



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 6
1445 ROSS AVENUE, SUITE 1200
DALLAS, TX 75202-2733

January 3, 2012

CERTIFIED MAIL - RETURN RECEIPT REQUESTED: 7010 2780 0002 4357 3612

Allen Dubea
Vice President and General Manager
Valero Refining Company
P.O. Box 188
Ardmore, OK 73402-0188

Re: *United States et al. v. Valero Refining Company et al.* – Civil Action No. SA-05-CA-0569
Acid Gas Flaring Incident of August 2, 2011 – Valero Refining Company – Ardmore
Refinery, Ardmore, Oklahoma

Dear Mr. Dubea:

The Environmental Protection Agency (EPA) received a report dated September 15, 2011, regarding the acid gas flaring incident that occurred on August 2, 2011, at the Valero Refining Company - Ardmore Refinery (Valero) located in Ardmore, Oklahoma. According to the report, the acid gas flaring lasted a total of 0.3 hours and resulted in a release of 1.0 ton of sulfur dioxide.

According to Valero's report, the root cause of the incident was unplanned shutdown of the #2 sulfur recovery unit (SRU) while technicians were performing instrumentation work. In the interest of preventing a recurrence of this incident, Valero has proposed the following corrective action:

- Perform checks on the programmable Logic Controller of #2 SRU twice a year.

Upon review of the information submitted by Valero, EPA makes the following determinations:

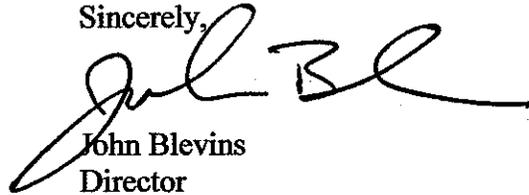
- The incident appears to be the result of an error resulting from careless operation by the personnel charged with the responsibility for the sulfur recovery plant.
- The preventive measure proposed by Valero is adequate given the nature of this incident.

Therefore, in accordance with Paragraph 250(a) of the Consent Decree, Valero is subject to a penalty of five hundred dollars, \$500 = [\$500/ton x (1.0) tons], with 50% (\$250) to be paid to the United States and 50% (\$250) to the State of Oklahoma in accordance with Paragraph 321.

To expedite the processing of the payment of assessed penalties, please clearly identify the incident date, Civil Action Number, and amount of the penalty both on the check, if paying by check, and in the letter accompanying payment by check or wire transfer. Please also send a copy of the letter accompanying the payment to braby.sharon@epa.gov.

If you have any questions about this response, please contact Emad Shahin of my staff at (214) 665-6717, or by email at shahin.emad@epa.gov.

Sincerely,



John Blevins
Director
Compliance Assurance and
Enforcement Division

cc : Bruce Gelber, Chief
Environmental Enforcement Section
U.S. Department of Justice

Tim Johnson
United States Attorney
Western District of Texas

Phillip Brooks, Director
Air Enforcement Division
Office of Civil Enforcement
U.S. Environmental Protection Agency

Eddie Terrill, Director
Air Quality Division
Oklahoma Department of Environmental Quality

Kirk Saffel, Vice President
Environmental & Safety Affairs
Valero Energy Corporation

Richard Walsh, Esquire
Valero Energy Corporation

Bart E. Cassidy, Esquire
Manko, Gold, Katcher, & Fox, LLP

cc (electronically): Sharon Braby, U.S. EPA, Region 6
Pam Elder-Schweers, U.S. EPA, Region 6
Teresa Dykes, U.S. EPA, HQ
Claire Sullivan, Matrix Engineering
Kim White, USEPA/Cincinnati Finance Center