

Executive Summary – Enforcement Matter – Case No. 60527
Valero Refining-Texas, L.P.
RN100238385
Docket No. 2021-0429-AIR-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

AIR

Small Business:

No

Location(s) Where Violation(s) Occurred:

Valero Refining Texas City Refinery, 1301 Loop 197 South, Texas City, Galveston County

Type of Operation:

Petroleum refinery

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: February 24, 2023

Comments Received: No

Penalty Information

Total Penalty Assessed: \$81,938

Amount Deferred for Expedited Settlement: \$16,387

Total Paid to General Revenue: \$65,551

Total Due to General Revenue: \$0

Payment Plan: N/A

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 18, 2020 through October 6, 2020, December 9, 2020 through August 25, 2021, July 19, 2021 through July 27, 2021, July 23, 2021 through August 6, 2021, October 14, 2021, and October 18, 2021

Date(s) of NOE(s): February 26, 2021, August 27, 2021, September 17, 2021, September 24, 2021, and November 5, 2021

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Docket No. 2021-0429-AIR-E

Violation Information

1. Failed to prevent unauthorized emissions. Specifically, the Respondent released 1,418.84 pounds ("lbs") of carbon monoxide ("CO"), 306.67 lbs of nitrogen oxides ("NOx"), 91.94 lbs of particulate matter ("PM"), 1,778.74 lbs of sulfur dioxide ("SO₂"), 781.80 lbs of volatile organic compounds ("VOC"), and 14.41 lbs of hydrogen sulfide ("H₂S") from multiple Emissions Point Numbers ("EPNs", during an emissions event (Incident No. 276584) that began on January 16, 2018 and lasted 42 hours. The emissions event occurred when the primary boiler feed water pressure indicator suddenly malfunctioned during a freeze event that caused the steam producing boilers to trip offline, resulting in the routing of emissions to the control devices and in flaring. 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 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), 116.615(2), and 122.143(4), New Source Review ("NSR") Permit Nos. 39142 and PSDTX822M2, Special Conditions ("SC") No. 1, Standard Permit Registration No. 91499, General Requirements No. (4)(D)(v), Federal Operating Permit ("FOP") No. O1253, General Terms and Conditions ("GTC") and Special Terms and Conditions ("STC") No. 23, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

2. Failed to submit a permit compliance certification ("PCC") within 30 days of any certification period. Specifically, the PCC for the January 1, 2020 through June 30, 2020 certification period was due by July 30, 2020, but was not submitted until August 26, 2021 [30 TEX. ADMIN. CODE §§ 122.143(4) and 122.146(2), FOP No. O1253, GTC and STC No. 27, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

3. Failed to comply with the maximum allowable emissions rate ("MAER"). Specifically, the Respondent exceeded the NO_x MAER of 39.90 tons per year based on a 12-month rolling period for the 12-month periods ending from July 2019 through August 2019 for the Residual Vacuum Distillation Unit Heater, EPN EH-29, resulting in 0.27 ton of unauthorized NO_x [30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(b)(2)(F) and (c), and 122.143(4), NSR Permit Nos. 39142 and PSDTX822M2, SC No. 1, FOP No. O1253, GTC and STC No. 23, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

4. Failed to prevent unauthorized emissions. Specifically, the Respondent released 10.07 lbs of CO, 961.86 lbs of NO_x, 68.74 lbs of PM, 20.39 lbs of SO₂, and 0.92 lb of VOC as fugitive emissions, during an emissions event (Incident No. 330243) that began on February 13, 2020 and lasted 53 hours. The emissions event occurred due to plugging of the ammonia injection quill that caused the loss of ammonia flow, 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 practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE § 101.20(3),

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116.115(c), and 122.143(4), NSR Permit Nos. 39142 and PSDTX822M2, SC No. 1, FOP No. O1253, GTC and STC No. 23, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

5. Failed to prevent unauthorized emissions. Specifically, the Respondent released 28.40 lbs of CO, 28.27 lbs of NO_x, 3.03 lbs of PM, 2,131.95 lbs of SO₂, 97.02 lbs of VOC, and 7.70 lbs of H₂S from the SRU/TGI No. 3 Vent, EPN EG-18-1403, and released 9.32 lbs of CO, 6.51 lbs of NO_x, 1 lb of PM, 206.59 lbs of SO₂, 0.52 lb of VOC, and 0.07 lb of H₂S from the SRU/TGI No. 2 Vent, EPN EG-2063, during an emissions event (Incident No. 362043) that occurred on July 9, 2021 and lasted seven hours and 27 minutes. The emissions event occurred due to the motor failure that caused the Combustion Air Blower C-17-1801 trip offline and the SRU Train #1 to trip on low combustion air pressure, 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 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. 39142 and PSDTX822M2, SC No. 1, FOP No. O1253, GTC and STC No. 23, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

6. Failed to prevent unauthorized emissions. Specifically, the Respondent released 3,201.92 lbs of CO, 195.31 lbs of H₂S, 398.98 lbs of NO_x, 488.90 lbs of PM, 18,014.16 lbs of SO₂, and 1,161.62 lb of VOC as fugitive emissions, during an emissions event (Incident No. 321977) that began on September 30, 2019 and lasted 128 hours and 21 minutes. The emissions event occurred due to failed check valves that were stuck in the open position and caused internal seal failure and the loss of the Coker Unit Wet Gas Compressor C-151, 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 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. 39142 and PSDTX822M2, SC No. 1, FOP No. O1253, GTC and STC No. 23, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

7. Failed to prevent unauthorized emissions. Specifically, the Respondent released 141.40 lbs of CO, 207.61 lbs of NO_x, 14.88 lbs of PM, 8,621.34 lbs of SO₂, 0.09 lb of VOC, and 13.25 lbs of H₂S from the SRU/TGI No. 3 Vent, EPN EG-18-1403, during an emissions event (Incident No. 335207) that began on May 7, 2020 and lasted 45 hours. The emissions event occurred when the burner shaft installed during a previous turnaround was shorter than the specified drawings and the Reduction Gas Generator inlet nozzle was not beveled that caused poor stoichiometric combustion, soot formation, and the Tail Gas Unit No. 1 to shut down, 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 practices, the

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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. 39142 and PSDTX822M2, SC No. 1, FOP No. O1253, GTC and STC No. 23, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

The Respondent implemented the following corrective measures:

- a. By March 5, 2021, updated the Utilities Freeze Preparation Procedure by adding all boiler pressure instrumentation in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 276584; and
- b. By August 26, 2021, submitted the PCC for the January 1, 2020 through June 30, 2020 certification period.

Technical Requirements:

The Order will require the Respondent to:

- a. Within 30 days:
 - i. Implement measures and/or procedures designed to comply with the NOx annual MAER for the Residual Vacuum Distillation Unit Heater, EPN EH-29;
 - ii. Implement measures and/or procedures designed to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 330243;
 - iii. Implement measures and/or procedures designed to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 362043;
 - iv. Implement measures and/or procedures designed to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 321977; and
 - v. Implement measures and/or procedures designed to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 335207.
- b. Within 45 days, submit written certification to demonstrate compliance with a.

