EXECUTIVE SUMMARY - ENFORCEMENT MATTER
DOCKET NO.: 2006-2104-AIR-E TCEQ ID: RN102736089 CASE NO.: 31856
RESPONDENT NAME: Lucite International, Inc.

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: Lucite Beaumont Site, 6350 North Twin City Highway, Nederland, Jefferson County

TYPE OF OPERATION: Petrochemical plant

SMALL BUSINESS: ___Yes __X_No

OTHER SIGNIFICANT MATTERS: There are no complaints. There is no 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 April 9, 2007. No comments were received.

CONTACTS AND MAILING LIST:

TCEQ Attorney/SEP Coordinator: Ms. Melissa Keller, SEP Coordinator, Enforcement Division, MC 219, (512) 239-1768
TCEQ Enforcement Coordinator: Mr. Jorge Ibarra, Enforcement Division, Enforcement Section II, MC R-04, (817) 588-5890; Mr. Steven Lopez, Enforcement Division, MC 219, (512) 239-1896
Respondent: Mr. Shawn Haven, Environmental Specialist, Lucite International, Inc., 6350 North Twin City Highway, Nederland, Texas 77627
Mr. Kevin Burgason, Manufacturing Director, Lucite International, Inc., 6350 North Twin City Highway, Nederland, Texas 77627
Respondent's Attorney: Not represented by counsel on this enforcement matter

RESPONDENT'S NAME: Lucite International, Inc.
DOCKET NO.: 2006-2104-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:** October 2, 2006 **Date of NOE Relating to this Case:** November 27, 2006 (NOE) **Background Facts:** This was a routine record review. Two violations were documented. **AIR** 1) Failed to report no later than 24 hours after the discovery of an emissions event. The event which began on April 27, 2006, at 10:30 am, was not initally reported until May 9, 2006, at 1:39 pm [30 TEX. ADMIN. CODE § 101.201(a)(1)(A) and TEX. HEALTH & SAFETY CODE § 382.085(b)]. 2) Failed to prevent unauthorized emissions. On April 27, 2006, for a seven hour and 16 minute period, a reportable emissions event resulted in an unauthorized release of 817.22 pounds of sulfur dioxide from the Methyl Methacrylate Process Flare [30 TEX. ADMIN. CODE §§ 116.115(b)(2)(F) and (c), Air Permit No. 19003, Special Condition 3, Federal Operating Permit No. 1437, Special Terms and Conditions 12, and TEX. HEALTH & SAFETY CODE § 382.085(b)].	**Total assessed:** $2,600 **Total Deferred:** $520 _X_Expedited Settlement __Financial Inability to Pay **SEP Conditional Offset:** $1,040 **Total Paid (Due) to General Revenue:** $1,040 **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:** 1) The Executive Director recognizes that Lucite has documented on January 8, 2007 to the TCEQ the following corrective measures at the Plant: a. Implemented training of personnel to help ensure timely reporting of emissions events on November 7, 2006; and b. Replaced the acid feed pipe, the source of hard polymer buildup, breakoff, and plugging, in May 2006 to help prevent emissions events like that which occurred on April 27, 2006. **Ordering Provisions:** 2) The Order will require the Respondent to implement and complete a Supplemental Environmental Project (SEP). (See SEP Attachment A)

Attachment A
Docket Number: 2006-2104-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	**Lucite International, Inc.**
Payable Penalty Amount:	**Two Thousand Eighty Dollars ($2,080)**
SEP Amount:	**One Thousand Forty Dollars ($1,040)**
Type of SEP:	**Pre-approved**
Third-Party Recipient:	**Jefferson County: Retrofit/Replacement of Heavy Equipment and Vehicles with Alternative Fueled Equipment and Vehicles**
Location of SEP:	**Jefferson County**

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

1. Project Description

A. Project

The Respondent shall contribute to the Third-Party Recipient pursuant to the agreement between the Third-Party Recipient and the TCEQ. Specifically, the Third-Party Recipient will contribute to Jefferson County for its Retrofit/Replacement of Heavy Equipment and Vehicles with Alternative Fueled Equipment and Vehicles. Specifically, the contribution will be used to purchase alternative fueled equipment such as propane or electric powered lawn mowers, propane powered light duty and heavy equipment, and alternative fueled vehicles and retire diesel and gasoline powered equipment and vehicles. Jefferson County will also convert current equipment and vehicles to alternative fueled equipment in order to lower emissions.

All dollars contributed will be used solely for the direct cost of the project and no portion will be spent on administrative costs. The SEP will be done in accordance with all federal, state and local environmental laws and regulations.

