

EXECUTIVE SUMMARY - ENFORCEMENT MATTER

DOCKET NO.: 2006-1960-AIR-E TCEQ ID: RN103919817 CASE NO.: 31247

RESPONDENT NAME: CHEVRON PHILLIPS CHEMICAL COMPANY LP

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: 9500 Interstate 10 East, Baytown, Harris County</p> <p>TYPE OF OPERATION: 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. As of November 5, 2008, here are four additional pending enforcement actions regarding this Facility location, Docket Nos. 2005-0859-AIR-E, 2007-1080-AIR-E, 2008-1457-AIR-E, and 2008-0921-AIR-E.</p> <p>INTERESTED PARTIES: No one other than the ED and the Respondent has expressed an interest in this matter.</p> <p>COMMENTS RECEIVED: The <i>Texas Register</i> comment period expired on October 13, 2008. No comments were received.</p> <p>CONTACTS AND MAILING LIST: TCEQ Attorney: Ms. Laurencia Fasoyiro, Litigation Division, MC 175, (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) 422-8938 TCEQ Regional Contact: Ms. Linda Vasse, Air Section Manager, Houston Regional Office, MC R-12, (713) 767-3637 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, 909 Fannin Street, 21st Floor Houston, Texas 77010</p>		

VIOLATION SUMMARY CHART:

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p>Type of Investigation:</p> <p><input type="checkbox"/> Complaint <input 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: August 15 and 16, 2006</p> <p>Date of NOE Relating to this Case: September 2, 2006</p> <p>Background Facts: The EDPRP was filed on October 27, 2007. The Respondent filed an answer and the case was referred to SOAH. Settlement was achieved and a signed Agreed Order was received on September 2, 2008.</p> <p>Current Compliance Status: The Respondent has completed all technical requirements.</p> <p>AIR:</p> <p>1. Failed to prevent unauthorized emissions. Specifically, 1,527 pounds of ethylene, 858 pounds of propylene, 391 pounds of benzene, 107 pounds of butene, 66.5 pounds of 1,3-butadiene, 473 pounds of butane, 315 pounds of propane, 407 pounds of volatile organic compounds, 37,275 pounds of carbon monoxide and 5,161 pounds of nitrogen oxides were released in an emissions event at the Ethylene Unit EU-1592 which began on May 25, 2006, and lasted for the duration of 13 hours. As the emissions event was avoidable, the Respondent failed to meet the demonstrations for an affirmative defense in 30 TEX. ADMIN. CODE § 101.222. [30 TEX. ADMIN. CODE § 116.115(c), Permit No. 1504A, Special Condition No. 1 and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p> <p>2. Failed to properly seal open-ended lines [30 TEX. ADMIN. CODE §§ 116.115(c), 115.352(4), Air Permit No. 19027, Special Condition No. 20(E), 40 CODE OF FEDERAL REGULATIONS § 60.482-6(a)(1) and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p> <p>3. Failed to monitor components that were in volatile organic compound service at the PEU-1796 Unit [30 TEX. ADMIN. CODE §§ 116.115(c), 115.354(2)(A), 115.781(b), Permit No. 19027, Special Condition No. 20(F), 20(G), 21(A), 40 CODE OF FEDERAL REGULATIONS §§ 60.482-7(a), 60.562-2(a) and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p>	<p>Initial Calculated Penalty: \$64,225</p> <p>Total Assessed: *\$47,442</p> <p>Total Deferred: \$23,721 <input type="checkbox"/> Expedited Order <input type="checkbox"/> Financial Inability to Pay <input checked="" type="checkbox"/> SEP Conditional Offset</p> <p>Total Paid to General Revenue: \$23,721</p> <p>The Respondent has paid \$23,721 of the administrative penalty. The remaining amount of \$23,721 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 2002</p> <p>*Explanation for Reduction in Penalty: The penalty was reduced in consideration of litigation risk.</p> <p>Findings Order Justification: The environment has been exposed to significant amounts of pollutants which exceed levels that are protective (PCW violation 1).</p>	<p>Ordering Provisions:</p> <p>The Respondent shall implement and complete a SEP, as described in Attachment "A" of the Agreed Order.</p> <p>Corrective Action(s) Taken:</p> <p>The Executive Director recognizes that the Respondent has implemented the following corrective measures:</p> <ol style="list-style-type: none"> Completed upgrade to the boiler feedwater system and reconfigured the boiler feedwater flow sensing tubes. Differential alarm was added and the Data Control System ("DCS") was reprogrammed. This work was completed by May 28, 2006. Operators and instrument technicians were trained on how to operate the new system. The training was completed by June 14, 2006. A revision to the Management of Change process was implemented on July 18, 2005. This revision was designed to prevent components additions from occurring without being added to the leak detection and repair program. The leak detection and monitoring of the missed components was completed by January 11, 2006. Open-ended lines discovered on February 15, 2005, and April 6, 2005, were plugged the same day.

Attachment A
Docket Number: 2006-1960-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent: CHEVRON PHILLIPS CHEMICAL COMPANY LP

Penalty Amount: Forty-seven thousand four hundred forty-two dollars (\$47,442)

SEP Amount: Twenty-three thousand seven hundred twenty-one dollars (\$23,721)

Type of SEP: Pre-approved

Third-Party Recipient: Houston-Galveston Area Emission Reduction Credit Organization ("AERCO") *Clean Cities/Clean Vehicles Program*

Location of SEP: Harris County

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

1. Project Description

A. Project

The Respondent 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 AERCO and the Texas Commission on Environmental Quality for the *Clean Cities/Clean Vehicles Program* in Harris County. SEP monies will be used to aid local school districts and area transit agencies, and may be used to reach local match requirements mandated by the Federal Highway Administration's ("FHWA") Congestion Mitigation/Air Quality funding program. SEP funds will be disbursed to school districts and transit agencies in need of funding assistance in the Houston-Galveston non-attainment area. SEP funds will be used for the costs of retrofitting or replacing older diesel buses with alternative fueled or clean fuel diesel buses. The older "high emission" buses will be permanently retired and sold only for scrap.

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

B. Environmental Benefit

Passengers, drivers, and students in the area where school buses idle during transportation are subject to harmful diesel exhaust emission every school day. Apart from containing particulate matter ("PM") and the ozone precursors nitrogen oxides ("NOx") and hydrocarbons ("HC"), diesel exhaust is known to cause or exacerbate a number of respiratory diseases, including asthma. Due to the more stringent emissions standards introduced by the Environmental Protection Agency (EPA), model 2007 and newer buses are also cleaner in

terms of PM emissions than model year 2004 buses. New NOx and HC standards phased in between 2007 and 2010 will result in new school bus engines being 72% cleaner for HC and 90% cleaner for NOx than a bus produced to meet the 2004 federal standards for these pollutants.

This SEP will provide a discernible environmental benefit by retiring high-emission buses from service, purchasing newer, clean fuel technology buses, and replacing newer buses with fuel treatment technology that reduces PM and HC.