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Contact Information

TCEQ Attorney: N/A

TCEQ Enforcement Coordinator: Mackenzie Mehlmann, Enforcement Division, Enforcement Team 2, MC 219, (512) 239-2572; Michael Parrish, Enforcement Division, MC 219, (512) 239-2548

Respondent: Logan Jacob, Environmental Engineer, Valero Refining-Texas, L.P., P.O. Box 3429, Texas City, Texas 77592-3429

Leslie G. Rucker, Director of Health, Safety, and Environment, Valero Refining-Texas, L.P., P.O. Box 3429, Texas City, Texas 77592-3429

Respondent's Attorney: N/A



Penalty Calculation Worksheet (PCW)

Policy Revision 4 (April 2014)

PCW Revision March 26, 2014

DATES	Assigned	2-Mar-2021			
	PCW	6-Dec-2022	Screening	4-Mar-2021	EPA Due 23-Feb-2022

RESPONDENT/FACILITY INFORMATION					
Respondent	Valero Refining-Texas, L.P.				
Reg. Ent. Ref. No.	RN100238385				
Facility/Site Region	12-Houston	Major/Minor Source	Major		

CASE INFORMATION					
Enf./Case ID No.	60527	No. of Violations	3		
Docket No.	2021-0429-AIR-E	Order Type	1660		
Media Program(s)	Air	Government/Non-Profit	No		
Multi-Media		Enf. Coordinator	Mackenzie Mehlmann		
		EC's Team	Enforcement Team 2		
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	80.0%	Adjustment	Subtotals 2, 3, & 7	\$9,000
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Notes: Enhancement for one NOV with same/similar violations, three orders containing a denial of liability, and one order without a denial of liability. Reduction for eight notices of intent to conduct an audit and one disclosure 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	-\$1,312
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Economic Benefit	0.0%	Enhancement*	Subtotal 6	\$0
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Total EB Amounts	\$2,249
Estimated Cost of Compliance	\$11,750

*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7	Final Subtotal	\$18,938
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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	\$18,938
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$18,938
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DEFERRAL	20.0%	Reduction	Adjustment	-\$3,787
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Reduces the Final Assessed Penalty by the indicated percentage.

Notes

Deferral offered for expedited settlement.

PAYABLE PENALTY	\$15,151
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Screening Date 4-Mar-2021

Docket No. 2021-0429-AIR-E

PCW

Respondent Valero Refining-Texas, L.P.

Policy Revision 4 (April 2014)

Case ID No. 60527

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN100238385

Media Air

Enf. Coordinator Mackenzie Mehlmann

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>)	3	60%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	1	25%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<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>)	8	-8%
	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>)	1	-2%
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) 80%

>> 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, three orders containing a denial of liability, and one order without a denial of liability. Reduction for eight notices of intent to conduct an audit and one disclosure of violations.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 80%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 80%

Screening Date 4-Mar-2021 **Docket No.** 2021-0429-AIR-E **PCW**
Respondent Valero Refining-Texas, L.P. *Policy Revision 4 (April 2014)*
Case ID No. 60527 *PCW Revision March 26, 2014*
Reg. Ent. Reference No. RN100238385
Media Air
Enf. Coordinator Mackenzie Mehlmann

Violation Number 1

Rule Cite(s)

30 Tex. Admin. Code §§ 101.20(3), 116.115(c), 116.615(2), and 122.143(4), New Source Review ("NSR") Permit Nos. 39142 and PSDTX822M2, Special Conditions ("SC") No. 1, Standard Permit Registration No. 91499, General Requirements No. (4)(D)(v), Federal Operating Permit ("FOP") No. O1253, General Terms and Conditions ("GTC") and Special Terms and Conditions ("STC") No. 23, and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to prevent unauthorized emissions. Specifically, the Respondent released 1,418.84 pounds ("lbs") of carbon monoxide ("CO"), 306.67 lbs of nitrogen oxides ("NOx"), 91.94 lbs of particulate matter ("PM"), 1,778.74 lbs of sulfur dioxide ("SO2"), 781.80 lbs of volatile organic compounds ("VOC"), and 14.41 lbs of hydrogen sulfide ("H2S") from multiple Emissions Point Numbers ("EPNs", as shown in the attached Emissions Event Table), during an emissions event (Incident No. 276584) that began on January 16, 2018 and lasted 42 hours. The emissions event occurred when the primary boiler feed water pressure indicator suddenly malfunctioned during a freeze event that caused the steam producing boilers to trip offline, resulting in the routing of emissions to the control devices and in flaring. 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 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 2 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 10.0% Reduction \$375

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

Notes The Respondent completed the corrective measures by March 5, 2021, after the Notice of Enforcement ("NOE") dated February 26, 2021.

Violation Subtotal \$3,375

Economic Benefit (EB) for this violation **Statutory Limit Test**

Estimated EB Amount \$235 **Violation Final Penalty Total** \$6,375

This violation Final Assessed Penalty (adjusted for limits) \$6,375

Economic Benefit Worksheet

Respondent Valero Refining-Texas, L.P.
Case ID No. 60527
Reg. Ent. Reference No. RN100238385
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)	\$1,500	16-Jan-2018	5-Mar-2021	3.13	\$235	n/a	\$235

Notes for DELAYED costs

Estimated cost to update the Utilities Freeze Preparation Procedure by adding all boiler pressure instrumentation in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 276584. The Date Required is the date the emissions event began and the 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 \$1,500

TOTAL \$235

Screening Date 4-Mar-2021
Respondent Valero Refining-Texas, L.P.
Case ID No. 60527
Reg. Ent. Reference No. RN100238385
Media Air
Enf. Coordinator Mackenzie Mehlmann

Docket No. 2021-0429-AIR-E

PCW

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

Violation Number

Rule Cite(s) 30 Tex. Admin. Code §§ 122.143(4) and 122.146(2), FOP No. 01253, GTC and STC No. 27, and Tex. Health & Safety Code § 382.085(b)

Violation Description
 Failed to submit a permit compliance certification ("PCC") within 30 days of any certification period. Specifically, the PCC for the January 1, 2020 through June 30, 2020 certification period was due by July 30, 2020, but was not submitted until August 26, 2021.

