 115.114(a)(1)(A)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT Kb 60.113b(a)(2)

Rqmt Prov: OP GT&C

PERMIT SC 10B

Description: Failure to prevent liquids from accumulating on the floating rood of Crude Tank 90FB001 and resulting in emissions.

Notice of Intent Date: 09/09/2016 (1363640)

No DOV Associated

Notice of Intent Date: 01/05/2017 (1388444)

No DOV Associated

Notice of Intent Date: 01/27/2017 (1393578)

No DOV Associated

Notice of Intent Date: 05/03/2017 (1415278)

No DOV Associated

Notice of Intent Date: 05/30/2017 (1420715)

No DOV Associated

Notice of Intent Date: 09/11/2017 (1439426)

No DOV Associated

Notice of Intent Date: 02/23/2018 (1478242)

Disclosure Date: 04/27/2018

Viol. Classification: Moderate

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

Rqmt Prov: PERMIT SC No. 42

Description: Failure to update maintenance, startup, and shutdown 12-month rolling emissions calculations monthly as required by the NSR Permit.

Viol. Classification: Moderate

Citation: 40 CFR Part 60, Subpart QQQ 60.698(b)(1)

Description: Failure to submit a start-up certification letter relating to the new Crude Unit startup and installed equipment needed to comply with NSPS Subpart QQQ.

Notice of Intent Date: 02/23/2018 (1478245)

No DOV Associated

Notice of Intent Date: 02/14/2020 (1632802)

Disclosure Date: 10/30/2020

Viol. Classification: Moderate

Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
30 TAC Chapter 305, SubChapter F 305.125(12)
30 TAC Chapter 305, SubChapter F 305.125(19)

Description: Failure to clearly reflect the site's operation of the biotreatment tanks FA-001 and FA-005 in the refinery TPDES permit and related application representations.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 335, SubChapter A 335.6(b)

Description: Failure to represent the 16 acre tank farm as a Solid Waste Management Unit on the NOR since it's being used to store CIWA solids temporarily.

Viol. Classification: Minor

Citation: 30 TAC Chapter 115, SubChapter D 115.352(4)
40 CFR Part 60, Subpart VV 60.482-6

Rqmt Prov: PERMIT SC 39E

Description: Failure to prevent one open ended line in the Stats Gas Compressor area and a second near the ground water recovery system.

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



Compliance History Report

Compliance History Report for CN600127468, RN100219310, Rating Year 2020 which includes Compliance History (CH) components from September 1, 2015, through August 31, 2020.

Customer, Respondent, or Owner/Operator: CN600127468, Valero Refining-Texas, L.P. **Classification:** SATISFACTORY **Rating:** 5.57

Regulated Entity: RN100219310, VALERO HOUSTON REFINERY **Classification:** SATISFACTORY **Rating:** 9.78

Complexity Points: 31 **Repeat Violator:** NO

CH Group: 02 - Oil and Petroleum Refineries

Location: 9701 MANCHESTER ST HOUSTON, TX 77012-2408, HARRIS COUNTY

TCEQ Region: REGION 12 - HOUSTON

ID Number(s):

AIR OPERATING PERMITS ACCOUNT NUMBER HG0130C

AIR OPERATING PERMITS PERMIT 3784

AIR NEW SOURCE PERMITS REGISTRATION 37102

AIR NEW SOURCE PERMITS REGISTRATION 40306

AIR NEW SOURCE PERMITS REGISTRATION 42119

AIR NEW SOURCE PERMITS REGISTRATION 44387

AIR NEW SOURCE PERMITS REGISTRATION 45869

AIR NEW SOURCE PERMITS REGISTRATION 50138

AIR NEW SOURCE PERMITS PERMIT 2501A

AIR NEW SOURCE PERMITS REGISTRATION 7158A

AIR NEW SOURCE PERMITS REGISTRATION 34151

AIR NEW SOURCE PERMITS REGISTRATION 34094

AIR NEW SOURCE PERMITS REGISTRATION 33383

AIR NEW SOURCE PERMITS REGISTRATION 10580A

AIR NEW SOURCE PERMITS REGISTRATION 13020A

AIR NEW SOURCE PERMITS REGISTRATION 133453

AIR NEW SOURCE PERMITS REGISTRATION 75514

AIR NEW SOURCE PERMITS AFS NUM 4820100065

AIR NEW SOURCE PERMITS REGISTRATION 70289

AIR NEW SOURCE PERMITS REGISTRATION 54510

AIR NEW SOURCE PERMITS REGISTRATION 71680

AIR NEW SOURCE PERMITS REGISTRATION 73824

AIR NEW SOURCE PERMITS REGISTRATION 73869

AIR NEW SOURCE PERMITS REGISTRATION 76694

AIR NEW SOURCE PERMITS REGISTRATION 78574

AIR NEW SOURCE PERMITS REGISTRATION 81526

AIR NEW SOURCE PERMITS EPA PERMIT PSDTX767M2

AIR NEW SOURCE PERMITS EPA PERMIT PSDTX767

AIR NEW SOURCE PERMITS REGISTRATION 88508

AIR NEW SOURCE PERMITS REGISTRATION 92272

AIR NEW SOURCE PERMITS REGISTRATION 105003

AIR NEW SOURCE PERMITS REGISTRATION 101541

AIR NEW SOURCE PERMITS REGISTRATION 102846

AIR NEW SOURCE PERMITS REGISTRATION 105025

AIR NEW SOURCE PERMITS REGISTRATION 131534

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AIR NEW SOURCE PERMITS REGISTRATION 139777

