

**EXECUTIVE SUMMARY - ENFORCEMENT MATTER** Page 1 of 2  
**DOCKET NO.:** 2007-0297-AIR-E **TCEQ ID:** RN100235266 **CASE NO.:** 32819  
**RESPONDENT NAME:** Flint Hills Resources, LP

<b>ORDER TYPE:</b>		
<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	
<b>CASE TYPE:</b>		
<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><b>SITE WHERE VIOLATION(S) OCCURRED:</b> Corpus Christi West Plant, 2825 Suntide Road, Corpus Christi, Nueces County</p> <p><b>TYPE OF OPERATION:</b> Petroleum refinery</p> <p><b>SMALL BUSINESS:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p><b>OTHER SIGNIFICANT MATTERS:</b> There are no complaints. There are two additional pending enforcement actions regarding this facility location, Docket Nos. 2007-0029-AIR-E and 2007-1095-AIR-E.</p> <p><b>INTERESTED PARTIES:</b> No one other than the ED and the Respondent has expressed an interest in this matter.</p> <p><b>COMMENTS RECEIVED:</b> The <i>Texas Register</i> comment period expired on July 23, 2007. No comments were received.</p> <p><b>CONTACTS AND MAILING LIST:</b>  <b>TCEQ Attorney/SEP Coordinator:</b> None  <b>TCEQ Enforcement Coordinator:</b> Ms. Audra L. Ruble, Enforcement Division, Enforcement Team 4, R-14, (361) 825-3126; Mr. David Van Soest, Enforcement Division, MC 219, (512) 239-0468  <b>Respondent:</b> Mr. Phil Gaarder, Vice President/ Manufacturing Manager, Flint Hills Resources, LP, Post Office Box, Corpus Christi, Texas 78403; Mr. Darren Knowles, Senior Environmental Engineer, Flint Hills Resources, LP, Post Office Box 2608, Corpus Christi, Texas 78403  <b>Respondent's Attorney:</b> Not represented by counsel on this enforcement matter</p>		

**VIOLATION SUMMARY CHART:**

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p><b>Type of Investigation:</b>  <input type="checkbox"/> Complaint  <input type="checkbox"/> Routine  <input type="checkbox"/> Enforcement Follow-up  <input checked="" type="checkbox"/> Records Review</p> <p><b>Date(s) of Complaints Relating to this Case:</b> None</p> <p><b>Date of Investigation Relating to this Case:</b> September 15, 2006</p> <p><b>Date of NOE Relating to this Case:</b> January 31, 2007 (NOE)</p> <p><b>Background Facts:</b> This was a routine records review. Two violations were documented.</p> <p><b>AIR</b></p> <p>1) Failure to prevent an unauthorized emissions event which occurred on June 5, 2006. Specifically, approximately 11,930.40 lbs of CO were released from the FCCU CO Boiler during the 1 hour 15 minute event. The emissions are not authorized by the permit. Since the emissions event was avoidable, it does not meet the demonstrations for an affirmative defense in 30 TEX. ADMIN. CODE § 101.222(b)(1-11) [30 TEX. ADMIN. CODE §§ 101.20(3) and 116.715(a); Air Permit Nos. 8803A and PSD-TX-413M8, Special Condition 1; TEX. HEALTH &amp; SAFETY CODE § 382.085(b)].</p> <p>2) Failure to prevent an unauthorized emissions event which occurred July 31, 2006 through August 6, 2006. Specifically, approximately 37 lbs of benzene were released from Tank 15FB511 in the West Tank Farm during the 142 hour 15 minute event. The emissions are not authorized by the permit. Since the emissions event was avoidable, it does not meet the demonstrations for an affirmative defense in 30 TEX. ADMIN. CODE § 101.222(b)(1-11) [30 TEX. ADMIN. CODE §§ 101.20(3) and 116.715(a); Air Permit Nos. 8803A and PSD-TX-413M8, Special Condition 1; TEX. HEALTH &amp; SAFETY CODE § 382.085(b)].</p>	<p><b>Total Assessed:</b> \$12,150</p> <p><b>Total Deferred:</b> \$2,430  <input checked="" type="checkbox"/> Expedited Settlement  <input type="checkbox"/> Financial Inability to Pay</p> <p><b>SEP Conditional Offset:</b> \$0</p> <p><b>Total Paid to General Revenue:</b> \$9,720</p> <p><b>Site Compliance History Classification</b>  <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p><b>Person Compliance History Classification</b>  <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p><b>Major Source:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><b>Applicable Penalty Policy:</b> September 2002</p>	<p><b>Ordering Provisions:</b></p> <p>The Order will require the Respondent to:</p> <p>a. Within 30 days after the effective date of this Agreed Order, initiate employee training concerning the Plant standard operating procedures to minimize and/or avoid the reoccurrence of emission events similar to the June 5 and July 31, 2006 incidents; and</p> <p>b. Within 45 days after the effective date of this Agreed Order, submit written certification encompassing detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision a.</p>



# Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision January 9, 2007

**TCEQ**

<b>DATES</b>	Assigned	5-Feb-2007	Screening	27-Feb-2007	EPA Due	27-Jul-2007
	PCW	5-Mar-2007				

<b>RESPONDENT/FACILITY INFORMATION</b>			
Respondent	Flint Hills Resources, LP		
Reg. Ent. Ref. No.	RN100235266		
Facility/Site Region	14-Corpus Christi	Major/Minor Source	Major

<b>CASE INFORMATION</b>			
Enf./Case ID No.	32819	No. of Violations	2
Docket No.	2007-0297-AIR-E	Order Type	1660
Media Program(s)	Air Quality	Enf. Coordinator	Audra L. Ruble
Multi-Media		EC's Team	Enforcement Team 5
Admin. Penalty \$	Limit Minimum	\$0	Maximum
			\$10,000

## Penalty Calculation Section

**TOTAL BASE PENALTY (Sum of violation base penalties)** **Subtotal 1** **\$7,500**

### ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

**Compliance History** **Subtotals 2, 3, & 7** **\$4,650**

62% Enhancement

Notes

The Respondent has received one 1660 Order, one Findings Order, one NOV for the same or similar violations, and 8 NOVs for non-similar violations in the past five years. Two Notices of Intent have been submitted with one Disclosure of Violations.

**Culpability** **Subtotal 4** **\$0**

0% Enhancement

Notes

The Respondent does not meet the culpability criteria.

**Good Faith Effort to Comply** **Subtotal 5** **\$0**

0% Reduction

Extraordinary

Ordinary

N/A

Before NOV    NOV to EDRP/Settlement Offer

X

(mark with x)

Notes

The Respondent does not meet the good faith criteria.

**Total EB Amounts** **Subtotal 6** **\$0**

**Approx. Cost of Compliance** **0% Enhancement\***

\*Capped at the Total EB \$ Amount

**SUM OF SUBTOTALS 1-7** **Final Subtotal** **\$12,150**

**OTHER FACTORS AS JUSTICE MAY REQUIRE** **Adjustment** **\$0**

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

Notes

**Final Penalty Amount** **\$12,150**

**STATUTORY LIMIT ADJUSTMENT** **Final Assessed Penalty** **\$12,150**

**DEFERRAL** **Adjustment** **-\$2,430**

20% Reduction

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

Notes

Deferral offered for expedited settlement.

**PAYABLE PENALTY** **\$9,720**

Screening Date 27-Feb-2007

Docket No. 2007-0297-AIR-E

PCW

Respondent Flint Hills Resources, LP

Policy Revision 2 (September 2002)

Case ID No. 32819

PCW Revision January 9, 2007

Reg. Ent. Reference No. RN100235266

Media [Statute] Air Quality

Enf. Coordinator Audra L. Ruble

### 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)	1	5%
	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)	2	-2%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which violations were disclosed)	1	-2%
<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) 62%

>> 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

The Respondent has received one 1660 Order, one Findings Order, one NOV for the same or similar violations, and 8 NOVs for non-similar violations in the past five years. Two Notices of Intent have been submitted with one Disclosure of Violations.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 62%

Screening Date 27-Feb-2007

Docket No. 2007-0297-AIR-E

PCW

Respondent Flint Hills Resources, LP

Policy Revision 2 (September 2002)

