EXECUTIVE SUMMARY - ENFORCEMENT MATTER

DOCKET NO.: 2007-0380-AIR-E **TCEQ ID:** RN102018322 **CASE NO.:** 32919

RESPONDENT NAME: Chevron Phillips Chemical Company LP

ORDER TYPE:		
X 1660 AGREED ORDER	__FINDINGS AGREED ORDER	__FINDINGS ORDER FOLLOWING SOAH HEARING
__FINDINGS DEFAULT ORDER	__SHUTDOWN ORDER	__IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER
__AMENDED ORDER	__EMERGENCY ORDER	
CASE TYPE:		
X AIR	__MULTI-MEDIA (check all that apply)	__INDUSTRIAL AND HAZARDOUS WASTE
__PUBLIC WATER SUPPLY	__PETROLEUM STORAGE TANKS	__OCCUPATIONAL CERTIFICATION
__WATER QUALITY	__SEWAGE SLUDGE	__UNDERGROUND INJECTION CONTROL
__MUNICIPAL SOLID WASTE	__RADIOACTIVE WASTE	__DRY CLEANER REGISTRATION

SITE WHERE VIOLATION(S) OCCURRED: Chevron Phillips Pasadena Plastics Complex, 1400 Jefferson Street, Pasadena, Harris County

TYPE OF OPERATION: Chemical manufacturing

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 July 16, 2007. No comments were received.

CONTACTS AND MAILING LIST:

TCEQ Attorney/SEP Coordinator: None

TCEQ Enforcement Coordinator: Ms. Roshondra Lowe, Enforcement Division, Enforcement Team 5, MC R-12, (713) 767-3553; Mr. David Van Soest, Enforcement Division, MC 219, (512) 239-0468

Respondent: Mr. Van Long, General Manager, Manufacturing, Chevron Phillips Chemical Company LP, 1400 Jefferson Road, Pasadena, Texas 77506

CT Corporation System, Registered Agent, 1021 Main Street, Suite 1150, Houston, Texas 77002

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

VIOLATION SUMMARY CHART:

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
Type of Investigation: ___ Complaint ___ Routine ___ Enforcement Follow-up _X_ Records Review **Date(s) of Complaints Relating to this Case:** None **Date of Investigation Relating to this Case:** December 6, 2006 **Date of NOE Relating to this Case:** January 19, 2007 (NOE) **Background Facts:** This was a routine record review. One violation was documented. **AIR** Failed to operate the flare with a pilot flame lit at all times and maintain an emission rate below the allowable emission limits. Specifically, on September 22, 2006, over a period of fifteen minutes, the K-Resin Flare (EPN: 524) emitted unauthorized emissions of approximately 597 pounds ("lbs") of butadiene, 8 lbs of butene, 218 lbs of cyclohexane, and 22 lbs of ethylene, resulting from a failure to operate the flare with a pilot flame lit at all times. The volatile organic compound permit limit is 265.11 pounds per hour. Since these emissions could have been foreseen and avoided by good design, operation and maintenance practices, the emissions do not meet the affirmative defense criteria specified in 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 116.115(c) 101.221(a) and 101.20(1), New Source Review Permit No. 5562A, Special Conditions 1 and 4, 40 CODE OF FEDERAL REGULATIONS § 60.18(c)(2), and TEX. HEALTH & SAFETY CODE § 382.085(b)].	**Total Assessed:** $4,275 **Total Deferred:** $855 _X_ Expedited Settlement __Financial Inability to Pay **SEP Conditional Offset:** $0 **Total Paid to General Revenue:** $3,420 **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	**Ordering Provisions:** The Order will require the Respondent to: a. Within 30 days after the effective date of this Agreed Order, implement improvements to design, operation, or maintenance procedures, in order to address the emission event that occurred on September 22, 2006 and to prevent the recurrence of same or similar incidents; and b. Within 45 days after the effective date of this Agreed Order, submit written certification and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision a.

Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002) — *PCW Revision January 9, 2007*

TCEQ

DATES					
Assigned	22-Jan-2007				
PCW	12-Mar-2007	Screening	12-Mar-2007	EPA Due	30-Nov-2007

RESPONDENT/FACILITY INFORMATION

Respondent	Chevron Phillips Chemical Company LP		
Reg. Ent. Ref. No.	RN102018322		
Facility/Site Region	12-Houston	Major/Minor Source	Major

CASE INFORMATION

Enf./Case ID No.	32919	No. of Violations	1
Docket No.	2007-0380-AIR-E	Order Type	1660
Media Program(s)	Air Quality	Enf. Coordinator	Rashondra Lowe
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* **$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 — **71%** Enhancement — *Subtotals 2, 3, & 7* **$1,775**

Notes: Compliance History was enhanced by three same or similar NOVs, four non-similar NOVs, three 1660-style Orders, and reduced by six NOAs and three DOVs.

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

Notes: The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply — **0%** Reduction — *Subtotal 5* **$0**

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

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

0% Enhancement* — *Subtotal 6* **$0**

**Capped at the Total EB $ Amount*

Total EB Amounts	$94
Approx. Cost of Compliance	$2,000

SUM OF SUBTOTALS 1-7 — *Final Subtotal* **$4,275**

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 **$4,275**

STATUTORY LIMIT ADJUSTMENT — *Final Assessed Penalty* **$4,275**

DEFERRAL — **20%** Reduction — *Adjustment* **-$855**

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 **$3,420**

Screening Date 12-Mar-2007 **Docket No.** 2007-0380-AIR-E **PCW**

Respondent Chevron Phillips Chemical Company LP

Policy Revision 2 (September 2002)

Case ID No. 32919

PCW Revision January 9, 2007

Reg. Ent. Reference No. RN102018322

Media [Statute] Air Quality

Enf. Coordinator Rashondra Lowe

Compliance History Worksheet

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

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written NOVs with same or similar violations as those in the current enforcement action (*number of NOVs meeting criteria*)	3	15%
	Other written NOVs	4	8%
Orders	Any agreed final enforcement orders containing a denial of liability (*number of orders meeting criteria*)	3	60%
	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*)	6	-6%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (*number of audits for which violations were disclosed*)	3	-6%
		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) 71%

>> **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

Compliance History was enhanced by three same or similar NOVs, four non-similar NOVs, three 1660-style Orders, and reduced by six NOAs and three DOVs.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 71%

Screening Date	12-Mar-2007	**Docket No.** 2007-0380-AIR-E	**PCW**
Respondent	Chevron Phillips Chemical Company LP		*Policy Revision 2 (September 2002)*
Case ID No.	32919		*PCW Revision January 9, 2007*
Reg. Ent. Reference No.	RN102018322		
Media [Statute]	Air Quality		
Enf. Coordinator	Rashondra Lowe		
Violation Number	1		
Rule Cite(s)	30 Tex. Admin. Code §§ 116.115(c), 101.221(a) and 101.20(1), NSR Permit No. 5562A, Special Conditions 1 and 4, 40 Code of Federal Regulations § 60.18(c)(2), and Tex. Health & Safety Code § 382.085(b)		
Violation Description	Failed to operate the flare with a pilot flame lit at all times and maintain an emission rate below the allowable emission limits. Specifically, on September 22, 2006, over a period of fifteen minutes, the K-Resin Flare (EPN: 524) emitted unauthorized emissions of approximately 597 pounds ("lbs") of butadiene, 8 lbs of butene, 218 lbs of cyclohexane, and 22 lbs of ethylene, resulting from a failure to operate the flare with a pilot flame lit at all times. The volatile organic compound permit limit is 265.11 pounds per hour. Since these emissions could have been foreseen and avoided by good design, operation and maintenance practices, the emissions do not meet the affirmative defense criteria specified in 30 Tex. Admin. Code § 101.222, as documented during an investigation conducted on December 6, 2006.		

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.

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 $94

Statutory Limit Test

Violation Final Penalty Total $4,275

This violation Final Assessed Penalty (adjusted for limits) $4,275

Economic Benefit Worksheet

Respondent Chevron Phillips Chemical Company LP
Case ID No. 32919
Reg. Ent. Reference No. RN102018322
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	$2,000	22-Sep-2006	1-Sep-2007	0.9	$94	n/a	$94
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
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 DELAYED costs: Estimated cost is for implementing training procedures to address the causes that led to the emission event. The Date Required is the date of the emissions event, and the Final Date is the date the respondent is expected to have completed corrective actions.

