



**Environmental
Protection Agency**

John R. Kasich, Governor
Mary Taylor, Lt. Governor
Scott J. Nally, Director

Re: Allen County
Lima Refining Company
Premise #0302020012
Notice of Violation - HPV/MC2

February 11, 2011

Certified Mail 7009 1410 1839 9676

Mr. Roy Warnock, Vice President & General Manager
Lima Refining Company
1150 South Metcalf Street
Lima, Ohio 45804-1145

Dear Mr. Warnock:

The Second and Third Quarter 2010 Excess Emissions Reports (EERs) submitted by Lima Refining Company on July 29, 2010, and October 27, 2010, respectively, have been reviewed by the Division of Air Pollution Control/Northwest District Office (DAPC/NWDO) and our Central Office (DAPC/CO). Data summaries in the EERs indicate continuous emission monitor (CEM) excess emissions greater than five percent of source operating time during each quarter for the following emissions unit:

1. Fluid Catalytic Cracker/Carbon Monoxide (FCC/CO) Boiler, Emissions Unit P010:
 - a. Second Quarter 2010 – emissions of carbon monoxide from the regenerator flue gas outlet exceeded the limitation of 500 parts per million at zero percent oxygen, as a block hourly average for 6.53 percent of total source operating time; and
 - b. Third Quarter 2010 - emissions of carbon monoxide from the regenerator flue gas outlet exceeded the limitation of 500 parts per million at zero percent oxygen, as a block hourly average for 7.00 percent of total source operating time.

The excess emissions are violations of the following:

Item No. Referenced Above	Permit Terms/Rule Violated	Permit No./Effective Date
1.a and 1.b	40 CFR 63.1565(a)(1) and Table 8 of 40 CFR, Part 63, Subpart UUU	P0106611/August 2, 2010 - this limit is also being incorporated into the Title V renewal permit
1.a and 1.b	Ohio Revised Code 3704.05.	Not Applicable

The following table shows the date, duration, primary cause and corrective action for the majority of reported excess emissions:

Date	Duration (minutes)	Primary Cause	Corrective Action
6/21/10 to 6/30/10	7,401	Use of lighter feedstock while diesel hydrotreater (DHT) was shut down.	Initial attempts to increase promoter addition and air feed rates unsuccessful; on 6/29/10 DHT was brought back on-line with coker light gas oil routed into unit, and increase in regenerator temperature reduced emissions back to normal.
4/10/10	243	Reduced operating in FCC unit to offload a flooded tower	None required – emissions returned to normal after this time period.
5/25/10, 5/26/10 and 5/31/10	906	Poor air distribution	Increased excess oxygen and regenerator pressure for better combustion; added 20 pounds of carbon monoxide to carbon dioxide (CO ₂) promoter to enable better conversion to CO ₂ ; and replaced air grid during fall 2010 maintenance turnaround.
7/1/10 to 9/17/10	6,660	Intermittent periods of low regenerator bed temperature – probable cause was poor air distribution or poor catalyst distribution	Increased promoter addition, replaced catalyst distributor and air grid during fall 2010 maintenance turnaround.
7/19/10 to 7/21/10	1,920	Use of lighter feedstock due to Lima integrated unit (LIU) power outage from bird striking a power line	None required – emissions returned to normal after LIU started up.

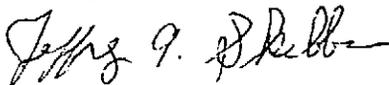
DAPC/NWDO has also reviewed the Fourth Quarter 2010 EER, and the duration of excess carbon monoxide emissions for this emissions unit was within an acceptable level. Thus, we are not requiring a written response at this time.

Please be advised that submission of information to respond to this letter does not constitute a waiver of the Ohio EPA's authority to seek civil penalties pursuant to ORC Section 3704.06. The Ohio EPA will make a decision whether to pursue such penalties regarding this matter at a later date.

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If you have any questions, feel free to contact me at (419) 373-3128.

Sincerely,



Jeffrey A. Skebba
Environmental Specialist
Division of Air Pollution Control

/cs

pc: William MacDowell, U.S. EPA – Region V
Tom Kalman - DAPC/CO
DAPC/NWDO File 

ec: Jennifer Jolliff – DAPC/NWDO