

EXECUTIVE SUMMARY - ENFORCEMENT MATTER

DOCKET NO.: 2008-0894-AIR-E TCEQ ID: RN100218130 CASE NO.: 35979

RESPONDENT NAME: Houston Refining 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: Houston Refining, 12000 Lawndale Street, Houston, Harris County</p> <p>TYPE OF OPERATION: Petroleum refinery</p> <p>SMALL BUSINESS: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>OTHER SIGNIFICANT MATTERS: There are no complaints. There are six additional pending enforcement actions regarding this facility location, Docket Nos. 2008-0790-AIR-E, 2008-0674-AIR-E, 2007-1836-AIR-E, 2007-1069-AIR-E, 2007-0780-IWD-E, and 2007-0473-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 September 22, 2008. 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. Rebecca Johnson, Enforcement Division, Enforcement Team 5, MC R-12, (713) 422-8931; Mr. Bryan Sinclair, Enforcement Division, MC 219, (512) 239-2171 Respondent: Mr. Philip J. Oberbroeckling, P.E., Environmental and Department of Transportation Affairs Manager, Houston Refining LP, P.O. Box 2451, Houston, Texas 77017-2470 Mr. James B. Roecker, Divisional Vice President, Houston Refining LP, P.O. Box 2451, Houston, Texas 77017-2470 Respondent's Attorney: Not represented by counsel on this enforcement matter</p>		

VIOLATION SUMMARY CHART:

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p>Type of Investigation: <input type="checkbox"/> Complaint <input checked="" type="checkbox"/> Routine <input type="checkbox"/> Enforcement Follow-up <input type="checkbox"/> Records Review</p> <p>Date(s) of Complaints Relating to this Case: None</p> <p>Date of Investigation Relating to this Case: May 13, 2008</p> <p>Date of NOV/NOE Relating to this Case: May 30, 2008 (NOE)</p> <p>Background Facts: This was a routine investigation.</p> <p>AIR</p> <p>Failure to prevent excess hydrogen sulfide in the refinery fuel gas and prevent unauthorized emissions during an April 28, 2008 emissions event. Specifically, during Incident No. 107027 an incorrect valve line-up on the amine transfer manifold resulted in an exceedance of the 160 parts per million by volume hydrogen sulfide concentration limit in the refinery fuel gas and the release of the following unauthorized emissions from multiple pieces of gas-fired equipment over a period of three hours and 30 minutes: 7,838 pounds ("lbs") of sulfur dioxide and 64 lbs of hydrogen sulfide. Since the emissions event was avoidable, the demonstration criteria for an affirmative defense in 30 TEX. ADMIN. CODE § 101.222 were not met [Air Permit No. 2167 and PSD-TX-985, Special Condition Nos. 1 and 26, 30 TEX. ADMIN. CODE §§ 101.20(3) and 116.715(a), and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p>	<p>Total Assessed: \$10,000</p> <p>Total Deferred: \$2,000 <input checked="" type="checkbox"/> Expedited Settlement <input type="checkbox"/> Financial Inability to Pay</p> <p>SEP Conditional Offset: \$4,000</p> <p>Total Paid to General Revenue: \$4,000</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>Ordering Provisions:</p> <p>1) The Order will require the Respondent to implement and complete a Supplemental Environmental Project (SEP). (See SEP Attachment A)</p> <p>2) The Order will also require the Respondent to:</p> <p>a. Within 30 days after the effective date of this Agreed Order, implement measures designed to prevent the recurrence of emissions events due to the same cause as the April 28, 2008 emissions event (Incident No. 107027); and</p> <p>b. Within 45 days after the effective date of this Agreed Order, submit written certification and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 2.a.</p>

Additional ID No(s): HG0048L

Attachment A
Docket Number: 2008-0894-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent: Houston Refining LP

Payable Penalty Amount: Eight Thousand Dollars (\$8,000)

SEP Amount: Four Thousand Dollars (\$4,000)

Type of SEP: Pre-approved

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

Location of SEP: Harris County

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

1. Project Description

A. Project

The Respondent will contribute to Houston-Galveston AERCO's Clean Cities/Clean Vehicles Program in Harris County. The contribution will be used in accordance with the *Supplemental Environmental Project Agreement between the Houston-Galveston AERCO and the Texas Commission on Environmental Quality*.

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

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

B. Environmental Benefit

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

C. Minimum Expenditure

The Respondent shall contribute at least the SEP Amount to the Third-Party Recipient and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Amount to the Third-Party Recipient. The Respondent shall mail the contribution, with a copy of the Agreed Order, to:

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

3. Records and Reporting

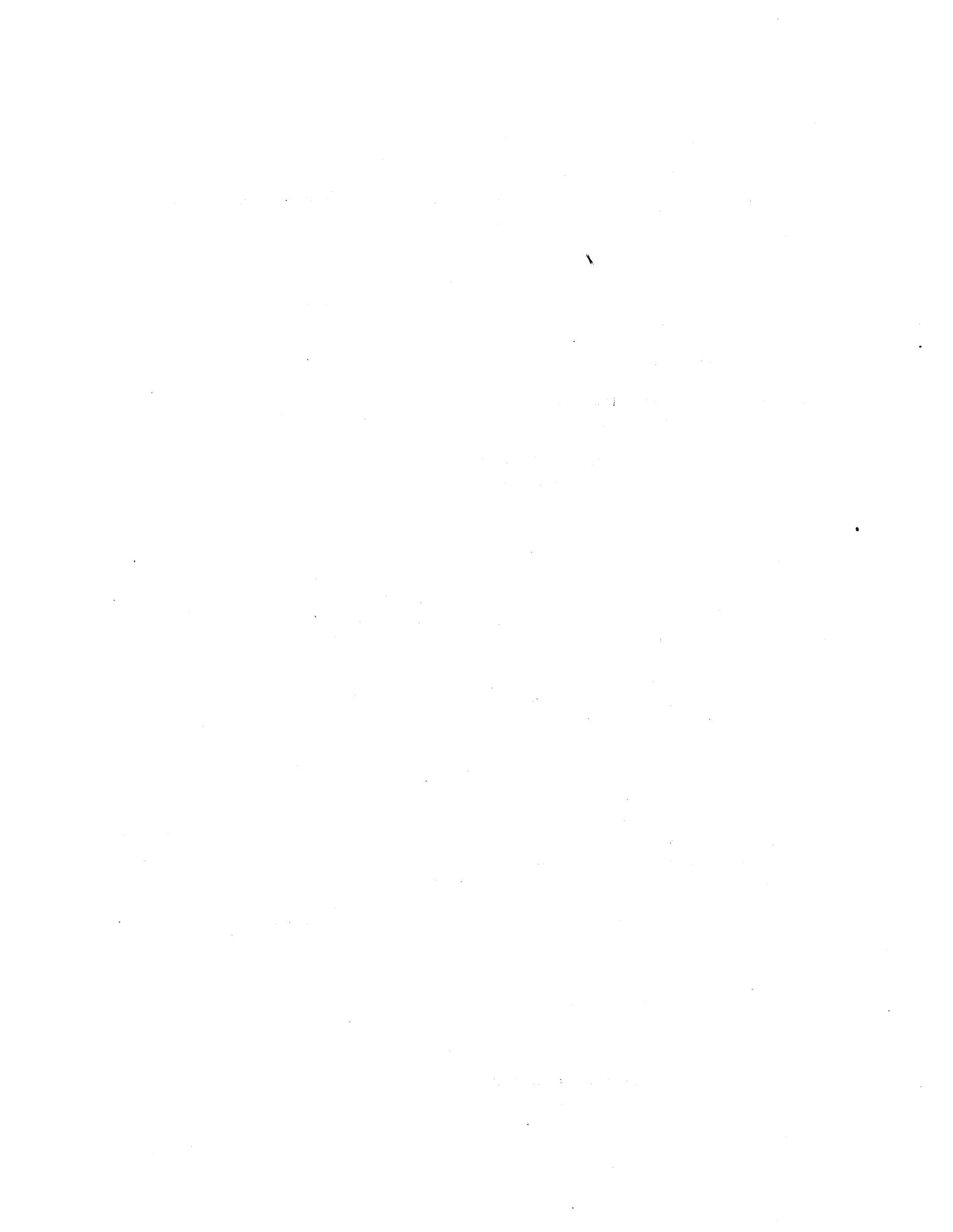
Concurrent with the payment of the SEP Amount, the Respondent shall provide the TCEQ SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Amount to the Third-Party Recipient. The Respondent shall mail a copy of the check and transmittal letter to:

Enforcement Division
Attention: SEP Coordinator, MC 219
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If the Respondent does not perform its obligations under this SEP in any way, including full payment of the SEP Amount and submittal of the required reporting described in Section 3 above, the Executive Director may require immediate payment of all or part of the SEP Amount.

The check for any amount due shall be made out to "Texas Commission on Environmental Quality" and mailed to:



Houston Refining LP
Agreed Order - Attachment A

Financial Administration Division, Revenues
Attention: Cashier, MC 214
P.O. Box 13088
Austin, Texas 78711-3088

The Respondent shall also mail a copy of the check to the TCEQ SEP Coordinator at the address in Section 3 above.

5. Publicity

Any public statements concerning this SEP made by or on behalf of the Respondent must include a clear statement that the project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.

6. Clean Texas Program

The Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, the Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

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



Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision March 8, 2008

DATES	Assigned	2-Jun-2008	Screening	2-Jun-2008	EPA Due	24-Feb-2009
	PCW	2-Jun-2008				

RESPONDENT/FACILITY INFORMATION	
Respondent	Houston Refining LP
Reg. Ent. Ref. No.	RN100218130
Facility/Site Region	12-Houston
Major/Minor Source	Major

CASE INFORMATION				
Enf./Case ID No.	35979	No. of Violations	1	
Docket No.	2008-0894-AIR-E	Order Type	1660	
Media Program(s)	Air	Enf. Coordinator	Rebecca Johnson	
Multi-Media		EC's Team	Enforcement Team 5	
Admin. Penalty \$	Limit Minimum	\$0	Maximum	\$10,000

Penalty Calculation Section

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

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

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

Notes

Culpability **Subtotal 4**

Notes

Good Faith Effort to Comply **Subtotal 5**

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

Notes

Total EB Amounts **Subtotal 6**
Approx. Cost of Compliance **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.

Notes

Final Penalty Amount

STATUTORY LIMIT ADJUSTMENT **Final Assessed Penalty**

DEFERRAL **Adjustment**

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

Notes

PAYABLE PENALTY

Screening Date 2-Jun-2008

Docket No. 2008-0894-AIR-E

PCW

Respondent Houston Refining LP

Policy Revision 2 (September 2002)

Case ID No. 35979

PCW Revision March 8, 2008

Reg. Ent. Reference No. RN100218130

Media [Statute] Air

Enf. Coordinator Rebecca Johnson

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)	12	60%
	Other written NOVs	11	22%
Orders	Any agreed final enforcement orders containing a denial of liability (number of orders meeting criteria)	5	100%
	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	8	200%
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)	1	30%
	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)	4	-4%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which violations were disclosed)	1	-2%
<i>Please Enter Yes or No</i>			
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) 406%

>> **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 12 NOVs issued for same or similar violations, four unrelated NOVs, seven effluent discharge violations, five agreed orders with a denial of liability, eight agreed orders without a denial of liability, and one court order. Penalty reduction due to four Notices of Intended Audits and one Disclosure of Violations submitted.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 406%