Notes for AVOIDED costs:

Approx. Cost of Compliance: $2,000

TOTAL: $94

Compliance History

Customer/Respondent/Owner-Operator:	CN600303614	Chevron Phillips Chemical Company LP	Classification: AVERAGE	Rating: 3.74
Regulated Entity:	RN102018322	CHEVRON PHILLIPS PASADENA PLASTICS COMPLEX	Classification: AVERAGE	Site Rating: 3.92

ID Number(s):

PUBLIC WATER SYSTEM/SUPPLY	REGISTRATION	1010312
PETROLEUM STORAGE TANK REGISTRATION	REGISTRATION	40426
WASTEWATER	PERMIT	WQ0000815000
WASTEWATER	PERMIT	TPDES0007552
WASTEWATER	PERMIT	TX0007552
AIR OPERATING PERMITS	ACCOUNT NUMBER	HG0566H
AIR OPERATING PERMITS	PERMIT	1315
AIR OPERATING PERMITS	PERMIT	2645
AIR OPERATING PERMITS	PERMIT	2645
AIR NEW SOURCE PERMITS	PERMIT	52681
AIR NEW SOURCE PERMITS	PERMIT	5832
AIR NEW SOURCE PERMITS	PERMIT	10304
AIR NEW SOURCE PERMITS	PERMIT	10817
AIR NEW SOURCE PERMITS	PERMIT	12106
AIR NEW SOURCE PERMITS	PERMIT	4437A
AIR NEW SOURCE PERMITS	PERMIT	5562A
AIR NEW SOURCE PERMITS	PERMIT	7602A
AIR NEW SOURCE PERMITS	PERMIT	34088
AIR NEW SOURCE PERMITS	PERMIT	33830
AIR NEW SOURCE PERMITS	PERMIT	37969
AIR NEW SOURCE PERMITS	PERMIT	45235
AIR NEW SOURCE PERMITS	PERMIT	46704
AIR NEW SOURCE PERMITS	PERMIT	48185
AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	HG0566H
AIR NEW SOURCE PERMITS	EPA ID	PSDTX808
AIR NEW SOURCE PERMITS	AFS NUM	4820100048
AIR NEW SOURCE PERMITS	PERMIT	N006M1
AIR NEW SOURCE PERMITS	PERMIT	71225
AIR NEW SOURCE PERMITS	REGISTRATION	72449
AIR NEW SOURCE PERMITS	REGISTRATION	76403
AIR NEW SOURCE PERMITS	REGISTRATION	77818
AIR NEW SOURCE PERMITS	REGISTRATION	78131
AIR NEW SOURCE PERMITS	REGISTRATION	78988
AIR NEW SOURCE PERMITS	REGISTRATION	79318
AIR NEW SOURCE PERMITS	REGISTRATION	80596
AIR NEW SOURCE PERMITS	REGISTRATION	81052
INDUSTRIAL AND HAZARDOUS WASTE GENERATION	EPA ID	TXD008098725
INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION # (SWR)	30038
WATER LICENSING	LICENSE	1010312
ON SITE SEWAGE FACILITY	PERMIT	1010598

Location: 1400 JEFFERSON ST, PASADENA, TX, 77506 Rating Date: 9/1/2006 Repeat Violator: NO

TCEQ Region: REGION 12 - HOUSTON

Date Compliance History Prepared: February 14, 2007

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: February 14, 2002 to February 14, 2007

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

Name: Jason Kemp Phone: (512) 239-5610

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? Chevron Phillips Chemical Company LP
   Phillips Chemical Company

4. If Yes, who was/were the prior owner(s)? ConocoPhillips Company

5. When did the change(s) in ownership occur? 01/24/2003

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: 08/30/2002 ADMINORDER 2000-0434-AIR-E

Classification: Moderate

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

Rqmt Prov: SC1 PERMIT

Description: Failure to comply w/ SP's in permit.

Classification: Moderate

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

Description: Failure to route (due to safety reasons) a portion of Polyethylene and Polypropylene to the High Activity Catalyst Heaters as required by Special Conditions 16 and 17 of Permit No. 4437A.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter H 101.303(f)(9)(B)
30 TAC Chapter 116, SubChapter B 116.150(a)(3)[G]
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failure to submit a Notice of Intent to Use Form (EC-3 Form) along with the emission credit certificate when providing the emission credits as offsets.

