



BENICIA REFINERY • Valero Refining Company • California • 3400 E. Second Street • Benicia, CA 94510-1005 • Telephone (707) 745-7011

CERTIFIED MAIL - RETURN RECEIPT REQUESTED: 7008 1300 0001 2420 0732

July 7, 2010

Ms. Thu Bui - Senior Air Quality Engineer
Permit Services Division
Bay Area Air Quality Management District
939 Ellis Street
San Francisco, CA 94109

**Subject: Valero Refining Company – California
Benicia Asphalt Plant (Plant A0901)
Comments on Proposed Renewal of Major Facility Review Permit**

Dear Ms. Bui:

Enclosed please find Valero Refining Company – California’s comments on the Proposed Renewal Major Facility Review (“Title V”) Permit for the Valero Benicia Asphalt Plant (Application No. 18289, Plant No. A0901). Valero’s comments are based on a review of the proposed renewal Title V permit and permit evaluation/statement of basis released on May 19, 2010 for public comment. Valero understands that the public comment period closes on July 15, 2010.

Valero appreciates District consideration and incorporation of revisions submitted as part of the Title V permit renewal application on May 28, 2008. Since that time additional corrections and revisions of the proposed renewal Title V permit have been identified and are being submitted herein as Valero comments. Valero comments are summarized in Attachment A and are presented as redline/strikeout revisions in the June 8, 2010 proposed renewal permit and statement of basis (on CD).

Valero’s comments address the two completed permit applications [the atmospheric PRD removal project (A/N 19194) and the identification of abatement device A17 and archiving of A4, S14, and S15 (A/N 21641)] and corrections for S19 to reflect the applicability of BACT for NOx and CO. Other Valero comments are minor in nature and primarily address cleanup issues, including editorial and typographical corrections to regulatory applicability and permit conditions, corrections to the statement of basis, and an updated analysis of 40 CFR 64 – Compliance Assurance Monitoring (CAM) requirements (on CD).

Comments for the atmospheric PRD removal project request revisions to make the permit complete and consistent with the final engineering evaluation for Application No. 19194. The proposed permit reflects a preliminary version of the engineering evaluation for this application. BAAQMD has completed processing of this application, and the renewal permit must reflect the permit condition language in the

final version of the engineering evaluation. Without the requested revisions, permit conditions for the atmospheric PRD removal project in the renewal permit will be incorrect, confusing, and difficult to enforce. Corrections to make the atmospheric PRD removal project complete are not significant and can be easily incorporated at this time.

Similarly, comments for the addition of A17 and archiving of A4, S14, and S15 request revisions to make the permit complete and consistent with the final engineering evaluation for Application No. 21641. The proposed permit includes only the archiving of S14, and the Statement of Basis does not associate archiving of S14 with Application No. 21641. Without the requested revisions, permit conditions for A4, A17, and S15 in the renewal permit will be incorrect, confusing, and difficult to enforce. Corrections to make the A17/A4, and S15 changes complete are not significant and can be easily incorporated at this time.

Comments for S19 request revisions to correctly incorporate the BACT requirements for NOx and CO for that source and to remove the NOx box requirements for the source. These corrections for S19 are not significant and can be easily incorporated at this time.

There are no open issues for appeal of the A0901 Title V permit.

Valero appreciates the opportunity to comment on the proposed renewal Title V permit for the Valero Benicia Asphalt Plant. In you have any questions concerning Valero's comments, please contact me at (707) 745-7545.

Sincerely,
VALERO REFINING COMPANY – CALIFORNIA



Donald W. Cuffel
Principal Environmental Engineer
Valero Benicia Refinery

Attachments
cc (w attachments): Ms. Elizabeth Bourbon, Valero
Todd Lopez, Valero

dwc/cjp