

EXECUTIVE SUMMARY - ENFORCEMENT MATTER Page 1 of 2
DOCKET NO.: 2007-0208-AIR-E **TCEQ ID:** RN100825413 **CASE NO.:** 32600
RESPONDENT NAME: PD Glycol LP

ORDER TYPE:		
<input type="checkbox"/> 1660 AGREED ORDER	<input checked="" 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: PD Glycol Beaumont Plant, 3510 Gulf States Road, Beaumont, Jefferson County</p> <p>TYPE OF OPERATION: Ethylene glycol plant</p> <p>SMALL BUSINESS: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>OTHER SIGNIFICANT MATTERS: There are no complaints. There is no record of additional pending enforcement actions regarding this facility location.</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 August 27, 2007. No comments were received.</p> <p>CONTACTS AND MAILING LIST: TCEQ Attorney/SEP Coordinator: Ms. Melissa Keller, SEP Coordinator, Enforcement Division, MC 149, (512) 239-1768 TCEQ Enforcement Coordinator: Ms. Suzanne Walrath, Enforcement Division, Enforcement Team 3, MC 149, (512) 239-2134; Mr. David Van Soest, Enforcement Division, MC 219, (512) 239-0468 Respondent: Mr. Randal Tatum, Plant Manager, PD Glycol LP, 3510 Gulf States Road, Beaumont, Texas 77701 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 checked="" type="checkbox"/> Enforcement Follow-up <input type="checkbox"/> Records Review</p> <p>Date(s) of Complaints Relating to this Case: None</p> <p>Date of Record Reviews Relating to this Case: November 28, 2006, January 16, 2007, and January 31, 2007</p> <p>Date of NOEs Relating to this Case: February 1, 2007, February 22, and March 16, 2007 (NOE)</p> <p>Background Facts: This was a routine enforcement follow-up investigation.</p> <p>AIR</p> <p>1) Failure to prevent the unauthorized release of air contaminants into the atmosphere [30 TEX. ADMIN. CODE § 122.143(4), Federal Operating Permit No. O-02190, Special Condition No. 9, Air Permit No. 8639A, Special Condition No. 3B, Air Permit No. 3631A, Special Condition No. 3, and TEX. HEALTH & SAFETY CODE § 382.085(b)]</p> <p>2) Failure to report an emission event as soon as practical, but no later than 24 hours after the discovery of the emission event [30 TEX. ADMIN. CODE §§ 101.201(a)(1)(B), 122.143(4), and TEX. HEALTH & SAFETY CODE § 382.085(b)]</p>	<p>Total Assessed: \$30,412</p> <p>Total Deferred: \$0 <input type="checkbox"/> Expedited Settlement <input type="checkbox"/> Financial Inability to Pay</p> <p>SEP Conditional Offset: \$15,206</p> <p>Total Paid to General Revenue: \$15,206</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>Findings Orders Justification:</p> <p>This is a Findings Order because there were unauthorized emissions which were excessive emissions events.</p>	<p>Corrective Actions Taken:</p> <p>1) The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Plant:</p> <p>a) On June 12, 2006, replaced the solenoid on the automated bleed valve at the Ethylene Glycol Unit II;</p> <p>b) On September 18, 2006, replaced the failed rupture disc;</p> <p>c) On October 9, 2006, revised its Plant practices regarding rupture disc installation, torquing, and gasketing;</p> <p>d) On October 26, 2006, replaced the rupture disc assembly holder; and</p> <p>e) On February 17, 2007, investigated the incident, and trained Plant personnel in the revised shutdown procedures.</p> <p>Ordering Provisions:</p> <p>2) The Order will require the Respondent to implement and complete a Supplemental Environmental Project (SEP) (See SEP Attachment A).</p> <p>3) The Order will require the Respondent to:</p> <p>a) Within 30 days develop and implement measures to help ensure that all emission events are reported; and</p> <p>b) Within 45 days after the effective date of this Agreed Order, submit written certification and included detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 3.a. The certification shall be notarized by a State of Texas Notary Public.</p>

Attachment A

Docket Number: 2007-0208-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent: PD Glycol LP

Payable Penalty Amount: Thirty Thousand Four Hundred Twelve Dollars (\$30,412)

SEP Amount: Fifteen Thousand Two Hundred Six Dollars (\$15,206)