Effective Date: 08/13/2004 ADMINORDER 2004-0032-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter G 116.715(c)(6)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: 4437, PS-TX-808, N014M1, SC 3B and 16A PERMIT

Description: Failed to maintain records with complete data demonstrating compliance with the proper monitoring of valves in volatile organic compound ("VOC") service in Polyethylene Plant #8 ("PE8").

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 G 116.715(a)
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: 4437A, PSD-TX-808, and N014M1, SC 3B` PERMIT

Description: Failed to equip an open-ended line in VOC service with a cap, blind flange, or plug. Specifically, line #86607, located in PE8, was in isobutane service and Chevron Phillips had failed to cap, blind flange, or plug it.

Effective Date: 08/20/2005 ADMINORDER 2005-0054-AIR-E

Classification: Moderate

Citation: 5C THC Chapter 382, SubChapter A 382.085(a)

Rqmt Prov: 4437A/PSD-TX-808 and NO14M1, SC #1 PERMIT

Description: Failed to prevent unauthorized emissions during a emissions event occurring on October 31, 2004.

See addendum for information regarding federal actions.

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	02/22/2002	(160754)
2	03/04/2002	(103809)
3	03/12/2002	(103810)
4	03/25/2002	(160758)
5	03/28/2002	(103811)
6	04/22/2002	(160763)
7	05/22/2002	(160767)
8	06/24/2002	(160771)
9	07/18/2002	(160775)
10	08/05/2002	(246591)
11	08/21/2002	(160779)
12	08/30/2002	(5832)

81	08/19/2005	(441023)
82	08/23/2005	(401929)
83	08/24/2005	(405592)
84	08/24/2005	(405606)
85	08/30/2005	(402188)
86	09/20/2005	(441024)
87	10/20/2005	(468772)
88	11/01/2005	(434973)
89	11/14/2005	(468773)
90	11/21/2005	(435273)
91	12/06/2005	(436442)
92	12/08/2005	(431288)
93	12/15/2005	(468774)
94	12/15/2005	(436679)
95	01/17/2006	(468775)
96	02/13/2006	(468770)
97	02/23/2006	(455835)
98	02/23/2006	(454732)
99	02/25/2006	(457001)
100	02/25/2006	(457002)
101	02/25/2006	(457078)
102	02/27/2006	(456412)
103	02/27/2006	(439397)
104	02/28/2006	(457018)
105	03/09/2006	(457678)
106	03/13/2006	(468771)
107	04/19/2006	(498443)
108	05/22/2006	(498444)
109	05/30/2006	(459873)
110	05/30/2006	(459841)
111	05/30/2006	(459894)
112	06/21/2006	(498445)
113	07/21/2006	(520446)
114	07/26/2006	(487412)
115	08/21/2006	(520447)
116	08/31/2006	(457354)
117	09/01/2006	(510667)
118	09/01/2006	(509366)
119	09/01/2006	(510966)
120	09/01/2006	(510649)
121	09/01/2006	(510533)
122	09/01/2006	(509225)
123	09/01/2006	(510957)
124	09/01/2006	(510915)
125	09/01/2006	(510657)
126	09/01/2006	(509132)
127	09/01/2006	(510660)
128	09/01/2006	(510055)
129	09/01/2006	(510058)
130	09/01/2006	(510423)
131	09/01/2006	(510669)
132	09/01/2006	(510424)
133	09/01/2006	(510425)
134	09/01/2006	(510006)
135	09/01/2006	(510671)
136	09/01/2006	(487774)
137	09/01/2006	(509918)
138	09/01/2006	(510894)
139	09/21/2006	(520448)
140	01/19/2007	(533591)

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

Date: 08/05/2002 (246591)

Self Report? NO Classification: Moderate

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

Description: NON-RPT VIOS FOR MONIT PER OR PIPE

Date: 11/08/2002 (13187)

