

EXECUTIVE SUMMARY - ENFORCEMENT MATTER
DOCKET NO.: 2007-0175-AIR-E TCEQ ID: RN100238708 CASE NO.: 32559
RESPONDENT NAME: INEOS USA LLC

ORDER TYPE:		
<input checked="" type="checkbox"/> 1660 AGREED ORDER	<input type="checkbox"/> FINDINGS AGREED ORDER	<input type="checkbox"/> FINDINGS ORDER FOLLOWING SOAH HEARING
<input type="checkbox"/> FINDINGS DEFAULT ORDER	<input type="checkbox"/> SHUTDOWN ORDER	<input type="checkbox"/> IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER
<input type="checkbox"/> AMENDED ORDER	<input type="checkbox"/> EMERGENCY ORDER	
CASE TYPE:		
<input checked="" type="checkbox"/> AIR	<input type="checkbox"/> MULTI-MEDIA (check all that apply)	<input type="checkbox"/> INDUSTRIAL AND HAZARDOUS WASTE
<input type="checkbox"/> PUBLIC WATER SUPPLY	<input type="checkbox"/> PETROLEUM STORAGE TANKS	<input type="checkbox"/> OCCUPATIONAL CERTIFICATION
<input type="checkbox"/> WATER QUALITY	<input type="checkbox"/> SEWAGE SLUDGE	<input type="checkbox"/> UNDERGROUND INJECTION CONTROL
<input type="checkbox"/> MUNICIPAL SOLID WASTE	<input type="checkbox"/> RADIOACTIVE WASTE	<input type="checkbox"/> DRY CLEANER REGISTRATION
<p>SITE WHERE VIOLATION(S) OCCURRED: Chocolate Bayou Plant, approximately two miles south of Farm-to-Market Road ("FM") 2917, on FM 2004, near Alvin, Brazoria County</p> <p>TYPE OF OPERATION: Petrochemical manufacturing plant</p> <p>SMALL BUSINESS: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>OTHER SIGNIFICANT MATTERS: No complaints were received. There is one additional pending enforcement action regarding this facility location, Docket Number 2007-0370-AIR-E.</p> <p>INTERESTED PARTIES: No one other than the ED and the Respondent has expressed an interest in this matter.</p> <p>COMMENTS RECEIVED: The <i>Texas Register</i> comment period expired on June 18, 2007. No comments were received.</p> <p>CONTACTS AND MAILING LIST: TCEQ Attorney/SEP Coordinator: None TCEQ Enforcement Coordinator: Mr. Bryan Elliott, Enforcement Division, Enforcement Team 4, MC 149, (512) 239-6162; Mr. Steven Lopez, Enforcement Division, MC 219, (512) 239-1896 Respondent: Mr. Michael McCabe, Environmental Engineer, INEOS USA LLC, Post Office Box 1488, Alvin, Texas 77512; Mr. John Harvey III, Site Director, INEOS USA LLC, 2600 South Shore Blvd, League City, Texas 77573 Respondent's Attorney: Not represented by counsel on this enforcement matter</p>		

VIOLATION SUMMARY CHART:

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p>Type of Investigation: <input type="checkbox"/> Complaint <input checked="" type="checkbox"/> Routine <input type="checkbox"/> Enforcement Follow-up <input type="checkbox"/> Records Review</p> <p>Date of Complaint Relating to this Case: None</p> <p>Date of Investigation Relating to this Case: December 22, 2006</p> <p>Date of NOE Relating to this Case: January 16, 2007 (NOE)</p> <p>Background Facts: This was a routine investigation. One violation was documented.</p> <p>AIR</p> <p>Failed to comply with permitted emissions limits. Specifically, an emissions event occurred on October 4, 2006 at the No. 2 Olefins Flare (Emission Point No. DDM-3101) that lasted for 2 hours and 55 minutes, resulting in the release of 2,419 pounds ("lbs") of volatile organic compounds, 2,702 lbs of carbon monoxide, and 530 lbs of nitrogen oxides. The authorized emissions limit for emission events under a flexible permit is zero lbs per hour. Since this emissions event could have been avoided by good operation practices, it failed to meet the demonstrations for affirmative defense as found in 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 116.715(a) and 101.20(3), Flexible Permit No. 95/PSD-TX-854, Special Condition No. 1, and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p>	<p>Total Assessed: \$5,225</p> <p>Total Deferred: \$1,045 <input checked="" type="checkbox"/> Expedited Settlement <input type="checkbox"/> Financial Inability to Pay</p> <p>SEP Conditional Offset: \$0</p> <p>Total Paid (Due) to General Revenue: \$4,180</p> <p>Site Compliance History Classification <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p>Person Compliance History Classification <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p>Major Source: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Applicable Penalty Policy: September 2002</p>	<p>Corrective Actions Taken:</p> <p>The Executive Director recognizes that by December 1, 2006, INEOS changed out pump G-303, replaced the faulty steam trap, and increased the steam tracing temperature for the level indicator 100 degrees in order to prevent similar future occurrences.</p>



Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision December 8, 2006

DATES	Assigned	22-Jan-2007	Screening	1-Feb-2007	EPA Due	13-Oct-2007
	PCW	1-Feb-2007				

RESPONDENT/FACILITY INFORMATION			
Respondent	INEOS USA LLC		
Reg. Ent. Ref. No.	RN100238708		
Facility/Site Region	12-Houston	Major/Minor Source	Major

CASE INFORMATION			
Enf./Case ID No.	32559	No. of Violations	1
Docket No.	2007-0175-AIR-E	Order Type	1660
Media Program(s)	Air Quality	Enf. Coordinator	Bryan Elliott
Multi-Media		EC's Team	EnforcementTeam 5
Admin. Penalty \$	Limit Minimum	\$0	Maximum
			\$10,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties) **Subtotal 1**

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History **Subtotals 2, 3, & 7**

Notes

Culpability **Subtotal 4**

Notes

Good Faith Effort to Comply **Subtotal 5**

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

Notes

0% Enhancement* **Subtotal 6**

Total EB Amounts	\$16
Approx. Cost of Compliance	\$2,000

*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7 **Final Subtotal**

OTHER FACTORS AS JUSTICE MAY REQUIRE **Adjustment**

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

Notes

Final Penalty Amount

STATUTORY LIMIT ADJUSTMENT **Final Assessed Penalty**

DEFERRAL **Adjustment**

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

Notes

PAYABLE PENALTY

Screening Date 1-Feb-2007

Docket No. 2007-0175-AIR-E

PCW

Respondent INEOS USA LLC

Policy Revision 2 (September 2002)

Case ID No. 32559

PCW Revision December 8, 2006

Reg. Ent. Reference No. RN100238708

Media [Statute] Air Quality

Enf. Coordinator Bryan Elliott

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)	11	55%
	Other written NOVs	4	8%
Orders	Any agreed final enforcement orders containing a denial of liability (number of orders meeting criteria)	4	80%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (number of judgments or consent decrees meeting criteria)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (number of counts)	0	0%
Emissions	Chronic excessive emissions events (number of events)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which notices were submitted)	7	-7%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which violations were disclosed)	1	-2%
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) 134%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Average Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

The penalty was enhanced due to four previous 1660-style orders, eleven NOVs for similar violations, and four NOVs for dissimilar violations. The penalty was reduced due to seven NOAs and one DOV.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 134%

Screening Date 1-Feb-2007

Docket No. 2007-0175-AIR-E

PCW

Respondent INEOS USA LLC

Policy Revision 2 (September 2002)

Case ID No. 32559

PCW Revision December 8, 2006

Reg. Ent. Reference No. RN100238708

Media [Statute] Air Quality

Enf. Coordinator Bryan Elliott

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code §§ 116.715(a) and 101.20(3), Flexible Permit No. 95/PSD-TX-854, Special Condition No. 1, and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to comply with permitted emissions limits, as documented during an investigation conducted on December 22, 2006. Specifically, an emissions event occurred on October 4, 2006 at the No. 2 Olefins Flare (Emission Point No. DDM-3101) that lasted for 2 hours and 55 minutes, resulting in the release of 2,419 lbs of volatile organic compounds, 2,702 lbs of carbon monoxide, and 530 lbs of nitrogen oxides. The authorized emissions limit for emission events under a flexible permit is zero pounds ("lbs") per hour. Since this emissions event could have been avoided by good operation practices, it failed to meet the demonstrations for affirmative defense as found in 30 Tex. Admin. Code § 101.222.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual			X	25%
	Potential				