Type of SEP: Pre-approved

Third-Party Recipient: South East Texas Regional Planning Commission-West Port Arthur Home Energy Efficiency Program

Location of SEP: Jefferson County

The Texas Commission on Environmental Quality ("TCEQ") agrees to offset a portion of the administrative Penalty Amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project ("SEP"). The offset is equal to the SEP Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project Description

A. Project

The Respondent shall contribute to the Third-Party Recipient pursuant to the agreement between the Third-Party Recipient and the TCEQ. Specifically, the contribution will be used to conduct home energy audits and to assist low income residents in the West Port Arthur area by weatherizing their homes which will improve their homes' energy efficiency. SEP monies will be used to pay for the cost of caulking and insulating homes, replacing heating and cooling systems and major appliances with new, energy efficient equipment.

The Respondent certifies that there is no prior commitment to do this project and that it is being performed solely in an effort to settle this enforcement action.

B. Environmental Benefit

This SEP will provide a discernible environmental benefit by reducing residential fuel and electricity usage for heating and cooling. These reductions, in turn, will reduce emissions of particulate matter, volatile organic compounds, and nitrogen oxides associated with the combustion of fuel and generation of electricity. Additionally, the improvements will improve homes as shelters for responding to emergency releases.

C. Minimum Expenditure

The Respondent shall contribute at least the SEP Amount to the Third-Party Recipient and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Amount to the Third-Party Recipient. The Respondent shall mail the contribution, with a copy of the Agreed Order, to:

South East Texas Regional Planning Commission
Transportation and Environmental Resources
Bob Dickenson, Director
2210 Eastex Freeway
Beaumont, Texas 77703

3. Records and Reporting

Concurrent with the payment of the SEP Amount, the Respondent shall provide the TCEQ SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Amount to the Third-Party Recipient. The Respondent shall mail a copy of the check and transmittal letter to:

Enforcement Division
Attention: SEP Coordinator, MC 219
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If the Respondent does not perform its obligations under this SEP in any way, including full payment of the SEP Amount and submittal of the required reporting described in Section 3 above, the Executive Director may require immediate payment of all or part of the SEP Amount.

The check for any amount due shall be made out to "Texas Commission on Environmental Quality" and mailed to:

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

The Respondent shall also mail a copy of the check to the TCEQ SEP Coordinator at the address in Section 3 above.

5. Publicity

Any public statements concerning this SEP made by or on behalf of the Respondent must include a clear statement that the project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.

6. Clean Texas Program

The Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, the Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP identified in this Agreed Order has not been, and shall not be, included as an SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.



Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision December 8, 2006

TCEQ

DATES	Assigned	5-Feb-2007	Screening	6-Feb-2007	EPA Due	19-Nov-2007
	PCW	16-May-2007				

RESPONDENT/FACILITY INFORMATION	
Respondent	PD Glycol LP
Reg. Ent. Ref. No.	RN100825413
Facility/Site Region	10-Beaumont
Major/Minor Source	Major

CASE INFORMATION				
Enf./Case ID No.	32600	No. of Violations	4	
Docket No.	2007-0208-AIR-E	Order Type	Findings	
Media Program(s)	Air Quality	Enf. Coordinator	Suzanne Walrath	
Multi-Media		EC's Team	EnforcementTeam 4	
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 Enhancement **Subtotals 2, 3, & 7**

Notes: The Respondent has received one NOV with same or similar violations, two NOVs without same or similar violations, was issued two 1660 orders, submitted one Notice of Audit, and two Disclosures of Violations.

Culpability Enhancement **Subtotal 4**

Notes: Respondent does not meet the culpability criteria.

Good Faith Effort to Comply Reduction **Subtotal 5**

	Before NOV	NOV to EDRP/Settlement Offer
Extraordinary	<input type="text"/>	<input type="text"/>
Ordinary	<input type="text"/>	<input type="text"/>
N/A	X	(mark with x)

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

Total EB Amounts 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: Recommend an upward adjustment due to the significant amount of contaminants released to the atmosphere as a result of Violation No. 2.

Final Penalty Amount

STATUTORY LIMIT ADJUSTMENT **Final Assessed Penalty**

DEFERRAL Reduction **Adjustment**

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

Notes: Deferral not offered for findings orders.

