

EXECUTIVE SUMMARY - ENFORCEMENT MATTER

DOCKET NO.: 2007-0838-AIR-E **TCEQ ID:** N100825413 **CASE NO.:** 33624

RESPONDENT NAME: PD Glycol LP

ORDER TYPE:		
<input checked="" type="checkbox"/> 1660 AGREED ORDER	<input type="checkbox"/> FINDINGS AGREED ORDER	<input type="checkbox"/> FINDINGS ORDER FOLLOWING SOAH HEARING
<input type="checkbox"/> FINDINGS DEFAULT ORDER	<input type="checkbox"/> SHUTDOWN ORDER	<input type="checkbox"/> IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER
<input type="checkbox"/> AMENDED ORDER	<input type="checkbox"/> EMERGENCY ORDER	
CASE TYPE:		
<input checked="" type="checkbox"/> AIR	<input type="checkbox"/> MULTI-MEDIA (check all that apply)	<input type="checkbox"/> INDUSTRIAL AND HAZARDOUS WASTE
<input type="checkbox"/> PUBLIC WATER SUPPLY	<input type="checkbox"/> PETROLEUM STORAGE TANKS	<input type="checkbox"/> OCCUPATIONAL CERTIFICATION
<input type="checkbox"/> WATER QUALITY	<input type="checkbox"/> SEWAGE SLUDGE	<input type="checkbox"/> UNDERGROUND INJECTION CONTROL
<input type="checkbox"/> MUNICIPAL SOLID WASTE	<input type="checkbox"/> RADIOACTIVE WASTE	<input type="checkbox"/> DRY CLEANER REGISTRATION
<p>SITE WHERE VIOLATION(S) OCCURRED: PD Glycol Beaumont Plant, 3510 Gulf States Road, Beaumont, Jefferson County</p> <p>TYPE OF OPERATION: Petrochemical 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 additional pending enforcement actions regarding this facility location, Docket No. 2007-4208-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 October 8, 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: Ms. Trina Grieco, Enforcement Division, Enforcement Team 5, MC R-13, (210) 403-4006; Mr. David Van Soest, Enforcement Division, MC 219, (512) 239-0468 Respondent: Mr. Randal Tatum, Plant Manager, PD Glycol LP, P.O. Box 3785, Beaumont, Texas 77704-3785 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 type="checkbox"/> Routine <input type="checkbox"/> Enforcement Follow-up <input checked="" type="checkbox"/> Records Review</p> <p>Date(s) of Complaints Relating to this Case: None</p> <p>Date of Investigation Relating to this Case: March 26, 2007</p> <p>Date of NOV/NOE Relating to this Case: May 23, 2007 (NOE)</p> <p>Background Facts: This was a routine record review. One violation was documented.</p> <p>AIR</p> <p>Failed to prevent unauthorized emissions. Specifically, unauthorized emissions of 557.8 pounds of volatile organic compounds were released through the Glycol II Emergency Vent (emission point number EMRG VENT) in the Ethylene Glycol Unit II during an emissions event that occurred on February 21, 2007 and lasted two minutes. These emissions are not authorized by the permit. Since the emissions event was avoidable, PD Glycol failed to meet the demonstration criteria for an affirmative defense in 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), New Source Review Permit No. 8639A, Special Condition 3B and Federal Operating Permit No. O-2190, General Terms and Conditions and Special Condition 9 and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p>	<p>Total Assessed: \$3,475</p> <p>Total Deferred: \$695 <input checked="" type="checkbox"/> Expedited Settlement <input type="checkbox"/> Financial Inability to Pay</p> <p>SEP Conditional Offset: \$1,390</p> <p>Total Paid to General Revenue: \$1,390</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 PD Glycol implemented the following corrective action measures, which were completed by February 28, 2007:</p> <p>a. Began recording the amperage reading of the motor associated with the Cycle Gas Compressor on the operator evaluation sheet versus using the previous method of using a check mark if amperages were between the listed values; and</p> <p>b. Changed the amperage readings from the analog readout at the motor to the more precise digital readout at the switchgear.</p> <p>Ordering Provisions:</p> <p>2) The Order will require PD Glycol to implement and complete a Supplemental Environmental Project (SEP). (See SEP Attachment A)</p>

