

EXECUTIVE SUMMARY - ENFORCEMENT MATTER
DOCKET NO.: 2006-1598-AIR-E TCEQ ID: RN100209857 CASE NO.: 31118
RESPONDENT NAME: CHEVRON PHILLIPS CHEMICAL COMPANY LP

ORDER TYPE:		
<input checked="" type="checkbox"/> 1660 AGREED ORDER	<input type="checkbox"/> FINDINGS AGREED ORDER	<input type="checkbox"/> FINDINGS ORDER FOLLOWING SOAH HEARING
<input type="checkbox"/> FINDINGS DEFAULT ORDER	<input type="checkbox"/> SHUTDOWN ORDER	<input type="checkbox"/> IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER
<input type="checkbox"/> AMENDED ORDER	<input type="checkbox"/> EMERGENCY ORDER	
CASE TYPE:		
<input checked="" type="checkbox"/> AIR	<input type="checkbox"/> MULTI-MEDIA (check all that apply)	<input type="checkbox"/> INDUSTRIAL AND HAZARDOUS WASTE
<input type="checkbox"/> PUBLIC WATER SUPPLY	<input type="checkbox"/> PETROLEUM STORAGE TANKS	<input type="checkbox"/> OCCUPATIONAL CERTIFICATION
<input type="checkbox"/> WATER QUALITY	<input type="checkbox"/> SEWAGE SLUDGE	<input type="checkbox"/> UNDERGROUND INJECTION CONTROL
<input type="checkbox"/> MUNICIPAL SOLID WASTE	<input type="checkbox"/> RADIOACTIVE WASTE	<input type="checkbox"/> DRY CLEANER REGISTRATION
<p>SITE WHERE VIOLATION(S) OCCURRED: 2001 Gulfway Drive, Port Arthur, Jefferson County</p> <p>TYPE OF OPERATION: Petrochemical manufacturing plant</p> <p>SMALL BUSINESS: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>OTHER SIGNIFICANT MATTERS: There are no complaints. As of October 31, 2008, there is one pending enforcement action regarding this facility location: 2006-1028-IHW-E.</p> <p>INTERESTED PARTIES: No one other than the ED and the Respondent has expressed an interest in this matter.</p> <p>COMMENTS RECEIVED: The <i>Texas Register</i> comment period expired on October 13, 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: Ms. Kimberly Morales, Air Enforcement Section, MC R-12, (713) 767-3629 TCEQ Regional Contact: Ms. Heather Ross, Beaumont Regional Office, MC R- 10, (409) 898-3838 Respondent: Mr. David Speaker, Senior Counsel, Environmental, Chevron Phillips Chemical Company, LP, 10001 Six Pines Drive, The Woodlands, TX 77387-4910 Respondent's Attorney: Ms. Gindi Eckel Vincent, Pillsbury Winthrop Shaw Pittman, LLP, 2 Houston Center, 909 Fannin, Suite 2000, Houston, TX 77010-1018</p>		

VIOLATION SUMMARY CHART:

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p>Type of Investigation:</p> <p><input type="checkbox"/> Complaint <input checked="" type="checkbox"/> Routine <input type="checkbox"/> Enforcement Follow-up <input type="checkbox"/> Records Review</p> <p>Date of Complaint Relating to this Case: None</p> <p>Date of Investigation Relating to this Case: August 23, 2006</p> <p>Date of NOE Relating to this Case: August 28, 2006</p> <p>Background Facts:</p> <p>The EDRP was filed on October 29, 2007. The Respondent filed an Answer requesting a hearing on November 13, 2007, and the case was referred to SOAH. The Respondent signed the Agreed Order on July 22, 2008.</p> <p>Current Compliance Status:</p> <p>The Respondent has completed all corrective actions.</p> <p>AIR:</p> <p>1. Failed to limit emissions to the PBR authorizations [30 TEX. ADMIN. CODE §§ 106.261(a)(7)(A), 122.143(4), Federal Operating Permit ("FOP") No. 1235, Special Condition ("SC") 21, and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p> <p>2. Failed to equip each open-ended line with a cap, blind flange, plug, or a second valve [30 TEX. ADMIN. CODE §§ 101.20(1) and (2), 113.130, 113.520, 115.352(4), 116.115(c), 122.143(4), 40 CODE OF FEDERAL REGULATIONS ("CFR") §§ 60.482-6(a)(1), 61.112(a), 63.1033(b)(1), 63.167(a)(1), FOP No. 1235, SC 21, Air Permit No. 21101, SC 1A, and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p> <p>3. Failed to register an outside blast cleaning facility with the TCEQ using Form PI-7 and failed to receive written site approval from the executive director prior to construction [30 TEX. ADMIN. CODE §§ 106.452(2)(D) and (E), 116.110(a)(4), 122.143(4), FOP No. 1235, SC 21 and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p>	<p>Initial Calculated Penalty: \$109,460</p> <p>Total Assessed: \$92,677*</p> <p>Total Deferred: \$46,338</p> <p><input type="checkbox"/> Expedited Order <input type="checkbox"/> Financial Inability to Pay <input checked="" type="checkbox"/> XSEP Conditional Offset</p> <p>Total Paid to General Revenue: \$46,339</p> <p>The Respondent has paid \$46,339 of the administrative penalty. The remainder of the administrative penalty 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>*Explanation for Reduction in Penalty: The penalty was reduced in consideration of litigation risk.</p>	<p>Ordering Provisions</p> <p>The Respondent shall implement and complete a SEP, as defined in Attachment A.</p> <p>Corrective Action(s) Taken</p> <p>The Executive Director recognizes that the Respondent has:</p> <ol style="list-style-type: none"> 1. Properly permitted the Ethylene Unit analyzer emissions under an amended Air Permit No. 21101 effective on March 3, 2006. 2. Completed properly sealing 98 open-ended volatile organic compound ("VOC") lines on February 9, 2006, as documented to the TCEQ on March 9, 2006. 3. Properly registered the Dry Abrasive Cleaning Facility ("DACF") under Permit By Rule ("PBR") Registration No. 78071, issued March 10, 2006. 4. Combined record-keeping requirements of monitoring fugitive emissions at Unit F-1544 and calibrations at the Hydrocarbon Vapor Recovery Unit under an amended Air Permit No. 21101, effective on March 3, 2006. 5. Combined rolling average limits for VOC emissions for the Compressor Seal Oil Reservoir and Refrigeration System Propylene Recovery under an amended Air Permit No. 21101, effective on March 3, 2006, and for the Cyclohexane Unit under an amended Air Permit No. 18568 effective on December 7, 2005. 6. Began proper monitoring of Premco Dock Berths 1 and 2 components under an amended Air Permit No. 18568, effective on December 7, 2005. 7. Implemented a record keeping system in the DACF in December 2005, as documented to the TCEQ on December 18, 2006. 8. Corrected the programming for the continuous emissions monitor ("CEMS") at the BA-118 Boiler on May 1, 2006.