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
100% 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 checked="" 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 checked="" type="text" value="x"/>	<input type="text"/>
N/A	<input type="text"/>	<input type="text"/>

Notes: The Respondent completed the corrective measures on August 26, 2021, prior to the NOE dated August 27, 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. 60527
Reg. Ent. Reference No. RN100238385
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	30-Jul-2020	26-Aug-2021	1.07	\$13	n/a	\$13

Notes for DELAYED costs

Estimated cost to submit the PCC for the January 1, 2020 through June 30, 2020 certification period. The Date Required is the date the PCC was due and the 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

\$13

Screening Date 4-Mar-2021
Respondent Valero Refining-Texas, L.P.
Case ID No. 60527
Reg. Ent. Reference No. RN100238385
Media Air
Enf. Coordinator Mackenzie Mehlmann

Docket No. 2021-0429-AIR-E

PCW

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

Violation Number 3

Rule Cite(s) 30 Tex. Admin. Code §§ 101.20(3), 116.115(b)(2)(F) and (c), and 122.143(4), NSR Permit Nos. 39142 and PSDTX822M2, SC No. 1, FOP No. O1253, GTC and STC No. 23, and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to comply with the maximum allowable emissions rate ("MAER"). Specifically, the Respondent exceeded the NOx MAER of 39.90 tons per year based on a 12-month rolling period for the 12-month periods ending from July 2019 through August 2019 for the Residual Vacuum Distillation Unit Heater, EPN EH-29, resulting in 0.27 ton of unauthorized NOx.

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 62 Number of violation days

daily	
weekly	
monthly	
quarterly	x
semiannual	
annual	
single event	

Violation Base Penalty \$3,750

One quarterly event is recommended for the period of non-compliance from July 1, 2019 through August 31, 2019.

Good Faith Efforts to Comply

0.0%

Reduction \$0

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

Extraordinary		
Ordinary		
N/A	x	

Notes The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$3,750

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$2,001

Violation Final Penalty Total \$6,750

This violation Final Assessed Penalty (adjusted for limits) \$6,750

Economic Benefit Worksheet

Respondent Valero Refining-Texas, L.P.
Case ID No. 60527
Reg. Ent. Reference No. RN100238385
Media Air
Violation No. 3

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	1-Jul-2019	1-Jul-2023	4.00	\$2,001	n/a	\$2,001

Notes for DELAYED costs

Estimated cost to implement measures and/or procedures designed to comply with the NOx annual MAER for the Residual Vacuum Distillation Unit Heater, EPN EH-29. The Date Required is the initial date of non-compliance and the Final Date is the estimated 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

\$2,001

Valero Refining-Texas, L.P.

Docket No. 2020-0429-AIR-E; Case No. 60527

Emissions Event Table (Incident No. 276584)							
Emissions Point Name	EPN	Pollutants					
		CO (lbs)	NOx (lbs)	PM (lbs)	SO2 (lbs)	VOC (lbs)	H2S (lbs)
Alkylation Heater No. 28	EH-28	0.20	16.75	4.75	29.75	3.42	0.00
Boiler No. 18	EB-18	290.30	9.66	1.72	2.60	0.55	0.00
Boiler No. 26	EB-26	123.93	3.13	3.60	19.55	0.05	0.00
Boiler No. 27	EB-27	1.30	8.60	14.10	89.40	0.02	0.00
Boiler No. 32	EB-32	0.93	3.10	3.50	23.50	2.52	0.12
Boiler No. 33	EB-33	0.50	3.90	3.52	23.54	2.53	0.13
Boiler No. 34	EB-34	10.01	19.11	17.66	106.61	12.72	0.00
Crude No. 3 Heater Nos. 16/17	EH-16/17	0.22	44.20	5.21	35.13	0.01	0.00
Flare No. 1 through Flare No. 5 Subcaps	EFL-01, EFL-02, EFL-03, EFL-04, and EFL-05	885.40	123.00	23.00	1,295.00	759.00	14.00
Low Sulfur Gasoline Reboiler Heater	EH-60	4.82	10.10	1.05	27.03	0.64	0.15
Reformer No. 2 Heater Nos. 18-23	EH-REF2	64.40	8.70	0.60	0.10	0.14	0.00
Residual Vacuum Distillation Unit Heater	EH-29	0.40	50.20	2.83	17.53	0.04	0.00
Sulfur Recovery Unit/Tail Gas Incinerator No. 2 Vent	EG-2063	36.43	6.22	10.40	109.00	0.16	0.01
Totals		1,418.84	306.67	91.94	1,778.74	781.80	14.41



Penalty Calculation Worksheet (PCW)

Policy Revision 5 (January 28, 2021)

PCW Revision February 11, 2021

DATES	Assigned	2-Mar-2021			
	PCW	6-Dec-2022	Screening	4-Mar-2021	EPA Due

RESPONDENT/FACILITY INFORMATION					
Respondent	Valero Refining-Texas, L.P.				
Reg. Ent. Ref. No.	RN100238385				
Facility/Site Region	12-Houston	Major/Minor Source	Major		

CASE INFORMATION					
Enf./Case ID No.	60527	No. of Violations	4		
Docket No.	2021-0429-AIR-E	Order Type	1660		
Media Program(s)	Air	Government/Non-Profit	No		
Multi-Media		Enf. Coordinator	Mackenzie Mehlmann		
		EC's Team	Enforcement Team 2		
Admin. Penalty \$	Limit Minimum	\$0	Maximum	\$25,000	

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$35,000
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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	80.0%	Adjustment	Subtotals 2, 3, & 7	\$28,000
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Notes: Enhancement for one NOV with same/similar violations, three orders containing a denial of liability, and one order without a denial of liability. Reduction for eight notices of intent to conduct an audit and one disclosure 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	\$0
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Economic Benefit	0.0%	Enhancement*	Subtotal 6	\$0
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Total EB Amounts \$6,131
 Estimated Cost of Compliance \$40,000
 *Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7	Final Subtotal	\$63,000
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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	\$63,000
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$63,000
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DEFERRAL	20.0%	Reduction	Adjustment	-\$12,600
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Reduces the Final Assessed Penalty by the indicated percentage.

Notes: Deferral offered for expedited settlement.

PAYABLE PENALTY	\$50,400
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Screening Date 4-Mar-2021

Docket No. 2021-0429-AIR-E

PCW

Respondent Valero Refining-Texas, L.P.