Case ID No. 32819

PCW Revision January 9, 2007

Reg. Ent. Reference No. RN100235266

Media [Statute] Air Quality

Enf. Coordinator Audra L. Ruble

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code §§ 101.20(3) and 116.715(a); Air Permit Nos. 8803A and PSD-TX 413M8, Special Condition 1; Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to prevent an unauthorized emissions event which occurred on June 5, 2006, as documented during a record review conducted on September 15, 2006. Specifically, approximately 11,930.40 lbs of CO were released from the FCCU CO Boiler during the 1 hour 15 minute event. The emissions are not authorized by the permit. Since the emissions event was avoidable, it does not meet the demonstrations for an affirmative defense in 30 Tex. Admin. Code § 101.222(b)(1-11).

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

Release	Harm			Percent
	Major	Moderate	Minor	
Actual		X		50%
Potential				

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
				0%

Matrix Notes The emissions event resulted in the release of a significant amount of pollutants which do not exceed levels protective of human health and/or the environment.

Adjustment \$5,000

\$5,000

Violation Events

Number of Violation Events 1 Number of violation days 1

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 \$106

Violation Final Penalty Total \$8,100

This violation Final Assessed Penalty (adjusted for limits) \$8,100

## Economic Benefit Worksheet

**Respondent** Flint Hills Resources, LP  
**Case ID No.** 32819  
**Reg. Ent. Reference No.** RN100235266  
**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
------------------	-----------	---------------	------------	-----	----------------	---------------	-----------

No commas or \$

### 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)	\$1,500	5-Jun-2006	1-Nov-2007	1.4	\$106	n/a	\$106

Notes for DELAYED costs

Estimated cost to repair equipment and to initiate employee training to prevent reoccurrence. Date required is the date of the event and final date is when compliance is expected to be achieved.

### 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 \$106

Screening Date 27-Feb-2007

Docket No. 2007-0297-AIR-E

PCW

Respondent Flint Hills Resources, LP

Policy Revision 2 (September 2002)

Case ID No. 32819

PCW Revision January 9, 2007

Reg. Ent. Reference No. RN100235266

Media [Statute] Air Quality

Enf. Coordinator Audra L. Ruble

Violation Number 2

Rule Cite(s) 30 Tex. Admin. Code §§ 101.20(3) and 116.715(a); Air Permit Nos. 8803A and PSD-TX-413M8, Special Condition 1; Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to prevent an unauthorized emissions event which occurred July 31, 2006 through August 6, 2006, as documented during a record review conducted on September 15, 2006. Specifically, approximately 37 lbs of benzene were released from Tank 15FB511 in the West Tank Farm during the 142 hour 15 minute event. The emissions are not authorized by the permit. Since the emissions event was avoidable, it does not meet the demonstrations for an affirmative defense in 30 Tex. Admin. Code § 101.222(b)(1-11).

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			X
Potential			

Percent 25%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes

The emissions event resulted in the release of an insignificant amount of pollutants which do not exceed levels protective of human health and/or the environment.

Adjustment \$7,500

\$2,500

Violation Events

Number of Violation Events 1

6 Number of violation days

mark only one with an x	daily	
	monthly	
	quarterly	
	semiannual	
	annual	
	single event	X

Violation Base Penalty \$2,500

One single event is recommended.

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$63

Violation Final Penalty Total \$4,050

This violation Final Assessed Penalty (adjusted for limits) \$4,050

## Economic Benefit Worksheet

**Respondent:** Flint Hills Resources, LP  
**Case ID No.:** 32819  
**Reg. Ent. Reference No.:** RN100235266  
**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
------------------	-----------	---------------	------------	-----	----------------	---------------	-----------

No commas or \$

### 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)	\$1,000	31-Jul-2006	1-Nov-2007	1.3	\$63	n/a	\$63

Notes for DELAYED costs

Estimated cost to repair equipment and to implement procedures to prevent reoccurrence. Date required is the date of the event and final date is when compliance is expected to be achieved.