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:

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

3. Records and Reporting

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

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.



Policy Revision 2 (September 2002)

Penalty Calculation Worksheet (PCW)

PCW Revision April 25, 2006

DATES	Assigned	05-Sep-2006	Screening	20-Sep-2006	EPA Due	
	PCW	22-Oct-2006				

RESPONDENT/FACILITY INFORMATION	
Respondent	Chevron Phillips Chemical Company LP
Reg. Ent. Ref. No.	RN103919817
Facility/Site Region	12-Houston
Major/Minor Source	Major Source

CASE INFORMATION			
Enf./Case ID No.	31247	No. of Violations	3
Docket No.	2006-1960-AIR-E	Order Type	Findings
Media Program(s)	Air Quality	Enf. Coordinator	Nadia Hameed
Multi-Media		EC's Team	Enforcement Team 6
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$10,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$32,500
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ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History	166% Enhancement	Subtotals 2, 3, & 7	\$53,950
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Notes: Penalty enhancements due to twenty NOVs issued for the same or similar violations, eleven NOVs issued for non-similar violations, which includes ten self-reported effluent violations, and three agreed orders with denial of liability. Penalty reduction due to submittal of four notice of audit letters, one violation disclosure, one early compliance that meets future environmental requirements, and participation in a voluntary pollution reduction program.

Culpability	No	0% Enhancement	Subtotal 4	\$0
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Notes: The respondent does not meet the culpability criteria.

Good Faith Effort to Comply	25% Reduction	Subtotal 5	-\$8,125
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	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary	X	
N/A		(mark with a small x)

Notes: The respondent completed all corrective actions between February 15, 2005 and June 14, 2006.

Economic Benefit	0% Enhancement*	Subtotal 6	\$0
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Total EB Amounts	\$98	*Capped at the Total EB \$ Amount
Approx. Cost of Compliance	\$13,870	

SUM OF SUBTOTALS 1-7	Final Subtotal	\$78,325
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OTHER FACTORS AS JUSTICE MAY REQUIRE		Adjustment	\$0
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Reduces or enhances the Final Subtotal by the indicated percentage. (Enter number only; e.g. -30 for -30%.)

Notes:

Final Penalty Amount	\$78,325
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STATUTORY LIMIT ADJUSTMENT		Final Assessed Penalty	\$64,225
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DEFERRAL	0% Reduction	Adjustment	\$0
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Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes: No deferral is recommended as this case involves a findings order.

PAYABLE PENALTY	\$64,225
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Screening Date 20-Sep-2006

Docket No. 2006-1960-AIR-E

PCW

Respondent Chevron Phillips Chemical Company LP

Policy Revision 2 (September 2002)

Case ID No. 31247

PCW Revision April 25, 2006

Reg. Ent. Reference No. RN103919817

Media [Statute] Air Quality

Enf. Coordinator Nadia Hameed

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>)	20	100%
	Other written NOVs	11	22%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	3	60%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgements or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were</i>	4	-4%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	1	-2%
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	Yes	-5%

Please Enter Yes or No

Adjustment Percentage (Subtotal 2) 166%

>> **Repeat Violator (Subtotal 3)**

No <

Adjustment Percentage (Subtotal 3) 0%

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

Average Performer <

Adjustment Percentage (Subtotal 7) 0%

>> **Compliance History Summary**

Compliance History Notes

Penalty enhancements due to twenty NOVs issued for the same or similar violations, eleven NOVs issued for non-similar violations, which includes ten self-reported effluent violations, and three agreed orders with denial of liability. Penalty reduction due to submittal of four notice of audit letters, one violation disclosure, one early compliance that meets future environmental requirements, and participation in a voluntary pollution reduction program.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 166%

3

Screening Date 20-Sep-2006

Docket No. 2006-1960-AIR-E

PCW

Respondent Chevron Phillips Chemical Company LP

Policy Revision 2 (September 2002)

Case ID No. 31247

PCW Revision April 25, 2006

Reg. Ent. Reference No. RN103919817

Media [Statute] Air Quality

Enf. Coordinator Nadia Hameed

Violation Number 1

Primary Rule Cite(s)

Air Permit No. 1504A, Special Condition No.1 and 30 Tex. Admin. Code § 116.115(c)

Secondary Rule Cite(s)

Tex. Health and Safety Code § 382.085(b)

Violation Description

Failed to prevent unauthorized emissions. Specifically, 1,527 pounds of ethylene, 858 pounds of propylene, 391 pounds of benzene, 107 pounds of butene, 66.5 pounds of 1,3-butadiene, 473 pounds of butane, 315 pounds of propane, 407 pounds of volatile organic compounds, 37,275 pounds of carbon monoxide and 5,161 pounds of nitrogen oxides were released in an emissions event at the Ethylene Unit EU-1592 which began on May 25, 2006 and lasted for the duration of 13 hours. As the emissions event was avoidable, Chevron failed to meet the demonstrations for an affirmative defense in 30 Tex. Admin. Code § 101.222.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

Release	Harm			Percent
	Major	Moderate	Minor	
Actual	X			100%
Potential				

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent

Matrix Notes

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

Adjustment \$0

Base Penalty Subtotal \$10,000

Violation Events

Number of Violation Events 1 1 Number of violation days

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

Violation Base Penalty \$10,000

One single event is recommended.

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$8

Violation Final Penalty Total \$24,100

This violation Final Assessed Penalty (adjusted for limits) \$10,000

Economic Benefit Worksheet

Respondent: Chevron Phillips Chemical Company LP
Case ID No.: 31247
Reg. Ent. Reference No.: RN103919817
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
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Delayed Costs							
Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)	\$4,500	25-May-2006	27-May-2006	0.0	\$0	\$2	\$2
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	\$2,100	25-May-2006	14-Jun-2006	0.1	\$6	n/a	\$6
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)	\$6,200	25-May-2006	26-May-2006	0.0	\$1	n/a	\$1

Notes for DELAYED costs: Estimated cost to implement measures designed to prevent the recurrence of an emissions event from the same cause as the May 25, 2006 emissions event. Required date based on the date of the emissions event. Final date is date when corrective actions were completed.

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

Notes for AVOIDED costs:

Approx. Cost of Compliance \$12,800
TOTAL \$8

Screening Date 20-Sep-2006	Docket No. 2006-1960-AIR-E	PCW
Respondent Chevron Phillips Chemical Company LP	<i>Policy Revision 2 (September 2002)</i>	
Case ID No. 31247	<i>PCW Revision April 25, 2006</i>	
Reg. Ent. Reference No. RN103919817		
Media [Statute] Air Quality		
Enf. Coordinator Nadia Hameed		
Violation Number <input type="text" value="2"/>		
Primary Rule Cite(s)	Air Permit No. 19027, Special Condition No. 20(E), 30 Tex. Admin. Code §§ 116.115(c), 115.352(4) and 40 Code of Federal Regulations § 60.482-6(a) (1)	
Secondary Rule Cite(s)	Tex. Health and Safety Code § 382.085(b)	
Violation Description	Failure to properly seal open-ended lines. Specifically, seven open-ended lines without a plug or cap were discovered in the Polyethylene Unit (PEU-1796 Unit) on February 15, 2005 and April 6, 2005. These were reported as deviations to the agency on February 10, 2006.	
Base Penalty		<input type="text" value="\$10,000"/>

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

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

>> **Programmatic Matrix**

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

Matrix Notes

Estimated emissions of 0.55 pounds of VOC in light liquid service for the day the open-ended lines were discovered were calculated utilizing the Facility/Compound Specific Fugitive Emission Factors in the "Air Permits Technical Guidance for Chemical Sources: Equipment Leak Fugitives" publication.