VIOLATION SUMMARY CHART:

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p>4. Failed to maintain records required for PBRs [30 TEX. ADMIN. CODE §§ 106.8(c)(5), 122.143(4), FOP No. 1235, SC 21 and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p> <p>5. Failed to comply with carbon monoxide ("CO") emission limitations at Boiler BA-118 [30 TEX. ADMIN. CODE §§ 117.205(f)(3), 122.143(4), FOP No. 1235, SC 1A and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p> <p>6. Failed to comply with the maximum emission rates as certified in the application for a PBR [30 TEX. ADMIN. CODE §§ 106.1, 106.6(b) and (c), 122.143(4), FOP 1235, SC 21 and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p> <p>7. Failed to monitor fugitive components as required by the applicable PBR [30 TEX. ADMIN. CODE §§ 106.6(b) and (c), 115.354(2), 101.20(1) and 122.143(4), FOP No. 1235, SC 21, 40 CFR § 60.482-7(a) and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p>		

Attachment A
Docket Number: 2006-1598-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent: CHEVRON PHILLIPS CHEMICAL COMPANY LP

Penalty Amount: Ninety-two thousand six hundred seventy-seven dollars
(\$92,677)

SEP Amount: Forty-six thousand three hundred thirty-eight dollars
(\$46,338)

Type of SEP: Pre-approved

Third-Party Recipient: Southeast Texas Regional Planning Commission *West Port Arthur Home Energy Efficiency Project*

Location of SEP: Jefferson County

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

1. Project Description

A. Project

The Respondent shall contribute 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 used in accordance with the Supplemental Environmental Project Agreement between **Southeast Texas Regional Planning Commission** and the Texas Commission on Environmental Quality for the *West Port Arthur Home Energy Efficiency Project* in Jefferson County. SEP funds will be used to The SETRPC will use the funds to conduct home energy audits and to assist low income residents in the West Port Arthur area by weatherizing their homes which will improve their homes' energy efficiency. SEP monies will be used to pay for the cost of caulking and insulating the homes and appliances as well as for replacing heating and cooling systems and major appliances with new, energy efficient equipment.

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

Implementation of this project will reduce residential fuel and electricity usage for heating and cooling. These reductions, in turn, will reduce emissions of particulate matter (PM), volatile organic compounds (VOCs), and nitrogen oxides (NOx) associated with the combustion of fuel and generation of electricity.

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 a copy of the Agreed Order with the contribution to:

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

3. Records and Reporting

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

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

4. Failure to Fully Perform

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

In the event of incomplete performance, the Respondent shall submit a check for any remaining amount due made payable to "Texas Commission on Environmental Quality" with the notation "SEP Refund" and the docket number of the case, and shall send it to:

Texas Commission on Environmental Quality
Office of Legal Services
Attention: SEP Coordinator, MC 175
P.O. Box 13088
Austin, Texas 78711-3088

5. Publicity

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

6. Clean Texas Program

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

7. Other SEPs by TCEQ or Other Agencies

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



Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision April 25, 2006

DATES	Assigned	05-Sep-2006	Screening	11-Sep-2006	EPA Due	25-May-2007
	PCW	10-Jun-2008				

RESPONDENT/FACILITY INFORMATION	
Respondent	Chevron Phillips Chemical Company LP
Reg. Ent. Ref. No.	RN100209857
Facility/Site Region	10-Beaumont
Major/Minor Source	Major Source

CASE INFORMATION			
Enf./Case ID No.	31118	No. of Violations	7
Docket No.	2006-1598-AIR-E	Order Type	1660
Media Program(s)	Air Quality	Enf. Coordinator	Kimberly Morales
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 160% Enhancement Subtotals 2, 3, & 7

Notes: The enhancement is due to five orders with denial of liability, two orders without denial of liability, three same or similar NOV's, and one other NOV. The reduction is due to two notices of audit, and participation in a voluntary pollution reduction program.

Culpability 0% Enhancement Subtotal 4

Notes: Does not meet the culpability criteria.

Good Faith Effort to Comply 0% Reduction Subtotal 5

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

Notes: The respondent does not meet the good faith effort criteria.

Economic Benefit 0% Enhancement* Subtotal 6

Total EB Amounts	\$1,740	*Capped at the Total EB \$ Amount
Approx. Cost of Compliance	\$34,800	

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 0% Reduction Adjustment

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

Notes: No deferral is offered for Order referred to Litigation.

PAYABLE PENALTY

Screening Date 11-Sep-2006 **Docket No.** 2006-1598-AIR-E **PCW**
Respondent Chevron Phillips Chemical Company LP *Policy Revision 2 (September 2002)*
Case ID No. 31118 *PCW Revision April 25, 2006*
Reg. Ent. Reference No. RN100209857
Media [Statute] Air Quality
Enf. Coordinator Kimberly Morales

Compliance History Worksheet

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

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written NOV's with same or similar violations as those in the current enforcement action (<i>number of NOV's meeting criteria</i>)	3	15%
	Other written NOV's	1	2%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	5	100%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	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 (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 (<i>number of audits for which notices were</i>	2	-2%
	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	Yes	-5%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 160%

>> **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 enhancement is due to five orders with denial of liability, two orders without denial of liability, three same or similar NOV's, and one other NOV. The reduction is due to two notices of audit, and participation in a voluntary pollution reduction program.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 160%

Screening Date 11-Sep-2006

Docket No. 2006-1598-AIR-E

PCW

Respondent Chevron Phillips Chemical Company LP

Policy Revision 2 (September 2002)

Case ID No. 31118

PCW Revision April 25, 2006

Reg. Ent. Reference No. RN100209857

Media [Statute] Air Quality

Enf. Coordinator Kimberly Morales

Violation Number

Primary Rule Cite(s)

Secondary Rule Cite(s)

Violation Description

Base Penalty

>> Environmental, Property and Human Health Matrix

Release	Harm			Percent
	Major	Moderate	Minor	
Actual	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Potential	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
<input type="text"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text" value="25%"/>

Matrix Notes

Adjustment

Base Penalty Subtotal

Violation Events

Number of Violation Events Number of violation days

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

Violation Base Penalty

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount

Violation Final Penalty Total

This violation Final Assessed Penalty (adjusted for limits)

Economic Benefit Worksheet

Respondent Chevron Phillips Chemical Company LP
 Case ID No. 31118
 Reg. Ent. Reference No. RN100209857
 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				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	\$4,000	17-Feb-2005	03-Mar-2006	1.0	\$208	n/a	\$208
Other (as needed)				0.0	\$0	n/a	\$0

Notes for DELAYED costs: Estimated cost of permitting analyzer emissions: the date required was the date emissions were first noted; the final date was the date that Air Permit 21101 was amended to include the analyzer emissions.

Avoided Costs		ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)					
Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equipment				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs:

Approx. Cost of Compliance

TOTAL

Screening Date 11-Sep-2006

Docket No. 2006-1598-AIR-E

PCW

Respondent Chevron Phillips Chemical Company LP

Policy Revision 2 (September 2002)

Case ID No. 31118

PCW Revision April 25, 2006

Reg. Ent. Reference No. RN100209857

Media [Statute] Air Quality

Enf. Coordinator Kimberly Morales

Violation Number

Primary Rule Cite(s)

30 Tex. Admin. Code §§ 113.130, 113.520, and 115.352(4), 40 Code of Fed. Regulations ("CFR") §§ 61.112(a), 63.1033(b)(1), and 63.167(a)(1) and Air Permit No. 21101, SC 1A

Secondary

30 Tex. Admin. Code §§ 101.20(1) and (2), 116.115(c), and 122.143(4), 40 CFR §§ 60.482-6(a)(1), FOP No. 1235, SC 21, and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failure to equip each open-ended line with a cap, blind flange, plug, or a second valve. Specifically, during a period from February 23, 2005 through February 9, 2006, 98 components were identified without sealing devices.

Base Penalty

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

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

>> **Programmatic Matrix**

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

Matrix Notes

Human health or the environment was exposed to an estimated 1.57 tons of volatile organic compound pollutants which did not exceed levels that are protective of human health or environmental receptors as a result of the violation. See Table One.

Adjustment

Base Penalty Subtotal

Violation Events

Number of Violation Events Number of violation days

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

Violation Base Penalty

Four quarterly events are recommended for the February 23, 2005 to February 9, 2006 period.