AIR NEW SOURCE PERMITS REGISTRATION 139439

AIR NEW SOURCE PERMITS REGISTRATION 104999

AIR OPERATING PERMITS PERMIT 1381

AIR NEW SOURCE PERMITS REGISTRATION 36392

AIR NEW SOURCE PERMITS REGISTRATION 38961

AIR NEW SOURCE PERMITS REGISTRATION 41495

AIR NEW SOURCE PERMITS REGISTRATION 42999

AIR NEW SOURCE PERMITS REGISTRATION 45273

AIR NEW SOURCE PERMITS REGISTRATION 48166

AIR NEW SOURCE PERMITS REGISTRATION 8483A

AIR NEW SOURCE PERMITS REGISTRATION 7144A

AIR NEW SOURCE PERMITS REGISTRATION 33933

AIR NEW SOURCE PERMITS REGISTRATION 34119

AIR NEW SOURCE PERMITS REGISTRATION 33180

AIR NEW SOURCE PERMITS REGISTRATION 28324

AIR NEW SOURCE PERMITS REGISTRATION 10471A

AIR NEW SOURCE PERMITS REGISTRATION 35206

AIR NEW SOURCE PERMITS REGISTRATION 55752

AIR NEW SOURCE PERMITS REGISTRATION 145105

AIR NEW SOURCE PERMITS ACCOUNT NUMBER HG0130C

AIR NEW SOURCE PERMITS REGISTRATION 50600

AIR NEW SOURCE PERMITS REGISTRATION 54616

AIR NEW SOURCE PERMITS REGISTRATION 54513

AIR NEW SOURCE PERMITS REGISTRATION 73902

AIR NEW SOURCE PERMITS REGISTRATION 74363

AIR NEW SOURCE PERMITS REGISTRATION 78537

AIR NEW SOURCE PERMITS REGISTRATION 81166

AIR NEW SOURCE PERMITS REGISTRATION 81979

AIR NEW SOURCE PERMITS EPA PERMIT PSDTX767M1

AIR NEW SOURCE PERMITS REGISTRATION 84930

AIR NEW SOURCE PERMITS REGISTRATION 87909

AIR NEW SOURCE PERMITS REGISTRATION 95584

AIR NEW SOURCE PERMITS REGISTRATION 99288

AIR NEW SOURCE PERMITS REGISTRATION 101936

AIR NEW SOURCE PERMITS REGISTRATION 109220

AIR NEW SOURCE PERMITS REGISTRATION 105009

AIR NEW SOURCE PERMITS REGISTRATION 105015

AIR NEW SOURCE PERMITS REGISTRATION 105020

AIR NEW SOURCE PERMITS REGISTRATION 51612

AIR NEW SOURCE PERMITS REGISTRATION 105017

AIR NEW SOURCE PERMITS REGISTRATION 109315

AIR NEW SOURCE PERMITS REGISTRATION 136714
AIR NEW SOURCE PERMITS REGISTRATION 105000

AIR NEW SOURCE PERMITS PERMIT 124424
AIR NEW SOURCE PERMITS REGISTRATION 122947
AIR NEW SOURCE PERMITS REGISTRATION 151193
AIR NEW SOURCE PERMITS PERMIT AMOC44
AIR NEW SOURCE PERMITS REGISTRATION 164545
AIR NEW SOURCE PERMITS REGISTRATION 146851
AIR NEW SOURCE PERMITS REGISTRATION 156300

IHW CORRECTIVE ACTION SOLID WASTE REGISTRATION # (SWR) 30520
STORMWATER PERMIT TXR15334H
WASTEWATER EPA ID TX0002976

POLLUTION PREVENTION PLANNING ID NUMBER P00524
INDUSTRIAL AND HAZARDOUS WASTE EPA ID TXD053624193

Compliance History Period: September 01, 2015 to August 31, 2020

Rating Year: 2020

Rating Date: 09/01/2020

Date Compliance History Report Prepared: July 23, 2021

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: July 23, 2016 to July 23, 2021

TCEQ Staff Member to Contact for Additional Information Regarding This Compliance History.

Name: Margarita Dennis

Phone: (817) 588-5892

Site and Owner/Operator History:

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

Components (Multimedia) for the Site Are Listed in Sections A - J

A. Final Orders, court judgments, and consent decrees:

- 1 Effective Date: 02/04/2019 ADMINORDER 2016-1414-AIR-E (Findings Order-Agreed Order Without Denial)
 - Classification: Moderate
 - Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
5C THSC Chapter 382 382.085(b)
 - Rqmt Prov: Special Condition 1 PERMIT
 - Description: Failure to prevent unauthorized emissions. Specifically, Valero failed to prevent a flare pilot outage which resulted in unauthorized emissions. (Category A12i6)
 - Classification: Moderate
 - Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)
5C THSC Chapter 382 382.085(b)
 - Description: Failure to submit an Initial Notification within 24 hours of the discovery of an emissions event. (Category B3)
 - Classification: Moderate
 - Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
5C THSC Chapter 382 382.085(b)
 - Rqmt Prov: Special Condition 1 PERMIT
 - Description: Failure to prevent unauthorized emissions. Specifically, Valero failed to prevent a flare pilot outage during a maintenance event which resulted in unauthorized emissions. (Category A12i6)
 - Classification: Major
 - 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 A 60.18(a)(2)
5C THSC Chapter 382 382.085(b)
 - Rqmt Prov: Special Condition 10B PERMIT
Special Term & Condition 1 OP
Special Term & Condition 24 OP