Adjustment

Base Penalty Subtotal

Violation Events

Number of Violation Events Number of violation days

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

Violation Base Penalty

One quarterly event is recommended. Missing plugs were discovered on February 15, 2005 and April 6, 2005, and replaced the same day.

Economic Benefit (EB) for this violation	Statutory Limit Test
Estimated EB Amount <input type="text" value="\$0"/>	Violation Final Penalty Total <input type="text" value="\$6,025"/>
This violation Final Assessed Penalty (adjusted for limits) <input type="text" value="\$6,025"/>	

Economic Benefit Worksheet

Respondent: Chevron Phillips Chemical Company LP
Case ID No.: 31247
Reg. Ent. Reference No.: RN103919817
Media [Statute]: Air Quality
Violation No.: 2

Percent Interest	Years of Depreciation
5.0	15

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

Delayed Costs

Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)	\$70	15-Feb-2005	06-Apr-2005	0.1	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost of corrective actions. Required date based on the date the problem was discovered. Final date based on the date the corrective actions were completed.

Avoided Costs

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance \$70

TOTAL \$0

Screening Date	20-Sep-2006	Docket No.	2006-1960-AIR-E	PCW
Respondent	Chevron Phillips Chemical Company LP			<i>Policy Revision 2 (September 2002)</i>
Case ID No.	31247			<i>PCW Revision-April 25, 2006</i>
Reg. Ent. Reference No.	RN103919817			
Media [Statute]	Air Quality			
Enf. Coordinator	Nadia Hameed			
Violation Number	3			
Primary Rule Cite(s)	Air Permit No. 19027, Special Condition No.20(F), 20(G), 21(A), 30 Tex. Admin. Code §§ 116.115 (c), 115.354(2)(A), 115.781(b) and 40 Code of Federal Regulations §§ 60.482-7(a), 60.562-2(a)			
Secondary Rule Cite(s)	Tex. Health and Safety Code § 382.085(b)			
Violation Description	Failed to monitor components that were in volatile organic compound service at the PEU 1796 Unit. Specifically, two hundred and ninety-seven components were not monitored during the time period of January 12, 2004 to January 11, 2006. In addition, twenty-two components in highly reactive volatile organic compound service were not monitored during the time period between December 23, 2004 and December 31, 2005. The missed monitoring events were reported as deviations to the agency on February 10, 2006.			
	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

Estimated emissions of 1642.29 pounds of VOC in light liquid service for the two hundred and ninety-seven components that were not monitored for eight quarters, and the estimated emissions of 1752.80 pounds that were in HRVOC service for the twenty-two components that were not monitored for four quarters were calculated utilizing the Facility/Compound Specific Fugitive Emission Factors in the "Air Permits Technical Guidance for Chemical Sources: Equipment Leak Fugitives" publication.

Adjustment -\$7,500

Base Penalty Subtotal \$2,500

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	X
	semiannual	<input type="text"/>
	annual	<input type="text"/>
	single event	<input type="text"/>

Violation Base Penalty \$20,000

Eight quarterly events are recommended. First missed quarterly monitoring event was on March 31, 2004 and the last one was December 31, 2005.

Economic Benefit (EB) for this violation	Statutory Limit Test
Estimated EB Amount <input type="text" value="\$89"/>	Violation Final Penalty Total <input type="text" value="\$48,200"/>
This violation Final Assessed Penalty (adjusted for limits) <input type="text" value="\$48,200"/>	

Economic Benefit Worksheet

Respondent Chevron Phillips Chemical Company LP
 Case ID No. 31247
 Reg. Ent. Reference No. RN103919817
 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				0.0	\$0	n/a	\$0
Other (as needed)	\$1,000	31-Mar-2004	11-Jan-2006	1.8	\$89	n/a	\$89

Notes for DELAYED costs: Estimated cost of corrective actions. Required date based on the date the problem was discovered. Final date based on the date the corrective actions were completed.

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

Notes for AVOIDED costs:

Approx. Cost of Compliance \$1,000 TOTAL \$89

Compliance History

Customer/Respondent/Owner-Operator:	CN600303614	Chevron Phillips Chemical Company LP	Classification: AVERAGE	Rating: 3.74
Regulated Entity:	RN103919817	CHEVRON PHILLIPS CHEMICAL COMPANY CEDAR BAYOU PLANT	Classification: AVERAGE	Site Rating: 1.38
ID Number(s):	WASTEWATER	PERMIT	WQ0001006000	
	WASTEWATER	PERMIT	TPDES0003948	
	WASTEWATER	PERMIT	TX0003948	
	PUBLIC WATER SYSTEM/SUPPLY	REGISTRATION	1012335	
	AIR OPERATING PERMITS	ACCOUNT NUMBER	HG0310V	
	AIR OPERATING PERMITS	ACCOUNT NUMBER	HG0310V	
	AIR OPERATING PERMITS	PERMIT	2113	
	AIR OPERATING PERMITS	PERMIT	2114	
	AIR OPERATING PERMITS	PERMIT	2115	
	AIR OPERATING PERMITS	PERMIT	2116	
	AIR OPERATING PERMITS	PERMIT	2370	
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	EPA ID	TXD003913381	
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION # (SWR)	30091	
	PETROLEUM STORAGE TANK REGISTRATION	REGISTRATION	28477	
	WATER LICENSING	LICENSE	1012335	
	USED OIL	ID NUMBER	HOU00074	
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	HG0310V	
	AIR NEW SOURCE PERMITS	AFS NUM	0018	
	AIR NEW SOURCE PERMITS	PERMIT	1504A	
	AIR NEW SOURCE PERMITS	PERMIT	2138A	
	AIR NEW SOURCE PERMITS	PERMIT	2139A	
	AIR NEW SOURCE PERMITS	PERMIT	6517A	
	AIR NEW SOURCE PERMITS	PERMIT	7403A	
	AIR NEW SOURCE PERMITS	PERMIT	8930A	
	AIR NEW SOURCE PERMITS	PERMIT	2462C	
	AIR NEW SOURCE PERMITS	PERMIT	19027	
	AIR NEW SOURCE PERMITS	PERMIT	24093	
	AIR NEW SOURCE PERMITS	PERMIT	26062	
	AIR NEW SOURCE PERMITS	PERMIT	32866	
	AIR NEW SOURCE PERMITS	PERMIT	37063	
	AIR NEW SOURCE PERMITS	PERMIT	38590	
	AIR NEW SOURCE PERMITS	PERMIT	39958	
	AIR NEW SOURCE PERMITS	PERMIT	40534	
	AIR NEW SOURCE PERMITS	PERMIT	41691	
	AIR NEW SOURCE PERMITS	PERMIT	44005	
	AIR NEW SOURCE PERMITS	PERMIT	44759	
	AIR NEW SOURCE PERMITS	PERMIT	46041	
	AIR NEW SOURCE PERMITS	PERMIT	46305	
	AIR NEW SOURCE PERMITS	PERMIT	46783	
	AIR NEW SOURCE PERMITS	PERMIT	48084	
	AIR NEW SOURCE PERMITS	PERMIT	49322	
	AIR NEW SOURCE PERMITS	PERMIT	50325	
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	HG1269J	
	AIR NEW SOURCE PERMITS	PERMIT	1504A	
	AIR NEW SOURCE PERMITS	REGISTRATION	71968	
	AIR NEW SOURCE PERMITS	PERMIT	52188	
	AIR NEW SOURCE PERMITS	REGISTRATION	54882	
	AIR NEW SOURCE PERMITS	REGISTRATION	54930	
	AIR NEW SOURCE PERMITS	REGISTRATION	75918	
	AIR NEW SOURCE PERMITS	REGISTRATION	76369	
	AIR NEW SOURCE PERMITS	REGISTRATION	75577	
	AIR NEW SOURCE PERMITS	PERMIT	55648	
	AIR NEW SOURCE PERMITS	REGISTRATION	76051	
	AIR NEW SOURCE PERMITS	REGISTRATION	75545	
	AIR NEW SOURCE PERMITS	REGISTRATION	75546	
	AIR NEW SOURCE PERMITS	AFS NUM	1282	
	AIR NEW SOURCE PERMITS	REGISTRATION	56852	
	AIR NEW SOURCE PERMITS	REGISTRATION	71350	
	AIR NEW SOURCE PERMITS	REGISTRATION	71479	

AIR NEW SOURCE PERMITS	REGISTRATION	71483
AIR NEW SOURCE PERMITS	REGISTRATION	71487
AIR NEW SOURCE PERMITS	REGISTRATION	71530
AIR NEW SOURCE PERMITS	REGISTRATION	71762
AIR NEW SOURCE PERMITS	PERMIT	70326
AIR NEW SOURCE PERMITS	PERMIT	56502
AIR NEW SOURCE PERMITS	PERMIT	50370
AIR NEW SOURCE PERMITS	PERMIT	52312
AIR NEW SOURCE PERMITS	PERMIT	50757
AIR NEW SOURCE PERMITS	PERMIT	50758
AIR NEW SOURCE PERMITS	PERMIT	50759
AIR NEW SOURCE PERMITS	PERMIT	53768
AIR NEW SOURCE PERMITS	PERMIT	53752
AIR NEW SOURCE PERMITS	PERMIT	53751
AIR NEW SOURCE PERMITS	PERMIT	54712
AIR NEW SOURCE PERMITS	REGISTRATION	72420
AIR NEW SOURCE PERMITS	REGISTRATION	72911
AIR NEW SOURCE PERMITS	PERMIT	73159
AIR NEW SOURCE PERMITS	REGISTRATION	74458
AIR NEW SOURCE PERMITS	REGISTRATION	74596
AIR NEW SOURCE PERMITS	PERMIT	75055
AIR NEW SOURCE PERMITS	REGISTRATION	77053
AIR NEW SOURCE PERMITS	REGISTRATION	78553
AIR NEW SOURCE PERMITS	REGISTRATION	78917
AIR NEW SOURCE PERMITS	REGISTRATION	80099
STORMWATER	PERMIT	TXR05Q341
IHW CORRECTIVE ACTION	SOLID WASTE REGISTRATION # (SWR)	30091

Location: 9500 EAST FWY, BAYTOWN, TX, 77521 Rating Date: 9/1/2006 Repeat Violator: NO

TCEQ Region: REGION 12 - HOUSTON

Date Compliance History Prepared: October 19, 2006

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: October 09, 2001 to October 10, 2006

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

Name: NHameed Phone: 713-767-3629

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: 06/26/2006 ADMINORDER 2005-0007-AIR-E
 Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: Special Condition 1, MAERT PERMIT
 Description: Failed to limit emissions in the Normal Alpha Olefin Unit 1797 from 2 block valves (EPN F-130) and the SYS-740 Flare (EPN 136), to those limited by the permit.

Effective Date: 12/21/2003 ADMINORDER 2003-0295-AIR-E
 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: GC8 PERMIT

Description: Failed to maintain the annual Maximum Allowable Emissions Rate for Volatone Organic Compounds, Nitrogen Oxides, and Carbon Monoxide from Emission Point Number 110 (the Z-101 Flare) from September 24, 1997 until September 24, 2002.

Effective Date: 08/28/2006

ADMINORDER 2006-0147-AIR-E

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: 1504A/PSD-TX-748, Special Condition #1 PERMIT
Description: Failed to prevent unauthorized emissions.

Classification: Moderate

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

Rqmt Prov: Air Permit #37063, Special Condition #1 PA
Description: Failed to prevent unauthorized emissions.

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

N/A

C. Chronic excessive emissions events.

N/A

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

1 06/30/2003 (33989)
N/A
2 07/31/2003 (38160)
3 08/08/2002 (5888)
4 06/24/2002 (2454)
5 06/21/2005 (393595)
6 11/21/2003 (294968)
7 12/15/2004 (282588)
8 07/09/2003 (38183)
9 02/22/2005 (381762)
10 08/05/2005 (379433)
11 02/25/2005 (345201)
12 12/10/2003 (294969)
13 12/20/2004 (381763)
14 08/09/2002 (5292)
15 02/28/2006 (431936)
16 09/21/2004 (351925)
17 07/10/2003 (38199)
18 02/03/2005 (333891)
19 08/18/2004 (281927)
20 01/20/2004 (294971)
21 01/24/2003 (219753)
22 02/25/2005 (345203)
23 05/25/2006 (467438)
24 01/23/2002 (219752)
25 07/21/2005 (400409)
26 10/25/2004 (351926)
27 08/18/2004 (281973)
28 12/30/2002 (219749)
29 09/28/2005 (418690)
30 03/23/2006 (498082)
31 12/27/2001 (219748)
32 04/24/2006 (498083)
33 01/14/2005 (340184)
34 08/01/2002 (5721)
35 11/23/2004 (351927)