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount

Violation Final Penalty Total

This violation Final Assessed Penalty (adjusted for limits)

Economic Benefit Worksheet

Respondent Chevron Phillips Chemical Company LP
 Case ID No. 31118
 Reg. Ent. Reference No. RN100209857
 Media [Statute] Air Quality
 Violation No. 2

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	\$9,800	23-Feb-2005	09-Feb-2006	1.0	\$31	\$628	\$660
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)				0.0	\$0	n/a	\$0

Notes for DELAYED costs: Estimated cost of sealing components; the date required was the date that first unsealed component was discovered; the final date was the date that the last unsealed component was sealed.

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 \$9,800

TOTAL \$660

Screening Date 11-Sep-2006

Docket No. 2006-1598-AIR-E

PCW

Respondent Chevron Phillips Chemical Company LP

Policy Revision 2 (September 2002)

Case ID No. 31118

PCW Revision April 25, 2006

Reg. Ent. Reference No. RN100209857

Media [Statute] Air Quality

Enf. Coordinator Kimberly Morales

Violation Number

Primary Rule Cite(s)

Secondary Rule Cite(s)

Violation Description

Base Penalty

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

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

>> **Programmatic Matrix**

		Falsification	Major	Moderate	Minor	
		<input type="text"/>	<input checked="" type="checkbox"/>	<input type="text"/>	<input type="text"/>	Percent <input type="text" value="25%"/>
Matrix Notes	<input type="text" value="100% of the rule was not met."/>					

Adjustment

Base Penalty Subtotal

Violation Events

Number of Violation Events Number of violation days

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

Violation Base Penalty

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount

Violation Final Penalty Total

This violation Final Assessed Penalty (adjusted for limits)

Economic Benefit Worksheet

Respondent Chevron Phillips Chemical Company LP
 Case ID No. 31118
 Reg. Ent. Reference No. RN100209857
 Media [Statute] Air Quality
 Violation No. 3

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	\$5,000	17-Feb-2005	10-Mar-2006	1.1	\$264	n/a	\$264
Other (as needed)				0.0	\$0	n/a	\$0

Notes for DELAYED costs: Estimated costs to submit and obtain approval of PI-7: the date required is the date PI-7 submittal was noted as required; the final date is the date after PI-7 submission that PBR Registration No. 78701 was issued.

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 **\$5,000** TOTAL **\$264**

Screening Date 11-Sep-2006

Docket No. 2006-1598-AIR-E

PCW

Respondent Chevron Phillips Chemical Company LP

Policy Revision 2 (September 2002)

Case ID No. 31118

PCW Revision April 25, 2006

Reg. Ent. Reference No. RN100209857

Media [Statute] Air Quality

Enf. Coordinator Kimberly Morales

Violation Number

Primary Rule Cite(s)

Secondary Rule Cite(s)

Violation Description

Base Penalty

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

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

>> **Programmatic Matrix**

		Major	Moderate	Minor	
Matrix Notes	Falsification	<input type="text"/>	<input type="text"/>	<input checked="" type="checkbox"/>	Percent <input type="text" value="1%"/>
	<input type="text" value="At least 70% of the rule requirement was met."/>				

Adjustment

Base Penalty Subtotal

Violation Events

Number of Violation Events Number of violation days

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

Violation Base Penalty

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount

Violation Final Penalty Total

This violation Final Assessed Penalty (adjusted for limits)

Economic Benefit Worksheet

Respondent Chevron Phillips Chemical Company LP
 Case ID No. 31118
 Reg. Ent. Reference No. RN100209857
 Media [Statute] Air Quality
 Violation No. 4

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost No commas or \$	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/constru				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
DACF Record Keepin	\$5,500	17-Feb-2005	31-Dec-2005	0.9	\$239	n/a	\$239
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)				0.0	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost of developing and implementing procedures designed to ensure adequate records are maintained: the date required is first day for which lack of recordkeeping was noted; the final date is the estimated date new recordkeeping procedures were implemented.

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 **\$5,500**

TOTAL \$239

Screening Date 11-Sep-2006

Docket No. 2006-1598-AIR-E

PCW

Respondent Chevron Phillips Chemical Company LP

Policy Revision 2 (September 2002)

Case ID No. 31118

PCW Revision April 25, 2006

Reg. Ent. Reference No. RN100209857

Media [Statute] Air Quality

Enf. Coordinator Kimberly Morales

Violation Number 5

Primary Rule Cite(s) 30 Tex. Admin. Code § 117.205(f)(3)

Secondary Rule Cite(s) 30 Tex. Admin. Code § 122.143(4), FOP No. 1235, SC 1A, and Tex. Health & Safety Code § 382.085(b)

Violation Description Failure to comply with carbon monoxide ("CO") emission limitations at Boiler BA-118. Specifically, the 24-hour rolling average limit of 400 parts per million by volume for CO was exceeded for nine hours on September 16, 2005.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

Release	Harm			Percent
	Major	Moderate	Minor	
Actual			X	25%
Potential				

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent

Matrix Notes

Human health or the environment has been exposed to insignificant amounts of pollutants which did 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 Number of violation days 1

mark only one use a small x	daily	
	monthly	
	quarterly	
	semiannual	
	annual	
	single event	X

Violation Base Penalty \$2,500

One single event is recommended.

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$57

Violation Final Penalty Total \$6,500

This violation Final Assessed Penalty (adjusted for limits) \$6,500

Economic Benefit Worksheet

Respondent Chevron Phillips Chemical Company LP
 Case ID No. 31118
 Reg. Ent. Reference No. RN100209857
 Media [Statute] Air Quality
 Violation No. 5

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)	\$500	16-Sep-2005	01-May-2007	1.6	\$3	\$54	\$57
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)				0.0	\$0	n/a	\$0

Notes for DELAYED costs: Estimated costs of software fix for CEMS output: the required date is the date of the failure to correctly calculate rolling average; the final date is the estimated date of fix implementation.

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 \$500

TOTAL \$57

Screening Date 11-Sep-2006

Docket No. 2006-1598-AIR-E

PCW

Respondent Chevron Phillips Chemical Company LP

Policy Revision 2 (September 2002)

Case ID No. 31118

PCW Revision April 25, 2006

Reg. Ent. Reference No. RN100209857

Media [Statute] Air Quality

Enf. Coordinator Kimberly Morales

Violation Number 6

Primary Rule Cite(s) 30 Tex. Admin. Code §§ 106.1, 106.6(b) and (c)

Secondary Rule Cite(s) 30 Tex. Admin. Code § 122.143(4), FOP 1235, SC 21, and Tex. Health & Safety Code § 382.085(b)

Violation Description Failure to comply with the maximum emission rates as certified in the application for a PBR. Specifically, the 12-month rolling average limits for volatile organic compounds ("VOC") were exceeded under three PBRs. See Table Two.

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

339 Number of violation days

mark only one use a small x	daily	
	monthly	
	quarterly	X
	semiannual	
	annual	
	single event	

Violation Base Penalty \$12,500

Five quarterly events are recommended.

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$185

Violation Final Penalty Total \$32,500

This violation Final Assessed Penalty (adjusted for limits) \$32,500

Economic Benefit Worksheet

Respondent Chevron Phillips Chemical Company LP
Case ID No. 31118
Reg. Ent. Reference No. RN100209857
Media [Statute] Air Quality
Violation No. 6

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost <small>No commas or \$</small>	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs	\$4,000	31-Mar-2005	03-Mar-2006	0.9	\$185	n/a	\$185
Other (as needed)				0.0	\$0	n/a	\$0

Notes for DELAYED costs Estimated costs of transferring emission limits from PBRs to Air Permit Nos. 21101 and 18568: the date required is first day lack of record-keeping noted; the final date is day the last amendment was issued.