Description: Failure to operate flare (EPN 30FL1) with pilot present at all times. (CATEGORY A12.i.6 violation)

Classification: Moderate

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)

Rqmt Prov: General Terms and Conditions OP

Description: Failure to report all instances of deviations. (CATEGORY B3 Violation)

Classification: Moderate

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

5C THSC Chapter 382 382.085(b)

Rqmt Prov: Special Condition 1 PERMIT

Description: Failure to prevent unauthorized emissions. Specifically, Valero failed to prevent the electrical disconnect which tripped the Thermal Reactor Emergency Shutdown resulting in unauthorized emissions. (Category A12i6)

2 Effective Date: 02/05/2021 COURTORDER (Final Judgement-Agreed Order With Denial)

Classification: Moderate

Citation: 2A TWC Chapter 7, SubChapter A 7.101

30 TAC Chapter 101, SubChapter A 101.4

Description: Failure to prevent nuisance conditions. Specifically, an investigation conducted on July 9, 2018, determined that high concentrations of slurry oil was deposited in multiple vehicles and personal property in Galena Park area resulting from a pinhole leak from the facility on July 8, 2018.

Classification: Moderate

Citation: 2A TWC Chapter 7, SubChapter A 7.101

5C THSC Chapter 382 382.085(b)

Description: Failure to prevent unauthorized emissions. Specifically, emissions from a pinhole leak resulted in the release to the atmosphere and causing high concentration of slurry oil to be deposited in multiple vehicles and private property in the Galena Park area.

Classification: Moderate

Citation: 2A TWC Chapter 7, SubChapter A 7.101

30 TAC Chapter 116, SubChapter B 116.110(a)

Description: Failure to obtain authorization prior ot constructing or modifying a source of air contaminants.

B. Criminal convictions:

N/A

C. Chronic excessive emissions events:

N/A

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

Item 1	August 01, 2016	(1315084)
Item 2	August 10, 2016	(1338023)
Item 3	August 18, 2016	(1365496)
Item 4	September 19, 2016	(1372199)
Item 5	October 14, 2016	(1378376)
Item 6	November 14, 2016	(1275853)
Item 7	November 18, 2016	(1384336)
Item 8	December 14, 2016	(1390473)
Item 9	January 17, 2017	(1397090)
Item 10	February 17, 2017	(1403974)
Item 11	February 28, 2017	(1395945)
Item 12	March 19, 2017	(1411075)
Item 13	April 18, 2017	(1417572)
Item 14	May 15, 2017	(1425168)
Item 15	June 20, 2017	(1431167)
Item 16	July 11, 2017	(1416947)
Item 17	July 20, 2017	(1439777)
Item 18	August 18, 2017	(1443465)
Item 19	September 22, 2017	(1435297)
Item 20	October 19, 2017	(1455911)
Item 21	November 14, 2017	(1461394)

Item 22	December 13, 2017	(1467773)
Item 23	December 21, 2017	(1454370)
Item 24	January 17, 2018	(1474477)
Item 25	February 20, 2018	(1486704)
Item 26	March 20, 2018	(1490382)
Item 27	April 18, 2018	(1493618)
Item 28	May 11, 2018	(1500536)
Item 29	May 22, 2018	(1459001)
Item 30	June 19, 2018	(1507653)
Item 31	July 20, 2018	(1513970)
Item 32	August 20, 2018	(1520032)
Item 33	September 18, 2018	(1527197)
Item 34	October 04, 2018	(1505648)
Item 35	October 19, 2018	(1533555)
Item 36	December 14, 2018	(1545174)
Item 37	January 18, 2019	(1559496)
Item 38	February 19, 2019	(1559494)
Item 39	March 19, 2019	(1559495)
Item 40	April 17, 2019	(1571771)
Item 41	May 15, 2019	(1583151)
Item 42	June 18, 2019	(1583152)
Item 43	July 17, 2019	(1593084)
Item 44	August 14, 2019	(1599430)
Item 45	September 19, 2019	(1606335)
Item 46	October 15, 2019	(1589664)
Item 47	October 16, 2019	(1613181)
Item 48	November 20, 2019	(1618995)
Item 49	December 06, 2019	(1603433)
Item 50	December 16, 2019	(1626347)
Item 51	January 20, 2020	(1633988)
Item 52	February 13, 2020	(1622423)
Item 53	February 19, 2020	(1640607)
Item 54	March 19, 2020	(1647127)
Item 55	April 17, 2020	(1653463)
Item 56	May 15, 2020	(1646415)
Item 57	May 20, 2020	(1660049)
Item 58	May 22, 2020	(1644629)
Item 59	May 29, 2020	(1644630)
Item 60	June 17, 2020	(1666552)
Item 61	July 13, 2020	(1673510)
Item 62	August 19, 2020	(1680284)
Item 63	September 18, 2020	(1686855)
Item 64	September 21, 2020	(1666357)
Item 65	October 16, 2020	(1693201)
Item 66	November 20, 2020	(1712295)
Item 67	December 03, 2020	(1684788)
Item 68	December 17, 2020	(1712296)
Item 69	January 18, 2021	(1712297)
Item 70	March 18, 2021	(1725352)
Item 71	March 26, 2021	(1701383)
Item 72	April 16, 2021	(1725353)
Item 73	May 17, 2021	(1710694)
Item 74	May 19, 2021	(1739989)
Item 75	June 04, 2021	(1710998)
Item 76	June 16, 2021	(1739990)
Item 77	July 08, 2021	(1736809)

