



State of Ohio Environmental Protection Agency

Northwest District Office

347 North Dunbridge Road
Bowling Green, OH 43402-9398

TELE: (419) 352-8461 FAX: (419) 352-8468
www.epa.state.oh.us

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

Re: Allen County
Lima Refining Company
NPDES Permit

November 26, 2007

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

Dear Mr. Warnock:

On November 16, 2007, a National Pollutant Discharge Elimination System (NPDES) Permit Compliance Inspection was conducted at the Lima Refining Company - Lima Refinery. Mr. Joe Bischoff and Mr. Tom Jettinghoff were present and provided information on operations and maintenance at the facility. The inspection consisted of an interview with completion of the enclosed inspection checklist, a tour of the wastewater treatment system and observation of NPDES permitted outfall 001.

During our visit, all treatment units were in service. However, Mr. Jettinghoff indicated that the final effluent was being diverted to "C" Pond and "D" Pond for impoundment, due to elevated selenium concentrations. During the wastewater treatment system tour, we observed that a small flow of effluent (approx. 1 gpm) was being discharged through outfall 001, due to incomplete closure of the effluent diversion valve. Mr. Bischoff immediately requested that plant operators close the valve to stop the discharge. The discharge continued to occur a short time after the valve was closed. We requested that the discharge be eliminated or samples be collected to comply with your permit monitoring requirements. A follow-up telephone message received in the afternoon, from Mr. Jettinghoff indicated that the discharge was stopped.

As you are aware, NPDES permit monitoring requirements are applicable and must be followed for any and all discharges from the facility. Procedures must be developed and implemented to verify that the discharge through outfall 001 ceases when effluent diversion is occurring, or samples must continue to be collected.

Since our last inspection, nine effluent violations have been reported. Six violations have been reported for selenium. Mr. Jettinghoff stated that the selenium task force is still meeting on a regular basis and evaluations are being conducted on further treatment/disposal options such as reverse osmosis or deep well injection.

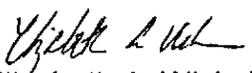
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Please continue to keep this office informed as to the actions that are planned or taken to meet effluent limits.

It is no longer necessary for you to send in hard copies of your monthly operating reports to the Northwest District Office. Improvements to our electronic monitoring system have eliminated our need for paper copies of these records. However, it will still be necessary for a signed hard copy of each monthly operating report to be kept at your facility.

A copy of our completed inspection report is enclosed for your records. If you have any questions, please call Tom Poffenbarger at (419)373-3008.

Sincerely,



Elizabeth A. Wick, P.E.
District Engineer/Unit Supervisor
Division of Surface Water

TP/llr

Enclosure

pc: DSW-NWDO File

Permit #: 2IG00001
 NPDES #: OH0002623



State of Ohio Environmental Protection Agency
 Northwest District Office

NPDES Compliance Inspection Report

Section A: National Data System Coding					
Permit #	NPDES#	Month/Day/Year	Inspection Type	Inspector	Facility Type
2IG00001	OH0002623	11/16/07	C	S	2

Section B: Facility Data		
Name and Location of Facility Inspected	Entry Time	Permit Effective Date
Lima Refining Company 1150 South Metcalf Street Lima, Ohio 45804	9:00 AM	12/1/2005
	Exit Time 11:00 AM	Permit Expiration Date 10/31/2010
Name(s) and Title(s) of On-Site Representatives	Phone Number(s)	
Mr. Joe Bischoff, Sr. Environmental Engineer Mr. Tom Jettinghoff, Environmental Manager	419-226-2552 419-226-2542	
Name, Address and Title of Responsible Official	Phone Number	
Mr. Roy C. Warnock, Vice Pres. and General Manager Lima Refining Company 1150 South Metcalf Street Lima, Ohio 45804	419-226-2300	

Section C: Areas Evaluated During Inspection					
(S = Satisfactory, M = Marginal, U = Unsatisfactory, N = Not Evaluated)					
S	Permit	S	Flow Measurement	S	Pretreatment
S	Records/Reports	S	Laboratory	S	Compliance Schedule
S	Operations & Maintenance	S	Effluent/Receiving Waters	S	Self-Monitoring Program
S	Facility Site Review	S	Sludge Storage/Disposal	S	Other
S	Collection System				

