



INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

We Protect Hoosiers and Our Environment.

100 N. Senate Avenue • Indianapolis, IN 46204

(800) 451-6027 • (317) 232-8603 • www.idem.IN.gov

Eric J. Holcomb
Governor

Brian C. Rockensuess
Commissioner

April 12, 2022

VIA ELECTRONIC MAIL:

Darrin Baron, Vice President Operations
Valero Renewable Fuels Company LLC
d/b/a Valero Bluffton Plant
One Valero Way
San Antonio, TX 78249
darrin.baron@valero.com

VIA ELECTRONIC MAIL:

CT Corporation, Registered Agent
334 North Senate Avenue
Indianapolis, IN 46204
wkuslawdept@wolterskluwer.com

Re: Notice of Violation and Proposed Agreed Order
for Violations Identified via Compliance Review
Valero Renewable Fuels Company LLC
d/b/a Valero Bluffton Plant
Plant ID No. 179-00033
Bluffton, Wells County
Case No. 2022-28481-A

Dear Mr. Baron:

A representative of the Indiana Department of Environmental Management ("IDEM"), Office of Air Quality, conducted a compliance review of reports concerning Valero Renewable Fuels Company LLC d/b/a Valero Bluffton Plant located at 1441 S Adams Street in Bluffton, Indiana. As a result of information obtained during that review, IDEM alleges that violations of environmental rules and permit conditions occurred. Specifically, multiple recordkeeping and maintenance violations have occurred.

In accordance with IC 13-30-3-3, this letter includes a Notice of Violation that sets forth the alleged violations and an Agreed Order that provides Valero Renewable Fuels Company LLC d/b/a Valero Bluffton Plant the opportunity to settle this enforcement action. IDEM encourages settlement by Agreed Order when possible to quickly correct environmental violations and avoid litigation.

The alleged violations identified in the Notice of Violation are among those that IDEM has determined qualify for expedited enforcement. This means that the enclosed Agreed Order is non-negotiable, and it represents IDEM's best settlement offer in this matter. The civil penalty included in the Agreed Order is the penalty amount that IDEM will accept only for the settlement of the alleged violations identified therein under its expedited enforcement program.

If Valero Renewable Fuels Company LLC d/b/a Valero Bluffton Plant agrees to settle this enforcement action in accordance with the enclosed Agreed Order, its responsible official should sign and return the entire original Agreed Order within sixty (60) days of receipt to IDEM at the following address:


Andrew Staffelbach, Case Manager
Compliance and Enforcement Branch – Mail Code 61-53
Indiana Department of Environmental Management
100 North Senate Avenue
Indianapolis, IN 46204-2251
astaffel@idem.in.gov

The civil penalty should be sent to the address listed in the Agreed Order within fifteen (15) days of your receipt of a copy of the final adopted Agreed Order. The final adopted Agreed Order will be mailed to you after it is approved and signed by the Assistant Commissioner of IDEM's Office of Air Quality.

IDEM is not required to extend the offer of entry into the Agreed Order for more than sixty (60) days. Because Indiana law allows a source to enter into an Agreed Order without admitting that the violation occurred, the attached Agreed Order includes this non-admission language. (See line 3 of the first paragraph of the Agreed Order.) If the Agreed Order is not entered into, IDEM may proceed with additional enforcement action requiring compliance with the environmental rules and permit conditions and may seek monetary penalties in accordance with IDEM's Civil Penalty Policy (ID No. Enforcement 99-0002-NPD), which likely will result in a greater penalty than the penalty amount offered in this Agreed Order.

Please contact Andrew Staffelbach, Case Manager, of my staff at 317-233-6901 or astaffel@idem.in.gov if you have any questions.

Sincerely,



David P. McIver, Chief
Enforcement Section
Office of Air Quality

cc: Justin Moen, Plant Manager, justin.moen@valero.com
Wells County Health Department
Andrew Staffelbach, Compliance and Enforcement Branch, Office of Air Quality
Kurt Graham, Compliance and Enforcement Branch, Office of Air Quality



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Eric J. Holcomb
Governor

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April 11, 2022

NOTICE OF VIOLATION

Darrin Baron, Vice President Operations
Valero Renewable Fuels Company LLC
d/b/a Valero Bluffton Plant
One Valero Way
San Antonio, TX, 78249
darrin.baron@valero.com

CT Corporation, Registered Agent
334 North Senate Avenue
Indianapolis, IN 46204
wkuslawdept@wolterskluwer.com

Case No. 2022-28481-A

Based on an investigation, the Indiana Department of Environmental Management ("IDEM") has reason to believe that Valero Renewable Fuels Company LLC d/b/a Valero Bluffton Plant ("Respondent") has violated environmental rules and permit conditions during calendar years 2020 and 2021. The violations are based on the following:

1. Respondent owns and operates a stationary grain elevator and ethanol production plant with Plant ID No. 179-00033 located at 1441 S Adams Street in Bluffton, Wells County, Indiana (the "Site").
2. Pursuant to Part 70 Operating Permit No. 179-41632-00033 ("Permit") Condition B.10(a)(3), a Preventive Maintenance Plan shall include the identification and quantification of the replacement parts which will be maintained in inventory for quick replacement.

Respondent failed to identify and quantify replacement parts in the Preventive Maintenance Plan, in violation of Permit Condition B.10(a)(3).

