EXECUTIVE SUMMARY - ENFORCEMENT MATTER

DOCKET NO.: 2006-1908-AIR-E **TCEQ ID:** RN100233998 **CASE NO.:** 31601

RESPONDENT NAME: Air Liquide Large Industries U.S. LP

ORDER TYPE:

X 1660 AGREED ORDER	__FINDINGS AGREED ORDER	__AMENDED ORDER	__IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER
__SHUTDOWN ORDER	__FINDINGS DEFAULT ORDER	__EMERGENCY ORDER	

CASE TYPE:

__AGRICULTURE	X AIR	__INDUSTRIAL AND HAZARDOUS WASTE	__MUNICIPAL SOLID WASTE
__OCCUPATIONAL CERTIFICATION	__PETROLEUM STORAGE TANKS	__PUBLIC WATER SUPPLY	__RADIOACTIVE WASTE
__MULTI-MEDIA (check all that apply)	__SEWAGE SLUDGE	__UNDERGROUND INJECTION CONTROL	__USED OIL
__USED OIL FILTER	__WATER QUALITY		

SITE WHERE VIOLATION(S) OCCURRED: Air Liquide Large Industries U.S. LP, 11400 Bay Area Boulevard, Pasadena, Harris County

TYPE OF OPERATION: Chemical manufacturing plant

SMALL BUSINESS: ___ Yes X No

OTHER SIGNIFICANT MATTERS: There are no complaints. There is not record of additional pending enforcement actions regarding this facility location.

INTERESTED PARTIES: No one other than the ED and the Respondent has expressed an interest in this matter.

COMMENTS RECEIVED: The *Texas Register* comment period expired on March 26, 2007. No comments were received.

CONTACTS AND MAILING LIST:

TCEQ Attorney/SEP Coordinator: None

TCEQ Enforcement Coordinator: Ms. Rebecca Johnson, Enforcement Division, Enforcement Section III, MC R-12, (713) 422-8931; Mr. Steven Lopez, Enforcement Division, Enforcement Section I, MC 219, (512) 239-1896

TCEQ Field Investigator: Mr. Narender Byru, Houston Regional Office, MC R-12, (713) 767-3597

Respondent: Mr. David Mullin, Plant Manager, Air Liquide Large Industries U.S. LP, 2700 Post Oak Boulevard, Suite 1800, Houston, Texas 77056
Mr. Scott A. Guthrie, Director, Energy, Air Liquide Large Industries U.S. LP, 2700 Post Oak Boulevard, Suite 1800, Houston, Texas 77056

Respondent's Attorney: Not represented by counsel on this enforcement matter

VIOLATION SUMMARY CHART:

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
Type of Investigation: __ Complaint ___ Routine ___ Enforcement Follow-up X Records Review **Date of Complaints Relating to this Case:** None **Date of Record Review Relating to this Case:** July 7, 2006 **Date of NOE Relating to this Case:** October 10, 2006 (NOE) **Background Facts:** This was a routine scheduled record review for compliance with the air program. Ten significant program violations were observed. **AIR** 1) Failure to prevent unauthorized emissions. Specifically, during a February 23, 2006 emissions event 225 pounds (lbs) of unauthorized nitrogen oxides emissions were released from the gas turbines and heat recovery steam generators over a period of five hours. Since the emissions event was avoidable and not properly reported, Air Liquide was unable to meet the demonstration criteria for an affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 116.615(2) and 116.617(b)(1)(F), Air Permit No. 75225, and TEX. HEALTH & SAFETY CODE § 382.085(b)]. 2) Failure to prevent unauthorized emissions. Specifically, during a December 28, 2005 emissions event 423 lbs of unauthorized nitrogen oxides emissions were released from the gas turbines and heat recovery steam generators over a period of five hours. Since the emissions event was avoidable and not properly reported, Air Liquide was unable to meet the demonstration criteria for an affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 116.615(2) and 116.617(b)(1)(F), Air Permit No. 75225, and TEX. HEALTH & SAFETY CODE § 382.085(b)].	**Total Assessed:** $38,073 **Total Deferred:** $7,615 X Expedited Settlement __Financial Inability to Pay **SEP Conditional Offset:** $0 **Total Paid to General Revenue:** $30,458 **Site Compliance History Classification:** __High X Avg. __Poor **Person Compliance History Classification:** __High X Avg. __Poor **Major Source:** X Yes ___ No **Applicable Penalty Policy:** September 2002	**Corrective Actions Taken** The Executive Director recognizes that Air Liquide has implemented the following corrective measures at the Plant: a). Installed alarms in the data collection system on August 9, 2006 which alert operations staff when the gas turbines are not operating in the optimum combustion mode; and b) Conducted employee training on August 9, 2006 which detailed the requirements for emissions event reporting.

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
3) Failure to prevent unauthorized emissions. Specifically, during a December 14, 2005 emissions event 389 lbs of unauthorized nitrogen oxides emissions were released from the gas turbines and heat recovery steam generators over a period of six hours. Since the emissions event was avoidable and not properly reported, Air Liquide was unable to meet the demonstration criteria for an affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 116.615(2) and 116.617(b)(1)(F), Air Permit No. 75225, and TEX. HEALTH & SAFETY CODE § 382.085(b)].		
4) Failure to prevent unauthorized emissions. Specifically, during a December 5, 2005 emissions event 310 lbs of unauthorized nitrogen oxides emissions were released from the gas turbines and heat recovery steam generators over a period of six hours. Since the emissions event was avoidable and not properly reported, Air Liquide was unable to meet the demonstration criteria for an affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 116.615(2) and 116.617(b)(1)(F), Air Permit No. 75225, and TEX. HEALTH & SAFETY CODE § 382.085(b)].		
5) Failure to prevent unauthorized emissions. Specifically, during an August 11, 2005 emissions event 478 lbs of unauthorized nitrogen oxides emissions were released from the gas turbines and heat recovery steam generators over a period of five hours. Since the emissions event was avoidable and not properly reported, Air Liquide was unable to meet the demonstration criteria for an affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 116.615(2) and 116.617(b)(1)(F), Air Permit No. 75225, and TEX. HEALTH & SAFETY CODE § 382.085(b)].		
6) Failure to prevent unauthorized emissions. Specifically, during a November 30, 2005 emissions event 1,515 lbs of unauthorized nitrogen oxides emissions were released from the gas turbines and heat recovery steam generators over a period of ten hours. Since the emissions event was avoidable and not properly reported, Air Liquide was unable to meet the demonstration criteria for an affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 116.615(2) and 116.617(b)(1)(F), Air Permit No. 75225, and TEX. HEALTH & SAFETY CODE § 382.085(b)].		