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 \$4,000
TOTAL \$185

Screening Date 11-Sep-2006 **Docket No.** 2006-1598-AIR-E **PCW**
Respondent Chevron Phillips Chemical Company LP *Policy Revision 2 (September 2002)*
Case ID No. 31118 *PCW Revision April 25, 2006*
Reg. Ent. Reference No. RN100209857
Media [Statute] Air Quality
Enf. Coordinator Kimberly Morales
Violation Number 7

Primary Rule Cite(s) 30 Tex. Admin. Code §§ 106.6(b) and (c), 115.354(2), and 40 CFR § 60.482-7(a)
Secondary Rule Cite(s) 30 Tex. Admin. Code §§ 101.20(1) and 122.143(4), FOP No. 1235, SC 21, and Tex. Health & Safety Code § 382.085(b)
Violation Description Failure to monitor fugitive components as required by the applicable PBR. Representations under both PBR Registration Nos. 71188 and 53067 were that monitoring will be done in accordance with Method 28VHP for both Berth 1 and 2 at the Premcor Docks, i. e., that accessible valves shall be monitored by leak-checking for fugitive emissions at least quarterly using an approved gas analyzer. However, from August 18 through December 7, 2005, fugitive monitoring was conducted quarterly only once instead of twice for components at each berth.

Base Penalty \$10,000

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

		Harm			
Release		Major	Moderate	Minor	
OR	Actual				Percent <input type="text" value="10%"/>
	Potential			X	

>> **Programmatic Matrix**

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

Matrix Notes Human health or the environment will or could be exposed to insignificant amounts of pollutants which would not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment -\$9,000

Base Penalty Subtotal \$1,000

Violation Events

Number of Violation Events Number of violation days

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

Violation Base Penalty \$2,000

Two single events are recommended for the missed quarterly monitoring at each berth.

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$128

Violation Final Penalty Total \$5,200

This violation Final Assessed Penalty (adjusted for limits) \$5,200

Economic Benefit Worksheet

Respondent Chevron Phillips Chemical Company LP
Case ID No. 31118
Reg. Ent. Reference No. RN100209857
Media [Statute] Air Quality
Violation No. 7

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							
Monitoring	\$6,000	18-Aug-2005	07-Dec-2005	0.3	\$6	\$122	\$128
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)				0.0	\$0	n/a	\$0

Notes for DELAYED costs
 Estimated costs of quarterly monitoring components: the date required is the initial date that the lack of quarterly monitoring was recognized; the final date is the date that monitoring of these components was intergrated into quarterly monitoring program under Air Permit No.18568.

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 \$6,000
TOTAL \$128

Compliance History

Customer/Respondent/Owner-Operator:	CN600303614 Chevron Phillips Chemical Company LP	Classification: AVERAGE	Rating: 1.82																																																																																							
Regulated Entity:	RN100209857 CHEVRON PHILLIPS CHEMICAL PORT ARTHUR FACILITY	Classification: AVERAGE	Site Rating: 5.15																																																																																							
ID Number(s):	<table border="0" style="width: 100%; border-collapse: collapse;"> <tr><td>AIR OPERATING PERMITS</td><td>ACCOUNT NUMBER</td><td>JE0508W</td></tr> <tr><td>AIR OPERATING PERMITS</td><td>PERMIT</td><td>1235</td></tr> <tr><td>AIR NEW SOURCE PERMITS</td><td>ACCOUNT NUMBER</td><td>JE0508W</td></tr> <tr><td>AIR NEW SOURCE PERMITS</td><td>PERMIT</td><td>5215A</td></tr> <tr><td>AIR NEW SOURCE PERMITS</td><td>PERMIT</td><td>18568</td></tr> <tr><td>AIR NEW SOURCE PERMITS</td><td>PERMIT</td><td>21101</td></tr> <tr><td>AIR NEW SOURCE PERMITS</td><td>PERMIT</td><td>24266</td></tr> <tr><td>AIR NEW SOURCE PERMITS</td><td>PERMIT</td><td>32713</td></tr> <tr><td>AIR NEW SOURCE PERMITS</td><td>PERMIT</td><td>34618</td></tr> <tr><td>AIR NEW SOURCE PERMITS</td><td>REGISTRATION</td><td>75984</td></tr> <tr><td>AIR NEW SOURCE PERMITS</td><td>REGISTRATION</td><td>76323</td></tr> <tr><td>AIR NEW SOURCE PERMITS</td><td>REGISTRATION</td><td>76324</td></tr> <tr><td>AIR NEW SOURCE PERMITS</td><td>REGISTRATION</td><td>76321</td></tr> <tr><td>AIR NEW SOURCE PERMITS</td><td>AFS NUM</td><td>0162</td></tr> <tr><td>AIR NEW SOURCE PERMITS</td><td>REGISTRATION</td><td>71188</td></tr> <tr><td>AIR NEW SOURCE PERMITS</td><td>REGISTRATION</td><td>72774</td></tr> <tr><td>AIR NEW SOURCE PERMITS</td><td>REGISTRATION</td><td>73724</td></tr> <tr><td>AIR NEW SOURCE PERMITS</td><td>REGISTRATION</td><td>73945</td></tr> <tr><td>AIR NEW SOURCE PERMITS</td><td>REGISTRATION</td><td>75265</td></tr> <tr><td>AIR NEW SOURCE PERMITS</td><td>REGISTRATION</td><td>77954</td></tr> <tr><td>AIR NEW SOURCE PERMITS</td><td>REGISTRATION</td><td>78021</td></tr> <tr><td>AIR NEW SOURCE PERMITS</td><td>REGISTRATION</td><td>78071</td></tr> <tr><td>AIR NEW SOURCE PERMITS</td><td>REGISTRATION</td><td>78143</td></tr> <tr><td>AIR NEW SOURCE PERMITS</td><td>REGISTRATION</td><td>78162</td></tr> <tr><td>AIR NEW SOURCE PERMITS</td><td>REGISTRATION</td><td>79030</td></tr> <tr><td>AIR NEW SOURCE PERMITS</td><td>REGISTRATION</td><td>79446</td></tr> <tr><td>AIR NEW SOURCE PERMITS</td><td>REGISTRATION</td><td>79568</td></tr> <tr><td>INDUSTRIAL AND HAZARDOUS WASTE GENERATION</td><td>EPA ID</td><td>TXR000004390</td></tr> <tr><td>INDUSTRIAL AND HAZARDOUS WASTE GENERATION</td><td>SOLID WASTE REGISTRATION # (SWR)</td><td>83963</td></tr> </table>			AIR OPERATING PERMITS	ACCOUNT NUMBER	JE0508W	AIR OPERATING PERMITS	PERMIT	1235	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	JE0508W	AIR NEW SOURCE PERMITS	PERMIT	5215A	AIR NEW SOURCE PERMITS	PERMIT	18568	AIR NEW SOURCE PERMITS	PERMIT	21101	AIR NEW SOURCE PERMITS	PERMIT	24266	AIR NEW SOURCE PERMITS	PERMIT	32713	AIR NEW SOURCE PERMITS	PERMIT	34618	AIR NEW SOURCE PERMITS	REGISTRATION	75984	AIR NEW SOURCE PERMITS	REGISTRATION	76323	AIR NEW SOURCE PERMITS	REGISTRATION	76324	AIR NEW SOURCE PERMITS	REGISTRATION	76321	AIR NEW SOURCE PERMITS	AFS NUM	0162	AIR NEW SOURCE PERMITS	REGISTRATION	71188	AIR NEW SOURCE PERMITS	REGISTRATION	72774	AIR NEW SOURCE PERMITS	REGISTRATION	73724	AIR NEW SOURCE PERMITS	REGISTRATION	73945	AIR NEW SOURCE PERMITS	REGISTRATION	75265	AIR NEW SOURCE PERMITS	REGISTRATION	77954	AIR NEW SOURCE PERMITS	REGISTRATION	78021	AIR NEW SOURCE PERMITS	REGISTRATION	78071	AIR NEW SOURCE PERMITS	REGISTRATION	78143	AIR NEW SOURCE PERMITS	REGISTRATION	78162	AIR NEW SOURCE PERMITS	REGISTRATION	79030	AIR NEW SOURCE PERMITS	REGISTRATION	79446	AIR NEW SOURCE PERMITS	REGISTRATION	79568	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	EPA ID	TXR000004390	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION # (SWR)	83963
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Location:	2001 GULFWAY DR, PORT ARTHUR, TX, 77640	Rating Date: September 01 05 Repeat Violator: NO																																																																																								
TCEQ Region:	REGION 10 - BEAUMONT																																																																																									
Date Compliance History Prepared:	September 07, 2006																																																																																									
Agency Decision Requiring Compliance History:	Enforcement																																																																																									
Compliance Period:	September 01, 2001 to August 31, 2006																																																																																									
TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History																																																																																										
Name:	John Barry	Phone:	(409) 899-8781																																																																																							