Additional ID No(s): JE0049K

Attachment A
Docket Number: 2007-0838-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	PD Glycol LP
Payable Penalty Amount:	Two Thousand Seven Hundred Eighty Dollars (\$2,780)
SEP Amount:	One Thousand Three Hundred Ninety Dollars (\$1,390)
Type of SEP:	Pre-approved
Third-Party Recipient:	South East Texas Regional Planning Commission-West Port Arthur Home Energy Efficiency Program
Location of SEP:	Jefferson County

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

1. Project Description

A. Project

The Respondent shall contribute to the Third-Party Recipient pursuant to the agreement between the Third-Party Recipient and the TCEQ. Specifically, the contribution will be used to conduct home energy audits and to assist low income residents in the West Port Arthur area by weatherizing their homes which will improve their homes' energy efficiency. SEP monies will be used to pay for the cost of caulking and insulating homes, replacing heating and cooling systems and major appliances with new, energy efficient equipment.

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 residential fuel and electricity usage for heating and cooling. These reductions, in turn, will reduce emissions of particulate matter, volatile organic compounds, and nitrogen oxides associated with the combustion of fuel and generation of electricity. Additionally, the improvements will improve homes as shelters for responding to emergency releases.

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:

South East Texas Regional Planning Commission
Transportation and Environmental Resources
Bob Dickenson, Director
2210 Eastex Freeway
Beaumont, Texas 77703

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.



Policy Revision 2 (September 2002)

Penalty Calculation Worksheet (PCW)

PCW Revision May 25, 2007

DATES	Assigned	29-May-2007	Screening	30-May-2007	EPA Due	17-Feb-2008
	PCW	5-Jul-2007				

RESPONDENT/FACILITY INFORMATION			
Respondent	PD Glycol LP		
Reg. Ent. Ref. No.	RN100825413		
Facility/Site Region	10-Beaumont	Major/Minor Source	Major

CASE INFORMATION				
Enf./Case ID No.	33624	No. of Violations	1	
Docket No.	2007-0838-AIR-E	Order Type	1660	
Media Program(s)	Air	Enf. Coordinator	Trina Grieco	
Multi-Media		EC's Team	EnforcementTeam 5	
Admin. Penalty \$	Limit Minimum	\$0	Maximum	\$10,000

Penalty Calculation Section

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

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

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

Notes:

Culpability Enhancement **Subtotal 4**

Notes:

Good Faith Effort to Comply Reduction **Subtotal 5**

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

Notes:

Approx. Cost of Compliance **Subtotal 6**

Total EB Amounts **0% Enhancement***

*Capped at the Total EB \$ Amount

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

OTHER FACTORS AS JUSTICE MAY REQUIRE **Adjustment**

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

Notes:

Final Penalty Amount

STATUTORY LIMIT ADJUSTMENT **Final Assessed Penalty**

DEFERRAL 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 30-May-2007

Docket No. 2007-0838-AIR-E

PCW

Respondent PD Glycol LP

Policy Revision 2 (September 2002)

Case ID No. 33624

PCW Revision May 25, 2007

Reg. Ent. Reference No. RN100825413

Media [Statute] Air

Enf. Coordinator Trina Grieco

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 (<i>number of NOVs meeting criteria</i>)	0	0%
	Other written NOVs	3	6%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	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 (<i>number of judgements or consent decrees meeting criteria</i>)	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 (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	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 (<i>number of audits for which notices were submitted</i>)	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	1	-2%

Please Enter Yes or No

Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 64%

>> **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 Penalty enhancement due to three NOVs issued for non-similar violations (which includes one self-reported effluent violation) and three agreed orders issued with a denial of liability. Penalty reduction due to one violation disclosure submitted.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 64%

Screening Date 30-May-2007

Docket No. 2007-0838-AIR-E

PCW

Respondent PD Glycol LP

Policy Revision 2 (September 2002)

Case ID No. 33624

PCW Revision May 25, 2007

Reg. Ent. Reference No. RN100825413

Media [Statute] Air

Enf. Coordinator Trina Grieco

Violation Number

Rule Cite(s) 30 Tex. Admin. Code §§ 116.115(c) and 122.143(4), New Source Review Permit No. 8639A, Special Condition 3B and Federal Operating Permit No. O-2190, General Terms and Conditions and Special Condition 9 and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to prevent unauthorized emissions. Specifically, unauthorized emissions of 557.8 pounds of volatile organic compounds were released through the Glycol II Emergency Vent (emission point number EMRG VENT) in the Ethylene Glycol Unit II during an emissions event that occurred on February 21, 2007 and lasted two minutes. These emissions are not authorized by the permit. Since the emissions event was avoidable, PD Glycol failed to meet the demonstration criteria for an affirmative defense in 30 Tex. Admin. Code § 101.222.