Policy Revision 5 (January 28, 2021)

Case ID No. 60527

PCW Revision February 11, 2021

Reg. Ent. Reference No. RN100238385

Media Air

Enf. Coordinator Mackenzie Mehlmann

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>)	3	60%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	1	25%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<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>)	8	-8%
	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>)	1	-2%
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) 80%

>> 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, three orders containing a denial of liability, and one order without a denial of liability. Reduction for eight notices of intent to conduct an audit and one disclosure of violations.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 80%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 80%

Screening Date 4-Mar-2021
Respondent Valero Refining-Texas, L.P.
Case ID No. 60527
Reg. Ent. Reference No. RN100238385
Media Air
Enf. Coordinator Mackenzie Mehlmann

Docket No. 2021-0429-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 ("NSR") Permit Nos. 39142 and PSDTX822M2, Special Conditions ("SC") No. 1, Federal Operating Permit ("FOP") No. O1253, General Terms and Conditions ("GTC") and Special Terms and Conditions ("STC") No. 23, and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to prevent unauthorized emissions. Specifically, the Respondent released 10.07 pounds ("lbs") of carbon monoxide ("CO"), 961.86 lbs of nitrogen oxides ("NOx"), 68.74 lbs of particulate matter ("PM"), 20.39 lbs of sulfur dioxide ("SO2"), and 0.92 lb of volatile organic compounds ("VOC") as fugitive emissions, during an emissions event (Incident No. 330243) that began on February 13, 2020 and lasted 53 hours. The emissions event occurred due to plugging of the ammonia injection quill that caused the loss of ammonia flow, 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 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

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 3 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

0.0%

Reduction \$0

Before NOE/NOV NOE/NOV to EDRP/Settlement Offer

Extraordinary	
Ordinary	
N/A	x

Notes

The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$7,500

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$1,690

Violation Final Penalty Total \$13,500

This violation Final Assessed Penalty (adjusted for limits) \$13,500

Economic Benefit Worksheet

Respondent Valero Refining-Texas, L.P.
Case ID No. 60527
Reg. Ent. Reference No. RN100238385
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)	\$10,000	13-Feb-2020	1-Jul-2023	3.38	\$1,690	n/a	\$1,690

Notes for DELAYED costs

Estimated cost to implement measures and/or procedures designed to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 330243. The Date Required is the date the emissions event occurred and the Final Date is the estimated 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

\$1,690

Screening Date 4-Mar-2021
Respondent Valero Refining-Texas, L.P.
Case ID No. 60527
Reg. Ent. Reference No. RN100238385
Media Air
Enf. Coordinator Mackenzie Mehlmann

Docket No. 2021-0429-AIR-E

PCW

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

Violation Number

Rule Cite(s)

30 Tex. Admin. Code §§ 101.20(3), 116.115(c), and 122.143(4), NSR Permit Nos. 39142 and PSDTX822M2, SC No. 1, FOP No. O1253, GTC and STC No. 23, and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to prevent unauthorized emissions. Specifically, the Respondent released 28.40 lbs of CO, 28.27 lbs of NOx, 3.03 lbs of PM, 2,131.95 lbs of SO2, 97.02 lbs of VOC, and 7.70 lbs of H2S from the Sulfur Recovery Unit/Tail Gas Incinerator ("SRU/TGI") No. 3 Vent, EPN EG-18-1403, and released 9.32 lbs of CO, 6.51 lbs of NOx, 1.00 lb of PM, 206.59 lbs of SO2, 0.52 lb of VOC, and 0.07 lb of H2S from the SRU/TGI No. 2 Vent, EPN EG-2063, during an emissions event (Incident No. 362043) that occurred on July 9, 2021 and lasted seven hours and 27 minutes. The emissions event occurred due to the motor failure that caused the Combustion Air Blower C-17-1801 trip offline and the SRU Train #1 to trip on low combustion air pressure, 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 practices, the Respondent is precluded from asserting an affirmative defense under 30 Tex. Admin. Code § 101.222.

Base Penalty

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual	<input type="text"/>	<input type="text"/>	<input checked="" type="text" value="x"/>
Potential	<input type="text"/>	<input type="text"/>	<input type="text"/>

Percent

>> Programmatic Matrix

Falsification	Major	Moderate	Minor
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Percent

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

Violation Events

Number of Violation Events Number of violation days

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

Violation Base Penalty

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"/>	<input type="text"/>
N/A	<input checked="" type="text" value="x"/>	<input type="text"/>

Notes

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. 60527
Reg. Ent. Reference No. RN100238385
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
------------------	-----------	---------------	------------	-----	----------------	-------------	-----------

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	9-Jul-2021	1-Jul-2023	1.98	\$989	n/a	\$989

Notes for DELAYED costs

Estimated cost to implement measures and/or procedures designed to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 362043. The Date Required is the date the emissions event occurred and the Final Date is the estimated 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

\$989

Screening Date 4-Mar-2021
Respondent Valero Refining-Texas, L.P.
Case ID No. 60527
Reg. Ent. Reference No. RN100238385
Media Air
Enf. Coordinator Mackenzie Mehlmann

Docket No. 2021-0429-AIR-E

PCW

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

Violation Number 3

Rule Cite(s) 30 Tex. Admin. Code §§ 101.20(3), 116.115(c) and 122.143(4), NSR Permit Nos. 39142 and PSDTX822M2, SC No. 1, FOP No. O1253, GTC and STC No. 23, and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to prevent unauthorized emissions. Specifically, the Respondent released 3,201.92 lbs of CO, 195.31 lbs of H2S, 398.98 lbs of NOx, 488.90 lbs of PM, 18,014.16 lbs of SO2, and 1,161.62 lb of VOC as fugitive emissions, during an emissions event (Incident No. 321977) that began on September 30, 2019 and lasted 128 hours and 21 minutes. The emissions event occurred due to failed check valves that were stuck in the open position and caused internal seal failure and the loss of the Coker Unit Wet Gas Compressor C-151, 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 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		50.0%
	Potential				

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor	Percent
					0.0%

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

Adjustment \$12,500

\$12,500

Violation Events

Number of Violation Events 1 6 Number of violation days

daily	
weekly	x
monthly	
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty \$12,500

One weekly event is recommended.

Good Faith Efforts to Comply

0.0%

Reduction \$0

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

Notes The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$12,500

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$1,877

Violation Final Penalty Total \$22,500

This violation Final Assessed Penalty (adjusted for limits) \$22,500

Economic Benefit Worksheet

Respondent Valero Refining-Texas, L.P.
Case ID No. 60527
Reg. Ent. Reference No. RN100238385
Media Air
Violation No. 3

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)	\$10,000	30-Sep-2019	1-Jul-2023	3.75	\$1,877	n/a	\$1,877

Notes for DELAYED costs

Estimated cost to implement measures and/or procedures designed to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 321977. The Date Required is the date the emissions event began and the Final Date is the estimated 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

\$1,877

Screening Date 4-Mar-2021

Docket No. 2021-0429-AIR-E

PCW

Respondent Valero Refining-Texas, L.P.