PAYABLE PENALTY

Screening Date 6-Feb-2007

Docket No. 2007-0208-AIR-E

PCW

Respondent PD Glycol LP

Policy Revision 2 (September 2002)

Case ID No. 32600

PCW Revision December 8, 2006

Reg. Ent. Reference No. RN100825413

Media [Statute] Air Quality

Enf. Coordinator Suzanne Walrath

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	2	4%
Orders	Any agreed final enforcement orders containing a denial of liability (number of orders meeting criteria)	2	40%
	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	0	0%
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)	1	-1%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which violations were disclosed)	2	-4%
<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) 44%

>> 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 NOV with same or similar violations, two NOVs without same or similar violations, was issued two 1660 orders, submitted one Notice of Audit, and two Disclosures of Violations.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 44%

Screening Date 6-Feb-2007

Docket No. 2007-0208-AIR-E

PCW

Respondent PD Glycol LP

Policy Revision 2 (September 2002)

Case ID No. 32600

PCW Revision December 8, 2006

Reg. Ent. Reference No. RN100825413

Media [Statute] Air Quality

Enf. Coordinator Suzanne Walrath

Violation Number 1

Rule Cite(s)

30 Tex. Admin. Code § 122.143(4), Federal Operating Permit No. O-02190, Special Condition No. 9, Air Permit No. 8639A, Special Condition No. 3B, and Tex. Health and Safety Code § 382.085(b)

Violation Description

Failed to prevent the unauthorized release of air contaminants into the atmosphere. Specifically, 6,094 lbs. of volatile organic compounds were emitted directly to the atmosphere from the Ethylene Glycol Unit II Emergency Vent (EPN No. EMRG VENT) during a 2 minute event on 9/18/06. The event did not meet the demonstration criteria necessary to present an affirmative defense for the unauthorized emissions.

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 has been exposed to significant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$5,000

\$5,000

Violation Events

Number of Violation Events 1

1 Number of violation days

daily	
monthly	
quarterly	
semiannual	
annual	
single event	x

mark only one with an x

Violation Base Penalty \$5,000

One single event is recommended for the emission event which occurred on 9/18/06, as documented by the record review on 11/28/06.

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$36

Violation Final Penalty Total \$8,640

This violation Final Assessed Penalty (adjusted for limits) \$8,640

Economic Benefit Worksheet

Respondent PD Glycol LP
Case ID No. 32600
Reg. Ent. Reference No. RN100825413
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	\$5,000	18-Sep-2006	26-Oct-2006	0.1	\$2	\$35	\$36
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)				0.0	\$0	n/a	\$0

Notes for DELAYED costs

These are estimated costs to repair the rupture disk at the Ethylene Glycol Unit II, beginning on the date of the emission event, and ending on the date compliance was 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

\$5,000

TOTAL

\$36

Screening Date 6-Feb-2007

Docket No. 2007-0208-AIR-E

PCW

Respondent PD Glycol LP

Policy Revision 2 (September 2002)

Case ID No. 32600

PCW Revision December 8, 2006

Reg. Ent. Reference No. RN100825413

Media [Statute] Air Quality

Enf. Coordinator Suzanne Walrath

Violation Number 2

Rule Cite(s) 30 Tex. Admin. Code § 122.143(4), Federal Operating Permit No. O-02190, Special Condition No. 9, Air Permit No. 8639A, Special Condition No. 3B, and Tex. Health and Safety Code § 382.085(b)

Violation Description Failed to prevent the unauthorized release of air contaminants into the atmosphere. Specifically, an emission event that began on 5/29/06 and ended on 6/12/06, emitted 47,661 lbs. (3,404 lbs. per day) of ethylene, 85 lbs. of ethylene oxide, and 12 lbs. of acetaldehyde vented directly to the atmosphere from the Ethylene Glycol Unit II Emergency Vent (EPN No. EMRG VENT). The event did not meet the demonstration criteria necessary to present an affirmative defense for the unauthorized emissions.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

Release	Harm			Percent
	Major	Moderate	Minor	
Actual	x			100%
Potential				

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
				0%

Matrix Notes Human health or the environment in the Beaumont-Port Arthur non-attainment area was exposed to significant amounts of pollutants as a result of the violation.

Adjustment \$0

\$10,000

Violation Events

Number of Violation Events 1 Number of violation days 14

mark only one with an x

daily	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$10,000

One single event is recommended for the emission event that began on 5/29/06 and ended on 6/12/06, as documented by the record review on 1/31/07.