Base Penalty

>> Environmental, Property and Human Health Matrix

Release	Harm			Percent
	Major	Moderate	Minor	
Actual	<input type="text"/>	<input type="text"/>	<input checked="" type="text" value="x"/>	<input type="text" value="25%"/>
Potential	<input type="text"/>	<input type="text"/>	<input type="text"/>	

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="0%"/>

Matrix Notes Human health or the environment in the Beaumont-Port Arthur non-attainment area has been exposed to an insignificant amount of pollutants as a result of the violation.

Adjustment

Violation Events

Number of Violation Events Number of violation days

<i>mark only one with an x</i>	daily	<input type="text"/>
	monthly	<input type="text"/>
	quarterly	<input type="text"/>
	semiannual	<input type="text"/>
	annual	<input type="text"/>
	single event	<input checked="" type="text" value="x"/>

Violation Base Penalty

One single event is recommended.

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount

Violation Final Penalty Total

This violation Final Assessed Penalty (adjusted for limits)

Economic Benefit Worksheet

Respondent PD Glycol LP
Case ID No. 33624
Reg. Ent. Reference No. RN100825413
Media Air
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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No commas or \$

Delayed Costs

Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)	\$1,000	21-Feb-2007	28-Feb-2007	0.0	\$1	n/a	\$1

Notes for DELAYED costs

Estimated cost to begin recording the amperage reading of the motor associated with the Cycle Gas Compressor on the operator evaluation sheet versus using the previous method of using a check mark if amperages were between the listed values and to change the amperage readings from the analog readout at the motor to the more precise digital readout at the switchgear. Date required is the date of the event. Final date is the date corrective actions were completed.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equipment				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance \$1,000

TOTAL \$1

Compliance History

Customer/Respondent/Owner-Operator: CN600505648 .PD Glycol LP Classification: AVERAGE Rating: 1.96
 Regulated Entity: RN100825413 PD GLYCOL BEAUMONT PLANT Classification: AVERAGE Site Rating: 1.96

ID Number(s):	AIR OPERATING PERMITS	ACCOUNT NUMBER	JE0049K
	AIR OPERATING PERMITS	PERMIT	1620
	AIR OPERATING PERMITS	PERMIT	2190
	WASTEWATER	PERMIT	WQ0000490000
	WASTEWATER	PERMIT	TPDES0008931
	WASTEWATER	PERMIT	TX0008931
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION # (SWR)	37988
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION # (SWR)	30583
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	EPA ID	TXD020805446
	AIR NEW SOURCE PERMITS	REGISTRATION	54604
	AIR NEW SOURCE PERMITS	REGISTRATION	55286
	AIR NEW SOURCE PERMITS	PERMIT	54514
	AIR NEW SOURCE PERMITS	REGISTRATION	78746
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	JE0049K
	AIR NEW SOURCE PERMITS	AFS NUM	4824500005
	AIR NEW SOURCE PERMITS	PERMIT	16357
	AIR NEW SOURCE PERMITS	PERMIT	3361A
	AIR NEW SOURCE PERMITS	PERMIT	8639A
	AIR NEW SOURCE PERMITS	PERMIT	10261
	AIR NEW SOURCE PERMITS	PERMIT	11673
	AIR NEW SOURCE PERMITS	PERMIT	11820
	AIR NEW SOURCE PERMITS	PERMIT	12799
	STORMWATER	PERMIT	TXR050019
	IHW CORRECTIVE ACTION	SOLID WASTE REGISTRATION # (SWR)	30583

Location: 3510 GULF STATES RD, BEAUMONT, TX, 77701 Rating Date: September 01 06 Repeat Violator: No

TCEQ Region: REGION 10 - BEAUMONT

Date Compliance History Prepared: May 29, 2007

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: May 29, 2002 to May 29, 2007

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

Name: Trina Grieco Phone: (210) 403-4006

Site Compliance History Components

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

Components (Multimedia) for the Site :

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

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

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

Classification: Minor
 Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)(8)
 Description: Failed to include the preconstruction authorization rule citation in the final record submitted to the TCEQ for the emission event that occurred on August 22, 2003.