### 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 \$1,000

TOTAL \$63

## Compliance History

Customer/Respondent/Owner-Operator:	CN600879712	Flint Hills Resources, LP	Classification: AVERAGE	Rating: 3.37
Regulated Entity:	RN100235266	FLINT HILLS RESOURCES CORPUS CHRISTI WEST PLANT	Classification: AVERAGE	Site Rating: 1.77
ID Number(s):	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	EPA ID		TXD088474663
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION # (SWR)		30529
	INDUSTRIAL AND HAZARDOUS WASTE STORAGE	PERMIT		50097
	WASTEWATER	PERMIT		WQ0000531000
	WASTEWATER	PERMIT		TPDES0006289
	WASTEWATER	PERMIT		TX0006289
	AIR NEW SOURCE PERMITS	PERMIT		8803A
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER		NE0122D
	AIR NEW SOURCE PERMITS	PERMIT		1533
	AIR NEW SOURCE PERMITS	PERMIT		1914
	AIR NEW SOURCE PERMITS	PERMIT		6628
	AIR NEW SOURCE PERMITS	PERMIT		6918A
	AIR NEW SOURCE PERMITS	PERMIT		11278
	AIR NEW SOURCE PERMITS	PERMIT		11813
	AIR NEW SOURCE PERMITS	PERMIT		15914
	AIR NEW SOURCE PERMITS	PERMIT		16173
	AIR NEW SOURCE PERMITS	PERMIT		19265
	AIR NEW SOURCE PERMITS	PERMIT		19331
	AIR NEW SOURCE PERMITS	PERMIT		22451
	AIR NEW SOURCE PERMITS	PERMIT		23385
	AIR NEW SOURCE PERMITS	PERMIT		23386
	AIR NEW SOURCE PERMITS	PERMIT		24297
	AIR NEW SOURCE PERMITS	PERMIT		24937
	AIR NEW SOURCE PERMITS	PERMIT		25838
	AIR NEW SOURCE PERMITS	PERMIT		25097
	AIR NEW SOURCE PERMITS	PERMIT		25312
	AIR NEW SOURCE PERMITS	PERMIT		27090
	AIR NEW SOURCE PERMITS	PERMIT		25873
	AIR NEW SOURCE PERMITS	PERMIT		28368
	AIR NEW SOURCE PERMITS	PERMIT		28775
	AIR NEW SOURCE PERMITS	PERMIT		28956
	AIR NEW SOURCE PERMITS	PERMIT		29651
	AIR NEW SOURCE PERMITS	PERMIT		29973
	AIR NEW SOURCE PERMITS	PERMIT		29650
	AIR NEW SOURCE PERMITS	PERMIT		31518
	AIR NEW SOURCE PERMITS	PERMIT		32707
	AIR NEW SOURCE PERMITS	PERMIT		33508
	AIR NEW SOURCE PERMITS	PERMIT		33352
	AIR NEW SOURCE PERMITS	PERMIT		35045
	AIR NEW SOURCE PERMITS	PERMIT		35395
	AIR NEW SOURCE PERMITS	PERMIT		35776
	AIR NEW SOURCE PERMITS	PERMIT		36182
	AIR NEW SOURCE PERMITS	PERMIT		36331
	AIR NEW SOURCE PERMITS	PERMIT		36186
	AIR NEW SOURCE PERMITS	PERMIT		36505
	AIR NEW SOURCE PERMITS	PERMIT		36878
	AIR NEW SOURCE PERMITS	PERMIT		36987
	AIR NEW SOURCE PERMITS	PERMIT		37113
	AIR NEW SOURCE PERMITS	PERMIT		38537
	AIR NEW SOURCE PERMITS	PERMIT		39412
	AIR NEW SOURCE PERMITS	PERMIT		40133
	AIR NEW SOURCE PERMITS	PERMIT		41387
	AIR NEW SOURCE PERMITS	PERMIT		41299
	AIR NEW SOURCE PERMITS	PERMIT		42222
	AIR NEW SOURCE PERMITS	PERMIT		42274
	AIR NEW SOURCE PERMITS	PERMIT		43110
	AIR NEW SOURCE PERMITS	PERMIT		44048
	AIR NEW SOURCE PERMITS	PERMIT		45798
	AIR NEW SOURCE PERMITS	PERMIT		47975
	AIR NEW SOURCE PERMITS	PERMIT		49631