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

A notice of violation represents a written allegation of a violation of a specific regulatory requirement from the commission to a regulated entity. A notice of violation is not a final enforcement action, nor proof that a violation has actually occurred.

- 1 Date: 08/31/2020 (1671942)
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 FOP Special Term and Condition 24 OP
 Special Condition 27C PERMIT
 Description: Failure to maintain Incinerator (EPNs: 39CB2001 & 46CB6301) six-minute average temperature. (Category C4 Violation)
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT Ja 60.103a(h)
 5C THSC Chapter 382 382.085(b)
 FOP Special Term and Condition 1A OP
 Description: Failure to maintain H2S concentration for flares (EPNs: 30FL1 & 30FL6). (Category C4 Violation)
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(1)(B)
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 FOP Special Term and Condition 1A OP
 FOP Special Term and Condition 23 OP
 FOP Special Term and Condition 24 OP
 Special Condition 13 PERMIT
 Description: Failure to prevent opacity exceedance on the scrubber (EPN: 42CB2201). (Category C4 Violation)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT Ja 60.108a(d)(5)
 5C THSC Chapter 382 382.085(b)
 FOP Special Term and Condition 1A OP
 Description: Failure to report flaring events in the NSPS semi-annual report. (Category B3 Violation)
 Self Report? NO Classification: Moderate
 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 CC 63.670(e)
 5C THSC Chapter 382 382.085(b)
 FOP Special Term and Condition 19 OP
 Special Condition 5 PERMIT
 Description: Failure to operate flare (EPNs: 30FL1 & 30FL6) within MACT CC limit. (Category C4 Violation)
- 2 Date: 01/31/2021 (1725351)
 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
- 3 Date: 05/25/2021 (1711380)
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 FOP Special Term and Condition 24 OP
 NSR Special Condition 10 PERMIT
 Description: Failure to prevent NOx concentration exceedances from Boiler No.4, EPN: 50BF04.
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 FOP Special Term and Condition 24 OP
 NSR Special Condition 10 PERMIT
 Description: Failure to prevent an exceedance for the 7-day NOx rolling average (ppmvd) from the FCCU unit, EPN: 42CB2201.
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)

FOP Special Term and Condition 24 OP
 NSR Special Condition 27 PERMIT
 Description: Failure to prevent exceedance of O2 for EPN: 46CB6301.
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)

5C THSC Chapter 382 382.085(b)
 FOP Special Term and Condition 24 OP
 NSR Special Condition 51B PERMIT
 Description: Failure to prevent exceedance of Sulfur Dioxide (ppmc) for EPN: 46CB6301.
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 FOP Special Term and Condition 24 OP
 NSR Special Condition 1 PERMIT

Description: Failure to prevent NOx exceedance from Package Boiler, EPN: 81BF01.
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 FOP Special Term and Condition 24 OP
 NSR Special Condition 27C PERMIT

Description: Failure to maintain 6-minute average temperature for EPN: 46CB6301.
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT Ja 60.103a(h)
 5C THSC Chapter 382 382.085(b)
 FOP Special Term and Condition 1A OP

Description: Failure to maintain H2S concentration for flares, EPNs: 30FL1 and 30FL6.
 Self Report? NO Classification: Moderate
 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 CC 63.670(e)
 5C THSC Chapter 382 382.085(b)
 FOP Special Term and Condition 19 and 24 OP
 NSR Special Condition 5 PERMIT

Description: Failure to maintain MACT CC permitted limit at or above 270 Btu/scf for EPNs:
 30FL1 and 30FL6.
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 FOP Special Term and Condition 24 OP
 NSR Special Condition 1 PERMIT

Description: Failure to prevent CO exceedance from Package Boiler, EPN: 50BF02.
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 FOP Special Term and Condition 24 OP
 NSR Special Condition 1 PERMIT

Description: Failure to prevent NOx exceedance from Package Boiler 3, EPN: 50BF03.
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 FOP Special Term and Condition 24 OP
 NSR Special Condition 1 PERMIT

Description: Failure to prevent NOx exceedance from Package Boiler 4, EPN: 50BF04.
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 FOP Special Term and Condition 24 OP
 NSR Special Condition 1 PERMIT

Description: Failure to prevent NOx exceedance from Package Boiler 2, EPN: 50BF02.
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)

5C THSC Chapter 382 382.085(b)
FOP Special Term and Condition 24 OP
NSR Special Condition 27C PERMIT

Description: Failure to maintain 6-minute average temperature for EPN: 39CB2001.

