



State of Ohio Environmental Protection Agency

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APR 29 2008

**RE: BP Corporation North America, Inc.
Toledo Refinery - OHD 005 057 542
Lima Refinery - OHD 005 051 826
Financial Assurance**

Ms. Kimberly S. Gomcsak
Financial Assurance Coordinator
BP Corporation North America, Inc.
4850 East 49th Street, MBC3
Cuyahoga Heights, Ohio 44125

Dear Ms. Gomcsak:

On April 25, 2008 Ohio EPA conducted a review of financial assurance and liability coverage documentation on file for the above referenced BP Corporation North America Inc. (BPNA) Lima and Toledo Refineries. I evaluated the facilities for compliance with closure/post-closure cost estimate, financial assurance for closure/post-closure care and liability coverage requirements as set forth in Ohio Administrative Code (OAC) rules 3745-66-42 through 3745-66-47, and Ohio Hazardous Waste Permit Conditions A.27 (a)(b)(c); B.36, B.37 and B.38, E.9(ii); and G.6 for Toledo Refinery as well as Permit Conditions A.27(b)(i)(ii)(iii) and B.36, B.37 and B.38 and E.9(h) for the Lima Refinery.

To demonstrate compliance with the financial assurance requirements for closure/post-closure care and liability requirements, BPNA uses the Guarantee/Chief Financial Officer's Financial Test mechanism. Documentation received April 2, 2008 included Chief Financial Officers' letter, Corporate Guarantee for Closure and Post-Closure Care, Guarantee for Liability Coverage, Special Report from Ernest & Young LLP and the annual auditors report.

On March 17, 2008 Ohio EPA received a request for temporary authorization to allow BP Husky Refinery LLC to commence ownership of the BP Products North America Inc. Toledo Refinery facility. On March 31, 2008 Ohio EPA granted the request for a temporary authorization to allow BP Husky Refining LLC to commence ownership of the facility.

Ted Strickland, Governor
Lee Fisher, Lieutenant Governor
Chris Korleski, Director

GENERAL CONCERN:

In a June 6, 2007 letter I requested a detailed explanation as to how each unit's cost were calculated and why cost have decreased for some of the units. I also requested permit modifications be submitted for the financial assurance documentation as required by your permits.

To date, I have not received documentation to explain how the cost estimates for some of the units have decreased. And permit modifications (mod) for your 2007 and 2008 financial assurance documentation has not been submitted, as required by your permits. The current annual cost estimate update requires a modification (administrative and information changes) for the above referenced facilities. Other changes in financial assurance not found in the appendix to ORC 3745-50-51 will require a permit mod determination by the Ohio EPA Division of Hazardous Waste Management.

Upon review of the above documentation, **BPNA is in violation of the Toledo and Lima Refinery Permit Conditions A.27 (a)(b)(c) and A.27 (b)(i)(ii)(iii)**, because the financial assurance permit classification modifications have not been submitted for the purpose of updating the permit application.

To abate the above violations provide the appropriate permit modifications. In addition, provide a detail explanation as to how the cost estimates for post-closure and corrective action were developed and explain why the cost estimates have decreased.

Submit this information to me within thirty (30) days of receipt of this letter.

If you have any questions, do not hesitate to contact me at 614 - 644-2941.

Sincerely,



Tina Jennings
Compliance Assurance Section
Division of Hazardous Waste Management

TJ/jms

cc: Michael Terpinski, DHWM, NWDO
Tammy McConnell, DHWM. RIS
Michael Darr, BP America