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
				0%

Matrix Notes

Human health or the environment was exposed to insignificant amounts of pollutants which did not exceed levels 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 Number of violation days 1

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 \$16

Violation Final Penalty Total \$5,225

This violation Final Assessed Penalty (adjusted for limits) \$5,225

Economic Benefit Worksheet

Respondent: INEOS USA LLC
Case ID No.: 32559
Reg. Ent. Reference No.: RN100238708
Media: Air Quality
Violation No.: 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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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)	\$2,000	4-Oct-2006	1-Dec-2006	0.2	\$16	n/a	\$16

Notes for DELAYED costs:

Estimated cost for additional oversight and management practices designed to ensure proper maintenance practices are followed. Date Required is the date of the emission event and Final Date is the date 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

\$2,000

TOTAL

\$16

Compliance History

Customer/Respondent/Owner-Operator:	CN602817884	INEOS USA LLC	Classification: AVERAGE	Rating: 1.95
Regulated Entity:	RN100238708	CHOCOLATE BAYOU PLANT	Classification: AVERAGE	Site Rating: 1.36

AIR OPERATING PERMITS	ACCOUNT NUMBER	BL0002S
AIR OPERATING PERMITS	PERMIT	1353
AIR OPERATING PERMITS	PERMIT	2327
WASTEWATER	PERMIT	WQ0001333000
WASTEWATER	PERMIT	TPDES0004821
WASTEWATER	PERMIT	TX0004821
PETROLEUM STORAGE TANK REGISTRATION	REGISTRATION	12999
PUBLIC WATER SYSTEM/SUPPLY	REGISTRATION	0200132
UNDERGROUND INJECTION CONTROL	PERMIT	5D0400007
AIR NEW SOURCE PERMITS	PERMIT	53419
AIR NEW SOURCE PERMITS	PERMIT	95
AIR NEW SOURCE PERMITS	PERMIT	101
AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	BL0002S
AIR NEW SOURCE PERMITS	AFS NUM	0014
AIR NEW SOURCE PERMITS	EPA ID	PSDTX854
AIR NEW SOURCE PERMITS	PERMIT	488A
AIR NEW SOURCE PERMITS	PERMIT	489
AIR NEW SOURCE PERMITS	PERMIT	491A
AIR NEW SOURCE PERMITS	PERMIT	1041
AIR NEW SOURCE PERMITS	PERMIT	1611
AIR NEW SOURCE PERMITS	PERMIT	2798
AIR NEW SOURCE PERMITS	PERMIT	2866C
AIR NEW SOURCE PERMITS	PERMIT	4882
AIR NEW SOURCE PERMITS	PERMIT	5419
AIR NEW SOURCE PERMITS	PERMIT	7196
AIR NEW SOURCE PERMITS	PERMIT	9517
AIR NEW SOURCE PERMITS	PERMIT	19868
AIR NEW SOURCE PERMITS	PERMIT	35735
AIR NEW SOURCE PERMITS	PERMIT	46192
AIR NEW SOURCE PERMITS	PERMIT	48637
AIR NEW SOURCE PERMITS	PERMIT	PSDTX983
AIR NEW SOURCE PERMITS	REGISTRATION	75608
AIR NEW SOURCE PERMITS	REGISTRATION	75399
AIR NEW SOURCE PERMITS	REGISTRATION	12953
AIR NEW SOURCE PERMITS	REGISTRATION	53419
AIR NEW SOURCE PERMITS	REGISTRATION	10465
AIR NEW SOURCE PERMITS	REGISTRATION	10906
AIR NEW SOURCE PERMITS	REGISTRATION	11060
AIR NEW SOURCE PERMITS	REGISTRATION	11539
AIR NEW SOURCE PERMITS	REGISTRATION	12136
AIR NEW SOURCE PERMITS	REGISTRATION	12709
AIR NEW SOURCE PERMITS	REGISTRATION	71820
AIR NEW SOURCE PERMITS	PERMIT	P983
AIR NEW SOURCE PERMITS	REGISTRATION	74968
AIR NEW SOURCE PERMITS	REGISTRATION	76394
AIR NEW SOURCE PERMITS	REGISTRATION	76401
AIR NEW SOURCE PERMITS	EPA ID	PSDTX642
AIR NEW SOURCE PERMITS	EPA ID	PSDTX854
AIR NEW SOURCE PERMITS	EPA ID	PSDTX793
AIR NEW SOURCE PERMITS	EPA ID	PSDTX983
AIR NEW SOURCE PERMITS	REGISTRATION	76826
AIR NEW SOURCE PERMITS	REGISTRATION	78483
AIR NEW SOURCE PERMITS	REGISTRATION	78501
WATER LICENSING	LICENSE	0200132
INDUSTRIAL AND HAZARDOUS WASTE GENERATION	EPA ID	TXD050309012
INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION # (SWR)	30042
INDUSTRIAL AND HAZARDOUS WASTE STORAGE	PERMIT	50121
INDUSTRIAL AND HAZARDOUS WASTE STORAGE	EPA ID	TXD050309012
INDUSTRIAL AND HAZARDOUS WASTE	PERMIT	50121
STORAGE		
IHW CORRECTIVE ACTION	SOLID WASTE REGISTRATION # (SWR)	30042
INDUSTRIAL AND HAZARDOUS WASTE COMPLIANCE PLANS	PERMIT	50121
INDUSTRIAL AND HAZARDOUS WASTE POST CLOSURE	PERMIT	50121

