EXECUTIVE SUMMARY - ENFORCEMENT MATTER

DOCKET NO.: 2007-0771-AIR-E **TCEQ ID:** RN100218973 **CASE NO.:** 33495

RESPONDENT NAME: Formosa Plastics Corporation, Texas

ORDER TYPE:		
__1660 AGREED ORDER	X FINDINGS AGREED ORDER	__FINDINGS ORDER FOLLOWING SOAH HEARING
__FINDINGS DEFAULT ORDER	__SHUTDOWN ORDER	__IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER
__AMENDED ORDER	__EMERGENCY ORDER	
CASE TYPE:		
X AIR	__MULTI-MEDIA (check all that apply)	__INDUSTRIAL AND HAZARDOUS WASTE
__PUBLIC WATER SUPPLY	__PETROLEUM STORAGE TANKS	__OCCUPATIONAL CERTIFICATION
__WATER QUALITY	__SEWAGE SLUDGE	__UNDERGROUND INJECTION CONTROL
__MUNICIPAL SOLID WASTE	__RADIOACTIVE WASTE	__DRY CLEANER REGISTRATION

SITE WHERE VIOLATION(S) OCCURRED: Formosa Point Comfort Plant, 201 Formosa Drive, Gate 3, Point Comfort, Calhoun County

TYPE OF OPERATION: Synthetic chemical manufacturing plant

SMALL BUSINESS: ___ Yes X No

OTHER SIGNIFICANT MATTERS: There are no complaints. There are four additional pending enforcement actions regarding this facility location, Docket Nos. 2006-1840-AIR-E, 2006-0429-AIR-E, 2007-0230-AIR-E, and 2007-1227-AIR-E.

INTERESTED PARTIES: No one other than the ED and the Respondent has expressed an interest in this matter.

COMMENTS RECEIVED: The *Texas Register* comment period expired on January 14, 2008. No comments were received.

CONTACTS AND MAILING LIST:

TCEQ Attorney/SEP Coordinator: Ms. Sharon Blue, SEP Coordinator, Litigation Division, MC 175, (512) 239-2223
TCEQ Enforcement Coordinator: Mr. Samuel Short, Enforcement Division, Enforcement Team 3, (512) 239-5363, MC 149; Mr. Bryan Sinclair, Enforcement Division, MC 219, (512) 239-2171
Respondent: Mr. Randall P. Smith, Vice President/General Manager, Formosa Plastics Corporation, Texas, Post Office Box 700, Point Comfort, Texas 77978
Respondent's Attorney: Not represented by counsel on this enforcement matter

VIOLATION SUMMARY CHART:

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
Type of Investigation: ___ Complaint ___ Routine ___ Enforcement Follow-up _X_ Records Review **Date(s) of Complaints Relating to this Case:** None **Date of Investigation Relating to this Case:** September 27, 2006 and October 17, 2006 **Date of NOE Relating to this Case:** May 3, 2007 **Background Facts:** These were routine record reviews. **AIR** Failure to prevent unauthorized emissions during a July 25, 2006 emission event that lasted for one hour and fourteen minutes and a September 26, 2006 emissions event that lasted for twenty minutes. Since the emissions events were avoidable, the Respondent failed to meet the demonstration criteria for an affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 101.20(2), 113.100, and 116.115(c), TEX. HEALTH & SAFETY CODE § 382.085(b), and Air Permit No. 7699, Special Condition No. 1].	**Total Assessed:** $20,000 **Total Deferred:** $0 _X_ Expedited Settlement __Financial Inability to Pay **SEP Conditional Offset:** $10,000 **Total Paid to General Revenue:** $10,000 **Site Compliance History Classification** __ **High** _X_ **Average** __ **Poor** **Person Compliance History Classification** __ **High** _X_ **Average** __ **Poor** **Major Source:** _X_ Yes ___ No **Applicable Penalty Policy:** September 2002 **Findings Orders Justification:** Human health and the environment have been exposed to significant amounts of pollutants which exceed levels that are protective.	**Ordering Provisions:** The Order will require the Respondent to: a. Within 15 days after the effective date of this Agreed Order, develop and implement a maintenance plan that would ensure early detection of pipe corrosion; b. Within 15 days after the effective date of this Agreed Order, develop and implement procedures to abate and/or prevent, to the extent practicable, the release of unauthorized pollutants during future power losses from the 300 Area of the Vinyl Unit; and c. Within 30 days after the effective date of this Agreed Order, submit written certification, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provisions a. and b.

Additional ID No(s).: CB0038Q

Attachment A
Docket Number: 2007-0771-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	Formosa Plastics Corporation, Texas
Penalty Amount:	Twenty Thousand Dollars ($20,000)
SEP Amount:	Ten Thousand Dollars ($10,000)
Type of SEP:	Contribution to Third-Party Administrator (pre-approved concept)
Third-Party Recipient:	City of Point Comfort ***Wastewater Treatment Plant Repair Assistance***
Location of SEP:	Calhoun 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 the SEP Amount to the Third-Party Recipient pursuant to the agreement between the Third-Party Recipient and the TCEQ. Specifically, the contribution will be to the City of Point Comfort, Texas for its ***Wastewater Treatment Plant Repair Assistance*** project. The Third Party Recipient shall use SEP funds to assist in rehabilitation of its wastewater treatment system as described below:

- Rehabilitation of the main sanitary sewer lift station (excluding the cost of installation of new high level alarms) to prevent sewage overflows or backups of sewage into residences;
- Replacement of the final effluent outfall line at the wastewater treatment facility site; and
- Simultaneous deconstruction of portions of the former site, which will alleviate storm water inflow into the chlorine contact chamber at the treatment facility.

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 by helping to prevent the release of raw sewage into the environment, which will protect ground, surface, and drinking water sources, the general public and wildlife from contamination from sewage.

Raw sewage can carry bacteria, viruses, protozoa (parasitic organisms), helminthes (intestinal worms), and

bioaerosols (inhalable molds and fungi). The diseases they may cause range in severity from mild gastroenteritis (causing stomach cramps and diarrhea) to life-threatening ailments such as cholera, dysentery, infectious hepatitis, and severe gastroenteritis.

People can be exposed through:

- Sewage in drinking water sources.
- Direct contact in areas of public access such as lawns, in streets, or in waters used for recreation.
- Shellfish harvested from areas contaminated by raw sewage.
- Inhalation and skin absorption.

