



Benicia Refinery • Valero Refining Company - California

3400 East Second Street • Benicia, California 94510-1097 • Telephone (707) 745-7011 • Facsimile (707) 745-7432

August 1, 2012

VIP Semi-Annual Construction Report
for the first half of 2012 - Revised

Ms. Kitty Hammer
Community Development Department
City of Benicia
250 East L Street
Benicia, CA 94510

Dear Ms. Hammer:

Thank you for your thoughtful review of Valero's semi-annual VIP construction report. Enclosed please find the revised semi-annual VIP construction report which documents the status of each VIP element for the period ending June 30, 2012. One minor amendment was made to the original report correcting the construction completion date for element 2008-3. An electronic copy will be provided to the City of Benicia via email.

Please contact me at 745-7203 if you have any questions or require additional information.

Sincerely,

Susan K. Gustafson, P.E.
Staff Environmental Engineer

SKG/tac

Enclosure

VIP Construction Report for the period ending June 30, 2012
 Valero Refining Company – CA, Benicia Refinery

| VIP Element # or Reference | Title | Funded | Construction Start | Construction Completion | In-service | Estimate | Comments |
|---|--|--|--|------------------------------------|--|--------------------|----------|
| Mitigation Monitoring and Reporting Program 4.2-2: Operational activity related emissions increases | Light Ends Rail Rack Arm Drains project | Part of MTBE Phase-out Project | November 4, 2002 | December 24, 2002 | March 8, 2004 | \$320 m | Complete |
| <u>Element 2003-1</u> | Tail Gas Spare Boiler / Hydrogenator | July 31, 2003 | July 31, 2003 | February 28, 2004 | March 19, 2004 | \$8.3 MM | Complete |
| Mitigation Monitoring and Reporting Program: 4.3-1; 4.3-2: Biological Resources | New Crude Tanks | Advance Funding 10/25/2005 | 1Q2007 dewatering; 2Q2007 Ponds are dry; Site preparation started 5/14/07 | Tank #1: 4Q2008 Tank #2: 4Q2008 | Tank 1707: January 2009 Tank 1708: January 2009 | \$38MM for 2 tanks | Complete |
| <u>Element 2006-1</u> Defined March 6, 2006 | | | Tank #1 construction start 3Q2007; Tank #2 construction start 3Q2007 | | | | |
| <u>Element 2004-1</u> | FCCU Regenerator Grid Replacement | June 20, 2003 | July 15, 2003 | November 30, 2004 | November 5, 2004 | \$6.1 MM | Complete |
| <u>Element 2004-2</u> | Alkylation Unit Modifications (a.k.a. Butamer) | Advance funding for T/A scope only: May 2004 | 11/1/2004 Turnaround tie-ins Field construction start date: 3Q2008 (actual) | Revised: 11/30/2009 | 1Q2010 | \$72 MM | Complete |

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|-------------------------------|--|---|---|--|--------------------|---|---|
| <u>Element 2005-1</u> | Hydrofining Optimization (Ultra-low Sulfur Diesel Project) | 1/20/2006 | May 2006 | 5/31/2007 | 7/16/2007 (actual) | \$103 MM (Actual) | Complete |
| <u>2008-1</u> | Flue Gas Scrubber Civil Work: Retaining Wall and Fill | Advance Funding 1/16/07, Full Funding 11/6/08 | 7/23/ 2008 (Demo) 10/27/2008 (Wall & Fill) | 1/30/ 2009 (Demo) 6/15/09 (Wall & Fill) | June 15, 2009 | \$4.8 MM (Demo Budget) \$7.4 MM Wall & Fill Budget) | Complete |
| <u>2008-2</u> | Flue Gas Scrubber Equipment Train | 11/25/08 | 4Q2008 | 4Q2010 | 1Q2011 | \$750 MM | Complete |
| <u>2008-3</u> | Relocate Employee Parking Lot | 4Q2012 | 1Q2013 | 3Q2013 | 3Q2013 | \$2.85 MM (Budget) | ATC not required |
| <u>2008-4</u> | New Hydrogen Plant | 2Q2008 Advance funding for long-lead delivery equipment | 3Q2013 | 4Q2014 | 4Q2014 | \$275 MM | ATC Permit Condition issued by BAAQMD December 16, 2008 (Application 16937); Request to extend the ATC thru December 2014 was submitted to the BAAQMD in July 2012. |