Screening Date 2-Jun-2008	Docket No. 2008-0894-AIR-E	PCW
Respondent Houston Refining LP		<small>Policy Revision 2 (September 2002)</small>
Case ID No. 35979		<small>PCW Revision March 8, 2008</small>
Reg. Ent. Reference No. RN100218130		
Media [Statute] Air		
Enf. Coordinator Rebecca Johnson		
Violation Number	1	
Rule Cite(s)	Air Permit No. 2167 and PSD-TX-985, Special Condition Nos. 1 and 26, 30 Tex. Admin. Code §§ 101.20(3) and 116.715(a), and Tex. Health & Safety Code § 382.085(b)	
Violation Description	Failed to prevent excess hydrogen sulfide in the refinery fuel gas and prevent unauthorized emissions during an April 28, 2008 emissions event. Specifically, during Incident No. 107027, an incorrect valve line-up on the amine transfer manifold resulted in an exceedance of the 160 parts per million by volume hydrogen sulfide concentration limit in the refinery fuel gas and the release of the following unauthorized emissions from multiple pieces of gas-fired equipment over a period of three hours and 30 minutes: 7,838 pounds ("lbs") of sulfur dioxide and 64 lbs of hydrogen sulfide. Since the emissions event was avoidable, the demonstration criteria for an affirmative defense in 30 Tex. Admin. Code § 101.222 were not met.	
	Base Penalty	\$10,000
>> Environmental, Property and Human Health Matrix		
OR	Harm	
	Release	Major Moderate Minor
	Actual	<input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/>
	Potential	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	Percent	50%
>> Programmatic Matrix		
	Falsification	Major Moderate Minor
	<input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	Percent	0%
Matrix Notes	Human health and the environment in the Houston-Galveston-Brazoria ozone nonattainment area have been exposed to over three tons of pollutants which did not exceed levels that are protective of human health and environmental receptors as a result of the violation.	
	Adjustment	\$5,000
		\$5,000
Violation Events		
	Number of Violation Events	1
		Number of violation days
	1	
<small>mark only one with an x</small>	daily	<input type="checkbox"/>
	monthly	<input checked="" type="checkbox"/>
	quarterly	<input type="checkbox"/>
	semiannual	<input type="checkbox"/>
	annual	<input type="checkbox"/>
	single event	<input type="checkbox"/>
	Violation Base Penalty	\$5,000
One monthly event is recommended.		
Economic Benefit (EB) for this violation		
	Estimated EB Amount	\$191
Statutory Limit Test		
	Violation Final Penalty Total	\$25,300
	This violation Final Assessed Penalty (adjusted for limits)	\$10,000

Economic Benefit Worksheet

Respondent Houston Refining LP
Case ID No. 35979
Reg. Ent. Reference No. RN100218130
Media Air
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost <small>No commas or \$</small>	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)	\$5,000	28-Apr-2008	1-Feb-2009	0.8	\$191	n/a	\$191

Notes for DELAYED costs
 Estimated cost to implement measures designed to prevent the recurrence of emissions events caused by an incorrect valve line-up on the amine transfer manifold. Date required is the date of the emissions event. Final date is the projected date preventative measures will be completed.

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Avoided Costs							
ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)							
Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				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 TOTAL

\$5,000		TOTAL	\$191
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Compliance History

Customer/Respondent/Owner-Operator: CN601313083 HOUSTON REFINING, L.P. Classification: AVERAGE Rating: 7.45
 Regulated Entity: RN100218130 HOUSTON REFINING Classification: AVERAGE Site Rating: 7.45

ID Number(s):	AIR OPERATING PERMITS	ACCOUNT NUMBER	HG0048L
	AIR OPERATING PERMITS	PERMIT	1372
	AIR NEW SOURCE PERMITS	PERMIT	2167
	AIR NEW SOURCE PERMITS	PERMIT	3844
	AIR NEW SOURCE PERMITS	PERMIT	26987
	AIR NEW SOURCE PERMITS	PERMIT	31955
	AIR NEW SOURCE PERMITS	PERMIT	38735
	AIR NEW SOURCE PERMITS	PERMIT	44938
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	HG0048L
	AIR NEW SOURCE PERMITS	REGISTRATION	54769
	AIR NEW SOURCE PERMITS	REGISTRATION	55719
	AIR NEW SOURCE PERMITS	REGISTRATION	75386
	AIR NEW SOURCE PERMITS	AFS NUM	4820100040
	AIR NEW SOURCE PERMITS	EPA ID	PSDTX985
	AIR NEW SOURCE PERMITS	REGISTRATION	71613
	AIR NEW SOURCE PERMITS	REGISTRATION	74743
	AIR NEW SOURCE PERMITS	REGISTRATION	76934
	AIR NEW SOURCE PERMITS	REGISTRATION	78506
	AIR NEW SOURCE PERMITS	REGISTRATION	80698
	AIR NEW SOURCE PERMITS	REGISTRATION	43445
	AIR NEW SOURCE PERMITS	REGISTRATION	46595
	AIR NEW SOURCE PERMITS	REGISTRATION	49678
	AIR NEW SOURCE PERMITS	REGISTRATION	50839
	AIR NEW SOURCE PERMITS	REGISTRATION	56586
	AIR NEW SOURCE PERMITS	REGISTRATION	71380
	AIR NEW SOURCE PERMITS	REGISTRATION	81566
	AIR NEW SOURCE PERMITS	REGISTRATION	84563
	AIR NEW SOURCE PERMITS	REGISTRATION	84606
	WASTEWATER	PERMIT	WQ0000392000
	WASTEWATER	PERMIT	TPDES0003247
	WASTEWATER	EPA ID	TPDES0003247
	PUBLIC WATER SYSTEM/SUPPLY	REGISTRATION	1011570
	PUBLIC WATER SYSTEM/SUPPLY	REGISTRATION	1011570
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	EPA ID	TXD082688979
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION # (SWR)	30092
	INDUSTRIAL AND HAZARDOUS WASTE STORAGE	PERMIT	50106
	WATER LICENSING	LICENSE	1011570
	IHW CORRECTIVE ACTION	SOLID WASTE REGISTRATION # (SWR)	30092
	INDUSTRIAL AND HAZARDOUS WASTE POST CLOSURE	PERMIT	50106
	INDUSTRIAL AND HAZARDOUS WASTE COMPLIANCE PLANS	PERMIT	50106

Location: 12000 LAWNSDALE ST, HOUSTON, TX, 77017 Rating Date: September 01 07 Repeat Violator: NO

TCEQ Region: REGION 12 - HOUSTON
 Date Compliance History Prepared: June 02, 2008
 Agency Decision Requiring Compliance History: Enforcement
 Compliance Period: June 02, 2003 to June 02, 2008

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

Name: Rebecca Johnson Phone: (713) 422-8931

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: 08/07/2003 **ADMINORDER 2002-1040-AIR-E**
 Classification: Moderate
 Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
 5C THC Chapter 382, SubChapter A 382.085(b)
 Description: Failure to monitor 368 valves in the Benzene and Toluene Unit in VOC service.

