

EXECUTIVE SUMMARY - ENFORCEMENT MATTER

DOCKET NO.: 2007-0247-AIR-E **TCEQ ID:** RN100218049 **CASE NO.:** 32663

RESPONDENT NAME: BASF Corporation

ORDER TYPE:		
<input checked="" type="checkbox"/> 1660 AGREED ORDER	<input type="checkbox"/> FINDINGS AGREED ORDER	<input type="checkbox"/> FINDINGS ORDER FOLLOWING SOAH HEARING
<input type="checkbox"/> FINDINGS DEFAULT ORDER	<input type="checkbox"/> SHUTDOWN ORDER	<input type="checkbox"/> IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER
<input type="checkbox"/> AMENDED ORDER	<input type="checkbox"/> EMERGENCY ORDER	
CASE TYPE:		
<input checked="" type="checkbox"/> AIR	<input type="checkbox"/> MULTI-MEDIA (check all that apply)	<input type="checkbox"/> INDUSTRIAL AND HAZARDOUS WASTE
<input type="checkbox"/> PUBLIC WATER SUPPLY	<input type="checkbox"/> PETROLEUM STORAGE TANKS	<input type="checkbox"/> OCCUPATIONAL CERTIFICATION
<input type="checkbox"/> WATER QUALITY	<input type="checkbox"/> SEWAGE SLUDGE	<input type="checkbox"/> UNDERGROUND INJECTION CONTROL
<input type="checkbox"/> MUNICIPAL SOLID WASTE	<input type="checkbox"/> RADIOACTIVE WASTE	<input type="checkbox"/> DRY CLEANER REGISTRATION
<p>SITE WHERE VIOLATION(S) OCCURRED: BASF Freeport Site, 602 Copper Road, Freeport, Brazoria County</p> <p>TYPE OF OPERATION: Chemical manufacturing</p> <p>SMALL BUSINESS: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>OTHER SIGNIFICANT MATTERS: There are no complaints. There are six pending enforcement actions regarding this facility location, Docket Nos. 2004-0801-AIR-E, 2005-0816-AIR-E, 2006-0735-AIR-E, 2006-1764-AIR-E, 2007-0038-AIR-E and 2007-0159-AIR-E.</p> <p>INTERESTED PARTIES: No one other than the ED and the Respondent has expressed an interest in this matter.</p> <p>COMMENTS RECEIVED: The <i>Texas Register</i> comment period expired on July 16, 2007. No comments were received.</p> <p>CONTACTS AND MAILING LIST: TCEQ Attorney/SEP Coordinator: None TCEQ Enforcement Coordinator: Ms. Trina Grieco, Enforcement Division, Enforcement Team 5, MC R-13, (210) 403-4006; Mr. David Van Soest, Enforcement Division, MC 219, (512) 239-0468 Respondent: Mr. Arthur Colwell, Vice President and General Manager, BASF Corporation, 602 Copper Road, Freeport, Texas 77541-3001 Respondent's Attorney: Not represented by counsel on this enforcement matter</p>		

VIOLATION SUMMARY CHART:

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p>Type of Investigation: <input type="checkbox"/> Complaint <input type="checkbox"/> Routine <input type="checkbox"/> Enforcement Follow-up <input checked="" type="checkbox"/> Records Review</p> <p>Date(s) of Complaints Relating to this Case: None</p> <p>Dates of Investigations Relating to this Case: July 24 and September 20, 2006</p> <p>Dates of NOEs Relating to this Case: September 8 and November 20, 2006 (NOEs)</p> <p>Background Facts: These were routine record reviews. Two violations were documented.</p> <p>AIR</p> <p>1) Failed to prevent unauthorized emissions. Specifically, unauthorized emissions of 22,102 pounds ("lbs") of carbon monoxide and 3,859 lbs of volatile organic compounds were released from the Oxidation System Facility (Facility Identification Number 7-2-R1X0'S) in the Cyclohexanone 1 Unit through the High Pressure vent gas vent during an emissions event (Incident No. 62317) that began on August 5, 2005 and lasted 43 hours and 48 minutes. These emissions are not authorized by the permit. Since the emissions event was avoidable, BASF Corporation failed to meet the demonstration criteria for an affirmative defense in 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE § 116.115(b)(2)(F) and (c), New Source Review ("NSR") Permit No. 1733A, Special Condition 1 and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p> <p>2) Failed to prevent unauthorized emissions. Specifically, unauthorized emissions of 2,200 lbs of ammonia were released from the valve of the refrigeration unit in the Glacial Acrylic Acid No. 4 unit during an emissions event (Incident No. 78240) that occurred on July 7, 2006 and lasted for 13 hours and 59 minutes. Since the emissions event was avoidable, BASF</p>	<p>Total Assessed: \$18,100</p> <p>Total Deferred: \$3,620 <input checked="" type="checkbox"/> Expedited Settlement <input type="checkbox"/> Financial Inability to Pay</p> <p>SEP Conditional Offset: \$0</p> <p>Total Paid to General Revenue: \$14,480</p> <p>Site Compliance History Classification <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p>Person Compliance History Classification <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p>Major Source: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Applicable Penalty Policy: September 2002</p>	<p>Ordering Provisions:</p> <p>The Order will require the Respondent to:</p> <p>a. Within 30 days after the effective date of this Agreed Order, implement measures designed to prevent unauthorized emissions due to the same causes as the emissions events that occurred on August 5, 2005 (Incident No. 62317) and July 7, 2006 (Incident No. 78240); and</p> <p>b. Within 45 days after the effective date of this Agreed Order, submit written certification and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision a.</p>