Effective Date: 02/20/2006 ADMINORDER 2005-0633-AIR-E
 Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)

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

Rqmt Prov: Permit No. 3361A MAERT PERMIT

Description: Failure to prevent emissions from sources not authorized by the permit, the Ethylene Glycol Unit No. I and II Emergency Vents, on July 12 and August 10, 2004, and from September 15 through October 3, 2004.

Classification: Moderate

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

Rqmt Prov: Air Permit No. 3361A MAERT PERMIT

Description: Failure to prevent emissions from sources not authorized by the permit, the Ethylene Glycol Unit No. I Emergency Vent, on March 25, 2005.

Effective Date: 04/26/2007

ADMINORDER 2006-1133-AIR-E

Classification: Moderate

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

Rqmt Prov: 3361A SC3 PERMIT

Description: Failure to maintain emissions below the allowable emission limit.

Classification: Moderate

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

Rqmt Prov: 8639A SC 3A PERMIT

Description: Failure to maintain emissions below the allowable emission limit.

Classification: Moderate

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

Rqmt Prov: 3361A PERMIT

Description: Failure to maintain emissions below the allowable emission limit. The July 20, 2006, emissions event released 11.0 pounds of ethylene glycol and 3,214 pounds of ethylene oxide from the Glycol 1 Emergency Vent.

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. (CEEDS Inv. Track. No.)

1	06/17/2002	(161613)
2	07/17/2002	(161616)
3	08/01/2002	(3922)
4	08/01/2002	(4737)
5	08/23/2002	(161619)
6	09/20/2002	(161622)
7	10/21/2002	(161625)
8	11/18/2002	(161628)
9	12/13/2002	(161630)
10	01/17/2003	(161633)
11	02/10/2003	(161603)
12	03/20/2003	(296759)
13	04/04/2003	(161608)
14	05/21/2003	(296763)
15	06/11/2003	(35304)
16	06/20/2003	(296764)
17	07/18/2003	(296765)
18	08/15/2003	(296766)
19	09/19/2003	(296767)
20	10/21/2003	(296768)
21	11/13/2003	(252664)

22	11/14/2003	(296769)
23	12/22/2003	(296770)
24	01/13/2004	(256356)
25	01/13/2004	(256357)
26	01/13/2004	(256358)
27	01/16/2004	(296771)
28	02/10/2004	(296758)
29	03/23/2004	(296760)
30	04/20/2004	(296761)
31	04/22/2004	(262190)
32	06/08/2004	(352749)
33	07/15/2004	(352750)
34	08/03/2004	(283981)
35	08/16/2004	(352751)
36	08/25/2004	(264050)
37	08/31/2004	(275950)
38	09/13/2004	(352752)
39	10/15/2004	(352753)
40	11/10/2004	(382127)
41	12/16/2004	(382128)
42	01/21/2005	(382129)
43	02/22/2005	(441102)
44	03/02/2005	(345738)
45	03/16/2005	(382126)
46	04/18/2005	(441103)
47	05/20/2005	(441104)
48	06/14/2005	(441105)
49	06/21/2005	(375835)
50	07/19/2005	(441106)
51	08/12/2005	(441107)
52	08/16/2005	(394905)
53	09/09/2005	(404884)
54	09/16/2005	(441108)
55	10/09/2005	(468886)
56	11/14/2005	(468887)
57	11/15/2005	(436085)
58	11/17/2005	(406277)
59	12/16/2005	(468888)
60	01/20/2006	(468889)
61	01/27/2006	(439364)
62	02/21/2006	(468884)
63	02/24/2006	(450862)
64	03/23/2006	(468885)
65	03/31/2006	(455423)
66	03/31/2006	(455364)
67	04/17/2006	(498498)
68	05/23/2006	(498499)
69	06/21/2006	(498500)
70	07/13/2006	(465277)
71	07/18/2006	(498501)
72	07/27/2006	(483370)
73	08/17/2006	(520499)
74	09/13/2006	(520500)
75	09/21/2006	(512398)
76	10/17/2006	(520501)
77	11/27/2006	(517987)
78	11/29/2006	(518158)
79	12/08/2006	(533632)
80	02/01/2007	(538195)
81	02/01/2007	(531481)
82	02/14/2007	(535191)
83	02/22/2007	(484579)
84	03/15/2007	(541476)
85	03/16/2007	(537038)
86	03/19/2007	(542288)
87	05/04/2007	(542813)
88	05/09/2007	(557257)
89	05/14/2007	(560463)
90	05/23/2007	(555039)

