

SANFORD J. LEWIS, ATTORNEY

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April 10, 2000

Mr. Daniel P. Ducore, Assistant Director
Bureau of Competition
Federal Trade Commission
601 Pennsylvania Avenue, N.W.
Washington, DC 20580

FTC File No. 991-0077; Docket No. C-3907;
via Fax 202 326-3396

RE: Valero Acquisition of Exxon California Assets

Dear Mr. Ducore,

I have just received additional information from the Bay Area Air Quality Management District which I would like to add to the record with our comments submitted today regarding Valero and the Exxon-Benicia refinery.

I am faxing to you an excerpt from the Bay Area Air Quality Management District annual enforcement report for 1999 which I just received. It shows that the Exxon refinery actually accrued more complaints, notices of violation and "episodes" in 1999 on an annualized basis than it had in prior years. The need for more competent management, not less competent management, is heightened by this new finding. Despite some upgrades at Exxon during the year 1999, it appears that air pollution enforcement indicators have grown worse overall.

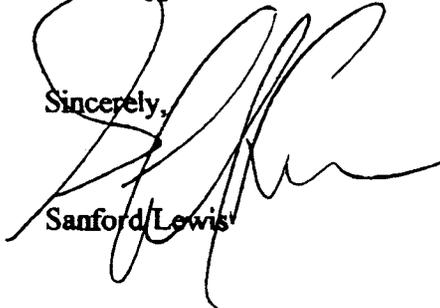
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Prior to 1999 complaints, notices of violation and episodes were recorded on an 18 month basis. Annualizing the figures in the attached report (multiplying by 12/18), we find the following comparison:

Exxon Benicia Refinery 1999 Report of BAAQD		
	1999	1997-98
Complaints	42	32.6
Notices of Violation	14	13.2
Episodes	24	20.46

Please append this letter and the following attachment to our comments as Exhibit 9.

Sincerely,



Sanford Lewis

ANNUAL COMPLIANCE REPORT

1999

**EXXON BENICIA REFINERY
PLANT #15**

BENICIA, CALIFORNIA



**BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT**

PREPARED BY:

JEFF GOVE, SENIOR AIR QUALITY INSPECTOR

REVIEWED BY:

**F. MICHAEL RACETTE, SUPERVISING A.Q. INSPECTOR
TONY GAMBARDELLA, PRINCIPLE A.Q. SPECIALIST**

APPROVED BY:

JACK BEAN, INSPECTIONS MANAGER

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT
939 ELLIS STREET
SAN FRANCISCO, CALIFORNIA 94109**

COMPARISON TO PREVIOUS YEARS

<u>Complaints</u>	<u>1999</u>	<u>97-98*</u>	<u>96-97</u>
Confirmed	21	1	12
Unconfirmed	<u>19</u>	<u>48</u>	<u>27</u>
Total	42	49	39

<u>Notices of Violation</u>	<u>1999</u>	<u>97-98*</u>	<u>96 - 97</u>
Storage tanks	2	6	3
Valve & connectors	3	6	19
Visible emissions/Opacity	1	3	4
H ₂ S in fuel gas	0	0	0
Monitor maintenance	1	0	1
Oil/Water Separator	0	1	0
Public nuisance	1	0	0
NO _x excess	0	3	1
GLM excess (H ₂ S)	0	0	1
Source Test	2	0	0
Permit Condition	3	-	-
Miscellaneous Operations	<u>1</u>	<u>1</u>	<u>0</u>
Total	14	20	29

<u>Episodes</u>	<u>1999</u>	<u>97-98 *</u>	<u>96 -97</u>
Breakdowns	6	8	2
CEM	7	17	11
GLM	2	0	1
Out-of-service	8	6	8
Parametric	0	0	0
PRV	<u>1</u>	<u>0</u>	<u>1</u>
Total	24	31	23

* Note that the 97-98 data is for an eighteen month period. The previous years were twelve months. Future reports will cover a twelve-month reporting period.

SANFORD J. LEWIS, ATTORNEY*Strategic Counsel On Corporate Accountability***FAX COVER****TO:**

Dan Ducone

FAX NUMBER:**DATE:**

4/10/00

FROM: Sanford Lewis**RETURN FAX:** 781 891-6889**SUBJECT:**

Supplement to Comments - U2 keto

Number of pages following:

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Message:

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