AIR NEW SOURCE PERMITS	PERMIT	6819A
AIR NEW SOURCE PERMITS	PERMIT	24346
AIR NEW SOURCE PERMITS	AFS NUM	4835500017
AIR NEW SOURCE PERMITS	REGISTRATION	76274
AIR NEW SOURCE PERMITS	REGISTRATION	75765
AIR NEW SOURCE PERMITS	PERMIT	75717
AIR NEW SOURCE PERMITS	REGISTRATION	76194
AIR NEW SOURCE PERMITS	PERMIT	56399
AIR NEW SOURCE PERMITS	REGISTRATION	70303
AIR NEW SOURCE PERMITS	EPA ID	PSDTX413M7
AIR NEW SOURCE PERMITS	EPA ID	PSDTX413M5
AIR NEW SOURCE PERMITS	EPA ID	PSDTX772M2
AIR NEW SOURCE PERMITS	PERMIT	50925
AIR NEW SOURCE PERMITS	REGISTRATION	725
AIR NEW SOURCE PERMITS	REGISTRATION	72670
AIR NEW SOURCE PERMITS	REGISTRATION	73711
AIR NEW SOURCE PERMITS	PERMIT	72572
AIR NEW SOURCE PERMITS	PERMIT	74076
AIR NEW SOURCE PERMITS	REGISTRATION	75266
AIR NEW SOURCE PERMITS	REGISTRATION	76446
AIR NEW SOURCE PERMITS	EPA ID	PSDTX777M1
AIR NEW SOURCE PERMITS	EPA ID	PSDTX777M2
AIR NEW SOURCE PERMITS	REGISTRATION	76539
AIR NEW SOURCE PERMITS	EPA ID	PSDTX413M6
AIR NEW SOURCE PERMITS	REGISTRATION	77177
AIR NEW SOURCE PERMITS	REGISTRATION	77459
AIR NEW SOURCE PERMITS	REGISTRATION	77530
AIR NEW SOURCE PERMITS	REGISTRATION	77652
AIR NEW SOURCE PERMITS	REGISTRATION	77655
AIR NEW SOURCE PERMITS	REGISTRATION	79195
AIR NEW SOURCE PERMITS	REGISTRATION	79214
AIR NEW SOURCE PERMITS	REGISTRATION	79770
AIR NEW SOURCE PERMITS	EPA ID	PSDTX413M8
AIR OPERATING PERMITS	PERMIT	1272
AIR OPERATING PERMITS	ACCOUNT NUMBER	NE0122D
WASTEWATER LICENSING	LICENSE	WQ0000531000
WASTE WATER GENERAL PERMIT	PERMIT	2E0000048
IHW CORRECTIVE ACTION	SOLID WASTE REGISTRATION # (SWR)	30529
INDUSTRIAL AND HAZARDOUS WASTE POST CLOSURE	PERMIT	50097
INDUSTRIAL AND HAZARDOUS WASTE COMPLIANCE PLANS	PERMIT	50097

Location: 2825 SUNTIDE RD, CORPUS CHRISTI, TX, 78409 Rating Date: 9/1/2006 Repeat Violator: NO

---

TCEQ Region: REGION 14 - CORPUS CHRISTI

---

Date Compliance History Prepared: February 27, 2007

---

Agency Decision Requiring Compliance History: Enforcement

---

Compliance Period: February 27, 2002 to February 27, 2007

---

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

Name: Audra Ruble Phone: 361-825-3126

**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.

Effective Date: 05/12/2006 ADMINORDER 2005-1659-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)

30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: Special Condition No. 1 PERMIT

Description: Failure to satisfy all demonstration criteria as described in 30 Tex. Admin. Code § 101.222 and gain an affirmative defense for contaminants released from this emissions event, Incident No. 58502. The regulated entity failed to satisfy the demonstration criteria of 30 TAC § 101.222(b)(1), (2), and (3).

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)(7)  
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failure to submit to the Region 14 office a final report which included all individually listed compounds which were known to have been released during the emissions event.