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$5

Violation Final Penalty Total \$17,280

This violation Final Assessed Penalty (adjusted for limits) \$17,280

Economic Benefit Worksheet

Respondent: PD Glycol LP
Case ID No.: 32600
Reg. Ent. Reference No.: RN100825413
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
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No commas or \$

Delayed Costs

Equipment	\$112	29-May-2006	12-Jun-2006	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	\$500	29-May-2006	7-Aug-2006	0.2	\$5	n/a	\$5
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)				0.0	\$0	n/a	\$0

Notes for DELAYED costs

These are estimated costs to replace the solenoid on the automated bleed valve at the Ethylene Glycol Unit II, and for the revision and implementation of shift operational procedures, beginning on the date of the emission event, and ending on the date the valve solenoid was repaired and new plant procedures were revised and implemented.

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

\$612

TOTAL

\$5

Screening Date 6-Feb-2007

Docket No. 2007-0208-AIR-E

PCW

Respondent PD Glycol LP

Policy Revision 2 (September 2002)

Case ID No. 32600

PCW Revision December 8, 2006

Reg. Ent. Reference No. RN100825413

Media [Statute] Air Quality

Enf. Coordinator Suzanne Walrath

Violation Number 3

Rule Cite(s) 30 Tex. Admin. Code § 122.143(4), Federal Operating Permit No. O-02190, Special Condition No. 9, Air Permit No. 3631A, Special Condition No. 3, and Tex. Health and Safety Code § 382.085(b)

Violation Description

Failed to prevent the unauthorized release of air contaminants into the atmosphere. Specifically, 143 lbs. of ethylene oxide were emitted directly to the atmosphere from the Glycol 1 Emergency Vent during a 13 hr. and 42 min. event on 12/27 - 12/28/06. The event did not meet the demonstration criteria necessary to present an affirmative defense for the unauthorized emissions.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			X
Potential			

Percent 25%

>> Programmatic Matrix

Falsification	Harm		
	Major	Moderate	Minor

Percent 0%

Matrix Notes

Human health or the environment has been exposed to insignificant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$7,500

\$2,500

Violation Events

Number of Violation Events 1

1 Number of violation days

daily	
monthly	
quarterly	
semiannual	
annual	
single event	X

mark only one with an x

Violation Base Penalty \$2,500

One single event is recommended for the emission event that began on 12/27 and ended on 12/28/06, as documented by the record review on 1/16/07.

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$20

Violation Final Penalty Total \$4,320

This violation Final Assessed Penalty (adjusted for limits) \$4,320

Economic Benefit Worksheet

Respondent PD Glycol LP
Case ID No. 32600
Reg. Ent. Reference No. RN100825413
Media Air Quality
Violation No. 3

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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Delayed Costs

Equipment	7			0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)	\$2,000	27-Dec-2006	17-Feb-2007	0.1	\$1	\$19	\$20
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)				0.0	\$0	n/a	\$0

Notes for DELAYED costs

These are estimated costs for investigating the cause of the incident, and for reviewing and revising the associated plant procedure associated with shutdowns, beginning on the date of the incident, and ending on the date compliance was achieved and shutdown procedures were revised.

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

\$2,000

TOTAL

\$20

Screening Date 6-Feb-2007

Docket No. 2007-0208-AIR-E

PCW

Respondent PD Glycol LP

Policy Revision 2 (September 2002)

Case ID No. 32600

PCW Revision December 8, 2006

Reg. Ent. Reference No. RN100825413

Media [Statute] Air Quality

Enf. Coordinator Suzanne Walrath

Violation Number 4

Rule Cite(s) 30 Tex. Admin. Code §§ 101.201(a)(1)(B), 122.143(4), and Tex. Health and Safety Code § 382.085(b)

Violation Description

Failed to report an emission event as soon as practical, but no later than 24 hours after the discovery of the emission vent. Specifically, the event began on 5/29/06, and was not discovered by the Respondent until 6/12/06. It was initially reported on 6/14/06, greater than 24 hours after the time of discovery.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0%

>> Programmatic Matrix

Falsification	Harm		
	Major	Moderate	Minor
			x

Percent 1%

Matrix Notes

Less than 30% of the rule requirement was not met.