ID Number(s):

Location: approximately two miles south of Farm-to-Market Road ("FM") 2917, on FM 2004, near Alvin in Brazoria County, Texas Rating Date: 9/1/2006 Repeat Violator: NO

TCEQ Region: REGION 12 - HOUSTON

Date Compliance History Prepared: February 01, 2007

Agency Decision Requiring Compliance History: Enforcement

Compliance Period:

February 01, 2002 to February 01, 2007

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

Name: Bryan Elliott

Phone: 239-6162

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? INEOS USA LLC
4. If Yes, who was/were the prior owner(s)? BP Amoco Chemical Company
5. When did the change(s) in ownership occur? 04/25/2005

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: 11/03/2006 ADMINORDER 2006-0469-AIR-E
Classification: Major
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)
5C THC Chapter 382, SubChapter D 382.085(b)
Rqmt Prov: No. 95/PSD-TX-854, Special Condition #1 PERMIT
Description: Failure to prevent loss of instrument air resulting in unauthorized emissions.
Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
5C THC Chapter 382, SubChapter D 382.085(b)
Rqmt Prov: Permit No. 95/PSD-TX-854 PERMIT
Description: Failed to maintain an emission rate below the maximum allowable emission limit of zero from the No. 1 Olefins Flare on November 19, 2005 [emission point No. ("EPN") DM-1101] on November 19, 2005.

Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
5C THC Chapter 382, SubChapter D 382.085(b)
Rqmt Prov: Special Condition No. 1 PERMIT
Description: Failed to maintain an emission rate below the maximum allowable emission limit of zero from the No. 1 Olefins Flare on December 11, 2005 [EPN DM-1101] on December 11, 2005.

Effective Date: 08/28/2004 ADMINORDER 2004-0036-PST-E
Classification: Minor
Citation: 2D TWC Chapter 26, SubChapter A 26.346(a)
30 TAC Chapter 334, SubChapter A 334.8(c)(4)(A)(vii)
Description: Failure to ensure the timely renewal of a previously issued UST delivery certificate.
Classification: Minor
Citation: 2D TWC Chapter 26, SubChapter A 26.3467(a)
30 TAC Chapter 334, SubChapter A 334.8(c)(5)(A)(i)
Description: Failure to make available to a common carrier a valid and current TCEQ delivery certificate before accepting the delivery of a regulated substance into the UST system.

Effective Date: 08/28/2006 ADMINORDER 2006-0242-AIR-E
Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)
5C THC Chapter 382, SubChapter A 382.085(b)
Rqmt Prov: Air Permit #92/PSD-TX-854, S.C.#1 PA
Description: Failed to prevent unauthorized emissions during a April 14, 2005 emissions event.
Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)
5C THC Chapter 382, SubChapter A 382.085(b)
Rqmt Prov: Air Permit #95/PSD-TX-854, S.C.#1 PA
Description: Failed to prevent unauthorized emissions during a May 29, 2005 emissions event.
Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)
5C THC Chapter 382, SubChapter A 382.085(b)
Rqmt Prov: Air Permit #95/PSD-TX-854, S.C.#1 PA

Description: Failed to prevent unauthorized emissions during a July 5, 2005 emissions event.

