

EXECUTIVE SUMMARY - ENFORCEMENT MATTER
DOCKET NO.: 2006-0429-AIR-E TCEQ ID: RN100218973 CASE NO.: 29089
RESPONDENT NAME: FORMOSA PLASTICS CORPORATION, TEXAS

ORDER TYPE:		
<input type="checkbox"/> 1660 AGREED ORDER	<input checked="" 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: 201 Formosa Drive, Gate 3, Point Comfort, Calhoun County</p> <p>TYPE OF OPERATION: Synthetic chemical manufacturing plant</p> <p>SMALL BUSINESS: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>OTHER SIGNIFICANT MATTERS: There are no complaints. There is no record of additional pending enforcement actions regarding this facility location.</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 March 24, 2008. No comments were received.</p> <p>CONTACTS AND MAILING LIST: TCEQ Attorney: Ms. Laurencia Fasoyiro, Litigation Division, MC R-12, (713) 422-8914 Ms. Lena Roberts, Litigation Division, MC 175, (512) 239-0019 SEP Coordinator: Ms. Sharon Blue, Litigation Division, MC 175, (512) 239-2223 TCEQ Enforcement Coordinator: Mr. Samuel Short, Air Enforcement Section, MC 219, (512) 239-5363 TCEQ Regional Contact: Mr. David Turner, Corpus Christi Regional Office, MC R-14, (361) 825-3113 Respondent: Mr. Randy Smith, Vice President/G.M., Formosa Plastics P.O. Box 700, 201 Formosa Drive, Point Comfort, Texas 77978 Respondent's Attorney: Robert T. Stewart, Kelly Hart & Hallman LLP, Attorneys at Law, 301 Congress Avenue, Suite 2000, Austin, Texas 78701</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 checked="" type="checkbox"/> Records Review</p> <p>Date of Complaint Relating to this Case: None</p> <p>Dates of Investigation Relating to this Case: October 6, 2005 and May 12, 2006 (investigations); November 1, 2005; December 1, 2005; December 2, 2005; January 5, 2006; May 8, 2006; November 1, 2006; November 14, 2006 (record reviews).</p> <p>Dates of NOEs Relating to this Case: April 4, 2006; June 26, 2006; September 1, 2006</p> <p>Background Facts: The Agreed Order was mailed to the Respondent on September 26, 2007. The Respondent signed the Agreed Order on October 4, 2007.</p> <p>Current Compliance Status: Since the date the order was signed, the Respondent has completed Ordering Provision no. 1.</p> <p>AIR:</p> <p>1. Failed to prevent unauthorized emissions during emissions events that occurred on September 26, 2005, September 28, 2005, November 2, 2005, November 11, 2005, and April 24, 2006 [30 TEX. ADMIN. CODE §§ 116.115(b)(2)(F) and (c) and 101.20(3), and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p> <p>2. Failed to demonstrate compliance with applicable permit limits [30 TEX. ADMIN. CODE § 116.115(b)(2)(F), TCEQ Permit No. 19198 Maximum Allowable Emission Rate Table, and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p> <p>3. Failed to submit an accurate final record of an emissions event no later than two weeks after the end of the event [30 TEX. ADMIN. CODE § 101.201(a)(1)(B) and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p> <p>4. Failed to prevent the unauthorized release of air contaminants into the atmosphere [30 TEX. ADMIN. CODE §§ 101.20(3) and 116.115(c), TCEQ Air Permit No. 19168, Special Condition No. 1, TCEQ Air Permit No. 19166, Special Condition 1, and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p>	<p>Initial Calculated Penalty: \$127,803</p> <p>Total Assessed: \$121,443*</p> <p>Total Deferred: \$0</p> <p>SEP Conditional Offset: \$60,721</p> <p>Total Paid to General Revenue: \$60,722</p> <p>The Respondent has paid \$60,722 of the administrative penalty. The remaining amount of \$60,721 shall be conditionally offset by the completion of a Supplemental Environmental Project (SEP).</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 1, 2002</p> <p>Findings Order Justification: This is a findings order because the environment has been exposed to pollutants which exceed levels that are protective of human health and environmental receptors (PCW 1).</p> <p>*Explanation for Reduction in Penalty: The penalty was reduced in consideration of the risk of litigation.</p>	<p>Ordering Provisions: The Respondent shall:</p> <p>1. Within 15 days, develop and implement a maintenance plan that would ensure, to the extent practicable, early detection of equipment corrosion and ensure that all abatement equipment is maintained properly and in good working order.</p> <p>2. Within 30 days: a. Submit written certification of compliance; and b. Implement and complete a SEP.</p> <p>Corrective Action(s) Taken: The Executive Director recognizes that Respondent has implemented the following corrective measures:</p> <p>1. On November 4, 2004, the flash drum pressure was optimized on the Carbon Dioxide Regenerator Vent EPN No. 221 and the VOC emission rate was reduced to 4.53 lb/hr.</p> <p>2. On October 9, 2005, the nipple and rupture disk for Vessel VV-805 were replaced.</p> <p>3. On October 13, 2005, the sight glasses for Reactor PR 401C were replaced.</p> <p>4. On November 20, 2005, the cracked flange was removed and replaced with a flange made of alloy 800H.</p> <p>5. On May 9, 2006, the Respondent initiated a panel consisting of operators and supervisors from the Ethylene Glycol Unit to derive communication improvements and to ensure that future similar events do not occur.</p> <p>6. By July 10, 2006, the Respondent modified the reactor baffles to remove welds at the top of inner water pipes at the top section.</p> <p>7. On March 20, 2007, the Respondent submitted an accurate final record of the emissions event that occurred on October 6, 2005.</p>

5. Failed to maintain and operate the Vinyl Plant in a manner consistent with good air pollution control practices for minimizing emissions [30 TEX. ADMIN. CODE §§ 101.20(2) and (3), 113.100; 116.115(b)(2)(F); 40 CFR §§ 61.12(c), 63.6(e); TCEQ Permit No.7699/PSD-TX-226M6, Special Condition 1 and TEX. HEALTH & SAFETY CODE § 382.085(b)].

8. On January 5, 2006, the Respondent implemented revised procedures to ensure that initial notifications and final records of emission events are reported in a timely and accurate manner.

9. On April 15, 2006, the Respondent developed and implemented training for operators on the proper and safe use of equipment to prevent emissions events similar to that which began on October 6, 2006 from occurring in the future.

10. On October 6, 2005, fence line monitoring during the fire did not detect the presence of contaminants which would be expected to result in adverse impacts on human health or the environment.

Attachment A
Docket Number: 2006-0429-AJR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	Formosa Plastics Corporation, Texas
Penalty Amount:	One hundred twenty-one thousand four hundred forty-three dollars (\$121,443.00)
SEP Amount:	Sixty thousand seven hundred twenty-one dollars (\$60,721.00)
Type of SEP:	Contribution to Third-Party Administrator (pre-approved concept)
Third-Party Recipient:	City of Point Comfort <i>Wastewater Treatment Plant Repair Assistance</i>
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;
- 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 it has 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

The lift station rehabilitation portion of this SEP will provide a discernible environmental benefit 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 of the SEP, the Respondent shall submit a check for any amount due with a notation that the payment is for a "SEP Refund", and include the docket number of this 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 December 8, 2006

TCEQ

DATES	Assigned	15-Dec-2006	Screening	5-Jan-2006	EPA Due	11-Aug-2007
	PCW	9-Jan-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.	29089	No. of Violations	2
Docket No.	2006-0429-AIR-E	Order Type	Findings
Media Program(s)	Air Quality	Enf. Coordinator	Samuel Short
Multi-Media		EC's Team	Enforcement Team 4
Admin. Penalty \$	Limit Minimum	\$0	Maximum
			\$10,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties) *Subtotal 1* **\$10,100**

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History 163% Enhancement *Subtotals 2, 3, & 7* **\$16,463**

Notes: A 163% enhancement is recommended for having seven NOV's for the same or similar violations, 19 NOV's for non-similar violations (of which 14 are self-reported effluent violations), two Agreed Orders with denial, and two Agreed order without denial within 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 10% Reduction *Subtotal 5* **\$1,010**

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

Notes: The violations were corrected after the NOE was issued.

Total EB Amounts \$75 **0% Enhancement*** *Subtotal 6* **\$0**
Approx. Cost of Compliance \$1,250 **Capped at the Total EB \$ Amount*

SUM OF SUBTOTALS 1-7 *Final Subtotal* **\$25,553**

OTHER FACTORS AS JUSTICE MAY REQUIRE 254% *Adjustment* **\$65,000**

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

Notes: Recommended enhancement in the penalty due to the significant amount of pollutants released to the atmosphere as described in violation no. 2.

Final Penalty Amount **\$90,553**

STATUTORY LIMIT ADJUSTMENT *Final Assessed Penalty* **\$90,553**

DEFERRAL 0% Reduction *Adjustment* **\$0**

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

Notes: No deferral is recommended for Findings Orders.