Policy Revision 5 (January 28, 2021)

Case ID No. 60527

PCW Revision February 11, 2021

Reg. Ent. Reference No. RN100238385

Media Air

Enf. Coordinator Mackenzie Mehlmann

Violation Number 4

Rule Cite(s) 30 Tex. Admin. Code §§ 101.20(3), 116.115(c), and 122.143(4), NSR Permit Nos. 39142 and PSDTX822M2, SC No. 1, FOP No. O1253, GTC and STC No. 23, and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to prevent unauthorized emissions. Specifically, the Respondent released 141.40 lbs of CO, 207.61 lbs of NOx, 14.88 lbs of PM, 8,621.34 lbs of SO2, 0.09 lb of VOC, and 13.25 lbs of H2S from the SRU/TGI No. 3 Vent, EPN EG-18-1403, during an emissions event (Incident No. 335207) that began on May 7, 2020 and lasted 45 hours. The emissions event occurred when the burner shaft installed during a previous turnaround was shorter than the specified drawings and the Reduction Gas Generator inlet nozzle was not beveled that caused poor stoichiometric combustion, soot formation, and the Tail Gas Unit No. 1 to shut down, 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 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 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 2 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

0.0%

Reduction \$0

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

Extraordinary		
Ordinary		
N/A	x	

Notes The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$7,500

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$1,575

Violation Final Penalty Total \$13,500

This violation Final Assessed Penalty (adjusted for limits) \$13,500

Economic Benefit Worksheet

Respondent Valero Refining-Texas, L.P.
Case ID No. 60527
Reg. Ent. Reference No. RN100238385
Media Air
Violation No. 4

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	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)	\$10,000	7-May-2020	1-Jul-2023	3.15	\$1,575	n/a	\$1,575

Notes for DELAYED costs

Estimated cost to implement measures and/or procedures designed to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 335207. The Date Required is the date the emissions event began and the Final Date is the estimated 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

\$1,575

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, RN100238385, Rating Year 2022 which includes Compliance History (CH) components from September 1, 2017, through August 31, 2022.

Customer, Respondent, or Owner/Operator: CN600127468, Valero Refining-Texas, L.P. **Classification:** SATISFACTORY **Rating:** 3.32

Regulated Entity: RN100238385, Valero Refining Texas City Refinery **Classification:** SATISFACTORY **Rating:** 3.02

Complexity Points: 33 **Repeat Violator:** NO

CH Group: 02 - Oil and Petroleum Refineries

Location: 1301 LOOP 197 South, Texas City, Galveston County, Texas 77590

TCEQ Region: REGION 12 - HOUSTON

ID Number(s):

AIR OPERATING PERMITS ACCOUNT NUMBER GB0073P
AIR OPERATING PERMITS PERMIT 2599
AIR OPERATING PERMITS PERMIT 4402
AIR NEW SOURCE PERMITS REGISTRATION 48330
AIR NEW SOURCE PERMITS REGISTRATION 962
AIR NEW SOURCE PERMITS REGISTRATION 53530
AIR NEW SOURCE PERMITS REGISTRATION 75542
AIR NEW SOURCE PERMITS AFS NUM 4816700007
AIR NEW SOURCE PERMITS REGISTRATION 71076
AIR NEW SOURCE PERMITS REGISTRATION 73799
AIR NEW SOURCE PERMITS REGISTRATION 76967
AIR NEW SOURCE PERMITS REGISTRATION 79881
AIR NEW SOURCE PERMITS REGISTRATION 80581
AIR NEW SOURCE PERMITS REGISTRATION 81523
AIR NEW SOURCE PERMITS REGISTRATION 81695
AIR NEW SOURCE PERMITS REGISTRATION 84575
AIR NEW SOURCE PERMITS REGISTRATION 84258
AIR NEW SOURCE PERMITS REGISTRATION 101760
AIR NEW SOURCE PERMITS REGISTRATION 106505
AIR NEW SOURCE PERMITS REGISTRATION 117696
AIR NEW SOURCE PERMITS REGISTRATION 118762
AIR NEW SOURCE PERMITS REGISTRATION 109678
AIR NEW SOURCE PERMITS REGISTRATION 118913
AIR NEW SOURCE PERMITS REGISTRATION 151061
AIR NEW SOURCE PERMITS PERMIT 38603
AIR NEW SOURCE PERMITS REGISTRATION 168249
AIR NEW SOURCE PERMITS REGISTRATION 148093
AIR NEW SOURCE PERMITS REGISTRATION 159459
AIR NEW SOURCE PERMITS REGISTRATION 157608
STORMWATER PERMIT TXR05FK26
WASTEWATER EPA ID TX0006009
POLLUTION PREVENTION PLANNING ID NUMBER P00523
INDUSTRIAL AND HAZARDOUS WASTE EPA ID TXD000792937

AIR OPERATING PERMITS PERMIT 1253
AIR OPERATING PERMITS PERMIT 4402
AIR NEW SOURCE PERMITS PERMIT 39142
AIR NEW SOURCE PERMITS ACCOUNT NUMBER GB0073P
AIR NEW SOURCE PERMITS REGISTRATION 8352
AIR NEW SOURCE PERMITS EPA PERMIT PSDTX822
AIR NEW SOURCE PERMITS REGISTRATION 75695
AIR NEW SOURCE PERMITS EPA PERMIT PSDTX822M2
AIR NEW SOURCE PERMITS REGISTRATION 72517
AIR NEW SOURCE PERMITS REGISTRATION 76530
AIR NEW SOURCE PERMITS REGISTRATION 79850
AIR NEW SOURCE PERMITS REGISTRATION 80059
AIR NEW SOURCE PERMITS REGISTRATION 81005
AIR NEW SOURCE PERMITS REGISTRATION 81621
AIR NEW SOURCE PERMITS REGISTRATION 82462
AIR NEW SOURCE PERMITS REGISTRATION 82434
AIR NEW SOURCE PERMITS REGISTRATION 91499
AIR NEW SOURCE PERMITS REGISTRATION 112407
AIR NEW SOURCE PERMITS REGISTRATION 110343
AIR NEW SOURCE PERMITS REGISTRATION 112404
AIR NEW SOURCE PERMITS EPA PERMIT PSDTX773
AIR NEW SOURCE PERMITS REGISTRATION 118788
AIR NEW SOURCE PERMITS PERMIT AMOC45
AIR NEW SOURCE PERMITS REGISTRATION 161967
AIR NEW SOURCE PERMITS REGISTRATION 164241
AIR NEW SOURCE PERMITS REGISTRATION 163574
AIR NEW SOURCE PERMITS REGISTRATION 160137
AIR NEW SOURCE PERMITS REGISTRATION 155795
AIR NEW SOURCE PERMITS REGISTRATION 169183
WASTEWATER PERMIT WQ0000449000
AIR EMISSIONS INVENTORY ACCOUNT NUMBER GB0073P
INDUSTRIAL AND HAZARDOUS WASTE SOLID WASTE REGISTRATION # (SWR) 30011

Compliance History Period: September 01, 2017 to August 31, 2022 **Rating Year:** 2022 **Rating Date:** 09/01/2022

Date Compliance History Report Prepared: November 21, 2022

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: November 21, 2017 to November 21, 2022

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

Name: Mackenzie Mehlmann

Phone: (512) 239-2572

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: 07/06/2020 ADMINORDER 2019-1261-AIR-E (Findings Order-Agreed Order Without Denial)
 Classification: Major
 Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
 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)
 Rqmt Prov: FOP No. O1253 OP
 Special Condition 1 PERMIT
 Description: Failure to prevent unauthorized emissions during an emissions event. [EIC Category A12(i)(9)].