36 02/19/2002 (157125)
37 05/22/2006 (498084)
38 02/20/2003 (157126)
39 06/26/2006 (498085)
40 02/25/2004 (262589)
41 11/22/2002 (219745)
42 06/26/2006 (498086)
43 08/13/2005 (404688)
44 12/29/2004 (292369)
45 11/27/2001 (219744)
46 07/18/2002 (5095)
47 08/16/2004 (282057)
48 10/25/2004 (351928)
49 10/17/2003 (248463)

50 05/25/2006 (467440)
51 08/30/2006 (508885)
52 02/12/2004 (260170)
53 07/19/2002 (5135)
54 10/19/2004 (292959)
55 04/25/2006 (455025)
56 03/18/2002 (157128)
57 10/22/2002 (219741)
58 03/21/2003 (157129)
59 08/03/2005 (402167)
60 07/03/2002 (3871)
61 07/10/2003 (40888)
62 11/01/2001 (219740)
63 12/21/2004 (283434)
64 07/29/2005 (401052)
65 06/25/2003 (40843)
66 08/28/2003 (150887)
67 07/26/2006 (481894)
68 12/21/2004 (289254)
69 08/21/2003 (150910)
70 09/23/2002 (219738)
71 04/18/2002 (157133)
72 08/27/2003 (150926)
73 08/11/2003 (219735)
74 04/22/2003 (157134)
75 07/11/2005 (398110)
76 08/07/2002 (247504)
77 08/16/2002 (219734)
78 03/21/2006 (456836)
79 01/14/2005 (340901)
80 12/09/2004 (343665)
81 04/08/2005 (348606)
82 09/30/2004 (293341)
83 08/16/2004 (282411)
84 01/26/2006 (405968)
85 03/29/2006 (459443)
86 01/07/2005 (340081)
87 01/20/2005 (338916)
88 01/04/2005 (286354)
89 10/19/2004 (292912)
90 12/02/2002 (17970)
91 06/24/2003 (219731)
92 05/25/2006 (467443)
93 07/18/2002 (219730)
94 01/02/2005 (283495)
95 05/20/2002 (157137)
96 12/17/2003 (152105)
97 12/28/2004 (282257)
98 05/20/2003 (157138)
99 02/08/2006 (405969)

100 06/24/2003 (219727)
101 05/25/2006 (467445)
102 04/21/2005 (372231)
103 02/14/2003 (20304)
104 06/18/2002 (219726)
105 08/14/2002 (5872)
106 01/07/2005 (340082)
107 10/31/2004 (286738)
108 06/17/2002 (157141)
109 11/19/2004 (339740)
110 05/19/2003 (219723)
111 07/10/2003 (139402)
112 12/15/2005 (435582)
113 05/17/2002 (219722)
114 02/05/2004 (260955)
115 08/27/2003 (150924)
116 06/23/2003 (157142)
117 02/21/2005 (344997)

118 02/25/2004 (262587)
119 08/28/2002 (6801)
120 04/20/2005 (372236)
121 03/28/2006 (456883)
122 06/14/2005 (375880)
123 10/31/2004 (286179)
124 06/05/2006 (467064)
125 04/22/2003 (219719)
126 07/03/2002 (2968)
127 04/22/2002 (219718)
128 07/23/2002 (157145)
129 10/24/2003 (252855)
130 10/17/2003 (248509)
131 05/30/2002 (1752)
132 05/20/2003 (157146)
133 04/11/2005 (376384)
134 03/24/2003 (219714)
135 04/12/2006 (458187)
136 03/21/2002 (219713)
137 01/24/2003 (20319)
138 08/17/2004 (283539)
139 02/26/2005 (372327)
140 08/17/2004 (282610)
141 08/20/2002 (157149)
142 02/21/2003 (219711)
143 12/20/2004 (339391)
144 04/14/2004 (264014)
145 08/02/2005 (402216)
146 11/20/2002 (17279)
147 02/22/2002 (219710)
148 06/03/2004 (269885)
149 06/18/2003 (36346)
150 12/28/2004 (339392)
151 03/29/2006 (453494)
152 09/23/2002 (157152)
153 12/14/2004 (339393)
154 01/02/2005 (284716)
155 12/15/2004 (339394)
156 11/01/2001 (157154)
157 08/27/2004 (266898)
158 10/30/2002 (157155)
159 12/14/2004 (339395)
160 10/17/2003 (248486)
161 02/21/2006 (468258)
162 08/27/2003 (150937)
163 11/11/2004 (293130)

164 12/28/2004 (284682)
165 10/10/2005 (468259)
166 11/19/2004 (338998)
167 10/17/2003 (247681)
168 05/05/2003 (31743)
169 05/18/2005 (419593)
170 02/24/2004 (262471)
171 11/22/2005 (468260)
172 08/30/2006 (457471)
173 06/17/2005 (419594)
174 11/26/2001 (157158)
175 06/29/2005 (344167)
176 01/23/2006 (468261)
177 02/23/2004 (294952)
178 05/18/2005 (419595)
179 11/21/2002 (157159)
180 10/17/2003 (250526)
181 06/18/2004 (271284)
182 08/23/2005 (401535)
183 01/03/2005 (285841)
184 01/13/2003 (20355)
185 05/18/2004 (268884)

186 03/18/2003 (294954)
187 08/23/2006 (497553)
188 04/21/2004 (294955)
189 11/04/2005 (433451)
190 03/11/2004 (262456)
191 10/29/2004 (293050)
192 08/21/2003 (150918)
193 05/18/2004 (294957)
194 01/08/2002 (104295)
195 12/27/2001 (157162)
196 01/02/2005 (283460)
197 08/16/2004 (282020)
198 05/17/2005 (372229)
199 05/14/2003 (23660)
200 06/08/2006 (464678)
201 07/26/2006 (457460)
202 06/21/2004 (294959)
203 01/07/2005 (338932)
204 08/28/2002 (2755)
205 12/17/2002 (157163)
206 05/25/2006 (467431)
207 12/04/2003 (254252)
208 02/25/2004 (262389)
209 05/18/2004 (294961)
210 05/30/2003 (9853)
211 04/03/2006 (452797)
212 04/20/2005 (372237)
213 01/24/2002 (157166)
214 06/29/2005 (344174)
215 01/21/2003 (157167)
216 08/19/2003 (294963)
217 08/22/2002 (4594)
218 09/28/2006 (486905)
219 04/08/2005 (348897)
220 12/16/2004 (284752)
221 08/23/2005 (440737)
222 08/01/2002 (5492)
223 02/21/2005 (340395)
224 09/23/2005 (440738)
225 02/22/2006 (455830)
226 09/19/2003 (294965)
227 10/31/2004 (282375)

228 08/23/2005 (440739)
 229 07/08/2003 (40968)
 230 05/12/2004 (267824)
 231 05/25/2006 (467433)
 232 01/02/2005 (282884)
 233 08/08/2005 (396942)
 234 06/22/2005 (393592)
 235 11/18/2002 (15741)
 236 08/23/2006 (464714)
 237 02/28/2006 (457017)
 238 02/22/2005 (381760)
 239 07/17/2002 (4253)
 240 10/21/2003 (294967)
 241 08/22/2005 (405962)
 242 02/09/2004 (259978)
 243 03/14/2005 (381761)
 244 08/24/2004 (351924)
 245 11/01/2004 (283579)

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

Date: 09/30/2003 (294967)
 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: 02/28/2005 (381761)
 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: 11/30/2004 (381763)
 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: 12/19/2003 (152105)
 Self Report? NO Classification: Moderate
 Citation: 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(a)
 Description: Chevron Phillips Chemical Company (CPCC) failed to monitor 16 valves in the 1796 Unit.

Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 115, SubChapter D 115.352(4)
 30 TAC Chapter 116, SubChapter B 116.115(c)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(1)
 Description: Failure to cap, blind flange, or plug open-ended lines.

Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 115, SubChapter D 115.352(2)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(d)(2)
 Description: Failure to conduct first attempt at repairs, for leaking valves, within 5 calendar days

Date: 11/04/2003 (254252)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(1)(C)
 Description: Failure to operate within the opacity limits.

Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)(B)

Description: Failure to submit the initial notification within 24 hours of an emissions event.
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(1)(C)
Description: Failure to operate within required opacity limits.
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)[G]
Rqmt Prov: PERMIT IA
Description: Failure to operate within NOX hourly limits
Date: 12/28/2004 (282257)
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)(B)
30 TAC Chapter 101, SubChapter F 101.201(b)(7)
Description: Chevron failed to submit a timely initial emissions event notification.
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
5C THC Chapter 382, SubChapter A 382.085(b)
Rqmt Prov: PERMIT IA
Description: Exceeded permit limits during an avoidable emissions event.
Date: 01/31/2003 (157126)
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: 09/30/2002 (219741)
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: 10/17/2003 (248463)
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)(B)
Description: Failure to submit the initial notification within 24 hours of an emissions event.
Date: 09/30/2004 (293341)
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT DDD 60.563(d)(2)
Rqmt Prov: OP IA
Description: Failed to conduct the monthly car seal inspections.
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 115, SubChapter D 115.352[G]
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT DDD 60.562-2(a)
Rqmt Prov: OP IA
Description: Failed to conduct fugitive monitoring on 66 components.
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)[G]
30 TAC Chapter 116, SubChapter B 116.115(c)
Rqmt Prov: PA IA
Description: Failure to operate within MAERT limits for Flare EPN VE-9003.
Date: 01/03/2005 (285841)
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: PERMIT IA
Description: Exceeded permit limits during an avoidable emissions event.
Date: 11/17/2003 (248486)
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(1)(C)

Description: Failure to operate within required opacity limits.
Date: 10/17/2003 (247681)
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(1)(C)
Description: Failure to operate within the opacity limits.

Date: 04/03/2006 (452797)
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 115, SubChapter D 115.352(4)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: OP IA
PERMIT IA
Description: Failure to comply with 30 TAC Chapter 115.352(4) which requires valves and pipelines containing VOC to be operated with either a second valve, blind flange, or a tightly-fitting plug or cap.

Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(1)(B)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: OP IA
Description: Failure to operate engines in accordance with 30 TAC Chapter 111.111(a)(1)(B)

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 115, SubChapter D 115.352(2)
30 TAC Chapter 115, SubChapter H 115.782(b)(1)
30 TAC Chapter 115, SubChapter H 115.782(b)(2)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: OP IA
PA IA
Description: Failure to repair leaking components within the required timeframes.

Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 115, SubChapter H 115.782(c)(1)(B)(i)(II)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: OP IA
Description: Failure to perform initial emissions rate calculations within 30 calendar days.

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 115, SubChapter D 115.354(2)(B)
30 TAC Chapter 115, SubChapter D 115.354(2)(C)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 61, SubChapter C, PT 61, SubPT V 61.242-7(a)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: OP IA
PERMIT IA

Description: Failure to conduct Method 21 monitoring as required to 325, valves, 818 connectors, and 2 pumps.
 Date: 09/28/2006 (486905)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 5C THC Chapter 382, SubChapter D 382.085(b)
 Rqmt Prov: PERMIT IA
 Description: Failure to prevent unauthorized emissions.
 Date: 08/27/2004 (266898)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 5C THC Chapter 382, SubChapter A 382.085(b)
 Rqmt Prov: PERMIT IA
 Description: Exceeded VOC permit limit during an avoidable emissions event.
 Date: 04/30/2002 (157137)
 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: 10/17/2003 (248509)
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)(B)
 Description: Failure to submit the initial notification within 24 hours.
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)[G]
 Rqmt Prov: PERMIT IA
 Description: Failure to operate within NOX hourly limits
 Date: 01/20/2005 (338916)

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 operate the stack, Unit 1794-16, within the required opacity limit.
 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 a plug on an open-ended line.
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(4)(A)(ii)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 Rqmt Prov: OP IA
 Description: Failure to record the time of day for the flare observation for Flare FS-5210.
 Date: 07/29/2005 (401052)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 115, SubChapter D 115.352(2)
 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 repair a leaking valve when it could have been repaired without unit shutdown.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(1)(B)
30 TAC Chapter 122, SubChapter B 122.143(4)

Rqmt Prov: OP IA

Description: Failure to maintain an opacity of 20% for the 6 minute observation period for an emergency electrical generator.

Self Report? NO Classification: Moderate

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

Rqmt Prov: PERMIT IA

Description: Overflowed tank TK-561

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter D 115.354(2)[G]
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT DDD 60.562-2(a)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(a)

Rqmt Prov: OP IA

PERMIT IA

Description: Failure to monitor 14 valves and 33 connectors for fugitive monitoring.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter D 115.354
30 TAC Chapter 115, SubChapter D 115.354(2)[G]
30 TAC Chapter 115, SubChapter H 115.781(b)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT DDD 60.562-2(a)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(a)

Rqmt Prov: OP IA

PERMIT IA

Description: Failure to monitor 85 valves and 349 connectors in HRVOC service.