PAYABLE PENALTY **\$90,553**

PCW 1

Screening Date 5-Jan-2006

Docket No. 2006-0429-AIR-E

PCW

Respondent Formosa Plastics Corporation, Texas

Policy Revision 2 (September 2002)

Case ID No. 29089

PCW Revision December 8, 2006

Reg. Ent. Reference No. RN100218973

Media [Statute] Air Quality

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)	7	35%
	Other written NOVs	19	38%
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%
<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) 163%

>> 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 163% enhancement is recommended for having seven NOVs for the same or similar violations, 19 NOVs for non-similar violations (of which 14 are self-reported effluent violations), two Agreed Orders with denial, and two Agreed order without denial within the last five years.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 163%

Screening Date 5-Jan-2006

Docket No. 2006-0429-AIR-E

PCW

Respondent Formosa Plastics Corporation, Texas

Policy Revision 2 (September 2002)

Case ID No. 29089

PCW Revision December 8, 2006

Reg. Ent. Reference No. RN100218973

Media [Statute] Air Quality

Enf. Coordinator Samuel Short

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code § 101.201(a)(1)(B), and Tex. Health and Safety Code § 382.085(b)

Violation Description Failed to submit an accurate final record of an emissions event no later than two weeks after the end of the event. Specifically, the final notification was due on December 14, 2005 and a complete and accurate final notification was not submitted until March 20, 2007.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

		Harm			Percent
		Major	Moderate	Minor	
Release	Actual				0%
	Potential				

>> Programmatic Matrix

		Falsification	Major	Moderate	Minor	Percent
					X	

Matrix Notes

Less than 30% of the rule requirement was not met

Adjustment \$9,900

\$100

Violation Events

Number of Violation Events 1 357 Number of violation days

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

Violation Base Penalty \$100

One single events is recommended.

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$16

Violation Final Penalty Total \$897

This violation Final Assessed Penalty (adjusted for limits) \$897

Economic Benefit Worksheet

Respondent: Formosa Plastics Corporation, Texas
Case ID No.: 29089
Reg. Ent. Reference No.: RN100218973
Media: Air Quality
Violation No.: 1

Percent Interest	Years of Depreciation
5.0	15

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

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)	\$250	15-Dec-2005	20-Mar-2007	1.3	\$16	n/a	\$16

Notes for DELAYED costs

The estimated cost to prepare and submit a complete and accurate final record for an emissions event. Date required is the date in which the final report was due. Final date is the date in which the report was submitted.

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

\$250

TOTAL

\$16

Screening Date 5-Jan-2006

Docket No. 2006-0429-AIR-E

PCW

Respondent Formosa Plastics Corporation, Texas

Policy Revision 2 (September 2002)

Case ID No. 29089

PCW Revision December 8, 2006

Reg. Ent. Reference No. RN100218973

Media [Statute] Air Quality

Enf. Coordinator Samuel Short

Violation Number 2

Rule Cite(s) 30 Tex. Admin. Code §§ 101.20(3) and 116.115(c), Tex. Health and Safety Code § 382.085(b), Air Permit No. 19168, Special Condition No. 1, and Air Permit No. 19166, Special Condition No. 1

Violation Description

Failed to prevent the unauthorized release of air contaminants into the atmosphere. Specifically, a propylene line at the Olefins II - Purification Area ruptured, causing a series of emissions events that lasted for a period of 55 days. The events did not meet the demonstration criteria necessary to present an affirmative defense for the unauthorized emissions. See attached table no. 1 for the type, quantity, and duration 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 or the environment has been exposed to 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 1

54 Number of violation days

daily	
monthly	
quarterly	
semiannual	
annual	
single event	x

mark only one with an x

Violation Base Penalty \$10,000

One single event is recommended.

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$60

Violation Final Penalty Total \$89,656

This violation Final Assessed Penalty (adjusted for limits) \$89,656

Formosa Plastics Corporation, Texas

RN100218973

Table no. 1

Incident Number, Date, Duration	Emissions Point, EPN	Compounds Emitted total pounds ("lbs") and pounds per hour ("lbs/hr")	Permit/ Permitted Limits in lbs/hr
66289, 10/6/2005- 11/30/2005, 1322 Hours ("hrs") 45 Minutes ("mins")	No EPN assigned	Benzene- 2,253.88lbs, 1.74 lbs/hr Carbon Monoxide ("CO")- 10,045.68 lbs, 7.73 lbs/hr Ethylene- 36,662.97 lbs, 28.23 lbs/hr Nitrogen Oxides ("NOx")- 1,388.93 lbs, 1.07 lbs/hr Propylene- 53,915.85 lbs, 41.51 lbs/hr Volatile Organic Compounds ("VOC")- 40,739.04 lbs, 30.80 lbs/hr Hydrogen- 150.38 lbs, 0.11 lbs/hr Methane- 7,393.30 lbs, 5.60 lbs/hr Ethane- 17,895.05 lbs, 13.53 lbs/hr Water- 30.34 lbs, 0.02 lbs/hr	Emissions not permitted
65983, 10/6/2005- 10/6/2005, 1 hr. 39mins	Olefins II Elevated Flare, EPN 1067	Benzene- 419.40 lbs, 254.18 lbs/hr CO- 11,808.01 lbs, 7,156.37 lbs/hr Ethylene- 10,378.97 lbs, 6,290.28 lbs/hr Hydrogen Sulfide- 1.13 lbs, 0.68 lbs/hr NOx- 1,632.2 lbs, 989.21 lbs/hr Propylene- 5,517.46 lbs, 3,343.92 lbs/hr VOC- 4,599.48 lbs, 2,787.75 lbs/hr Hydrogen- 1,229.68 lbs, 745.26 lbs/hr Methane- 3,659.86 lbs, 2,218.10 lbs/hr Ethane- 5,585.72 lbs, 3,385.28 lbs/hr Carbon Dioxide- 4.53 lbs, 2.75 lbs/hr	Permit No. 19168 CO-13.84 NOx-1.92 Total VOC-7.55
66002, 10/6/2005- 10/13/2005, 161hrs 21min	Olefins I Elevated Flare, EPN 1018	Benzene- 1,520.05 lbs, 9.42 lbs/hr CO- 30,056.80 lbs, 186.28 lbs/hr Ethylene- 11,827.24 lbs 73.30 lbs/hr Hydrogen Sulfide- 5.29 lbs, 0.033 lbs/hr NOx- 4,156.5 lbs, 25.76 lbs/hr Propylene- 2,708.22 lbs, 16.78 lbs/hr VOC- 32,522.53 lbs, 201.57 lbs/hr Hydrogen- 1,668.18 lbs, 10.34 lbs/hr Methane- 4,631.92 lbs, 28.71 lbs/hr Ethane- 4,595.18 lbs, 28.48 lbs/hr Carbon Dioxide- 1,684.17 lbs, 10.44 lbs/hr	Permit No. 19168 CO-9.68 NOx-1.90 Total VOC-1.79

Economic Benefit Worksheet

Respondent Formosa Plastics Corporation, Texas
Case ID No. 29089
Reg. Ent. Reference No. RN100218973
Media Air Quality
Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

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

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	\$1,000	6-Oct-2005	15-Dec-2006	1.2	\$60	n/a	\$60
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)				0.0	\$0	n/a	\$0

Notes for DELAYED costs

The estimated cost for operator training to prevent future incidents from occurring. Date required is the date in which the emissions first began. Final date is the date of compliance.

Avoided Costs

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance

\$1,000

TOTAL

\$60

Compliance History

C H I

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	78089
	AIR NEW SOURCE PERMITS	REGISTRATION	78769
	AIR NEW SOURCE PERMITS	REGISTRATION	78946
	AIR NEW SOURCE PERMITS	AFS NUM	0015
	AIR NEW SOURCE PERMITS	REGISTRATION	79567
	AIR NEW SOURCE PERMITS	REGISTRATION	79826
	AIR NEW SOURCE PERMITS	REGISTRATION	80198
	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 #	31945

4/26

(SWR)

Location: 201 FORMOSA DRIVE GATE 3, POINT COMFORT, TX, Rating Date: 9/1/2006 Repeat Violator: NO
77978

TCEQ Region: REGION 14 - CORPUS CHRISTI

Date Compliance History Prepared: January 05, 2007

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: January 05, 2002 to January 05, 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.

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: 11/11/2004 ADMINORDER 2000-1144-AIR-E 2

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

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 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.

Effective Date: 12/30/2005

ADMINORDER 2005-0125-AIR-E 4

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. 25241 and 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 Condition 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.

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 11/25/2002 (17197)
2 11/25/2002 (17582)

3	11/30/2006	(532252)
4	09/23/2005	(445393)
5	10/25/2002	(14015)
6	06/14/2006	(450942)
7	11/26/2002	(17697)
8	10/24/2005	(445394)
9	07/15/2004	(282138)
10	01/31/2003	(23597)
11	11/25/2002	(17362)
12	04/04/2006	(439904)
13	11/06/2006	(514634)
14	08/21/2006	(526033)
15	09/01/2006	(510775)
16	11/21/2006	(516781)
17	09/25/2006	(526034)
18	04/04/2006	(439905)
19	12/21/2006	(516229)
20	12/28/2004	(345075)
21	06/02/2006	(461335)
22	02/22/2006	(476819)
23	01/23/2003	(208242)
24	03/10/2003	(23786)
25	03/22/2006	(476820)
26	01/24/2002	(208241)
27	11/22/2005	(476821)
28	04/24/2006	(503676)
29	06/27/2006	(482129)
30	07/28/2004	(361023)
31	12/29/2004	(341344)
32	05/22/2006	(503677)
33	12/20/2005	(476822)
34	06/23/2006	(503678)
35	08/24/2004	(361024)
36	10/25/2002	(13552)
37	01/23/2006	(476823)
38	09/21/2004	(361025)
39	10/25/2002	(14020)
40	04/24/2006	(503679)
41	11/17/2006	(519684)
42	08/22/2005	(398698)
43	10/21/2004	(361026)
44	10/25/2002	(14123)
45	12/23/2002	(208238)
46	07/30/2003	(61118)
47	11/23/2004	(361027)
48	10/19/2006	(513945)
49	02/22/2005	(386883)
50	10/08/2005	(433294)
51	03/22/2005	(386884)
52	12/17/2004	(292882)
53	02/24/2004	(316653)
54	08/16/2005	(374480)
55	12/27/2004	(386885)
56	03/26/2004	(264531)
57	05/06/2005	(351122)
58	01/24/2005	(386886)
59	03/23/2004	(316655)
60	01/27/2004	(260399)
61	11/22/2002	(208234)
62	04/22/2004	(316656)
63	08/30/2006	(509837)
64	09/26/2006	(462238)
65	05/24/2004	(316658)
66	11/26/2002	(17655)
67	05/03/2005	(378050)
68	08/02/2005	(401840)
69	05/12/2006	(463945)
70	04/11/2005	(376939)
71	10/21/2002	(208230)
72	06/22/2004	(316660)
73	08/29/2005	(406996)