Sewage overflows may cause damage to the environment. A key concern with sewage overflows is the effect on rivers, lakes, streams, or aquifer systems. In addition to potential spread of disease, sewage in the environment contributes excess nutrients, metals, and toxic pollutants that contaminate water quality, cause excess algae blooms, and kill fish and other organisms in aquatic habitats.

The outfall line and plant deconstruction portions of this SEP will provide a discernible environmental benefit by reducing storm water inflow into the chlorine contact chamber of the treatment facility, which will reduce the likelihood of discharge of improperly disinfected wastewater effluent.

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:

City of Point Comfort
Attention: Honorable Pam Lambden, Mayor
P.O. Box 497
Point Comfort, Texas 77978

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:

Litigation Division
Attention: SEP Coordinator, MC 175
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.

In the event of incomplete performance, the Respondent shall submit a check for any amount due with a notation that the payment is for a "SEP Refund", and the docket number of the case. The Respondent shall make the check out to "Texas Commission on Environmental Quality" and mail it to:

Litigation Division
Attention: SEP Coordinator, MC 175
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

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

Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002) — *PCW Revision April 26, 2007*

TCEQ

DATES					
Assigned	7-May-2007				
PCW	17-May-2007	Screening	15-May-2007	EPA Due	24-Jun-2007

RESPONDENT/FACILITY INFORMATION

Respondent	Formosa Plastics Corporation, Texas		
Reg. Ent. Ref. No.	RN100218973		
Facility/Site Region	14-Corpus Christi	Major/Minor Source	Major

CASE INFORMATION

Enf./Case ID No.	33495	No. of Violations	1
Docket No.	2007-0771-AIR-E	Order Type	Findings
Media Program(s)	Air	Enf. Coordinator	Samuel Short
Multi-Media		EC's Team	EnforcementTeam 3
Admin. Penalty $ Limit Minimum	$0	Maximum	$10,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties) — *Subtotal 1* **$20,000**

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History — 152% Enhancement — *Subtotals 2, 3, & 7* **$30,400**

Notes: A 152% enhancement is recommended for having four NOVs for the same or similar violations, 21 NOVs for non-similar violations, two Agreed Orders with denial, and two Agreed Orders without denial in the last five years.

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

Notes: The Respondent does not meet the culpability criteria.

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

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

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

0% Enhancement* — *Subtotal 6* **$0**

Total EB Amounts	$154
Approx. Cost of Compliance	$2,000

**Capped at the Total EB $ Amount*

SUM OF SUBTOTALS 1-7 — *Final Subtotal* **$50,400**

OTHER FACTORS AS JUSTICE MAY REQUIRE — *Adjustment* **$0**

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

Notes:

Final Penalty Amount **$50,400**

STATUTORY LIMIT ADJUSTMENT — *Final Assessed Penalty* **$20,000**

DEFERRAL — 0% Reduction — *Adjustment* **$0**

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

Notes: No deferral is recommended for Findings Orders.

PAYABLE PENALTY **$20,000**

Screening Date	15-May-2007	**Docket No.**	2007-0771-AIR-E	**PCW**
Respondent	Formosa Plastics Corporation, Texas			*Policy Revision 2 (September 2002)*
Case ID No.	33495			*PCW Revision April 26, 2007*
Reg. Ent. Reference No.	RN100218973			
Media [Statute]	Air			
Enf. Coordinator	Samuel Short			

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*)	4	20%
	Other written NOVs	21	42%
Orders	Any agreed final enforcement orders containing a denial of liability (*number of orders meeting criteria*)	2	40%
	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	2	50%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (*number of judgements or consent decrees meeting criteria*)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (*number of counts*)	0	0%
Emissions	Chronic excessive emissions events (*number of events*)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (*number of audits for which notices were submitted*)	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (*number of audits for which violations were disclosed*)	0	0%

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

Adjustment Percentage (Subtotal 2) 152%

>> 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

A 152% enhancement is recommended for having four NOVs for the same or similar violations, 21 NOVs for non-similar violations, two Agreed Orders with denial, and two Agreed Orders without denial in the last five years.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 152%

Screening Date	15-May-2007	**Docket No.** 2007-0771-AIR-E	**PCW**
Respondent	Formosa Plastics Corporation, Texas		*Policy Revision 2 (September 2002)*
Case ID No.	33495		*PCW Revision April 26, 2007*
Reg. Ent. Reference No.	RN100218973		
Media [Statute]	Air		
Enf. Coordinator	Samuel Short		

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code §§ 101.20(2), 113.100, and 116.115(c), Tex. Health and Safety Code § 382.085(b), and Air Permit No. 7699, Special Condition No. 1

Violation Description Failed to prevent unauthorized emissions during a July 25, 2006 emission event that lasted for one hour and fourteen minutes and a September 26, 2006 emissions event that lasted for twenty minutes. Since the emissions events were avoidable, Formosa Plastics Corporation, Texas failed to meet the demonstration criteria for an affirmative defense under 30 Tex. Admin. Code § 101.222. See attached table for the type and quantity of unauthorized emissions.

Base Penalty $10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm: Major	Moderate	Minor
Actual	x		
Potential			

Percent 100%

>>Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes: Human health and the environment has been exposed to significant amounts of pollutants which exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment $0

$10,000

Violation Events

Number of Violation Events 2

2 Number of violation days

mark only one with an x

daily	x
monthly	
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty $20,000

Two daily events are recommended.

Economic Benefit (EB) for this violation

Estimated EB Amount $154

Statutory Limit Test

Violation Final Penalty Total $50,400

This violation Final Assessed Penalty (adjusted for limits) $20,000

Economic Benefit Worksheet

Respondent Formosa Plastics Corporation, Texas
Case ID No. 33495
Reg. Ent. Reference No. RN100218973
Media Air
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Description (No commas or $)	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	$0	$0	$0
Buildings				0.0	$0	$0	$0
Other (as needed)	$1,000	25-Jul-2006	3-Dec-2007	1.4	$5	$91	$95
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	26-Sep-2006	3-Dec-2007	1.2	$59	n/a	$59

Notes for DELAYED costs: The estimated cost to prevent corrosion that caused the pipe feeding the Vinyl Chloride Monomer distillation unit to fail. Date required is the date the event occurred. Final date is the date in which the respondent is projected to implement a maintenance plan to prevent corrosion. The estimated cost to prevent power loss from occurring at the 300 Area of the Vinyl Unit. Date required is the date that the event occurred. Final date is the date in which the Respondent is projected to implement procedures to abate and/or prevent future power losses from occurring.