Date: 05/30/2003 (9853)

Self Report? NO Classification: Moderate

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

Description: Failure to meet the exemption demonstrations in 30 TAC 101.11.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 111, SubChapter A.111.111(a)(7)(A)
Description: Failure to operate within the visible emission limitations of 30 TAC 111.111(a)(7)(A)

Date: 03/22/2006 (456836)

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 106, SubChapter T 106.454(4)(C)
30 TAC Chapter 122, SubChapter B 122.143(4)

Rqmt Prov: OP IA

Description: Failure to keep the lid on the parts washer closed at all times

Self Report? NO Classification: Minor

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 operate the catalytic converter at 95% efficiency in disposing of the VOC (B19.g.(1))

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 115, SubChapter D 115.352(4)
30 TAC Chapter 116, SubChapter B 116.115(c)

30 TAC Chapter 122, SubChapter B 122.143(4)
 Rqmt Prov: OP IA
 PERMIT IA
 Description: Failure to plug eight open-ended valves or lines
 Date: 02/08/2006 (405969)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)
 5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: PERMIT IA
 Description: Failure to prevent a pipe leak resulting in unauthorized emissions.
 Date: 09/30/2002 (157155)
 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: 09/30/2005 (468259)
 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: 08/23/2006 (464714)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 5C THC Chapter 382, SubChapter D 382.085(b)

Rqmt Prov: PERMIT IA
 Description: Investigation No. 464714 determined that CPC failed to prevent a decomposition reaction in the Line 4 Reactor during Incident No. 72456.
 Date: 01/04/2005 (286354)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: PERMIT IA
 Description: Exceeded permit limit during an avoidable emissions event.
 Date: 10/31/2002 (157159)
 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: 12/21/2004 (283434)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
 30 TAC Chapter 101, SubChapter F 101.221(a)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(c)(2)

Description: Chevron failed to comply with 30 Tex. Admin. Code 101.222(b)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: PERMIT IA
 Description: Chevron failed to comply with 30 Tex. Admin. Code 101.222(b).
 Date: 12/21/2004 (289254)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter H 116.814(a)
 5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: PERMIT IA

Description: Chevron failed to comply with 30 Tex. Admin. Code 101.222(b).
Date: 12/31/2002 (157167)
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: 02/03/2005 (333891)
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 115, SubChapter D 115.352(4)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(1)
Rqmt Prov: OP IA
PERMIT IA
Description: Failure to maintain caps or plugs on open-ended lines.
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 115, SubChapter D 115.352(4)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(1)
Rqmt Prov: OP IA
PERMIT IA
Description: Failure to maintain caps or plugs on a open-ended lines in F-1798-30.
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 115, SubChapter D 115.352(4)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
Rqmt Prov: OP IA
PERMIT IA
Description: Failure to maintain caps or plugs on open-ended lines in Unit 1795-66.
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.116(a)(1)
30 TAC Chapter 122, SubChapter B 122.143(4)
Rqmt Prov: OP IA
PERMIT IA
Description: Failure to operate tanks 17 and 24A as represented in permit 8364A.
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.116(a)(1)
30 TAC Chapter 122, SubChapter B 122.143(4)
Rqmt Prov: OP IA
PERMIT IA
Description: Failure to operate Tank 28 as represented in permit 37063.
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 115, SubChapter D 115.352(1)[G]
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-8(c)[G]
Rqmt Prov: OP IA

PERMIT IA
Description: Failure to repair a component within the required timeframe.
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 115, SubChapter D 115.354(2)[G]
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(a)

Rqmt Prov: OP IA
PERMIT IA
Description: Failure to monitor fugitive components in the F-1798-30 Unit area.
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 115, SubChapter D 115.354(2)[G]
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7[G]

Rqmt Prov: OP IA
PERMIT IA
Description: Failure to monitor fugitive components in the F-130 Unit Area.
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 115, SubChapter D 115.354(2)[G]
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 monitor fugitive components in the F-1795-66 Unit Area.
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT RRR 60.705(b)(2)(ii)

Rqmt Prov: OP IA
Description: Failure to conduct monthly bypass line valve car seal inspections for 40 valves.
Self Report? NO Classification: Moderate
Citation:

30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT RRR 60.705(d)(2)
Rqmt Prov: OP IA
Description: Failure to include all car seal ID numbers on monthly car seal inspection records.
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 115, SubChapter C 115.212(a)(2)
30 TAC Chapter 122, SubChapter B 122.143(4)

Rqmt Prov: OP IA
Description: Failure to route hexene vapors to control while depressuring a tank truck.
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 operate heater H-3 with the required firing rate.
Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(c)(2)

Rqmt Prov: OP IA
 PERMIT IA

Description: Failure to maintain a flare pilot light at all times on Flare Z-1101

F. Environmental audits.

Notice of Intent Date: 06/12/2003 (251330)
 Disclosure Date: 07/18/2003

Viol. Classification: Moderate
 Citation: 30 TAC Chapter 335, SubChapter A 335.10(b)(20)

Description: Hazardous waste manifest inadequate.
 Viol. Classification: Moderate

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

Description: The flare logs did not include times of observation.
 Viol. Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)[G]
 30 TAC Chapter 101, SubChapter F 101.201(b)

Description: Failure to demonstrate that all air emission events were evaluated within time constraints.
 Viol. Classification: Moderate

Citation: 30 TAC Chapter 335, SubChapter E 335.112(a)(9)

Description: Failed to ensure that tank 903 was certified by an engineer.
 Viol. Classification: Moderate

Citation: 30 TAC Chapter 335, SubChapter E 335.112(a)(9)

Description: Tank 902 leaked.
 Viol. Classification: Minor

Citation: 40 CFR Chapter 268, SubChapter I, PT 268, SubPT A
 268.7(a)[G]

Description: The facility did not provide all required information on and maintain copies of each initial land disposal restriction notice.
 Viol. Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)[G]

Description: Final records for air releases are not always dated to demonstrate compliance within a 14 day window.

Notice of Intent Date: 12/19/2002 (33131)
 No DOV Associated

Notice of Intent Date: 05/13/2005 (400692)
 No DOV Associated

Notice of Intent Date: 05/18/2006 (481743)
 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
NATIONAL		01/01/2002

ENVIRONMENTAL
PERFORMANCE TRACK

J. Early compliance.

Date Achieved	Description
12/31/2003	early compliance with NOx emissions required for compliance with 30 TAC Chapter 101 Subchapter H, Di

Sites Outside of Texas

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
CHEVRON PHILLIPS CHEMICAL
COMPANY LP
RN103919817**

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**BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY**

AGREED ORDER DOCKET NO. 2006-1960-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 Chevron Phillips Chemical Company LP ("Chevron Phillips") under the authority of TEX. WATER CODE ch. 7 and TEX. HEALTH & SAFETY CODE ch. 382. The Executive Director of the TCEQ, represented by the Litigation Division, and Chevron Phillips, represented by Gindi Eckel Vincent, of the law firm of Pillsbury, Winthrop, Shaw, Pittman, LLP, presented this agreement to the Commission.

Chevron Phillips 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, Chevron Phillips 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 Chevron Phillips

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

FINDINGS OF FACT

1. Chevron Phillips owns and operates a chemical manufacturing plant located at 9500

Interstate 10 East, Baytown, Harris County, Texas (the "Plant").