74	04/15/2004	(267931)
75	11/25/2002	(17710)
76	08/07/2003	(316662)
77	08/01/2005	(401922)
78	08/03/2006	(489597)
79	09/23/2002	(208227)
80	09/26/2006	(512144)
81	06/14/2006	(480076)
82	10/04/2002	(13352)
83	08/05/2002	(5526)
84	10/12/2006	(515322)
85	08/25/2003	(316664)
86	11/15/2006	(519298)
87	08/22/2002	(208224)
88	09/21/2005	(432632)
89	04/04/2006	(449815)
90	09/23/2003	(316666)
91	08/31/2006	(509975)
92	04/04/2006	(451199)
93	09/16/2005	(431883)
94	07/22/2002	(208221)
95	10/28/2003	(316668)
96	11/24/2003	(316669)
97	12/08/2006	(519141)
98	12/29/2003	(316670)
99	01/23/2004	(316671)
100	08/30/2006	(497562)
101	06/24/2003	(208218)
102	03/11/2004	(253895)
103	06/19/2002	(208217)
104	01/30/2006	(439909)
105	01/02/2006	(450795)
106	12/15/2006	(517230)
107	06/11/2003	(208214)
108	11/25/2002	(17367)
109	10/26/2006	(513991)
110	05/02/2003	(25912)
111	05/20/2002	(208213)
112	08/19/2005	(401926)
113	04/04/2006	(438249)
114	04/21/2003	(208210)
115	06/07/2005	(377227)
116	04/18/2002	(208209)
117	06/22/2004	(273805)
118	04/13/2006	(454110)
119	08/30/2006	(510729)
120	11/25/2002	(17115)
121	10/25/2002	(13538)
122	10/25/2002	(14010)
123	03/25/2003	(208205)
124	01/18/2002	(139758)
125	01/25/2002	(139759)
126	03/01/2002	(139760)
127	03/22/2002	(208204)
128	02/28/2003	(208202)
129	03/06/2002	(139761)
130	03/19/2002	(139762)
131	03/17/2004	(265434)
132	08/02/2005	(401946)
133	03/19/2002	(139763)
134	02/22/2002	(208201)
135	03/28/2002	(139764)
136	06/07/2006	(465772)
137	03/28/2002	(139765)
138	03/28/2002	(139766)
139	10/04/2002	(13306)
140	03/28/2002	(139767)
141	03/28/2002	(139768)
142	06/18/2004	(276036)
143	03/28/2002	(139769)
144	03/28/2002	(139770)

145 04/20/2005 (375911)
 146 07/07/2006 (485310)
 147 04/22/2005 (424698)
 148 10/12/2006 (514515)
 149 07/20/2006 (482883)
 150 03/27/2006 (459161)
 151 05/23/2005 (424699)
 152 09/26/2006 (514141)
 153 10/09/2006 (513839)
 154 02/10/2005 (346929)
 155 04/14/2005 (373413)
 156 06/21/2005 (424700)
 157 12/23/2002 (18198)
 158 10/07/2004 (290237)
 159 11/25/2002 (17252)
 160 08/25/2005 (401908)
 161 02/25/2004 (259754)
 162 10/25/2002 (13508)
 163 10/25/2002 (14834)
 164 04/28/2006 (435129)
 165 07/21/2005 (400202)
 166 12/30/2005 (450540)
 167 07/27/2004 (284340)
 168 08/31/2005 (407352)
 169 07/22/2005 (445391)
 170 10/25/2002 (13558)
 171 05/05/2006 (464365)
 172 08/22/2005 (445392)
 173 04/28/2006 (454108)

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

Date: 08/30/2006 (509837) {
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 Rqmt Prov: OP IA
 PERMIT IA
 Description: Failure to maintain required records of monitoring data.
 Date: 07/21/2005 (400202) 2
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 Rqmt Prov: PERMIT IA
 Description: Failure to maintain the effluent quality within the permitted limits.
 Date: 07/30/2003 (61118) 3
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 Rqmt Prov: PERMIT IA
 Description: Failure to comply with self- monitored effluent limitations for the months of 01/2003,
 11/2002, and 08/2002.
 Date: 10/31/2005 (476821) 4
 Self Report? YES Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 TWC Chapter 26 26.121(a)[G]
 Description: Failure to meet the limit for one or more permit parameter
 Date: 06/30/2004 (361023) 5
 Self Report? YES Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 TWC Chapter 26 26.121(a)[G]
 Description: Failure to meet the limit for one or more permit parameter
 Date: 07/20/2006 (482883) 6
 Self Report? NO Classification: 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 Classification: 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: 11/30/2002 (208238) 7

Self Report? YES Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 TWC Chapter 26 26.121(a)[G]
 Description: Failure to meet the limit for one or more permit parameter
 Date: 05/31/2006 (503678) 8

Self Report? YES Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 TWC Chapter 26 26.121(a)[G]
 Description: Failure to meet the limit for one or more permit parameter
 Date: 12/31/2004 (386886) 9

Self Report? YES Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 TWC Chapter 26 26.121(a)[G]
 Description: Failure to meet the limit for one or more permit parameter
 Date: 07/31/2005 (445392) 10

Self Report? YES Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 TWC Chapter 26 26.121(a)[G]
 Description: Failure to meet the limit for one or more permit parameter
 Date: 08/31/2002 (208227) 11

Self Report? YES Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 TWC Chapter 26 26.121(a)[G]
 Description: Failure to meet the limit for one or more permit parameter
 Date: 05/31/2004 (316660) 12

Self Report? YES Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 TWC Chapter 26 26.121(a)[G]
 Description: Failure to meet the limit for one or more permit parameter
 Date: 04/14/2005 (373413) 13

Self Report? NO Classification: 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 Ethylene Dichloride Incinerator B (EPN 6002B), conducted on June 21 and 22, 2004 indicated emissions of HCl of 4.956 lb/hr, exceeding the permitted allowable of 0.14 lb/hr.

Self Report? NO Classification: 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 Ethylene Dichloride Incinerator (EPN 6002C), conducted on June 21 and 22, 2004 indicated emissions of HCl of 3.813 lb/hr, exceeding the permitted allowable of 0.14 lb/hr.

Date: 06/30/2003 (316662) 14

Self Report? YES Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 TWC Chapter 26 26.121(a)[G]
 Description: Failure to meet the limit for one or more permit parameter
 Date: 07/31/2003 (316664) 15

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) 16

Self Report? NO Classification: Moderate
 Citation: TWC Chapter 26 26.121(a)(1)

Rqmt Prov: PERMIT IA
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 IA
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 IA
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 IA
Description: Failure to meet effluent limitation for pH maximum at outfall 010.
Date: 06/07/2006 (450942) 17
Self Report? NO Classification: 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 Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 116, SubChapter B 116.115(c)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(1)

Rqmt Prov: PERMIT IA
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: 11/06/2006 (514634) 2
Self Report? NO Classification: Major
Rqmt Prov: PERMIT IA
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 Classification: Major
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter B 116.115(c)

Rqmt Prov: PERMIT IA
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 Classification: Major
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter B 116.115(c)

Rqmt Prov: PERMIT IA
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 Classification: Major
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter B 116.115(c)

Rqmt Prov: PERMIT IA
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: 07/15/2004 (282138) 15
Self Report? NO Classification: Moderate

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

Rqmt Prov: PA IA

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: 08/19/2005 (401926) 20

Self Report? NO Classification: 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 Classification: 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: 06/21/2004 (276036) 21

Self Report? NO Classification: Moderate

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

Rqmt Prov: PERMIT IA

Description: Failure to comply with the permitted effluent limits.

Date: 02/28/2002 (208204) 22

Self Report? YES Classification: Moderate

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

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

Date: 01/31/2003 (208202) 23

Self Report? YES Classification: Moderate

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

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

Date: 01/31/2002 (208201) 24

Self Report? YES Classification: Moderate

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

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

Date: 08/30/2006 (497562) 25

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)

Rqmt Prov: OP IA
PA IA

Description: Failure to 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 Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)

Rqmt Prov: OP IA
PA IA

Description: Failure to demonstrate that monthly monitoring for VOC associated with cooling tower water had been conducted in January and February 2005.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 122, SubChapter B 122.143(4)

Rqmt Prov: OP IA

Description: Failure to equip two open-ended lines (OELs) with a cap, blind flange, plug or a second valve.