Section D: Summary of Findings (Attach additional sheets if necessary)	
<p>-Facility was diverting effluent to "C" Pond and "D" Pond due to elevated selenium concentrations.</p> <p>-A small flow of effluent (approx. 1 gpm) was being discharged through outfall 001 due to incomplete closure of the effluent diversion valve. No samples were being collected.</p> <p>-Nine effluent violations have been reported since our last inspection.</p> <p>-Facility is continuing evaluations of various treatment or disposal options to eliminate selenium violations.</p>	
Inspector	Reviewer
 Thomas Poffenbarger, P.E. Date 11/20/07 District Engineer Division of Surface Water Northwest District Office	 Elizabeth A. Wick, P.E. Date 11/21/07 Water Quality Engineer Division of Surface Water Northwest District Office

Sections E thru K: Complete on all inspections as appropriate
Y – Yes, N – No, N/A – Not Applicable, N/E – Not Evaluated

Section E: Permit Verification

Inspection observations verify the permit

- (a) Correct name and mailing address of permittee Y
- (b) Correct name and location of receiving waters..... Y
- (c) Product(s) and production rates conform with permit application (Industries)..... Y
- (d) Flows and loadings conform with NPDES permit..... Y
- (e) Treatment processes are as described in permit application... Y
- (f) New treatment process(es) added since last inspection..... N
- (g) Notification given to State of new, different or increased discharges..... N/A
- (h) All discharges are permitted..... Y
- (i) Number and location of discharge points are as described in permit..... Y

Comments/Status:

Section F: Compliance Schedules/Violations

- (a) Any significant violations since the last inspection..... Y
- (b) Permittee is taking actions to resolve violations..... Y
- (c) Permittee has a compliance schedule..... Y
- (d) Compliance schedule contained in NPDES Permit
- (e) Permittee is meeting compliance schedule..... Y

Comments/Status:

- (a) Chronic Toxicity (P.p.) - Jan. 07;
Free Cyanide - Apr. 07;
Selenium - May 07, June 07, July 07
- (b) Evaluations of treatment/disposal alternatives are being conducted.
- (c) Compliance Schedule for Bis(2-ethylhexyl)Phthalate
- (e) Facility is in compliance with final limit for Bis(2-ethylhexyl)Phthalate

Section G: Operation & Maintenance

Treatment Works:

- Treatment facility properly operated and maintained
- (a) Standby power available.....generator or dual feed Y
 - (b) Adequate alarm system available for power or equipment failures.. Y
 - (c) All treatment units in service other than backup units..... Y
 - (d) Wastewater Treatment Works classification (OAC 3745-7)..... N/A
 - (e) Operator of Record holds unexpired license of class required by permit..... N/A
 Class: I
 - (f) Copy of certificate of Operator of Record displayed on-site..... N/A
 - (g) Minimum operator staffing requirements fulfilled (OAC 3745-7)... N/A
 - (h) Routine and preventative maintenance scheduled/performed... Y
 - (i) Any major equipment breakdown since last inspection..... N
 - (j) Operation and maintenance manual provided and maintained..... Y
 - (k) Any plant bypasses since last inspection..... Y
 - (l) Regulatory agency notified of bypasses..... Y
 On MORs and/or Spill Hotline (1-800-282-9378)
 - (m) Any hydraulic and/or organic overloads since last inspection..... N

Record Keeping:

- (a) Log book provided..... N/A
- (b) Format of log book (i.e. computer log, hard bound book)
- (c) Log book(s) kept onsite (in an area protected from weather)..... N/A
- (d) Log book contains the following:
 - I. Identification of treatment works..... N/A
 - II. Date/times of arrival/departure for Operator of Record and any other operator required by OAC 3745-7..... N/A
 - III. Daily record of operation and maintenance activities (including preventative maintenance, repairs and request for repairs)..... N/A
 - IV. Laboratory results (unless documented on bench sheets)... N/A
 - V. Identification of person making log entries..... N/A
- (d) Has the operator of record submitted written notification to the permittee, Ohio EPA and (if applicable) any local environmental agencies when a collection system overflow, treatment plant bypass or effluent limit violation has occurred..... N/A

Section G: Operation & Maintenance (con't)

Collection System:

- (a) Percent combined system: %
- (b) Any collection system overflows since last inspection..... N/A
(CSO and/or SSO)
- (c) Regulatory agency notified of overflows (SSOs)..... N/A
- (d) CSO O&M plan provided and implemented..... N/A
- (e) CSOs monitored and reported in accordance with permit..... N/A
- (f) Portable pumps used to relieve system..... N/A
- (g) Lift station alarms provided and maintained..... N/A
- (h) Are lift stations equipped with permanent standby power
or equivalent..... N/A
- (i) Is there an inflow/infiltration problem (separate sewer system),
or were there any major repairs to collection system since
last inspection..... N/A
- (j) Any complaints received since last inspection of basement flooding N/A
- (k) Are any portions of the sewer system at or near capacity..... N/A