<p>Corporation failed to meet the demonstration criteria for an affirmative defense in 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE § 116.115(c), NSR Permit No. 9513A, Special Condition 1 and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p>		
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Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision January 9, 2007

DATES	Assigned	12-Feb-2007	Screening	15-Feb-2007	EPA Due	6-Nov-2007
	PCW	4-May-2007				

RESPONDENT/FACILITY INFORMATION			
Respondent	BASF Corporation		
Reg. Ent. Ref. No.	RN100218049		
Facility/Site Region	12	Major/Minor Source	Major

CASE INFORMATION				
Enf./Case ID No.	32663	No. of Violations	2	
Docket No.	2007-0247-AIR-E	Order Type	1660	
Media Program(s)	Air Quality	Enf. Coordinator	Trina Grieco	
Multi-Media		EC's Team	Enforcement Team 6	
Admin. Penalty \$	Limit Minimum	\$0	Maximum	\$10,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties) Subtotal 1

ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

Compliance History 81% Enhancement Subtotals 2, 3, & 7

Notes: Penalty enhancement due to 4 NOVs for same or similar violations, 8 NOVs for non-similar violations, 1 agreed order with denial of liability, and 1 agreed order without denial of liability issued for this plant in the past five years.

Culpability No 0% Enhancement Subtotal 4

Notes: The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply 0% Reduction Subtotal 5

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary		
N/A	X	(mark with x)

Notes: The Respondent does not meet the good faith criteria.

Total EB Amounts 0% Enhancement* Subtotal 6
Approx. Cost of Compliance *Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7 Final Subtotal

OTHER FACTORS AS JUSTICE MAY REQUIRE Adjustment

Reduces or enhances the Final Subtotal by the indicated percentage. (Enter number only; e.g. -30 for -30%.)

Notes:

Final Penalty Amount

STATUTORY LIMIT ADJUSTMENT Final Assessed Penalty

DEFERRAL 20% Reduction Adjustment

Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes:

PAYABLE PENALTY

Screening Date 15-Feb-2007

Docket No. 2007-0247-AIR-E

PCW

Respondent BASF Corporation

Policy Revision 2 (September 2002)

Case ID No. 32663

PCW Revision January 9, 2007

Reg. Ent. Reference No. RN100218049

Media [Statute] Air Quality

Enf. Coordinator Trina Grieco

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written NOVs with same or similar violations as those in the current enforcement action (number of NOVs meeting criteria)	4	20%
	Other written NOVs	8	16%
Orders	Any agreed final enforcement orders containing a denial of liability (number of orders meeting criteria)	1	20%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	1	25%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (number of judgments or consent decrees meeting criteria)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (number of counts)	0	0%
Emissions	Chronic excessive emissions events (number of events)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which notices were submitted)	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which violations were disclosed)	0	0%
<i>Please Enter Yes or No</i>			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 81%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Average Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

Penalty enhancement due to 4 NOVs for same or similar violations, 8 NOVs for non-similar violations, 1 agreed order with denial of liability, and 1 agreed order without denial of liability issued for this plant in the past five years.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 81%

Screening Date 15-Feb-2007

Docket No. 2007-0247-AIR-E

PCW

Respondent BASF Corporation

Policy Revision 2 (September 2002)

Case ID No. 32663

PCW Revision January 9, 2007

Reg. Ent. Reference No. RN100218049

Media [Statute] Air Quality

Enf. Coordinator Trina Grieco

Violation Number

Rule Cite(s) 30 Tex. Admin. Code § 116.115(b)(2)(F) and (c), New Source Review Permit No. 1733A, Special Condition 1 and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to prevent unauthorized emissions. Specifically, unauthorized emissions of 22,102 pounds ("lbs") of carbon monoxide and 3,859 lbs of volatile organic compounds were released from the Oxidation System Facility (Facility Identification Number 7-2-R1X0'S) in the Cyclohexanone 1 Unit through the High Pressure vent gas vent during an emissions event (Incident No. 62317) that began on August 5, 2005 and lasted 43 hours and 48 minutes. These emissions are not authorized by the permit. Since the emissions event was avoidable, BASF Corporation failed to meet the demonstration criteria for an affirmative defense in 30 Tex. Admin. Code § 101.222.

Base Penalty

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual		x	
Potential			

Percent

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent

Human health or the environment in the Houston-Galveston-Brazoria nonattainment area has been exposed to a significant amount of pollutants which did not exceed levels that are protective of human health or environmental receptors.

Adjustment

Violation Events

Number of Violation Events

Number of violation days

mark only one with an x	daily	<input type="text"/>
	monthly	<input type="text"/>
	quarterly	<input type="text"/>
	semiannual	<input type="text"/>
	annual	<input type="text"/>
	single event	<input checked="" type="text" value="x"/>

Violation Base Penalty

One single event is recommended.