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
7) Failure to prevent unauthorized emissions. Specifically, during an August 4, 2005 emissions event 638 lbs of unauthorized nitrogen oxides emissions were released from the gas turbines and heat recovery steam generators over a period of seven hours. Since the emissions event was avoidable and not properly reported, Air Liquide was unable to meet the demonstration criteria for an affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 116.615(2) and 116.617(b)(1)(F), Air Permit No. 75225, and TEX. HEALTH & SAFETY CODE § 382.085(b)].		
8) Failure to prevent unauthorized emissions. Specifically, during an August 3, 2005 emissions event 1,206 lbs of unauthorized nitrogen oxides emissions were released from the gas turbines and heat recovery steam generators over a period of eleven hours. Since the emissions event was avoidable and not properly reported, Air Liquide was unable to meet the demonstration criteria for an affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 116.615(2) and 116.617(b)(1)(F), Air Permit No. 75225, and TEX. HEALTH & SAFETY CODE § 382.085(b)].		
9) Failure to prevent unauthorized emissions. Specifically, during a May 15, 2005 emissions event 402 lbs of unauthorized nitrogen oxides emissions were released from the gas turbines and heat recovery steam generators over a period of three hours. Since the emissions event was avoidable and not properly reported, Air Liquide was unable to meet the demonstration criteria for an affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 116.615(2) and 116.617(b)(1)(F), Air Permit No. 75225, and TEX. HEALTH & SAFETY CODE § 382.085(b)].		
10) Failure to report the February 23, 2006, December 28, 2005, December 14, 2005, December 5, 2005, August 11, 2005, November 30, 2005, August 4, 2005, August 3, 2005, and May 15, 2005 emissions events within twenty-four hours and include the total quantity of emissions released. Specifically, the referenced emissions events were not reported until June 13-14, 2006 and the emissions event reports detailed the unauthorized amount of emissions rather than the total quantity of emissions released [30 TEX. ADMIN. CODE § 101.201(a)(1)(B) and (b)(2)(H) and TEX. HEALTH & SAFETY CODE § 382.085(b)].		

Penalty Calculation Worksheet (PCW)

TCEQ

Policy Revision 2 (September 2002) *PCW Revision April 25, 2006*

DATES					
Assigned	16-Oct-2006				
PCW	31-Oct-2006	Screening	01-Nov-2006	EPA Due	

RESPONDENT/FACILITY INFORMATION

Respondent	Air Liquide Large Industries U.S. LP		
Reg. Ent. Ref. No.	RN100233998		
Facility/Site Region	12-Houston	Major/Minor Source	Major Source

CASE INFORMATION

Enf./Case ID No.	31601	No. of Violations	10
Docket No.	2006-1908-AIR-E	Order Type	1660
Media Program(s)	Air Quality	Enf. Coordinator	Rebecca Johnson
Multi-Media		EC's Team	Enforcement Team 6
Admin. Penalty $ Limit Minimum	$0	Maximum	$10,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties) *Subtotal 1* $25,900

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History 72% Enhancement *Subtotals 2, 3, & 7* $18,648

Notes: Penalty enhancement due to three NOVs issued for same or similar violations, five NOVs issued for unrelated violations, four self-reported effluent discharge violations, and two agreed orders containing a denial of liability. Penalty reduction due to one Notice of Audit submitted.

Culpability No 0% Enhancement *Subtotal 4* $0

Notes: The respondent does not meet the culpability criteria.

Good Faith Effort to Comply 25% Reduction *Subtotal 5* -$6,475

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

Notes: The respondent implemented corrective measures on August 9, 2006.

Economic Benefit 0% Enhancement* *Subtotal 6* $0

**Capped at the Total EB $ Amount*

Total EB Amounts	$556
Approx. Cost of Compliance	$7,000

SUM OF SUBTOTALS 1-7 Final Subtotal $38,073

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 $38,073

STATUTORY LIMIT ADJUSTMENT Final Assessed Penalty $38,073

DEFERRAL 20% Reduction Adjustment -$7,615

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

Notes: A deferral is recommended for expedited settlement.

PAYABLE PENALTY $30,458

Screening Date 01-Nov-2006 **Docket No.** 2006-1908-AIR-E **PCW**
Respondent Air Liquide Large Industries U.S. LP *Policy Revision 2 (September 2002)*
Case ID No. 31601 *PCW Revision April 25, 2006*
Reg. Ent. Reference No. RN100233998
Media [Statute] Air Quality
Enf. Coordinator Rebecca Johnson

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)*	3	15%
	Other written NOVs	9	18%
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 judgements 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*	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)*	0	0%
		Please Enter Yes or No	
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) **72%**

>> **Repeat Violator (Subtotal 3)**

No

Adjustment Percentage (Subtotal 3) **0%**

>> **Compliance History *Person* Classification (Subtotal 7)**

Average Performer

Adjustment Percentage (Subtotal 7) **0%**

>> **Compliance History Summary**

Compliance History Notes

Penalty enhancement due to three NOVs issued for same or similar violations, five NOVs issued for unrelated violations, four self-reported effluent discharge violations, and two agreed orders containing a denial of liability. Penalty reduction due to one Notice of Audit submitted.

Total Adjustment Percentage (Subtotals 2, 3, & 7) **72%**

Screening Date 01-Nov-2006 **Docket No.** 2006-1908-AIR-E **PCW**

Respondent Air Liquide Large Industries U.S. LP *Policy Revision 2 (September 2002)*

Case ID No. 31601 *PCW Revision April 25, 2006*

Reg. Ent. Reference No. RN100233998

Media [Statute] Air Quality

Enf. Coordinator Rebecca Johnson

Violation Number 1

Primary Rule Cite(s) Air Permit No. 75225 and 30 Tex. Admin. Code §§ 116.615(2) and 116.617(b)(1)(F)

Secondary Rule Cite(s) Tex. Health & Safety Code § 382.085(b)

Violation Description Failure to prevent unauthorized emissions. Specifically, during a February 23, 2006 emissions event 225 pounds ("lbs") of unauthorized nitrogen oxides emissions were released from the gas turbines and heat recovery steam generators over a period of five hours. Since the emissions event was avoidable and not properly reported, Air Liquide Large Industries U.S. LP was unable to meet the demonstration criteria for an affirmative defense under 30 Tex. Admin. Code § 101.222.

Base Penalty $10,000

>> **Environmental, Property and Human Health Matrix**

Release	Harm: Major	Moderate	Minor
Actual			x
Potential			

OR

Percent 25%

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor

Percent

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

Adjustment -$7,500

Base Penalty Subtotal $2,500

Violation Events

Number of Violation Events 1 — 1 Number of violation days

mark only one use a small 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 $0 **Violation Final Penalty Total** $3,675

This violation Final Assessed Penalty (adjusted for limits) $3,675

Economic Benefit Worksheet

Respondent Air Liquide Large Industries U.S. LP
Case ID No. 31601
Reg. Ent. Reference No. RN100233998
Media [Statute] Air Quality
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost (No commas or $)	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	$0	$0	$0
Buildings				0.0	$0	$0	$0
Other (as needed)				0.0	$0	$0	$0
Engineering/construction				0.0	$0	$0	$0
Land				0.0	$0	n/a	$0
Record Keeping System				0.0	$0	n/a	$0
Training/Sampling				0.0	$0	n/a	$0
Remediation/Disposal				0.0	$0	n/a	$0
Permit Costs				0.0	$0	n/a	$0
Other (as needed)				0.0	$0	n/a	$0

Notes for DELAYED costs: Economic benefit for this violation included in Violation No. 9 since the emissions events were due to the same cause.