Item	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				0.0	$0	$0	$0
Supplies/equipment				0.0	$0	$0	$0
Financial Assurance [2]				0.0	$0	$0	$0
ONE-TIME avoided costs [3]				0.0	$0	$0	$0
Other (as needed)				0.0	$0	$0	$0

Notes for AVOIDED costs:

Approx. Cost of Compliance $2,000

TOTAL $154

Formosa Plastics Corporation, Texas RN100218973 Docket No. 2007-0771-AIR-E		
Incident Number, Date, Duration	Emissions Point	Compounds Emitted Total Pounds ("lbs")
78885, July 25, 2006, One Hour Fourteen Minutes	6" LV-419 header piping	Ethylene dichloride- 5,606 lbs Hydrochloric acid- 5,727 lbs Vinyl Chloride Monomer- 24,991 lbs
81836, September 26, 2006, Twenty Minutes	Relief Valve (RV-303A1)	1,1-Dichloroethane- 66.78 lbs Benzene- 105.22 lbs Ethylene dichloride- 4,146.21 lbs Nitrogen- 806.96 lbs Oxygen- 25.51 lbs Vinyl Chloride Monomer- 32,671.57 lbs

Compliance History

Customer/Respondent/Owner-Operator:	CN600130017	Formosa Plastics Corporation, Texas	Classification: AVERAGE	Rating: 3.53
Regulated Entity:	RN100218973	FORMOSA POINT COMFORT PLANT	Classification: AVERAGE	Site Rating: 11.63

ID Number(s):

AIR OPERATING PERMITS	ACCOUNT NUMBER	CB0038Q
AIR OPERATING PERMITS	PERMIT	1484
AIR OPERATING PERMITS	PERMIT	1951
AIR OPERATING PERMITS	PERMIT	1953
AIR OPERATING PERMITS	PERMIT	1954
AIR OPERATING PERMITS	PERMIT	1955
AIR OPERATING PERMITS	PERMIT	1956
AIR OPERATING PERMITS	PERMIT	1957
AIR OPERATING PERMITS	PERMIT	1958
INDUSTRIAL AND HAZARDOUS WASTE GENERATION	EPA ID	TXT490011293
INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION # (SWR)	31945
AIR NEW SOURCE PERMITS	PERMIT	7699
AIR NEW SOURCE PERMITS	PERMIT	17030
AIR NEW SOURCE PERMITS	PERMIT	17158
AIR NEW SOURCE PERMITS	PERMIT	19166
AIR NEW SOURCE PERMITS	PERMIT	19167
AIR NEW SOURCE PERMITS	PERMIT	19168
AIR NEW SOURCE PERMITS	PERMIT	19198
AIR NEW SOURCE PERMITS	PERMIT	19199
AIR NEW SOURCE PERMITS	PERMIT	19200
AIR NEW SOURCE PERMITS	PERMIT	19201
AIR NEW SOURCE PERMITS	PERMIT	19871
AIR NEW SOURCE PERMITS	PERMIT	20203
AIR NEW SOURCE PERMITS	PERMIT	24947
AIR NEW SOURCE PERMITS	PERMIT	29765
AIR NEW SOURCE PERMITS	PERMIT	31130
AIR NEW SOURCE PERMITS	PERMIT	26267
AIR NEW SOURCE PERMITS	PERMIT	26270
AIR NEW SOURCE PERMITS	PERMIT	26351
AIR NEW SOURCE PERMITS	PERMIT	26523
AIR NEW SOURCE PERMITS	PERMIT	26266
AIR NEW SOURCE PERMITS	PERMIT	35292
AIR NEW SOURCE PERMITS	PERMIT	37070
AIR NEW SOURCE PERMITS	PERMIT	40157
AIR NEW SOURCE PERMITS	PERMIT	40293
AIR NEW SOURCE PERMITS	PERMIT	41145
AIR NEW SOURCE PERMITS	PERMIT	43265
AIR NEW SOURCE PERMITS	PERMIT	44847
AIR NEW SOURCE PERMITS	PERMIT	44933
AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	CB0038Q
AIR NEW SOURCE PERMITS	PERMIT	52859
AIR NEW SOURCE PERMITS	PERMIT	52259
AIR NEW SOURCE PERMITS	REGISTRATION	75974
AIR NEW SOURCE PERMITS	PERMIT	76305
AIR NEW SOURCE PERMITS	PERMIT	76044
AIR NEW SOURCE PERMITS	PERMIT	PSDTX760M6
AIR NEW SOURCE PERMITS	EPA ID	PSDTX1053
AIR NEW SOURCE PERMITS	EPA ID	PSDTX699
AIR NEW SOURCE PERMITS	EPA ID	PSDTX760M3
AIR NEW SOURCE PERMITS	EPA ID	PSDTX760M4
AIR NEW SOURCE PERMITS	EPA ID	PSDTX760M6
AIR NEW SOURCE PERMITS	EPA ID	PSDTX1058
AIR NEW SOURCE PERMITS	REGISTRATION	78769
AIR NEW SOURCE PERMITS	AFS NUM	4805700015
AIR NEW SOURCE PERMITS	REGISTRATION	79826
AIR NEW SOURCE PERMITS	REGISTRATION	80198
AIR NEW SOURCE PERMITS	REGISTRATION	81027
AIR NEW SOURCE PERMITS	REGISTRATION	81109
AIR NEW SOURCE PERMITS	EPA ID	HAP2
AIR NEW SOURCE PERMITS	EPA ID	HAP7
USED OIL	REGISTRATION	C86337
WASTEWATER	PERMIT	WQ0002436000
WASTEWATER	EPA ID	TX0085570
UNDERGROUND INJECTION CONTROL	PERMIT	WDW402
UNDERGROUND INJECTION CONTROL	PERMIT	WDW403
IHW CORRECTIVE ACTION	SOLID WASTE REGISTRATION # (SWR)	31945

Location:	201 FORMOSA DRIVE GATE 3, POINT COMFORT, TX, 77978	Rating Date: September 01 06	Repeat Violator: NO
TCEQ Region:	REGION 14 - CORPUS CHRISTI		

Date Compliance History Prepared: May 15, 2007

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: May 15, 2002 to May 15, 2007

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

Name: Samuel Short Phone: (512) 239-5363

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 Effective Date: 11/11/2004 ADMINORDER 2000-1144-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(2)
40 CFR Part 61, Subpart F 61.65(a)

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

Description: Failed to prevent a nonemergency relief valve discharge of VCL to the atmosphere on July 24, 2000

Classification: Moderate

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

Description: Emitted approximately 2,870 lbs of heptane into the atmosphere from a spill which occurred on July 11, 2000.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(2)
40 CFR Part 61, Subpart F 61.65(a)