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount

Violation Final Penalty Total

This violation Final Assessed Penalty (adjusted for limits)

Economic Benefit Worksheet

Respondent BASF Corporation
Case ID No. 32663
Reg. Ent. Reference No. RN100218049
Media Air Quality
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
<small>No commas or \$</small>							

Delayed Costs

Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs	\$1,500	5-Aug-2005	1-Oct-2007	2.2	\$162	n/a	\$162
Other (as needed)				0.0	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to develop and implement (or revise current) standard operating procedures to include instructions for rebooting the distributive control system to ensure the high pressure atmospheric vent valve to verify it is closed. Date required is based on the date the release began. Final date is based on the projected compliance date.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equipment				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance	\$1,500	TOTAL	\$162
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Screening Date 15-Feb-2007

Docket No. 2007-0247-AIR-E

PCW

Respondent BASF Corporation

Policy Revision 2 (September 2002)

Case ID No. 32663

PCW Revision January 9, 2007

Reg. Ent. Reference No. RN100218049

Media [Statute] Air Quality

Enf. Coordinator Trina Grieco

Violation Number 2

Rule Cite(s) 30 Tex. Admin. Code § 116.115(c), New Source Review (NSR) Permit No. 9513A, Special Condition 1 and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to prevent unauthorized emissions. Specifically, unauthorized emissions of 2,200 lbs of ammonia were released from the valve of the refrigeration unit in the Glacial Acrylic Acid No. 4 unit during an emissions event (Incident No. 78240) that occurred on July 7, 2006 and lasted for 13 hours and 59 minutes. Since the emissions event was avoidable, BASF Corporation failed to meet the demonstration criteria for an affirmative defense in 30 Tex. Admin. Code § 101.222.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual		X	
Potential			

Percent 50%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes

Human health or the environment in the Houston-Galveston-Brazoria nonattainment area has been exposed to a significant amount of pollutants which did not exceed levels that are protective of human health or environmental receptors.

Adjustment \$5,000

\$5,000

Violation Events

Number of Violation Events 1

1 Number of violation days

mark only one with an x

daily	
monthly	
quarterly	
semiannual	
annual	
single event	X

Violation Base Penalty \$5,000

One single event is recommended.

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$185

Violation Final Penalty Total \$9,050

This violation Final Assessed Penalty (adjusted for limits) \$9,050

Economic Benefit Worksheet

Respondent BASF Corporation
Case ID No. 32663
Reg. Ent. Reference No. RN100218049
Media Air Quality
Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)	\$3,000	7-Jul-2006	1-Oct-2007	1.2	\$185	n/a	\$185

Notes for DELAYED costs

Estimated cost to implement procedures for inspecting and maintaining the valves. Date required is based on the date of the release. Final date if the date corrective actions are projected to be completed.

Avoided Costs							
ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)							
Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equipment				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance \$3,000
TOTAL \$185

Compliance History

Customer/Respondent/Owner-Operator:	CN600124895 BASF Corporation	Classification: AVERAGE	Rating: 3.22
Regulated Entity:	RN100218049 BASF FREEPORT SITE	Classification: AVERAGE	Site Rating: 1.10

AIR OPERATING PERMITS	ACCOUNT NUMBER	BL00210
AIR OPERATING PERMITS	PERMIT	1536
AIR OPERATING PERMITS	PERMIT	1925
AIR OPERATING PERMITS	PERMIT	1926
AIR OPERATING PERMITS	PERMIT	1927
AIR OPERATING PERMITS	PERMIT	1928
AIR OPERATING PERMITS	PERMIT	2158
AIR OPERATING PERMITS	PERMIT	2159
AIR OPERATING PERMITS	PERMIT	2907
AIR OPERATING PERMITS	PERMIT	8074A
AIR OPERATING PERMITS	PERMIT	1733A
INDUSTRIAL AND HAZARDOUS WASTE GENERATION	EPA ID	TXD008081697
INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION # (SWR)	30024
INDUSTRIAL AND HAZARDOUS WASTE STORAGE	PERMIT	50128
INDUSTRIAL AND HAZARDOUS WASTE STORAGE	PERMIT	50128
PUBLIC WATER SYSTEM/SUPPLY	REGISTRATION	0200501
WASTEWATER	PERMIT	WQ0003977000
WASTEWATER	PERMIT	TPDES0008788
WASTEWATER	PERMIT	TX0008788
AIR NEW SOURCE PERMITS	PERMIT	736
AIR NEW SOURCE PERMITS	PERMIT	10310
AIR NEW SOURCE PERMITS	PERMIT	10373
AIR NEW SOURCE PERMITS	PERMIT	10388
AIR NEW SOURCE PERMITS	PERMIT	10437
AIR NEW SOURCE PERMITS	PERMIT	10554
AIR NEW SOURCE PERMITS	PERMIT	10578
AIR NEW SOURCE PERMITS	PERMIT	10634
AIR NEW SOURCE PERMITS	PERMIT	10641
AIR NEW SOURCE PERMITS	PERMIT	11080
AIR NEW SOURCE PERMITS	PERMIT	11081
AIR NEW SOURCE PERMITS	PERMIT	11286
AIR NEW SOURCE PERMITS	PERMIT	7596A
AIR NEW SOURCE PERMITS	PERMIT	7595A
AIR NEW SOURCE PERMITS	PERMIT	7223A
AIR NEW SOURCE PERMITS	PERMIT	735B
AIR NEW SOURCE PERMITS	PERMIT	1396A
AIR NEW SOURCE PERMITS	PERMIT	1390A
AIR NEW SOURCE PERMITS	PERMIT	1395A
AIR NEW SOURCE PERMITS	PERMIT	1733A
AIR NEW SOURCE PERMITS	PERMIT	1391A
AIR NEW SOURCE PERMITS	PERMIT	1392A
AIR NEW SOURCE PERMITS	PERMIT	1445A
AIR NEW SOURCE PERMITS	PERMIT	6773A
AIR NEW SOURCE PERMITS	PERMIT	8074A
AIR NEW SOURCE PERMITS	PERMIT	9513A
AIR NEW SOURCE PERMITS	PERMIT	9494A
AIR NEW SOURCE PERMITS	PERMIT	9603A
AIR NEW SOURCE PERMITS	PERMIT	12952A
AIR NEW SOURCE PERMITS	PERMIT	12957A
AIR NEW SOURCE PERMITS	PERMIT	13481A
AIR NEW SOURCE PERMITS	PERMIT	12277A
AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	BL00210
AIR NEW SOURCE PERMITS	PERMIT	735C
AIR NEW SOURCE PERMITS	PERMIT	19698
AIR NEW SOURCE PERMITS	PERMIT	19886
AIR NEW SOURCE PERMITS	PERMIT	31333
AIR NEW SOURCE PERMITS	PERMIT	34793
AIR NEW SOURCE PERMITS	PERMIT	35389
AIR NEW SOURCE PERMITS	PERMIT	40799
AIR NEW SOURCE PERMITS	PERMIT	42346
AIR NEW SOURCE PERMITS	PERMIT	42856
AIR NEW SOURCE PERMITS	PERMIT	46625