Date: 03/31/2005 (424698) 26

Self Report? YES Classification: Moderate

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

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

F. Environmental audits.

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



Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision April 25, 2006

DATES	Assigned	10-Apr-2006	Screening	19-Apr-2006	EPA Due	02-Oct-2006
	PCW	28-Apr-2006				

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

CASE INFORMATION			
Enf./Case ID No.	29089	No. of Violations	2
Docket No.	2006-0429-AIR-E	Order Type	1660 <
Media Program(s)	Air Quality <	Enf. Coordinator	Samuel Short
Multi-Media		EC's Team	Enforcement Team 4 <
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

116% Enhancement

Notes: A 116% enhancement is recommended for having two NOV's for the same or similar violations, 18 NOV's for non-similar violations (14 of which were self reported effluent violations), 1 Agreed Order with Denial, and 2 Agreed Orders without denial within the last five years.

Culpability Subtotal 4

No Enhancement

Notes: This case does not meet culpability criteria.

Good Faith Effort to Comply Subtotal 5

0% Reduction

	Before NOV	NOV to EDRP/Settlement Offer
Extraordinary		
Ordinary		
N/A	x	(mark with a small x)

Notes: This case does not meet the good faith effort criteria.

Economic Benefit Subtotal 6

0% Enhancement*

Total EB Amounts	\$139	*Capped at the Total EB \$ Amount
Approx. Cost of Compliance	\$2,300	

SUM OF SUBTOTALS 1-7 Final Subtotal

OTHER FACTORS AS JUSTICE MAY REQUIRE Adjustment

2% Reduction

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

Notes: Recommend reduction in penalty to prevent double-enhancement of the penalty amount for same violations that were self-reported.

Final Penalty Amount

STATUTORY LIMIT ADJUSTMENT Final Assessed Penalty

DEFERRAL Adjustment

0% Reduction

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

Notes: No deferral offered because not expedited settlement.

PAYABLE PENALTY

PCW 2

Compliance History Worksheet

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

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written NOVs with same or similar violations as those in the current enforcement action (<i>number of NOVs meeting criteria</i>)	2	10%
	Other written NOVs	18	36%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	1	20%
	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 (<i>number of judgements or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were</i>	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	0	0%
<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) 116%

>> 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 116% enhancement is recommended for having two NOVs for the same or similar violations, 18 NOVs for non-similar violations (14 of which were self reported effluent violations), 1 Agreed Order with Denial, and 2 Agreed Orders without denial within the last five years.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 116%

Screening Date 19-Apr-2006

Docket No. 2006-0429-AIR-E

PCW

Respondent Formosa Plastics Corporation, Texas

Policy Revision 2 (September 2002)

Case ID No. 29089

PCW Revision April 25, 2006

Reg. Ent. Reference No. RN100218973

Media [Statute] Air Quality

Enf. Coordinator Samuel Short

Violation Number 1

Primary Rule Cite(s) 30 Tex. Admin. Code §§ 116.115(b)(2)(F) and (c) and 101.20(3)

Secondary Rule Cite(s) Tex. Health and Safety Code § 382.085(b)

Violation Description

The respondent failed to prevent unauthorized emissions during a September 26, 2005 emissions event that lasted 21 minutes, a September 28, 2005 emissions event that lasted 10 minutes, a November 2, 2005 emissions event that lasted 1 minute, a November 11, 2005 emissions event that lasted 28 minutes, and a April 24, 2006 emissions event that lasted 20 minutes. Since these 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 no. 1 for the type and quantity of unauthorized emissions.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

Release	Harm		
	Major	Moderate	Minor
Actual			X
Potential			

Percent 25%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent

Matrix Notes

Human health or the environment has been exposed to insignificant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment -\$7,500

Base Penalty Subtotal \$2,500

Violation Events

Number of Violation Events 5

5 Number of violation days

daily	
monthly	
quarterly	
semiannual	
annual	
single event	X

Violation Base Penalty \$12,500

Five single events are recommended.

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$139

Violation Final Penalty Total \$26,500

This violation Final Assessed Penalty (adjusted for limits) \$26,500

Formosa Plastics Corporation, Texas
RN100218973, Docket Number 2006-0429-AIR-E
Table no. 1

Incident Number, Date, Duration	Emissions Point, EPN	Compounds Emitted total pounds ("lbs")	Permit/ Permitted Limits in lbs/hr
65351, 09/26/2005- 09/26/2005, 0 Hour ("hr") 21 Minutes ("min")	VV-805 rupture disk, No EPN Assigned	Hydrochloric acid ("HCl")- 6.04 lbs Vinyl Chloride Monomer ("VCM")- 11.67 lbs	Permit No. N/a HCl- 0.0 VCM- 0.0
65482, 09/28/2005- 09/28/2005, 0 hr 10mins	PVC Reactor C (PR-401C), No EPN Assigned	VCM- 1,341.00 lbs	Permit No. N/a VCM 0.0
67555, 11/02/2005- 11/02/2005, 0hr 1min	PVC Reactor E (PR-401E), No EPN Assigned	VCM- 2.79 lbs	Permit No. N/a VCM- 0:0
67906, 11/11/2005- 11/11/2005, 0hr 28mins	Flange on inlet at valve VC-401G, No EPN Assigned	HCl- 3.43 lbs VCM- 3.01 lbs Ethylene dichloride- 27.94	Permit No. N/a HCl- 0.0 VCM- 0.0 Ethylene dichloride- 0.0
74865, 04/24/2006- 04/24/2006, 0hrs 20 mins	Ethylene Glycol Unit, EPN EGFUG1	Ethylene oxide- 1,150lbs	Permit No. 19198 Total Volatile Organic Compounds- 1.41

Economic Benefit Worksheet

Respondent Formosa Plastics Corporation, Texas
 Case ID No. 29089
 Reg. Ent. Reference No. RN100218973
 Media [Statute] Air Quality
 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)	\$1,000	28-Sep-2005	09-Dec-2006	1.2	\$4	\$80	\$84
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	\$1,000	02-Nov-2005	09-Dec-2006	1.1	\$55	n/a	\$55
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)				0.0	\$0	n/a	\$0

Notes for DELAYED costs

The estimated cost for maintenance to prevent corrosion that caused the vent valve rupture disk to leak, the Reactor PR-401C discharge pipe to fail, and the flanged connection on the inlet line at valve VC-401G to leak. Date required is the date in which the first event occurred. Final date is the date in which the respondent is projected to implement a maintenance plan to prevent corrosion. The estimated cost is the cost to train operators on the correct procedures for performing filter maintenance and to derive communication improvements. Date required is the date in which the emissions event occurred during maintenance on the reactor vessel's filter. Final date is the date in which the respondent is projected to implement new training procedures.

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 \$139

Screening Date 19-Apr-2006

Docket No. 2006-0429-AIR-E

PCW

Respondent Formosa Plastics Corporation, Texas

Policy Revision 2 (September 2002)

Case ID No. 29089

PCW Revision April 25, 2006

Reg. Ent. Reference No. RN100218973

Media [Statute] Air Quality

Enf. Coordinator Samuel Short

Violation Number 2

Primary Rule Cite(s)

30 Tex. Admin. Code 116.115(b)(2)(F), Permit No 19198, Maximum Allowable Emission Rate Table

Secondary Rule Cite(s)

Tex. Health and Safety Code § 382.085(b)

Violation Description

The respondent failed to demonstrate compliance with applicable permit limits. Specifically, sampling conducted on the Carbon Dioxide Regenerator Vent EBN no. 221 on November 3, 2004 showed Volatile Organic Compound ("VOC") emissions to be 7.44 pounds per hour ("lb/hr") with a permitted limit of 4.73 lb/hr.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

Release	Harm		
	Major	Moderate	Minor
Actual			X
Potential			

Percent 25%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent

Matrix Notes

Human health or the environment has been exposed to insignificant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment -\$7,500

Base Penalty Subtotal \$2,500

Violation Events

Number of Violation Events 1

1 Number of violation days

daily	
monthly	
quarterly	
semiannual	
annual	
single event	X

Violation Base Penalty \$2,500

One single event is recommended based on the November 1, 2005 investigation.

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$0

Violation Final Penalty Total \$5,300

This violation Final Assessed Penalty (adjusted for limits) \$5,300

Economic Benefit Worksheet

Respondent Formosa Plastics Corporation, Texas
Case ID No. 29089
Reg. Ent. Reference No. RN100218973
Media [Statute] Air Quality
Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)	\$300	03-Nov-2004	04-Nov-2004	0.0	\$0	n/a	\$0

Notes for DELAYED costs: The estimated cost to optimize the flash drum pressure. Date required is the date in which the respondent was found to be out of compliance. Final date is the date in which the flash drum pressure was optimized.

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 \$300

TOTAL \$0

Compliance History

CH2

Customer/Respondent/Owner-Operator:	CN600130017 Formosa Plastics Corporation, Texas	Classification: AVERAGE	Rating: 2.61
Regulated Entity:	RN100218973 FORMOSA POINT COMFORT PLANT	Classification: AVERAGE	Site Rating: 7.85

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	28910
	AIR NEW SOURCE PERMITS	PERMIT	31130
	AIR NEW SOURCE PERMITS	PERMIT	26265
	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	56837
	AIR NEW SOURCE PERMITS	PERMIT	PSDTX760M6
	AIR NEW SOURCE PERMITS	REGISTRATION	74103
	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	78089
	AIR NEW SOURCE PERMITS	AFS NUM	0015
	USED OIL	REGISTRATION	C86337
	WASTEWATER	PERMIT	WQ0002436000
	WASTEWATER	EPA ID	TX0085570

Orders: 3
NDVs: 20

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, Rating Date: September 01 05 Repeat Violator: NO 77978

TCEQ Region: REGION 14 - CORPUS CHRISTI

Date Compliance History Prepared: April 11, 2006

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: April 11, 2001 to April 11, 2006

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

Name: Samuel Short Phone: 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: 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: 11/11/2004 ADMINORDER 2000-1144-AIR-E 1

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: 12/30/2005

ADMINORDER 2005-0125-AIR-E 3

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. 25241 and 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 Condition 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.