2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
3. During record reviews conducted on August 15, 2006 and August 16, 2006, TCEQ staff documented that Chevron Phillips:
 - a. Failed to prevent an avoidable emissions event which began on May 25, 2006, and lasted for thirteen hours releasing 1,527 pounds of ethylene, 858 pounds of propylene, 391 pounds of benzene, 107 pounds of butene, 66.5 pounds of 1,3-butadiene, 473 pounds of butane, 315 pounds of propane, 407 pounds of volatile organic compounds, 37,275 pounds of carbon monoxide and 5,161 pounds of nitrogen oxides;
 - b. Failed to properly seal open-ended lines. Specifically, seven open-ended lines without a plug or cap were discovered in the Polyethylene Unit ("PEU-1796 Unit") on February 15, 2005 and April 6, 2005. The open-ended lines were reported as deviations to the agency on February 10, 2006; and
 - c. Failed to monitor components that were in volatile organic compound service at the PEU-1796 Unit. Specifically, two hundred and ninety-seven components were not monitored during the time period of January 12, 2004 to January 11, 2006. In addition, twenty-two components in highly reactive volatile organic compound service were not monitored during the time period between December 23, 2004 and December 31, 2005. The missed monitoring events were reported as deviations to the agency on February 10, 2006.
4. Chevron Phillips received notice of the violations on September 7, 2006.
5. The Executive Director recognizes that Chevron Phillips has implemented the following corrective measures at the Plant:
 - a. Completed upgrade to the boiler feedwater system and reconfigured the boiler feedwater flow sensing tubes. Differential alarm was added and the Data Control System ("DCS") was reprogrammed. This work was completed by May 28, 2006. Operators and instrument technicians were trained on how to operate the new system. The training was completed by June 14, 2006.
 - b. A revision to the Management of Change process was implemented on July 18, 2005. This revision was designed to prevent components additions from occurring without

being added to the leak detection and repair program. The leak detection and monitoring of the missed components was completed by January 11, 2006.

- c. Open-ended lines discovered on February 15, 2005 and April 6, 2005 were plugged the same day.

CONCLUSIONS OF LAW

1. As evidenced by Finding of Fact Nos. 1 and 2, Chevron Phillips 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.a., Chevron Phillips failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE § 116.115(c), Permit No. 1504A, Special Condition No. 1 and TEX. HEALTH & SAFETY CODE § 382.085(b).
3. As evidenced by Finding of Fact No. 3.b., Chevron Phillips failed to properly seal open-ended lines, in violation of 30 TEX. ADMIN. CODE §§ 116.115(c), 115.352(4), Air Permit No. 19027, Special Condition No. 20(E), 40 CODE OF FEDERAL REGULATIONS § 60.482-6(a)(1) and TEX. HEALTH & SAFETY CODE § 382.085(b).
4. As evidenced by Finding of Fact No. 3.c., Chevron Phillips failed to monitor components that were in volatile organic compound service at the PEU-1796 Unit, in violation of 30 TEX. ADMIN. CODE §§ 116.115(c), 115.354(2)(A), 115.781(b), Permit No. 19027, Special Condition No. 20(F), 20(G), 21(A), 40 CODE OF FEDERAL REGULATIONS §§ 60.482-7(a), 60.562-2(a) and TEX. HEALTH & SAFETY CODE § 382.085(b).
5. Pursuant to TEX. WATER CODE § 7.051, the Commission has the authority to assess an administrative penalty against Chevron Phillips 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.
6. An administrative penalty in the amount of forty seven thousand four hundred forty-two dollars (\$47,442) 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. Chevron Phillips has paid twenty three thousand seven hundred twenty-one dollars (\$23,721.00) of the administrative penalty. Twenty three thousand seven hundred twenty-one dollars (\$23,721.00) shall be conditionally offset by Chevron Phillips' completion of a Supplemental Environmental Project ("SEP").

ORDERING PROVISIONS

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

1. Chevron Phillips is assessed an administrative penalty in the amount of forty seven thousand four hundred forty-two dollars (\$47,442) as set forth in Conclusion of Law No. 6 for violations of TCEQ rules and state statutes. The payment of this administrative penalty and Chevron Phillips' 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: Chevron Phillips Chemical Company LP, Docket No. 2006-1960-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, twenty three thousand seven hundred twenty-one dollars (\$23,721.00) 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 this Agreed Order to personnel who maintain day-to-day control over the Plant 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 has 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. 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 Chevron Phillips if the Executive Director determines that Chevron Phillips has not complied with one or more of the terms or conditions in this Agreed Order.
7. 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.
8. 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.
9. 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.
10. 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 Chevron Phillips, or three days after the date on which the Commission mails notice of the Order to Chevron Phillips, whichever is earlier.

Chevron Phillips Chemical Company LP
TCEQ Docket No. 2006-1960-AIR-E
Page 6

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

[Handwritten Signature]

For the Executive Director

10/16/08

Date

I, the undersigned, have read and understand the attached Agreed Order in the matter of Chevron Phillips Chemical Company LP. I represent that I am authorized to agree to the attached Agreed Order on behalf of Chevron Phillips Chemical Company LP, 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, Chevron Phillips Chemical Company LP 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. Chevron Phillips agrees 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 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.

Van G. Long
Signature

9/2/08
Date

Van G. Long
Name (printed or typed)
Authorized Representative
Chevron Phillips Chemical Company LP

Plant Manager
Title

Attachment A
Docket Number: 2006-1960-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent: CHEVRON PHILLIPS CHEMICAL COMPANY LP

Penalty Amount: Forty-seven thousand four hundred forty-two dollars (\$47,442)

SEP Amount: Twenty-three thousand seven hundred twenty-one dollars (\$23,721)

Type of SEP: Pre-approved

Third-Party Recipient: Houston-Galveston Area Emission Reduction Credit Organization ("AERCO") *Clean Cities/Clean Vehicles Program*

Location of SEP: Harris County

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

1. Project Description

A. Project

The Respondent 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 AERCO and the Texas Commission on Environmental Quality for the *Clean Cities/Clean Vehicles Program* in Harris County. SEP monies will be used to aid local school districts and area transit agencies, and may be used to reach local match requirements mandated by the Federal Highway Administration's ("FHWA") Congestion Mitigation/Air Quality funding program. SEP funds will be disbursed to school districts and transit agencies in need of funding assistance in the Houston-Galveston non-attainment area. SEP funds will be used for the costs of retrofitting or replacing older diesel buses with alternative fueled or clean fuel diesel buses. The older "high emission" buses will be permanently retired and sold only for scrap.

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

B. Environmental Benefit

Passengers, drivers, and students in the area where school buses idle during transportation are subject to harmful diesel exhaust emission every school day. Apart from containing particulate matter ("PM") and the ozone precursors nitrogen oxides ("NOx") and hydrocarbons ("HC"), diesel exhaust is known to cause or exacerbate a number of respiratory diseases, including asthma. Due to the more stringent emissions standards introduced by the Environmental Protection Agency (EPA), model 2007 and newer buses are also cleaner in

terms of PM emissions than model year 2004 buses. New NOx and HC standards phased in between 2007 and 2010 will result in new school bus engines being 72% cleaner for HC and 90% cleaner for NOx than a bus produced to meet the 2004 federal standards for these pollutants.

This SEP will provide a discernible environmental benefit by retiring high-emission buses from service, purchasing newer, clean fuel technology buses, and replacing newer buses with fuel treatment technology that reduces PM and HC.

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:

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

3. Records and Reporting

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

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.