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

Description: Failed to prevent a nonemergency relief valve discharge of VCL and HCL to the atmosphere on April 20, 2000.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(2)
40 CFR Part 61, Subpart F 61.64(a)

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

Description: Exceeded the maximum allowable VCL concentration of 10 ppm in a reactor exhaust gas stream on July 9, 2000 and September 29, 2000

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(2)
30 TAC Chapter 113, SubChapter C 113.100[G]

40 CFR Chapter 63, SubChapter C, PT 63, SubPT A 63.6(e)
40 CFR Part 61, Subpart A 61.12(c)
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failed to maintain the Plant in a manner consistent with good air pollution control practices for minimizing emissions

Classification: Moderate

Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(4)(A)[G]
30 TAC Chapter 116, SubChapter B 116.115(b)(2)(G)

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

Rqmt Prov: General Condition PERMIT

Description: Exceeded the MAER at the olefins elevated flare for VOCs, NOx, CO, and opacity on July 15-16, 2000, and October 12, 2000.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter B 116.115(c)

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

Rqmt Prov: SC 9F PERMIT

Description: Formosa failed to conduct performance testing as required for EPNs 313G and 313H

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter B 116.115(b)(2)(G)

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

Rqmt Prov: General Condition PERMIT
Description: Exceeded the permitted PM emission rate from EPN 313H during a performance test conducted on October 11-12, 2001

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(2)
30 TAC Chapter 101, SubChapter A 101.7(a)

30 TAC Chapter 113, SubChapter C 113.100[G]
40 CFR Chapter 63, SubChapter C, PT 63, SubPT A 63.6(e)
40 CFR Part 61, Subpart K 61.122(c)
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failed to maintain and operate the vinyl plant in a manner consistent with good air pollution control practice for minimizing emissions, by allowing continuous leaks from Chill Water Tank B
Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(2)
40 CFR Part 61, Subpart F 61.63(a)

40 CFR Part 61, Subpart F 61.64(a)(1)
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failed to limit the concentration of vinyl chloride to 10 parts per million averaged over a three hour period.
Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(2)
30 TAC Chapter 116, SubChapter B 116.115(b)[G]

40 CFR Part 61, Subpart F 61.63(a)
40 CFR Part 61, Subpart F 61.64(a)(1)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: GC 8 PERMIT
Description: Exceeded the MAER for VCL at plant incinerator VH-801C

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.6(a)(1)[G]
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failed to submit complete and timely notification for one reportable upset which occurred on July 19-23, 2001
Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.6(b)[G]
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failed to supply all required information in the upset notification which occurred on June 23, 2001, and by failing to clearly identify either the cause of the upset or the actions taken to correct the upset in the final reports submitted for releases which occurred on October 12 and 19, November 17, 27, and 30, and De
Classification: Moderate

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

Rqmt Prov: GC 8 PERMIT
Description: Exceeded the MAER for VOCs, CO, and NOX, on eight occasions between July 24, 2000 and June 6, 2001
Classification: Moderate

Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(4)(A)[G]
30 TAC Chapter 116, SubChapter B 116.115(b)[G]

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

Rqmt Prov: SC 1 PERMIT
Description: Allowed the olefins flare to have visible emissions for more than five minutes in a two-hour period on December 19, 2000 and May 23 ,2001, and by exceeding the hourly MAER for NOX, CO, and benzene on December 19, 2000

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(2)
40 CFR Part 61, Subpart F 61.63(a)

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

Description: exceeded the maximum allowable concentration of VCL of 10 ppm in an exhaust gas stream from equipment used in the VCL formation and/or purification on October 18, 2000
Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 116, SubChapter B 116.115(b)

40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(f)(3)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.8[G]

40 CFR Chapter 60, SubChapter C, PT 60, SubPT Kb 60.112b(a)(3)(ii)
40 CFR Part 60, Subpart A 60.18(c)(3)(ii)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: SC 10 PERMIT
Description: Failed to operate the flare in accordance with 40 C.F.R. § 60.18; specifically, by failing to demonstrate, through the prescribed testing, that the low pressure tank flare met the minimum BTU content and that the minimum heating value of the waste gas was met

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(2)
40 CFR Part 61, Subpart F 61.64(a)(1)

Description: Exceeded the maximum allowable VCL concentration of 10 ppm in a reactor gas stream on March 4, 2001
Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(2)
40 CFR Part 61, Subpart A 61.12(c)

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

Description: Failed to maintain and operate the vinyl plant in a manner consistent with good air pollution control practice for minimizing emissions on February 4, 2002,
Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter A 101.20(2)
40 CFR Chapter 61, SubChapter C, PT 61, SubPT A 61.12(c)

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

Description: Failed to maintain and operate the vinyl plant consistent with good air pollution control practice for minimizing emissions on February 5, 2002

Effective Date: 02/10/2005 ADMINORDER 2004-0781-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(2)
30 TAC Chapter 113, SubChapter C 113.100[G]

30 TAC Chapter 116, SubChapter B 116.115(b)
30 TAC Chapter 116, SubChapter B 116.115(c)
40 CFR Chapter 61, SubChapter C, PT 61, SubPT A 61.12(c)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT A 63.6(e)
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failed to maintain and operate the Vinyl Plant in a manner consistent with good air pollution practice for minimizing emissions by allowing extended storage/installation of the vinyl chloride monomer (VCM) process area overhead condensers.
Classification: Major

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

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

Rqmt Prov: General Cond. F & Special Condition 1 PERMIT
Description: Failed to maintain an emission rate below the allowable emission limit for VCM of 1.6 pounds per hour (lbs/hr) from the VCM process area cooling tower (EPN VW-C11) overhead condensers (FIN VE-504D and E).

Effective Date: 12/30/2005 ADMINORDER 2005-0125-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(4)(A)(ii)
30 TAC Chapter 116, SubChapter B 116.115(c)

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

Rqmt Prov: Special Condition No. 1 PERMIT
Special Condition No. 12 PERMIT

Description: Failure prevent unauthorized emissions from EPNs 1018 and 1067. Formosa failed to satisfy all demonstrations criteria as listed under 30 TAC 101.222(b) and gain regulatory authority for the emissions released from two emissions events, Incident Nos. 25241and 25275, that occurred on July 15, 2003.