Effective Date: 08/20/2006 ADMINORDER 2005-0018-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: Special Condition 1 PERMIT

Description: Failed to prevent the unauthorized release of benzene on October 26, 2004 at the No. 1 Cumene Reactor (Equipment No. 04DA420).

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	03/22/2002	(158999)
2	04/03/2002	(246553)
3	04/22/2002	(159004)
4	05/20/2002	(109203)
5	05/22/2002	(159008)
6	06/24/2002	(159012)
7	06/25/2002	(246555)
8	07/23/2002	(159016)
9	08/23/2002	(159020)
10	09/23/2002	(159023)
11	10/22/2002	(159026)
12	11/25/2002	(159030)
13	12/30/2002	(159034)
14	01/24/2003	(159038)
15	02/24/2003	(158997)
16	03/24/2003	(159000)
17	03/25/2003	(295761)
18	04/02/2003	(28427)
19	04/22/2003	(159005)
20	05/23/2003	(159009)
21	06/24/2003	(159013)
22	06/27/2003	(34080)
23	07/24/2003	(159017)
24	08/25/2003	(149639)
25	08/25/2003	(295770)
26	08/25/2003	(295774)
27	09/23/2003	(295772)
28	11/24/2003	(295775)
29	12/17/2003	(258097)
30	12/29/2003	(295776)
31	01/07/2004	(259334)
32	01/13/2004	(256717)
33	01/26/2004	(295777)
34	02/23/2004	(295759)
35	02/23/2004	(295762)
36	03/30/2004	(332776)
37	04/15/2004	(264615)
38	05/24/2004	(295764)
39	05/24/2004	(295768)
40	06/22/2004	(295766)
41	07/01/2004	(274375)
42	07/27/2004	(284451)

43	08/24/2004	(352257)
44	08/24/2004	(352259)
45	08/31/2004	(292881)
46	09/23/2004	(352258)
47	09/24/2004	(288927)
48	11/19/2004	(341703)
49	11/23/2004	(352260)
50	11/23/2004	(352261)
51	12/06/2004	(342992)
52	12/17/2004	(381915)
53	01/11/2005	(342595)
54	01/14/2005	(343443)
55	02/17/2005	(337774)
56	02/17/2005	(347028)
57	02/22/2005	(381911)
58	02/22/2005	(381913)
59	02/22/2005	(381914)
60	02/22/2005	(381916)
61	02/28/2005	(350991)
62	02/28/2005	(342613)
63	03/04/2005	(337092)
64	03/04/2005	(337581)
65	03/21/2005	(373751)
66	03/21/2005	(350992)
67	03/22/2005	(381912)
68	03/22/2005	(373190)
69	05/23/2005	(419753)
70	05/25/2005	(337418)
71	06/16/2005	(395317)
72	06/23/2005	(419754)
73	06/29/2005	(397679)
74	07/01/2005	(348124)
75	08/04/2005	(403348)
76	08/13/2005	(404585)
77	08/19/2005	(440889)
78	08/19/2005	(440891)
79	08/24/2005	(401812)
80	08/26/2005	(406021)
81	08/30/2005	(406208)
82	08/31/2005	(405868)
83	08/31/2005	(405667)
84	08/31/2005	(418713)
85	09/23/2005	(440890)
86	11/09/2005	(418704)
87	11/22/2005	(468539)
88	11/30/2005	(433973)
89	11/30/2005	(433974)
90	12/13/2005	(439149)
91	12/14/2005	(437435)
92	12/14/2005	(437441)
93	12/21/2005	(468540)
94	02/12/2006	(453536)
95	02/21/2006	(468536)
96	02/21/2006	(468538)
97	02/28/2006	(451808)
98	03/23/2006	(468537)
99	04/24/2006	(498271)
100	05/18/2006	(461571)
101	05/22/2006	(418953)
102	05/22/2006	(498272)
103	06/23/2006	(498273)
104	07/21/2006	(486580)
105	08/21/2006	(520285)
106	08/21/2006	(508941)
107	08/22/2006	(489391)
108	08/23/2006	(509435)
109	08/30/2006	(490319)
110	08/30/2006	(510851)

