

AUG 10 2007

In the Matter of the Administrative Order )  
on Consent Issued to Frontier Refining Inc., )  
a Delaware corporation )

Docket No. 06-5400

Terri A. Lorenzon, Director  
Environmental Quality Council

**DEPARTMENT OF ENVIRONMENTAL QUALITY'S UPDATE**

The Wyoming Department of Environmental Quality (DEQ) submits this update pursuant to the Wyoming Environmental Quality Council's (EQC or Council) directive dated August 3, 2007 in above-captioned matter.

This matter involves a "Joint Stipulation for Modification of Administrative Order on Consent" (dated September 15, 2006) and "Joint Motion to Approve Joint Stipulation for Modification of Administrative Order on Consent," both filed jointly by the DEQ and Frontier Refining Inc. (Frontier) on October 17, 2006, and a "Motion of Arp & Hammond Hardware Company for Leave to Intervene and to Supplement *Joint Stipulation for Modification of Administrative Order on Consent* Dated September 15, 2006," filed by Arp & Hammond Hardware Company (A&H) on February 12, 2007.

The DEQ and Frontier have jointly stipulated and moved for Council approval of the stipulated modification of the Administrative Order on Consent (AOC). A&H, in its initial Motion (III, 1 at page 4) and in its Reply filed March 14, 2007 (III at page 1), "has consistently supported EQC approval of the Joint Stipulation Modifying the Administrative Order on Consent; it did so in its Motion and it again does so now." There is no disagreement about EQC approval of the Joint Stipulation Modifying the Administrative Order on Consent.

The two other issues raised by A&H's Motion are whether A&H can intervene as a party to the AOC itself, which was initially issued by EPA and subsequently re-issued as an "equivalent" state order pursuant to WYO. STAT. ANN. § 35-11-518(b), and whether the Joint Stipulation to modify the AOC should be supplemented. An agreement on those two issues has not been reached.



Nevertheless, the DEQ is proceeding with efforts to carry out the terms and schedule in the Joint Stipulation to modify the AOC. A&H is being provided with copies of Frontier submittals and other pertinent documents, and DEQ is receptive to comments from A&H. There may also be communications directly between Frontier and A&H that do not include the DEQ. A related meeting including DEQ, Frontier and A&H (and possibly the City of Cheyenne) is scheduled for August 23, 2007.

DATED this 10th day of August, 2007.



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**CERTIFICATE OF SERVICE**

True and correct copies of the foregoing DEPARTMENT OF ENVIRONMENTAL QUALITY'S UPDATE were served this 10th day of August, 2007 by United States mail, first class postage paid, facsimile transmission and/or e-mail, addressed as follows:

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