



Department of Environmental Quality

To protect, conserve and enhance the quality of Wyoming's environment for the benefit of current and future generations.



Matthew H. Mead, Governor

John Corra, Director

November 3, 2011

Mr. Kevin Burke
Refinery Manager
Frontier Refining, Inc.
PO BOX 1588,
Cheyenne, WY 82003-1588

RE: Notice of Violation

Dear Mr. Burke:

Enclosed you will find a Notice of Violation (NOV) issued to Frontier Refining, Inc. for the Frontier Refinery by the Department of Environmental Quality, Air Quality Division, for: 1) failing to operate the wastewater system with no detectable emissions as indicated by an instrument reading of less than 500 parts per million above background in violation of condition 18(b) of permit MD-1176; and 2) failing to comply with the commitments in the application for permits MD-1442/MD-1442A to have the IC compressors available for use in the event that the electric compressor fails or requires maintenance as required by condition 2 of permits MD-1442/MD-1442A.

As the Department and this Division consider the failure to comply with air quality regulations to be a serious matter, I am recommending the Department refer this violation to the State Attorney General's office requesting a suit be filed in District Court to recover appropriate penalties. If you would like to discuss settlement of this Notice of Violation prior to action on the referral by the Attorney General's office, please contact Ms. Karen Godman, Air Quality Compliance Program Principal, at 307-777-8601 no later than ten (10) days after receipt of this letter.

Should you have any questions or comments regarding this matter, please feel free to contact me or Ms. Karen Godman.

Sincerely,

Steven A. Dietrich
Administrator
Air Quality Division

cc: Robert Gill
Glenn Spangler
Nancy Vehr
Keith Guille



**BEFORE THE
DEPARTMENT OF ENVIRONMENTAL QUALITY
STATE OF WYOMING**

**IN THE MATTER OF THE NOTICE OF VIOLATION)
ISSUED TO FRONTIER REFINING, INC.) DOCKET NO. 4919-11
MR. KEVIN BURKE, REFINERY MANAGER,)
P.O. BOX 1588, CHEYENNE, WY 82003)**

NOTICE OF VIOLATION

NOTICE IS HEREBY GIVEN THAT:

1. The Department of Environmental Quality, Division of Air Quality, has found Frontier Refining Inc. (Frontier) to be in violation of permits MD-1176, MD-1442 and MD-1442A issued in accordance with W.S. 35-11-801 of the Wyoming Environmental Quality Act and Chapter 6, Section 2 of the Wyoming Air Quality Standards and Regulations in the operation of the Frontier Refinery located Laramie County, Wyoming.

2. W.S. 35-11-801 states, "In granting permits, the director may impose such conditions as may be necessary to accomplish the purpose of this act which are not inconsistent with the existing rules, regulations and standards."

3. Chapter 6, Section 2 of the Wyoming Air Quality Standards and Regulations prescribes the applicability and procedures for issuing permits to sources under Wyoming's construction and modification permitting program.

4. Permit MD-1176 was issued to Frontier Refining Inc. on July 1, 2005. Condition 18(b) states:

"The roof, access doors, and openings, of the separator tank, shall be designed and operated with no detectable emissions, as indicated by an instrument reading of less than 500 parts per million above background, using 40 CFR 60, Appendix A, Method 21"

5. On August 25, 2011, Air Quality Engineer, Mr. Glenn Spangler conducted an inspection and record review of the facility. At this time, Mr. Spangler reviewed semiannual VOC monitoring events conducted November 3, 2010 and June 3, 2011. Field documentation shows six (6) leaks greater than 500 ppm were discovered during the initial monitoring event and four (4) leaks remained after a final repair attempt conducted December 23, 2010. Field documentation shows thirty-nine (39) leaks greater than 500 ppm were discovered during the initial monitoring event on June 3, 2011 and five (5) leaks remained after the last repair attempt on August 9, 2011. Based on this information, Frontier is in violation of condition 18 (b) of permit MD-1176.

6. Permit MD-1442 was issued to Frontier Refining Inc. on September 20, 2006. Permit MD-1442A was issued to Frontier Refining Inc. on August 1, 2007. Condition 2 of both permits acknowledges and incorporates all commitments within the Permit Application through the statement "All commitments and descriptions set forth in the application for this permit...are incorporated herein by this reference and are enforceable as conditions of this permit".

7. For permits MD-1442 and MD-1442A, Frontier submitted the Permit Application and the Division's review process for this permit outlined the purpose of the application. Within the permitting process, Frontier asserted that Frontier would retain the two existing natural gas-fired internal combustion (IC) compressors for backup use in the event that the electric compressor fails or when maintenance must be performed on the electric compressor.

Frontier Refining Inc.
Notice of Violation

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8. During permitting, the Division considered the control of coker wet gas by the IC compressors during electric compressor failure or maintenance as control of coker wet gas for the Frontier Refinery.

9. On August 25, 2011, Air Quality Engineer, Mr. Glenn Spangler conducted an inspection and record review of the facility. At this time, Mr. Spangler reviewed records of the 2011 year to date flaring events. The records provided show that there were ten (10) flaring events. It was noted that beginning with a January 31, 2011 flaring event, the status of the 1232-hp Coker Compressor Engine (C-407) is listed as "not operational" for the remaining seven flaring events occurring in 2011 year to date. Frontier previously informed the Division that the 1000-hp Coker Compressor Engine (C-405) is not operational and is blinded off.

10. Said violations consists of: 1) failing to operate the wastewater system with no detectable emissions as indicated by an instrument reading of less than 500 parts per million above background in violation of condition 18(b) of permit MD-1176; and 2) failing to comply with the commitments in the application for permits MD-1442/MD-1442A to have the IC compressors available for use in the event that the electric compressor fails or requires maintenance as required by condition 2 of permits MD-1442/MD-1442A.

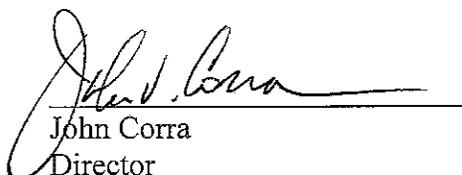
11. Under W.S. 35-11-901(a), any person who violates any provision of Article 2 of [the Environmental Quality Act] ... or any rule, regulation, standard or permit adopted pursuant to those provisions, or who violates any determination or order of the council pursuant to Article 2 of [the Environmental Quality Act] ... is subject to a penalty not to exceed ten thousand dollars (\$10,000.00) for each violation for each day during which the violation continues, a temporary or permanent injunction, or both a penalty and an injunction.

12. This notice is being sent to you pursuant to W.S. 35-11-701(c), which requires that, in any case of the failure to correct or remedy an alleged violation, the Director of the Department of Environmental Quality shall cause a written notice to be issued and served upon the person alleged to be responsible.

DATED this 3rd day of NOVEMBER, 2011.



Steven A. Dietrich
Administrator
Air Quality Division



John Corra
Director
Department of Environmental Quality