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: 06/03/2002 | ADMINORDER 2001-1526-AIR-E \ |
| Classification: Moderate | |
| Citation: 5C THC Chapter 382, SubChapter A 382.085(a) | |
| Description: Failure to prevent unauthorized emissions during an upset that occurred on October 10, 2001 at the Cumene Complex. | |
| Effective Date: 04/29/2006 | ADMINORDER 2005-1808-AIR-E 2 |
| Classification: Minor | |

Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)(B)
5C THC Chapter 382, SubChapter A 382.085(b)
Description: Failed to submit a timely emission event report.
Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
5C THC Chapter 382, SubChapter A 382.085(b)
Rqmt Prov: 21101, General Condition 8 PERMIT
Description: Failed to comply with permitted emissions limits.

Effective Date: 12/21/2003 ADMINORDER 2002-0786-AIR-E }

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
5C THC Chapter 382, SubChapter A 382.085(b)
Rqmt Prov: SC 5 PERMIT
Description: Failure to operate Flare 17 with a pilot flame at all times.
Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
5C THC Chapter 382, SubChapter A 382.085(b)
Rqmt Prov: SC 14 PERMIT
Description: Failure to operate Flare 24 with a pilot flame at all times.
Classification: Moderate

Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(4)(A)[G]
30 TAC Chapter 116, SubChapter B 116.115(c)
5C THC Chapter 382, SubChapter A 382.085(b)
Rqmt Prov: SC 5 PERMIT
Description: Failure to operate Flare 17 w/out visible emissions.
Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter D 115.354(2)(D)
5C THC Chapter 382, SubChapter A 382.085(b)
Description: Failure to monitor pressure relief valves on a quarterly basis.
Classification: Moderate

Citation: 30 TAC Chapter 113, SubChapter C 113.130
30 TAC Chapter 115, SubChapter D 115.354(2)(C)
30 TAC Chapter 116, SubChapter B 116.115(c)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.168(d)(1)(ii)
5C THC Chapter 382, SubChapter A 382.085(b)
Rqmt Prov: SC 4C PERMIT
Description: Failure to monitor valves on a quarterly basis.
Classification: Moderate

Citation: 30 TAC Chapter 113, SubChapter C 113.130
30 TAC Chapter 115, SubChapter D 115.356(1)(B)
30 TAC Chapter 116, SubChapter B 116.115(c)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.181(b)(3)(i)
5C THC Chapter 382, SubChapter A 382.085(b)
Rqmt Prov: SC 4C PERMIT
Description: Failure to keep a master component list that included all pressure relief valves.
Classification: Moderate

Citation: 30 TAC Chapter 113, SubChapter C 113.130
30 TAC Chapter 115, SubChapter D 115.352(2)
30 TAC Chapter 116, SubChapter B 116.115(c)
5C THC Chapter 382, SubChapter A 382.085(b)
Rqmt Prov: SC 4C PERMIT
Description: Failure to repair a leak w/in 15 days and/or during the first shutdown after a leak was detected.
Classification: Moderate

Citation: 30 TAC Chapter 113, SubChapter C 113.130
30 TAC Chapter 115, SubChapter D 115.354(1)(C)
30 TAC Chapter 116, SubChapter B 116.115(c)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.168(h)(2)[G]
5C THC Chapter 382, SubChapter A 382.085(b)
Rqmt Prov: SC 4C PERMIT
Description: Failure to monitor difficult to monitor valves on an annual basis.
Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)(ii)
30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)(v)
30 TAC Chapter 116, SubChapter B 116.115(c)

30 TAC Chapter 117, SubChapter B 117.219(f)(8)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: SC 5 PERMIT
Description: Failure to maintain records.
Classification: Moderate

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

Rqmt Prov: SC 8 PERMIT
Description: Failure to conduct H2S fuel gas sampling on a monthly basis.
Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 101, SubChapter A 101.20(2)
30 TAC Chapter 115, SubChapter D 115.354(2)(C)
30 TAC Chapter 116, SubChapter B 116.115(c)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(c)[G]
40 CFR Chapter 61, SubChapter C, PT 61, SubPT V 61.242-7(c)[G]
40 CFR Part 61, Subpart J 61.112(a)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: SC 1A, 2A, 2B, and 17F PERMIT
Description: Failure to monitor valves on a quarterly basis.
Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 101, SubChapter A 101.20(2)
30 TAC Chapter 115, SubChapter D 115.352(2)
30 TAC Chapter 116, SubChapter B 116.115(c)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(d)(1)
40 CFR Chapter 61, SubChapter C, PT 61, SubPT V 61.242-7(d)[G]
40 CFR Part 61, Subpart J 61.112(a)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: 17H PERMIT
SC 1A, 2A, 2B PERMIT

Description: Failure to repair valves w/in 15 days after a leak was detected.
Classification: Moderate

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

Rqmt Prov: MAERT PERMIT
Description: Failure to comply with the emission limits set in the MAERT for permit 21101.
Classification: Moderate

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

Rqmt Prov: SC 6 PERMIT
Description: Failure to comply with the 1 hr maximum firing rates as required in permit 21101.
Classification: Moderate

Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(1)(A)
30 TAC Chapter 116, SubChapter B 116.115(c)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: SC 5 PERMIT
Description: Failure to operate Flare 17 w/out visible emissions.
Classification: Minor

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

Description: Failure to identify on the nonreportable upset report the individually listed compounds involved in the upset which occurred on 4/25/02.

Effective Date: 11/24/2005

ADMINORDER 2003-0646-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(4)(A)(ii)
30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
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: 21101, Special Condition 14 PERMIT
Description: Failed to prevent visible emissions and maintain emission rates below the allowable emission limits for CO, NOx and VOCs at Ethylene Unit 1544.

Classification: Minor
Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(2)(C)

30 TAC Chapter 101, SubChapter F 101.201(a)(2)(H)

30 TAC Chapter 101, SubChapter F 101.201(b)(3)

30 TAC Chapter 101, SubChapter F 101.201(b)(8)

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

Description: Failure to properly notify the regional office of a reportable emission event at the Cumene Feed Prep Unit 1740 on September 20, 2002 from 9:00 am to 9:35 am.

Classification: Moderate

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

Description: Failure to prevent unauthorized emissions released at the Cumene Feed Prep Unit 1740 on September 20, 2002 and at the 11 Pump House on January 20, 2003.

Classification: Moderate

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

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

Rqmt Prov: 32713, Special Condition 15 PERMIT

Description: Failure to submit annual summaries for criteria pollutants for CYs 2001 and 2002.