3. Pursuant to Permit Condition D.5.8(b), to document the compliance status with Condition D.5.7, the Permittee shall maintain records of temperature or other parameters sufficient to demonstrate the presence of a pilot flame when loading rack EU037 is in operation.

Respondent failed to maintain records demonstrating the presence of a pilot flame during ethanol loadout in violation of Permit Condition D.5.8(b).

4. Pursuant to 40 CFR 60.482-2a(c)(1) and Permit Condition E.3.2(4), when a leak is detected, it shall be repaired as soon as practicable, but not later than fifteen (15) calendar days after it is detected.

Respondent failed to fix a leak in the pump fifteen (15) days after it was detected in violation of 40 CFR 60.482-2a(c)(1) and Permit Condition E.3.2(4).

5. Pursuant to 40 CFR 60.482-2a(c)(2) and Permit Condition E.3.2(4), a first attempt at repair shall be made no later than five (5) calendar days after each leak is detected.

Respondent failed to make a first attempt at repair of a leaking pump within five (5) calendar days of detection of the leak in violation of 40 CFR 60.482-2a(c)(2) and Permit Condition E.3.2(4).

6. Pursuant to 40 CFR 60.482-7a(a)(1) and Permit Condition E.3.2(9), each valve shall be monitored monthly to detect leaks by the methods specified in § 60.485a(b) and shall comply with paragraphs (b) through (e) of this section, except as provided in paragraphs (f), (g), and (h) of this section, § 60.482-1a(c) and (f), and §§ 60.483-1a and 60.483-2a.

Respondent performed a monthly inspection of fifty-four (54) newly installed valves five (5) days late in violation of 40 CFR 60.482-7a(a)(1) and Permit Condition E.3.2(9).

7. Pursuant 40 CFR 60.482-7a(c)(2) and Permit Condition E.3.2(9), If a leak is detected, the valve shall be monitored monthly until a leak is not detected for two (2) successive months.

Respondent failed to monitor valves where leaks were detected monthly until a leak had not been detected for two (2) consecutive months in violation of 40 CFR 60.482-7a(c)(2) and Permit Condition E.3.2(9).

8. Pursuant to 40 CFR 60.482-7a(d)(2) and Permit Condition E.3.2(9), a first attempt at repair shall be made no later than five (5) calendar days after each leak is detected.

Respondent failed to make a first attempt at repair within five (5) calendar days of detection of the leak in violation of 40 CFR 60.482-7a(d)(2) and Permit Condition E.3.2(9).

9. Pursuant to 40 CFR 60.486a(c)(3) and Permit Condition E.3.2(18), when each leak is detected as specified in §§ 60.482-2a, 60.482-3a, 60.482-7a, 60.482-8a, 60.482-11a, and 60.483-2a, the following information shall be recorded in a log and shall be kept for two (2) years in a readily accessible location: repair methods applied in each attempt to repair the leak.

Respondent failed to maintain records of the method of repairs in three (3) leaking valves in violation of 40 CFR 60.486a(c)(3) and Permit Condition E.3.2(18).

In accordance with IC 13-30-3-3, the Commissioner herein provides notice that violations may exist and offers an opportunity to enter into an Agreed Order providing for the actions required to correct the violations and for the payment of a civil penalty for the violation. The Commissioner is not required to extend this offer for more than sixty (60) days. An Agreed Order for your consideration is attached. As noted on the attached Agreed Order, it is a qualified offer of settlement of this matter and, therefore, is inadmissible pursuant to Indiana's Rules of Evidence.

As provided in IC 13-30-3-3, an alleged violator may enter into an Agreed Order without admitting that the violation occurred. IDEM encourages settlement by Agreed Order to quickly correct environmental violations and to avoid litigation.

If the Agreed Order is not entered into within sixty (60) days of receipt of this Notice of Violation, the Commissioner may proceed with additional enforcement action requiring compliance with regulations and permit conditions and may seek additional monetary penalties in accordance with IDEM's Civil Penalty Policy (ID No. Enforcement 99-0002-NPD). Pursuant to IC 13-30-4-1, the Commissioner may assess penalties of up to \$25,000 per day for each violation.

Please contact Andrew Staffelbach, Case Manager, of my staff at 317-233-6901 or astaffel@idem.in.gov if you have any questions.

For the Commissioner:

Date: April 5, 2022



David P. McIver, Chief
Enforcement Section
Office of Air Quality

cc: Justin Moen, Plant Manager, justin.moen@valero.com
Wells County Health Department
Andrew Staffelbach, Compliance and Enforcement Branch, Office of Air Quality
Kurt Graham, Compliance and Enforcement Branch, Office of Air Quality

From: [Baron, Darrin](#)
To: [ROBERTS, GOLDIE](#)
Subject: Read: Valero Renewable Fuels Co LLC d/b/a Valero Bluffton Plant (#28481-A) Notice of Violation & Proposed Agreed Order
Date: Tuesday, April 12, 2022 11:18:59 AM

Your message

To: Baron, Darrin
Subject: Valero Renewable Fuels Co LLC d/b/a Valero Bluffton Plant (#28481-A) Notice of Violation & Proposed Agreed Order
Sent: Tuesday, April 12, 2022 9:14:43 AM (UTC-06:00) Central Time (US & Canada)
was read on Tuesday, April 12, 2022 10:18:50 AM (UTC-06:00) Central Time (US & Canada).