

EXECUTIVE SUMMARY - ENFORCEMENT MATTER

DOCKET NO.: 2006-2039-IHW-E **TCEQ ID:** RN102177391 **CASE NO.:** 31793

RESPONDENT NAME: Akzo Nobel Polymer Chemicals 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 type="checkbox"/> AIR	<input type="checkbox"/> MULTI-MEDIA (check all that apply)	<input checked="" 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: Akzo Nobel Chemicals Deer Park, 730 Battleground Road, Deer Park, Harris County</p> <p>TYPE OF OPERATION: Organic chemical manufacturing</p> <p>SMALL BUSINESS: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>OTHER SIGNIFICANT MATTERS: There are no complaints. There is one pending enforcement actions regarding this facility location, Docket No. 2006-2232-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: Ms. Melissa Keller, SEP Coordinator, Enforcement Division, MC 219, (512) 239-1768 TCEQ Enforcement Coordinator: Mr. Michael Meyer, Enforcement Division, Enforcement Team 7, MC 128, (512) 239-4492; Mr. David Van Soest, Enforcement Division, MC 219, (512) 239-0468 Respondent: Ms. Rebecca Jaschek, Environmental Manager, Akzo Nobel Polymer Chemicals LLC, P.O. Box 600, Deer Park, Texas 77536 Mr. Gordon Martens, Site Manager, Akzo Nobel Polymer Chemicals LLC, P.O. Box 600, Deer Park, Texas 77536 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(s) of Complaints Relating to this Case: None</p> <p>Date of Investigation Relating to this Case: September 14, 2006</p> <p>Date of NOE Relating to this Case: October 19, 2006 (NOE)</p> <p>Background Facts: This was a routine investigation. Six violations were documented.</p> <p>WASTE</p> <p>1) Failed to conduct daily hazardous waste tank inspections and to prevent the unauthorized storage of hazardous waste at the Facility. Specifically, hazardous waste was stored in tanks T-65 and T-66 from May 30, 2000 until the tanks were removed and the hazardous waste disposed at an authorized facility on July 31 and August 8, 2006. These tanks were taken out-of-service on December 2, 1999. Per 40 CODE OF FEDERAL REGULATIONS ("CFR") § 261.4(c), hazardous waste began accumulating in the tanks on March 1, 2000 and began exceeding the 90 day accumulation time requirement on May 30, 2000. Tank T-65 contained approximately 12,000 pounds and Tank T-66 contained approximately 7,700 pounds of process residuals from the closed loop hexane recovery system which were characterized as D001 (ignitability) and D003 (reactivity) wastes, respectively. Daily inspections had not been conducted on tanks T-65 and T-66 since November 18, 2000. Also, inspections for Tank No. 1419 were not conducted on 84 days in 2005 and two days in 2006 [30 TEX. ADMIN. CODE §§ 335.2(a), 335.69(a), 335.69(a)(1)(B) and 40 CFR §§ 262.34(a) and 265.195(b)].</p>	<p>Total Assessed: \$112,770</p> <p>Total Deferred: \$22,554 <input checked="" type="checkbox"/> Expedited Settlement <input type="checkbox"/> Financial Inability to Pay</p> <p>SEP Conditional Offset: \$45,108</p> <p>Total Paid to General Revenue: \$45,108</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>1) The Executive Director recognizes that Akzo has implemented the following corrective measures at the Facility:</p> <p>a. Removed tanks T-65 and T-66 and the hazardous waste contained in these tanks was removed and shipped off-site for disposal on July 31 and August 8, 2006;</p> <p>b. On August 18, 2006, conducted hazardous waste tank inspection training for its employees and, after this date, tank inspections were conducted daily;</p> <p>c. On September 20, 2006; submitted a corrected copy of the LDR form for waste stream 9416315H;</p> <p>d. On September 21, 2006, submitted copies of the amended 2004 Annual Waste Summary to the TCEQ Houston Regional Office;</p> <p>e. On September 25, 2006, submitted documentation to the TCEQ Houston Regional Office demonstrating that revisions to the Texas Uniform Hazardous Waste Manifests were properly completed;</p> <p>f. On September 27, 2006, submitted a certified written tank assessment for Tank No. T-1419 to the TCEQ Houston Regional Office; and</p> <p>g. On October 5, 2006, completed updates to its NOR electronically through the State of Texas Environmental Electronic Reporting System.</p> <p>Ordering Provisions:</p> <p>2) The Order will require the Respondent to implement and complete a Supplemental Environmental Project (SEP). (See SEP Attachment A)</p>

2) Failed to keep on file the certified written assessment for tank systems used to store or treat hazardous waste. Specifically, Akzo failed to keep on file a written statement certifying that Hazardous Waste Storage Tank No. T-1419 was properly designed and installed [30 TEX. ADMIN. CODE § 335.69(a)(1)(B) and 40 CFR § 265.192(g)].

3) Failed to indicate the category of waste on the Land Disposal Restriction ("LDR") form. Specifically, the investigator noted that the LDR form failed to categorize waste stream 9416315H as a non-wastewater [30 TEX. ADMIN. CODE § 335.431(c) and 40 CFR § 268.7(a)(2)].

4) Failed to submit a complete and correct Annual Waste Summary. Specifically, Akzo failed to report waste stream 9416315H (Metal Alkyls) on its 2004 Annual Waste Summary Report [30 TEX. ADMIN. CODE § 335.9(a)(2)].