Classification: Moderate

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

40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18[G]

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

Rqmt Prov: 5215A, Special Condition 5 PERMIT

Description: Failure to operate the Cumene Unit process flare.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(2)(H)

30 TAC Chapter 101, SubChapter F 101.201(b)(8)

30 TAC Chapter 101, SubChapter F 101.201(b)(9)

30 TAC Chapter 101, SubChapter F 101.211(b)(10)

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

Rqmt Prov: Permit 21101, Special Condition 14 PERMIT

Description: Failure to properly notify the TCEQ regional office of unauthorized emissions at the Ethylene Unit.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)

30 TAC Chapter 116, SubChapter B 116.115(c)

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

Rqmt Prov: Permit 5215A, Special Condition 1 PERMIT

Description: Failure to maintain emission rates below the allowable emissions limits at the Cumene Unit - #17 Flare on October 29, 2002, October 31, 2002 and March 2, 2003.

Classification: Moderate

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

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

Rqmt Prov: Permit 5215A, Special Condition 1 PERMIT

Description: Failure to prevent unauthorized emissions at the Cumene Unit - #3 Flare on January 22, 2003.

Classification: Moderate

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

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

Rqmt Prov: 18568 PERMIT

Description: Failure to report the VOC concentration from the exhaust of the 2001 air stripping testing system and/or the corresponding pounds of strippable VOC per gallon of cooling water for tower 169.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)

30 TAC Chapter 116, SubChapter B 116.115(c)

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

Rqmt Prov: 18568 PERMIT

18568, Special Condition 17B PERMIT

Description: Failed to comply with permitted VOC emission limits and repair/maintain equipment associated with cooling tower 169.

Classification: Moderate

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

40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.355(a)(1)(i)

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

Description: Failure to determine the annual benzene waste generated at Cooling Towers 169 and 294.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)

30 TAC Chapter 116, SubChapter B 116.115(c)

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

Rqmt Prov: 21101, Special Condition 1 PERMIT
Description: Failed to prevent authorized emissions on August 18, 2003 at the #24 Flare.
Effective Date: 02/05/2006 ADMINORDER 2004-1533-AIR-E 5

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 A 60.7(a)(3)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT NNN 60.662[G]
40 CFR Chapter 60, SubChapter C, PT 60, SubPT NNN 60.665(a)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT NNN 60.665(l)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT QQQ 60.702
40 CFR Chapter 60, SubChapter C, PT 60, SubPT RRR 60.705(a)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT RRR 60.705(l)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: Special condition 1B and 1C PERMIT
Special Condition 2A and 2C PERMIT

Description: Failed to provide notification of start up, notification of specific provision applicability, or initial and periodic reports.

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 NNN 60.665(b)[G]
40 CFR Chapter 60, SubChapter C, PT 60, SubPT NNN 60.665(c)[G]
40 CFR Chapter 60, SubChapter C, PT 60, SubPT NNN 60.665(d)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT NNN 60.665(e)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT NNN 60.665(f)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT NNN 60.665(g)[G]
40 CFR Chapter 60, SubChapter C, PT 60, SubPT NNN 60.665(h)[G]
40 CFR Chapter 60, SubChapter C, PT 60, SubPT NNN 60.665(j)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT RRR 60.705(b)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT RRR 60.705(c)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT RRR 60.705(d)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT RRR 60.705(e)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT RRR 60.705(f)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT RRR 60.705(g)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT RRR 60.705(h)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT RRR 60.705(i)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT RRR 60.705(j)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: Special Condition 1B and 1C PERMIT
Special Condition 2A and 2C PERMIT

Description: Failed to keep up-to-date, readily accessible records.

Classification: Minor

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 A 60.18(b)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: 5215A, Special Condition 5 PA

Description: Failure to operate a flare with a pilot flame lit at all times.

Classification: Minor

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

Description: Allowed unauthorized emissions.

Classification: Minor

Citation: 30 TAC Chapter 106, SubChapter T 106.454(3)(B)(i)
30 TAC Chapter 115, SubChapter E 115.412(1)(A)
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failed to satisfy a Permit by Rule condition.

Classification: Major

Citation: 30 TAC Chapter 106, SubChapter A 106.8[G]
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failed to maintain, and make readily available for review, required records.

Classification: Major

Citation: 30 TAC Chapter 116, SubChapter B 116.110(a)[G]
5C THC Chapter 382, SubChapter A 382.0518(a)
5C THC Chapter 382, SubChapter A 382.085(a)

Description: Failed to obtain authorization for air emissions.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)(1)
30 TAC Chapter 101, SubChapter F 101.201(b)(2)
30 TAC Chapter 101, SubChapter F 101.201(b)(3)
30 TAC Chapter 101, SubChapter F 101.201(b)(8)
30 TAC Chapter 101, SubChapter F 101.211(b)(1)
30 TAC Chapter 101, SubChapter F 101.211(b)(2)
30 TAC Chapter 101, SubChapter F 101.211(b)(3)
30 TAC Chapter 101, SubChapter F 101.211(b)(9)
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failed to provide complete records of 72 non-reportable events and 40 maintenance activities that occurred from March 13, 2003 to August 31, 2004.

Classification: Moderate

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

Rqmt Prov: Maximum Allowable Emission Rate Table PERMIT

Description: Failed to limit emissions from Flare 24 (EPN F-24-flare) to those authorized by the permit.

Effective Date: 02/20/2006

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Classification: Moderate

Citation: 30 TAC Chapter 106, SubChapter A 106.6(b)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: PI-8 PERMIT

Description: Failed to limit emissions from Flare-17 (EPN F-17-Flare) in Cyclohexane Unit 1741 to those authorized by a Permit by Rule.

Effective Date: 07/14/2006

ADMINORDER 2006-0023-AIR-E 7

Classification: Minor

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

Description: Failed to submit notification of an emissions event within 24 hrs. of discovery (Inc. No. 65155).

Classification: Moderate

Citation: 30 TAC Chapter 106, SubChapter A 106.4[G]
30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
30 TAC Chapter 116, SubChapter B 116.115(c)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: 21101 PERMIT

Description: Failed to prevent the unauthorized release of air contaminants into the atmosphere

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	07/29/2002	(6221)
2	11/18/2002	(15927)
3	10/15/2002	(12166)
4	11/15/2005	(435694)
5	02/25/2005	(346983)
6	06/13/2002	(106810)
7	06/13/2002	(106809)
8	01/30/2004	(260374)
9	06/13/2002	(106808)
10	03/29/2005	(372071)
11	06/13/2002	(106807)
12	05/30/2006	(463478)
13	04/20/2005	(375919)
14	08/22/2003	(112392)
15	12/10/2004	(341172)
16	06/13/2002	(106806)
17	04/28/2005	(350987)
18	05/02/2002	(106805)
19	02/22/2002	(106804)
20	02/22/2002	(106802)
21	02/22/2002	(106801)

22	02/22/2002	(106800)
23	04/20/2005	(377313)
24	02/14/2002	(106799)
25	11/12/2004	(336801)
26	02/14/2002	(106798)
27	02/14/2002	(106797)
28	07/07/2004	(277842)
29	02/05/2002	(106796)
30	01/26/2002	(106795)
31	12/31/2003	(256375)
32	01/11/2002	(106794)
33	02/27/2003	(26123)
34	12/22/2005	(450202)
35	01/11/2002	(106793)
36	01/11/2002	(106792)
37	07/29/2002	(6245)
38	01/11/2002	(106791)
39	12/20/2001	(106790)
40	12/14/2001	(106789)
41	10/23/2001	(106788)
42	10/23/2001	(106787)
43	10/20/2004	(334670)
44	10/04/2001	(106786)
45	09/28/2001	(106785)
46	02/22/2005	(371695)
47	09/10/2001	(106784)
48	09/10/2001	(106783)
49	03/31/2003	(26407)
50	08/28/2006	(488322)
51	03/26/2004	(264422)
52	01/28/2004	(260394)
53	06/15/2005	(392859)
54	05/09/2003	(31101)
55	04/20/2005	(378099)
56	05/21/2004	(270623)
57	06/07/2005	(394278)
58	12/17/2003	(255857)
59	03/26/2004	(266501)
60	10/15/2002	(12157)
61	02/18/2004	(262747)
62	04/20/2005	(375692)
63	07/29/2002	(6266)
64	03/30/2004	(264423)
65	10/09/2003	(251686)
66	05/07/2004	(264932)
67	04/20/2005	(375210)
68	03/31/2003	(26418)
69	03/29/2005	(349695)
70	03/31/2003	(26453)
71	01/13/2004	(255882)
72	04/20/2005	(376051)
73	08/20/2003	(150079)
74	10/16/2003	(251648)
75	02/26/2003	(25119)
76	08/28/2006	(489560)
77	12/21/2005	(436261)
78	07/08/2003	(23118)
79	07/07/2004	(277866)
80	02/23/2005	(349112)
81	03/26/2004	(266567)
82	02/28/2006	(437666)
83	07/29/2002	(6280)
84	08/20/2003	(140828)
85	06/07/2005	(394217)
86	07/07/2004	(278397)
87	08/31/2005	(348609)
88	05/14/2004	(268767)
89	03/30/2004	(264278)