The Respondent certifies that there is no prior commitment to make this contribution and that it is being done solely in an effort to settle this enforcement action.

B. Environmental Benefit

This SEP will provide a discernible environmental benefit by reducing air emissions generated by gasoline and diesel powered equipment and vehicles in the Beaumont/Port Arthur ozone non-attainment area.

C. Minimum Expenditure

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

2. Performance Schedule

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

The Honorable Ron Walker
Jefferson County Judge
1149 Pearl Street, 4th Floor
Beaumont, Texas 77701

3. Records and Reporting

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

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

4. Failure to Fully Perform

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

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

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

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

5. Publicity

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

6. Clean Texas Program

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

7. Other SEPs by TCEQ or Other Agencies

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

Penalty Calculation Worksheet (PCW)

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

TCEQ

DATES					
Assigned	4-Dec-2006				
PCW	11-Jan-2007	Screening	5-Dec-2006	EPA Due	27-Aug-2007

RESPONDENT/FACILITY INFORMATION

Respondent	Lucite International, Inc.		
Reg. Ent. Ref. No.	RN102736089		
Facility/Site Region	10-Beaumont	Major/Minor Source	Major

CASE INFORMATION

Enf./Case ID No.	31856	No. of Violations	2
Docket No.	2006-2104-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* $2,600

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History — 25% Enhancement — *Subtotals 2, 3, & 7* $650

Notes: Enhancement is due to one order with denial of liability and one same-or-similar NOV.

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

Notes: Respondent does not meet the culpability criteria.

Good Faith Effort to Comply — 25% Reduction — *Subtotal 5* $650

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

Notes: Lucite completed corrective actions on November 7, 2006.

0% Enhancement* — *Subtotal 6* $0

**Capped at the Total EB $ Amount*

Total EB Amounts	$16
Approx. Cost of Compliance	$1,500

SUM OF SUBTOTALS 1-7 — *Final Subtotal* $2,600

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 $2,600

STATUTORY LIMIT ADJUSTMENT — *Final Assessed Penalty* $2,600

DEFERRAL — 20% Reduction — *Adjustment* -$520

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 $2,080

Screening Date 5-Dec-2006 **Docket No.** 2006-2104-AIR-E **PCW**

Respondent Lucite International, Inc.

Case ID No. 31856

Reg. Ent. Reference No. RN102736089

Media [Statute] Air Quality

Enf. Coordinator John Barry

Policy Revision 2 (September 2002)

PCW Revision November 17, 2006

Compliance History Worksheet

>> Compliance History *Site* Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written NOVs with same or similar violations as those in the current enforcement action (*number of NOVs meeting criteria*)	1	5%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (*number of orders meeting criteria*)	1	20%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	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*)	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (*number of audits for which violations were disclosed*)	0	0%

		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) 25%

>> 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 Enhancement is due to one order with denial of liability and one same-or-similar NOV.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 25%

Screening Date	5-Dec-2006	**Docket No.** 2006-2104-AIR-E	**PCW**
Respondent	Lucite International, Inc.		*Policy Revision 2 (September 2002)*
Case ID No.	31856		*PCW Revision November 17, 2006*
Reg. Ent. Reference No.	RN102736089		
Media [Statute]	Air Quality		
Enf. Coordinator	John Barry		

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code § 101.201(a)(1)(A) and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to report no later than 24 hours after the discovery of an emissions event. The event which began on April 27, 2006, at 10:30 am, was not initally reported until May 9, 2006, at 1:39 pm.

Base Penalty $10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm: Major	Moderate	Minor
Actual			
Potential			

Percent 0%

>>Programmatic Matrix

Falsification	Major	Moderate	Minor
			x

Percent 1%

Matrix Notes: More than 70% of the rule was met.

Adjustment $9,900

$100

Violation Events

Number of Violation Events 1

11 Number of violation days

mark only one with an x

daily	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty $100

One single event is recommended.

Economic Benefit (EB) for this violation

Estimated EB Amount $13

Statutory Limit Test

Violation Final Penalty Total $100

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

Economic Benefit Worksheet

Respondent Lucite International, Inc.
Case ID No. 31856
Reg. Ent. Reference No. RN102736089
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				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)	$500	27-Apr-2006	7-Nov-2006	0.5	$13	n/a	$13
Notes for DELAYED costs	Estimated costs of training to help assure timely reporting of emissions events; the date required was the date of the emissions event; the final date is the date of training completion.						
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 $500

