VALERO

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March 1, 2011

Office of Enforcement and Compliance Assurance
Office of Federal Activities
International Compliance Assurance Division (2254 A)
Environmental Protection Agency
1200 Pennsylvania Ave., NW
Washington, DC 20460

Re: **2011 Export Annual Report**
Diamond Shamrock Refining Company, L.P. – Valero McKee Refinery
Sunray, Moore County, Texas 79086
Industrial Solid Waste Registration No. 30871
Hazardous Waste Permit No. HW-50229
EPA ID No. TXD059685339
TCEQ Regulated Entity Number: RN100210517
TCEQ Customer Reference Number: CN600124861

Dear Administrator:

Diamond Shamrock Refining Company, L.P. (Valero) is submitting this Annual Report for the 2011 calendar year for hazardous waste that was exported to foreign countries for metals reclamation from the Valero McKee Refinery.

This report has been prepared in accordance with the requirements of 40 CFR §262.87.

(a)(1) The EPA identification number, name, and mailing and site address of the notifier filing the report:

EPA Id No.:	TXD059685339
Name:	Diamond Shamrock Refining Company, L.P. Valero McKee Refinery
Mailing Address:	HCR Box 36 Sunray, TX 79086
Site Address:	6701 FM 119 Sunray, TX 79086

(a)(2) The calendar year covered by the report: 2011

received
3/6/12 Sum

McKee Refinery • Diamond Shamrock Refining Company, L.P., A Valero Company
6701 FM 119 • Sunray, TX 79086-2013 • Telephone (806) 935-2141

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(a)(3) The name and site address of each final recovery facility:

Name:	Union Corporation
Site Address:	#548 Okmyoung-Ri, Daesong-Myon, Nam-Gu, Pohang-City, Kyungsanbuk-Do, South Korea

(a)(4) By final recovery facility, for each hazardous waste exported, a description of the hazardous waste, the EPA hazardous waste number (from 40 CFR part 261, subpart C or D), designation of waste type(s) from OECD waste list and applicable waste code from the OECD lists, DOT hazard class, the name and US EPA ID number (where applicable) for each transporter used, the total amount of waste shipped pursuant to this Subpart, and number of shipments pursuant to each notification:

Recovery Facility:	Union Corporation
Hazardous Waste Description:	R-1 HCU Hydrotreating Catalyst
EPA Hazardous Waste No.:	K171
OECD Waste Type:	Spent Catalyst Excluding Liquids used as Catalyst, Transition Metals (Nickel and Molybdenum)
OECD Waste Code:	B1120
DOT Hazard Class:	4.2
Transporter Name:	Jetco Delivery
Transporter U.S. EPA ID No.:	TXR000077976
Amount of Waste Shipped:	165,593 Lbs.
Number of Shipments:	6 shipments

(a)(5) In even numbered years, for each hazardous waste exported, except for hazardous waste produced by exporters of greater than 100 kg but less than 1000 kg in a calendar month, and except for hazardous waste for which information was already provided pursuant to §262.41:

(i) A description of the efforts undertaken during the year to reduce the volume and toxicity of waste generated; and

The *Source Reduction Waste Minimization Plan 2008-2012* Executive Summary can be found in Attachment I.

(ii) A description of the changes in volume and toxicity of waste actually achieved during the year in comparison to previous years to the extent such information is available for years prior to 1984:

Valero McKee Refinery continues to implement provisions of the *Source Reduction Waste Minimization Plan 2008-2012*. As required by that plan and associated reporting requirements, the annual progress report on source reduction and waste minimization

activities will be submitted by July 1, 2012 to the Texas Commission on Environmental Quality and will be available upon request.

(a)(6) A certification signed by the primary exporter:

See Attachment II.

Should you have any questions or require additional information, please call me at (806) 935-1353 or via e-mail at chris.cromeens@valero.com.

Sincerely,

Chris Cromeens

Chris Cromeens
Sr. Environmental Engineer

Enclosures

cc: Mr. Guy Wilkins
Waste Section Manager
TCEQ Region 1 Office
3918 Canyon Drive
Amarillo, TX 79109-4933

File Code: SW-03-01 (2012 Export Annual Report)

ATTACHMENT I

SOURCE REDUCTION WASTE MINIMIZATION PLAN 2008-2012

EXECUTIVE SUMMARY

VALERO

Pollution Prevention Plan
For Reduction of Hazardous Wastes and TRI Compound Releases
For The 5-Year Period January 1, 2008 thru December 31, 2012

EXECUTIVE SUMMARY

Description of Facility:

Company: Diamond Shamrock Refining Company, L.P.