AIR NEW SOURCE PERMITS	EPA ID	PSDTX193M1
AIR NEW SOURCE PERMITS	PERMIT	47112
AIR NEW SOURCE PERMITS	PERMIT	55239
AIR NEW SOURCE PERMITS	AFS NUM	4803900017
AIR NEW SOURCE PERMITS	REGISTRATION	56742
AIR NEW SOURCE PERMITS	EPA ID	PSDTX651M1
AIR NEW SOURCE PERMITS	REGISTRATION	71405
AIR NEW SOURCE PERMITS	REGISTRATION	71817
AIR NEW SOURCE PERMITS	PERMIT	56520
AIR NEW SOURCE PERMITS	PERMIT	71145
AIR NEW SOURCE PERMITS	PERMIT	54458
AIR NEW SOURCE PERMITS	PERMIT	54190
AIR NEW SOURCE PERMITS	REGISTRATION	72728
AIR NEW SOURCE PERMITS	REGISTRATION	73597
AIR NEW SOURCE PERMITS	PERMIT	74453
AIR NEW SOURCE PERMITS	REGISTRATION	74947
AIR NEW SOURCE PERMITS	REGISTRATION	76613
AIR NEW SOURCE PERMITS	REGISTRATION	77324
AIR NEW SOURCE PERMITS	REGISTRATION	77412
AIR NEW SOURCE PERMITS	PERMIT	78452
AIR NEW SOURCE PERMITS	REGISTRATION	79305
AIR NEW SOURCE PERMITS	REGISTRATION	79691
AIR NEW SOURCE PERMITS	REGISTRATION	80222
AIR NEW SOURCE PERMITS	REGISTRATION	74240
AIR NEW SOURCE PERMITS	REGISTRATION	80352
AIR NEW SOURCE PERMITS	REGISTRATION	80438
AIR NEW SOURCE PERMITS	REGISTRATION	80499
UNDERGROUND INJECTION CONTROL	PERMIT	WDW051
UNDERGROUND INJECTION CONTROL	PERMIT	WDW099
UNDERGROUND INJECTION CONTROL	PERMIT	WDW408
UNDERGROUND INJECTION CONTROL	PERMIT	WDW409
WATER LICENSING	LICENSE	0200501
IHW CORRECTIVE ACTION	SOLID WASTE REGISTRATION # (SWR)	30024
UNDERGROUND INJECTION CONTROL WATER	PERMIT	WDW409

ID Number(s):

Location: 602 COPPER RD, FREEPORT, TX, 77541

Rating Date: September 01 06 Repeat Violator:
NO

TCEQ Region: REGION 12 - HOUSTON

Date Compliance History Prepared: February 12, 2007

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: February 12, 2002 to February 12, 2007

TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History

Name: Trina Grieco Phone: (210) 403-4006

Site Compliance History Components

- 1. Has the site been in existence and/or operation for the full five year compliance period? Yes
- 2. Has there been a (known) change in ownership of the site during the compliance period? No
- 3. If Yes, who is the current owner? N/A
- 4. If Yes, who was/were the prior owner(s)? N/A
- 5. When did the change(s) in ownership occur? N/A

Components (Multimedia) for the Site :

A. Final Enforcement Orders, court judgements, and consent decrees of the state of Texas and the federal government.

N/A Effective Date: 08/07/2003 ADMINORDER 2001-0008-AIR-E
Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.6[G]
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failed to submit notifications of upsets that occurred on 5/1/00, 5/20/00 & 5/23/00 for Emergency Flares, Emission Point Numbers 12-1-2 and 12-1-48 located in the Hydroxylamine Unit.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(G)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: Not specified PERMIT

Description: Failed to comply with the permitted NOx limits for EPNs 12-1-2 and 12-1-48 for the calendar year 1999.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(G)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: Not specified PERMIT

Description: Exceeded the permitted hourly rates for NOx during upset events.