Date: 08/31/2002 (161622)

Self Report? YES Classification Moderate

Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]

Description: Failure to meet the limit for one or more permit parameter

Date: 06/11/2003 (35304)

Self Report? NO Classification Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 115, SubChapter D 115.352(4)
30 TAC Chapter 116, SubChapter B 116.115(c)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(1)

Rqmt Prov: PA 3361A, SC 1E and 8

Description: Failure to equip each open-ended valve or line with a cap, blind flange, plug, or second valve. During the monitoring, open-ended (OEL) lines were documented next to valves numbered 1052 and 13282 and near relief valve 12886.

Self Report? NO Classification Major

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 116, SubChapter B 116.115(c)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-2(a)(1)

Rqmt Prov: PA 8639A, SC 6

Description: Failure to conduct monthly monitoring on pumps in volatile organic compound (VOC) service. During the review of the monitoring records from January 2002 through February 2003, three pumps were not monitored monthly.

Self Report? NO Classification Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 116, SubChapter B 116.115(c)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(c)(2)

Rqmt Prov: PA 3361A, SC 8
PA 8639A, SC 6

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

Date: 07/13/2006 (465277)

Self Report? NO Classification Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 115, SubChapter D 115.352(4)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(1)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: OP Operating Permit O-1620

PERMIT Permit 3361A

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

Self Report? NO Classification Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 115, SubChapter D 115.352(4)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(1)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: OP OP O-2190

PERMIT Permit 8639A

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

Self Report? NO Classification Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.146(2)
5C THC Chapter 382, SubChapter A 382.085(b)

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

F. Environmental audits.

Disclosure Date: 07/29/2002

Viol. Classification: Minor

Citation: 30 TAC Chapter 115, SubChapter D
40 CFR Part 60, Subpart VV

Rqmt Prov: PERMIT SC2

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

Viol. Classification: Minor

Citation: 30 TAC Chapter 115, SubChapter D
40 CFR Part 60, Subpart VV

Rqmt Prov: PERMIT SC1

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

requirements.

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 NATURAL RESOURCE CONSERVATION COMMISSION



IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
PD GLYCOL LP
RN100825413

§
§
§
§
§

BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY

AGREED ORDER DOCKET NO. 2007-0838-AIR-E

I. JURISDICTION AND STIPULATIONS

At its _____ agenda, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding PD Glycol LP ("PD Glycol") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and PD Glycol appear before the Commission and together stipulate that:

1. PD Glycol owns and operates a petrochemical manufacturing plant at 3510 Gulf States Road in Beaumont, Jefferson County, Texas (the "Plant").
2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
3. The Commission and PD Glycol agree that the Commission has jurisdiction to enter this Agreed Order, and that PD Glycol is subject to the Commission's jurisdiction.
4. PD Glycol received notice of the violations alleged in Section II ("Allegations") on or about May 28, 2007.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by PD Glycol of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
6. An administrative penalty in the amount of Three Thousand Four Hundred Seventy-Five Dollars (\$3,475) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). PD Glycol has paid One Thousand Three Hundred Ninety Dollars (\$1,390) of the administrative penalty and Six Hundred Ninety-Five Dollars (\$695) is deferred contingent

upon PD Glycol's timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If PD Glycol fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require PD Glycol to pay all or part of the deferred penalty. One Thousand Three Hundred Ninety Dollars (\$1,390) shall be conditionally offset by PD Glycol's completion of a Supplemental Environmental Project ("SEP").

7. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
8. The Executive Director of the TCEQ and PD Glycol have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.
9. The Executive Director recognizes that PD Glycol implemented the following corrective action measures, which were completed by February 28, 2007:
 - a. Began recording the amperage reading of the motor associated with the Cycle Gas Compressor on the operator evaluation sheet versus using the previous method of using a check mark if amperages were between the listed values; and
 - b. Changed the amperage readings from the analog readout at the motor to the more precise digital readout at the switchgear.
10. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that PD Glycol has not complied with one or more of the terms or conditions in this Agreed Order.
11. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
12. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

II. ALLEGATIONS

As owner and operator of the Plant, PD Glycol is alleged to have failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), New Source Review Permit No. 8639A, Special Condition 3B and Federal Operating Permit No. O-2190, General Terms and Conditions and Special Condition 9 and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review conducted on March 26, 2007. Specifically, unauthorized emissions of 557.8 pounds of volatile organic compounds were released through the Glycol II Emergency Vent (emission point number EMRG VENT) in the Ethylene Glycol Unit II during an emissions event that occurred on February 21, 2007 and lasted two minutes. These emissions are not authorized by the permit. Since the emissions event was avoidable, PD Glycol failed to meet the demonstration criteria for an affirmative defense in 30 TEX. ADMIN. CODE § 101.222.

III. DENIALS

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

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that PD Glycol pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and PD Glycol's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations, which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: PD Glycol LP, Docket No. 2007-0838-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. PD Glycol shall implement and complete a SEP in accordance with TEX. WATER CODE § 7.067. As set forth in Section I, Paragraph 6 above, One Thousand Three Hundred Ninety Dollars (\$1,390) of the assessed administrative penalty shall be offset with the condition that PD Glycol implement the SEP defined in Attachment A, incorporated herein by reference. PD Glycol'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. These provisions of this Agreed Order shall apply to and be binding upon PD Glycol. PD Glycol is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Plant operations referenced in this Agreed Order.
4. If PD Glycol 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, PD Glycol's failure to comply is not a violation of this Agreed Order. PD Glycol shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. PD Glycol shall notify the Executive Director within seven days after PD Glycol 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 PD Glycol shall be made in writing to the Executive Director. Extensions are not effective until PD Glycol 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 PD Glycol in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
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 PD Glycol, or three days after the date on which the Commission mails notice of the Order to PD Glycol, whichever is earlier. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission



For the Executive Director

10/9/07

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

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- 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;
- Automatic referral to the Attorney General's Office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

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



Signature

7-26-2007

Date

RANDAL TATUM

Name (Printed or typed)
Authorized Representative of
PD Glycol LP

PLANT MANAGER

Title

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

Attachment A
Docket Number: 2007-0838-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	PD Glycol LP
Payable Penalty Amount:	Two Thousand Seven Hundred Eighty Dollars (\$2,780)
SEP Amount:	One Thousand Three Hundred Ninety Dollars (\$1,390)
Type of SEP:	Pre-approved
Third-Party Recipient:	South East Texas Regional Planning Commission-West Port Arthur Home Energy Efficiency Program
Location of SEP:	Jefferson County

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

1. Project Description

A. Project

The Respondent shall contribute to the Third-Party Recipient pursuant to the agreement between the Third-Party Recipient and the TCEQ. Specifically, the contribution will be used to conduct home energy audits and to assist low income residents in the West Port Arthur area by weatherizing their homes which will improve their homes' energy efficiency. SEP monies will be used to pay for the cost of caulking and insulating homes, replacing heating and cooling systems and major appliances with new, energy efficient equipment.

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 residential fuel and electricity usage for heating and cooling. These reductions, in turn, will reduce emissions of particulate matter, volatile organic compounds, and nitrogen oxides associated with the combustion of fuel and generation of electricity. Additionally, the improvements will improve homes as shelters for responding to emergency releases.

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.

PD Glycol LP
Agreed Order – Attachment A

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:

South East Texas Regional Planning Commission
Transportation and Environmental Resources
Bob Dickenson, Director
2210 Eastex Freeway
Beaumont, Texas 77703

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.