2 Effective Date: 10/05/2021 ADMINORDER 2021-0007-AIR-E (1660 Order-Agreed Order With Denial)
 Classification: Moderate
 Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
 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)
 Rqmt Prov: GTC and STC No. 23 OP
 NSR Nos. 39142 and PSDTX822M2, SC No. 1 PERMIT
 Special Condition 1 PERMIT
 Description: Failed to prevent unauthorized emissions. Specifically, the Respondent released 1,167.05 pounds ("lbs") of volatile organic compounds and 37.37 lbs of hydrogen sulfide as fugitive emissions during an emissions event (Incident No. 331594) that began on March 5, 2020 and lasted 74 hours.

See addendum for information regarding federal actions.

B. Criminal convictions:

N/A

C. Chronic excessive emissions events:

N/A

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

Item 1	December 06, 2017	(1449854)
Item 2	December 08, 2017	(1467823)
Item 3	January 12, 2018	(1474528)
Item 4	February 06, 2018	(1486754)
Item 5	March 09, 2018	(1465286)
Item 6	March 22, 2018	(1437610)
Item 7	March 28, 2018	(1461174)
Item 8	April 10, 2018	(1493668)
Item 9	May 09, 2018	(1500586)
Item 10	May 16, 2018	(1467256)
Item 11	May 29, 2018	(1484214)
Item 12	June 14, 2018	(1507703)
Item 13	July 16, 2018	(1514020)
Item 14	July 23, 2018	(1504010)
Item 15	July 25, 2018	(1504995)
Item 16	July 27, 2018	(1505277)
Item 17	July 30, 2018	(1505366)
Item 18	July 31, 2018	(1505220)

Item 19	August 08, 2018	(1500138)
Item 20	August 09, 2018	(1520082)
Item 21	September 13, 2018	(1527247)
Item 22	October 03, 2018	(1505525)
Item 23	October 15, 2018	(1533605)
Item 24	October 29, 2018	(1524835)
Item 25	October 30, 2018	(1524892)
Item 26	October 31, 2018	(1525370)
Item 27	November 02, 2018	(1525586)
Item 28	November 08, 2018	(1541440)
Item 29	November 28, 2018	(1506907)
Item 30	December 11, 2018	(1545224)
Item 31	January 10, 2019	(1559647)
Item 32	February 08, 2019	(1559645)
Item 33	February 11, 2019	(1505448)
Item 34	March 14, 2019	(1559646)
Item 35	April 05, 2019	(1571821)
Item 36	April 15, 2019	(1551567)
Item 37	May 08, 2019	(1583251)
Item 38	May 14, 2019	(1555153)
Item 39	June 05, 2019	(1555675)
Item 40	June 14, 2019	(1583252)
Item 41	June 26, 2019	(1569788)
Item 42	July 10, 2019	(1593134)
Item 43	July 11, 2019	(1569685)
Item 44	July 16, 2019	(1527079)
Item 45	July 17, 2019	(1570067)
Item 46	August 09, 2019	(1599480)
Item 47	August 28, 2019	(1555269)
Item 48	September 12, 2019	(1579659)
Item 49	September 13, 2019	(1606385)
Item 50	October 11, 2019	(1613231)
Item 51	October 24, 2019	(1526634)
Item 52	November 14, 2019	(1576155)
Item 53	November 18, 2019	(1619045)
Item 54	December 16, 2019	(1626397)
Item 55	January 10, 2020	(1603437)
Item 56	January 13, 2020	(1634038)
Item 57	February 11, 2020	(1640657)
Item 58	February 21, 2020	(1611048)
Item 59	March 13, 2020	(1647177)
Item 60	April 16, 2020	(1653513)
Item 61	May 14, 2020	(1646419)
Item 62	May 15, 2020	(1660100)
Item 63	May 22, 2020	(1637981)
Item 64	June 18, 2020	(1666604)
Item 65	June 23, 2020	(1644631)
Item 66	July 14, 2020	(1673561)
Item 67	August 17, 2020	(1680336)
Item 68	August 18, 2020	(1666023)
Item 69	September 11, 2020	(1686905)
Item 70	September 18, 2020	(1671189)
Item 71	September 29, 2020	(1611671)
Item 72	October 12, 2020	(1693252)
Item 73	October 21, 2020	(1683976)
Item 74	October 22, 2020	(1666361)
Item 75	November 17, 2020	(1712446)
Item 76	November 25, 2020	(1453912)
Item 77	November 30, 2020	(1665662)
Item 78	December 14, 2020	(1684796)

Item 79	December 16, 2020	(1712447)
Item 80	January 12, 2021	(1712448)
Item 81	January 19, 2021	(1693083)
Item 82	February 03, 2021	(1696636)
Item 83	February 19, 2021	(1725501)
Item 84	February 25, 2021	(1699474)
Item 85	March 12, 2021	(1725502)
Item 86	March 25, 2021	(1692551)
Item 87	March 26, 2021	(1701393)
Item 88	March 31, 2021	(1692554)
Item 89	April 15, 2021	(1725503)
Item 90	May 10, 2021	(1740056)
Item 91	June 14, 2021	(1710699)
Item 92	June 15, 2021	(1740057)
Item 93	July 16, 2021	(1751701)
Item 94	August 09, 2021	(1686038)
Item 95	August 27, 2021	(1738572)
Item 96	September 16, 2021	(1747482)
Item 97	October 12, 2021	(1776708)
Item 98	November 15, 2021	(1783617)
Item 99	December 20, 2021	(1771887)
Item 100	January 18, 2022	(1798437)
Item 101	February 11, 2022	(1806311)
Item 102	March 04, 2022	(1788043)
Item 103	March 17, 2022	(1813378)
Item 104	April 19, 2022	(1819949)
Item 105	May 18, 2022	(1828788)
Item 106	June 16, 2022	(1835080)
Item 107	June 23, 2022	(1708060)
Item 108	July 07, 2022	(1812831)
Item 109	July 15, 2022	(1842285)
Item 110	August 17, 2022	(1848418)
Item 111	August 22, 2022	(1812749)
Item 112	September 16, 2022	(1856216)
Item 113	September 26, 2022	(1834735)
Item 114	November 15, 2022	(1854139)

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.