Classification: Moderate

Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(4)(A)(ii)
30 TAC Chapter 116, SubChapter B 116.115(c)

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

Rqmt Prov: Special Condition 1 PERMIT
Special Condtion 12 PERMIT

Description: Failure to prevent unauthorized emissions from EPN 1018. Formosa failed to satisfy all demonstration criteria in 30 TAC §101.222(b) and gain an affirmative defense for unauthorized emissions that were released from the Olefins 1 facility during an emissions event which occurred on or about June 30, 2004.
Classification: Moderate

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

Rqmt Prov: 7699 / PSD-TX-226M6 PA
Description: Failure to prevent unauthorized emissions from EPN 999. Formosa failed to obtain regulatory authority or meet the demonstration requirements of 30 TAC 101.222 for vinyl chloride emissions involving Cooling Tower VW-CO1 during an emissions event which began on August 14, 2004.

Classification: Minor

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

Description: Failure to electronically provide rule required information in the rule required format. Specifically, the reportable emissions event was not reported via STEERS within 24 hours of discovery.

Effective Date: 06/26/2006 ADMINORDER 2005-0938-AIR-E

Classification: Moderate

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

Rqmt Prov: Special Conditin 1 PERMIT
Description: Failure to maintain hydrogen chloride (HCl) emissions at or below the 0.14 lb/hr permitted limits. Specifically, emission test results of the Ethylene Dichloride Incinerator C (EPN 6002C), conducted on December 16, 2004, reported HCl emissions of 2.183 lb/hr.

Classification: Moderate

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

Rqmt Prov: Special Condition 1 PERMIT
Description: Failure to meet the demonstration requirements of 30 Texas Admin. Code §101.222(b), specifically (b)(1), and gain an affirmative defense for emissions released during two emissions events, TCEQ Incidents 52272 and 54851, which were discovered on December 3, 2004, and December 6, 2005, respectively.

Classification: Minor

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

Description: Failure to notify the TCEQ Corpus Christi Region Office within 24 hours after the discovery of an emissions event. Specifically, two planned start-up activities, TCEQ Incidents 49733 and 49731, which both occurred on November 20, 2004, became emissions events on December 3, 2004, and December 6, 2005, respectively.

B. Any criminal convictions of the state of Texas and the federal government.

N/A

C. Chronic excessive emissions events.

N/A

D. The approval dates of investigations. (CCEDS Inv. Track. No.)

1 05/20/2002 (208213)
N/A
2 06/19/2002 (208217)
3 07/22/2002 (208221)
4 08/05/2002 (5526)
5 08/22/2002 (208224)
6 09/23/2002 (208227)
7 10/04/2002 (13352)
8 10/04/2002 (13306)
9 10/21/2002 (208230)
10 10/25/2002 (14015)
11 10/25/2002 (13552)
12 10/25/2002 (14020)
13 10/25/2002 (14123)
14 10/25/2002 (13538)
15 10/25/2002 (14010)
16 10/25/2002 (13508)
17 10/25/2002 (14834)
18 10/25/2002 (13558)
19 11/22/2002 (208234)
20 11/25/2002 (17197)
21 11/25/2002 (17582)
22 11/25/2002 (17362)
23 11/25/2002 (17710)
24 11/25/2002 (17367)
25 11/25/2002 (17115)
26 11/25/2002 (17252)
27 11/26/2002 (17697)
28 11/26/2002 (17655)
29 12/23/2002 (208238)
30 12/23/2002 (18198)

31	01/23/2003	(208242)
32	01/31/2003	(23597)
33	02/28/2003	(208202)
34	03/10/2003	(23786)
35	03/25/2003	(208205)
36	04/21/2003	(208210)
37	05/02/2003	(25912)
38	06/11/2003	(208214)
39	06/24/2003	(208218)
40	07/30/2003	(61118)
41	08/07/2003	(316662)
42	08/25/2003	(316664)
43	09/23/2003	(316666)
44	10/28/2003	(316668)
45	11/24/2003	(316669)
46	12/29/2003	(316670)
47	01/23/2004	(316671)
48	01/27/2004	(260399)
49	02/24/2004	(316653)
50	02/25/2004	(259754)
51	03/11/2004	(253895)
52	03/17/2004	(265434)
53	03/23/2004	(316655)
54	03/26/2004	(264531)
55	04/15/2004	(267931)
56	04/22/2004	(316656)
57	05/24/2004	(316658)
58	06/18/2004	(276036)
59	06/22/2004	(316660)
60	06/22/2004	(273805)
61	07/15/2004	(282138)
62	07/27/2004	(284340)
63	07/28/2004	(361023)
64	08/24/2004	(361024)
65	09/21/2004	(361025)
66	10/07/2004	(290237)
67	10/21/2004	(361026)
68	11/23/2004	(361027)
69	12/17/2004	(292882)
70	12/27/2004	(386885)
71	12/28/2004	(345075)
72	12/29/2004	(341344)
73	01/24/2005	(386886)
74	02/10/2005	(346929)
75	02/22/2005	(386883)
76	03/22/2005	(386884)
77	04/11/2005	(376939)
78	04/14/2005	(373413)
79	04/20/2005	(375911)
80	04/22/2005	(424698)
81	05/03/2005	(378050)
82	05/06/2005	(351122)
83	05/23/2005	(424699)
84	06/07/2005	(377227)
85	06/21/2005	(424700)
86	07/21/2005	(400202)
87	07/22/2005	(445391)
88	08/01/2005	(401922)
89	08/02/2005	(401840)
90	08/02/2005	(401946)
91	08/16/2005	(374480)
92	08/19/2005	(401926)
93	08/22/2005	(398698)
94	08/22/2005	(445392)
95	08/25/2005	(401908)
96	08/29/2005	(406996)
97	08/31/2005	(407352)
98	09/16/2005	(431883)
99	09/21/2005	(432632)
100	09/23/2005	(445393)
101	10/08/2005	(433294)
102	10/24/2005	(445394)
103	11/22/2005	(476821)
104	12/20/2005	(476822)
105	12/30/2005	(450540)