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

N/A

C. Chronic excessive emissions events.

N/A.

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

1	11/25/2002	(17197)
2	11/25/2002	(17582)
3	09/23/2005	(445393)
4	10/25/2002	(14015)
5	11/26/2002	(17697)
6	10/24/2005	(445394)
7	07/15/2004	(282138)
8	01/31/2003	(23597)
9	11/25/2002	(17362)
10	04/04/2006	(439904)
11	04/04/2006	(439905)
12	12/28/2004	(345075)
13	01/23/2003	(208242)
14	03/10/2003	(23786)
15	01/24/2002	(208241)
16	07/28/2004	(361023)
17	12/29/2004	(341344)
18	08/24/2004	(361024)
19	10/25/2002	(13552)
20	09/21/2004	(361025)
21	10/25/2002	(14020)
22	08/22/2005	(398698)
23	10/21/2004	(361026)
24	10/25/2002	(14123)
25	12/23/2002	(208238)
26	07/30/2003	(61118)
27	11/23/2004	(361027)
28	12/27/2001	(208237)
29	02/22/2005	(386883)
30	10/08/2005	(433294)
31	03/22/2005	(386884)
32	12/17/2004	(292882)
33	02/24/2004	(316653)

34	08/16/2005	(374480)
35	12/27/2004	(386885)
36	03/26/2004	(264531)
37	05/06/2005	(351122)
38	01/24/2005	(386886)
39	03/23/2004	(316655)
40	01/27/2004	(260399)
41	11/22/2002	(208234)
42	04/22/2004	(316656)
43	11/23/2001	(208233)
44	05/24/2004	(316658)
45	11/26/2002	(17655)
46	05/03/2005	(378050)
47	08/02/2005	(401840)
48	04/11/2005	(376939)
49	10/21/2002	(208230)
50	06/22/2004	(316660)
51	10/23/2001	(208229)
52	08/29/2005	(406996)
53	04/15/2004	(267931)
54	11/25/2002	(17710)
55	08/07/2003	(316662)
56	08/01/2005	(401922)
57	09/23/2002	(208227)
58	04/24/2001	(139741)
59	04/24/2001	(139742)
60	09/24/2001	(208226)
61	04/24/2001	(139743)
62	10/04/2002	(13352)
63	08/05/2002	(5526)
64	05/09/2001	(139744)
65	08/25/2003	(316664)
66	08/22/2002	(208224)
67	08/20/2001	(208223)
68	09/21/2005	(432632)
69	04/04/2006	(449815)
70	09/23/2003	(316666)
71	05/09/2001	(139745)
72	04/04/2006	(451199)
73	05/09/2001	(139746)
74	09/16/2005	(431883)
75	07/22/2002	(208221)
76	05/10/2001	(139747)
77	10/28/2003	(316668)
78	05/11/2001	(139748)
79	11/24/2003	(316669)
80	06/07/2001	(139749)
81	07/23/2001	(208220)
82	12/29/2003	(316670)
83	06/07/2001	(139750)
84	06/15/2001	(139751)
85	01/23/2004	(316671)

86	08/21/2001	(139752)
87	08/30/2001	(139753)
88	06/24/2003	(208218)
89	03/11/2004	(253895)
90	06/19/2002	(208217)
91	01/30/2006	(439909)
92	06/22/2001	(208216)
93	01/02/2006	(450795)
94	06/11/2003	(208214)
95	11/25/2002	(17367)
96	05/02/2003	(25912)
97	05/20/2002	(208213)
98	05/22/2001	(208212)
99	08/19/2005	(401926)
100	04/04/2006	(438249)
101	04/21/2003	(208210)
102	06/07/2005	(377227)
103	04/18/2002	(208209)
104	06/22/2004	(273805)
105	04/26/2001	(208208)
106	11/25/2002	(17115)
107	10/16/2001	(139754)
108	11/05/2001	(139755)
109	10/25/2002	(13538)
110	10/25/2002	(14010)
111	11/05/2001	(139756)
112	11/07/2001	(139757)
113	03/25/2003	(208205)
114	01/18/2002	(139758)
115	01/25/2002	(139759)
116	03/01/2002	(139760)
117	03/22/2002	(208204)
118	02/28/2003	(208202)
119	03/06/2002	(139761)
120	03/19/2002	(139762)
121	03/17/2004	(265434)
122	08/02/2005	(401946)
123	03/19/2002	(139763)
124	02/22/2002	(208201)
125	03/28/2002	(139764)
126	03/28/2002	(139765)
127	03/28/2002	(139766)
128	10/04/2002	(13306)
129	03/28/2002	(139767)
130	03/28/2002	(139768)
131	06/18/2004	(276036)
132	03/28/2002	(139769)
133	03/28/2002	(139770)
134	04/20/2005	(375911)
135	04/22/2005	(424698)
136	03/27/2006	(459161)
137	05/23/2005	(424699)

138 02/10/2005 (346929)
 139 04/14/2005 (373413)
 140 06/21/2005 (424700)
 141 12/23/2002 (18198)
 142 10/07/2004 (290237)
 143 06/20/2001 (39271)
 144 11/25/2002 (17252)
 145 08/25/2005 (401908)
 146 06/20/2001 (39272)
 147 02/25/2004 (259754)
 148 10/25/2002 (13508)
 149 10/25/2002 (14834)
 150 07/21/2005 (400202)
 151 12/30/2005 (450540)
 152 07/27/2004 (284340)
 153 08/31/2005 (407352)
 154 07/22/2005 (445391)
 155 10/25/2002 (13558)
 156 08/22/2005 (445392)

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

Date: 07/21/2005 (400202) 1
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 Rqmt Prov: PERMIT IA
 Description: Failure to maintain the effluent quality within the permitted limits.

Date: 07/30/2003 (61118) 2
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 Rqmt Prov: PERMIT IA
 Description: Failure to comply with self- monitored effluent limitations for the months of 01/2003, 11/2002, and 08/2002.

Date: 06/30/2004 (361023) 3
 Self Report? YES Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 TWC Chapter 26 26.121(a)[G]
 Description: Failure to meet the limit for one or more permit parameter

Date: 11/30/2002 (208238) 4
 Self Report? YES Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 TWC Chapter 26 26.121(a)[G]
 Description: Failure to meet the limit for one or more permit parameter

Date: 11/30/2001 (208237) 5
 Self Report? YES Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 TWC Chapter 26 26.121(a)[G]
 Description: Failure to meet the limit for one or more permit parameter

Date: 12/31/2004 (386886) 6
 Self Report? YES Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 TWC Chapter 26 26.121(a)[G]
 Description: Failure to meet the limit for one or more permit parameter

Date: 08/31/2002 (208227) 7
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: 05/31/2004 (316660) 8
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: 08/31/2001 (208226) 9
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: 04/14/2005 (373413) 10
Self Report? NO Classification: 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 Ethylene Dichloride Incinerator B (EPN 6002B), conducted on June 21 and 22, 2004 indicated emissions of HCl of 4.956 lb/hr, exceeding the permitted allowable of 0.14 lb/hr.

Self Report? NO Classification: 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 Ethylene Dichloride Incinerator (EPN 6002C), conducted on June 21 and 22, 2004 indicated emissions of HCl of 3.813 lb/hr, exceeding the permitted allowable of 0.14 lb/hr.

Date: 06/30/2003 (316662) 11
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: 07/31/2003 (316664) 12
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: 06/30/2001 (208220) 13
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: 07/15/2004 (282138) 14
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter B 116.115(c)
Rqmt Prov: PA IA
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: 08/19/2005 (401926) 15
Self Report? NO Classification: 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 Classification: 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: 06/21/2004 (276036) 16
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 Rqmt Prov: PERMIT IA
 Description: Failure to comply with the permitted effluent limits.