- Date: 08/16/2022 (1805288)

Self Report? NO Classification: Moderate

Citation: 1253 OP
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
39142 PERMIT
40 CFR Chapter 60, SubChapter C, PT 60, SubPT Ja 60.102a(g)(1)(ii)
5C THSC Chapter 382 382.085(b)

Description: Failure to prevent an exceedance of the hydrogen sulfide (H2S) concentration limit for the Plant Fuel Gas (Category B12)

Self Report? NO Classification: Minor

Citation: 1253 OP
30 TAC Chapter 115, SubChapter D 115.352(4)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
39142 PERMIT
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.167(a)(1)
5C THSC Chapter 382 382.085(b)
Special Term & Condition 23 OP

Description: Failure to prevent an Open Ended Line (OEL) in Complex III (Unit F-40) (Category C10)

Self Report? NO Classification: Minor

Citation: 1253 OP
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)
 Description: Failure to maintain the minimum net heating value of Flare No. 5 (EFL-5) (Category C4)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.7(a)(1)
 5C THSC Chapter 382 382.085(b)
 Special Term & Condition 8 OP
 Description: Failure to submit a notification of the start of construction of T-676 within 30 days. (Category B3)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.7(a)(3)
 5C THSC Chapter 382 382.085(b)
 Special Term & Condition 8 OP
 Description: Failure to submit a notification of the initial startup of T-676 within 15 days. (Category B3)
 Self Report? NO Classification: Moderate
 Citation: 1253 OP
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 39142 PERMIT
 5C THSC Chapter 382 382.085(b)
 Description: Failure to maintain the minimum firebox exit temperature in the incinerator (EG-2063) (Category B17)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 115, SubChapter B 115.122(a)(1)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 Special Term & Condition 1A OP
 Description: Failure to control emissions from the Wastewater Treatment Plant (EG-2063) (Category B17)
 Self Report? NO Classification: Minor
 Citation: 1253 OP
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 39142 PERMIT
 5C THSC Chapter 382 382.085(b)
 Description: Failure to prevent an exceedance of the maximum hourly fill rate of Fixed Roof Tank T-583 (Category C4)

F. Environmental audits:

Notice of Intent Date: 09/26/2018 (1523535)
 No DOV Associated

Notice of Intent Date: 07/22/2021 (1749454)
 No DOV Associated

Notice of Intent Date: 08/17/2021 (1760566)
 Disclosure Date: 01/28/2022
 Viol. Classification: Minor
 Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)
 Rqmt Prov: PERMIT SC 1
 OP SC 25

Description: Failure to prevent open ended lines.
 Viol. Classification: Minor
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 Rqmt Prov: PERMIT SC 1
 OP SC 25

Description: Failure to perform initial monitoring of a valve.
 Viol. Classification: Moderate
 Citation: 30 TAC Chapter 122, SubChapter B 122.145(2)(A)
 Rqmt Prov: PERMIT SC 1
 OP SC 25

Description: Failure to comply with the SO2 mass emission limits for EB-18, H-16/17, EH-29, EH-1480, EH-57, EH-58, and EH-60.

Viol. Classification: Moderate
Citation: 30 TAC Chapter 122, SubChapter B 122.145(2)(A)

Description: Failure to disclose exceedance of the SO2 mass emission limit in deviation reports.

Notice of Intent Date: 06/06/2022 (1832859)
No DOV Associated

Notice of Intent Date: 06/15/2022 (1832834)
No DOV Associated

Notice of Intent Date: 07/11/2022 (1833157)
No DOV Associated

Notice of Intent Date: 07/20/2022 (1840017)
No DOV Associated

Notice of Intent Date: 09/09/2022 (1847088)
No DOV Associated

G. Type of environmental management systems (EMSs):
N/A

H. Voluntary on-site compliance assessment dates:
N/A

I. Participation in a voluntary pollution reduction program:
N/A

J. Early compliance:
N/A

Sites Outside of Texas:
N/A

Addendum to Compliance History Federal Enforcement Actions

Reg Entity Name: VALERO REFINING TEXAS CITY REFINER

Reg Entity Add: 1301 LOOP 197 S

Reg Entity City: TEXAS CITY

Reg Entity No: RN100238385

EPA Case No: 06-2018-3326

Order Issue Date (yyyymmdd): 20180927

Case Result: Final Order No Penalty

Statute: CAA **Sect of Statute:** 112[R][1]

Classification: Minor

Program: Risk Management Progra **Citation:**

Violation Type:

Cite Sect: **Cite Part:**

Enforcement Action: Administrative Compliance Orders

EPA Case No: 06-2019-3352

Order Issue Date (yyyymmdd): 20191015

Case Result: Final Order No Penalty

Statute: CAA **Sect of Statute:** 112[R][7]

Classification: Minor

Program: Risk Management Progra **Citation:** 40 CFR

Violation Type: Work Practice Standards

Cite Sect: **Cite Part:** 68

Enforcement Action: Administrative Compliance Orders

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
VALERO REFINING-TEXAS, L.P.
RN100238385

§ BEFORE THE
§ TEXAS COMMISSION ON
§ ENVIRONMENTAL QUALITY
§

AGREED ORDER DOCKET NO. 2021-0429-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 1301 Loop 197 South in Texas City, Galveston 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 \$81,938 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent paid \$65,551 of the penalty and \$16,387 is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Order. The deferred amount shall be waived only upon full compliance with all the terms and conditions contained in this Order. If the Respondent fails to timely and satisfactorily comply with any of the terms or requirements contained in this Order, the Executive Director may demand payment of all or part of the deferred penalty amount.
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. By March 5, 2021, updated the Utilities Freeze Preparation Procedure by adding all boiler pressure instrumentation in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 276584; and
 - b. By August 26, 2021, submitted the permit compliance certification ("PCC") for the January 1, 2020 through June 30, 2020 certification period.

II. ALLEGATIONS

1. During a record review for the Plant conducted from September 18, 2020 through October 6, 2020, an investigator documented that the Respondent failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(c), 116.615(2), and 122.143(4), New Source Review ("NSR") Permit Nos. 39142 and PSDTX822M2, Special Conditions ("SC") No. 1, Standard Permit Registration No. 91499, General Requirements No. (4)(D)(v), Federal Operating Permit ("FOP") No. O1253, General Terms and Conditions ("GTC") and Special Terms and Conditions ("STC") No. 23, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent released 1,418.84 pounds ("lbs") of carbon monoxide ("CO"), 306.67 lbs of nitrogen oxides ("NOx"), 91.94 lbs of particulate matter ("PM"), 1,778.74 lbs of sulfur dioxide ("SO₂"), 781.80 lbs of volatile organic compounds ("VOC"), and 14.41 lbs of hydrogen sulfide ("H₂S") from multiple Emissions Point Numbers ("EPNs", as shown in the Emissions Event Table below), during an emissions event (Incident No. 276584) that began on January 16, 2018 and lasted 42 hours. The emissions event occurred when the primary boiler feed water pressure indicator suddenly malfunctioned during a freeze event that caused the steam producing boilers to trip offline, resulting in the routing of emissions to the control devices and in flaring. 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 practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.