106	01/02/2006	(450795)
107	01/23/2006	(476823)
108	01/30/2006	(439909)
109	02/22/2006	(476819)
110	03/22/2006	(476820)
111	03/27/2006	(459161)
112	04/04/2006	(439904)
113	04/04/2006	(439905)
114	04/04/2006	(449815)
115	04/04/2006	(451199)
116	04/04/2006	(438249)
117	04/13/2006	(454110)
118	04/24/2006	(503676)
119	04/24/2006	(503679)
120	04/28/2006	(435129)
121	04/28/2006	(454108)
122	05/05/2006	(464365)
123	05/12/2006	(463945)
124	05/22/2006	(503677)
125	06/02/2006	(461335)
126	06/07/2006	(465772)
127	06/14/2006	(450942)
128	06/14/2006	(480076)
129	06/23/2006	(503678)
130	06/27/2006	(482129)
131	07/07/2006	(485310)
132	07/20/2006	(482883)
133	08/03/2006	(489597)
134	08/21/2006	(526033)
135	08/30/2006	(509837)
136	08/30/2006	(497562)
137	08/30/2006	(510729)
138	08/31/2006	(509975)
139	09/01/2006	(510775)
140	09/25/2006	(526034)
141	09/26/2006	(462238)
142	09/26/2006	(512144)
143	09/26/2006	(514141)
144	10/09/2006	(513839)
145	10/12/2006	(515322)
146	10/12/2006	(514515)
147	10/19/2006	(513945)
148	10/23/2006	(550418)
149	10/26/2006	(513991)
150	11/06/2006	(514634)
151	11/15/2006	(519298)
152	11/17/2006	(519684)
153	11/20/2006	(550419)
154	11/21/2006	(516781)
155	11/30/2006	(532252)
156	12/08/2006	(519141)
157	12/15/2006	(517230)
158	12/20/2006	(550420)
159	12/21/2006	(516229)
160	01/16/2007	(532907)
161	01/17/2007	(550421)
162	01/18/2007	(535414)
163	01/24/2007	(511068)
164	02/01/2007	(531203)
165	02/01/2007	(538682)
166	02/08/2007	(538669)
167	02/16/2007	(540711)
168	02/16/2007	(550417)
169	03/09/2007	(538214)
170	03/13/2007	(538231)
171	03/22/2007	(541488)
172	04/26/2007	(557916)
173	05/01/2007	(554893)
174	05/03/2007	(532954)
175	05/03/2007	(539088)
176	05/04/2007	(558947)
177	05/08/2007	(543566)

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

Date 08/31/2002 (208227)

Self Report? YES Classificatio 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 11/30/2002 (208238)

Self Report? YES Classificatio 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 01/31/2003 (208202)

Self Report? YES Classificatio 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 06/30/2003 (316662)

Self Report? YES Classificatio 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 07/30/2003 (61118)

Self Report? NO Classificatio Minor
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
Rqmt Prov: PERMIT TPDES Permit No. 02436
Description: Failure to comply with self- monitored effluent limitations for the months of 01/2003, 11/2002, and 08/2002.
Date 07/31/2003 (316664)

Self Report? YES Classificatio 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 (316660)

Self Report? YES Classificatio 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 06/21/2004 (276036)

Self Report? NO Classificatio Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
Rqmt Prov: PERMIT WQ0002436-000
Description: Failure to comply with the permitted effluent limits.
Date 06/30/2004 (361023)

Self Report? YES Classificatio 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 07/15/2004 (282138)

Self Report? NO Classificatio Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter B 116.115(c)
Rqmt Prov: PA 7699 / PSD-TX-226M6
Description: Failure to obtain regulatory authority or meet the demonstration requirements of 30 TAC 101.222 for emissions involving the VCM Vent Valve during an emissions event which began on March 3, 2004.
Date 12/31/2004 (386886)

Self Report? YES Classificatio 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 03/31/2005 (424698)

Self Report? YES Classificatio 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 04/14/2005 (373413)

Self Report? NO Classificatio Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
Description: Failed to demonstrate compliance with emission limits for Hydrogen Chloride (HCl). Specifically, testing of Etheyene Dichloride Incinerator B (EPN 6002B), conducted on June 21 and 22, 2004 indicated emssions of HCl of 4.956 lb/hr, exceeding the permitted allowable of 0.14 lb/hr.

Self Report? NO Classificatio Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
Description: Failed to demonstrate compliance with emission limits for Hydrogen Chloride (HCl). Specifically, testing of Etheyene Dichloride Incinerator (EPN 6002C), conducted on June 21 and 22, 2004 indicated emssions of HCl of 3.813 lb/hr, exceeding the permitted allowable of 0.14 lb/hr.
Date 07/21/2005 (400202)

Self Report? NO Classificatio Moderate

Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
Rqmt Prov: PERMIT TPDES Permit No. WQ0002436-000
Description: Failure to maintain the effluent quality within the permitted limits.
Date 07/31/2005 (445392)

Self Report? YES Classificatio 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 08/19/2005 (401926)

Self Report? NO Classificatio Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.145(2)(A)
Description: Failure to include all instances of deviations in the two Deviation Reports (DR) submitted in the April 19, 2004 through April 18, 2005 time period.

Self Report? NO Classificatio Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.146(5)(D)
Description: Failure to include or reference in the annual permit compliance certification (PCC) the identification of all other terms and conditions of the permit for which compliance was not achieved.
Date 10/31/2005 (476821)

Self Report? YES Classificatio 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 (503678)

Self Report? YES Classificatio 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 06/07/2006 (450942)

Self Report? NO Classificatio Minor

Citation: 30 TAC Chapter 122, SubChapter B 122.145(2)(A)
Description: Failure to submit all instances of deviations as required by rule.

Self Report? NO Classificatio 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 60.482-6(a)(1)
Rqmt Prov: PERMIT 7699/Special Condition No. 13E
Description: Failure to equip each open ended valve or line with a cap, blind flange, plug, or a second valve, as required by 40 Code of Federal Regulations (CFR) §60.482-6(a)(1).
Date 07/20/2006 (482883)

Self Report? NO Classificatio Minor

Citation: 30 TAC Chapter 122, SubChapter B 122.145(2)(A)
Description: Failure to comply with the Federal Operating Permit Compliance Certification Terms and Conditions. Formosa failed to report all instances of deviations in the Semi-Annual Compliance Certification for the certification period which began on October 22, 2004 through April 20, 2005.

Self Report? NO Classificatio Minor

Citation: 30 TAC Chapter 122, SubChapter B 122.146(5)(D)
Description: Failure to comply with the Federal Operating Permit Compliance Certification Terms and Conditions. Formosa failed to report all instances of deviations in the Annual Compliance Certification for the certification period which began on April 21, 2004 through April 20, 2005.
Date 08/30/2006 (509837)

Self Report? NO Classificatio Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
Rqmt Prov: PERMIT 19200, Special Condition 9A
OP FOP O-01956, Special Condition No. 13
Description: Failure to maintain required records of monitoring data.
Date 08/30/2006 (497562)

Self Report? NO Classificatio Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
Rqmt Prov: PA SC 20
OP Spec. Terms & Conditions (STC) No. 13
Description: Failure to operate two incinerators according to the excess oxygen (O2) and carbon monoxide (CO) limits defined by the HDPE I Plant air permit special condition.