TOTAL $13

Screening Date	5-Dec-2006	**Docket No.** 2006-2104-AIR-E	**PCW**
Respondent	Lucite International, Inc.		*Policy Revision 2 (September 2002)*
Case ID No.	31856		*PCW Revision November 17, 2006*
Reg. Ent. Reference No.	RN102736089		
Media [Statute]	Air Quality		
Enf. Coordinator	John Barry		

Violation Number 2

Rule Cite(s) 30 Tex. Admin. Code §§ 116.115(b)(2)(F) and (c), Air Permit No. 19003, Special Condition 3, Federal Operating Permit No. 1437, Special Terms and Conditions 12, and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to prevent unauthorized emissions. On April 27, 2006, for a seven hour and 16 minute period, a reportable emissions event resulted in an unauthorized release of 817.22 pounds of sulfur dioxide from the Methyl Methacrylate ("MMA") Process Flare. Since the emissions event was not properly reported, Lucite 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 violation is recommended.

Economic Benefit (EB) for this violation

Estimated EB Amount $2

Statutory Limit Test

Violation Final Penalty Total $2,500

This violation Final Assessed Penalty (adjusted for limits) $2,500

Economic Benefit Worksheet

Respondent Lucite International, Inc.
Case ID No. 31856
Reg. Ent. Reference No. RN102736089
Media Air Quality
Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Item Description	No commas or $						
Delayed Costs							
Equipment				0.0	$0	$0	$0
Buildings				0.0	$0	$0	$0
Other (as needed)				0.0	$0	$0	$0
Engineering/construction				0.0	$0	$0	$0
Land				0.0	$0	n/a	$0
Record Keeping System				0.0	$0	n/a	$0
Training/Sampling				0.0	$0	n/a	$0
Remediation/Disposal				0.0	$0	n/a	$0
Permit Costs				0.0	$0	n/a	$0
Other (as needed)	$1,000	27-Apr-2006	15-May-2006	0.0	$2	n/a	$2
Notes for DELAYED costs	Estimated costs to determine cause of polymer plugging and to implement corrective measures; the date required is the date of the emissions event; the final date is the approximate date of cause determination and corrective action.						
Avoided Costs	ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)						
Disposal				0.0	$0	$0	$0
Personnel				0.0	$0	$0	$0
Inspection/Reporting/Sampling				0.0	$0	$0	$0
Supplies/equipment				0.0	$0	$0	$0
Financial Assurance [2]				0.0	$0	$0	$0
ONE-TIME avoided costs [3]				0.0	$0	$0	$0
Other (as needed)				0.0	$0	$0	$0
Notes for AVOIDED costs							

Approx. Cost of Compliance $1,000

TOTAL $2

Compliance History

Customer/Respondent/Owner-Operator:	CN601448764	Lucite International, Inc.	Classification: AVERAGE	Rating: 3.24
Regulated Entity:	RN102736089	LUCITE BEAUMONT SITE	Classification: AVERAGE	Site Rating: 2.46

ID Number(s):

AIR NEW SOURCE PERMITS	PERMIT	19005
AIR NEW SOURCE PERMITS	PERMIT	19004
AIR NEW SOURCE PERMITS	PERMIT	19003
AIR NEW SOURCE PERMITS	PERMIT	29568
AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	JE0425E
AIR NEW SOURCE PERMITS	PERMIT	53554
AIR NEW SOURCE PERMITS	AFS NUM	0136
AIR NEW SOURCE PERMITS	EPA ID	PSDTX753
AIR NEW SOURCE PERMITS	PERMIT	1743
AIR NEW SOURCE PERMITS	PERMIT	2796A
AIR NEW SOURCE PERMITS	PERMIT	318
AIR NEW SOURCE PERMITS	REGISTRATION	79737
AIR NEW SOURCE PERMITS	REGISTRATION	80291
AIR OPERATING PERMITS	PERMIT	1437
AIR OPERATING PERMITS	ACCOUNT NUMBER	JE0425E
AIR OPERATING PERMITS	PERMIT	1959
AIR OPERATING PERMITS	PERMIT	1960
INDUSTRIAL AND HAZARDOUS WASTE GENERATION	EPA ID	TXD988088761
INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION # (SWR)	81282
PUBLIC WATER SYSTEM/SUPPLY	REGISTRATION	1230066

Location: 6350 N TWIN CITY HWY, NEDERLAND, TX, 77627 Rating Date: September 01 06 Repeat Violator: NO

TCEQ Region: REGION 10 - BEAUMONT

Date Compliance History Prepared: December 04, 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? Yes
3. If Yes, who is the current owner? Lucite International, Inc.
4. If Yes, who was/were the prior owner(s)? Ineos Acrylics, Inc.
5. When did the change(s) in ownership occur? 5/7/2002 -name change only

Components (Multimedia) for the Site :

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

1660 Effective Date: 12/15/2005 ADMINORDER 2005-0310-AIR-E

Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)(B)
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failed to properly notify the regional office of a reportable emissions event within 24 hours from the discovery of the event which occurred on September 12, 2004.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
30 TAC Chapter 116, SubChapter B 116.115(c)

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

Rqmt Prov: 19003, Special Condition 1 PERMIT

Description: Failed to maintain an emission rate below the allowable emission limit at EPN 357 during an emissions event which occurred on September 12, 2004 and lasted 9 hours and 51 minutes.