5) Failed to properly complete the Texas Uniform Hazardous Waste Manifest. Specifically, the manifest failed to contain the appropriate notation in the hazardous materials column nor did it contain the waste classification code [30 TEX. ADMIN. CODE § 335.10(b)(17) and (22)].

6) Failed to update the Facility's Notice of Registration ("NOR"). Specifically, the following updates need to be made to the NOR: inactivate certain waste streams and waste management units; add certain waste management unit(s); add an EPA Hazardous Waste Number for a waste stream; update the regulatory status for a waste management unit; and other changes [30 TEX. ADMIN. CODE § 335.6(c)].

Attachment A

Docket Number: 2006-2039-IHW-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent: Akzo Nobel Polymer Chemicals LLC

Payable Penalty Amount: Ninety Thousand Two Hundred Sixteen Dollars (\$90,216)

SEP Amount: Forty-Five Thousand One Hundred Eight Dollars (\$45,108)

Type of SEP: Pre-approved

Third-Party Recipient: Houston-Galveston AERCO's Clean Cities/Clean Vehicles Program

Location of SEP: Harris 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 will contribute to Houston-Galveston AERCO's Clean Cities/Clean Vehicles Program in Harris County. The contribution will be used in accordance with the *Supplemental Environmental Project Agreement between the Houston-Galveston AERCO and the Texas Commission on Environmental Quality*. SEP monies will be used to aid local school districts and area transit agencies in reaching local match requirements mandated by the Federal Highway Administration's ("FHWA") Congestion Mitigation/Air Quality funding program. SEP monies will be disbursed to school districts and transit agencies in need of funding assistance in the Houston-Galveston non-attainment area. Those SEP monies will be used exclusively by the school districts and transit agencies as supplements to meet the local match requirements of the EPA. SEP monies will be used to pay for the cost of replacing older diesel buses with alternative fueled or clean diesel buses. The old buses will be permanently retired and only sold for scrap. The schools and transit agencies will also use the SEP monies to retrofit more buses to reduce emissions. Houston-Galveston AERCO will send the TCEQ verification in the form of paid invoices and other documentation to show that the retrofits were completed. Retrofit technologies include particulate matter traps, diesel particulate matter filters, NOx reduction catalyst technology in combination with diesel particulate filters, and other emission control technologies that are developed and approved by EPA or the California Air Resources Board.

The Respondent certifies that there is no prior commitment to do this project and that it is being performed solely in an effort to settle this enforcement action.

B. Environmental Benefit

This SEP will provide a discernible environmental benefit by reducing particulate emissions on buses by more than 90% below today's level and reducing hydrocarbons below measurement capability.

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:

Houston-Galveston Area Council
Houston-Galveston AERCO
P.O. Box 22777
Houston, Texas 77227-2777

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)

DATES	Assigned	23-Oct-2006	Screening	28-Nov-2006	EPA Due	11-Feb-2007
	PCW	19-Dec-2006				

RESPONDENT/FACILITY INFORMATION			
Respondent	Akzo Nobel Polymer Chemicals LLC		
Reg. Ent. Ref. No.	RN102177391		
Facility/Site Region	12-Houston	Major/Minor Source	Major

CASE INFORMATION				
Enf./Case ID No.	31793	No. of Violations	6	
Docket No.	2006-2039-IHW-E	Order Type	1660	
Media Program(s)	Industrial and Hazardous Waste	Enf. Coordinator	Michael Meyer	
Multi-Media		EC's Team	EnforcementTeam 8	
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 54% Enhancement Subtotals 2, 3, & 7

Notes

Culpability No Subtotal 4

Notes

Good Faith Effort to Comply 25% Reduction Subtotal 5

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary	<input type="text"/>	<input type="text"/>
Ordinary	X	<input type="text"/>
N/A		(mark with x)

Notes

50% Enhancement* Subtotal 6
 *Capped at the Total EB \$ Amount

Total EB Amounts	\$284,413
Approx. Cost of Compliance	\$578,460

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 20% Reduction Adjustment

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

Notes

PAYABLE PENALTY

Screening Date 28-Nov-2006

Docket No. 2006-2039-IHW-E

PCW

Respondent Akzo Nobel Polymer Chemicals LLC

Policy Revision 2 (September 2002)

Case ID No. 31793

PCW Revision December 8, 2006

Reg. Ent. Reference No. RN102177391

Media [Statute] Industrial and Hazardous Waste

Enf. Coordinator Michael Meyer

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component Number of... Enter Number Here Adjust.