Adjustment \$9,900

\$100

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 \$100

One single event is recommended for the initial emission event report that was not submitted timely as documented by the record review 1/31/07.

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$105

Violation Final Penalty Total \$173

This violation Final Assessed Penalty (adjusted for limits) \$173

Economic Benefit Worksheet

Respondent PD Glycol LP
Case ID No. 32600
Reg. Ent. Reference No. RN100825413
Media Air Quality
Violation No. 4

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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Delayed Costs

Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)	\$250	13-Jun-2006	14-Jul-2006	0.1	\$0	\$1	\$1
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	\$1,500	13-Jun-2006	30-Oct-2007	1.4	\$104	n/a	\$104
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)				0.0	\$0	n/a	\$0

Notes for DELAYED costs

These are estimated costs for plant personnel to file a timely emission event report, and for the implementation of new plant procedures concerning emission event reporting requirements, beginning 24 hours after the plant discovered the event, and ending on the date the report was submitted, and on the projected date of the implementation of the new reporting procedures.

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

\$1,750

TOTAL

\$105

Classification: Moderate

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

Rqmt Prov: Permit No. 3361A MAERT PERMIT

Description: Failure to prevent emissions from sources not authorized by the permit, the Ethylene Glycol Unit No. I and II Emergency Vents, on July 12 and August 10, 2004, and from September 15 through October 3, 2004.

Classification: Moderate

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

Rqmt Prov: Air Permit No. 3361A MAERT PERMIT

Description: Failure to prevent emissions from sources not authorized by the permit, the Ethylene Glycol Unit No. I Emergency Vent, on March 25, 2005.

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	03/18/2002	(161605)
2	04/05/2002	(161607)
3	05/09/2002	(161610)
4	06/17/2002	(161613)
5	07/17/2002	(161616)
6	08/01/2002	(3922)
7	08/01/2002	(4737)
8	08/23/2002	(161619)
9	09/20/2002	(161622)
10	10/21/2002	(161625)
11	11/18/2002	(161628)
12	12/13/2002	(161630)
13	01/17/2003	(161633)
14	02/10/2003	(161603)
15	03/20/2003	(296759)
16	04/04/2003	(161608)
17	05/21/2003	(296763)
18	06/11/2003	(35304)
19	06/20/2003	(296764)
20	07/18/2003	(296765)
21	08/15/2003	(296766)
22	09/19/2003	(296767)
23	10/21/2003	(296768)
24	11/13/2003	(252664)
25	11/14/2003	(296769)
26	12/22/2003	(296770)
27	01/13/2004	(256356)
28	01/13/2004	(256357)
29	01/13/2004	(256358)
30	01/16/2004	(296771)
31	02/10/2004	(296758)
32	03/23/2004	(296760)
33	04/20/2004	(296761)
34	04/22/2004	(262190)
35	06/08/2004	(352749)
36	07/15/2004	(352750)
37	08/03/2004	(283981)
38	08/16/2004	(352751)
39	08/25/2004	(264050)
40	08/31/2004	(275950)
41	09/13/2004	(352752)
42	10/15/2004	(352753)
43	11/10/2004	(382127)
44	12/16/2004	(382128)
45	01/21/2005	(382129)
46	02/22/2005	(441102)

47 03/02/2005 (345738)
 48 03/16/2005 (382126)
 49 04/18/2005 (441103)
 50 05/20/2005 (441104)
 51 06/14/2005 (441105)
 52 06/21/2005 (375835)
 53 07/19/2005 (441106)
 54 08/12/2005 (441107)
 55 08/16/2005 (394905)
 56 09/09/2005 (404884)
 57 09/16/2005 (441108)
 58 10/09/2005 (468886)
 59 11/14/2005 (468887)
 60 11/15/2005 (436085)
 61 11/17/2005 (406277)
 62 12/16/2005 (468888)
 63 01/20/2006 (468889)
 64 01/27/2006 (439364)
 65 02/21/2006 (468884)
 66 02/24/2006 (450862)
 67 03/23/2006 (468885)
 68 03/31/2006 (455423)
 69 03/31/2006 (455364)
 70 04/17/2006 (498498)
 71 05/23/2006 (498499)
 72 06/21/2006 (498500)
 73 07/13/2006 (465277)
 74 07/18/2006 (498501)
 75 07/27/2006 (483370)
 76 08/17/2006 (520499)
 77 09/13/2006 (520500)
 78 09/21/2006 (512398)
 79 10/17/2006 (520501)
 80 11/27/2006 (517987)
 81 11/29/2006 (518158)
 82 12/08/2006 (533632)
 83 02/01/2007 (538195)
 84 02/01/2007 (531481)
 85 02/14/2007 (535191)