13	09/03/2002	(1515)
14	09/23/2002	(160782)
15	10/22/2002	(160785)
16	11/06/2002	(13187)
17	11/06/2002	(14291)
18	11/22/2002	(160789)
19	01/07/2003	(20640)
20	01/10/2003	(21317)
21	01/21/2003	(160797)
22	02/21/2003	(160755)
23	02/21/2003	(160793)
24	02/25/2003	(13987)
25	03/14/2003	(26722)
26	03/20/2003	(160759)
27	03/21/2003	(23670)
28	04/17/2003	(160764)
29	05/16/2003	(160768)
30	06/12/2003	(112509)
31	06/20/2003	(160772)
32	07/15/2003	(160776)
33	07/30/2003	(147108)
34	08/15/2003	(296448)
35	09/17/2003	(296450)
36	10/13/2003	(296452)
37	10/29/2003	(253103)
38	11/18/2003	(296453)
39	11/18/2003	(248011)
40	12/16/2003	(296454)
41	01/20/2004	(296455)
42	02/18/2004	(296436)
43	03/17/2004	(296438)
44	04/22/2004	(296439)
45	05/19/2004	(296441)
46	06/15/2004	(296443)
47	07/20/2004	(296445)
48	07/28/2004	(273015)
49	08/11/2004	(288841)
50	08/11/2004	(288330)
51	08/12/2004	(352600)
52	08/31/2004	(292520)
53	08/31/2004	(291090)
54	08/31/2004	(289769)
55	09/13/2004	(352601)
56	10/15/2004	(352602)
57	10/18/2004	(336779)
58	10/18/2004	(335178)
59	10/19/2004	(335761)
60	10/22/2004	(291532)
61	11/11/2004	(289969)
62	11/17/2004	(352603)
63	12/09/2004	(340600)
64	12/10/2004	(340319)
65	12/16/2004	(352604)
66	01/21/2005	(382055)
67	01/31/2005	(347753)
68	02/14/2005	(349070)
69	02/21/2005	(371490)
70	02/21/2005	(382053)
71	02/28/2005	(347388)
72	03/16/2005	(350178)
73	03/18/2005	(382054)
74	04/05/2005	(375946)
75	04/20/2005	(419903)
76	05/04/2005	(379604)
77	05/19/2005	(419904)
78	06/20/2005	(419905)
79	07/11/2005	(395099)
80	07/20/2005	(441022)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
Rqmt Prov: PA 4437A Special Condition 9B
Description: Failure to sample at correct location per TCEQ Air Permit 4437A..
Date: 02/26/2003 (13987)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
Rqmt Prov: PA Permit No. 5562A Special Condition 11
Description: The product degassing emissions exceeded the maximum limit specified in the permit's special condition 11.
Date: 06/30/2004 (296445)

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: 08/30/2005 (402188)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18[G]
5C THC Chapter 382, SubChapter A 382.085(b)
Rqmt Prov: PERMIT TCEQ Permit #5562A, SC #1
PERMIT TCEQ Permit #5562A, SC #4
Description: Failed to maintain a flame on flare tip.
Date: 11/01/2005 (434973)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
5C THC Chapter 382, SubChapter A 382.085(b)
Rqmt Prov: PERMIT TCEQ Flexible Permit #4437A
Description: Chevron failed to prevent a Halon release in the fire suppression system.
Date: 08/31/2006 (457354)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THC Chapter 382, SubChapter D 382.085(b)
Rqmt Prov: PERMIT 5562A, SC 7E
OP O-02645, ST&C 11
Description: Failure to cap or plug 2 open-ended lines.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THC Chapter 382, SubChapter D 382.085(b)
Rqmt Prov: PERMIT 5562A, SC 8F
OP O-02645, ST&C 11
Description: Failure to monitor valves due to components being deleted from database.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
5C THC Chapter 382, SubChapter D 382.085(b)
Rqmt Prov: OP O-02645, ST&C 3(A)(iv)(4)
Description: Failure to conduct daily flare inspection for visible emissions during daylight hours.