Classification: Minor

Citation: 30 TAC Chapter 335, SubChapter J 335.323[G]

Description: Failed to pay outstanding Hazardous Waste Generation Fees and Non Hazardous Waste Generation fees for Fiscal Years 1998, 1999 and 2000.

Effective Date: 08/28/2004

ADMINORDER 2003-0222-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
5C THC Chapter 382, SubChapter A 382.085(a)

5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: SC 1 PERMIT

Description: Unauthorized and excessive emissions were released.

B. Any criminal convictions of the state of Texas and the federal government.

N/A

C. Chronic excessive emissions events.

N/A

D. The approval dates of investigations. (CCEDS Inv. Track. No.)

1	08/28/2003	(152903)
N/A		
2	01/30/2003	(23083)
3	04/13/2003	(29647)
4	06/11/2002	(2490)
5	06/12/2002	(2504)
6	08/27/2002	(9254)
7	11/21/2002	(161416)
8	11/08/2005	(432025)
9	05/09/2006	(456731)
10	12/30/2004	(337803)
11	01/02/2006	(439777)
12	08/29/2003	(153030)
13	12/12/2002	(161420)
14	03/04/2004	(263240)
15	09/01/2006	(486347)
16	05/29/2003	(31351)
17	02/19/2003	(22915)
18	01/02/2006	(440234)
19	12/11/2006	(516628)
20	05/27/2004	(273826)
21	05/07/2004	(266213)
22	11/14/2006	(517775)
23	04/22/2005	(419961)
24	02/22/2006	(468854)
25	01/08/2007	(397670)
26	08/05/2004	(274585)
27	09/13/2004	(284657)
28	05/23/2005	(419962)
29	01/21/2003	(161424)
30	06/20/2005	(419963)
31	05/19/2006	(462792)

32	05/24/2005	(379291)
33	06/27/2006	(479895)
34	01/28/2004	(258683)
35	08/03/2005	(402980)
36	05/23/2005	(419964)
37	02/05/2003	(23551)
38	06/17/2005	(396245)
39	12/20/2004	(281723)
40	05/08/2006	(464770)
41	09/15/2006	(510723)
42	04/21/2006	(454595)
43	08/17/2004	(278836)
44	05/19/2006	(462793)
45	06/02/2004	(274107)
46	02/24/2003	(24796)
47	03/29/2006	(457262)
48	10/20/2004	(337752)
49	03/03/2005	(347495)
50	08/18/2004	(352725)
51	07/08/2003	(10794)
52	09/21/2004	(352726)
53	01/03/2005	(281278)
54	04/20/2006	(462472)
55	07/20/2006	(486350)
56	10/20/2004	(352727)
57	01/24/2007	(537748)
58	11/18/2002	(12311)
59	05/23/2005	(381384)
60	10/21/2003	(250208)
61	01/31/2005	(347355)
62	12/06/2004	(342105)
63	04/13/2003	(29644)
64	05/03/2004	(269890)
65	03/10/2005	(349400)
66	07/12/2006	(484356)
67	09/29/2004	(293381)
68	01/05/2005	(339041)
69	01/30/2004	(250213)
70	11/12/2004	(337392)
71	04/17/2006	(468855)
72	03/21/2006	(498483)
73	08/10/2005	(404111)
74	05/18/2006	(498484)
75	05/23/2005	(393169)
76	05/26/2004	(273606)
77	06/21/2006	(498485)
78	05/30/2002	(1827)
79	02/24/2004	(296673)
80	08/19/2004	(286312)
81	02/04/2004	(249697)
82	05/11/2005	(372974)
83	04/25/2005	(377465)
84	05/25/2006	(464223)
85	06/19/2006	(481723)
86	08/11/2005	(401786)
87	03/22/2003	(296675)
88	04/17/2006	(468856)
89	04/20/2004	(296676)
90	05/27/2004	(273809)
91	03/20/2003	(24039)
92	12/08/2003	(255468)
93	05/12/2005	(376490)
94	05/24/2002	(1615)
95	05/08/2006	(464623)
96	11/26/2003	(247665)
97	03/28/2006	(450863)
98	05/08/2006	(464383)