90 10/15/2002 (12182)
 91 10/20/2004 (334660)
 92 07/19/2005 (397037)
 93 04/20/2005 (375928)
 94 03/29/2005 (372068)
 95 05/12/2004 (266872)
 96 08/31/2004 (292814)
 97 02/27/2003 (26116)
 98 11/18/2002 (15941)
 99 07/08/2003 (28601)
 100 11/18/2002 (15970)
 101 11/06/2003 (254079)
 102 04/26/2006 (406843)
 103 02/27/2003 (26141)
 104 07/08/2003 (28462)
 105 02/02/2005 (342775)
 106 10/20/2004 (335672)
 107 04/20/2005 (373914)
 108 05/27/2004 (269429)
 109 05/27/2004 (269047)

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

1 Date: 06/06/2002 (106806)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(4)(A)[G]
 Description: SMOKING FLARE
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 101, SubChapter A 101.6[G]
 Description: UPSET REPORTING
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 Rqmt Prov: OP IA
 Description: PERMIT CONDITIONS
 2 Date: 01/30/2004 (260374)
 Self Report? NO Classification: Moderate
 Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)(1)
 Description: Failure by Chevron Phillips Chemical Port Arthur Facility to prevent the discharge of wastewater into or adjacent to waters in the state.
 3 Date: 12/11/2001 (106789)
 Self Report? NO Classification: Moderate
 Citation: 5C THC Chapter 382, SubChapter A 382.085(a)
 Description: Failure to Comply
 4 Date: 05/21/2004 (270623)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
 5C THC Chapter 382, SubChapter A 382.085(b)
 Rqmt Prov: PERMIT IA
 Description: Failure to comply with MAER limits.

F. Environmental audits.

Notice of Intent Date: 09/17/2004 (347257)
 No DOV Associated

Notice of Intent Date: 03/16/2005 (376225)
 No DOV Associated

G. Type of environmental management systems (EMSs).

N/A

H. Voluntary on-site compliance assessment dates.

N/A

I. Participation in a voluntary pollution reduction program.

Type	Tier	Certification Date
CLEAN TEXAS PROGRAM	PARTNERSHIP	12/10/2001
CLEAN TEXAS PROGRAM	PARTNER	12/10/2001

J. Early compliance.

N/A

Sites Outside of Texas

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
CHEVRON PHILLIPS CHEMICAL
COMPANY LP
RN100209857

§
§
§
§
§

BEFORE THE

TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY

AGREED ORDER
DOCKET NO. 2006-1598-AIR-E

I. JURISDICTION AND STIPULATIONS

At its _____ agenda, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Chevron Phillips Chemical Company LP ("Chevron Phillips") under the authority of TEX. HEALTH & SAFETY CODE CH. 382 AND TEX. WATER CODE CH. 7. The Executive Director of the TCEQ, through the Litigation Division, and Chevron Phillips, represented by Gindi Eckel Vincent, of the law firm of Pillsbury, Winthrop, Shaw, Pittman, LLP, appear before the Commission and together stipulate that:

1. Chevron Phillips owns and operates a petrochemicals manufacturing plant at 2001 Gulfway Drive in Port Arthur, Jefferson County, Texas (the "Plant").
2. This Agreed Order is entered into pursuant to TEX. WATER CODE §§ 7.051 and 7.070. The Commission has jurisdiction of this matter pursuant to TEX. WATER CODE § 5.013 because it alleges violations of TEX. HEALTH & SAFETY CODE ch. 382 and TCEQ rules.
3. The Commission and Chevron Phillips agree that the Commission has jurisdiction to enter this Agreed Order, and that Chevron Phillips is subject to the Commission's jurisdiction.
4. Chevron Phillips received notice of the violations alleged in Section II ("Allegations") on or about September 2, 2006.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by Chevron Phillips of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
6. An administrative penalty in the amount of ninety two thousand six hundred seventy seven dollars (\$92,677) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). Chevron Phillips has paid forty six thousand three

hundred thirty nine dollars (\$46,339) of the administrative penalty. Forty six thousand three hundred thirty eight (\$46,338) shall be conditionally offset by Chevron Phillips' completion of a Supplemental Environmental Project ("SEP").

7. Any notice and procedures, which might otherwise be authorized or required in this action are waived in the interest of a more timely resolution of the matter.
8. The Executive Director of the TCEQ and Chevron Phillips have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.
9. The Executive Director recognizes that Chevron Phillips has implemented the following corrective measures at the Plant:
 - a. Properly permitted the Ethylene Unit analyzer emissions under an amended Air Permit No. 21101 effective on March 3, 2006;
 - b. Completed properly sealing 98 open-ended volatile organic compound ("VOC") lines on February 9, 2006, as documented to the TCEQ on March 9, 2006;
 - c. Properly registered the Dry Abrasive Cleaning Facility ("DACF") under Permit By Rule ("PBR") Registration No. 78071 issued March 10, 2006;
 - d. Combined record-keeping requirements of monitoring fugitive emissions at Unit F-1544 and calibrations at the Hydrocarbon Vapor Recovery Unit under an amended Air Permit No. 21101 effective on March 3, 2006;
 - e. Combined rolling average limits for VOC emissions for the Compressor Seal Oil Reservoir and Refrigeration System Propylene Recovery under an amended Air Permit No. 21101 effective on March 3, 2006, and for the Cyclohexane Unit under an amended Air Permit No. 18568 effective on December 7, 2005;
 - f. Began proper monitoring of Premco Dock Berths 1 and 2 components under an amended Air Permit No. 18568 effective on December 7, 2005;
 - g. Implemented a record keeping system in the DACF in December 2005, as documented to the TCEQ on December 18, 2006; and
 - h. Corrected the programming for the continuous emissions monitor ("CEMS") at the BA-118 Boiler on May 1, 2006.
10. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement

proceedings if the Executive Director determines that Chevron Phillips has not complied with one or more of the terms or conditions in this Agreed Order.

11. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
12. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

II. ALLEGATIONS

As owner and operator of the Plant, Chevron Phillips is alleged to have:

1. Failed to limit emissions to the PBR authorizations, in violation of 30 TEX. ADMIN. CODE §§ 106.261(a)(7)(A), 122.143(4), Federal Operating Permit ("FOP") No. 1235, Special Condition ("SC") 21, and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on August 23, 2006. Specifically, an analyzer without a flame ionization detector was installed at Ethylene Unit 1544, but its emissions were not registered with the agency.
2. Failed to equip each open-ended line with a cap, blind flange, plug, or a second valve, in violation of 30 TEX. ADMIN. CODE §§ 101.20(1) and (2), 113.130, 113.520, 115.352(4), 116.115(c), 122.143(4), 40 CODE OF FEDERAL REGULATIONS ("CFR") §§ 60.482-6(a)(1), 61.112(a), 63.1033(b)(1), 63.167(a)(1), FOP No. 1235, SC 21 and Air Permit No. 21101, SC 1A, and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on August 23, 2006. Specifically, during a period from February 23, 2005 through February 9, 2006, 98 components were identified without sealing devices.
3. Failed to register an outside blast cleaning facility with the TCEQ using Form PI-7 and failure to receive written site approval from the executive director prior to construction, in violation of 30 TEX. ADMIN. CODE §§ 106.452(2)(D) and (E), 116.110(a)(4), 122.143(4), FOP No. 1235, SC 21 and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on August 23, 2006. Specifically, a completed PI-7 was not submitted and approved for the DACF prior to construction.
4. Failed to maintain records required for PBRs, in violation of 30 TEX. ADMIN. CODE §§ 106.8(c)(5), 122.143(4), FOP No. 1235, SC 21 and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on August 23, 2006. Specifically, fugitive emissions monitoring records, calibration records, abrasive usage records, and operating hours records were not maintained.
5. Failed to comply with carbon monoxide ("CO") emission limitations at Boiler BA-118, in violation of 30 TEX. ADMIN. CODE §§ 117.205(f)(3), 122.143(4), FOP No. 1235, SC 1A

and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on August 23, 2006. Specifically, the 24-hour rolling average limit of 400 parts per million by volume for CO was exceeded for nine hours on September 16, 2005.

6. Failed to comply with the maximum emission rates as certified in the application for a PBR, in violation of 30 TEX. ADMIN. CODE §§106.1, 106.6(b) and (c), 122.143(4), FOP 1235, SC 21 and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on August 23, 2006. Specifically, the 12-month rolling average limits for VOCs were exceeded under three PBRs, See Table 1 below.

TABLE ONE - Chevron Phillips Chemical Company - Docket No. 2006-1598-AIR-E				
Description	PBR Registration Number	Month	Actual Rolling Emissions Total (tons/yr)	Rolling Emissions Total Limit (tons/yr)
Compressor Seal Oil Reservoir (GB-201/GB201FUG)	70531	Jan-06	0.052165	0.0490
		Feb-06	0.067075	
		Mar-06	0.068530	
Refrigeration System Propylene Recovery (EU-1544/F-1544)	53797	Dec-05	0.029635	0.0153
		Jan-06	0.044645	
		Feb-06	0.056205	
Cyclohexane Unit PBR (Various/Variou)	71188	Mar-05	3.945166	3.8000
		Apr-05	4.332800	
		May-05	4.783740	
		Jun-05	5.090235	
		Jul-05	5.557730	
		Aug-05	4.810385	
		Sep-05	4.839185	
Oct-05	5.493800			

7. Failed to monitor fugitive components as required by the applicable PBR, in violation of 30 TEX. ADMIN. CODE §§106.6(b) and (c), 115.354(2), 101.20(1) and 122.143(4), FOP No. 1235, SC 21 and 40 CFR § 60.482-7(a) and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on August 23, 2006. Specifically, representations under both PBR Registration Nos. 71188 and 53067 were

that monitoring will be done in accordance with Method 28VHP for both Berth 1 and 2 at the Premcor Docks, i. e., that accessible valves shall be monitored by leak-checking for fugitive emissions at least quarterly using an approved gas analyzer. However, from August 18 through December 7, 2005, fugitive monitoring was conducted quarterly only once instead of twice for components at each berth.

III. DENIALS

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

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that Chevron Phillips pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and Chevron Phillips's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations, which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Chevron Phillips Chemical Company LP, Docket No. 2006-1598-AIR-E" to:

Financial Administration Division, Revenues Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088
2. Chevron Phillips shall implement and complete a SEP in accordance with TEX. WATER CODE §7.067. As set forth in Section II, Paragraph 6 above, forty six thousand three hundred thirty eight dollars (\$46,338) of the assessed administrative penalty shall be conditionally offset with the condition that Chevron Phillips implement the SEP defined in Attachment A, incorporated herein by reference. Chevron Phillips' obligation to pay the conditionally offset portion of the administrative penalty assessed shall be discharged upon final completion of all provisions of the SEP agreement.
3. The provisions of this Agreed Order shall apply to and be binding upon Chevron Phillips. Chevron Phillips is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the operations referenced in this Agreed Order.
4. If Chevron Phillips 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, Chevron Phillips' failure to comply is not a violation of this Agreed Order. Chevron Phillips shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. Chevron Phillips shall notify the Executive Director within seven days after Chevron Phillips becomes

aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.

5. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by Chevron Phillips shall be made in writing to the Executive Director. Extensions are not effective until Chevron Phillips receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
6. This Agreed Order, issued by the Commission, shall not be admissible against Chevron Phillips in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
7. This agreement may be executed in multiple counterparts, which together shall constitute a single original instrument. Any executed signature page to this Agreement may be transmitted by facsimile transmission to the other parties, which shall constitute an original signature for all purposes.
8. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to Chevron Phillips, or three days after the date on which the Commission mails notice of the Order to Chevron Phillips, whichever is earlier. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties.

Chevron Phillips Chemical Company LP
DOCKET NO. 2006-1598-AIR-E
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SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

Robert Penick

For the Executive Director

10/16/08

Date

I, the undersigned, have read and understand the attached Agreed Order. I am authorized to agree to the attached Agreed Order on behalf of the entity indicated below my signature, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I also understand that Chevron Phillips' failure to comply with the Ordering Provisions, if any, in this order and/or failure to timely pay the penalty amount, may result in:

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

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

J.T. Becker

Signature

September 8, 2008

Date

J.T. Becker

Name (Printed or typed)
Authorized Representative of
Chevron Phillips Chemical Company LP

Plant Manager

Title

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

Attachment A

Docket Number: 2006-1598-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent: CHEVRON PHILLIPS CHEMICAL COMPANY LP

Penalty Amount: Ninety-two thousand six hundred seventy-seven dollars
(\$92,677)

SEP Amount: Forty-six thousand three hundred thirty-eight dollars
(\$46,338)

Type of SEP: Pre-approved

Third-Party Recipient: Southeast Texas Regional Planning Commission *West Port
Arthur Home Energy Efficiency Project*

Location of SEP: Jefferson County

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

1. Project Description

A. Project

The Respondent shall contribute 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 used in accordance with the Supplemental Environmental Project Agreement between **Southeast Texas Regional Planning Commission** and the Texas Commission on Environmental Quality for the *West Port Arthur Home Energy Efficiency Project* in Jefferson County. SEP funds will be used to The SETRPC will use the funds to conduct home energy audits and to assist low income residents in the West Port Arthur area by weatherizing their homes which will improve their homes' energy efficiency. SEP monies will be used to pay for the cost of caulking and insulating the homes and appliances as well as for replacing heating and cooling systems and major appliances with new, energy efficient equipment.

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

Implementation of this project will reduce residential fuel and electricity usage for heating and cooling. These reductions, in turn, will reduce emissions of particulate matter (PM), volatile organic compounds (VOCs), and nitrogen oxides (NOx) associated with the combustion of fuel and generation of electricity.

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 a copy of the Agreed Order with the contribution to:

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

3. Records and Reporting

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

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

4. Failure to Fully Perform

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

In the event of incomplete performance, the Respondent shall submit a check for any remaining amount due made payable to "Texas Commission on Environmental Quality" with the notation "SEP Refund" and the docket number of the case, and shall send it to:

Texas Commission on Environmental Quality
Office of Legal Services
Attention: SEP Coordinator, MC 175
P.O. Box 13088
Austin, Texas 78711-3088

5. Publicity

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

6. Clean Texas Program

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

7. Other SEPs by TCEQ or Other Agencies

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