



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

OFFICE OF
ENFORCEMENT AND
COMPLIANCE ASSURANCE

Valero (Premcor) Refinery Settlement Fact Sheet

Geography: Three refineries:

- Memphis, Tennessee
- Lima, Ohio
- Port Arthur, Texas

Industry Capacity:

- Over 650,000 thousand barrels of oil/day
- Over 4 percent of U.S. domestic refining capacity

Emissions reductions:

- Nitrogen oxide (NO_x) reduced by more than 1,870 tons per year
- Sulfur dioxide (SO₂) reduced by more than 1,810 tons per year

Injunctive Relief:

- More than \$232 million will be spent on injunctive relief through 2014
- Guaranteed NO_x and SO₂ emission reductions at each refinery
- Commitment to reduce the number and severity of major flaring events at all Facilities, including major new controls at Pt. Arthur
- Commitment to implement enhanced procedures to reduce benzene emissions and volatile organic compound leaks from valves and other equipment at all facilities

Penalty: \$4.25 million (includes \$1.5 million to be paid to participating state and local partners)

Supplemental Environmental Projects: Valued at \$4.25 million, including substantial community-based environmental projects:

Port Arthur, Texas:

- \$1 million assistance to the Gulf Coast Health Center
- \$500,000 for “shelter in place” air control systems at two local schools
- \$50,000 for low income housing assistance
- \$50,000 for mobile air monitoring by the Jefferson County Local Emergency Planning Committee
- \$675,000 for additional VOC emission reductions at the Pt. Arthur refinery

Lima, Ohio:

- \$200,000 for particulate matter monitoring in Ohio
- \$200,000 for improved traffic flow in Lima
- \$50,000 for diesel retrofits of municipal trucks and buses
- \$50,000 for new infrared camera technology to detect leaks from refinery equipment
- \$675,000 for additional VOC emission reductions at the Lima refinery

Memphis, Tennessee:

- \$450,000 for odor (hydrogen sulfide) reductions at the Memphis municipal wastewater treatment plant
- \$250,000 for mass transit fare subsidies on “high ozone alert” days
- \$50,000 for diesel engine and truck retrofits at the Port of Memphis
- \$50,000 for new infrared camera technology to detect leaks from refinery equipment

State and Local Partners: Illinois and Memphis-Shelby County

Additional Settlement Information:

Premcor was acquired by Valero in 2005. At the time of its acquisition, Premcor operated four refineries in the United States – in Delaware City DE, Memphis TN, Port Arthur TX and Lima OH. This settlement with Valero covers the three refineries in Memphis, Port Arthur and Lima. The Delaware City refinery is covered by a prior global refinery settlement with EPA. The Memphis refinery is also the subject of a prior settlement with EPA.

Delaware City Refinery: Premcor had purchased the Delaware City refinery from Motiva Enterprises in 2004. In 2001, prior to the acquisition of the Delaware City refinery by Premcor, Motiva had entered the global refinery settlement with EPA that included the Delaware City refinery.

- Motiva Enterprises LLC Settlement

Memphis Refinery: The Williams Refining Co. owned the Memphis refinery from the mid-1980s until 2003, when the refinery was sold to Premcor. In early 2007, Williams paid a \$2.2 million penalty for violations of the Clean Air Act and other environmental laws during the time that Williams owned the Memphis refinery. The injunctive relief and equipment upgrades necessary to correct the violations are included in the Valero (Premcor) settlement.

- Williams Refining Settlement