Effective Date: 12/05/2003 **COURTORDER**
 Classification: Major
 Citation: 30 TAC Chapter 101, SubChapter A 101.4
 30 TAC Chapter 116, SubChapter G 116.715(a)
 Rqmt Prov: SC 1 PERMIT
 Description: Emissions of sulfur dioxide and hydrogen sulfide into the air at such concentration as to adversely affect human health or welfare or as to interfere with the reasonable use and enjoyment of property.

Effective Date: 07/01/2004 **ADMINORDER 2003-1418-AIR-E**
 Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
 5C THC Chapter 382, SubChapter A 382.085(b)
 Rqmt Prov: Special Condition No. 1 PERMIT
 Description: Allowed an unauthorized release of SO2, H2S, and SO3 from the Sulfur Recovery Complex. Specifically, an emissions event occurred on December 19, 2002 which resulted in excess emissions of 85,009 lbs of SO2, 1,869 lbs of H2S, and 2,426 lbs of SO3.

Effective Date: 04/10/2005 **ADMINORDER 2004-0866-AIR-E**
 Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
 5C THC Chapter 382, SubChapter A 382.085(b)
 Rqmt Prov: PSD-TX-985, Special Condition 1 PERMIT
 Description: Exceeded VOC emissions limit for TCEQ Flexible Permit #2167 during an emissions event.

Effective Date: 08/07/2005 **ADMINORDER 2004-2002-AIR-E**
 Classification: Moderate
 Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
 30 TAC Chapter 116, SubChapter G 116.715(a)
 5C THC Chapter 382, SubChapter A 382.085(b)
 Rqmt Prov: Special Condition No. 1 PERMIT
 Description: Failed to comply with permitted emissions limits.
 Classification: Minor
 Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)(B)
 5C THC Chapter 382, SubChapter A 382.085(b)
 Description: Failed to submit the initial report for the reportable emission event that occurred on September 1, 2004 in a timely manner.

Effective Date: 12/15/2005 **ADMINORDER 2005-1172-AIR-E**
 Classification: Moderate
 Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)

30 TAC Chapter 116, SubChapter G 116.715(a)

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

Rqmt Prov: Flexible Permit No. 2167, SC #1. PERMIT

Description: Failed to comply with permitted emissions limits.

Effective Date: 02/05/2006

ADMINORDER 2005-0754-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)

30 TAC Chapter 116, SubChapter G 116.716(a)

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

Rqmt Prov: SC 1 PERMIT

Description: Failed to comply with permitted emissions limits.

Effective Date: 02/20/2006

ADMINORDER 2005-0359-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)

30 TAC Chapter 101, SubChapter A 101.20(3)

30 TAC Chapter 116, SubChapter G 116.715(a)

40 CFR Chapter 60, SubChapter C, PT 60, SubPT J 60.104(a)(1)

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

Rqmt Prov: Flexible Permit #2167, SC #2 PA

Flexible Permit #2167, SC#26 PA

Description: Failed to limit the hydrogen sulfide ("H₂S") concentration in the fuel gas to no more than 160 parts per million ("ppm") on a three-hour rolling average basis.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)

30 TAC Chapter 116, SubChapter G 116.715(a)

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

Rqmt Prov: Flexible Permit #2167, SC #44B PA

Description: Failed to operate the Wet Gas Scrubber (EPN 732 COB) at a minimum pressure drop across the scrubber of 0.91 pounds per square inch ("psi") and at a minimum liquid-to-gas ratio ("L/G") of 16.0 gallons per 1,000 actual cubic feet.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)

30 TAC Chapter 101, SubChapter A 101.20(3)

30 TAC Chapter 116, SubChapter G 116.715(a)

40 CFR Chapter 60, SubChapter C, PT 60, SubPT J 60.103(a)

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

Rqmt Prov: Flexible Permit #2167, SC #2 PA

Description: Failed to maintain a maximum hourly average carbon monoxide ("CO") concentration of no more than 500 parts per million volume ("ppmv") from the FCCU Catalyst Regenerator Stack (EPN 732-COB)

Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)

30 TAC Chapter 111, SubChapter A 111.111(a)(4)(A)(ii)

30 TAC Chapter 116, SubChapter G 116.715(a)

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

Rqmt Prov: Special Condition 47 PERMIT

Description: Failed to note daily flare observations in the Flare Observation Log and failed to maintain monitoring records for a flare's pilot flame.

Classification: Minor

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

30 TAC Chapter 101, SubChapter A 101.20(3)

30 TAC Chapter 115, SubChapter D 115.352(2)

30 TAC Chapter 116, SubChapter G 116.715(a)

40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.171(a)

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

Rqmt Prov: Flexible Permit #2167, SC #14.I PA
Description: Failed to repair three valves within 15 days of leak detection

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)

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

Rqmt Prov: Flexible Permit #2167, SC #37 PA
Description: Failed to maintain the sulfur dioxide ("SO₂") concentration in the exhaust gas of the #435 and #440 Tail Gas Thermal Oxidizers (EPNs TGU-ICN and TGU-ICN2) below 235 ppmv on a one-hour average basis.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 115, SubChapter B 115.114(a)(1)

30 TAC Chapter 115, SubChapter B 115.114(a)(2)
30 TAC Chapter 116, SubChapter G 116.715(a)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.120(a)(2)(i)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.120(b)(1)(iii)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: Flexible Permit #2167, SC #4 PA
Description: Failed to conduct the required inspections for three storage tanks.