99	05/17/2004	(296679)
100	06/17/2004	(273337)
101	08/29/2002	(5844)
102	11/16/2005	(468857)
103	01/30/2006	(450778)
104	08/02/2005	(402694)
105	06/21/2004	(296681)
106	08/14/2006	(484324)
107	11/20/2006	(513396)
108	04/12/2004	(265264)
109	08/21/2006	(520485)
110	06/21/2004	(296683)
111	09/22/2006	(520486)
112	06/10/2002	(2449)
113	08/19/2003	(296685)
114	09/01/2004	(279375)
115	04/25/2005	(377466)
116	08/28/2003	(152792)
117	06/27/2006	(483624)
118	12/20/2005	(468858)
119	09/23/2003	(296687)
120	02/25/2002	(161382)
121	08/18/2004	(286229)
122	02/24/2003	(161383)
123	08/02/2005	(402492)
124	03/23/2005	(347356)
125	05/24/2005	(379611)
126	10/23/2003	(296689)
127	08/05/2004	(274590)
128	01/30/2006	(450256)
129	03/29/2006	(457427)
130	12/30/2005	(436666)
131	03/22/2002	(161385)
132	09/08/2006	(490204)
133	11/21/2003	(296690)
134	09/23/2004	(334721)
135	03/18/2003	(161386)
136	08/19/2005	(441078)
137	09/21/2005	(441079)
138	12/29/2003	(296692)
139	08/30/2002	(2406)
140	09/23/2004	(290934)
141	04/04/2006	(458505)
142	10/21/2005	(441080)
143	01/23/2004	(296693)
144	11/08/2004	(336518)
145	05/16/2006	(465894)
146	10/22/2003	(252701)
147	02/09/2004	(259451)
148	10/21/2005	(441081)
149	12/30/2004	(338117)
150	09/01/2006	(489607)
151	12/02/2005	(405555)
152	12/09/2004	(339233)
153	06/17/2005	(396050)
154	06/06/2005	(394016)
155	01/03/2005	(345085)
156	08/02/2005	(401794)
157	05/19/2004	(272261)
158	08/27/2003	(152689)
159	04/18/2002	(161390)
160	12/20/2004	(287154)
161	08/09/2002	(2405)
162	07/12/2006	(483737)
163	04/17/2003	(161391)
164	06/13/2005	(378146)
165	07/30/2002	(2404)

166	05/04/2004	(250402)
167	02/23/2005	(382105)
168	05/12/2006	(465545)
169	08/29/2002	(2402)
170	03/21/2005	(382106)
171	10/19/2004	(293378)
172	04/13/2004	(249696)
173	11/23/2004	(382107)
174	04/28/2004	(264648)
175	08/05/2004	(274595)
176	03/30/2006	(452957)
177	07/28/2003	(119109)
178	12/15/2004	(382108)
179	05/10/2006	(463574)
180	05/24/2002	(161394)
181	07/20/2006	(486367)
182	03/29/2006	(456450)
183	01/21/2005	(382109)
184	05/20/2003	(161395)
185	07/28/2003	(38139)
186	05/05/2003	(35365)
187	04/12/2004	(265591)
188	03/28/2006	(456877)
189	12/28/2004	(275252)
190	03/03/2005	(349394)
191	02/03/2006	(450363)
192	07/14/2005	(397522)
193	03/31/2004	(250406)
194	01/25/2007	(461764)
195	02/14/2006	(453833)
196	06/24/2002	(161398)
197	01/20/2006	(451686)
198	05/21/2004	(250203)
199	06/20/2003	(161399)
200	03/28/2006	(456881)
201	09/02/2004	(247960)
202	06/09/2004	(256599)
203	08/10/2005	(402755)
204	08/24/2006	(510032)
205	09/01/2006	(489452)
206	04/17/2006	(460116)
207	04/19/2005	(373770)
208	03/12/2003	(24596)
209	12/08/2005	(403855)
210	03/03/2005	(349369)
211	03/28/2006	(456834)
212	04/28/2006	(457444)
213	07/22/2002	(161402)
214	05/20/2003	(161403)
215	12/16/2004	(339143)
216	08/03/2005	(403000)
217	10/07/2003	(251052)
218	12/21/2004	(289777)
219	04/25/2003	(29326)
220	09/01/2006	(486203)
221	08/16/2002	(161406)
222	08/31/2006	(509144)
223	09/30/2004	(293375)
224	03/28/2006	(456991)
225	12/30/2004	(338316)
226	05/08/2006	(464642)
227	12/09/2004	(339374)
228	02/09/2007	(453599)
229	03/15/2004	(249699)
230	12/12/2003	(250207)
231	09/23/2002	(161409)
232	05/03/2004	(269887)

233 09/25/2003 (285489)
234 09/19/2005 (418588)
235 01/17/2006 (436507)
236 10/22/2002 (161412)

E. Written notices of violations (NOV). (CCEDS Inv. Track. No.)

Date 09/28/2004 (293381)

Self Report? NO Classification Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.116(a)(1)
Description: The RE failed to control VOC emissions during an unloading operation

Date 03/31/2004 (250406)

Self Report? NO Classification Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.116(a)(1)
Description: Failure to operate as represented in the NSR Permit No. 19886 Application dated August, 1995.

Date 03/15/2004 (249699)

Self Report? NO Classification Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
Rqmt Prov: PA 8074A, Special Condition 1
Description: Failure to comply with the emission limits set forth in TCEQ Permit No. 8074A, SC No. 1.

Date 05/26/2004 (250203)

Self Report? NO Classification Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
Description: Failure to conduct the testing as required by the prescribed method.

Date 08/11/2005 (401786)

Self Report? NO Classification Moderate
Rqmt Prov: PERMIT 735B SC12
Description: Failing to operate the CEMS of the Boilers, 20A and 20C in the time shared mode during the RATA testing.

Date 08/28/2003 (152792)

Self Report? NO Classification Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)[G]
30 TAC Chapter 116, SubChapter B 116.115(c)
Rqmt Prov: PERMIT 8074A, S.C. No. 1
Description: Unauthorized emissions resulting from failure to comply with the reporting requirements of 30 TAC 101.201(a)(1).