F. Environmental audits:

Notice of Intent Date: 12/30/2015 (1305793)

Disclosure Date: 09/21/2016

Viol. Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter B 115.114(a)(1)(A)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT Kb 60.113b(a)(2)

Rqmt Prov: OP GT&C
PERMIT SC 10B

Description: Failure to prevent liquids from accumulating on the floating rood of Crude Tank 90FB001 and resulting in emissions.

Notice of Intent Date: 09/09/2016 (1363640)

No DOV Associated

Notice of Intent Date: 01/05/2017 (1388444)

No DOV Associated

Notice of Intent Date: 01/27/2017 (1393578)

No DOV Associated

Notice of Intent Date: 05/03/2017 (1415278)

No DOV Associated

Notice of Intent Date: 05/30/2017 (1420715)

No DOV Associated

Notice of Intent Date: 09/11/2017 (1439426)

No DOV Associated

Notice of Intent Date: 02/23/2018 (1478242)

Disclosure Date: 04/27/2018

Viol. Classification: Moderate

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

Rqmt Prov: PERMIT SC No. 42

Description: Failure to update maintenance, startup, and shutdown 12-month rolling emissions calculations monthly as required by the NSR Permit.

Viol. Classification: Moderate

Citation: 40 CFR Part 60, Subpart QQQ 60.698(b)(1)

Description: Failure to submit a start-up certification letter relating to the new Crude Unit startup and installed equipment needed to comply with NSPS Subpart QQQ.

Notice of Intent Date: 02/23/2018 (1478245)

No DOV Associated

Notice of Intent Date: 02/14/2020 (1632802)

Disclosure Date: 10/30/2020

Viol. Classification: Moderate

Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
30 TAC Chapter 305, SubChapter F 305.125(12)
30 TAC Chapter 305, SubChapter F 305.125(19)

Description: Failure to clearly reflect the site's operation of the biotreatment tanks FA-001 and FA-005 in the refinery TPDES permit and related application representations.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 335, SubChapter A 335.6(b)

Description: Failure to represent the 16 acre tank farm as a Solid Waste Management Unit on the NOR since it's being used to store CIWA solids temporarily.

Viol. Classification: Minor

Citation: 30 TAC Chapter 115, SubChapter D 115.352(4)
40 CFR Part 60, Subpart VV 60.482-6

Rqmt Prov: PERMIT SC 39E

Description: Failure to prevent one open ended line in the Stats Gas Compressor area and a second near the ground water recovery system.

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.
RN100219310**

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§
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§

**BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY**

AGREED ORDER DOCKET NO. 2021-0202-AIR-E

I. JURISDICTION AND STIPULATIONS

On _____, 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 together stipulate that:

1. The Respondent owns and operates a petroleum refinery located at 9701 Manchester Street in Houston, Harris County, Texas (the "Plant"). The Plant consists or consisted of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
2. The Executive Director and the Respondent agree that the TCEQ has jurisdiction to enter this Order pursuant to TEX. WATER CODE §§ 7.002, 7.051, and 7.073, and that the Respondent is subject to TCEQ's jurisdiction. The TCEQ has jurisdiction in this matter pursuant to TEX. WATER CODE § 5.013 because it alleges violations of TEX. HEALTH & SAFETY CODE ch. 382 and the rules of the TCEQ.
3. The occurrence of any violation is in dispute and the entry of this Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
4. An administrative penalty in the amount of \$27,414 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent paid \$10,966 of the penalty and \$5,482 of the penalty is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Order and shall be waived only upon full compliance with all the terms and conditions of this Order. If the Respondent fails to timely and satisfactorily comply with any of the terms and conditions contained in this Order, the Executive Director may demand payment of all or part of the deferred penalty amount.

Pursuant to TEX. WATER CODE § 7.067, \$10,966 of the penalty shall be conditionally offset by the Respondent's timely and satisfactory completion of a Supplemental Environmental Project ("SEP") as defined in the attached SEP Agreement ("Attachment A", incorporated herein by reference). The Respondent's obligation to pay the conditionally offset portion of the penalty shall be discharged upon full compliance with

all the terms and conditions of this Order, which includes the timely and satisfactory completion of all provisions of the SEP Agreement, as determined by the Executive Director.

5. The Executive Director and the Respondent agree on a settlement of the matters alleged in this enforcement action, subject to final approval in accordance with 30 TEX. ADMIN. CODE § 70.10(a). 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.
6. 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 Order.
7. This Order represents the complete and fully-integrated agreement of the parties. The provisions of this Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Order unenforceable, the remaining provisions shall be valid and enforceable.
8. This Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Order, whichever is later.
9. The Executive Director recognizes that the Respondent implemented the following corrective measures at the Plant:
 - a. On September 14, 2018, electrically traced the piping from Tank 4401 to the Complex I Scrubber to mitigate potential freezing events in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 276598;
 - b. On October 12, 2020, provided the estimated total quantities for carbon monoxide ("CO") and nitrogen oxides ("NOx") that were released during Incident No. 276598;
 - c. By January 14, 2021, reviewed and assessed the incident, reviewed the training history, and conducted awareness training for operations personnel in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 348796;
 - d. On February 5, 2021, repaired and plugged the tube in the Fluid Catalytic Cracker High Stage Trim Coolers and plugged the entire circumference of tubes for a total of 86 tubes to mitigate potential fretting and impingement issues in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 349784.; and
 - e. On February 9, 2021, permanently repaired and installed new clamps on the sensor rod, removed the insulators, verified rod tightness, and updated the frequency of the inspection of the level instrument on the level bridle to a

quarterly basis in order to prevent the recurrence of emissions events due to the same or similar cause as Incident No. 348897.