NOVs	Written NOVs with same or similar violations as those in the current enforcement action (number of NOVs meeting criteria)	0	0%
	Other written NOVs	27	54%
Orders	Any agreed final enforcement orders containing a denial of liability (number of orders meeting criteria)	0	0%
	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)	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) 54%

>> 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 Respondent had 20 months of self-reported effluent quality violations and seven other written NOV for dissimilar violations.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 54%

Screening Date 28-Nov-2006

Docket No. 2006-2039-IHW-E

PCW

Respondent Akzo Nobel Polymer Chemicals LLC

Policy Revision 2 (September 2002)

Case ID No. 31793

PCW Revision December 8, 2006

Reg. Ent. Reference No. RN102177391

Media [Statute] Industrial and Hazardous Waste

Enf. Coordinator Michael Meyer

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code §§ 335.2(a) and 335.69(a) and 335.69(a)(1)(B) and 40 Code of Federal Regulations ("CFR") § 262.34(a) and 265.195(b)

Violation Description

Failed to conduct daily hazardous waste ("HW") tank inspections and to prevent the unauthorized storage of HW at the facility, as documented during an investigation conducted on September 14, 2006. Specifically, HW was stored in tanks T-65 and T-66 from May 30, 2000 until the tanks were removed and the HW disposed at an authorized facility on July 31 and August 8, 2006. These tanks were taken out-of-service on December 2, 1999. Per 40 CFR § 261.4(c), HW began accumulating in the tanks on March 1, 2000 and began exceeding the 90-day accumulation time requirement on May 30, 2000. T-65 contained approximately 12,000 lbs. and Tank T-66 contained approx. 7,700 lbs. of process residuals from the closed loop hexane recovery system characterized as D001 (ignitability) and D003 (reactivity) waste. Daily inspections had not been conducted on tanks T-65 and T-66 since November 18, 2000. Inspections for Tank No. 1419 were not conducted on 84 days in 2005 and two days in 2006.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential		x	

Percent 25%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes

Human health or the environment will or could be exposed to significant amounts of pollutants which would not exceed levels that are protective of human health or the environment.

Adjustment \$7,500

\$2,500

Violation Events

Number of Violation Events 25

2261 Number of violation days

mark only one with an x	daily	
	monthly	
	quarterly	x
	semiannual	
	annual	
	single event	

Violation Base Penalty \$62,500

25 quarterly events are recommended from the end of the 90-day accumulation time (May 30, 2000) to the date of compliance (August 18, 2006).

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$284,411

Violation Final Penalty Total \$111,875

This violation Final Assessed Penalty (adjusted for limits) \$111,875

Economic Benefit Worksheet

Respondent Akzo Nobel Polymer Chemicals LLC
Case ID No. 31793
Reg. Ent. Reference No. RN102177391
Media Industrial and Hazardous Waste
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
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	\$560,000	30-May-2000	18-Aug-2006	6.2	\$174,214	n/a	\$174,214
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)				0.0	\$0	n/a	\$0

Notes for DELAYED costs
 The cost, as provided by the Respondent, to remove and dispose of the hazardous waste from tanks T-65 and T-66 and provide hazardous waste inspection training. The Date Required is the beginning date on which the accumulation time was exceeded and the Final Date is the date of compliance.

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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	\$18,250	18-Nov-2000	18-Aug-2006	5.8	\$5,248	\$104,950	\$110,198
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
 Estimated annual cost to conduct daily inspections based on a cost of \$50 per day times 365 days. The Date Required is the date of the last daily inspection for tanks T-65 and T-66 and the Final Date is the date of compliance.

Approx. Cost of Compliance \$578,250
TOTAL \$284,411

Screening Date 28-Nov-2006

Docket No. 2006-2039-IHW-E

PCW

Respondent Akzo Nobel Polymer Chemicals LLC

Policy Revision 2 (September 2002)

Case ID No. 31793

PCW Revision December 8, 2006

Reg. Ent. Reference No. RN102177391

Media [Statute] Industrial and Hazardous Waste

Enf. Coordinator Michael Meyer

Violation Number 2

Rule Cite(s) 30 Tex. Admin. Code § 335.69(a)(1)(B) and 40 Code of Federal Regulations ("CFR") § 262.192(g)

Violation Description

Failed to keep on file the certified written assessment for Tank No. T-1419, as documented during an investigation conducted on September 14, 2006. Specifically, the Respondent failed to keep on file a written statement certifying that the tank was properly designed and installed.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual				0%
	Potential				

>> Programmatic Matrix

Matrix Notes	Falsification	Major	Moderate	Minor	Percent

Matrix Notes

Less than 30 percent of the rule requirement was not met.

Adjustment \$9,900

\$100

Violation Events

Number of Violation Events 1 13 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

Statutory Limit Test

Estimated EB Amount \$0

Violation Final Penalty Total \$179

This violation Final Assessed Penalty (adjusted for limits) \$179

Economic Benefit Worksheet

Respondent Akzo Nobel Polymer Chemicals LLC
Case ID No. 31793
Reg. Ent. Reference No. RN102177391
Media Industrial and Hazardous Waste
Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	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)	\$20	14-Sep-2006	27-Sep-2006	0.0	\$0	n/a	\$0

Notes for DELAYED costs
 Estimated cost to maintain a record of the certified written tank assessment on-site. The Date Required is the September 14, 2006 investigation date and the Final Date is the date the TCEQ received a copy of the written assessment from the Respondent.

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
 (This section is currently blank.)

Approx. Cost of Compliance \$20
TOTAL \$0

Screening Date 28-Nov-2006

Docket No. 2006-2039-IHW-E

PCW

Respondent Akzo Nobel Polymer Chemicals LLC

Policy Revision 2 (September 2002)

Case ID No. 31793

PCW Revision December 8, 2006

Reg. Ent. Reference No. RN102177391

Media [Statute] Industrial and Hazardous Waste

Enf. Coordinator Michael Meyer

Violation Number 3

Rule Cite(s) 30 Tex. Admin. Code § 335.431(c) and 40 CFR § 268.7(a)(2)

Violation Description Failed to indicate the category of waste on the Land Disposal Restriction ("LDR") form, as documented during an investigation conducted on September 14, 2006. Specifically, the investigator noted that the LDR form failed to categorize waste stream 9416315H as a non-wastewater.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm			Percent
	Major	Moderate	Minor	
Actual				0%
Potential				

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
			x	1%

Matrix Notes

Less than 30 percent of the rule requirement was not met.