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

Date	08/31/2002	(161622)		
Self Report?	YES		Classifica	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	06/11/2003	(35304)		
Self Report?	NO		Classifica	Moderate
Citation:	30 TAC Chapter 101, SubChapter A 101.20(1) 30 TAC Chapter 115, SubChapter D 115.352(4) 30 TAC Chapter 116, SubChapter B 116.115(c) 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(1)			
Rqmt Prov:	PA 3361A, SC 1E and 8			
Description:	Failure to equip each open-ended valve or line with a cap, blind flange, plug, or second valve. During the monitoring, open-ended (OEL) lines were documented next to valves numbered 1052 and 13282 and near relief valve 12886.			
Self Report?	NO		Classifica	Major
Citation:	30 TAC Chapter 101, SubChapter A 101.20(1) 30 TAC Chapter 116, SubChapter B 116.115(c) 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-2(a)(1)			
Rqmt Prov:	PA 8639A, SC 6			
Description:	Failure to conduct monthly monitoring on pumps in volatile organic compound (VOC) service. During the review of the monitoring records from January 2002 through February 2003, three pumps were not monitored monthly.			
Self Report?	NO		Classifica	Moderate
Citation:	30 TAC Chapter 101, SubChapter A 101.20(1) 30 TAC Chapter 116, SubChapter B 116.115(c) 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(c)(2)			
Rqmt Prov:	PA 3361A, SC 8			
Description:	PA 8639A, SC 6 Failure to conduct monthly monitoring on three valves for two successive leak free months after a leak was detected and repaired.			

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
PD GLYCOL LP
RN100825413**

§
§
§
§
§

**BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY**

AGREED ORDER DOCKET NO. 2007-0208-AIR-E

At its _____ agenda, the Texas Commission on Environmental Quality (“the Commission” or “TCEQ”) considered this agreement of the parties, resolving an enforcement action regarding PD Glycol LP (“PD Glycol”) 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 PD Glycol, presented this agreement to the Commission.

PD Glycol understands that it has certain procedural rights at certain points in the enforcement process, including, but not limited to, the right to formal notice of violations, notice of an evidentiary hearing, the right to an evidentiary hearing, and a right to appeal. By entering into this Agreed Order, PD Glycol agrees to waive all notice and procedural rights.

It is further understood and agreed that this Order represents the complete and fully-integrated settlement of the parties. 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. The duties and responsibilities imposed by this Agreed Order are binding upon PD Glycol.

The Commission makes the following Findings of Fact and Conclusions of Law:

I. FINDINGS OF FACT

1. PD Glycol owns and operates an ethylene glycol plant at 3510 Gulf States Road in Beaumont, Jefferson County, Texas (the “Plant”).
2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
3. During record reviews on November 28, 2006, January 16, 2007, and January 31, 2007, TCEQ staff documented that PD Glycol failed to prevent the unauthorized release of air contaminants into the atmosphere. The events did not meet the demonstration criteria necessary to present an affirmative defense for the unauthorized emissions. (See table below.)

Date/Duration	Unauthorized Emissions
9/18/06, 2 min.	Ethylene Glycol Unit II Emergency Vent (EPN No. EMRG VENT): volatile organic compounds ("VOCs") - 6,094 lbs.
5/29/06 - 6/12/06, 14 days	Ethylene Glycol Unit II bleed valve directly to the Emergency Vent (EPN No. EMRG VENT): ethylene - 47,661 lbs., ethylene oxide - 85 lbs., and acetaldehyde - 12 lbs.
12/27/06 - 12/28/06, 13 hr. and 42 min.	Ethylene Glycol Unit 1 Emergency Vent: ethylene oxide - 143 lbs.