Emissions Event Table (Incident No. 276584)							
Emissions Point Name	EPN	Pollutants					
		CO (lbs)	NOx (lbs)	PM (lbs)	SO2 (lbs)	VOC (lbs)	H2S (lbs)
Alkylation Heater No. 28	EH-28	0.20	16.75	4.75	29.75	3.42	0.00
Boiler No. 18	EB-18	290.30	9.66	1.72	2.60	0.55	0.00
Boiler No. 26	EB-26	123.93	3.13	3.60	19.55	0.05	0.00
Boiler No. 27	EB-27	1.30	8.60	14.10	89.40	0.02	0.00
Boiler No. 32	EB-32	0.93	3.10	3.50	23.50	2.52	0.12
Boiler No. 33	EB-33	0.50	3.90	3.52	23.54	2.53	0.13
Boiler No. 34	EB-34	10.01	19.11	17.66	106.61	12.72	0.00
Crude No. 3 Heater Nos. 16/17	EH-16/17	0.22	44.20	5.21	35.13	0.01	0.00
Flare No. 1 through Flare No. 5 Subcaps	EFL-01, EFL-02, EFL-03, EFL-04, and EFL-05	885.40	123.00	23.00	1,295.00	759.00	14.00
Low Sulfur Gasoline Reboiler Heater	EH-60	4.82	10.10	1.05	27.03	0.64	0.15
Reformer No. 2 Heater Nos. 18-23	EH-REF2	64.40	8.70	0.60	0.10	0.14	0.00
Residual Vacuum Distillation Unit Heater	EH-29	0.40	50.20	2.83	17.53	0.04	0.00
Sulfur Recovery Unit/Tail Gas Incinerator ("SRU/TGI") No. 2 Vent	EG-2063	36.43	6.22	10.40	109.00	0.16	0.01
Totals		1,418.84	306.67	91.94	1,778.74	781.80	14.41

2. During a record review for the Plant conducted from December 9, 2020 through August 25, 2021, an investigator documented that the Respondent:
 - a. Failed to submit a PCC within 30 days of any certification period, in violation of 30 TEX. ADMIN. CODE §§ 122.143(4) and 122.146(2), FOP No. O1253, GTC and STC No. 27, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the PCC for the January 1, 2020 through June 30, 2020 certification period was due by July 30, 2020, but was not submitted until August 26, 2021.
 - b. Failed to comply with the maximum allowable emissions rate ("MAER"), in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(b)(2)(F) and (c), and 122.143(4), NSR Permit Nos. 39142 and PSDTX822M2, SC No. 1, FOP No. O1253, GTC and STC No. 23, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent exceeded the NO_x MAER of 39.90 tons per year based on a 12-month rolling period for the 12-month periods ending from July 2019 through August 2019 for the Residual Vacuum Distillation Unit Heater, EPN EH-29, resulting in 0.27 ton of unauthorized NO_x.
3. During a record review for the Plant conducted from July 19, 2021 through July 27, 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. 39142 and PSDTX822M2, SC No. 1, FOP No. O1253, GTC and STC No. 23, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent released 10.07 lbs of CO, 961.86 lbs of NO_x, 68.74 lbs of PM, 20.39 lbs of SO₂, and 0.92 lb of VOC as fugitive emissions, during an emissions event (Incident No. 330243) that began on February 13, 2020 and lasted 53 hours. The emissions event occurred due to plugging of the ammonia injection quill that caused the loss of ammonia flow, 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 practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.
4. During a record review for the Plant conducted from July 23, 2021 through August 6, 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. 39142 and PSDTX822M2, SC No. 1, FOP No. O1253, GTC and STC No. 23, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent released 28.40 lbs of CO, 28.27 lbs of NO_x, 3.03 lbs of PM, 2,131.95 lbs of SO₂, 97.02 lbs of VOC, and 7.70 lbs of H₂S from the SRU/TGI No. 3 Vent, EPN EG-18-1403, and released 9.32 lbs of CO, 6.51 lbs of NO_x, 1 lb of PM, 206.59 lbs of SO₂, 0.52 lb of VOC, and 0.07 lb of H₂S from the SRU/TGI No. 2 Vent, EPN EG-2063, during an emissions event (Incident No. 362043) that occurred on July 9, 2021 and lasted seven hours and 27 minutes. The emissions event occurred due to the motor failure that caused the Combustion Air Blower C-17-1801 trip offline and the SRU Train #1 to trip on low combustion air pressure, 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 practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.

5. During a record review for the Plant conducted on October 14, 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. 39142 and PSDTX822M2, SC No. 1, FOP No. O1253, GTC and STC No. 23, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent released 3,201.92 lbs of CO, 195.31 lbs of H₂S, 398.98 lbs of NO_x, 488.90 lbs of PM, 18,014.16 lbs of SO₂, and 1,161.62 lb of VOC as fugitive emissions, during an emissions event (Incident No. 321977) that began on September 30, 2019 and lasted 128 hours and 21 minutes. The emissions event occurred due to failed check valves that were stuck in the open position and caused internal seal failure and the loss of the Coker Unit Wet Gas Compressor C-151, 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 practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.
6. During a record review for the Plant conducted on October 18, 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. 39142 and PSDTX822M2, SC No. 1, FOP No. O1253, GTC and STC No. 23, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent released 141.40 lbs of CO, 207.61 lbs of NO_x, 14.88 lbs of PM, 8,621.34 lbs of SO₂, 0.09 lb of VOC, and 13.25 lbs of H₂S from the SRU/TGI No. 3 Vent, EPN EG-18-1403, during an emissions event (Incident No. 335207) that began on May 7, 2020 and lasted 45 hours. The emissions event occurred when the burner shaft installed during a previous turnaround was shorter than the specified drawings and the Reduction Gas Generator inlet nozzle was not beveled that caused poor stoichiometric combustion, soot formation, and the Tail Gas Unit No. 1 to shut down, 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 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. 2021-0429-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 undertake the following technical requirements at the Plant:

- a. Within 30 days after the effective date of this Order:
 - i. Implement measures and/or procedures designed to comply with the NOx annual MAER for the Residual Vacuum Distillation Unit Heater, EPN EH-29;
 - ii. Implement measures and/or procedures designed to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 330243;
 - iii. Implement measures and/or procedures designed to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 362043;
 - iv. Implement measures and/or procedures designed to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 321977; and
 - v. Implement measures and/or procedures designed to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 335207.
- b. Within 45 days after the effective date of this Order, submit written certification, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 2.a. The certification shall be signed by the Respondent and shall include the following certification language:

"I certify under penalty of law that I have personally examined and am familiar with the information submitted and all attached documents, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing violations."

The certification shall be submitted to:

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

with a copy to:

Air Section Manager
Houston Regional Office
Texas Commission on Environmental Quality
5425 Polk Street, Suite H
Houston, Texas 77023-1452

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. Extension requests shall be sent to the Enforcement Division at the address listed above.
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



For the Executive Director

4/17/2023


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 OAG 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 OAG of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

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



Signature

1-17-23

Date

Leslie G. Rucker

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

Director - HSE

Title

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

Instructions: Send the original, signed Order with penalty payment to the Financial Administration Division, Revenue Operations Section at the address in Ordering Provision 1 of this Order.