Comments/Status:

Section H: Sludge Management

- (a) Sludge management plan (SMP)
Submitted date: 4/15/02 Approval #: 03-15308 Not submitted N/A
- (b) Sludge management plan current..... Y
(c) Sludge adequately disposed..... Y
(Method: Land Application)
(d) If sludge is incinerated, where is ash disposed of
(e) Is sludge disposal contracted..... Y
(Name: Soil Tech)
(f) Has amount of sludge generated changed significantly since
last inspection..... N
(g) Adequate sludge storage provided at plant..... Y
(h) Land application sites monitored and inspected per SMP..... Y
(i) Records kept in accordance with State and Federal law..... Y
(j) Any complaints received in last year regarding sludge..... N
(k) Is sludge adequately processed (digestion, pathogen control)..... Y

Comments/Status:

Section I: Self-Monitoring Program

Flow Measurement:

- (a) Primary flow measuring device operated and maintained..... Y
Type of device: Ultrasonic & Parshall flume Ultrasonic & Weir Weir
Calculated from influent Other (Specify:)
- (b) Calibration frequency adequate Y
(Date of last calibration: 8/28/2007)
(c) Secondary instruments operated and maintained..... Y
(d) Flow measurement equipment adequate to handle full range
of flows..... Y
(e) Actual flow discharged is measured..... Y
(f) Flow measuring equipment inspection frequency
 Daily Weekly monthly other

Comments/Status:

(f) Every two hours

Section I: Self-Monitoring Program (con't)

Sampling:

- (a) Sampling location(s) are as specified by permit..... Y
- (b) Parameters and sampling frequency agree with permit..... Y
- (c) Permittee uses required sampling method..... Y
- (d) Sample collection procedures are adequate..... Y
 - (i) Samples refrigerated during compositing..... Y
 - (ii) Proper preservation techniques used..... Y
 - (iii) Containers and sample holding times prior to analysis conform with 40 CFR 136.3..... Y
- (e) Monitoring records (i.e., flow, pH, DO) maintained for a minimum of three years including all original strip chart recordings (i.e., continuous monitoring instrumentation, calibration and maintenance records)..... Y
- (f) Adequate records maintained of sampling date, time, location, etc.. Y

Laboratory:

General

- (a) EPA approved analytical testing procedures used (40 CFR 136.3).. Y
- (b) If alternate analytical procedures are used, proper approval has been obtained..... Y
- (c) Analyses being performed more frequently than required by permit.. N
- (d) If (c) is yes, are results in permittee's self-monitoring report..... Y
- (e) Commercial laboratory used..... Y
Parameters analyzed by commercial lab: Toxicity, Mercury, Bromomethane, BEHP, Duplicate BODs
Lab name: Alloway Testing Services

Quality Control/Quality Assurance

- (f) Quality assurance manual provided and maintained..... Y
- (g) Satisfactory calibration and maintenance of instruments/equipment. Y
- (h) Adequate records maintained..... Y
- (i) Results of latest USEPA quality assurance performance sampling program: Satisfactory Marginal Unsatisfactory
Date:

Comments/Status:

(i) Non-acceptable results were received for phosphorus and dissolved hexavalent chromium. Facility plans to re-order standards and re-run tests for these parameters.

Section J: Effluent/Receiving Water Observations

Outfall Number	Oil sheen	Grease	Turbidity	Visible Foam	Visible Floating Solids	Color	Other
001	none	none	clear	none	none	clear	
002	No discharge						

Comments/Status:

Section K: Multimedia Observations

- (a) Are there indications of sloppy housekeeping or poor maintenance in work and storage areas or laboratories..... N
- (b) Do you notice staining or discoloration of soils, pavement or floors.. N
- (c) Do you notice distressed (unhealthy, discolored, dead) vegetation.. N
- (d) Do you see unidentified dark smoke or dust clouds coming from sources other than smokestacks..... N
- (e) Do you notice any unusual odors or strong chemical smells..... N
- (f) Do you see any open or unmarked drums, unsecured liquids, or damaged containment facilities..... N

If any of the above are observed, ask the following questions:

- (1) What is the cause of the condition?
- (2) Is the observed condition or source a waste product?
- (3) Where is the suspected contaminant normally disposed?
- (4) Is this disposal permitted?
- (5) How long has the condition existed and when did it begin?

Comments/Status: