EXECUTIVE SUMMARY - ENFORCEMENT MATTER
DOCKET NO.: 2006-2102-AIR-E TCEQ ID: RN100825413 CASE NO.: 31855
RESPONDENT NAME: PD Glycol 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: PD Glycol Beaumont Plant, 3510 Gulf States Road, Beaumont, Jefferson County

TYPE OF OPERATION: Petrochemical plant

SMALL BUSINESS: ___Yes __X_No

OTHER SIGNIFICANT MATTERS: There are no complaints. There are two additional pending enforcement actions regarding this facility location, Docket Nos. 2006-1133-AIR-E and 2007-0208-AIR-E.

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 April 9, 2007. No comments were received.

CONTACTS AND MAILING LIST:

TCEQ Attorney/SEP Coordinator: None
TCEQ Enforcement Coordinator: Ms. Trina Grieco, Enforcement Division, Enforcement Section III, MC R-13, (210) 403-4066; Mr. Steven Lopez, Enforcement Division, MC 219, (512) 239-1896
Respondent: Mr. Randal Tatum, Plant Manager, PD Glycol LP, P.O. Box 3785, Beaumont, Texas 77704
Respondent's Attorney: Not represented by counsel on this enforcement matter

RESPONDENT'S NAME: PD Glycol LP
DOCKET NO.: 2006-2102-AIR-E

VIOLATION SUMMARY CHART:

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
Type of Investigation: __Complaint __Routine __Enforcement Follow-up _X_Records Review **Date of Complaint Relating to this Case:** None **Date of Investigation Relating to this Case:** November 1, 2006 **Date of NOE Relating to this Case:** November 29, 2006 (NOE) **Background Facts:** This was a routine record review. One violation was documented. **AIR** Failed to prevent unauthorized emissions. On July 27, 2006, a reportable emissions event at the Ethylene Glycol Unit II resulted in the unauthorized release of 1,213 pounds of ethylene during a two minute period. Since the emissions event was avoidable, PD Glycol failed to meet the demonstrations for an affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE § 116.115(c), Air Permit 8639, Special Conditions 3A and B, Federal Operating Permit No. 2190, Special Terms and Conditions 9, TEX. HEALTH & SAFETY CODE § 382.085(b)].	**Total assessed:** $2,875 **Total Deferred:** $575 _X_Expedited Settlement __Financial Inability to Pay **SEP Conditional Offset:** $0 **Total Paid to General Revenue:** $2,300 **Site Compliance History Classification:** __High _X_Average __Poor **Person Compliance History Classification:** __High _X_Average __Poor **Major Source:** _X_Yes __No **Applicable Penalty Policy:** September 2002	**Corrective Actions Taken:** The Executive Director recognizes that PD Glycol changed the Cycle Gas Compressor safety interlock system during the week of October 16, 2006, to help prevent emissions like that which occurred on July 27, 2006, as documented to the TCEQ in a December 7, 2006, letter.

Penalty Calculation Worksheet (PCW)

TCEQ

Policy Revision 2 (September 2002) — *PCW Revision November 17, 2006*

DATES					
Assigned	4-Dec-2006				
PCW	14-Dec-2006	Screening	5-Dec-2006	EPA Due	27-Aug-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.	31855	No. of Violations	1
Docket No.	2006-2102-AIR-E	Order Type	1660
Media Program(s)	Air Quality	Enf. Coordinator	John Barry
Multi-Media		EC's Team	EnforcementTeam 6
Admin. Penalty $ Limit Minimum	$0	Maximum	$10,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties) — *Subtotal 1* $2,500

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History — 40% Enhancement — *Subtotals 2, 3, & 7* $1,000

Notes: Enhancements are due to two orders with denial of liability and three non same-or-similar NOVs, including one that was self-reported. Reductions are due to two letters of audit and two audit disclosures.

Culpability — No — 0% Enhancement — *Subtotal 4* $0

Notes: Respondent does not meet the culpability criteria.

Good Faith Effort to Comply — 25% Reduction — *Subtotal 5* $625

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

Notes: Respondent achieved compliance during the week of October 16, 2006.

0% Enhancement* — *Subtotal 6* $0

**Capped at the Total EB $ Amount*

Total EB Amounts	$80
Approx. Cost of Compliance	$5,000

SUM OF SUBTOTALS 1-7 — *Final Subtotal* $2,875

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 $2,875

STATUTORY LIMIT ADJUSTMENT — *Final Assessed Penalty* $2,875

DEFERRAL — 20% Reduction — *Adjustment* -$575

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

Notes: Deferral offered for expedited settlement.

PAYABLE PENALTY $2,300

Screening Date	5-Dec-2006	**Docket No.** 2006-2102-AIR-E	**PCW**
Respondent	PD Glycol LP		*Policy Revision 2 (September 2002)*
Case ID No.	31855		*PCW Revision November 17, 2006*
Reg. Ent. Reference No.	RN100825413		
Media [Statute]	Air Quality		
Enf. Coordinator	John Barry		

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*)	0	0%
	Other written NOVs	3	6%
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 submitted*)	2	-2%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (*number of audits for which violations were disclosed*)	2	-4%

		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) 40%

>> 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

Enhancements are due to two orders with denial of liability and three non same-or-similar NOVs, including one that was self-reported. Reductions are due to two letters of audit and two audit disclosures.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 40%

Screening Date	5-Dec-2006	**Docket No.** 2006-2102-AIR-E	**PCW**
Respondent	PD Glycol LP		*Policy Revision 2 (September 2002)*
Case ID No.	31855		*PCW Revision November 17, 2006*
Reg. Ent. Reference No.	RN100825413		
Media [Statute]	Air Quality		
Enf. Coordinator	John Barry		

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code § 116.115(c), Air Permit 8639, Special Conditions 3A and B, Federal Operating Permit No. 2190, Special Terms and Conditions 9, Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to prevent unauthorized emissions. On July 27, 2006, a reportable emissions event at the Ethylene Glycol Unit II resulted in the unauthorized release of 1,213 pounds of ethylene during a two minute period. Since the emissions event was avoidable, PD Glycol failed to meet the demonstrations 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 0%

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

$2,500

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 $2,500

One single event is recommended.

Economic Benefit (EB) for this violation

Estimated EB Amount $80

Statutory Limit Test

Violation Final Penalty Total $2,875

This violation Final Assessed Penalty (adjusted for limits) $2,875

Economic Benefit Worksheet

Respondent: PD Glycol LP
Case ID No.: 31855
Reg. Ent. Reference No.: RN100825413
Media: Air Quality
Violation No.: 1

Percent Interest	Years of Depreciation
5.0	15

Item Description (No commas or $)	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	$0	$0	$0
Buildings				0.0	$0	$0	$0
Other (as needed)				0.0	$0	$0	$0
Engineering/construction	$5,000	27-Jul-2006	18-Oct-2006	0.2	$4	$76	$80
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	Estimated costs of correcting wiring drawings related to the Cycle Gas Compressor; the date required was the date of event; the final date is the date of the week of compliance.						
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: $80

Compliance History

Customer/Respondent/Owner-Operator:	CN600505648	PD Glycol LP	Classification: AVERAGE	Rating: 1.99
Regulated Entity:	RN100825413	PD GLYCOL BEAUMONT PLANT	Classification: AVERAGE	Site Rating: 1.99

ID Number(s):

AIR OPERATING PERMITS	ACCOUNT NUMBER	JE0049K
AIR OPERATING PERMITS	PERMIT	1620
AIR OPERATING PERMITS	PERMIT	2190
WASTEWATER	PERMIT	WQ0000490000
WASTEWATER	PERMIT	TPDES0008931
WASTEWATER	PERMIT	TX0008931
INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION # (SWR)	37988
INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION # (SWR)	30583
INDUSTRIAL AND HAZARDOUS WASTE GENERATION	EPA ID	TXD020805446
AIR NEW SOURCE PERMITS	REGISTRATION	54604
AIR NEW SOURCE PERMITS	PERMIT	8639A
AIR NEW SOURCE PERMITS	PERMIT	3361A
AIR NEW SOURCE PERMITS	REGISTRATION	55286
AIR NEW SOURCE PERMITS	PERMIT	54514
AIR NEW SOURCE PERMITS	REGISTRATION	78746
AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	JE0049K
AIR NEW SOURCE PERMITS	AFS NUM	0005
AIR NEW SOURCE PERMITS	PERMIT	16357
AIR NEW SOURCE PERMITS	PERMIT	3361A
AIR NEW SOURCE PERMITS	PERMIT	8639A
AIR NEW SOURCE PERMITS	PERMIT	10261
AIR NEW SOURCE PERMITS	PERMIT	11673
AIR NEW SOURCE PERMITS	PERMIT	11820
AIR NEW SOURCE PERMITS	PERMIT	12799
STORMWATER	PERMIT	TXR05O019
IHW CORRECTIVE ACTION	SOLID WASTE REGISTRATION # (SWR)	30583

Location: 3510 GULF STATES RD, BEAUMONT, TX, 77701 Rating Date: 9/1/2006 Repeat Violator: NO

TCEQ Region: REGION 10 - BEAUMONT

Date Compliance History Prepared: December 05, 2006

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: December 04, 2001 to December 04, 2006

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

Name: John Barry Phone: (409) 899-8781

Site Compliance History Components

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

Components (Multimedia) for the Site :

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

Effective Date: 08/28/2004 8/28/2004 ADMINORDER 2004-0204-AIR-E
Classification: Moderate

Citation: 5C THC Chapter 382, SubChapter A 382.085(a)
Description: Failed to prevent unauthorized emissions on August 6 and August 22, 2003.

Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)(8)

Description: Failed to include the preconstruction authorization rule citation in the final record submitted to the TCEQ for the emission event that occurred on August 22, 2003.

Effective Date: 02/20/2006 ADMINORDER 2005-0633-AIR-E

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	07/17/2002	(161616)
2	08/23/2002	(161619)
3	09/20/2002	(161622)
4	11/14/2005	(468887)
5	08/01/2002	(3922)
6	12/16/2005	(468888)
7	10/21/2002	(161625)
8	11/18/2002	(161628)
9	12/14/2001	(161629)
10	12/13/2002	(161630)
11	01/18/2002	(161632)
12	01/20/2006	(468889)
13	01/17/2003	(161633)
14	02/24/2006	(450862)
15	11/17/2005	(406277)
16	06/21/2005	(375835)
17	01/27/2006	(439364)
18	11/27/2006	(517987)
19	07/13/2006	(465277)
20	06/11/2003	(35304)
21	08/31/2004	(275950)
22	11/13/2003	(252664)
23	11/15/2005	(436085)
24	03/31/2006	(455423)
25	04/17/2006	(498498)
26	05/23/2006	(498499)
27	02/10/2004	(296758)
28	06/21/2006	(498500)
29	03/20/2003	(296759)
30	07/18/2006	(498501)
31	03/23/2004	(296760)
32	08/16/2005	(394905)
33	06/08/2004	(352749)

34 04/20/2004 (296761)
35 08/25/2004 (264050)
36 07/15/2004 (352750)
37 03/31/2006 (455364)
38 08/16/2004 (352751)
39 05/21/2003 (296763)
40 08/03/2004 (283981)
41 09/13/2004 (352752)
42 06/20/2003 (296764)
43 10/15/2004 (352753)
44 01/13/2004 (256356)
45 07/18/2003 (296765)
46 08/15/2003 (296766)
47 09/21/2006 (512398)

48 09/19/2003 (296767)
49 10/21/2003 (296768)
50 01/13/2004 (256357)
51 08/17/2006 (520499)
52 08/01/2002 (4737)
53 11/14/2003 (296769)
54 09/13/2006 (520500)
55 12/22/2003 (296770)
56 10/17/2006 (520501)
57 01/16/2004 (296771)
58 01/13/2004 (256358)
59 03/02/2005 (345738)
60 11/29/2006 (518158)
61 02/21/2006 (468884)
62 03/23/2006 (468885)
63 02/21/2002 (161602)
64 02/10/2003 (161603)
65 02/22/2005 (441102)
66 03/18/2002 (161605)
67 04/18/2005 (441103)
68 09/09/2005 (404884)
69 05/20/2005 (441104)
70 07/27/2006 (483370)
71 06/14/2005 (441105)
72 04/05/2002 (161607)
73 07/19/2005 (441106)
74 04/04/2003 (161608)
75 08/12/2005 (441107)
76 09/16/2005 (441108)
77 05/09/2002 (161610)
78 04/22/2004 (262190)
79 03/16/2005 (382126)
80 10/09/2005 (468886)
81 11/10/2004 (382127)
82 12/16/2004 (382128)
83 06/17/2002 (161613)
84 01/21/2005 (382129)

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

Date: 08/31/2002 (161622)
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: 06/11/2003 (35304)
Self Report? NO Classification: 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 IA

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 Classification: 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 IA

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 Classification: 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 IA

Description: Failure to conduct monthly monitoring on three valves for two successive leak free months after a leak was detected and repaired.