Date: 02/28/2002 (208204) 17
 Self Report? YES Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 TWC Chapter 26 26.121(a)[G]
 Description: Failure to meet the limit for one or more permit parameter

Date: 01/31/2003 (208202) 18
 Self Report? YES Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 TWC Chapter 26 26.121(a)[G]
 Description: Failure to meet the limit for one or more permit parameter

Date: 01/31/2002 (208201) 19
 Self Report? YES Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 TWC Chapter 26 26.121(a)[G]
 Description: Failure to meet the limit for one or more permit parameter

Date: 03/31/2005 (424698) 20
 Self Report? YES Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 TWC Chapter 26 26.121(a)[G]
 Description: Failure to meet the limit for one or more permit parameter

- F. Environmental audits.
- 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



Policy Revision 2 (September 2002)

Penalty Calculation Worksheet (PCW)

PCW Revision April 25, 2006

DATES	Assigned	05-Sep-2006	Screening	17-Oct-2006	EPA Due	28-May-2007
	PCW	29-Nov-2006				

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

CASE INFORMATION			
Enf./Case ID No.	29089	No. of Violations	1
Docket No.	2006-0429-AIR-E	Order Type	1660 <
Media Program(s)	Air Quality <	Enf. Coordinator	Miriam Hall
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		
Ordinary	x	
N/A		(mark with a small x)

Notes

Economic Benefit **Subtotal 6**

Total EB Amounts	<input type="text" value="\$322"/>	<i>*Capped at the Total EB \$ Amount</i>
Approx. Cost of Compliance	<input type="text" value="\$10,000"/>	

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

OTHER FACTORS AS JUSTICE MAY REQUIRE **Adjustment**

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

Notes

Final Penalty Amount

STATUTORY LIMIT ADJUSTMENT **Final Assessed Penalty**

DEFERRAL **Adjustment**

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

Notes

PAYABLE PENALTY

PCW 3

Screening Date 17-Oct-2006 **Docket No.** 2006-0429-AIR-E **PCW**
Respondent Formosa Plastics Corporation, Texas *Policy Revision 2 (September 2002)*
Case ID No. 29089 *PCW Revision April 25, 2006*
Reg. Ent. Reference No. RN100218973
Media [Statute] Air Quality
Enf. Coordinator Miriam Hall

Compliance History Worksheet

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

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written NOVs with same or similar violations as those in the current enforcement action (<i>number of NOVs meeting criteria</i>)	3	15%
	Other written NOVs	22	44%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	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 (<i>number of judgements or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were</i>	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	0	0%
<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) **149%**

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) **0%**

>> Compliance History *Person Classification* (Subtotal 7)

Average Performer

Adjustment Percentage (Subtotal 7) **0%**

>> Compliance History Summary

Compliance History Notes

The penalty was enhanced due to three same or similar NOVs, 22 unrelated NOVs, two 1660 orders, and two Findings orders.

Total Adjustment Percentage (Subtotals 2, 3, & 7) **149%**

Screening Date 17-Oct-2006 **Docket No.** 2006-0429-AIR-E **PCW**
Respondent Formosa Plastics Corporation, Texas *Policy Revision 2 (September 2002)*
Case ID No. 29089 *PCW Revision April 25, 2006*
Reg. Ent. Reference No. RN100218973
Media [Statute] Air Quality
Enf. Coordinator Miriam Hall

Violation Number
 30 Tex. Admin. Code §§ 101.20(2) and (3), 113.100, 116.115(b)(2)(F), 40 CFR §§ 61.12(c), 63.6(e), Permit No. 7699/PSD-TX-226M6, Special Condition 1
Primary Rule Cite(s)
Secondary Rule Cite(s)
Violation Description
 Failed to maintain and operate the Vinyl Plant in a manner consistent with good air pollution control practices for minimizing emissions. A weld failure in Reactor A (PR-401A) caused vinyl chloride monomer (VCM) to leak into the PT-R01 A/B Chill Water Tanks, resulting in the unauthorized release of 14.73 pounds of VCM into atmosphere on January 23, 2006. Because the event was avoidable, the respondent failed to meet the demonstrations for an affirmative defense in 30 Tex. Admin. Code § 101.222.

Base Penalty

>> **Environmental, Property and Human Health Matrix**

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

>> **Programmatic Matrix**

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

Matrix Notes

Adjustment

Base Penalty Subtotal

Violation Events

Number of Violation Events Number of violation days

<i>mark only one use a small x</i>	<i>daily</i>	<input type="text"/>
	<i>monthly</i>	<input type="text"/>
	<i>quarterly</i>	<input type="text"/>
	<i>semiannual</i>	<input type="text"/>
	<i>annual</i>	<input type="text"/>
	<i>single event</i>	<input checked="" type="checkbox"/>

Violation Base Penalty

Economic Benefit (EB) for this violation

Estimated EB Amount

Statutory Limit Test

Violation Final Penalty Total

This violation Final Assessed Penalty (adjusted for limits)

Economic Benefit Worksheet

Respondent Formosa Plastics Corporation, Texas
 Case ID No. 29089
 Reg. Ent. Reference No. RN100218973
 Media [Statute] Air Quality
 Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction	\$10,000	23-Jan-2006	10-Jul-2006	0.5	\$15	\$307	\$322
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)				0.0	\$0	n/a	\$0

Notes for DELAYED costs: The estimated cost for redesign and modification of reactor baffles to remove welds at top of inner water pipes at the top section from the start date of the violation until the corrective action was finished.

Item	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 **\$10,000** TOTAL **\$322**

Compliance History

CH 3

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	28910
	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	78089
	AIR NEW SOURCE PERMITS	REGISTRATION	78769
	AIR NEW SOURCE PERMITS	REGISTRATION	78946
	AIR NEW SOURCE PERMITS	AFS NUM	0015
	AIR NEW SOURCE PERMITS	REGISTRATION	79567
	AIR NEW SOURCE PERMITS	REGISTRATION	79826
	USED OIL	REGISTRATION	C86337

4/25

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, Rating Date: 9/1/2006 Repeat Violator: NO
77978

TCEQ Region: REGION 14 - CORPUS CHRISTI

Date Compliance History Prepared: October 17, 2006

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: October 17, 2001 to October 17, 2006

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

Name: Miriam Hall Phone: (512) 239-1044

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: 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: 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: 06/26/2006

ADMINORDER 2005-0938-AIR-E 3

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 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.

Effective Date: 12/30/2005

ADMINORDER 2005-0125-AIR-E 4

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. 25241 and 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 Condition 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.

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	11/25/2002	(17197)
2	11/25/2002	(17582)
3	09/23/2005	(445393)
4	10/25/2002	(14015)
5	06/14/2006	(450942)
6	11/26/2002	(17697)
7	10/24/2005	(445394)
8	07/15/2004	(282138)
9	01/31/2003	(23597)
10	11/25/2002	(17362)
11	04/04/2006	(439904)
12	09/01/2006	(510775)
13	04/04/2006	(439905)
14	12/28/2004	(345075)
15	06/02/2006	(461335)
16	02/22/2006	(476819)
17	01/23/2003	(208242)
18	03/10/2003	(23786)
19	03/22/2006	(476820)

20	01/24/2002	(208241)
21	11/22/2005	(476821)
22	04/24/2006	(503676)
23	06/27/2006	(482129)
24	07/28/2004	(361023)
25	12/29/2004	(341344)
26	05/22/2006	(503677)
27	12/20/2005	(476822)
28	06/23/2006	(503678)
29	08/24/2004	(361024)
30	10/25/2002	(13552)
31	01/23/2006	(476823)
32	09/21/2004	(361025)
33	10/25/2002	(14020)
34	04/24/2006	(503679)
35	08/22/2005	(398698)
36	10/21/2004	(361026)
37	10/25/2002	(14123)
38	12/23/2002	(208238)
39	07/30/2003	(61118)
40	11/23/2004	(361027)
41	12/27/2001	(208237)
42	02/22/2005	(386883)
43	10/08/2005	(433294)
44	03/22/2005	(386884)
45	12/17/2004	(292882)
46	02/24/2004	(316653)
47	08/16/2005	(374480)
48	12/27/2004	(386885)
49	03/26/2004	(264531)
50	05/06/2005	(351122)
51	01/24/2005	(386886)
52	03/23/2004	(316655)
53	01/27/2004	(260399)
54	11/22/2002	(208234)
55	04/22/2004	(316656)
56	08/30/2006	(509837)
57	11/23/2001	(208233)
58	09/26/2006	(462238)
59	05/24/2004	(316658)
60	11/26/2002	(17655)
61	05/03/2005	(378050)
62	08/02/2005	(401840)
63	05/12/2006	(463945)
64	04/11/2005	(376939)
65	10/21/2002	(208230)
66	06/22/2004	(316660)
67	10/23/2001	(208229)
68	08/29/2005	(406996)
69	04/15/2004	(267931)
70	11/25/2002	(17710)
71	08/07/2003	(316662)
72	08/01/2005	(401922)
73	08/03/2006	(489597)
74	09/23/2002	(208227)
75	09/26/2006	(512144)
76	06/14/2006	(480076)
77	10/04/2002	(13352)
78	08/05/2002	(5526)
79	10/12/2006	(515322)
80	08/25/2003	(316664)
81	08/22/2002	(208224)
82	09/21/2005	(432632)
83	04/04/2006	(449815)
84	09/23/2003	(316666)
85	08/31/2006	(509975)
86	04/04/2006	(451199)
87	09/16/2005	(431883)

88	07/22/2002	(208221)
89	10/28/2003	(316668)
90	11/24/2003	(316669)
91	12/29/2003	(316670)
92	01/23/2004	(316671)
93	08/30/2006	(497562)
94	06/24/2003	(208218)
95	03/11/2004	(253895)
96	06/19/2002	(208217)
97	01/30/2006	(439909)
98	01/02/2006	(450795)
99	06/11/2003	(208214)
100	11/25/2002	(17367)
101	05/02/2003	(25912)
102	05/20/2002	(208213)
103	08/19/2005	(401926)
104	04/04/2006	(438249)
105	04/21/2003	(208210)
106	06/07/2005	(377227)
107	04/18/2002	(208209)
108	06/22/2004	(273805)
109	04/13/2006	(454110)
110	08/30/2006	(510729)
111	11/25/2002	(17115)
112	11/05/2001	(139755)
113	10/25/2002	(13538)
114	10/25/2002	(14010)
115	11/05/2001	(139756)
116	11/07/2001	(139757)
117	03/25/2003	(208205)
118	01/18/2002	(139758)
119	01/25/2002	(139759)
120	03/01/2002	(139760)
121	03/22/2002	(208204)
122	02/28/2003	(208202)
123	03/06/2002	(139761)
124	03/19/2002	(139762)
125	03/17/2004	(265434)
126	08/02/2005	(401946)
127	03/19/2002	(139763)
128	02/22/2002	(208201)
129	03/28/2002	(139764)
130	06/07/2006	(465772)
131	03/28/2002	(139765)
132	03/28/2002	(139766)
133	10/04/2002	(13306)
134	03/28/2002	(139767)
135	03/28/2002	(139768)
136	06/18/2004	(276036)
137	03/28/2002	(139769)
138	03/28/2002	(139770)
139	04/20/2005	(375911)
140	07/07/2006	(485310)
141	04/22/2005	(424698)
142	10/12/2006	(514515)
143	07/20/2006	(482883)
144	03/27/2006	(459161)
145	05/23/2005	(424699)
146	09/26/2006	(514141)
147	10/09/2006	(513839)
148	02/10/2005	(346929)
149	04/14/2005	(373413)
150	06/21/2005	(424700)
151	12/23/2002	(18198)
152	10/07/2004	(290237)
153	11/25/2002	(17252)
154	08/25/2005	(401908)
155	02/25/2004	(259754)