Site: Valero McKee Refinery

Physical Address:	Valero McKee Refinery 6701 FM 119 Sunray, TX 79086	**Mailing Address:**	Valero McKee Refinery HCR 1, Box 36 Sunray, TX 79086

Local Contact:
John Deemer, Environmental Manager
806-935-1276
John.Deemer@valero.com

Diamond Shamrock Refining Company, L.P. (Valero) operates a petroleum refinery in Sunray, Texas, which processes crude oil into petroleum products. The McKee Plant is a 170,000 barrel per day petroleum refinery. Crude oil is fractionated into various streams which are further refined by desulfurization, catalytic and hydrocracking, and alkylation processes to enhance octane for blending into gasoline products. Gasoline, diesel, turbine fuel, fuel oils, and liquefied petroleum gases are produced.

The McKee Refinery operates under the following environmental permits and registrations:

- TCEQ Air Account: MR-0008-T
- EPA Hazardous Waste Generator Identification: TXD059685339
- TCEQ Solid Waste Notice of Registration: 30871
- Solid Waste Permit: HW-50229-000
- TRI ID Number: 79086DMNDSSTARR
- TPDES Wastewater Discharge Permit: 03927
- SIC Code: 2911
- NAICS Code: 324110

Hazardous Waste and TRI Constituents

The hazardous wastes generated at the refinery for reporting year 2007, and the volume of each, are presented in Table 1. The reportable Toxics Release Inventory (TRI) releases for the reporting year 2007 and the volume of each are presented in Table 2.

Prioritized List of Pollutants

The table below indicates a prioritized list of pollutants to be reduced.

Priority	Waste Code	Pollutants/Waste to be Reduced
1	0531603H	Centrifuge Cake
2	0525319H	F037 Contaminated Debris

Reduction Goals and Considerations

Valero has defined several specific and general goals for waste minimization in the Sunray Refinery. These goals are:

- Reduce the risk to human health and the environment,
- Reduce the cost of waste management, and
- Reduce the potential liability of waste management methods.

Valero's Waste Minimization goal for the priority 1 stream in the table above is a 50% reduction in total mass by the end of the 5 year period. The goal for this waste stream is based on the waste stream's 2007 baseline quantity. The goal for the priority 2 waste stream is a 75% reduction in the amount of material disposed of as contaminated debris. This reduction will be achieved by improving the segregation of debris and reducing the amount of nonhazardous debris that is disposed of with the listed hazardous waste.

Waste Minimization and Source Reduction Projects

Valero has considered the potential for off-site exposure resulting from releases of wastes generated at the refinery. The waste minimization projects selected for implementation will reduce the quantity of hazardous waste sent off-site for treatment and disposal, and reduce associated quantities of TRI reportable chemicals sent to landfills and treatment facilities.

The projects included in this Plan will reduce overall risks to human health and the environment. A list of source reduction and waste minimization projects planned for the period 2008-2012 and associated schedule for implementation are included in Table 3.

The schedule for future reduction goals is a 50% reduction in the centrifuge cake via processing as an oil-bearing hazardous secondary material by coking units (cokers) located at other Valero facilities and a 75% reduction in contaminated debris over the 5 years included in this plan.

For the waste minimization projects included in this plan, Valero has considered the potential for pollutants from the waste minimization activities to be shifted to another medium. The centrifuge filter cake is sent to other refineries as an input for the coking units at those facilities, and the coking units are equipped with controls that limit emissions. The material that will be segregated from the contaminated debris waste stream to reduce the amount of that stream is not hazardous. Therefore, preventing nonhazardous material from being disposed of as hazardous material does not result in the potential for new emissions.

VALERO

Plan Certification

I certify that this Pollution Prevention Plan has been completed to meet the specific requirements of 30 TAC Sections 335.471-335.480, and that the information provided herein is correct and complete.

This document also certifies that I have the authority to commit the corporate resources necessary to implement this plan.

John J. Deemer
Environmental Manager
Valero McKee Refinery
Diamond Shamrock Refining Company, L.P.

ATTACHMENT II

PRIMARY EXPORTER CERTIFICATION

Certification by Primary Exporter

I certify under penalty of law that I have personally examined and am familiar with the information submitted in this and all attached documents, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the submitted information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment.

Greg M. Corcoran
Vice President & General Manager
Diamond Shamrock Refining Company, L.P.
Valero McKee Refinery

1-Mar-2012
Date