Effective Date: 05/28/2006 **ADMINORDER 2005-1985-AIR-E**

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)

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

Rqmt Prov: TCEQ Flexible Permit #2167, SC #1 PERMIT
Description: Failed to prevent unauthorized emissions.

Effective Date: 06/15/2006 **ADMINORDER 2005-2073-AIR-E**

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)

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

Rqmt Prov: TCEQ Permit #2167, SC#1 PERMIT
Description: Failed to prevent unauthorized emissions.

Effective Date: 02/05/2007 **ADMINORDER 2006-0811-AIR-E**

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)

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

Rqmt Prov: No. 2167, SC #1 PERMIT
Description: Failed to prevent unauthorized emissions on November 7, 2005.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)

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

Rqmt Prov: TCEQ Permit #2167, SC#1 PERMIT
Description: Failed to prevent unauthorized emissions on March 21, 2006.

Effective Date: 08/10/2007 **ADMINORDER 2007-0440-AIR-E**

Classification: Moderate

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

Rqmt Prov: Special Condition 1 PERMIT

Description: Failed to prevent unauthorized emissions. Specifically, 10,494 pounds ("lbs") of sulfur dioxide, 126 lbs of carbon monoxide and 22 lbs of hydrogen sulfide were released from the Magnaformer Unit and the Sulfur Recovery Complex during an emissions event that began January 4, 2007 and lasted nine hours and 45 minutes.

Classification: Moderate

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

Rqmt Prov: Special Condition 1 PERMIT

Description: Failed to prevent unauthorized emissions. Specifically, 1,431 pounds ("lbs") of propane, 510 lbs of propylene and 11 lbs of butenes were released from Unit 234 during an avoidable emissions event that began January 9, 2007 and lasted eight hours.

Classification: Moderate

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

Rqmt Prov: Special Condition 1 PERMIT

Description: Failed to prevent unauthorized emissions. Specifically, 8,205 pounds of the Highly Reactive Volatile Organic Compound ethylene were released from the Paraxylene Recovery Unit during an avoidable emissions event that began January 16, 2007 and lasted one hour and 55 minutes.

Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)(1)(H)
5C THC Chapter 382, SubChapter D 382.085(b)

Description: Failed to properly report the amount of ethylene emissions. Specifically, the final notification reported 7,650 lbs of ethylene were released as a result of the January 16, 2007 emissions event and the investigation determined that the actual emissions released were 8,205 lbs of ethylene.

Classification: Moderate

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

Rqmt Prov: Special Condition 1 PERMIT

Description: Failed to prevent unauthorized emissions. Specifically, 189 lbs of propane, 530 lbs of propylene, 821 lbs of butanes, 1,064 lbs of butenes, 3,154 lbs of pentanes, 2,589 lbs of pentenes and 13,734 lbs of C6+ Hazardous Air Pollutants ("HAP") were released from the 732 Fluid Catalytic Cracking Unit ("FCCU") during

Classification: Moderate

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

Rqmt Prov: Special Condition 1 PERMIT

Description: Failed to prevent unauthorized emissions. Specifically, 72 lbs of ethylene, 2,195 lbs of propane, 7,057 lbs of propylene, 11,000 lbs of butanes, 8,990 lbs of butenes, 4,110 lbs of pentanes and 23,328 lbs of C6+ HAPs were released from the 732 FCCU during an avoidable emissions event that began March 5, 2007

Effective Date: 10/04/2007

ADMINORDER 2007-0713-AIR-E

Classification: Moderate

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

Rqmt Prov: Special Condition 1 PERMIT

Description: Failed to prevent unauthorized emissions. Specifically, Houston Refining released 1,830 lbs of SO2 from the Sulfur Recovery Complex during an avoidable emissions event that began April 3, 2007 and lasted one hour and 30 minutes.

Classification: Moderate

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

Rqmt Prov: Special Condition 1 PERMIT

Description: Failed to prevent unauthorized emissions. Specifically, Exxon released 54,320 lbs of sulfur dioxide, 700 lbs of sulfur trioxide, 596 lbs of hydrogen sulfide, 304 lbs of ammonia and 76 lbs nitric oxide from the Sulfur Recovery Unit during an avoidable emissions event that began April 21, 2007 and lasted 16 hours and 45 minutes.

Classification: Minor

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

Description: Failed to submit an initial notification within 24 hours of the discovery of the April 21, 2007 emissions event. Specifically, the report, which was due April 22, 2007, was not submitted until April 26, 2007.

Effective Date: 12/20/2007

ADMINORDER 2006-1948-AIR-E

Classification: Moderate

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

Rqmt Prov: TCEQ Flexible Permit #2167, SC#1 PERMIT
Description: Failed to prevent unauthorized emissions.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)
5C THC Chapter 382, SubChapter D 382.085(b)

Rqmt Prov: Flexible Permit #2167, SC #1 PERMIT
Description: Failed to prevent unauthorized emissions.

Classification: Moderate

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

Rqmt Prov: TCEQ Flexible Permit #2167, SC #1 PERMIT
Description: Failed to prevent unauthorized emissions.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)
5C THC Chapter 382, SubChapter D 382.085(b)

Rqmt Prov: TCEQ Flexible Air Permit #2167, SC #1 PERMIT
Description: Failed to prevent unauthorized emissions.