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: Economic benefit for this violation included in Violation No. 9 since the emissions events were due to the same cause.

Approx. Cost of Compliance $0

TOTAL $0

Screening Date 01-Nov-2006 **Docket No.** 2006-1908-AIR-E **PCW**

Respondent Air Liquide Large Industries U.S. LP *Policy Revision 2 (September 2002)*

Case ID No. 31601 *PCW Revision April 25, 2006*

Reg. Ent. Reference No. RN100233998

Media [Statute] Air Quality

Enf. Coordinator Rebecca Johnson

Violation Number 2

Primary Rule Cite(s) Air Permit No. 75225 and 30 Tex. Admin. Code §§ 116.615(2) and 116.617(b)(1)(F)

Secondary Rule Cite(s) Tex. Health & Safety Code § 382.085(b)

Violation Description Failure to prevent unauthorized emissions. Specifically, during a December 28, 2005 emissions event 423 lbs of unauthorized nitrogen oxides emissions were released from the gas turbines and heat recovery steam generators over a period of five hours. Since the emissions event was avoidable and not properly reported, Air Liquide Large Industries U.S. LP was unable to meet the demonstration criteria for an affirmative defense under 30 Tex. Admin. Code § 101.222.

Base Penalty $10,000

>> **Environmental, Property and Human Health Matrix**

Release	Harm: Major	Moderate	Minor
Actual			x
Potential			

OR

Percent 25%

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor

Percent

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

Adjustment -$7,500

Base Penalty Subtotal $2,500

Violation Events

Number of Violation Events 1 — 1 Number of violation days

mark only one use a small 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

Estimated EB Amount $0

Statutory Limit Test

Violation Final Penalty Total $3,675

This violation Final Assessed Penalty (adjusted for limits) $3,675

Economic Benefit Worksheet

Respondent Air Liquide Large Industries U.S. LP
Case ID No. 31601
Reg. Ent. Reference No. RN100233998
Media [Statute] Air Quality
Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost (No commas or $)	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	$0	$0	$0
Buildings				0.0	$0	$0	$0
Other (as needed)				0.0	$0	$0	$0
Engineering/construction				0.0	$0	$0	$0
Land				0.0	$0	n/a	$0
Record Keeping System				0.0	$0	n/a	$0
Training/Sampling				0.0	$0	n/a	$0
Remediation/Disposal				0.0	$0	n/a	$0
Permit Costs				0.0	$0	n/a	$0
Other (as needed)				0.0	$0	n/a	$0

Notes for DELAYED costs: Economic benefit for this violation included in Violation No. 9 since the emissions events were due to the same cause.

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: Economic benefit for this violation included in Violation No. 9 since the emissions events were due to the same cause.

Approx. Cost of Compliance $0

TOTAL $0

Screening Date 01-Nov-2006 **Docket No.** 2006-1908-AIR-E **PCW**

Respondent Air Liquide Large Industries U.S. LP *Policy Revision 2 (September 2002)*

Case ID No. 31601 *PCW Revision April 25, 2006*

Reg. Ent. Reference No. RN100233998

Media [Statute] Air Quality

Enf. Coordinator Rebecca Johnson

Violation Number 3

Primary Rule Cite(s) Air Permit No. 75225 and 30 Tex. Admin. Code §§ 116.615(2) and 116.617(b)(1)(F)

Secondary Rule Cite(s) Tex. Health & Safety Code § 382.085(b)

Violation Description Failure to prevent unauthorized emissions. Specifically, during a December 14, 2005 emissions event 389 lbs of unauthorized nitrogen oxides emissions were released from the gas turbines and heat recovery steam generators over a period of six hours. Since the emissions event was avoidable and not properly reported, Air Liquide Large Industries U.S. LP was unable to meet the demonstration criteria for an affirmative defense under 30 Tex. Admin. Code § 101.222.

Base Penalty $10,000

>> **Environmental, Property and Human Health Matrix**

OR

Release	Harm: Major	Moderate	Minor
Actual			x
Potential			

Percent 25%

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor

Percent

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

Adjustment -$7,500

Base Penalty Subtotal $2,500

Violation Events

Number of Violation Events 1 | 1 Number of violation days

mark only one use a small 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

Estimated EB Amount $0

Statutory Limit Test

Violation Final Penalty Total $3,675

This violation Final Assessed Penalty (adjusted for limits) $3,675

Economic Benefit Worksheet

Respondent Air Liquide Large Industries U.S. LP
Case ID No. 31601
Reg. Ent. Reference No. RN100233998
Media [Statute] Air Quality
Violation No. 3

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost (No commas or $)	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	$0	$0	$0
Buildings				0.0	$0	$0	$0
Other (as needed)				0.0	$0	$0	$0
Engineering/construction				0.0	$0	$0	$0
Land				0.0	$0	n/a	$0
Record Keeping System				0.0	$0	n/a	$0
Training/Sampling				0.0	$0	n/a	$0
Remediation/Disposal				0.0	$0	n/a	$0
Permit Costs				0.0	$0	n/a	$0
Other (as needed)				0.0	$0	n/a	$0

Notes for DELAYED costs: Economic benefit for this violation included in Violation No. 9 since the emissions events were due to the same cause.

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: Economic benefit for this violation included in Violation No. 9 since the emissions events were due to the same cause.

Approx. Cost of Compliance $0

TOTAL $0

Screening Date 01-Nov-2006 **Docket No.** 2006-1908-AIR-E **PCW**

Respondent Air Liquide Large Industries U.S. LP *Policy Revision 2 (September 2002)*

Case ID No. 31601 *PCW Revision April 25, 2006*

Reg. Ent. Reference No. RN100233998

Media [Statute] Air Quality

Enf. Coordinator Rebecca Johnson

Violation Number 4

Primary Rule Cite(s) Air Permit No. 75225 and 30 Tex. Admin. Code §§ 116.615(2) and 116.617(b)(1)(F)

Secondary Rule Cite(s) Tex. Health & Safety Code § 382.085(b)

Violation Description Failure to prevent unauthorized emissions. Specifically, during a December 5, 2005 emissions event 310 lbs of unauthorized nitrogen oxides emissions were released from the gas turbines and heat recovery steam generators over a period of six hours. Since the emissions event was avoidable and not properly reported, Air Liquide Large Industries U.S. LP was unable to meet the demonstration criteria for an affirmative defense under 30 Tex. Admin. Code § 101.222.