Effective Date: 08/30/2004

ADMINORDER 2003-1280-AIR-E

Classification: Major

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

Rqmt Prov: SC 1 PERMIT

Description: Exceeded the volatile organic carbon maximum allowable emission rate for Flare DM-1101 on March 17, 2003.
(Note mistake in order should be "compound" not "carbon")

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	07/25/2002	(157610)
2	08/16/2002	(8300)
3	07/21/2003	(157611)
4	09/19/2002	(5424)
5	08/27/2002	(9360)
6	08/23/2002	(157614)
7	10/12/2006	(520131)
8	05/21/2004	(60492)
9	01/24/2003	(19428)
10	08/19/2003	(295179)
11	08/30/2005	(418277)
12	02/24/2006	(450737)
13	06/28/2004	(272032)
14	12/13/2004	(338522)
15	12/20/2004	(342723)
16	09/23/2002	(157617)
17	07/05/2004	(278334)
18	02/28/2006	(437776)
19	05/10/2006	(451219)
20	05/04/2006	(462911)
21	09/15/2003	(295181)
22	07/06/2006	(485562)
23	06/29/2003	(34948)
24	12/28/2004	(288451)
25	05/24/2002	(1619)
26	06/13/2002	(2409)
27	05/12/2003	(28018)
28	08/30/2004	(250202)
29	10/21/2002	(157620)
30	08/18/2004	(284687)
31	02/27/2006	(449481)
32	08/24/2005	(404609)
33	02/27/2006	(450755)
34	12/11/2004	(335356)
35	03/28/2003	(27751)
36	08/16/2002	(7788)
37	07/10/2003	(45940)
38	06/13/2002	(2408)
39	01/26/2006	(437342)
40	01/07/2005	(341099)
41	05/20/2005	(392949)
42	10/20/2003	(295183)
43	02/01/2002	(135802)
44	11/03/2005	(431679)
45	02/08/2002	(135803)
46	02/27/2006	(440360)
47	01/28/2004	(257699)
48	02/11/2002	(135804)
49	08/26/2002	(9371)
50	11/25/2002	(157624)
51	02/11/2002	(135805)
52	02/26/2002	(135806)
53	04/25/2003	(33704)
54	11/21/2003	(295184)
55	02/26/2002	(135807)
56	01/06/2005	(337406)
57	10/10/2005	(432962)
58	02/27/2002	(135808)
59	11/08/2004	(336528)
60	11/18/2003	(255236)

61 03/06/2002 (135809)
62 07/15/2005 (399321)
63 07/07/2006 (483977)
64 03/07/2002 (135810)
65 09/17/2003 (248915)
66 04/22/2005 (419633)
67 03/14/2002 (135811)
68 12/15/2003 (295185)
69 02/24/2006 (450766)
70 03/14/2002 (135812)
71 05/19/2005 (419634)
72 09/21/2005 (431548)
73 02/07/2003 (22862)
74 03/21/2002 (135813)
75 11/14/2003 (295186)
76 06/20/2005 (419635)
77 02/16/2006 (436530)
78 03/29/2002 (135814)
79 07/25/2002 (5865)
80 12/27/2002 (157628)
81 04/02/2002 (135815)
82 04/17/2002 (135816)
83 06/15/2004 (272258)
84 04/29/2002 (135817)
85 11/27/2006 (455008)
86 07/13/2005 (440766)
87 04/29/2002 (135818)
88 05/09/2002 (135819)
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91 12/11/2004 (341906)
92 04/24/2006 (460197)
93 05/10/2002 (135820)
94 08/12/2002 (6396)
95 07/15/2004 (351989)
96 10/13/2005 (440769)
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98 01/10/2005 (286887)
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100 01/24/2003 (157632)
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106 05/14/2002 (135823)
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110 11/20/2003 (255571)
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112 08/16/2004 (351990)
113 05/16/2002 (135826)
114 09/22/2003 (150004)
115 12/16/2004 (341903)
116 02/28/2006 (333721)
117 04/14/2003 (31828)
118 05/16/2002 (135827)
119 12/28/2004 (287065)
120 08/31/2004 (277083)
121 05/16/2002 (135828)
122 12/13/2004 (338245)
123 05/16/2002 (135829)
124 05/16/2002 (135830)
125 09/23/2004 (351991)
126 07/10/2003 (45285)
127 05/19/2006 (453213)
128 08/06/2002 (6980)
129 02/28/2006 (435662)
130 05/18/2002 (135831)
131 12/23/2002 (14911)
132 05/18/2002 (135832)
133 02/24/2006 (438700)
134 04/24/2006 (460166)
135 05/28/2002 (135833)
136 05/30/2002 (135834)
137 09/08/2005 (337658)
138 10/22/2004 (351992)
139 01/16/2007 (534803)
140 05/30/2002 (135835)