Date 12/11/2006 (516628)

Self Report? NO Classification Moderate
Citation: 30 TAC Chapter 115, SubChapter D 115.352(2)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.485(b)(1)
5C THC Chapter 382, SubChapter D 382.085(b)
Rqmt Prov: PA 7223A and PSD-TX-193M3, SC 7F
OP OP - O-01259, SC 9A
Description: Failure to monitor leaking valve with an approved gas analyzer

Date 10/19/2004 (293378)

Self Report? NO Classification Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
Rqmt Prov: PA TCEQ Permit No. 735B amd PSD-TX-908 SC 7
Description: The RE failed to control the CO and NOx emissions associated with the boilers B-20-A and B-20-C

Date 03/28/2006 (456877)

Self Report? NO Classification Minor
Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT Kb 60.112b(a)(3)(i)
40 CFR Chapter 61, SubChapter C, PT 61, SubPT W 61.271(c)(1)

Rqmt Prov: OP O-01926, SC 1A
 Description: Failure to conduct monthly monitoring of the closed vent systems for three units.
 Self Report? NO Classification Minor
 Citation: 30 TAC Chapter 115, SubChapter D 115.352(4)
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(1)

Rqmt Prov: PERMIT 1733, SC 6E
 OP O-01926, SC 1A and 11
 Description: Failure to plug open-ended lines or valves.
 Self Report? NO Classification Minor
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)

Rqmt Prov: PERMIT 1733A, SC 21D
 OP O-01926, SC 1A and 11
 Description: Failure to submit a copy of the final sampling report within 45 days.
 Self Report? NO Classification Minor
 Citation: 30 TAC Chapter 117, SubChapter E 117.520(c)(2)(A)(i)(I)
 30 TAC Chapter 122, SubChapter B 122.143(4)

Rqmt Prov: OP O-01926, SC 1A
 Description: Failure to conduct GEMS certification testing within 60 days after the installation.
 Self Report? NO Classification Minor
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
 30 TAC Chapter 122, SubChapter B 122.145(2)(A)

Rqmt Prov: OP O-01926, General Terms and Conditions
 Description: Failure to report all deviations in the semiannual deviation report.
 Self Report? NO Classification Minor
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)

Rqmt Prov: PERMIT 1733A, SC 10D
 OP O-01926, SC 1A and 11
 Description: Failure to comply with the applicable requirements of 40 CFR 60, Subpart NNN

Date 04/13/2004 (249696)
 Self Report? NO Classification Minor
 Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
 30 TAC Chapter 115, SubChapter D 115.352(2)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(d)(2)

Description: IV List of Report Attachments

- 1) Process Flow Diagram (Confidential)
- 2) Investigation Notes to Potential Violations and/or Records Request
- 3) Notifications
- 4) Fugitive Leaking Component Log
- 5) Letter Dated March 26, 2004

Date 02/15/2006 (453833)
 Self Report? YES Classification Minor
 Citation: 30 TAC Chapter 115, SubChapter D 115.356(2)(F)
 30 TAC Chapter 122, SubChapter B 122.143(4)

Rqmt Prov: OP O-01927, SC 1A
 Description: Failure to record weekly walkthrough observations on 16 occasions.
 Self Report? YES Classification Minor
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT EEE 63.1206(c)(3)(vii)

Rqmt Prov: OP O-01927, SC1D
 Description: Failure to conduct a weekly automatic waste feed cut off (AWFCO) test for the incinerator.
 Self Report? YES Classification Minor
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 82, SubChapter C, PT 82, SubPT F 82.156(a)(3)

Rqmt Prov: OP O-01927, SC 20A
 Description: Failure to perform a follow up leak verification check within 30 days of bringing a unit back online.
 Self Report? YES Classification Minor
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.114(d)

Rqmt Prov: OP O-01927, SC 1A
 Description: Failure to initially install bypass valves with car-seal valves.
 Self Report? NO Classification Minor

Citation: 30 TAC Chapter 122, SubChapter B 122.145(2)(A)
 Rqmt Prov: OP O-01927, General Terms and Conditions
 Description: Failure to report all deviations that occurred during the reporting period.
 Self Report? NO Classification Minor

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT EEE 63.1206(c)
 Rqmt Prov: OP O-01927, SC 1D
 Description: Failure to set automatic waste feed cut offs to the incinerator to rolling average
 Self Report? NO Classification Minor

Citation: 30 TAC Chapter 117, SubChapter E 117.520(c)(2)(A)(i)(I)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 Rqmt Prov: OP O-01927, SC 16A(i)(2)
 Description: Failure to conduct CEMS certification testing within 60 days after the installation of the system.
 Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT F 63.104(b)(5)
 Rqmt Prov: OP O-01927, SC 1F
 Description: Failure to collect a minimum of three sets of samples during the quarterly cooling tower sampling.

Date: 06/21/2006 (510032)
 Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 Rqmt Prov: PERMIT Self-reporting Requirements
 Description: Using unapproved self-generated Discharge Monitoring Report (DMR) forms to report monitoring results.