Adjustment \$9,900

\$100

Violation Events

Number of Violation Events 1 Number of violation days 6

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

Statutory Limit Test

Estimated EB Amount \$0

Violation Final Penalty Total \$179

This violation Final Assessed Penalty (adjusted for limits) \$179

Economic Benefit Worksheet

Respondent Akzo Nobel Polymer Chemicals LLC
Case ID No. 31793
Reg. Ent. Reference No. RN102177391
Media Industrial and Hazardous Waste
Violation No. 3

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost <small>No commas or \$</small>	Date Required	Final Date	Yrs	Interest Saved	Overtime 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)	\$20	14-Sep-2006	20-Sep-2006	0.0	\$0	n/a	\$0

Notes for DELAYED costs Estimated cost to provide a corrected copy of the LDR form to the TCEQ. The Date Required is the September 14, 2006 investigation and the Final Date is the date of compliance.

Item Description	Item Cost <small>No commas or \$</small>	Date Required	Final Date	Yrs	Interest Saved	Overtime Costs	EB Amount
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 \$20 **TOTAL** \$0

Screening Date 28-Nov-2006

Docket No. 2006-2039-IHW-E

PCW

Respondent Akzo Nobel Polymer Chemicals LLC

Policy Revision 2 (September 2002)

Case ID No. 31793

PCW Revision December 8, 2006

Reg. Ent. Reference No. RN102177391

Media [Statute] Industrial and Hazardous Waste

Enf. Coordinator Michael Meyer

Violation Number 4

Rule Cite(s) 30 Tex. Admin. Code 335.9(a)(2)

Violation Description Failed to submit a complete and correct Annual Waste Summary, as documented during an investigation conducted on September 14, 2006. Specifically, the Respondent failed to report waste stream 9416315H (Metal Alkyls) on its 2004 Annual Waste Summary Report.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual				0%
	Potential				

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
			X	1%

Matrix Notes Less than 30 percent of the rule requirement was not met.

Adjustment \$9,900

\$100

Violation Events

Number of Violation Events 1 597 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

Statutory Limit Test

Estimated EB Amount \$2

Violation Final Penalty Total \$179

This violation Final Assessed Penalty (adjusted for limits) \$179

Economic Benefit Worksheet

Respondent Akzo Nobel Polymer Chemicals LLC
Case ID No. 31793
Reg. Ent. Reference No. RN102177391
Media Industrial and Hazardous Waste
Violation No. 4

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
------------------	-----------	---------------	------------	-----	----------------	---------------	-----------

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)	\$20	25-Jan-2005	21-Sep-2006	1.7	\$2	n/a	\$2

Notes for DELAYED costs

Estimated cost to amend and submit copies of the amended 2004 Annual Waste Summary to the Houston Regional Office. The Date Required is the date the 2004 Annual Waste Summary was due and the 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

\$20

TOTAL

\$2

Screening Date 28-Nov-2006

Docket No. 2006-2039-IHW-E

PCW

Respondent Akzo Nobel Polymer Chemicals LLC

Policy Revision 2 (September 2002)

Case ID No. 31793

PCW Revision December 8, 2006

Reg. Ent. Reference No. RN102177391

Media [Statute] Industrial and Hazardous Waste

Enf. Coordinator Michael Meyer

Violation Number 5

Rule Cite(s) 30 Tex. Admin. Code § 335.10(b)(17) and (22)

Violation Description Failed to properly complete the Texas Uniform Hazardous Waste Manifest, as documented during an investigation conducted on September 14, 2006. Specifically, the manifest failed to contain the appropriate notation in hazardous materials column nor did it contain the waste classification code.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual				0%
	Potential				

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor	Percent
				x	1%

Matrix Notes

Less than 30 percent of the rule requirement was not 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

Statutory Limit Test

Estimated EB Amount \$0

Violation Final Penalty Total \$179

This violation Final Assessed Penalty (adjusted for limits) \$179

Economic Benefit Worksheet

Respondent Akzo Nobel Polymer Chemicals LLC
Case ID No. 31793
Reg. Ent. Reference No. RN102177391
Media Industrial and Hazardous Waste
Violation No. 5

Percent Interest	Years of Depreciation
5.0	15

Item Description	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)	\$50	14-Sep-2006	25-Sep-2006	0.0	\$0	n/a	\$0

Notes for DELAYED costs
 Estimated cost to properly complete the hazardous waste manifests. The Date Required is the September 14, 2006 investigation and the Final Date is the compliance date.

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
 (This section is currently blank in the provided image.)