141 06/10/2002 (135836)
142 11/18/2002 (13920)
143 09/01/2006 (488482)
144 01/03/2003 (16037)
145 06/12/2002 (135837)
146 03/20/2006 (438702)
147 07/24/2002 (135838)
148 08/23/2002 (4068)
149 12/15/2004 (337091)
150 11/23/2004 (351993)
151 12/05/2005 (397651)
152 03/11/2003 (21022)
153 06/19/2003 (40960)
154 10/17/2003 (248985)
155 08/05/2004 (287465)
156 07/27/2006 (465816)
157 08/18/2005 (404361)
158 01/09/2003 (13376)
159 03/12/2003 (25569)
160 07/10/2003 (43553)
161 09/13/2004 (293314)
162 02/24/2006 (450771)
163 09/08/2005 (375408)
164 03/17/2006 (498116)
165 01/17/2005 (286916)
166 04/21/2006 (498117)
167 03/20/2006 (454973)
168 12/06/2006 (518260)
169 02/22/2005 (381802)
170 12/13/2004 (333505)
171 05/09/2006 (453215)
172 05/16/2006 (498118)
173 03/21/2005 (381803)
174 06/19/2006 (498119)
175 06/11/2003 (17426)

176 05/18/2005 (374942)
177 08/04/2003 (144302)
178 08/29/2005 (407005)
179 04/19/2006 (449649)
180 12/22/2004 (381804)
181 02/04/2005 (338314)
182 07/17/2006 (498120)
183 09/01/2006 (488416)
184 01/20/2005 (381805)
185 07/05/2004 (272798)
186 08/10/2005 (404141)
187 07/30/2003 (114223)
188 08/09/2006 (375409)
189 09/08/2005 (372077)
190 09/17/2003 (248837)
191 04/24/2006 (459777)
192 01/12/2006 (451532)
193 01/07/2005 (343281)
194 02/19/2003 (23138)
195 07/07/2006 (484327)
196 07/09/2004 (272455)
197 02/15/2006 (468321)
198 10/10/2006 (511470)
199 11/08/2004 (337000)
200 12/20/2005 (468322)
201 07/13/2004 (274532)
202 02/22/2002 (157590)
203 09/01/2006 (488185)
204 02/24/2006 (454384)
205 11/18/2005 (468323)
206 09/01/2006 (488461)
207 12/20/2005 (468324)
208 09/01/2006 (488316)
209 04/26/2005 (372080)
210 02/20/2003 (157591)
211 07/07/2006 (483768)
212 07/31/2002 (3028)
213 12/19/2006 (532142)
214 08/16/2002 (7757)
215 01/07/2005 (288575)
216 03/18/2002 (157593)
217 10/04/2004 (336250)
218 03/24/2003 (157594)
219 05/15/2006 (454640)
220 12/28/2004 (277182)

221 01/05/2005 (287246)
 222 02/18/2003 (23956)
 223 07/05/2004 (278078)
 224 02/13/2004 (295169)
 225 09/01/2006 (488258)
 226 01/27/2006 (451469)
 227 09/01/2006 (497259)
 228 01/12/2004 (253433)
 229 07/21/2006 (484894)
 230 05/12/2003 (28024)
 231 03/22/2003 (295171)
 232 04/18/2002 (157598)
 233 11/14/2003 (252631)
 234 07/21/2006 (485159)
 235 08/16/2002 (6072)
 236 01/12/2006 (451560)
 237 04/17/2003 (157599)
 238 04/22/2004 (295172)
 239 08/31/2004 (272440)
 240 11/25/2002 (17129)
 241 07/19/2004 (274762)
 242 06/30/2006 (482249)
 243 08/13/2005 (404828)