II. ALLEGATIONS

1. During a record review conducted from September 28, 2020 through October 23, 2020, an investigator documented that the Respondent:
 - a. Failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(c), and 122.143(4), New Source Review ("NSR") Permit Nos. 2501A and PSDTX767M2, Special Conditions ("SC") No. 1, Federal Operating Permit ("FOP") No. O1381, General Terms and Conditions ("GTC") and Special Terms and Conditions ("STC") No. 24, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent released 3,798.90 pounds ("lbs") of sulfur dioxide ("SO₂"), 311.60 lbs of CO, and 231.90 lbs of NO_x from the Fluid Catalytic Cracker Unit Stack, Emissions Point Number ("EPN") 42CB2201, during an emissions event (Incident No. 276598) that began on January 16, 2018 and lasted nine hours and 13 minutes. The emissions event occurred when caustic solution froze in the piping routed from Tank 4401 to the Complex I Scrubber, resulting in the release to the atmosphere. Since the emissions event was not caused by a sudden unavoidable breakdown of equipment or process beyond the control of the owner or operator and could have been avoided by better design and/or better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.
 - b. Failed to identify all required information on the final record for a reportable emissions event, in violation of 30 TEX. ADMIN. CODE §§ 101.201(b)(1)(G) and (H) and 122.143(4), FOP No. O1381, GTC and STC No. 2.F, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent did not identify the estimated total quantities for CO and NO_x that were released during the emissions event on the final record for Incident No. 276598.
2. During a record review conducted from January 25, 2021 through February 16, 2021, an investigator documented that the Respondent failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(c), and 122.143(4), NSR Permit Nos. 2501A and PSDTX767M2, SC No. 1, NSR Permit No. 124424, SC No. 1, FOP No. O1381, GTC and STC No. 24, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent released 30.01 lbs of ammonia ("NH₃"), 995.89 lbs of CO, 71.49 lbs of hydrogen sulfide ("H₂S"), 513.06 lbs of NO_x, 130.05 lbs of particulate matter ("PM"), 10,449.71 lbs of SO₂, and 614.75 lbs of volatile organic compounds ("VOC") from multiple EPNs as shown in the table below, during an emissions event (Incident No. 348897) that began on January 10, 2021 and lasted 15 hours and 55 minutes. The emissions event occurred due to a failure of the Amine Recovery Unit 2 Regenerator Reflux Drum Level Transmitter that led to a high level and liquid carry over into the Amine Acid Gas Knockout Drum and caused the Safety Instrumentation System to activate and safely shutdown the Sulfur Recovery Unit C, resulting in flaring and in the releases to the atmosphere. Since the emissions event was not caused by a sudden unavoidable breakdown of equipment or process beyond the control of the owner or

operator and could have been avoided by better design and/or better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.

Emissions Point Name	EPN	Pollutants						
		NH ₃	CO	H ₂ S	NO _x	PM	SO ₂	VOC
Crude Heater	17H01	2.30	6.50	7.50	41.29	1.20	880.40	0.31
Atmospheric Tower Heater	23BC201	0.00	15.20	8.20	138.10	26.70	955.10	19.40
"C" Unifier Reactor Charge Heater	27BA1000	0.00	0.30	0.60	26.30	2.40	75.20	1.70
Main Refinery Flare	30FL1	0.00	867.70	30.30	168.20	0.00	5,655.90	589.20
Tail Gas Incinerator Unit 39 SRU	39CB2001	0.01	0.88	0.05	0.77	2.92	9.71	0.05
"D" Unifier Reactor Charge Heater	41BA101	0.00	64.60	0.49	14.90	1.60	55.10	1.20
"D" Unifier Rerun Tower Reboiler	41BA102	0.00	4.80	0.50	23.00	2.20	61.00	1.60
Boiler No. 2	50BF02	8.20	18.80	5.20	33.40	23.43	610.00	0.32
Boiler No. 3	50BF03	7.50	17.10	8.05	43.90	35.20	937.20	0.47
Boiler No. 4	50BF04	12.00	0.01	10.60	23.20	34.40	1,210.10	0.50
	Totals	30.01	995.89	71.49	513.06	130.05	10,449.71	614.75

- During a record review conducted from January 27, 2021 through February 16, 2021, an investigator documented that the Respondent failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(c), and 122.143(4), NSR Permit Nos. 2501A and PSDTX767M2, SC No. 1, NSR Permit No. 124424, SC No.1, FOP No. O1381, GTC and STC No. 24, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent released 3.35 lbs of NH₃, 3,383.98 lbs of CO, 11.95 lbs of H₂S, 645.96 lbs of NO_x, 23.03 lbs of PM, 4,337.53 lbs of SO₂, and 1,539.54 lbs of VOC from multiple EPNs as shown in the table below, during an emissions event (Incident No. 348796) that began on January 8, 2021 and lasted 23 hours and 22 minutes. The emissions event occurred due to the natural gas makeup supply valves being inadvertently closed during a planned maintenance activity that tripped all operating steam generating boilers and caused the Safety Instrumentation Systems to activate and safely shutdown most of the major process units, resulting in flaring and in the releases to the atmosphere. Since the emissions event was not caused by a sudden unavoidable breakdown of equipment or process beyond the control of the owner or operator and could have been avoided by better design and/or better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.