111 09/15/2006 (489520)  
 112 09/25/2006 (520286)  
 113 09/29/2006 (514148)  
 114 10/16/2006 (515334)  
 115 10/25/2006 (516898)  
 116 10/26/2006 (516897)  
 117 12/06/2006 (532315)  
 118 01/04/2007 (534091)  
 119 01/24/2007 (535454)  
 120 01/29/2007 (519260)  
 121 01/31/2007 (513496)  
 122 02/16/2007 (538999)

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

Date: 04/03/2002 (246553)  
 Self Report? NO Classification: Moderate  
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)  
 Description: NON-RPT VIOS FOR MONIT PER OR PIPE  
 Date: 06/27/2003 (34080)  
 Self Report? NO Classification: Minor  
 Citation: 30 TAC Chapter 307 307.4(b)(7)  
 Rqmt Prov: PERMIT WQ0000531-000  
 Description: Failure to prevent unpermitted wastewaters from discharging through permitted Outfall 004.  
 Date: 02/29/2004 (295761)  
 Self Report? YES Classification: Moderate  
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)  
 TWC Chapter 26 26.121(a)[G]  
 Description: Failure to meet the limit for one or more permit parameter  
 Date: 03/30/2004 (332776)  
 Self Report? NO Classification: Moderate  
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)  
 30 TAC Chapter 305, SubChapter F 305.125(17)  
 Description: NON-RPT VIOS FOR MONIT PER OR PIPE  
 Date: 09/30/2004 (352259)  
 Self Report? YES Classification: Moderate  
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)  
 TWC Chapter 26 26.121(a)[G]  
 Description: Failure to meet the limit for one or more permit parameter  
 Date: 01/11/2005 (342595)  
 Self Report? NO Classification: Moderate  
 Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(1)(G)  
 30 TAC Chapter 116, SubChapter B 116.115(c)(1)  
 Rqmt Prov: PA Special Condition 1  
 Description: Failure to comply with the visible emission requirements for stationary vents, and to meet the demonstration requirements of 30 TAC § 101.222(b) or obtain regulatory authority for contaminants released from the WFCCU Bypass Stack.  
 Date: 01/31/2005 (381911)  
 Self Report? YES Classification: Moderate  
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)  
 TWC Chapter 26 26.121(a)[G]  
 Description: Failure to meet the limit for one or more permit parameter  
 Date: 02/10/2005 (347028)  
 Self Report? NO Classification: Moderate  
 Citation: 40 CFR Chapter 270, SubChapter I, PT 270, SubPT C 270.30(a)  
 Rqmt Prov: IHWPERMTCP CP-50097 §III.E. & Attach. B No. 11  
 OP HW-50097-000 P.P.VI. B. & Attach. F  
 OP HW-50097-000 Permit Provision II.A.  
 Description: FHR West failed to follow the Field Plan as required by the permit  
 Date: 08/22/2006 (489391)  
 Self Report? NO Classification: Minor  
 Citation: 2D TWC Chapter 26, SubChapter A 26.121[G]  
 Rqmt Prov: PERMIT Permit Conditions No. 2(g), Pg. 7  
 Description: Failure to prevent the discharge of wastewater or any other waste.

F. Environmental audits.

Notice of Intent Date: 10/03/2002 (60379)  
 Disclosure Date: 12/16/2002 12:00:00A  
 Viol. Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter A  
Description: Failed to properly report start-up and shut-down events.  
Viol. Classification: Minor  
Citation: 30 TAC Chapter 115, SubChapter D  
Rqmt Prov: PERMIT 8803A and 6308  
PERMIT PSD-TX-413M6 and PSD-TX-137MI  
Description: Failed to monitor petroleum refinery fugitive emissions with the required frequency.  
Notice of Intent Date: 07/10/2006 (488046)  
No DOV Associated

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.