Self Report? NO Classificatio Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
Rqmt Prov: PA SC 7
OP STC No. 13
Description: Failure to demonstrate that monthly monitoring for VOC associated with cooling tower water had been conducted in January and February 2005.

Self Report? NO Classificatio Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 122, SubChapter B 122.143(4)
Rqmt Prov: OP STC No. 1
Description: Failure to equip two open-ended lines (OELs) with a cap, blind flange, plug or a second valve.

Date 11/06/2006 (514634)

Self Report? NO Classificatio Major

Rqmt Prov: PERMIT Special Condition No. 1
Description: Failure to meet the demonstration requirements of 30 TAC §101.222 and gain an affirmative defense for emissions released during an emissions event (Incident No. 47973) which was discovered on October 17, 2004.

Self Report? NO Classificatio Major

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter B 116.115(c)
Rqmt Prov: PERMIT Special Condition No. 1
Description: Failure to meet the demonstration requirements of 30 TAC §101.222 and gain an affirmative defense for thirty-one (31) non-reportable emissions events at the PVC Unit and at the VCM Unit.

Self Report? NO Classificatio Major

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter B 116.115(c)
Rqmt Prov: PERMIT Special Condition No. 1
Description: Failure to meet the demonstration requirements of 30 TAC §101.222 and gain an affirmative defense for thirty-eight (38) reportable quantity (RQ) releases of vinyl chloride from the VCM Unit, and eleven (11) RQ releases of vinyl chloride from the PVC Unit.

Self Report? NO Classificatio Major

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter B 116.115(c)
Rqmt Prov: PERMIT Special Condition No. 1
Description: Failure to meet the demonstration requirements of 30 TAC §101.222 and gain an affirmative defense for seven (7) non-reportable emissions events released between January 1 and December 31, 2004 at the EDC Unit.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)[G]
Description: Complete failure to submit notification of reportable emissions events for the VCM and PVC Units.

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)
Description: Failure to maintain complete non-reportable emissions event final records for the EDC, PVC, and VCM Units.

Date: 11/30/2006 (550420)

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: 12/18/2006 (517230)

Self Report? NO Classification: Moderate

Citation: TWC Chapter 26 26.121(a)(1)
Rqmt Prov: PERMIT TPDES Permit No. WQ0002436-008
Description: Failure to prevent an unpermitted discharge of cooling tower blow down water via outfall 008.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
Rqmt Prov: PERMIT TPDES Permit No. WQ0002436-008
Description: Failure to meet daily maximum discharge loading limit for total zinc at outfall 001.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
Rqmt Prov: PERMIT TPDES Permit No. WQ0002436-001
Description: Failure to meet effluent limitation for pH maximum and duration at outfall 001.

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
Rqmt Prov: PERMIT TPDES Permit No. WQ0002436-010
Description: Failure to meet effluent limitation for pH maximum at outfall 010.

F. Environmental audits.

G. Type of environmental management systems (EMSs).

N/A

H. Voluntary on-site compliance assessment dates.

N/A

I. Participation in a voluntary pollution reduction program.

N/A

J. Early compliance.

N/A

Sites Outside of Texas

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

IN THE MATTER OF AN ENFORCEMENT ACTION CONCERNING FORMOSA PLASTICS CORPORATION, TEXAS RN100218973	§ § § § §	**BEFORE THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY**

AGREED ORDER
DOCKET NO. 2007-0771-AIR-E

At its _____ agenda, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Formosa Plastics Corporation, Texas ("Formosa") 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 Formosa presented this agreement to the Commission.

Formosa understands that it has certain procedural rights at certain points in the enforcement process, including, but not limited to, the right to formal notice of violations, notice of an evidentiary hearing, the right to an evidentiary hearing, and a right to appeal. By entering into this Agreed Order, Formosa agrees to waive all notice and procedural rights.

It is further understood and agreed that this Order represents the complete and fully-integrated settlement of the parties. 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. The duties and responsibilities imposed by this Agreed Order are binding upon Formosa.

The Commission makes the following Findings of Fact and Conclusions of Law:

I. FINDINGS OF FACT

1. Formosa owns and operates a synthetic chemical manufacturing plant at 201 Formosa Drive, Gate 3 in Point Comfort, Calhoun County, Texas (the "Plant").

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

3. During record reviews conducted on September 27, 2006 and October 17, 2006, TCEQ staff documented that Formosa failed to prevent unauthorized emissions during emission events occurring on July 25, 2006 and September 26, 2006. See chart below for type and quantity of unauthorized emissions.

Formosa Plastics Corporation, Texas RN100218973 2007-0771-AIR-E		
Incident Number, Date, Duration	Emissions Point	Compounds Emitted Total Pounds ("lbs")
78885, July 25, 2006, One Hour Fourteen Minutes	6" LV-419 header piping	Ethylene dichloride- 5,606 lbs Hydrochloric acid- 5,727 lbs Vinyl Chloride Monomer- 24,991 lbs
81836, September 26, 2006, Twenty Minutes	Relief Valve (RV-303A1)	1,1-Dichloroethane- 66.78 lbs Benzene- 105.22 lbs Ethylene dichloride- 4,146.21 lbs Nitrogen- 806.96 lbs Oxygen- 25.51 lbs Vinyl Chloride Monomer- 32,671.57 lbs

4. Formosa received notice of the violations on May 8, 2007.

II. CONCLUSIONS OF LAW

1. Formosa is subject to the jurisdiction of the TCEQ pursuant to TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7 and the rules of the Commission.

2. As evidenced by Findings of Fact No. 3, Formosa failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 101.20(2), 113.100, and 116.115(c), TEX. HEALTH & SAFETY CODE § 382.085(b), and Air Permit No. 7699, Special Condition No. 1.

3. Pursuant to TEX. WATER CODE § 7.051, the Commission has the authority to assess an administrative penalty against Formosa for violations of the Texas Water Code and the Texas Health and Safety Code within the Commission's jurisdiction; for violations of rules adopted under such statutes; or for violations of orders or permits issued under such statutes.

4. An administrative penalty in the amount of Twenty Thousand Dollars ($20,000) is justified by the facts recited in this Agreed Order, and considered in light of the factors set forth in TEX. WATER CODE § 7.053. Formosa has paid Ten Thousand Dollars ($10,000) of the administrative penalty. Ten Thousand Dollars ($10,000) shall be conditionally offset by Formosa's completion of a Supplemental Environmental Project.