4. During a record review on January 31, 2007, TCEQ staff documented that PD Glycol failed to report an emission event that began on May 29, 2006, and was not discovered by the respondent until June 12, 2006. It was initially reported on June 14, 2006, greater than 24 hours after the time of discovery.
5. PD Glycol received notices of the violations on February 6, 2007, February 27, 2007, and March 21, 2007.
6. The Executive Director recognizes that PD Glycol has implemented the following corrective measures at the Plant
 - a. On June 12, 2006, replaced the solenoid on the automated bleed valve at the Ethylene Glycol Unit II;
 - b. On September 18, 2006, replaced the failed rupture disc;
 - c. On October 9, 2006, revised its Plant practices regarding rupture disc installation, torquing, and gasketing;
 - d. On October 26, 2006, replaced the rupture disc assembly holder; and
 - e. On February 17, 2007, investigated the incident, and trained Plant personnel in the revised shutdown procedures.

II. CONCLUSIONS OF LAW

1. PD Glycol is subject to the jurisdiction of the TCEQ pursuant to TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7 and the rules of the Commission.
2. As evidenced by Findings of Fact No. 3, PD Glycol failed to prevent the unauthorized release of air contaminants into the atmosphere, in violation of 30 TEX. ADMIN. CODE § 122.143(4), Federal

Operating Permit No. O-02190, Special Condition No. 9, Air Permit No. 8639A, Special Condition No. 3B, Air Permit No. 3631A, Special Condition No. 3, and TEX. HEALTH & SAFETY CODE § 382.085(b).

3. As evidenced by Findings of Fact No. 4, PD Glycol failed to report an emission event as soon as practical, but no later than 24 hours after the discovery of the emission event, in violation of 30 TEX. ADMIN. CODE §§ 101.201(a)(1)(B), 122.143(4), and TEX. HEALTH & SAFETY CODE § 382.085(b).
4. Pursuant to TEX. WATER CODE § 7.051, the Commission has the authority to assess an administrative penalty against PD Glycol for violations of the Texas Water Code and the Texas Health and Safety Code within the Commission's jurisdiction; for violations of rules adopted under such statutes; or for violations of orders or permits issued under such statutes.
5. An administrative penalty in the amount of Thirty Thousand Four Hundred Twelve Dollars (\$30,412) is justified by the facts recited in this Agreed Order, and considered in light of the factors set forth in TEX. WATER CODE § 7.053. PD Glycol has paid Fifteen Thousand Two Hundred Six Dollars (\$15,206) of the administrative penalty. Fifteen Thousand Two Hundred Six Dollars (\$15,206) shall be conditionally offset by PD Glycol's completion of a Supplemental Environmental Project ("SEP").

III. ORDERING PROVISIONS

NOW, THEREFORE, THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY ORDERS that:

1. PD Glycol is assessed an administrative penalty in the amount of Thirty Thousand Four Hundred Twelve Dollars (\$30,412) as set forth in Section II, Paragraph 5 above, for violations of TCEQ rules and state statutes. The payment of this administrative penalty and PD Glycol's compliance with all the terms and conditions set forth in this Agreed Order completely resolve the violations set forth by this Agreed Order in this action. However, the Commission shall not be constrained in any manner from requiring corrective actions or penalties for other violations that are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: PD Glycol LP, Docket No. 2007-0208-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. PD Glycol shall implement and complete a SEP in accordance with TEX. WATER CODE § 7.067. As set forth in Section II, Paragraph 5 in Conclusions of Law, Fifteen Thousand Two Hundred Six Dollars (\$15,206) of the assessed administrative penalty shall be offset with the condition that

PD Glycol implement the SEP defined in Attachment A, incorporated herein by reference. PD Glycol's obligation to pay the conditionally offset portion of the administrative penalty assessed shall be discharged upon final completion of all provisions of the SEP agreement.

3. PD Glycol shall undertake the following requirements:
 - a. Within 30 days develop and implement measures to help ensure that all emission events are reported, in accordance with 30 TEX. ADMIN. CODE § 101.201; 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. 3.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 Quality Section, Manager
Beaumont Regional Office
Texas Commission on Environmental Quality
3870 Eastex Freeway
Beaumont, Texas 77703-1892

4. The provisions of this Agreed Order shall apply to and be binding upon PD Glycol. PD Glycol 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.
5. If PD Glycol 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, PD Glycol's failure to comply is not a violation of this Agreed Order. PD Glycol shall have the burden of establishing to the Executive Director's satisfaction that such an event