N/A

J. Early compliance.

N/A

Sites Outside of Texas

N/A

# TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN  
ENFORCEMENT ACTION  
CONCERNING  
FLINT HILLS RESOURCES, LP  
RN100235266**

§  
§  
§  
§  
§

**BEFORE THE  
TEXAS COMMISSION ON  
ENVIRONMENTAL QUALITY**

## **AGREED ORDER DOCKET NO. 2007-0297-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 Flint Hills Resources, LP ("Flint Hills") 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 Flint Hills appear before the Commission and together stipulate that:

1. Flint Hills owns and operates a petroleum refinery located at 2825 Suntime Road in Corpus Christi, Nueces 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 Flint Hills agree that the Commission has jurisdiction to enter this Agreed Order, and that Flint Hills is subject to the Commission's jurisdiction.
4. Flint Hills received notice of the violations alleged in Section II ("Allegations") on or about February 5, 2007.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by Flint Hills of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
6. An administrative penalty in the amount of Twelve Thousand One Hundred Fifty Dollars (\$12,150) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). Flint Hills has paid Nine Thousand Seven Hundred Twenty Dollars (\$9,720) of the administrative penalty and Two Thousand Four Hundred Thirty Dollars (\$2,430) is deferred



contingent upon Flint Hills' 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 Flint Hills fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require Flint Hills 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 Flint Hills 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 Flint Hills 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, Flint Hills is alleged to have:

1. Failed to prevent an unauthorized emissions event which occurred on June 5, 2006, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3) and 116.715(a); Air Permit Nos. 8803A and PSD-TX-413M8, Special Condition ("SC") 1; and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review conducted on September 15, 2006. Specifically, approximately 11,930.40 pounds ("lbs") of carbon monoxide ("CO") were released from the Fluid Catalytic Cracking Unit ("FCCU") CO Boiler during the 1 hour 15 minute event. The emissions are not authorized by the permit. Since the emissions event was avoidable, it does not meet the demonstrations for an affirmative defense in 30 TEX. ADMIN. CODE § 101.222(b)(1-11).
2. Failed to prevent an unauthorized emissions event which occurred July 31, 2006 through August 6, 2006, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3) and 116.715(a); Air Permit Nos. 8803A and PSD-TX-413M8, SC 1; and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review conducted on September 15, 2006. Specifically, approximately 37 lbs of benzene were released from Tank 15FB511 in the West Tank Farm during the 142 hour 15 minute event. The emissions are not authorized by the permit. Since the emissions event was avoidable, it does not meet the demonstrations for an affirmative defense in 30 TEX. ADMIN. CODE § 101.222(b)(1-11).



### III. DENIALS

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

### IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that Flint Hills pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and Flint Hills' 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: Flint Hills Resources, LP, Docket No. 2007-0297-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 Flint Hills shall undertake the following technical requirements:
  - a. Within 30 days after the effective date of this Agreed Order, initiate employee training concerning the Plant standard operating procedures to minimize and/or avoid the reoccurrence of emission events similar to the June 5 and July 31, 2006 incidents; 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  
Corpus Christi Regional Office  
Texas Commission on Environmental Quality  
6300 Ocean Drive, Suite 1200  
Corpus Christi, Texas 78412-5503

3. The provisions of this Agreed Order shall apply to and be binding upon Flint Hills. Flint Hills 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 Flint Hills 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, Flint Hills' failure to comply is not a violation of this Agreed Order. Flint Hills shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. Flint Hills shall notify the Executive Director within seven days after Flint Hills 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 Flint Hills shall be made in writing to the Executive Director. Extensions are not effective until Flint Hills 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 Flint Hills 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 Flint Hills, or three days after the date on which the Commission mails notice of the Order to Flint Hills, whichever is earlier. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties.



**SIGNATURE PAGE**

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

\_\_\_\_\_  
For the Commission

  
\_\_\_\_\_  
For the Executive Director

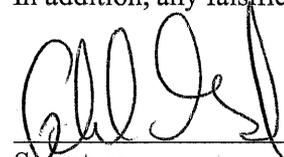
9/7/07  
\_\_\_\_\_  
Date

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.

  
\_\_\_\_\_  
Signature

5/15/07  
\_\_\_\_\_  
Date

Phil Gaarder  
\_\_\_\_\_  
Name (Printed or typed)  
Authorized Representative of  
Flint Hills Resources, LP

VP/Manufacturing  
\_\_\_\_\_  
Title  
MaJR

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