Classification: Moderate

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

Rqmt Prov: TCEQ Flexible Permit No. 2167, SC #1 PERMIT
Description: Failed to prevent unauthorized emissions on October 2, 2006, when a console operator inadvertently opened the wrong valve, resulting in an emissions event that released 2,608.50 pounds of sulfur dioxide and lasted for one hour (Incident No. 82077)

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	06/16/2003	(294608)
2	07/07/2003	(294610)
3	07/31/2003	(35420)
4	08/04/2003	(144785)
5	08/06/2003	(144511)
6	08/12/2003	(294612)
7	08/18/2003	(112865)
8	09/10/2003	(294614)
9	10/14/2003	(294616)
10	11/07/2003	(21204)
11	11/12/2003	(294617)
12	12/16/2003	(294618)

13	01/05/2004	(252510)
14	01/08/2004	(294619)
15	01/30/2004	(258069)
16	02/03/2004	(252543)
17	02/09/2004	(294599)
18	02/23/2004	(4691)
19	02/24/2004	(263274)
20	02/29/2004	(262038)
21	03/09/2004	(294603)
22	04/16/2004	(294604)
23	05/14/2004	(264609)
24	05/20/2004	(351815)
25	05/27/2004	(143412)
26	06/14/2004	(351816)
27	07/22/2004	(351817)
28	08/11/2004	(286666)
29	08/11/2004	(288389)
30	08/11/2004	(287948)
31	08/16/2004	(260979)
32	08/16/2004	(260585)
33	08/16/2004	(351818)
34	08/19/2004	(261725)
35	08/24/2004	(271493)
36	08/31/2004	(271505)
37	08/31/2004	(289666)
38	08/31/2004	(292409)
39	09/01/2004	(276631)
40	09/15/2004	(351819)
41	10/15/2004	(282886)
42	10/18/2004	(351820)
43	10/19/2004	(335898)
44	10/19/2004	(336015)
45	11/11/2004	(290238)
46	11/11/2004	(292704)
47	11/11/2004	(291091)
48	11/14/2004	(271509)
49	11/18/2004	(340059)
50	11/18/2004	(351821)
51	11/22/2004	(341679)
52	12/03/2004	(269989)
53	12/07/2004	(341250)
54	12/09/2004	(342162)
55	12/14/2004	(342195)
56	12/16/2004	(285369)
57	12/27/2004	(351822)
58	12/28/2004	(278159)
59	01/18/2005	(381702)
60	01/28/2005	(345654)
61	02/02/2005	(347718)
62	02/15/2005	(381700)
63	03/16/2005	(347527)
64	03/21/2005	(381701)
65	03/29/2005	(375273)
66	04/14/2005	(376977)
67	04/14/2005	(372794)
68	04/18/2005	(419493)
69	04/19/2005	(376798)
70	04/22/2005	(349552)
71	05/02/2005	(372107)
72	05/03/2005	(376226)
73	05/20/2005	(381195)
74	05/24/2005	(419494)
75	05/25/2005	(379525)
76	05/26/2005	(337173)
77	05/26/2005	(349881)
78	06/07/2005	(395018)
79	06/20/2005	(419495)

80	06/21/2005	(379593)
81	07/07/2005	(379524)
82	07/22/2005	(400281)
83	07/25/2005	(419496)
84	08/15/2005	(404916)
85	08/18/2005	(404363)
86	08/18/2005	(404331)
87	08/24/2005	(405604)
88	08/24/2005	(405556)
89	08/24/2005	(440650)
90	08/25/2005	(404773)
91	09/19/2005	(440651)
92	10/10/2005	(431795)
93	10/10/2005	(468144)
94	10/28/2005	(432450)
95	10/31/2005	(432333)
96	11/07/2005	(468145)
97	11/23/2005	(435308)
98	12/02/2005	(431511)
99	12/28/2005	(434541)
100	01/19/2006	(468146)
101	02/01/2006	(468142)
102	02/25/2006	(456998)
103	02/25/2006	(457020)
104	02/25/2006	(457004)
105	02/28/2006	(457235)
106	03/17/2006	(468143)
107	04/10/2006	(498011)
108	04/20/2006	(437368)
109	04/27/2006	(439800)
110	05/10/2006	(498012)
111	05/31/2006	(480504)
112	05/31/2006	(480500)
113	05/31/2006	(480503)
114	05/31/2006	(480506)
115	05/31/2006	(480494)
116	06/14/2006	(479843)
117	06/15/2006	(498013)
118	06/15/2006	(481316)
119	06/15/2006	(461559)
120	06/29/2006	(458901)
121	06/30/2006	(469140)
122	07/17/2006	(485790)
123	07/26/2006	(520029)
124	07/28/2006	(463199)
125	08/08/2006	(489220)
126	08/11/2006	(520030)
127	08/18/2006	(396831)
128	09/11/2006	(574927)
129	09/11/2006	(489202)
130	10/06/2006	(489212)
131	10/12/2006	(544276)
132	10/30/2006	(511654)
133	11/21/2006	(544277)
134	12/11/2006	(574928)
135	01/08/2007	(574929)
136	01/09/2007	(532009)
137	01/25/2007	(512685)
138	02/02/2007	(435323)
139	02/02/2007	(511662)
140	02/05/2007	(536476)
141	02/08/2007	(512678)
142	02/16/2007	(574922)
143	02/22/2007	(510814)
144	02/23/2007	(511980)
145	03/16/2007	(574923)
146	03/21/2007	(539194)

147	03/21/2007	(539188)
148	03/21/2007	(539192)
149	04/04/2007	(554793)
150	04/04/2007	(554809)
151	04/13/2007	(574924)
152	04/20/2007	(556941)
153	04/24/2007	(557537)
154	04/30/2007	(554360)
155	05/04/2007	(556720)
156	05/09/2007	(554980)
157	05/15/2007	(574925)
158	05/29/2007	(559572)
159	06/14/2007	(574926)
160	07/03/2007	(563761)
161	07/12/2007	(619397)
162	07/20/2007	(561274)
163	07/25/2007	(566621)
164	08/13/2007	(601490)
165	08/17/2007	(570286)
166	08/23/2007	(570387)
167	08/28/2007	(570635)
168	09/07/2007	(573978)
169	09/14/2007	(601491)
170	09/27/2007	(595742)
171	10/08/2007	(619398)
172	10/10/2007	(594976)
173	10/17/2007	(567541)
174	10/18/2007	(566919)
175	10/19/2007	(598478)
176	10/25/2007	(596179)
177	11/06/2007	(619399)
178	11/09/2007	(599574)
179	12/04/2007	(600555)
180	12/10/2007	(619400)
181	12/21/2007	(610028)
182	01/15/2008	(612806)
183	01/15/2008	(671905)
184	01/18/2008	(609373)
185	01/25/2008	(613320)
186	01/28/2008	(616032)
187	01/29/2008	(611265)
188	02/11/2008	(671904)
189	03/03/2008	(616148)
190	04/07/2008	(617770)
191	04/08/2008	(595524)
192	04/22/2008	(640670)
193	04/22/2008	(639660)
194	05/30/2008	(670616)

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

Date: 08/18/2003 (112865)

Self Report? NO

Classification: Minor

Citation: 30 TAC Chapter 335, SubChapter A 335.6(c)

Description: During this investigation, it was found LCR failed to provide proper notification of all current solid waste activities to the TCEQ.