Emissions Point Name	EPN	Pollutants						
		NH ₃	CO	H ₂ S	NO _x	PM	SO ₂	VOC
Crude Heater	17H01	0.13	0.69	0.00	8.54	0.05	0.35	0.01
Atmospheric Tower Heater	23BC201	0.00	3.00	0.10	25.50	5.00	18.50	3.60
"C" Unifier Reactor Charge Heater	27BA1000	0.00	0.01	0.00	0.60	0.05	0.46	0.03
"A" Unifier Reactor Charge Heater	28BA1200	0.00	0.00	0.00	0.06	0.01	0.09	0.01
Main Refinery Flare	30FL1	0.00	661.90	2.40	102.80	0.00	442.50	698.50
ULSD Flare	30FL6	0.00	2,510.50	7.80	468.60	0.00	1,459.70	793.70
Tail Gas Incinerator Unit 39 SRU	39CB2001	0.00	1.30	0.10	1.10	4.30	937.90	0.10
"D" Unifier Reactor Charge Heater	41BA101	0.00	0.50	0.00	0.10	0.01	0.16	0.01
"D" Unifier Rerun Tower Reboiler	41BA102	0.00	0.60	0.01	3.10	0.30	1.20	0.20
Tail Gas Incinerator Unit 46 SRU	46CB6301	0.00	0.50	0.10	0.40	2.10	1,438.50	0.03
Boiler No. 2	50BF02	0.42	94.78	0.06	3.16	1.21	10.90	0.02
Boiler No. 3	50BF03	1.20	74.30	0.08	8.60	5.50	15.10	0.07
Boiler No. 4	50BF04	1.60	35.90	0.06	23.40	4.50	11.00	0.06
Fugitives	FUG	0.00	0.00	1.24	0.00	0.00	1.17	43.20
	Totals	3.35	3,383.98	11.95	645.96	23.03	4,337.53	1,539.54

4. During a record review conducted from February 11, 2021 through May 5, 2021, an investigator documented that the Respondent failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(c), and 122.143(4), NSR Permit Nos. 2501A and PSDTX767M2, SC No. 1, FOP No. O1381, GTC and STC No. 24, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent released 574.50 lbs of VOC as fugitive emissions, during an emissions event (Incident No. 349784) that occurred on January 31, 2021 and lasted nine hours and two minutes. The emissions event occurred due to a mechanical failure of a tube in the Fluid Catalytic Cracker High Stage Trim Coolers, resulting in the release to the atmosphere. Since the emissions event was not caused by a sudden unavoidable breakdown of equipment or process beyond the control of the owner or operator and could have been avoided by better design and/or better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.

III. DENIALS

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

IV. ORDERING PROVISIONS

NOW, THEREFORE, THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY ORDERS that:

1. The Respondent is assessed a penalty as set forth in Section I, Paragraph No. 4. The payment of this penalty and the Respondent's compliance with all of the requirements set forth in this 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. Penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Valero Refining-Texas, L.P., Docket No. 2021-0202-AIR-E" to:

Financial Administration Division, Revenue Operations 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 an SEP as set forth in Section I, Paragraph No. 4. The amount of \$10,966 of the assessed penalty is conditionally offset based on the Respondent's implementation and completion of the SEP pursuant to the terms of the SEP Agreement, as defined in Attachment A. Penalty payments for any portion of the SEP deemed by the Executive Director as not complete shall be paid within 30 days after the date the Executive Director demands payment.
3. All relief not expressly granted in this Order is denied.
4. The duties and provisions imposed by this Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of this Order to personnel who maintain day-to-day control over the Plant operations referenced in this Order.

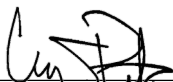
5. If the Respondent fails to comply with any of the Ordering Provisions in this Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, the Respondent's failure to comply is not a violation of this Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
6. The Executive Director may grant an extension of any deadline in this Order or in any plan, report, or other document submitted pursuant to this Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
7. This 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 Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
8. This Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms: electronic transmission, owner, person, writing, and written, shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.
9. The effective date of this Order is the date it is signed by the Commission. A copy of this fully executed Order shall be provided to each of the parties.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

Date



6/8/2022

For the Executive Director

Date

I, the undersigned, have read and understand the attached Order. I am authorized to agree to the attached Order, 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.

Mike Jasek

Signature

1/12/22

Date

MIKE JASEK

Name (Printed or typed)

Authorized Representative of
Valero Refining-Texas, L.P.

ENVIRONMENTAL ENGINEERING MGR.