Date: 07/13/2006 (465277)

Self Report? NO Classification: 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)

30 TAC Chapter 122, SubChapter B 122.143(4)

40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(1)

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

Rqmt Prov: OP IA

PERMIT IA

Description: Failure to equip one open-ended line with a cap, blind flange, plug, or a second valve at the Glycol I Unit.

Self Report? NO Classification: 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)

30 TAC Chapter 122, SubChapter B 122.143(4)

40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(1)

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

Rqmt Prov: OP IA

PERMIT IA

Description: Failure to equip eleven open-ended lines containing VOC with a cap, blind flange, plug, or a second valve at the Glycol II Unit.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.146(2)

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

Description: Failure to submit copies of the annual compliance certification for Permits O-1620 and O-2190 to the EPA.

F. Environmental audits.

Notice of Intent Date: 02/18/2002 (35071)

Disclosure Date: 07/29/2002

Viol. Classification: Minor

Citation: 30 TAC Chapter 115, SubChapter D 115.354[G] Req Prpv: PERMITSC2

40 CFR Part 60, Subpart VV 60.482-8[G] PERMITSC2

Description: Failure to properly tag Connectors 492/425 to identify if necessary to be included in LDAR program and meet inspection requirements.

Viol. Classification: Minor

Citation: 30 TAC Chapter 115, SubChapter D 115.354[G] Req Prpv: PERMITSC1

40 CFR Part 60, Subpart VV 60.482-7[G] PERMITSC1

Description: Failure to properly tag Valves 732/459 and to identify if necessary to be included in LDAR program and meet inspection requirements.

Notice of Intent Date: 07/03/2001 (35658)

Disclosure Date: 03/14/2002

Viol. Classification: Minor

Req Prpv: PERMITSC2

Description: Failure to include Connectors in fugitive LDAR.

Viol. Classification: Minor

Citation: 30 TAC Chapter 115, SubChapter D 115.354[G]

Description: Failure to include Drains in fugitive LDAR

Viol. Classification: Moderate

Req Prpv: PERMITSC1

Description: Failure to include Pressure release valve and other valves in fugitive LDAR.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter D 115.356[G]

40 CFR Part 60, Subpart VV 60.486

40 CFR Part 60, Subpart VV 60.487

Description: Failure to satisfy recordkeeping requirements for regulation V and NSPS, VV.

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**
PD GLYCOL LP	§	
RN100825413	§	**ENVIRONMENTAL QUALITY**

AGREED ORDER
DOCKET NO. 2006-2102-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 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 appear before the Commission and together stipulate that:

1. PD Glycol owns and operates a petrochemical 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. The Commission and PD Glycol agree that the Commission has jurisdiction to enter this Agreed Order, and that PD Glycol is subject to the Commission's jurisdiction.

4. PD Glycol received notice of the violations alleged in Section II ("Allegations") on or about December 4, 2006.

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

6. An administrative penalty in the amount of Two Thousand Eight Hundred Seventy-Five Dollars ($2,875) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). PD Glycol has paid Two Thousand Three Hundred Dollars ($2,300) of the administrative penalty and Five Hundred Seventy-Five Dollars ($575) is deferred contingent upon

PD Glycol'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 PD Glycol fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require PD Glycol 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 PD Glycol 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 PD Glycol changed the Cycle Gas Compressor safety interlock system during the week of October 16, 2006, to help prevent emissions like that which occurred on July 27, 2006, as documented to the TCEQ in a December 7, 2006, letter.

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 PD Glycol 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, PD Glycol is alleged to have failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE § 116.115(c), Air Permit 8639, Special Conditions 3A and B, Federal Operating Permit No. 2190, Special Terms and Conditions 9, TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review conducted on November 1, 2006. On July 27, 2006, a reportable emissions event at the Ethylene Glycol Unit II resulted in the unauthorized release of 1,213 pounds of ethylene during a two minute period. Since the emissions event was avoidable, PD Glycol failed to meet the demonstrations for an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.

III. DENIALS

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

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that PD Glycol pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and PD Glycol'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: PD Glycol LP, Docket No. 2006-2102-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 PD Glycol. PD Glycol is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the operations referenced in this Agreed Order.

3. 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.

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 PD Glycol, or three days after the date on which the Commission mails notice of the Order to PD Glycol, 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

5/7/07
Date

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

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

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

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

Signature

2-1-07
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.