III. ORDERING PROVISIONS

NOW, THEREFORE, THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY ORDERS that:

1. Formosa is assessed an administrative penalty in the amount of Twenty Thousand Dollars ($20,000) as set forth in Section II, Paragraph 4 above, for violations of TCEQ rules and state statutes. The payment of this administrative penalty and Formosa's compliance with all the terms and conditions set forth in this Agreed Order completely resolve the violations set forth by this Agreed Order in this action. However, the Commission shall not be constrained in any manner from requiring corrective actions or penalties for other violations that are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Formosa Plastics Corporation, Texas, Docket No. 2007-0771-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. Formosa shall implement and complete a Supplemental Environmental Project ("SEP") in accordance with TEX. WATER CODE § 7.067. As set forth in Section II, Paragraph 4 above, Ten Thousand Dollars ($10,000) of the assessed administrative penalty shall be offset with the condition that Formosa implement the SEP defined in Attachment A, incorporated herein by reference. Formosa'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. Formosa shall undertake the following technical requirements:

   a. Within 15 days after the effective date of this Agreed Order, develop and implement a maintenance plan that would ensure early detection of pipe corrosion;

   b. Within 15 days after the effective date of this Agreed Order, develop and implement procedures to abate and/or prevent, to the extent practicable, the release of unauthorized pollutants during future power losses from the 300 Area of the Vinyl Unit; and

c. Within 30 days after the effective date of this Agreed Order, submit written certification as described below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision Nos. 3.a. and 3.b. The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

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

The certification shall be submitted to:

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

with a copy to:

Air Section, Manager
Corpus Christi Regional Office
Texas Commission on Environmental Quality
6300 Ocean Drive, Suite 1200
Corpus Christi, Texas 78412-5503

4. The provisions of this Agreed Order shall apply to and be binding upon Formosa. Formosa 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.

5. If Formosa 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, Formosa's failure to comply is not a violation of this Agreed Order. Formosa shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. Formosa shall notify the Executive Director within seven days after Formosa becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.

6. 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 Formosa shall be made in writing to the Executive Director. Extensions are not effective until Formosa receives written

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

7. The Executive Director may refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings without notice to Formosa if the Executive Director determines that Formosa has not complied with one or more of the terms or conditions in this Agreed Order.

8. 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.

9. This Agreed Order, issued by the Commission, shall not be admissible against Formosa 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.

10. 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.

11. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties. By law, the effective date of this Agreed Order is the third day after the mailing date, as provided by 30 TEX. ADMIN. CODE § 70.10(b) and TEX. GOV'T CODE § 2001.142.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

_____
For the Commission

_____ 12/7/07
For the Executive Director Date

I, the undersigned, have read and understand the attached Agreed Order in the matter of Formosa Plastics Corporation, Texas. I am authorized to agree to the attached Agreed Order on behalf of Formosa Plastics Corporation, Texas, and do agree to the specified terms and conditions. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I understand that by entering into this Agreed Order, Formosa Plastics Corporation, Texas waives certain procedural rights, including, but not limited to, the right to formal notice of violations addressed by this Agreed Order, notice of an evidentiary hearing, the right to an evidentiary hearing, and the right to appeal. I agree to the terms of the Agreed Order in lieu of an evidentiary hearing. This Agreed Order constitutes full and final adjudication by the Commission of the violations set forth in this Agreed Order.

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.

_____ 12/5/07
Signature Date

Robert P. Smith VP / Gen. Manager
Name (Printed or typed) Title
Authorized Representative of
Formosa Plastics Corporation, Texas

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: 2007-0771-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	Formosa Plastics Corporation, Texas
Penalty Amount:	Twenty Thousand Dollars ($20,000)
SEP Amount:	Ten Thousand Dollars ($10,000)
Type of SEP:	Contribution to Third-Party Administrator (pre-approved concept)
Third-Party Recipient:	City of Point Comfort ***Wastewater Treatment Plant Repair Assistance***
Location of SEP:	Calhoun 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 the SEP Amount to the Third-Party Recipient pursuant to the agreement between the Third-Party Recipient and the TCEQ. Specifically, the contribution will be to the City of Point Comfort, Texas for its ***Wastewater Treatment Plant Repair Assistance*** project. The Third Party Recipient shall use SEP funds to assist in rehabilitation of its wastewater treatment system as described below:

- Rehabilitation of the main sanitary sewer lift station (excluding the cost of installation of new high level alarms) to prevent sewage overflows or backups of sewage into residences;
- Replacement of the final effluent outfall line at the wastewater treatment facility site; and
- Simultaneous deconstruction of portions of the former site, which will alleviate storm water inflow into the chlorine contact chamber at the treatment facility.

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 by helping to prevent the release of raw sewage into the environment, which will protect ground, surface, and drinking water sources, the general public and wildlife from contamination from sewage.

Raw sewage can carry bacteria, viruses, protozoa (parasitic organisms), helminthes (intestinal worms), and

bioaerosols (inhalable molds and fungi). The diseases they may cause range in severity from mild gastroenteritis (causing stomach cramps and diarrhea) to life-threatening ailments such as cholera, dysentery, infectious hepatitis, and severe gastroenteritis.

People can be exposed through:

- Sewage in drinking water sources.
- Direct contact in areas of public access such as lawns, in streets, or in waters used for recreation.
- Shellfish harvested from areas contaminated by raw sewage.
- Inhalation and skin absorption.

Sewage overflows may cause damage to the environment. A key concern with sewage overflows is the effect on rivers, lakes, streams, or aquifer systems. In addition to potential spread of disease, sewage in the environment contributes excess nutrients, metals, and toxic pollutants that contaminate water quality, cause excess algae blooms, and kill fish and other organisms in aquatic habitats.

The outfall line and plant deconstruction portions of this SEP will provide a discernible environmental benefit by reducing storm water inflow into the chlorine contact chamber of the treatment facility, which will reduce the likelihood of discharge of improperly disinfected wastewater effluent.

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:

City of Point Comfort
Attention: Honorable Pam Lambden, Mayor
P.O. Box 497
Point Comfort, Texas 77978

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:

Litigation Division
Attention: SEP Coordinator, MC 175
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.

In the event of incomplete performance, the Respondent shall submit a check for any amount due with a notation that the payment is for a "SEP Refund", and the docket number of the case. The Respondent shall make the check out to "Texas Commission on Environmental Quality" and mail it to:

Litigation Division
Attention: SEP Coordinator, MC 175
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

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