



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

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

October 4, 2012

CERTIFIED MAIL – RETURN RECEIPT REQUESTED: 7010 1060 0002 1872 6636

Mr. W. S. Stewart, Environmental Coordinator
ExxonMobil Refining and Supply Company
P.O. Box 3311
Beaumont, TX 77704-3311

Re: Consent Decree - United States of America, State of Illinois, State of Louisiana,
and the State of Montana v. Exxon Mobil Corporation and ExxonMobil Oil
Corporation – Refinery Flaring Reports – Beaumont Refinery, Beaumont, Texas

Dear Mr. Stewart:

The Environmental Protection Agency (EPA) received reports regarding acid gas flaring incidents that occurred on March 13, 2012 and April 18, 2012, at the ExxonMobil Beaumont Refinery located in Beaumont, Texas. Enclosed is a consolidated response outlining EPA's determination on the flaring incidents, as well as a table summarizing the reported incidents and any stipulated penalties that have been assessed. The total stipulated penalty amount assessed for the incidents referenced in the enclosure is \$27,500 which should be paid in accordance with Paragraph 214 of the Consent Decree. To expedite the processing of the payment of stipulated penalties, please clearly identify the incident date 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 cannon.elizabeth@epa.gov.

If you have any questions regarding this matter, please contact Clint Rachal, of my staff, at (214) 665-6474.

Sincerely

A handwritten signature in black ink, appearing to read "John Blevins", written over the typed name.

John Blevins
Director
Compliance Assurance and
Enforcement Division

Enclosure

Re: Flaring Report Response
ExxonMobil – Beaumont Refinery

cc: Section Chief
Environmental Enforcement Section
Environment and Natural Resources Division
U.S. Department of Justice

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

Ramiro Garcia, Jr., Deputy Director
Office of Compliance and Enforcement
Texas Commission on Environmental Quality

Claire Sullivan
Matrix New World Engineering, Inc.

Jack Balagia
Assistant General Counsel, Litigation
Law Department
Exxon Mobil Corporation

Mike McWilliams
Downstream Environment and Global Compliance Manager
Exxon Mobil Corporation

cc (electronically): Claire Sullivan, Matrix New World Engineering
Michelle Angel, U.S. EPA/Cincinnati Finance Center

USEPA Region 6 Consolidated Flaring Report Response
ExxonMobil – Beaumont Refinery (EMBR)
Acid Gas Flaring Events
3/13/2012 and 4/18/2012

The following table provides a summary of the incidents reported and any stipulated penalties that have been assessed:

Incident Date	Report Date	Incident Type	Applicable Consent Decree Paragraph	Tons Released	Penalty Amount Assessed
3/13/2012	4/17/2012	AG	85.a.	2.1	\$0
4/18/2012	6/1/2012	AG	83(iii)	28.2	\$27,500

March 13, 2012 – On April 17, 2012, EMBR reported a March 13, 2012 acid gas flaring incident (AGI). The report stated that the flaring incident lasted for approximately 40 minutes and resulted in the release of 2.1 tons of SO₂.

In the incident report, EMBR reported that the South Regeneration H₂S chopper valve failed in the closed position. This allowed pressure in the overhead of the South Regeneration Unit Accumulator to build up until the pressure control valve (43PC017) opened leading to the flaring.

EMBR identified the root cause of the incident as a sudden, non-preventable failure of the H₂S chopper valve solenoid resulting in the H₂S chopper valve failing in the closed position. The corrective action was replacing the bad solenoid on the H₂S chopper valve.

EPA has determined that the reported AGI was a first time occurrence of this root cause and, therefore, assesses no penalty for the incident. EPA notes that this is the third AGI in a rolling 12-month period.

April 18, 2012 – On June 1, 2012, EMBR reported an April 18, 2012 AGI. The report stated that the flaring incident lasted for approximately two hours and resulted in the release of 28.2 tons of SO₂.

In the incident report, EMBR reported that during an upgrade of the Distributed Control System (DCS) hardware for the Sour Water Stripper (SWS) and Sulfur Recovery Unit (SRU), field instrumentation data was not completely transferred and saved from the field controller to the backup controller. The incomplete transfer of data caused the SWS overhead accumulator to revert to a manual mode of operation, causing the overhead accumulator to fill with liquid and spill over into the SRU2 sour water knock out drum. The incomplete data transfer also disabled the high level alarm on the SWS accumulator leading to the flaring event.

EMBR identified the root cause of the incident as the incomplete transfer of controller data which disabled the SWS overhead accumulator level alarm. Significant contributing causes were the unrecognized reversion of the controller to a manual mode of operation and the unexpected failure of the high level switch on the SRU2 sour water knockout drum.

To prevent recurrence of the root cause, EMBR committed to revise the procedures for upgrading similar controller components involving the transfer of data. This would include having the operator perform a review of all point modes with the Control Shift Supervisor after manually loading an extended controller, to ensure a complete data transfer and to ensure that all alarm points remain active. In addition, EMBR will establish a high priority, high level alarm on the SRU2 sour water knock out drum until the high level switch can be repaired or replaced; upgrade the SRU2 sour water knock out high level switch during the 2014 SRU2 turnaround; and upgrade the high level switch in SRU3.

EPA has determined that the reported AGI was due to failure of equipment that was due to a failure by EMBR to operate and maintain their equipment in a manner consistent with good engineering practice. Therefore, in accordance with Paragraph 83(iii) of the Consent Decree (CD), EPA assesses a penalty of \$27,500. The penalty should be paid in accordance with Paragraph 165 of the CD. EPA notes that this is the fourth AGI in a rolling 12-month period.