Base Penalty $10,000

>> **Environmental, Property and Human Health Matrix**

Release	Harm: Major	Moderate	Minor
Actual			x
Potential			

OR

Percent 25%

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor

Percent

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

Adjustment -$7,500

Base Penalty Subtotal $2,500

Violation Events

Number of Violation Events 1 | 1 Number of violation days

mark only one use a small 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 $0 **Violation Final Penalty Total** $3,675

This violation Final Assessed Penalty (adjusted for limits) $3,675

Economic Benefit Worksheet

Respondent Air Liquide Large Industries U.S. LP
Case ID No. 31601
Reg. Ent. Reference No. RN100233998
Media [Statute] Air Quality
Violation No. 4

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost (No commas or $)	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	$0	$0	$0
Buildings				0.0	$0	$0	$0
Other (as needed)				0.0	$0	$0	$0
Engineering/construction				0.0	$0	$0	$0
Land				0.0	$0	n/a	$0
Record Keeping System				0.0	$0	n/a	$0
Training/Sampling				0.0	$0	n/a	$0
Remediation/Disposal				0.0	$0	n/a	$0
Permit Costs				0.0	$0	n/a	$0
Other (as needed)				0.0	$0	n/a	$0

Notes for DELAYED costs: Economic benefit for this violation included in Violation No. 9 since the emissions events were due to the same cause.

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: Economic benefit for this violation included in Violation No. 9 since the emissions events were due to the same cause.

Approx. Cost of Compliance $0

TOTAL $0

Screening Date 01-Nov-2006 **Docket No.** 2006-1908-AIR-E **PCW**

Respondent Air Liquide Large Industries U.S. LP *Policy Revision 2 (September 2002)*

Case ID No. 31601 *PCW Revision April 25, 2006*

Reg. Ent. Reference No. RN100233998

Media [Statute] Air Quality

Enf. Coordinator Rebecca Johnson

Violation Number 5

Primary Rule Cite(s) Air Permit No. 75225 and 30 Tex. Admin. Code §§ 116.615(2) and 116.617(b)(1)(F)

Secondary Rule Cite(s) Tex. Health & Safety Code § 382.085(b)

Violation Description Failure to prevent unauthorized emissions. Specifically, during an August 11, 2005 emissions event 478 lbs of unauthorized nitrogen oxides emissions were released from the gas turbines and heat recovery steam generators over a period of five hours. Since the emissions event was avoidable and not properly reported, Air Liquide Large Industries U.S. LP was unable to meet the demonstration criteria for an affirmative defense under 30 Tex. Admin. Code § 101.222.

Base Penalty $10,000

>> **Environmental, Property and Human Health Matrix**

OR

Release	Harm: Major	Moderate	Minor
Actual			x
Potential			

Percent 25%

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor

Percent

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

Adjustment -$7,500

Base Penalty Subtotal $2,500

Violation Events

Number of Violation Events 1 — 1 Number of violation days

mark only one use a small 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

Estimated EB Amount $0

Statutory Limit Test

Violation Final Penalty Total $3,675

This violation Final Assessed Penalty (adjusted for limits) $3,675

Economic Benefit Worksheet

Respondent Air Liquide Large Industries U.S. LP
Case ID No. 31601
Reg. Ent. Reference No. RN100233998
Media [Statute] Air Quality
Violation No. 5

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost (No commas or $)	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	$0	$0	$0
Buildings				0.0	$0	$0	$0
Other (as needed)				0.0	$0	$0	$0
Engineering/construction				0.0	$0	$0	$0
Land				0.0	$0	n/a	$0
Record Keeping System				0.0	$0	n/a	$0
Training/Sampling				0.0	$0	n/a	$0
Remediation/Disposal				0.0	$0	n/a	$0
Permit Costs				0.0	$0	n/a	$0
Other (as needed)				0.0	$0	n/a	$0

Notes for DELAYED costs: Economic benefit for this violation included in Violation No. 9 since the emissions events were due to the same cause.

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: Economic benefit for this violation included in Violation No. 9 since the emissions events were due to the same cause.

Approx. Cost of Compliance: $0

TOTAL $0

Screening Date 01-Nov-2006 **Docket No.** 2006-1908-AIR-E **PCW**

Respondent Air Liquide Large Industries U.S. LP *Policy Revision 2 (September 2002)*

Case ID No. 31601 *PCW Revision April 25, 2006*

Reg. Ent. Reference No. RN100233998

Media [Statute] Air Quality

Enf. Coordinator Rebecca Johnson

Violation Number 6

Primary Rule Cite(s) Air Permit No. 75225 and 30 Tex. Admin. Code §§ 116.615(2) and 116.617(b)(1)(F)

Secondary Rule Cite(s) Tex. Health & Safety Code § 382.085(b)

Violation Description Failure to prevent unauthorized emissions. Specifically, during a November 30, 2005 emissions event 1,515 lbs of unauthorized nitrogen oxides emissions were released from the gas turbines and heat recovery steam generators over a period of ten hours. Since the emissions event was avoidable and not properly reported, Air Liquide Large Industries U.S. LP was unable to meet the demonstration criteria for an affirmative defense under 30 Tex. Admin. Code § 101.222.

Base Penalty $10,000

>> **Environmental, Property and Human Health Matrix**

OR

Release	Harm: Major	Moderate	Minor
Actual			x
Potential			

Percent 25%

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor

Percent

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

Adjustment -$7,500

Base Penalty Subtotal $2,500

Violation Events

Number of Violation Events 1

1 Number of violation days

mark only one use a small 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

Estimated EB Amount $0

Statutory Limit Test

Violation Final Penalty Total $3,675

This violation Final Assessed Penalty (adjusted for limits) $3,675

Economic Benefit Worksheet

Respondent Air Liquide Large Industries U.S. LP
Case ID No. 31601
Reg. Ent. Reference No. RN100233998
Media [Statute] Air Quality
Violation No. 6

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost (No commas or $)	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	$0	$0	$0
Buildings				0.0	$0	$0	$0
Other (as needed)				0.0	$0	$0	$0
Engineering/construction				0.0	$0	$0	$0
Land				0.0	$0	n/a	$0
Record Keeping System				0.0	$0	n/a	$0
Training/Sampling				0.0	$0	n/a	$0
Remediation/Disposal				0.0	$0	n/a	$0
Permit Costs				0.0	$0	n/a	$0
Other (as needed)				0.0	$0	n/a	$0

Notes for DELAYED costs: Economic benefit for this violation included in Violation No. 9 since the emissions events were due to the same cause.

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: Economic benefit for this violation included in Violation No. 9 since the emissions events were due to the same cause.

Approx. Cost of Compliance: $0

TOTAL $0

Screening Date 01-Nov-2006 **Docket No.** 2006-1908-AIR-E **PCW**

Respondent Air Liquide Large Industries U.S. LP *Policy Revision 2 (September 2002)*

Case ID No. 31601 *PCW Revision April 25, 2006*

Reg. Ent. Reference No. RN100233998

Media [Statute] Air Quality

Enf. Coordinator Rebecca Johnson

Violation Number 7

Primary Rule Cite(s) Air Permit No. 75225 and 30 Tex. Admin. Code §§ 116.615(2) and 116.617(b)(1)(F)

Secondary Rule Cite(s) Tex. Health & Safety Code § 382.085(b)

Violation Description Failure to prevent unauthorized emissions. Specifically, during an August 4, 2005 emissions event 638 lbs of unauthorized nitrogen oxides emissions were released from the gas turbines and heat recovery steam generators over a period of seven hours. Since the emissions event was avoidable and not properly reported, Air Liquide Large Industries U.S. LP was unable to meet the demonstration criteria for an affirmative defense under 30 Tex. Admin. Code § 101.222.

Base Penalty $10,000

>> **Environmental, Property and Human Health Matrix**

Release	Harm: Major	Moderate	Minor
Actual			x
Potential			

OR

Percent 25%

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor

Percent

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

Adjustment -$7,500

Base Penalty Subtotal $2,500

Violation Events

Number of Violation Events 1 | 1 Number of violation days

mark only one use a small 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

Estimated EB Amount $0

Statutory Limit Test

Violation Final Penalty Total $3,675

This violation Final Assessed Penalty (adjusted for limits) $3,675

Economic Benefit Worksheet

Respondent Air Liquide Large Industries U.S. LP
Case ID No. 31601
Reg. Ent. Reference No. RN100233998
Media [Statute] Air Quality
Violation No. 7

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost (No commas or $)	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	$0	$0	$0
Buildings				0.0	$0	$0	$0
Other (as needed)				0.0	$0	$0	$0
Engineering/construction				0.0	$0	$0	$0
Land				0.0	$0	n/a	$0
Record Keeping System				0.0	$0	n/a	$0
Training/Sampling				0.0	$0	n/a	$0
Remediation/Disposal				0.0	$0	n/a	$0
Permit Costs				0.0	$0	n/a	$0
Other (as needed)				0.0	$0	n/a	$0

Notes for DELAYED costs: Economic benefit for this violation included in Violation No. 9 since the emissions events were due to the same cause.

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: Economic benefit for this violation included in Violation No. 9 since the emissions events were due to the same cause.

Approx. Cost of Compliance: $0

TOTAL $0

Screening Date 01-Nov-2006 **Docket No.** 2006-1908-AIR-E **PCW**

Respondent Air Liquide Large Industries U.S. LP *Policy Revision 2 (September 2002)*

Case ID No. 31601 *PCW Revision April 25, 2006*

Reg. Ent. Reference No. RN100233998

Media [Statute] Air Quality

Enf. Coordinator Rebecca Johnson

Violation Number 8

Primary Rule Cite(s) Air Permit No. 75225 and 30 Tex. Admin. Code §§ 116.615(2) and 116.617(b)(1)(F)

Secondary Rule Cite(s) Tex. Health & Safety Code § 382.085(b)

Violation Description Failure to prevent unauthorized emissions. Specifically, during an August 3, 2005 emissions event 1,206 lbs of unauthorized nitrogen oxides emissions were released from the gas turbines and heat recovery steam generators over a period of eleven hours. Since the emissions event was avoidable and not properly reported, Air Liquide Large Industries U.S. LP was unable to meet the demonstration criteria for an affirmative defense under 30 Tex. Admin. Code § 101.222.

Base Penalty $10,000

>> **Environmental, Property and Human Health Matrix**

Release	Harm: Major	Moderate	Minor
Actual		x	
Potential			

OR

Percent 50%

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor

Percent

Matrix Notes: 1,206 lbs of Nitrogen oxides emissions were released in the Houston-Galveston Ozone Non-attainment Area on a day that the peak eight-hour ozone level was determined to be unhealthy for sensitive groups.

Adjustment -$5,000

Base Penalty Subtotal $5,000

Violation Events

Number of Violation Events 1 — 1 Number of violation days

mark only one, use a small x	
daily	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty $5,000

One single event is recommended.

Economic Benefit (EB) for this violation

Estimated EB Amount $0

Statutory Limit Test

Violation Final Penalty Total $7,350

This violation Final Assessed Penalty (adjusted for limits) $7,350

Economic Benefit Worksheet

Respondent Air Liquide Large Industries U.S. LP
Case ID No. 31601
Reg. Ent. Reference No. RN100233998
Media [Statute] Air Quality
Violation No. 8

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost (No commas or $)	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	$0	$0	$0
Buildings				0.0	$0	$0	$0
Other (as needed)				0.0	$0	$0	$0
Engineering/construction				0.0	$0	$0	$0
Land				0.0	$0	n/a	$0
Record Keeping System				0.0	$0	n/a	$0
Training/Sampling				0.0	$0	n/a	$0
Remediation/Disposal				0.0	$0	n/a	$0
Permit Costs				0.0	$0	n/a	$0
Other (as needed)				0.0	$0	n/a	$0

Notes for DELAYED costs: Economic benefit for this violation included in Violation No. 9 since the emissions events were due to the same cause.

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: Economic benefit for this violation included in Violation No. 9 since the emissions events were due to the same cause.

Approx. Cost of Compliance: $0

TOTAL $0

Screening Date 01-Nov-2006 **Docket No.** 2006-1908-AIR-E **PCW**

Respondent Air Liquide Large Industries U.S. LP *Policy Revision 2 (September 2002)*

Case ID No. 31601 *PCW Revision April 25, 2006*

Reg. Ent. Reference No. RN100233998

Media [Statute] Air Quality

Enf. Coordinator Rebecca Johnson

Violation Number 9

Primary Rule Cite(s) Air Permit No. 75225 and 30 Tex. Admin. Code §§ 116.615(2) and 116.617(b)(1)(F)

Secondary Rule Cite(s) Tex. Health & Safety Code § 382.085(b)

Violation Description Failure to prevent unauthorized emissions. Specifically, during a May 15, 2005 emissions event 402 lbs of unauthorized nitrogen oxides emissions were released from the gas turbines and heat recovery steam generators over a period of three hours. Since the emissions event was avoidable and not properly reported, Air Liquide Large Industries U.S. LP was unable to meet the demonstration criteria for an affirmative defense under 30 Tex. Admin. Code § 101.222.

Base Penalty $10,000

>> **Environmental, Property and Human Health Matrix**

Release	Harm: Major	Moderate	Minor
Actual			x
Potential			

OR

Percent 25%

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor

Percent

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

Adjustment -$7,500

Base Penalty Subtotal $2,500

Violation Events

Number of Violation Events 1 | 1 Number of violation days

mark only one use a small 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

Estimated EB Amount $556

Statutory Limit Test

Violation Final Penalty Total $3,675

This violation Final Assessed Penalty (adjusted for limits) $3,675

Economic Benefit Worksheet

Respondent Air Liquide Large Industries U.S. LP
Case ID No. 31601
Reg. Ent. Reference No. RN100233998
Media [Statute] Air Quality
Violation No. 9

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost (No commas or $)	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment	$5,000	15-May-2005	09-Aug-2006	1.2	$21	$412	$432
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	$2,000	15-May-2005	09-Aug-2006	1.2	$124	n/a	$124
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: Estimated cost to implement measures designed to prevent future emissions events due to the same cause and the estimated cost to train employees to ensure that emissions events are properly reported. Date required based on the date of the earliest emissions event. Final date based on the date alarms were installed and employee training was conducted.