Self Report? NO Classification: Moderate

Citation: 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 A 60.18(c)(3)(ii)
5C THC Chapter 382, SubChapter D 382.085(b)
Rqmt Prov: PERMIT 5562A, SC 4A
PERMIT 7602A, SC 3
OP O-02645, ST&C 1A
Description: Failure to maintain minimum heat input to flare.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
5C THC Chapter 382, SubChapter D 382.085(b)
Rqmt Prov: OP O-02645, ST&C 3(A)(iv)(3)
Description: Failure to record quarterly opacity observations.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter H 115.781(g)(2)
5C THC Chapter 382, SubChapter D 382.085(b)
Description: Failure to record monitoring data into database within 7 days.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(h)(2)
5C THC Chapter 382, SubChapter D 382.085(b)

Rqmt Prov: OP O-02645, ST&C 1A
Description: Failure to limit the number of Difficult-to-Monitor components to less than 3% of the total component count.
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(a)
5C THC Chapter 382, SubChapter D 382.085(b)
Rqmt Prov: OP O-02645, ST&C 1A
Description: Failure to conduct monthly monitor on 20 valves.
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THC Chapter 382, SubChapter D 382.085(b)
Rqmt Prov: PERMIT 7602A, SC 6K
OP O-02645, ST&C 11
Description: Failure to conduct quarterly monitoring on 9 flanges bolted to valves.
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THC Chapter 382, SubChapter D 382.085(b)
Rqmt Prov: OP O-02645, ST&C 2F
Description: Failure to record 24 emission events.
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 106, SubChapter K 106.263(g)(4)
5C THC Chapter 382, SubChapter D 382.085(b)
Description: Failure to maintain records of Startup, Shutdown, and Maintenance (SSM) activities.

F. Environmental audits.

Notice of Intent Date: 04/21/2004 (274332)
Disclosure Date: 7/29/2004 12:00:00AM
Viol. Classification: Moderate
Citation: 30 TAC Chapter 335, SubChapter E
Description: Tank D5-0104, used to store ignitable hazardous wastes, does not meet the technical requirements for use as a less than 90-day storage tank

Notice of Intent Date: 12/06/2004 (347380)
Disclosure Date: 4/28/2005 12:00:00AM
Viol. Classification: Minor
Citation: 5C THC Chapter 382, SubChapter A
Description: Failed to properly calculate the off-gas VOC cap maximum hourly flow rate, a higher hourly emission rate (70.97 lbs/hr) than required (48.74 lbs/hr), in the table for the 2002 permit amendment. The TCEQ issued the 20002 permit amendment without revising the hourly emission rate (38.36 lbs/hr) from the previous MAERT to
Viol. Classification: Minor
Citation: 30 TAC Chapter 116, SubChapter D
Description: Failed to accurately represent the emissions to the flares in the 2002 amendment to permit 4437A, in the 5562A K-Resin and Neohexene permit and in the 2003 emissions inventory.
Viol. Classification: Minor
Citation: 30 TAC Chapter 106, SubChapter K
Description: Failed to accurately represent emissions from the Polypropylene plant finishing section in the March 2005 PBR submittal to construct Improved Stickiness Technology and Ethylene Recovery in the Polypropylene GPH Unit.

Notice of Intent Date: 01/21/2005 (349869)
Disclosure Date: 3/31/2005 12:00:00AM
Viol. Classification: Minor
Citation: 40 CFR Chapter 136, SubChapter D, PT 136
Description: OIL AND GREASE SAMPLES NOT COLLECTED DIRECTLY INTO GLASS JAR
Viol. Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter F
Description: FLARE EMISSIONS DUE TO MAINTENANCE WERE IMPROPERLY TRACKED, RESULTING IN 485 UNAUTHORIZED RELEASES
Viol. Classification: Minor
Citation: 30 TAC Chapter 101, SubChapter F
Description: ONE EMISSIONS EVENT MISCLASSIFIED AS AUTHORIZED MAINTENANCE ACTIVITY, NOT REPORTED
Viol. Classification: Minor
Citation: 40 CFR Chapter 262, SubChapter I, PT 262, SubPT B
Description: HAZARDOUS WASTE MANIFESTS INCORRECT
Viol. Classification: Minor
Citation: 40 CFR Chapter 268, SubChapter I, PT 268, SubPT A
Description: FIVE LAND BANS ASSOCIATED WITH HAZARDOUS WASTE MANIFESTS DID NOT INCLUDE PROPER WASTE CODE