244 05/17/2002 (157602)
 245 01/26/2006 (437271)
 246 01/07/2005 (287050)
 247 09/01/2006 (488259)
 248 02/28/2006 (450758)
 249 05/22/2003 (157603)
 250 05/12/2004 (295174)
 251 12/13/2004 (337068)
 252 06/17/2004 (295176)
 253 10/17/2006 (515418)
 254 06/24/2002 (157606)
 255 12/11/2004 (335371)
 256 03/28/2003 (23681)
 257 08/28/2003 (152166)
 258 06/24/2003 (157607)
 259 04/28/2006 (453217)
 260 12/17/2004 (337094)
 261 08/16/2006 (520130)
 262 07/05/2004 (272521)
 263 08/24/2005 (406770)

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

Date	08/31/2005	(440768)		
Self Report?	YES		Classification:	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) TWC Chapter 26 26.121(a)[G]			
Description:	Failure to meet the limit for one or more permit parameter			
Date	03/31/2003	(23681)		
Self Report?	NO		Classification:	Moderate
Citation:	30 TAC Chapter 101, SubChapter F 101.222(c)(1) 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(G) 30 TAC Chapter 116, SubChapter B 116.115(c)			
Description:	The maintenance event and resulting unauthorized emissions were the result of human error during previous periodic maintenance. The ME emissions could have been prevented by proper planning.			
Date	08/12/2003	(114223)		
Self Report?	NO		Classification:	Moderate
Citation:	5C THC Chapter 382, SubChapter A 382.085(a)			
Description:	Avoidable emissions event			
Date	10/31/2002	(157624)		
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	08/30/2004	(250202)		
Self Report?	NO		Classification:	Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
Rqmt Prov: PA 35735
Description: Failure to comply with Special Condition No. 11A of TCEQ Permit No. 35735 which resulted in unauthorized emissions.

Date 05/09/2002 (135819)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
Description: VIOL OF TNRCC FLEX 30. upset emissions.

Date 04/28/2006 (453217)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
5C THC Chapter 382, SubChapter A 382.085(b)
Rqmt Prov: PERMIT Permit No. 19868, Special Condition 1
Description: Failure to keep the emissions within the Maximum Allowable Emissions Rate Table limits specified in TCEQ Air Permit No. 19868 for the Flare.

Date 12/28/2004 (288451)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(a)
Rqmt Prov: PA 5419, SC 1
Description: Failure to meet demonstration criteria, which resulted in unauthorized emissions.

Date 08/23/2002 (4068)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
Description: Violation of 30 Tex. Admin. Code 116.115(c), category B13 which resulted in unauthorized emissions.

Date 12/05/2005 (397651)

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 115, SubChapter H 115.783(5)
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: PERMIT Permit # 95 Special Condition 28E
Description: Failure to seal three open ended lines.

Date 09/23/2002 (5424)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
TEXAS HEALTH AND SAFETY CODE 382.085
Description: Violation of Tex. Admin. Code 116.115(c) which requires the holders of the permit to comply with all conditions of the permit. unauthorized emissions.

Date 07/15/2005 (399321)

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 19868 SC No. 7E
Description: Failure to plug the open-ended lines.

Self Report? NO Classification: Minor

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 A 60.18(c)(3)(ii)
Rqmt Prov: PA 35735 SC No. 3
Description: Failure to maintain net heating value of flare header to a minimum value of 300 Btu/Scf.

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 117, SubChapter B 117.206(i)
Description: Failure to comply with 30 TAC 117.206(i) by operating the emergency generator between the hours of 6:00 AM and Noon.

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 122, SubChapter B 122.136(b)
Description: Failure to include PP-1 powder baghouse and vent CM-1307 in the title V permit within 60 days upon discovery.

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 115, SubChapter H 115.782(c)(2)(A)
Description: Failure to conduct extraordinary attempts to repair leaking valves within seven days.

Self Report? NO Classification: Minor

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 A 60.18(c)
Rqmt Prov: PA 5419 SC No. 3
Description: Failure to avoid visible emissions from flare for more than five minutes in any two hour period.

Date 09/22/2003 (150004)

Self Report? NO

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter F 101.222(b)(3)

Description: Failed to maintain flame at all times on flare GM-1401 which resulted in the venting of unburned propylene directly to the atmosphere.