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	05/31/2005	(393525)
2	10/20/2004	(292104)
3	04/04/2003	(27587)
4	04/26/2006	(460716)
5	02/27/2006	(457064)
6	12/21/2005	(440007)
7	02/28/2006	(457230)
8	04/21/2006	(461908)
9	01/31/2005	(343751)
10	01/04/2006	(450132)
11	01/03/2002	(87450)
12	01/03/2002	(87451)
13	01/03/2002	(87452)
14	02/23/2006	(454749)
15	01/03/2002	(87453)
16	01/30/2002	(87454)
17	01/30/2002	(87455)
18	01/30/2002	(87456)
19	01/30/2002	(87457)
20	02/28/2006	(457587)
21	03/14/2002	(87458)
22	03/14/2002	(87459)
23	03/14/2002	(87460)
24	03/14/2002	(87461)
25	03/14/2002	(87462)
26	06/24/2002	(87463)
27	06/24/2002	(87464)
28	09/25/2002	(11817)
29	06/25/2002	(87465)
30	06/26/2002	(87466)
31	06/26/2002	(87467)
32	09/25/2002	(11816)
33	02/28/2006	(457291)
34	09/25/2002	(11814)
35	05/11/2006	(464040)
36	11/01/2006	(511600)
37	04/11/2006	(461173)
38	07/30/2004	(284838)
39	06/14/2004	(274802)
40	02/11/2004	(258840)
41	02/28/2006	(457248)
42	11/10/2005	(435904)
43	11/23/2004	(338187)
44	06/17/2005	(392967)
45	11/27/2006	(465011)
46	02/21/2006	(454858)

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

SS Date: 11/23/2004 (338187)

Self Report? NO Classification: Minor

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

30 TAC Chapter 116, SubChapter B 116.115(c)

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

Rqmt Prov: PERMIT IA

Description: Failure to maintain records of H2SO4 acid produced on a daily basis.

Self Report? NO Classification: Minor

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

30 TAC Chapter 116, SubChapter B 116.115(c)

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

Rqmt Prov:

PERMIT IA

Description: Failure to maintain records of nitrogen oxide emissions at the H2SO4 unit main stack on a three-hour average.

Self Report? NO Classification: Minor

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

30 TAC Chapter 116, SubChapter B 116.115(c)

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

Rqmt Prov: PERMIT IA

Description: Failure to maintain records of nitrogen oxide emissions from the No. 1 and No. 2 Preheaters.

Self Report? NO Classification: Minor

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

30 TAC Chapter 116, SubChapter B 116.115(c)

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

Rqmt Prov: PERMIT IA

Description: Failure to span the nitrogen oxide CEMS at the North Preheater Stack on a daily basis.

F. Environmental audits.

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**
LUCITE INTERNATIONAL, INC.	§	
RN102736089	§	**ENVIRONMENTAL QUALITY**

AGREED ORDER
DOCKET NO. 2006-2104-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 Lucite International, Inc. ("Lucite") 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 Lucite appear before the Commission and together stipulate that:

1. Lucite owns and operates a petrochemical plant at 6350 North Twin City Highway, in Nederland, 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 Lucite agree that the Commission has jurisdiction to enter this Agreed Order, and that Lucite is subject to the Commission's jurisdiction.

4. Lucite received notice of the violations alleged in Section II ("Allegations") on or about December 2, 2006.

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

6. An administrative penalty in the amount of Two Thousand Six Hundred Dollars ($2,600) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). Lucite has paid One Thousand Forty Dollars ($1,040) of the administrative penalty and Five Hundred Twenty Dollars ($520) is deferred contingent upon Lucite'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 Lucite fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require Lucite to pay all or part of the deferred penalty. One Thousand Forty Dollars ($1,040) shall be conditionally offset by Lucite's completion of a Supplemental Environmental Project ("SEP").

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 Lucite 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 Lucite has documented on January 8, 2007 to the TCEQ the following corrective measures at the Plant:

   a. Implemented training of personnel to help ensure timely reporting of emissions events on November 7, 2006; and

   b. Replaced the acid feed pipe, the source of hard polymer buildup, breakoff, and plugging, in May 2006 to help prevent emissions events like that which occurred on April 27, 2006.