Notice of Intent Date: 07/19/2006 (490223)
No DOV Associated

Notice of Intent Date: 11/06/2006 (458086)
No DOV Associated

Notice of Intent Date: 12/13/2006 (536530)
No DOV Associated

G. Type of environmental management systems (EMSs).

N/A

H. Voluntary on-site compliance assessment dates.

N/A

I. Participation in a voluntary pollution reduction program.

N/A

J. Early compliance.

N/A

Sites Outside of Texas

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

IN THE MATTER OF AN	§	**BEFORE THE**
ENFORCEMENT ACTION	§	
CONCERNING	§	
CHEVRON PHILLIPS CHEMICAL	§	**TEXAS COMMISSION ON**
COMPANY LP	§	
RN102018322	§	**ENVIRONMENTAL QUALITY**

AGREED ORDER
DOCKET NO. 2007-0380-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 Chevron Phillips Chemical Company LP ("Chevron") 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 Chevron appear before the Commission and together stipulate that:

1. Chevron owns and operates a chemical manufacturing plant at 1400 Jefferson Street in Pasadena, Harris County, Texas (the "Plant").

2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).

3. The Commission and Chevron agree that the Commission has jurisdiction to enter this Agreed Order, and that Chevron is subject to the Commission's jurisdiction.

4. Chevron received notice of the violations alleged in Section II ("Allegations") on or about January 24, 2007.

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

6. An administrative penalty in the amount of Four Thousand Two Hundred Seventy-Five Dollars ($4,275) is assessed by the Commission in settlement of the violations alleged in Section II

("Allegations"). Chevron has paid Three Thousand Four Hundred Twenty Dollars ($3,420) of the administrative penalty and Eight Hundred Fifty-Five Dollars ($855) is deferred contingent upon Chevron'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 Chevron fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require Chevron 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 Chevron have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.

9. 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 Chevron has not complied with one or more of the terms or conditions in this Agreed Order.

10. 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.

11. 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, Chevron is alleged to have failed to operate the flare with a pilot flame lit at all times and maintain an emission rate below the allowable emission limits, in violation of 30 TEX. ADMIN. CODE §§ 116.115(c) 101.221(a) and 101.20(1), New Source Review Permit No. 5562A, Special Conditions 1 and 4, 40 CODE OF FEDERAL REGULATIONS § 60.18(c)(2), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review conducted on December 6, 2006. Specifically, on September 22, 2006, over a period of fifteen minutes, the K-Resin Flare (EPN: 524) emitted unauthorized emissions of approximately 597 pounds ("lbs") of butadiene, 8 lbs of butene, 218 lbs of cyclohexane, and 22 lbs of ethylene, resulting from a failure to operate the flare with a pilot flame lit at all times. The volatile organic compound permit limit is 265.11 pounds per hour. Since these emissions could have been foreseen and avoided by good design, operation and maintenance practices, the emissions do not meet the affirmative defense criteria specified in 30 TEX. ADMIN. CODE § 101.222.

III. DENIALS

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

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that Chevron pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and Chevron'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: Chevron Phillips Chemical Company LP, Docket No. 2007-0380-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. It is further ordered that Chevron shall undertake the following technical requirements:

   a. Within 30 days after the effective date of this Agreed Order, implement improvements to design, operation, or maintenance procedures, in order to address the emission event that occurred on September 22, 2006 and to prevent the recurrence of same or similar incidents; and

   b. Within 45 days after the effective date of this Agreed Order, submit written certification as described below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 2.a. The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

      "I certify under penalty of law that I have personally examined and am familiar with the information submitted and all attached documents, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations."

      The certification shall be submitted to:

      Order Compliance Team
      Enforcement Division, MC 149A
      Texas Commission on Environmental Quality
      P.O. Box 13087
      Austin, Texas 78711-3087

with a copy to:

Air Section, Manager
Houston Regional Office
Texas Commission on Environmental Quality
5425 Polk Avenue, Suite H
Houston, Texas 77023-1486

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

4. If Chevron 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, Chevron's failure to comply is not a violation of this Agreed Order. Chevron shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. Chevron shall notify the Executive Director within seven days after Chevron 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 Chevron shall be made in writing to the Executive Director. Extensions are not effective until Chevron 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 Chevron 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 Chevron, or three days after the date on which the Commission mails notice of the Order to Chevron, 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 Sadlier
For the Executive Director

8/16/2007
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.

Van G. Long
Signature

5/14/07
Date

Van G. Long
Name (Printed or typed)
Authorized Representative of
Chevron Phillips Chemical Company LP

General Mgr, Manufacturing
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.