Date: 02/03/2004 (252543)

Self Report? NO

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)

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

Rqmt Prov: PERMIT 2167, Special Condition #1

Description: Lyondell failed to comply with the Special Conditions of permit 2167. Improper trim adjustment on a control valve caused temperature and pressure to increase above the PSV setpoint.

Date: 02/29/2004 (262038)
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
5C THC Chapter 382, SubChapter A 382.085(b)
Rqmt Prov: PERMIT TCEQ FLEXIBLE AIR PERMIT #2167, SC #1
Description: Lyondell exceeded permit limits during an emissions event.

Date: 05/14/2004 (264609)
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
5C THC Chapter 382, SubChapter A 382.085(b)
Rqmt Prov: PERMIT Permit #2167, Special Condition #1
Description: Exceeded VOC permit limit during an emissions event.

Date: 08/16/2004 (260585)
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
5C THC Chapter 382, SubChapter A 382.085(b)
Rqmt Prov: PERMIT TCEQ FLEXIBLE AIR PERMIT 2167, SC #1
Description: Exceeded VOC permit limit during an avoidable emissions event.

Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)(8)
Description: Failure to submit an administratively complete final emissions event report.

Date: 08/16/2004 (260979)
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)(8)
Description: Failure to comply with emissions events reporting requirements.

Date: 08/18/2004 (261725)
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)(8)
5C THC Chapter 382, SubChapter A 382.085(b)
Rqmt Prov: PERMIT TCEQ Flexible Air Permit #2167, SC #1
Description: Failure to submit an administratively complete final emissions event report.

Date: 11/14/2004 (271509)
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
5C THC Chapter 382, SubChapter A 382.085(b)
Rqmt Prov: PERMIT Flexible No. 2167 and PSD-TX-985, S.C. 1
Description: Exceeded VOC permit limits during an avoidable emissions event.

Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 101, SubChapter F 101.201(c)
Description: Failure to submit a final report within 14 days of the end of an emissions event.

Date: 11/30/2004 (351822)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)
Description: Failure to meet the limit for one or more permit parameter

Date: 12/09/2004 (342162)
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)
Rqmt Prov: PA Special Conditon #1
Description: Failure to control unauthorized emissions.

Date: 05/02/2005 (372107)
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 117, SubChapter B 117.219(f)(10)
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failure to record the times of operation for testing and maintenance for diesel engines subject to the restriction on hours of operation.

Date: 05/26/2005 (379525)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.110(a)(1)
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failure to control knockout pot level on south compressor.

Date: 07/06/2005 (379524)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter D 115.352(4)
30 TAC Chapter 116, SubChapter G 116.715(a)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: PERMIT Special Condition 15E

Description: Failed to keep a cap or plug on open-ended line ID # 501010 and open-ended valve # 614862.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter D 115.352(4)
30 TAC Chapter 116, SubChapter G 116.715(a)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: PERMIT Special Condition 15E

Description: Failed to keep a cap or plug on open-ended valves ID # 501010 and # 270505.

Date: 07/31/2005 (440650)

Self Report? YES Classification: Moderate

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

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

Date: 06/13/2006 (479843)

Self Report? NO Classification: Moderate

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

Rqmt Prov: PERMIT TCEQ Flexible Permit #2167, SC #1

Description: Lyondell failed to prevent the "Y Train" from overpressuring.

Date: 06/30/2006 (520029)

Self Report? YES Classification: Moderate

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

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

Date: 07/31/2006 (520030)

Self Report? YES Classification: Moderate

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

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

Date: 08/01/2006 (463199)

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 G 116.715(a)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(1)

Rqmt Prov: PA 2167 and PSD-TX-985, SC 15E

Description: Failure to cap/plug open-ened line

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(2)

Description: Leaking plug associated with valve #802412.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 115, SubChapter D 115.354(2)(C)
30 TAC Chapter 116, SubChapter G 116.715(a)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(a)
Rqmt Prov: PA 2167 and PSD-TX-985, SC 15F
Description: Failure to monitor valves

Date: 08/09/2006 (489220)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
5C THC Chapter 382, SubChapter D 382.085(b)
Rqmt Prov: PERMIT TCEQ Flexible Permit #2167, SC#1
Description: Failure to prevent the disconnection of a pressure indication instrument.

Date: 08/18/2006 (396831)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
5C THC Chapter 382, SubChapter A 382.085(b)
Rqmt Prov: PERMIT Flexible Permit No. 2167, SC #1.
Description: The RE failed to prevent unauthorized emissions from a leaking pipe.

Date: 10/31/2006 (544277)

Self Report? YES Classification: Moderate

Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)
Description: Failure to meet the limit for one or more permit parameter

Date: 08/31/2007 (601491)

Self Report? YES Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter

Date: 09/30/2007 (619398)

Self Report? YES Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter

F. Environmental audits.

Notice of Intent Date: 01/05/2004 (263563)

No DOV Associated

Notice of Intent Date: 08/15/2007 (574133)

No DOV Associated

Notice of Intent Date: 09/05/2007 (595042)

Disclosure Date: 02/13/2008

Viol. Classification: Major

Citation: 30 TAC Chapter 115, SubChapter D 115.352(4)

30 TAC Chapter 115, SubChapter H 115.783(5)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(1)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.167(a)(1)
Rqmt Prov: PERMIT 2167 SC 14E, 15E,

Description: Failure to provide seals for open ended lines that contain VOCs.