156 10/25/2002 (13508)
 157 10/25/2002 (14834)
 158 04/28/2006 (435129)
 159 07/21/2005 (400202)
 160 12/30/2005 (450540)
 161 07/27/2004 (284340)
 162 08/31/2005 (407352)
 163 07/22/2005 (445391)
 164 10/25/2002 (13558)
 165 05/05/2006 (464365)
 166 08/22/2005 (445392)
 167 04/28/2006 (454108)

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

Date: 08/30/2006 (509837) \

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)

Rqmt Prov: OP IA
 PERMIT IA

Description: Failure to maintain required records of monitoring data.

Date: 07/21/2005 (400202) v

Self Report? NO Classification: Moderate

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

Rqmt Prov: PERMIT IA

Description: Failure to maintain the effluent quality within the permitted limits.

Date: 07/30/2003 (61118) }

Self Report? NO Classification: Minor

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

Rqmt Prov: PERMIT IA

Description: Failure to comply with self-monitored effluent limitations for the months of 01/2003, 11/2002, and 08/2002.

Date: 10/31/2005 (476821) u

Self Report? YES Classification: Moderate

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

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

Date: 06/30/2004 (361023) }

Self Report? YES Classification: Moderate

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

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

Date: 07/20/2006 (482883) v

Self Report? NO Classification: 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 Classification: 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: 11/30/2002 (208238) ^

Self Report? YES Classification: Moderate

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

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

Date: 05/31/2006 (503678) }

Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter
Date: 11/30/2001 (208237) a

Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter
Date: 12/31/2004 (386886) 10

Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter
Date: 07/31/2005 (445392) 11

Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter
Date: 08/31/2002 (208227) 12

Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter
Date: 05/31/2004 (316660) 13

Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter
Date: 04/14/2005 (373413) 14

Self Report? NO Classification: 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 Ethylene Dichloride Incinerator B (EPN 6002B), conducted on June 21 and 22, 2004 indicated emissions of HCl of 4.956 lb/hr, exceeding the permitted allowable of 0.14 lb/hr.

Self Report? NO Classification: 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 Ethylene Dichloride Incinerator (EPN 6002C), conducted on June 21 and 22, 2004 indicated emissions of HCl of 3.813 lb/hr, exceeding the permitted allowable of 0.14 lb/hr.

Date: 06/30/2003 (316662) 15

Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter
Date: 07/31/2003 (316664) 16

Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter
Date: 06/07/2006 (450942) 17

Self Report? NO Classification: 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 Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)

30 TAC Chapter 116, SubChapter B 116.115(c)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(1)

Rqmt Prov: PERMIT IA
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: 07/15/2004 (282138) 10
Self Report? NO Classification: Moderate

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

Rqmt Prov: PA IA
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: 08/19/2005 (401926) 19
Self Report? NO Classification: 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 Classification: 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: 06/21/2004 (276036) 20
Self Report? NO Classification: Moderate

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

Rqmt Prov: PERMIT IA
Description: Failure to comply with the permitted effluent limits.

Date: 02/28/2002 (208204) 21
Self Report? YES Classification: Moderate

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

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

Date: 01/31/2003 (208202) 22
Self Report? YES Classification: Moderate

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

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

Date: 01/31/2002 (208201) 23
Self Report? YES Classification: Moderate

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

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

Date: 08/30/2006 (497562) 24
Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)

Rqmt Prov: OP IA
PA IA

Description: Failure to 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 Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)

Rqmt Prov: OP IA
PA IA

Description: Failure to demonstrate that monthly monitoring for VOC associated with cooling tower water had been conducted in January and February 2005.

Self Report? NO

Classification: Moderate

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

30 TAC Chapter 122, SubChapter B 122.143(4)

Rqmt Prov: OP IA

Description: Failure to equip two open-ended lines (OELs) with a cap, blind flange, plug or a second valve.

Date: 03/31/2005 (424698) 25

Self Report? YES

Classification: Moderate

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

TWC Chapter 26 26.121(a)[G]

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

F. Environmental audits.

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
FORMOSA PLASTICS
CORPORATION, TEXAS
RN100218973

§
§
§
§
§
§

BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY

AGREED ORDER
DOCKET NO. 2006-0429-AIR-E

At its agenda, the Texas Commission on Environmental Quality ("Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Formosa Plastics Corporation, Texas ("Formosa") under the authority of TEX. WATER CODE ch. 7, TEX. HEALTH & SAFETY CODE ch. 382 and 40 CODE OF FEDERAL REGULATIONS chs. 61 and 63. The Executive Director of the TCEQ, represented by the Litigation Division, and Formosa represented by Bob Stewart of the law firm of Kelly, Hart & Hallman L.L.P., 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 Agreed Order represents the complete and fully-integrated agreement 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:

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 on December 1, 2005, December 2, 2005, January 5, 2006, and May 8, 2006, a TCEQ Corpus Christi Regional Office investigator documented that Formosa failed to prevent unauthorized emissions during emissions events that occurred on September 26, 2005, September 28, 2005, November 2, 2005, November 11, 2005, and April 24, 2006.

Formosa Plastics Corporation, Texas RN100218973, Docket Number 2006-0429-AIR-E Violation No. 3			
Incident Number, Date, Duration	Emissions Point, EPN	Compounds Emitted total pounds ("lbs")	Permit/ Permitted Limits in lbs/hr
65351, 09/26/2005- 09/26/2005, 0 Hour ("hr") 21 Minutes ("min")	VV-805 rupture disk, No EPN Assigned	Hydrochloric acid ("HCl")- 6.04 lbs Vinyl Chloride Monomer ("VCM")- 11.67 lbs	Permit No. N/a HCl- 0.0 VCM- 0.0
65482, 09/28/2005- 09/28/2005, 0 hr 10mins	PVC Reactor C (PR-401C), No EPN Assigned	VCM- 1,341.00 lbs	Permit No. N/a VCM 0.0
67555, 11/02/2005- 11/02/2005, 0hr 1min	PVC Reactor E (PR-401E), No EPN Assigned	VCM- 2.79 lbs	Permit No. N/a VCM- 0.0
67906, 11/11/2005- 11/11/2005, 0hr 28mins	Flange on inlet at valve VC-401G, No EPN Assigned	HCl- 3.43 lbs VCM- 3.01 lbs Ethylene dichloride- 27.94	Permit No. N/a HCl- 0.0 VCM- 0.0 Ethylene dichloride- 0.0

<p align="center">Formosa Plastics Corporation, Texas RN100218973, Docket Number 2006-0429-AIR-E Violation No. 3</p>			
74865, 04/24/2006- 04/24/2006, 0hrs 20 mins	Ethylene Glycol Unit, EPN EGFUG1	Ethylene oxide- 1,150lbs	Permit No. 19198 Total Volatile Organic Compounds- 1.41

4. During a record review on November 1, 2005, a TCEQ Corpus Christi Regional Office investigator documented that Formosa failed to demonstrate compliance with applicable permit limits. Specifically, sampling conducted on the Carbon Dioxide Regenerator Vent EPN No. 221 on November 3, 2004 showed Volatile Organic Compound emissions to be 7.44 pounds per hour ("lb/hr") with a permitted limit of 4.73 lb/hr.

5. During a record review on November 14, 2006, a TCEQ Corpus Christi Regional Office investigator documented that Formosa failed to submit an accurate final record of an emissions event no later than two weeks after the end of the event. Specifically, the final notification was due on December 14, 2005 and a complete and accurate final notification was not submitted until March 20, 2007.

6. During an investigation on October 6, 2005, a TCEQ Corpus Christi Regional Office investigator documented that Formosa failed to prevent the unauthorized release of air contaminants into the atmosphere. Specifically, a propylene line at the Olefins II-Purification Area ruptured causing a series of emissions events that lasted for a period of 55 days.