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 Lucite 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, Lucite is alleged to have:

1. Failed to report no later than 24 hours after the discovery of an emissions event, in violation of 30 TEX. ADMIN. CODE § 101.201(a)(1)(A) and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review conducted on October 2, 2006. The event which began on April 27, 2006, at 10:30 am, was not initally reported until May 9, 2006, at 1:39 pm.

2. Failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 116.115(b)(2)(F) and (c), Air Permit No. 19003, Special Condition 3, Federal Operating Permit No. 1437, Special Terms and Conditions 12, and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review conducted on October 2, 2006. On April 27, 2006, for a seven hour and 16 minute period, a reportable emissions event resulted in an unauthorized release of 817.22 pounds of sulfur dioxide from the Methyl Methacrylate ("MMA")

Process Flare. Since the emissions event was not properly reported, Lucite failed to meet the demonstrations for an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.

III. DENIALS

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

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that Lucite pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and Lucite'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: Lucite International, Inc., Docket No. 2006-2104-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. Lucite shall implement and complete a SEP in accordance with TEX. WATER CODE § 7.067. As set forth in Section I, Paragraph 6 above, One Thousand Forty Dollars ($1,040) of the assessed administrative penalty shall be offset with the condition that Lucite implement the SEP defined in Attachment A, incorporated herein by reference. Lucite's obligation to pay the conditionally offset portion of the administrative penalty assessed shall be discharged upon final completion of all provisions of the SEP agreement.

3. The provisions of this Agreed Order shall apply to and be binding upon Lucite. Lucite 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.

4. If Lucite fails to comply with any of the Ordering Provisions in this Agreed Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, Lucite's failure to comply is not a violation of this Agreed Order. Lucite shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. Lucite shall notify the Executive Director within seven days after Lucite becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.

5. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by Lucite shall be made in writing to the Executive Director. Extensions are not effective until Lucite receives written

approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.

6. This Agreed Order, issued by the Commission, shall not be admissible against Lucite in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.

7. This agreement may be executed in multiple counterparts, which together shall constitute a single original instrument. Any executed signature page to this Agreement may be transmitted by facsimile transmission to the other parties, which shall constitute an original signature for all purposes.

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

1/29/07
Date

KEVIN BURGASON
Name (Printed or typed)
Authorized Representative of
Lucite International, Inc.

LUCITE MANUFACTURING DIRECTOR
Title

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

Attachment A
Docket Number: 2006-2104-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	**Lucite International, Inc.**
Payable Penalty Amount:	**Two Thousand Eighty Dollars ($2,080)**
SEP Amount:	**One Thousand Forty Dollars ($1,040)**
Type of SEP:	**Pre-approved**
Third-Party Recipient:	**Jefferson County: Retrofit/Replacement of Heavy Equipment and Vehicles with Alternative Fueled Equipment and Vehicles**
Location of SEP:	**Jefferson County**

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

1. Project Description

A. Project

The Respondent shall contribute to the Third-Party Recipient pursuant to the agreement between the Third-Party Recipient and the TCEQ. Specifically, the Third-Party Recipient will contribute to Jefferson County for its Retrofit/Replacement of Heavy Equipment and Vehicles with Alternative Fueled Equipment and Vehicles. Specifically, the contribution will be used to purchase alternative fueled equipment such as propane or electric powered lawn mowers, propane powered light duty and heavy equipment, and alternative fueled vehicles and retire diesel and gasoline powered equipment and vehicles. Jefferson County will also convert current equipment and vehicles to alternative fueled equipment in order to lower emissions.

All dollars contributed will be used solely for the direct cost of the project and no portion will be spent on administrative costs. The SEP will be done in accordance with all federal, state and local environmental laws and regulations.

The Respondent certifies that there is no prior commitment to make this contribution and that it is being done solely in an effort to settle this enforcement action.

B. Environmental Benefit

This SEP will provide a discernible environmental benefit by reducing air emissions generated by gasoline and diesel powered equipment and vehicles in the Beaumont/Port Arthur ozone non-attainment area.

C. Minimum Expenditure

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

2. Performance Schedule

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

The Honorable Ron Walker
Jefferson County Judge
1149 Pearl Street, 4th Floor
Beaumont, Texas 77701

3. Records and Reporting

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

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

4. Failure to Fully Perform

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

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

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

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

5. Publicity

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

6. Clean Texas Program

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

7. Other SEPs by TCEQ or Other Agencies

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