- has occurred. PD Glycol shall notify the Executive Director within seven days after PD Glycol becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
6. 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 PD Glycol shall be made in writing to the Executive Director. Extensions are not effective until PD Glycol receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
 7. The Executive Director may refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings without notice to PD Glycol if the Executive Director determines that PD Glycol has not complied with one or more of the terms or conditions in this Agreed Order.
 8. 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.
 9. This Agreed Order, issued by the Commission, shall not be admissible against PD Glycol 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.
 10. 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.
 11. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties. By law, the effective date of this Agreed Order is the third day after the mailing date, as provided by 30 TEX. ADMIN. CODE § 70.10(b) and TEX. GOV'T CODE § 2001.142.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

John S. Miller
For the Executive Director

9/7/07
Date

I, the undersigned, have read and understand the attached Agreed Order in the matter of PD Glycol LP. I am authorized to agree to the attached Agreed Order on behalf of PD Glycol LP, and do agree to the specified terms and conditions. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I understand that by entering into this Agreed Order, PD Glycol LP waives certain procedural rights, including, but not limited to, the right to formal notice of violations addressed by this Agreed Order, notice of an evidentiary hearing, the right to an evidentiary hearing, and the right to appeal. I agree to the terms of the Agreed Order in lieu of an evidentiary hearing. This Agreed Order constitutes full and final adjudication by the Commission of the violations set forth in this Agreed Order.

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.

Randal Tatum
Signature

6-1-07
Date

RANDAL TATUM
Name (Printed or typed)
Authorized Representative of
PD Glycol LP

PLANT MANAGER
Title

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.

Attachment A
Docket Number: 2007-0208-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent: PD Glycol LP
Payable Penalty Amount: Thirty Thousand Four Hundred Twelve Dollars (\$30,412)
SEP Amount: Fifteen Thousand Two Hundred Six Dollars (\$15,206)
Type of SEP: Pre-approved
Third-Party Recipient: South East Texas Regional Planning Commission-West Port Arthur Home Energy Efficiency Program
Location of SEP: Jefferson County

The Texas Commission on Environmental Quality ("TCEQ") agrees to offset a portion of the administrative Penalty Amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project ("SEP"). The offset is equal to the SEP Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project Description

A. Project

The Respondent shall contribute to the Third-Party Recipient pursuant to the agreement between the Third-Party Recipient and the TCEQ. Specifically, the contribution will be used to conduct home energy audits and to assist low income residents in the West Port Arthur area by weatherizing their homes which will improve their homes' energy efficiency. SEP monies will be used to pay for the cost of caulking and insulating homes, replacing heating and cooling systems and major appliances with new, energy efficient equipment.

The Respondent certifies that there is no prior commitment to do this project and that it is being performed solely in an effort to settle this enforcement action.

B. Environmental Benefit

This SEP will provide a discernible environmental benefit by reducing residential fuel and electricity usage for heating and cooling. These reductions, in turn, will reduce emissions of particulate matter, volatile organic compounds, and nitrogen oxides associated with the combustion of fuel and generation of electricity. Additionally, the improvements will improve homes as shelters for responding to emergency releases.

C. Minimum Expenditure

The Respondent shall contribute at least the SEP Amount to the Third-Party Recipient and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Amount to the Third-Party Recipient. The Respondent shall mail the contribution, with a copy of the Agreed Order, to:

South East Texas Regional Planning Commission
Transportation and Environmental Resources
Bob Dickenson, Director
2210 Eastex Freeway
Beaumont, Texas 77703

3. Records and Reporting

Concurrent with the payment of the SEP Amount, the Respondent shall provide the TCEQ SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Amount to the Third-Party Recipient. The Respondent shall mail a copy of the check and transmittal letter to:

Enforcement Division
Attention: SEP Coordinator, MC 219
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If the Respondent does not perform its obligations under this SEP in any way, including full payment of the SEP Amount and submittal of the required reporting described in Section 3 above, the Executive Director may require immediate payment of all or part of the SEP Amount.

The check for any amount due shall be made out to “Texas Commission on Environmental Quality” and mailed to:

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

The Respondent shall also mail a copy of the check to the TCEQ SEP Coordinator at the address in Section 3 above.

5. Publicity

Any public statements concerning this SEP made by or on behalf of the Respondent must include a clear statement that the project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.

6. Clean Texas Program

The Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, the Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP identified in this Agreed Order has not been, and shall not be, included as an SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.