Date 01/05/2005 (287246)

Self Report? NO

Classification: Moderate

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

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

Rqmt Prov: PA 95, Special Condition No. 1

Description: Exceeded permit limit during an avoidable emissions event.

Date 06/13/2005 (418277)

Self Report? NO

Classification: Minor

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

Rqmt Prov: PERMIT Other Requirements, No. 3

Description: Failure to comply with chlorine residual limits for the discharge from the domestic sewage facility.

Self Report? NO

Classification: Minor

Citation: 30 TAC Chapter 319, SubChapter A 319.11(b)

Description: Failure to analyze chlorine residual samples within hold time.

F. Environmental audits.

Notice of Intent Date: 02/12/2004 (263978)
No DOV Associated

Notice of Intent Date: 02/12/2004 (263986)
No DOV Associated

Notice of Intent Date: 02/19/2004 (265125)
No DOV Associated

Notice of Intent Date: 11/06/2002 (29712)
No DOV Associated

Notice of Intent Date: 07/15/2002 (32992)
Disclosure Date: 1/24/2003 12:00:00 AM

Viol. Classification: Moderate

Citation: 30 TAC Chapter 331, SubChapter A

Description: Failure to submit an inventory of wells authorized by rule.

Notice of Intent Date: 11/06/2002 (33106)
No DOV Associated

Notice of Intent Date: 09/08/2005 (435727)
No DOV Associated

G. Type of environmental management systems (EMSs).

N/A

H. Voluntary on-site compliance assessment dates.

N/A

I. Participation in a voluntary pollution reduction program.

N/A

J. Early compliance.

N/A

Sites Outside of Texas

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
INEOS USA LLC
RN100238708

§ BEFORE THE
§ TEXAS COMMISSION ON
§ ENVIRONMENTAL QUALITY

AGREED ORDER
DOCKET NO. 2007-0175-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 INEOS USA LLC ("INEOS") 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 INEOS appear before the Commission and together stipulate that:

1. INEOS owns and operates a petrochemical manufacturing plant located approximately two miles south of Farm-to-Market Road ("FM") 2917, on FM 2004, near Alvin in Brazoria 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 INEOS agree that the Commission has jurisdiction to enter this Agreed Order, and that INEOS is subject to the Commission's jurisdiction.
4. INEOS received notice of the violations alleged in Section II ("Allegations") on or about January 21, 2007.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by INEOS of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
6. An administrative penalty in the amount of Five Thousand Two Hundred Twenty-Five Dollars (\$5,225) is assessed by the Commission in settlement of the violations alleged in Section II

("Allegations"). INEOS has paid Four Thousand One Hundred Eighty Dollars (\$4,180) of the administrative penalty and One Thousand Forty-Five Dollars (\$1,045) is deferred contingent upon INEOS'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 INEOS fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require INEOS 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 INEOS 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 by December 1, 2006, INEOS changed out pump G-303, replaced the faulty steam trap, and increased the steam tracing temperature for the level indicator 100 degrees in order to prevent similar future occurrences.
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 INEOS 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, INEOS is alleged to have failed to comply with permitted emissions limits, in violation of 30 TEX. ADMIN. CODE §§ 116.715(a) and 101.20(3), Flexible Permit No. 95/PSD-TX-854, Special Condition No. 1, and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on December 22, 2006. Specifically, an emissions event occurred on October 4, 2006 at the No. 2 Olefins Flare (Emission Point No. DDM-3101) that lasted for 2 hours and 55 minutes, resulting in the release of 2,419 pounds ("lbs") of volatile organic compounds, 2,702 lbs of carbon monoxide, and 530 lbs of nitrogen oxides. The authorized emissions limit for emission events under a flexible permit is zero lbs per hour. Since this emissions event could have been avoided by good operation practices, it failed to meet the demonstrations for affirmative defense as found in 30 TEX. ADMIN. CODE § 101.222.

III. DENIALS

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

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that INEOS pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and INEOS'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: INEOS USA LLC, Docket No. 2007-0175-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 INEOS. INEOS 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 INEOS 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 INEOS, or three days after the date on which the Commission mails notice of the Order to INEOS, 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

John Sullivan

For the Executive Director

7/25/07

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.

John Harvey III

Signature

4/12/07

Date

John Harvey III

Name (Printed or typed)
Authorized Representative of
INEOS USA LLC

Site 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.