Title

If mailing address has changed, please check this box and provide the new address below:

Attachment A
Docket Number: 2021-0202-AIR-E
SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	Valero Refining-Texas, L.P.
Payable Penalty Amount:	\$21,932
SEP Offset Amount:	\$10,966
Type of SEP:	Contribution to a Third-Party Pre-Approved SEP
Third-Party Administrator:	Houston-Galveston Area Council-AERCO
Project Name:	<i>Clean Vehicles Partnership Project</i>
Location of SEP: Angelina, Austin, Brazoria, Chambers, Colorado, Fort Bend, Galveston, Hardin, Harris, Houston, Jasper, Jefferson, Liberty, Matagorda, Montgomery, Nacogdoches, Newton, Orange, Polk, Sabine, San Augustine, San Jacinto, Trinity, Tyler, Walker, Waller, and Wharton Counties	

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 Offset 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 Administrator named above. The contribution will be to the **Houston-Galveston Area Council-AERCO** for the *Clean Vehicles Partnership Project*. The contribution will be used in accordance with the SEP between the Third-Party Administrator and the TCEQ (the “Project”). Specifically, the SEP Offset Amount will be used to replace old, higher emission buses that do not meet 2010 Environmental Protection Agency (“EPA”) emissions standards (“Old Buses”) with new, lower emission buses that meet the most recent EPA emissions standards (“New Buses”) or to retrofit or convert Old Buses with emissions reducing equipment. The Third-Party Administrator shall allocate the SEP Offset Amount to public entities such as school districts, local governments, and public transit authorities (“SEP Administrators”) that apply for replacement, retrofit, or conversion of buses.

The SEP Offset Amount may also be used for retrofit or conversion technology that brings an Old Bus up to current EPA emissions standards. New Buses may be alternative-fueled. The SEP Offset Amount may be used for up to 100% of the replacement, conversion, or retrofit cost. The SEP Offset Amount will be used only for purchase of New Buses or conversion or retrofit equipment and contract labor for

installation of equipment. The SEP Offset Amount will not be used for financing such a purchase through a lease-purchase or similar agreement.

Retrofitting means reducing exhaust emissions to current standards by installing devices that are verified or certified by the EPA or the California Air Resources Board as proven retrofit technologies. Converting means replacing an engine system with an alternative fuel engine system to bring the Old Bus within the current EPA emissions standards. Buses to be replaced, retrofitted, or converted must be in regular use (driven at least five hundred miles per year for at least the past two years) by the SEP Administrator and must not already be scheduled for replacement in the following twenty-four months. All replaced buses must be fully decommissioned. The Third-Party Administrator shall provide proof of decommissioning to TCEQ for each replaced vehicle by submitting a copy of the TCEQ SEP Vehicle Replacement Disposition Form. The SEP will be done in accordance with all federal, state, and local environmental laws and regulations.

All dollars contributed will be used solely for the direct cost of implementing the Project, including, but not limited to supplies, materials, and equipment. Any portion of this contribution that is not spent on the specifically identified SEP may, at the discretion of the Executive Director ("ED"), be applied to another pre-approved SEP.

The Respondent's signature affixed to this Agreed Order certifies that the Respondent has no prior commitment to make this contribution and that it is being contributed to settle this enforcement action. The Respondent shall not profit from this SEP.

b. Environmental Benefit

This SEP will directly benefit air quality by reducing harmful exhaust emissions that contribute to the formation of ozone and may cause or exacerbate many respiratory diseases, including asthma. For example, by replacing a 1989 diesel bus with a 2010 ultra-low emission model, passengers' exposure to nitrogen oxides may be reduced by 98 percent; volatile organic compounds by 93 percent; carbon dioxide by 83 percent; and particulate matter by 99 percent. In addition, by encouraging less bus idling, this SEP contributes to public awareness of air pollution and air quality.

c. Minimum Expenditure

The Respondent shall contribute at least the SEP Offset Amount to the Third-Party Administrator 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 Offset Amount to the Third-Party Administrator. The Respondent shall make the check payable to **Houston-Galveston Area Council-AERCO SEP** and shall mail the contribution with a copy of the Agreed Order to:

Houston-Galveston Area Council-AERCO
Attn: Air Quality Program Manager
P.O. Box 22777
Houston, Texas 77227-2777

3. Records and Reporting

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

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

4. Failure to Fully Perform

If the Respondent does not perform its obligations under this Attachment A, including full expenditure of the SEP Offset Amount and submittal of the required reporting described in Sections 2 and 3 above, the ED may require immediate payment of all or part of the SEP Offset Amount.

In the event the ED determines that the Respondent failed to fully implement and complete the Project, the Respondent shall remit payment for all or a portion of the SEP Offset Amount, as determined by the ED, and as set forth in the attached Agreed Order. After receiving notice of failure to complete the SEP, the Respondent shall include the docket number of the attached Agreed Order and a note that the enclosed payment is for the reimbursement of a SEP; shall make the check payable to "Texas Commission on Environmental Quality"; and shall mail it to:

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

Texas Commission on Environmental Quality
Litigation Division
Attention: SEP Coordinator, MC 175
P.O. Box 13087
Austin, Texas 78711-3087

5. Publicity

Any public statements concerning this SEP and/or project, 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. Recognition

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 Offset Amount identified in this Attachment A and in the attached Agreed Order has not been, and shall not be, included as a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.