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: $7,000

TOTAL $556

Screening Date 01-Nov-2006 **Docket No.** 2006-1908-AIR-E **PCW**

Respondent Air Liquide Large Industries U.S. LP *Policy Revision 2 (September 2002)*

Case ID No. 31601 *PCW Revision April 25, 2006*

Reg. Ent. Reference No. RN100233998

Media [Statute] Air Quality

Enf. Coordinator Rebecca Johnson

Violation Number 10

Primary Rule Cite(s) 30 Tex. Admin. Code § 101.201(a)(1)(B) and (b)(2)(H)

Secondary Rule Cite(s) Tex. Health & Safety Code § 382.085(b)

Violation Description Failure to report the February 23, 2006, December 28, 2005, December 14, 2005, December 5, 2005, August 11, 2005, November 30, 2005, August 4, 2005, August 3, 2005, and May 15, 2005 emissions events within twenty-four hours and report the total quantity of emissions released. Specifically, the referenced emissions events were not reported until June 13-14, 2006 and the emissions event reports detailed the unauthorized amount of emissions rather than the total quantity of emissions released.

Base Penalty $10,000

>> **Environmental, Property and Human Health Matrix**

Release	Harm: Major	Moderate	Minor
Actual			
Potential			

OR

Percent

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor
			x

Percent 1%

Matrix Notes: Less than 30% of the rule requirements were not met.

Adjustment -$9,900

Base Penalty Subtotal $100

Violation Events

Number of Violation Events 9 | 9 Number of violation days

mark only one (use a small x)	
daily	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty $900

Nine single events are recommended based on the nine emissions event reports that were not properly submitted.

Economic Benefit (EB) for this violation

Estimated EB Amount $0

Statutory Limit Test

Violation Final Penalty Total $1,323

This violation Final Assessed Penalty (adjusted for limits) $1,323

Economic Benefit Worksheet

Respondent Air Liquide Large Industries U.S. LP
Case ID No. 31601
Reg. Ent. Reference No. RN100233998
Media [Statute] Air Quality
Violation No. 10

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost (No commas or $)	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	$0	$0	$0
Buildings				0.0	$0	$0	$0
Other (as needed)				0.0	$0	$0	$0
Engineering/construction				0.0	$0	$0	$0
Land				0.0	$0	n/a	$0
Record Keeping System				0.0	$0	n/a	$0
Training/Sampling				0.0	$0	n/a	$0
Remediation/Disposal				0.0	$0	n/a	$0
Permit Costs				0.0	$0	n/a	$0
Other (as needed)				0.0	$0	n/a	$0

Notes for DELAYED costs: Economic benefit for this violation included in Violation No. 9 since the emissions events were due to the same cause.

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: Economic benefit for this violation included in Violation No. 9 since the emissions events were due to the same cause.

Approx. Cost of Compliance $0

TOTAL $0

Compliance History

Customer/Respondent/Owner-Operator:	CN600300693	Air Liquide Large Industries U.S. LP	Classification: AVERAGE	Rating: 3.37
Regulated Entity:	RN100233998	AIR LIQUIDE LARGE INDUSTRIES US	Classification: AVERAGE	Site Rating: 2.00

ID Number(s):

AIR OPERATING PERMITS	ACCOUNT NUMBER	HG0071Q
AIR OPERATING PERMITS	PERMIT	1735
PETROLEUM STORAGE TANK REGISTRATION	REGISTRATION	46364
INDUSTRIAL AND HAZARDOUS WASTE GENERATION	EPA ID	TXD096026612
INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION # (SWR)	31779
WASTEWATER	PERMIT	TX0102296000
WASTEWATER	PERMIT	WQ0004330000
WASTEWATER	PERMIT	TX0102296
AIR NEW SOURCE PERMITS	PERMIT	4961
AIR NEW SOURCE PERMITS	PERMIT	4964
AIR NEW SOURCE PERMITS	PERMIT	9346
AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	HG0071Q
AIR NEW SOURCE PERMITS	REGISTRATION	37485
AIR NEW SOURCE PERMITS	REGISTRATION	53106
AIR NEW SOURCE PERMITS	REGISTRATION	55810
AIR NEW SOURCE PERMITS	REGISTRATION	33713
AIR NEW SOURCE PERMITS	REGISTRATION	11018
AIR NEW SOURCE PERMITS	AFS NUM	0073
AIR NEW SOURCE PERMITS	PERMIT	56212
AIR NEW SOURCE PERMITS	REGISTRATION	70423
AIR NEW SOURCE PERMITS	PERMIT	73110
AIR NEW SOURCE PERMITS	REGISTRATION	75225
PUBLIC WATER SYSTEM/SUPPLY	REGISTRATION	1011467
WATER LICENSING	LICENSE	1011467

Location: 11400 BAY AREA BLVD, PASADENA, TX, 77507 Rating Date: September 01 06 Repeat Violator: NO

TCEQ Region: REGION 12 - HOUSTON

Date Compliance History Prepared: October 16, 2006

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: October 16, 2001 to October 16, 2006

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

Name: Rebecca Johnson Phone: (713) 422-8931

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? Yes
3. If Yes, who is the current owner? Air Liquide Large Industries U.S. LP
4. if Yes, who was/were the prior owner(s)? Air Liquide America L.P.
5. When did the change(s) in ownership occur? 10/1/2002

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: 06/13/2004 **ADMINORDER 2003-0908-PST-E**

Classification: Moderate

Citation: 30 TAC Chapter 37, SubChapter I 37.815(a)[G]
30 TAC Chapter 37, SubChapter I 37.815(b)[G]

Description: Failure to demonstrate FA beginning 8/9/02

Effective Date: 03/23/2006 **ADMINORDER 2005-1475-IWD-**

Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)

30 TAC Chapter 305, SubChapter F 305.125(1)

Rqmt Prov: EFFLUENT LIMITS PERMIT

Description: Failure to comply with permit effluent limits as documented by a TCEQ record review of self-reported data.

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

N/A

C. Chronic excessive emissions events.

N/A

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

1	08/07/2002	(6161)
2	07/07/2006	(484077)
3	06/29/2006	(482703)
4	02/17/2004	(321889)
5	03/12/2004	(321890)
6	08/11/2006	(484888)
7	04/19/2004	(321891)
8	05/13/2003	(321892)
9	09/01/2006	(486445)
10	07/07/2006	(483164)
11	06/14/2004	(321893)
12	09/08/2005	(406526)
13	07/09/2003	(321894)
14	08/18/2003	(321895)
15	02/18/2005	(425970)
16	09/08/2003	(321896)
17	04/18/2005	(425971)
18	10/17/2003	(321897)
19	05/10/2005	(425972)
20	11/20/2003	(321898)
21	06/10/2005	(425973)
22	07/07/2006	(483912)
23	12/18/2003	(321899)
24	01/27/2004	(321900)
25	07/07/2006	(484031)
26	10/10/2006	(489836)
27	08/29/2005	(403489)
28	07/15/2006	(485481)
29	09/01/2006	(486181)
30	02/21/2002	(136974)
31	09/01/2006	(485141)
32	07/07/2006	(484215)
33	08/07/2002	(264556)
34	07/07/2006	(482948)
35	01/04/2002	(136973)
36	02/21/2005	(344847)
37	08/08/2005	(402075)
38	09/27/2002	(146205)
39	07/07/2006	(483793)
40	05/05/2003	(146218)
41	05/14/2004	(363734)
42	07/15/2004	(363735)
43	03/14/2003	(221252)
44	08/16/2004	(363736)
45	04/24/2006	(504939)
46	03/24/2003	(221253)
47	09/21/2004	(363737)
48	05/22/2006	(504940)
49	04/10/2003	(221254)

50	07/07/2006	(483467)
51	10/21/2004	(363738)
52	06/26/2006	(504941)
53	08/30/2002	(221255)
54	09/14/2005	(431577)
55	03/14/2003	(221256)
56	12/14/2001	(136972)
57	03/14/2003	(221257)
58	11/13/2001	(136971)
59	03/14/2003	(221258)
60	07/07/2006	(482790)
61	06/12/2003	(62375)
62	03/14/2003	(221259)
63	03/14/2003	(221260)
64	03/14/2003	(221261)
65	07/07/2006	(483421)
66	01/31/2006	(479015)
67	08/13/2004	(250551)
68	08/11/2005	(379839)
69	03/07/2006	(479016)
70	10/13/2005	(479017)
71	08/28/2002	(9485)
72	11/07/2005	(479018)
73	12/06/2005	(479019)
74	01/12/2006	(479020)
75	09/01/2006	(485828)
76	07/07/2006	(483684)
77	07/11/2005	(446431)
78	08/05/2005	(446432)
79	09/19/2005	(446433)
80	09/01/2006	(485201)
81	08/13/2002	(6718)
82	08/12/2002	(6969)
83	03/22/2005	(388433)
84	07/21/2006	(484852)
85	12/22/2004	(388434)
86	07/07/2006	(482877)
87	08/02/2002	(6334)
88	12/27/2004	(388435)
89	07/15/2006	(485326)
90	07/19/2005	(399179)
91	07/07/2006	(482532)
92	01/18/2005	(388436)
93	06/27/2006	(466297)
94	07/07/2006	(483586)
95	01/13/2004	(257438)
96	07/07/2006	(483073)
97	08/07/2002	(7107)
98	06/29/2006	(483350)

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

Date: 08/05/2005 (402075)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)

Rqmt Prov: PERMIT IA

Description: Failure to calibrate the flow meter annually, as required.

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 319, SubChapter A 319.7(a)[G]

30 TAC Chapter 319, SubChapter A 319.7(c)

Description: Failure to maintain a temperature log for the sample storage refrigerator.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)

Rqmt Prov: PERMIT IA

Description: Failure to maintain compliance with the self-monitored effluent limitations for Outfall 001.

Date: 07/20/2005 (399179)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 117, SubChapter B 117.216(a)(1)[G]

Description: Failure to comply with the requirements as found in 30 TAC Chapter 117.216(a).

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter H 101.359[G]

Description: Failure to comply with the requirements as found in 30 TAC 101.359(a).

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 117, SubChapter B 117.213(a)(1)(B)(ii)

Description: Failure to comply with the requirements as found in 30 TAC Chapter 117.213(a)(1)(B)(ii).

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

30 TAC Chapter 117, SubChapter B 117.219(b)(2)

30 TAC Chapter 122, SubChapter B 122.143(4)

Rqmt Prov: OP IA

PERMIT IA

Description: Failure to comply with the requirements as found in 30 TAC Chapter 117.219(b)(2).

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter F 116.611(a)[G]

30 TAC Chapter 116, SubChapter F 116.611(b)

Description: Failure to comply with the requirements as found in 30 TAC Chapter 116.611(a) and (b).

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)

40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.7(c)

Rqmt Prov: OP IA

Description: Failure to comply with the requirements as found in 40 CFR Chapter 60 Part 60.7(c).

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 117, SubChapter B 117.219(d)(1)[G]

Description: Failure to comply with the requirements as found in 30 TAC Chapter 117.219(d).

Date: 10/17/2001 (136973)

Self Report? NO Classification: Moderate

Description: CLEAN FUEL FLEET VEHIC

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 118 118.5[G]

Description: EMISSION REDUCTION PLA

Date: 09/27/2002 (146205)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 37, SubChapter I 37.815(a)[G]

30 TAC Chapter 37, SubChapter I 37.815(b)[G]

Description: Failure to demonstrate FA beginning 8/9/02

Date: 01/11/2006 (438807)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 335, SubChapter A 335.6(c)[G]

Description: Notification for recycling was not done.

Date: 12/14/2001 (136972)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.6[G]

Description: NOTIFICATION MAJOR UPS

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 117, SubChapter B 117.223(e)

Description: FAILED TO RPT DAILY EM

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 117, SubChapter B 117.219(d)[G]

Description: FAILED TO SUBMT SEMIAN

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)

Description: NSPS STANDARDS

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)

Description: NSPS STANDARDS

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

Rqmt Prov: OP IA

Description: PERMIT SPECIAL CONDITI

Self Report? NO Classification: Moderate

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

Rqmt Prov: OP IA

Description: PSD PERMIT CONDITIONS

Self Report? NO Classification: Moderate

Description: FAILED TO INCLUDE PROC

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)

Description: NSPS STANDARDS

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

Rqmt Prov: OP IA

Description: PERMIT SPECIAL CONDITI

Self Report? NO Classification: Moderate

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

Rqmt Prov: OP IA

Description: PSD PERMIT CONDITIONS

Date: 09/30/2004 (363738)

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: 10/31/2004 (388434)

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: 11/30/2004 (388435)

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: 12/31/2004 (388436)

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: 08/13/2004 (250551)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.145(2)(A)

Description: RE failed to include the deviations related to the gas turbines operation in the semi-annual deviation report

Date: 08/07/2002 (264556)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.10(e)

30 TAC Chapter 101, SubChapter A 101.10(f)

Description: Respondent failed to submit an emissions inventory questionnaire on or before 06/17/2002.