Formosa Plastics Corporation, Texas RN100218973 Violation No. 6			
Incident Number, Date, Duration	Emissions Point, EPN	Compounds Emitted total pounds ("lbs") and pounds per hour ("lbs/hr")	Permit/ Permitted Limits in lbs/hr
66289, 10/6/2005- 11/30/2005, 1322 Hours ("hrs") 45 Minutes ("mins")	No EPN assigned	Benzene- 2,253.88lbs, 1.74 lbs/hr Carbon Monoxide ("CO")- 10,045.68 lbs, 7.73 lbs/hr Ethylene- 36,662.97 lbs, 28.23 lbs/hr Nitrogen Oxides ("NOx")- 1,388.93 lbs, 1.07 lbs/hr Propylene- 53,915.85 lbs, 41.51 lbs/hr Volatile Organic Compounds ("VOC")- 40,739.04 lbs, 30.80 lbs/hr Hydrogen- 150.38 lbs, 0.11 lbs/hr Methane- 7,393.30 lbs, 5.60 lbs/hr Ethane- 17,895.05 lbs, 13.53 lbs/hr Water- 30.34 lbs, 0.02 lbs/hr	Emissions not permitted
65983, 10/6/2005- 10/6/2005, 1 hr 39mins	Olefins II Elevated Flare, EPN 1067	Benzene- 419.40 lbs, 254.18 lbs/hr CO- 11,808.01 lbs, 7,156.37 lbs/hr Ethylene- 10,378.97 lbs, 6,290.28 lbs/hr Hydrogen Sulfide- 1.13 lbs, 0.68 lbs/hr NOx- 1,632.2 lbs, 989.21 lbs/hr Propylene- 5,517.46 lbs, 3,343.92 lbs/hr VOC- 4,599.48 lbs, 2,787.75 lbs/hr Hydrogen- 1,229.68 lbs, 745.26 lbs/hr Methane- 3,659.86 lbs, 2,218.10 lbs/hr Ethane- 5,585.72 lbs, 3,385.28 lbs/hr Carbon Dioxide- 4.53 lbs, 2.75 lbs/hr	Permit No. 19168 CO-13.84 NOx-1.92 Total VOC- 7.55

Formosa Plastics Corporation, Texas RN100218973 Violation No. 6			
66002, 10/6/2005- 10/13/2005, 161hrs 21min	Olefins I Elevated Flare, EPN 1018	Benzene- 1,520.05 lbs, 9.42 lbs/hr CO- 30,056.80 lbs, 186.28 lbs/hr Ethylene- 11,827.24 lbs 73.30 lbs/hr Hydrogen Sulfide- 5.29 lbs, 0.033 lbs/hr NOx- 4,156.5 lbs, 25.76 lbs/hr Propylene- 2,708.22 lbs, 16.78 lbs/hr VOC- 32,522.53 lbs, 201.57 lbs/hr Hydrogen- 1,668.18 lbs, 10.34 lbs/hr Methane- 4,631.92 lbs, 28.71 lbs/hr Ethane- 4,595.18 lbs, 28.48 lbs/hr Carbon Dioxide- 1,684.17 lbs, 10.44 lbs/hr	Permit No. 19168 CO-9.68 NOx-1.90 Total VOC- 1.79

7. During a May 12, 2006 investigation, a TCEQ Corpus Christi Regional Office investigator documented that Formosa failed to maintain and operate the Vinyl Plant in a manner consistent with good air pollution control practices for minimizing emissions.
8. Formosa received notices of the violations on or about April 9, 2006, September 5, 2006 and July 1, 2006.
9. The Executive Director recognizes that Formosa has implemented the following corrective measures at the Plant:
 - a. On November 4, 2004, the flash drum pressure was optimized on the Carbon Dioxide Regenerator Vent EPN No. 221 and the VOC emission rate was reduced to 4.53 lb/hr;
 - b. On October 9, 2005, the nipple and rupture disk for Vessel VV-805 were replaced;
 - c. On October 13, 2005, the sight glasses for Reactor PR 401C were replaced;
 - d. On November 20, 2005, the cracked flange was removed and replaced with a flange made of alloy 800H;

- e. On May 9, 2006, Formosa Plastics initiated a panel consisting of operators and supervisors from the Ethylene Glycol Unit to derive communication improvements and to ensure that future similar events do not occur; and
 - f. By July 10, 2006, Formosa modified the reactor baffles to remove welds at the top of inner water pipes at the top section.
 - g. On March 20, 2007, Formosa submitted an accurate final record of the emissions event that occurred on October 6, 2005;
 - h. On January 5, 2006, Formosa implemented revised procedures to ensure that initial notifications and final records of emission events are reported in a timely and accurate manner; and
 - i. On April 15, 2006, Formosa developed and implemented training for operators on the proper and safe use of equipment to prevent emissions events similar to that which began on October 6, 2005 from occurring in the future.
10. The Executive Director recognizes that on October 6, 2005, fence line monitoring during the fire did not detect the presence of contaminants which would be expected to result in adverse impacts on human health or the environment.

CONCLUSIONS OF LAW

- 1. As evidenced by Finding of Fact Nos. 1 and 2, Formosa is subject to the jurisdiction of the TCEQ pursuant to TEX. WATER CODE § 7.002, TEX. HEALTH & SAFETY CODE ch. 382 and the rules of the Commission.
- 2. As evidenced by Finding of Fact No.3, Formosa has failed to prevent unauthorized emissions during emissions events that occurred on September 26, 2005, September 28, 2005, November 2, 2005, November 11, 2005, and April 24, 2006, in violation of 30 TEX. ADMIN. CODE §§ 116.115(b)(2)(F) and (c) and 101.20(3)and TEX. HEALTH & SAFETY CODE § 382.085(b).
- 3. As evidenced by Finding of Fact No. 4, Formosa has failed to demonstrate compliance with applicable permit limits, in violation of 30 TEX. ADMIN. CODE § 116.115(b)(2)(F), TCEQ Permit No.19198 (Maximum Allowable Emission Rate Table) and TEX. HEALTH & SAFETY CODE § 382.085(b).

4. As evidenced by Finding of Fact No.5, Formosa has failed to submit an accurate final record of an emissions event no later than two weeks after the end of the event, in violation of 30 TEX. ADMIN. CODE § 101.201(a)(1)(B) and TEX. HEALTH & SAFETY CODE § 382.085(b).
5. As evidenced by Finding of Fact No. 6, Formosa has failed to prevent the unauthorized release of air contaminants into the atmosphere, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3) and 116.115(c), TCEQ Permit No. 19168, Special Condition No. 1; and TEX. HEALTH & SAFETY CODE § 382.085(b).
6. As evidenced by Finding of Fact No. 7, Formosa has failed to maintain and operate the Vinyl Plant in a manner consistent with good air pollution control practices for minimizing emissions, in violation of 30 TEX. ADMIN. CODE §§ 101.20(2) and (3), 113.100; 116.115(b)(2)(F); 40 CFR §§ 61.12(c), 63.6(e); TCEQ Permit No.7699/PSD-TX-226M6, Special Condition 1; and TEX. HEALTH & SAFETY CODE § 382.085(b).
7. 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.
8. An administrative penalty in the amount of one hundred twenty-one thousand four hundred forty-three dollars (\$121,443.00) 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. Sixty thousand seven hundred twenty-one dollars (\$60,721.00) shall be conditionally offset by Formosa's completion of a Supplemental Environmental Project ("SEP"). Formosa has paid sixty thousand seven hundred twenty- two dollars (\$60,722.00) of the administrative penalty.

ORDERING PROVISIONS

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

1. Formosa is assessed an administrative penalty in the amount of one hundred twenty-one thousand four hundred forty-three dollars (\$121,443.00) as set forth in Conclusion of Law No. 9 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 "Texas Commission on Environmental Quality" and shall

be sent with the notation "Re: Formosa Plastics Corporation, Texas; Docket No.2006-0429-AIR-E; Enforcement ID No. 29089" 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. Sixty thousand seven hundred twenty-one dollars (\$60,721.00) 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, to the extent practicable, early detection of equipment corrosion and ensure that all abatement equipment is maintained properly and in good working order;
 - b. Within 30 days after the effective date of this Agreed Order, submit written certification of compliance with Ordering Provision 3.a., as described below:

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, Unit 5839, NRC Building, Suite 1200
Corpus Christi, Texas 78412-5839

4. The provisions of this Agreed Order shall apply to and be binding upon Formosa. Formosa is ordered to give notice of this 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 has 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. Pursuant to 30 TEX. ADMIN. CODE § 70.10(b) and TEX. GOV'T CODE § 2001.142, the effective date is the date of hand-delivery of the Order to Formosa , or three days after the date on which the Commission mails notice of the Order to Formosa, whichever is earlier.

Formosa Plastics Corporation, Texas
9006-0429-AIR-E
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SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

[Handwritten Signature]

For the Executive Director

2/27/08

Date

I, the undersigned, have read and understand the attached Agreed Order in the matter of Formosa Plastics Corporation, Texas. I represent that 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 my failure to comply with the Ordering Provisions, if any, in this order and/or my failure to timely pay the penalty amount, may result in:

- A negative impact on my compliance history;
- Greater scrutiny of any permit applications submitted by me;
- Referral of this case to the Attorney General's office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions against me;
- Automatic referral to the Attorney General's Office of any future enforcement actions against me; and
- TCEQ seeking other relief as authorized by law.

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

Signature

[Handwritten Signature]

Date

10/4/07

Name (printed or typed)

Ronald P. Smith

Authorized Representative

Formosa Plastics Corporation, Texas

Title

V.P. / Gen. Mgr.

Attachment A

Docket Number: 2006-0429-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent: Formosa Plastics Corporation, Texas

Penalty Amount: One hundred twenty-one thousand four hundred forty-three dollars (\$121,443.00)

SEP Amount: Sixty thousand seven hundred twenty-one dollars (\$60,721.00)

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.

I. 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;
- 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 it has 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

The lift station rehabilitation portion of this SEP will provide a discernible environmental benefit 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 of the SEP, the Respondent shall submit a check for any amount due with a notation that the payment is for a "SEP Refund", and include the docket number of this 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.