F. Environmental audits.

N/A

G. Type of environmental management systems (EMSs).

N/A

H. Voluntary on-site compliance assessment dates.

N/A

I. Participation in a voluntary pollution reduction program.

J. Early compliance.

N/A

Sites Outside of Texas

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
BASF CORPORATION
RN100218049

§ BEFORE THE
§
§ TEXAS COMMISSION ON
§
§ ENVIRONMENTAL QUALITY

AGREED ORDER
DOCKET NO. 2007-0247-AIR-E

I. JURISDICTION AND STIPULATIONS

At its _____ agenda, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding BASF Corporation ("BASF") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and BASF appear before the Commission and together stipulate that:

1. BASF owns and operates a chemical manufacturing plant at 602 Copper Road in Freeport, Brazoria County, Texas (the "Plant").
2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
3. The Commission and BASF agree that the Commission has jurisdiction to enter this Agreed Order, and that BASF is subject to the Commission's jurisdiction.
4. BASF received notices of the violations alleged in Section II ("Allegations") on or about September 13 and November 25, 2006.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by BASF of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
6. An administrative penalty in the amount of Eighteen Thousand One Hundred Dollars (\$18,100) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). BASF has paid Fourteen Thousand Four Hundred Eighty Dollars (\$14,480) of the administrative penalty and Three Thousand Six Hundred Twenty Dollars (\$3,620) is deferred contingent upon

BASF's timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If BASF fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require BASF to pay all or part of the deferred penalty.

7. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
8. The Executive Director of the TCEQ and BASF have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.
9. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that BASF has not complied with one or more of the terms or conditions in this Agreed Order.
10. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
11. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

II. ALLEGATIONS

As owner and operator of the Plant, BASF is alleged to have:

1. Failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE § 116.115(b)(2)(F) and (c), New Source Review ("NSR") Permit No. 1733A, Special Condition 1 and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review conducted on September 20, 2006. Specifically, unauthorized emissions of 22,102 pounds ("lbs") of carbon monoxide and 3,859 lbs of volatile organic compounds were released from the Oxidation System Facility (Facility Identification Number 7-2-R1X0'S) in the Cyclohexanone 1 Unit through the High Pressure vent gas vent during an emissions event (Incident No. 62317) that began on August 5, 2005 and lasted 43 hours and 48 minutes. These emissions are not authorized by the permit. Since the emissions event was avoidable, BASF Corporation failed to meet the demonstration criteria for an affirmative defense in 30 TEX. ADMIN. CODE § 101.222.
2. Failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE § 116.115(c), NSR Permit No. 9513A, Special Condition 1 and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review conducted on July 24, 2006. Specifically, unauthorized emissions of 2,200 lbs of ammonia were released from the valve of the refrigeration unit in the Glacial Acrylic Acid No. 4 unit during an emissions event (Incident No. 78240) that occurred on July 7, 2006 and lasted for 13 hours and 59 minutes. Since the emissions event was avoidable, BASF failed to meet the demonstration criteria for an affirmative defense in 30 TEX. ADMIN. CODE § 101.222.

III. DENIALS

BASF generally denies each allegation in Section II ("Allegations").

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that BASF pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and BASF's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations, which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: BASF Corporation, Docket No. 2007-0247-AIR-E" to:

Financial Administration Division, Revenues Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088

2. It is further ordered that BASF shall undertake the following technical requirements:
 - a. Within 30 days after the effective date of this Agreed Order, implement measures designed to prevent unauthorized emissions due to the same causes as the emissions events that occurred on August 5, 2005 (Incident No. 62317) and July 7, 2006 (Incident No. 78240); and
 - b. Within 45 days after the effective date of this Agreed Order, submit written certification as described below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 2.a. The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

"I certify under penalty of law that I have personally examined and am familiar with the information submitted 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 for knowing violations."

The certification shall be submitted to:

Order Compliance Team
Enforcement Division, MC 149A
Texas Commission on Environmental Quality

P.O. Box 13087
Austin, Texas 78711-3087

with a copy to:

Air Section, Manager
Houston Regional Office
Texas Commission on Environmental Quality
5425 Polk Avenue, Suite H
Houston, Texas 77023-1486

3. The provisions of this Agreed Order shall apply to and be binding upon BASF. BASF is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Plant operations referenced in this Agreed Order.
4. If BASF fails to comply with any of the Ordering Provisions in this Agreed Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, BASF's failure to comply is not a violation of this Agreed Order. BASF shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. BASF shall notify the Executive Director within seven days after BASF becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
5. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by BASF shall be made in writing to the Executive Director. Extensions are not effective until BASF receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
6. This Agreed Order, issued by the Commission, shall not be admissible against BASF in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
7. This agreement may be executed in multiple counterparts, which together shall constitute a single original instrument. Any executed signature page to this Agreement may be transmitted by facsimile transmission to the other parties, which shall constitute an original signature for all purposes.
8. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to BASF, or three days after the date on which the Commission mails notice of the Order to BASF, whichever is earlier. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties.

BASF Corporation
DOCKET NO. 2007-0247-AIR-E
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SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

John Szolvi

For the Executive Director

9/7/07

Date

I, the undersigned, have read and understand the attached Agreed Order. I am authorized to agree to the attached Agreed Order on behalf of the entity, if any, indicated below my signature, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I also understand that my failure to comply with the Ordering Provisions, if any, in this order and/or my failure to timely pay the penalty amount, may result in:

- A negative impact on my compliance history;
- Greater scrutiny of any permit applications submitted by me;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions against me;
- Automatic referral to the Attorney General's Office of any future enforcement actions against me; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.

Arthur R. Cowell

Signature

5/15/07

Date

ARTHUR R. COWELL

Name (Printed or typed)
Authorized Representative of
BASF Corporation

VP & GENERAL MANAGER

Title

Instructions: Send the original, signed Agreed Order with penalty payment to the Financial Administration Division, Revenue Section at the address in Section IV, Paragraph 1 of this Agreed Order.