F. Environmental audits.

Notice of Intent Date: 04/11/2003 **(34960)**

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	§	**BEFORE THE**
ENFORCEMENT ACTION	§	
CONCERNING	§	**TEXAS COMMISSION ON**
AIR LIQUIDE LARGE INDUSTRIES	§	
U.S. LP	§	**ENVIRONMENTAL QUALITY**
RN100233998		

AGREED ORDER
DOCKET NO. 2006-1908-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 Air Liquide Large Industries U.S. LP ("Air Liquide") 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 Air Liquide appear before the Commission and together stipulate that:

1. Air Liquide owns and operates a chemical manufacturing plant located at 11400 Bay Area Boulevard in Pasadena, Harris 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 Air Liquide agree that the Commission has jurisdiction to enter this Agreed Order, and that Air Liquide is subject to the Commission's jurisdiction.

4. Air Liquide received notice of the violations alleged in Section II ("Allegations") on or about October 15, 2006.

5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by Air Liquide of any violation alleged in Section II ("Allegations"), nor of any statute or rule.

6. An administrative penalty in the amount of Thirty-Eight Thousand Seventy-Three Dollars ($38,073) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). Air Liquide has paid Thirty Thousand Four Hundred Fifty-Eight Dollars ($30,458) of the administrative penalty and Seven Thousand Six Hundred Fifteen Dollars ($7,615) is deferred contingent upon Air Liquide's timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed

Order. If Air Liquide fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require Air Liquide 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 Air Liquide have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.

9. The Executive Director recognizes that Air Liquide has implemented the following corrective measures at the Plant:

   a. Installed alarms in the data collection system on August 9, 2006 which alert operations staff when the gas turbines are not operating in the optimum combustion mode; and

   b. Conducted employee training on August 9, 2006 which detailed the requirements for emissions event reporting.

10. 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 Air Liquide has not complied with one or more of the terms or conditions in this Agreed Order.

11. 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.

12. 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, Air Liquide is alleged to have:

1. Failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 116.615(2) and 116.617(b)(1)(F), Air Permit No. 75225, and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review conducted on July 7, 2006. Specifically, during a February 23, 2006 emissions event 225 pounds ("lbs") of unauthorized nitrogen oxides emissions were released from the gas turbines and heat recovery steam generators over a period of five hours. Since the emissions event was avoidable and not properly reported, Air Liquide was unable to meet the demonstration criteria for an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.

2. Failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 116.615(2) and 116.617(b)(1)(F), Air Permit No. 75225, TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review conducted on July 7, 2006. Specifically, during a December 28, 2005

emissions event 423 lbs of unauthorized nitrogen oxides emissions were released from the gas turbines and heat recovery steam generators over a period of five hours. Since the emissions event was avoidable and not properly reported, Air Liquide was unable to meet the demonstration criteria for an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.

3. Failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 116.615(2) and 116.617(b)(1)(F), Air Permit No. 75225, and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review conducted on July 7, 2006. Specifically, during a December 14, 2005 emissions event 389 lbs of unauthorized nitrogen oxides emissions were released from the gas turbines and heat recovery steam generators over a period of six hours. Since the emissions event was avoidable and not properly reported, Air Liquide was unable to meet the demonstration criteria for an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.

4. Failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 116.615(2) and 116.617(b)(1)(F), Air Permit No. 75225, and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review conducted on July 7, 2006. Specifically, during a December 5, 2005 emissions event 310 lbs of unauthorized nitrogen oxides emissions were released from the gas turbines and heat recovery steam generators over a period of six hours. Since the emissions event was avoidable and not properly reported, Air Liquide was unable to meet the demonstration criteria for an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.

5. Failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 116.615(2) and 116.617(b)(1)(F), Air Permit No. 75225, and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review conducted on July 7, 2006. Specifically, during an August 11, 2005 emissions event 478 lbs of unauthorized nitrogen oxides emissions were released from the gas turbines and heat recovery steam generators over a period of five hours. Since the emissions event was avoidable and not properly reported, Air Liquide was unable to meet the demonstration criteria for an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.

6. Failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 116.615(2) and 116.617(b)(1)(F), Air Permit No. 75225, and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review conducted on July 7, 2006. Specifically, during a November 30, 2005 emissions event 1,515 lbs of unauthorized nitrogen oxides emissions were released from the gas turbines and heat recovery steam generators over a period of ten hours. Since the emissions event was avoidable and not properly reported, Air Liquide was unable to meet the demonstration criteria for an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.

7. Failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 116.615(2) and 116.617(b)(1)(F), Air Permit No. 75225, and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review conducted on July 7, 2006. Specifically, during an August 4, 2005 emissions event 638 lbs of unauthorized nitrogen oxides emissions were released from the gas turbines and heat recovery steam generators over a period of seven hours. Since the emissions event was avoidable and not properly reported, Air Liquide was unable to meet the demonstration criteria for an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.

8. Failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 116.615(2) and 116.617(b)(1)(F), Air Permit No. 75225, and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review conducted on July 7, 2006. Specifically, during an August 3, 2005 emissions event 1,206 lbs of unauthorized nitrogen oxides emissions were released from the gas turbines and heat recovery steam generators over a period of eleven hours. Since the emissions event was avoidable and not properly reported, Air Liquide was unable to meet the demonstration criteria for an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.

9. Failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 116.615(2) and 116.617(b)(1)(F), Air Permit No. 75225, and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review conducted on July 7, 2006. Specifically, during a May 15, 2005 emissions event 402 lbs of unauthorized nitrogen oxides emissions were released from the gas turbines and heat recovery steam generators over a period of three hours. Since the emissions event was avoidable and not properly reported, Air Liquide was unable to meet the demonstration criteria for an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.

10. Failed to report the February 23, 2006, December 28, 2005, December 14, 2005, December 5, 2005, August 11, 2005, November 30, 2005, August 4, 2005, August 3, 2005, and May 15, 2005 emissions events within twenty-four hours and include the total quantity of emissions released, in violation of 30 TEX. ADMIN. CODE § 101.201(a)(1)(B) and (b)(2)(H) and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review conducted on July 7, 2006. Specifically, the referenced emissions events were not reported until June 13-14, 2006 and the emissions event reports detailed the unauthorized amount of emissions rather than the total quantity of emissions released.

III. DENIALS

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

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that Air Liquide pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and Air Liquide's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Air Liquide Large Industries U.S. LP, Docket No. 2006-1908-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. The provisions of this Agreed Order shall apply to and be binding upon Air Liquide. Air Liquide 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.

3. This Agreed Order, issued by the Commission, shall not be admissible against Air Liquide 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.

4. 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.

5. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to Air Liquide, or three days after the date on which the Commission mails notice of the Order to Air Liquide, 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

4/3/07
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

1/15/07
Date

SCOTT A. GUTHRIE
Name (Printed or typed)
Authorized Representative of
Air Liquide Large Industries U.S. LP

DIRECTOR, ENERGY
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.