Disclosure Date: 04/03/2008

Viol. Classification: Major

Citation: 30 TAC Chapter 115, SubChapter D 115.352(4)

30 TAC Chapter 115, SubChapter H 115.783(5)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(1)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.167(a)(1)
Rqmt Prov: PERMIT 2167 SC 14E, 15E,

Description: Failure to provide seals for open ended lines that contain VOCs.

Notice of Intent Date: 10/04/2007 (598208)

No DOV Associated

G. Type of environmental management systems (EMSs).

N/A

H. Voluntary on-site compliance assessment dates.

N/A

I. Participation in a voluntary pollution reduction program.

N/A

J. Early compliance.

N/A

Sites Outside of Texas

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
HOUSTON REFINING LP
RN100218130**

§
§
§
§
§

**BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY**

AGREED ORDER DOCKET NO. 2008-0894-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 Houston Refining LP ("the Respondent") 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 the Respondent appear before the Commission and together stipulate that:

1. The Respondent owns and operates a petroleum refinery at 12000 Lawndale Street in Houston, Harris County, Texas (the "Plant").
2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
3. The Commission and the Respondent agree that the Commission has jurisdiction to enter this Agreed Order, and that the Respondent is subject to the Commission's jurisdiction.
4. The Respondent received notice of the violations alleged in Section II ("Allegations") on or about June 4, 2008.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
6. An administrative penalty in the amount of Ten Thousand Dollars (\$10,000) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Four Thousand Dollars (\$4,000) of the administrative penalty and Two Thousand Dollars (\$2,000) is deferred contingent upon the Respondent'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 the Respondent fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require the Respondent to pay all or part of the deferred penalty. Four Thousand Dollars (\$4,000) shall be conditionally offset by the Respondent'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 the Respondent have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.
 9. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
 10. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
 11. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

II. ALLEGATIONS

As owner and operator of the Plant, the Respondent is alleged to have failed to prevent excess hydrogen sulfide in the refinery fuel gas and prevent unauthorized emissions during an April 28, 2008 emissions event, in violation of Air Permit No. 2167 and PSD-TX-985, Special Condition Nos. 1 and 26, 30 TEX. ADMIN. CODE §§ 101.20(3) and 116.715(a), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on May 13, 2008. Specifically, during Incident No. 107027 an incorrect valve line-up on the amine transfer manifold resulted in an exceedance of the 160 parts per million by volume hydrogen sulfide concentration limit in the refinery fuel gas and the release of the following unauthorized emissions from multiple pieces of gas-fired equipment over a period of three hours and 30 minutes: 7,838 pounds ("lbs") of sulfur dioxide and 64 lbs of hydrogen sulfide. Since the emissions event was avoidable, the demonstration criteria for an affirmative defense in 30 TEX. ADMIN. CODE § 101.222 were not met.

III. DENIALS

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

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that the Respondent pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and the Respondent'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: Houston Refining LP, Docket No. 2008-0894-AIR-E" to:

Financial Administration Division, Revenues Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088

2. The Respondent shall implement and complete a SEP in accordance with TEX. WATER CODE § 7.067. As set forth in Section I, Paragraph 6 above, Four Thousand Dollars (\$4,000) of the assessed administrative penalty shall be offset with the condition that the Respondent implement the SEP defined in Attachment A, incorporated herein by reference. The Respondent'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. It is further ordered that the Respondent shall undertake the following technical requirements:
 - a. Within 30 days after the effective date of this Agreed Order, implement measures designed to prevent the recurrence of emissions events due to the same cause as the April 28, 2008 emissions event (Incident No. 107027); and
 - b. Within 45 days after the effective date of this Agreed Order, submit written certification as described below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 3.a. The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

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

The certification shall be submitted to:

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

with a copy to:

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

4. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent 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 the Respondent 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, the Respondent's failure to comply is not a violation of this Agreed Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent 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 the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
7. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent 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.
8. 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.
9. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to the Respondent, or three days after the date on which the Commission mails notice of the Order to the Respondent, whichever is earlier. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission



For the Executive Director

8/29/2008
Date

I, the undersigned, have read and understand the attached Agreed Order. 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

07/09/08
Date

James B. Roecker

Name (Printed or typed)
Authorized Representative of
Houston Refining LP

Divisional Vice President

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: 2008-0894-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	Houston Refining LP
Payable Penalty Amount:	Eight Thousand Dollars (\$8,000)
SEP Amount:	Four Thousand Dollars (\$4,000)
Type of SEP:	Pre-approved
Third-Party Recipient:	Houston-Galveston AERCO's Clean Cities/Clean Vehicles Program
Location of SEP:	Harris County

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

1. Project Description

A. Project

The Respondent will contribute to Houston-Galveston AERCO's Clean Cities/Clean Vehicles Program in Harris County. The contribution will be used in accordance with the *Supplemental Environmental Project Agreement between the Houston-Galveston AERCO and the Texas Commission on Environmental Quality*.

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

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

B. Environmental Benefit

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

C. Minimum Expenditure

The Respondent shall contribute at least the SEP Amount to the Third-Party Recipient and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Amount to the Third-Party Recipient. The Respondent shall mail the contribution, with a copy of the Agreed Order, to:

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

3. Records and Reporting

Concurrent with the payment of the SEP Amount, the Respondent shall provide the TCEQ SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Amount to the Third-Party Recipient. The Respondent shall mail a copy of the check and transmittal letter to:

Enforcement Division
Attention: SEP Coordinator, MC 219
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If the Respondent does not perform its obligations under this SEP in any way, including full payment of the SEP Amount and submittal of the required reporting described in Section 3 above, the Executive Director may require immediate payment of all or part of the SEP Amount.

The check for any amount due shall be made out to "Texas Commission on Environmental Quality" and mailed to:

Houston Refining LP
Agreed Order - Attachment A

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.