Approx. Cost of Compliance **TOTAL**
\$50 \$0

Screening Date 28-Nov-2006

Docket No. 2006-2039-IHW-E

PCW

Respondent Akzo Nobel Polymer Chemicals LLC

Policy Revision 2 (September 2002)

Case ID No. 31793

PCW Revision December 8, 2006

Reg. Ent. Reference No. RN102177391

Media [Statute] Industrial and Hazardous Waste

Enf. Coordinator Michael Meyer

Violation Number 6

Rule Cite(s)

30 Tex. Admin. Code § 335.6 (c)

Violation Description

Failed to update the Facility's Notice of Registration ("NOR"), as documented during an investigation conducted on September 14, 2006. Specifically, the following updates need to be made to the NOR: inactivate certain waste streams and waste management units; add certain waste management unit(s); add an EPA Hazardous Waste Number for a waste stream; update the regulatory status for a waste management unit; and other changes.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor
			x

Percent 1%

Matrix Notes

Less than 30 percent of the rule requirement was not met.

Adjustment \$9,900

\$100

Violation Events

Number of Violation Events 1

21 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

Statutory Limit Test

Estimated EB Amount \$0

Violation Final Penalty Total \$179

This violation Final Assessed Penalty (adjusted for limits) \$179

Economic Benefit Worksheet

Respondent Akzo Nobel Polymer Chemicals LLC
Case ID No. 31793
Reg. Ent. Reference No. RN102177391
Media Industrial and Hazardous Waste
Violation No. 6

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
------------------	-----------	---------------	------------	-----	----------------	---------------	-----------

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	\$100	14-Sep-2006	5-Oct-2006	0.1	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)				0.0	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to update the Notice of Registration. The Date Required is the September 14, 2006 investigation and the 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 \$100

TOTAL \$0

Compliance History

Customer/Respondent/Owner-Operator:	CN600125488	Akzo Nobel Polymer Chemicals LLC	Classification: AVERAGE	Rating: 2.89
Regulated Entity:	RN102177391	AKZO NOBEL CHEMICALS DEER PARK	Classification: AVERAGE	Site Rating: 1.15

ID Number(s):	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	EPA ID	TXD057191199
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION # (SWR)	30281
	WASTEWATER	PERMIT	WQ0004119000
	WASTEWATER	PERMIT	TPDES0006688
	AIR NEW SOURCE PERMITS	PERMIT	1505
	AIR NEW SOURCE PERMITS	PERMIT	1506
	AIR NEW SOURCE PERMITS	PERMIT	1587
	AIR NEW SOURCE PERMITS	PERMIT	1885
	AIR NEW SOURCE PERMITS	PERMIT	2300
	AIR NEW SOURCE PERMITS	PERMIT	7381
	AIR NEW SOURCE PERMITS	PERMIT	7407
	AIR NEW SOURCE PERMITS	PERMIT	7700
	AIR NEW SOURCE PERMITS	PERMIT	8149
	AIR NEW SOURCE PERMITS	PERMIT	13887
	AIR NEW SOURCE PERMITS	PERMIT	19545
	AIR NEW SOURCE PERMITS	PERMIT	24066
	AIR NEW SOURCE PERMITS	PERMIT	33000
	AIR NEW SOURCE PERMITS	PERMIT	34028
	AIR NEW SOURCE PERMITS	PERMIT	35804
	AIR NEW SOURCE PERMITS	PERMIT	39461
	AIR NEW SOURCE PERMITS	PERMIT	45065
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	HG0717K
	AIR NEW SOURCE PERMITS	AFS NUM	0052
	AIR NEW SOURCE PERMITS	REGISTRATION	76287
	AIR NEW SOURCE PERMITS	REGISTRATION	72468
	AIR NEW SOURCE PERMITS	REGISTRATION	72458
	AIR NEW SOURCE PERMITS	REGISTRATION	73260
	AIR NEW SOURCE PERMITS	PERMIT	74129
	AIR NEW SOURCE PERMITS	REGISTRATION	77777
	AIR NEW SOURCE PERMITS	REGISTRATION	80475
	USED OIL	ID NUMBER	HOU00034
	PUBLIC WATER SYSTEM/SUPPLY	REGISTRATION	1012160

Location: 730 BATTLEGROUND RD, DEER PARK, TX, 77571 Rating Date: 9/1/2006 Repeat Violator: NO

TCEQ Region: REGION 12 - HOUSTON

Date Compliance History Prepared: December 21, 2006

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: October 28, 2001 to October 27, 2006

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

Name: Michael Meyer Phone: (512) 239-4492

Site Compliance History Components

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

Components (Multimedia) for the Site :

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

N/A

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	02/21/2002	(159748)
2	11/26/2001	(104110)
3	12/28/2001	(104111)
4	08/25/2005	(405730)
5	01/02/2002	(104112)
6	05/24/2002	(104113)
7	04/22/2004	(352411)
8	05/21/2004	(352412)
9	06/09/2005	(373964)
10	06/21/2004	(352413)
11	02/22/2005	(440943)
12	08/23/2004	(260368)
13	07/26/2004	(352414)
14	04/22/2005	(440944)
15	05/20/2005	(440945)
16	08/23/2004	(352415)
17	05/26/2006	(467352)
18	06/23/2005	(440946)
19	09/21/2004	(352416)
20	07/22/2005	(440947)
21	10/21/2004	(352417)
22	08/24/2005	(440948)
23	02/04/2002	(282752)
24	09/22/2005	(440949)
25	11/11/2004	(290377)
26	08/31/2004	(290511)
27	04/21/2005	(378234)
28	02/22/2006	(468618)
29	02/20/2004	(296052)
30	03/24/2003	(296053)
31	12/08/2005	(435088)
32	03/22/2006	(468619)
33	03/19/2004	(296055)
34	10/24/2005	(468620)
35	04/20/2005	(374496)
36	05/27/2003	(296057)
37	11/21/2005	(468621)
38	06/23/2003	(296058)
39	01/23/2006	(468622)
40	07/24/2003	(296060)
41	08/22/2003	(296062)
42	01/24/2003	(159786)
43	12/05/2002	(15819)
44	01/22/2002	(159785)
45	02/07/2006	(452915)
46	09/19/2003	(296064)
47	12/23/2002	(159782)
48	05/26/2006	(467356)
49	12/27/2001	(159781)
50	10/22/2003	(296066)
51	11/24/2003	(296067)
52	04/24/2006	(498332)
53	12/22/2003	(296069)
54	10/19/2006	(512231)
55	11/22/2002	(159778)
56	05/22/2006	(498333)
57	11/26/2001	(159777)
58	06/21/2006	(498334)
59	01/21/2004	(296071)
60	08/11/2004	(289196)
61	02/07/2003	(23659)
62	10/25/2004	(291825)
63	10/21/2002	(159774)

64 09/23/2002 (159771)
 65 10/22/2004 (337772)
 66 05/26/2005 (392939)
 67 08/21/2002 (159768)
 68 12/14/2004 (337579)
 69 03/21/2005 (381966)
 70 11/22/2004 (381967)
 71 07/24/2002 (159765)
 72 12/20/2004 (381968)
 73 02/28/2006 (457025)
 74 01/21/2005 (381969)
 75 06/24/2002 (159762)
 76 05/26/2006 (467293)
 77 03/09/2005 (372933)
 78 05/23/2002 (159759)
 79 04/21/2003 (159756)
 80 03/28/2005 (375292)
 81 04/22/2002 (159755)
 82 05/26/2006 (467322)
 83 03/29/2005 (341777)
 84 07/24/2006 (520347)
 85 03/25/2002 (159751)
 86 08/21/2006 (520348)
 87 09/21/2006 (520349)
 88 02/21/2003 (159749)

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

N/A

Date: 08/31/2006 (520349)
 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: 01/31/2005 (440943)
 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: 05/28/2002 (104113)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 Rqmt Prov: OP IA
 Description: PERMIT SPECIAL CONDITI
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 Rqmt Prov: OP IA
 Description: PERMIT SPECIAL CONDITI
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 101, SubChapter A 101.11(a)[G]
 Description: EXEMPTIONS-MAJOR UPSET
 Date: 03/31/2005 (440944)
 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: 05/31/2004 (352413)
 Self Report? YES Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 TWC Chapter 26 26.121(a)[G]
 Description: Failure to meet the limit for one or more permit parameter
 Date: 06/30/2004 (352414)

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: 03/09/2005 (372933)

Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 Description: Failure to comply with the permitted effluent parameters at Outfall 001 and Outfall 101.

Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 319, SubChapter A 319.5(b)
 Description: Failure to comply with the permitted sampling requirements at Outfall 101.
 Date: 12/14/2004 (337579)

Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
 5C THC Chapter 382, SubChapter A 382.085(b)
 Rqmt Prov: PERMIT IA
 Description: Failed to prevent an avoidable emissions event. Incident No. 44306.
 Date: 12/04/2002 (15819)

Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 319, SubChapter A 319.4
 Description: Failure to monitor total chlorine residual at outfall 001 as required by the permit.

Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 319, SubChapter A 319.5(b)
 Description: Failure to collect samples, during discharge events, at the frequency required by the permit.

Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 319, SubChapter A 319.7(a)[G]
 Description: Failure to record the time the samples were collected for each sampling event.

Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 319, SubChapter A 319.1
 Description: Failure to report effluent data as required by the permit.

Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 319, SubChapter A 319.1
 Description: Failure to report correct dry weather daily average flow values and dry weather daily maximum flow values.
 Date: 05/31/2005 (440946)

Self Report? YES Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 TWC Chapter 26 26.121(a)[G]
 Description: Failure to meet the limit for one or more permit parameter
 Date: 06/09/2005 (373964)

Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 101, SubChapter F 101.201(c)
 Description: The RE failed to create a final report 14 after the end of the emissions event.

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 IA
 Description: RE failed to prevent unauthorized emissions.
 Date: 06/30/2005 (440947)

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: 01/31/2006 (468618)

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: 09/30/2005 (468620)
 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: 07/31/2005 (440948)
 Self Report? YES Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 TWC Chapter 26 26.121(a)[G]

Description: Failure to meet the limit for one or more permit parameter
 Date: 10/31/2005 (468621)
 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: 08/31/2005 (440949)
 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: 07/31/2003 (296062)
 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: 08/31/2003 (296064)
 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: 03/31/2006 (498332)
 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: 05/31/2006 (498334)
 Self Report? YES Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 TWC Chapter 26 26.121(a)[G]

Description: Failure to meet the limit for one or more permit parameter
 Date: 12/31/2003 (296071)
 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: 03/29/2005 (341777)
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 122, SubChapter B 122.136(b)

Description: Failure to include the relevant information that was omitted in the permit within 60 days upon discovery.
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 122, SubChapter C 122.222(k)(2)

Description: Failure to provide written notification to the executive director for modifications authorized under Permit-By-Rule.

Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 115, SubChapter D 115.352(2)
Description: Failure to follow Test Method 21 for the leaking fugitive monitoring components.

Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 115, SubChapter D 115.352(2)
30 TAC Chapter 116, SubChapter B 116.115(c)
Rqmt Prov: OP IA
PA IA
Description: Failure to follow Test Method 21 for a leaking fugitive monitoring component.

Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 115, SubChapter D 115.352(2)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
Rqmt Prov: OP IA
PA IA
Description: Failure to follow Test Method 21 for a leaking fugitive monitoring component.

Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 122, SubChapter B 122.145(2)(A)
Description: Failure to report four (4) deviations for failure to follow Test Method 21 for the leaking fugitive monitoring components.

Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 115, SubChapter D 115.352(2)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
Rqmt Prov: OP IA
PA IA
Description: Failure to follow Test Method 21 for a leaking fugitive monitoring component.
Date: 02/28/2005 (381966)

Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter
Date: 11/30/2004 (381968)

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: 04/20/2005 (374496)

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.110(a)[G]
5C THC Chapter 382, SubChapter A 382.085(b)
Description: Akzo Nobel failed to prevent an avoidable emissions event at the Tank Farm.
Date: 07/31/2006 (520348)

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

- F. Environmental audits.
N/A
- 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 AKZO NOBEL
POLYMER CHEMICALS LLC
RN102177391

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§
§
§
§

BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY

AGREED ORDER
DOCKET NO. 2006-2039-IHW-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 Akzo Nobel Polymer Chemicals LLC ("Akzo") under the authority of TEX. HEALTH & SAFETY CODE ch. 361 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and Akzo appear before the Commission and together stipulate that:

1. Akzo owns and operates an organic chemical manufacturing facility located at 730 Battleground Road in Deer Park, Harris County, Texas (the "Facility").
2. The Facility involves or involved the management of industrial hazardous waste as defined in TEX. HEALTH & SAFETY CODE ch. 361.
3. The Commission and Akzo agree that the Commission has jurisdiction to enter this Agreed Order, and that Akzo is subject to the Commission's jurisdiction.
4. Akzo received notice of the violations alleged in Section II ("Allegations") on or about October 24, 2006.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by Akzo of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
6. An administrative penalty in the amount of One Hundred Twelve Thousand Seven Hundred Seventy Dollars (\$112,770) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). Akzo has paid Forty-Five Thousand One Hundred Eight Dollars (\$45,108) of the administrative penalty and Twenty-Two Thousand Five Hundred Fifty-Four

Dollars (\$22,554) is deferred contingent upon Akzo'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 Akzo fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require Akzo to pay all or part of the deferred penalty. Forty-Five Thousand One Hundred Eight Dollars (\$45,108) shall be conditionally offset by Akzo's completion of a Supplemental Environmental Project.

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 Akzo 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 Akzo has implemented the following corrective measures at the Facility:
 - a. Removed tanks T-65 and T-66 and the hazardous waste contained in these tanks was removed and shipped off-site for disposal on July 31 and August 8, 2006;
 - b. On August 18, 2006, conducted hazardous waste tank inspection training for its employees and, after this date, tank inspections were conducted daily;
 - c. On September 20, 2006, submitted a corrected copy of the Land Disposal Restriction ("LDR") form for waste stream 9416315H;
 - d. On September 21, 2006, submitted copies of the amended 2004 Annual Waste Summary to the TCEQ Houston Regional Office;
 - e. On September 25, 2006, submitted documentation to the TCEQ Houston Regional Office demonstrating that revisions to the Texas Uniform Hazardous Waste Manifests were properly completed;
 - f. On September 27, 2006, submitted a certified written tank assessment for Tank No. T-1419 to the TCEQ Houston Regional Office; and
 - g. On October 5, 2006, completed updates to its Notice of Registration ("NOR") electronically through the State of Texas Environmental Electronic Reporting System.
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 Akzo 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 Facility, Akzo is alleged to have:

1. Failed to conduct daily hazardous waste tank inspections and to prevent the unauthorized storage of hazardous waste at the Facility, in violation of 30 TEX. ADMIN. CODE §§ 335.2(a), 335.69(a), 335.69(a)(1)(B) and 40 CODE OF FEDERAL REGULATIONS ("CFR") §§ 262.34(a) and 265.195(b), as documented during an investigation conducted on September 14, 2006. Specifically, hazardous waste was stored in tanks T-65 and T-66 from May 30, 2000 until the tanks were removed and the hazardous waste disposed at an authorized facility on July 31 and August 8, 2006. These tanks were taken out-of-service on December 2, 1999. Per 40 CFR § 261.4(c), hazardous waste began accumulating in the tanks on March 1, 2000 and began exceeding the 90 day accumulation time requirement on May 30, 2000. Tank T-65 contained approximately 12,000 pounds and Tank T-66 contained approximately 7,700 pounds of process residuals from the closed loop hexane recovery system which were characterized as D001 (ignitability) and D003 (reactivity) wastes, respectively. Daily inspections had not been conducted on tanks T-65 and T-66 since November 18, 2000. Also, inspections for Tank No. 1419 were not conducted on 84 days in 2005 and two days in 2006.
2. Failed to keep on file the certified written assessment for tank systems used to store or treat hazardous waste, in violation of 30 TEX. ADMIN. CODE § 335.69(a)(1)(B) and 40 CFR § 265.192(g), as documented during an investigation conducted on September 14, 2006. Specifically, Akzo failed to keep on file a written statement certifying that Hazardous Waste Storage Tank No. T-1419 was properly designed and installed.
3. Failed to indicate the category of waste on the Land Disposal Restriction ("LDR") form, in violation of 30 TEX. ADMIN. CODE § 335.431(c) and 40 CFR § 268.7(a)(2), as documented during an investigation conducted on September 14, 2006. Specifically, the investigator noted that the LDR form failed to categorize waste stream 9416315H as a non-wastewater.
4. Failed to submit a complete and correct Annual Waste Summary, in violation of 30 TEX. ADMIN. CODE § 335.9(a)(2), as documented during an investigation conducted on September 14, 2006. Specifically, Akzo failed to report waste stream 9416315H (Metal Alkyls) on its 2004 Annual Waste Summary Report.
5. Failed to properly complete the Texas Uniform Hazardous Waste Manifest, in violation of 30 TEX. ADMIN. CODE § 335.10(b)(17) and (22), as documented during an investigation conducted on September 14, 2006. Specifically, the manifest failed to contain the appropriate notation in the hazardous materials column nor did it contain the waste classification code.
6. Failed to update the Facility's NOR, in violation of 30 TEX. ADMIN. CODE § 335.6(c), as documented during an investigation conducted on September 14, 2006. Specifically, the following updates need to be made to the NOR: inactivate certain waste streams and waste management units; add certain waste management unit(s); add an EPA Hazardous Waste Number for a waste stream; update the regulatory status for a waste management unit; and other changes.

III. DENIALS

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

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that Akzo pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and Akzo'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: Akzo Nobel Polymer Chemicals LLC, Docket No. 2006-2039-IHW-E" to:

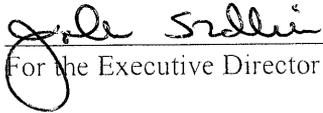
Financial Administration Division, Revenues Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088
2. Akzo shall implement and complete a Supplemental Environmental Project ("SEP") in accordance with TEX. WATER CODE § 7.067. As set forth in Section I, Paragraph 6 above, Forty-Five Thousand One Hundred Eight Dollars (\$45,108) of the assessed administrative penalty shall be offset with the condition that Akzo implement the SEP defined in Attachment A, incorporated herein by reference. Akzo'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 Akzo. Akzo is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Facility operations referenced in this Agreed Order.
4. If Akzo 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, Akzo's failure to comply is not a violation of this Agreed Order. Akzo shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. Akzo shall notify the Executive Director within seven days after Akzo become 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 Akzo shall be made in writing to the Executive Director. Extensions are not effective until Akzo 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 Akzo 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 Akzo, or three days after the date on which the Commission mails notice of the Order to Akzo, 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

8/2/07

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

June 26, 2007

Date

Gordon F. Mantens

Name (Printed or typed)
Authorized Representative of
Akzo Nobel Polymer Chemicals LLC

Site Manager

Title

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

Attachment A
Docket Number: 2006-2039-IHW-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent: Akzo Nobel Polymer Chemicals LLC

Payable Penalty Amount: Ninety Thousand Two Hundred Sixteen Dollars (\$90,216)

SEP Amount: Forty-Five Thousand One Hundred Eight Dollars (\$45,108)

Type of SEP: Pre-approved

Third-Party Recipient: Houston-Galveston AERCO's Clean Cities/Clean Vehicles Program

Location of SEP: Harris 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 will contribute to Houston-Galveston AERCO's Clean Cities/Clean Vehicles Program in Harris County. The contribution will be used in accordance with the *Supplemental Environmental Project Agreement between the Houston-Galveston AERCO and the Texas Commission on Environmental Quality*. SEP monies will be used to aid local school districts and area transit agencies in reaching local match requirements mandated by the Federal Highway Administration's ("FHWA") Congestion Mitigation/Air Quality funding program. SEP monies will be disbursed to school districts and transit agencies in need of funding assistance in the Houston-Galveston non-attainment area. Those SEP monies will be used exclusively by the school districts and transit agencies as supplements to meet the local match requirements of the EPA. SEP monies will be used to pay for the cost of replacing older diesel buses with alternative fueled or clean diesel buses. The old buses will be permanently retired and only sold for scrap. The schools and transit agencies will also use the SEP monies to retrofit more buses to reduce emissions. Houston-Galveston AERCO will send the TCEQ verification in the form of paid invoices and other documentation to show that the retrofits were completed. Retrofit technologies include particulate matter traps, diesel particulate matter filters, NOx reduction catalyst technology in combination with diesel particulate filters, and other emission control technologies that are developed and approved by EPA or the California Air Resources Board.

The Respondent certifies that there is no prior commitment to do this project and that it is being performed solely in an effort to settle this enforcement action.

B. Environmental Benefit

This SEP will provide a discernible environmental benefit by reducing particulate emissions on buses by more than 90% below today's level and reducing hydrocarbons below measurement capability.

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:

Houston-Galveston Area Council
Houston-Galveston AERCO
P.O. Box 22777
Houston, Texas 77227-2777

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.

