

EXECUTIVE SUMMARY - ENFORCEMENT MATTER Page 1 of 3
DOCKET NO.: 2007-0116-AIR-E **TCEQ ID:** RN100209931 **CASE NO.:** 32446
RESPONDENT NAME: Bayer MaterialScience LLC

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: Bayer Material Science Baytown Plant, 8500 West Bay Road, Baytown, Chambers County</p> <p>TYPE OF OPERATION: Chemical manufacturing</p> <p>SMALL BUSINESS: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>OTHER SIGNIFICANT MATTERS: There are no complaints. There is no record of additional pending enforcement actions regarding this facility location.</p> <p>INTERESTED PARTIES: No one other than the ED and the Respondent has expressed an interest in this matter.</p> <p>COMMENTS RECEIVED: The <i>Texas Register</i> comment period expired on November 5, 2007. No comments were received.</p> <p>CONTACTS AND MAILING LIST: TCEQ Attorney/SEP Coordinator: None TCEQ Enforcement Coordinator: Mr. Harvey Wilson, Enforcement Division, Enforcement Team 3, MC 149, (512) 239-0321; Mr. Bryan Sinclair, Enforcement Division, MC 219, (512) 239-2171 Respondent: Corporation Service Company dba CSC-Lawyers, Registered Agent, Bayer MaterialScience LLC, 701 Brazos Street, Austin, Texas 78701 Mr. David Law, Director-HSEQ, Bayer MaterialScience LLC, 8500 West Bay Road, Baytown, Texas 77520 Respondent's Attorney: Ms. Patricia Finn Braddock, Fulbright & Jaworski L.L.P., 600 Congress Avenue, Suite 2400, Austin, Texas 78701</p>		

VIOLATION SUMMARY CHART:

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p>Type of Investigation: <input type="checkbox"/> Complaint <input checked="" type="checkbox"/> Routine <input type="checkbox"/> Enforcement Follow-up <input type="checkbox"/> Records Review</p> <p>Date(s) of Complaints Relating to this Case: None</p> <p>Date of Investigation Relating to this Case: September 27, 2006</p> <p>Date of NOV/NOE Relating to this Case: January 8, 2007 (NOE)</p> <p>Background Facts: This was a routine investigation. One violation was documented.</p> <p>AIR</p> <p>Failed to prevent unauthorized emissions from entering the atmosphere. Specifically, the Respondent failed to prevent the unauthorized emission of 272 pounds of orthodichlorobenzene and 5,563 pounds of ammonia during a 2 hour and 26 minute emissions event on September 26, 2006 [30 TEX. ADMIN. CODE § 116.115(c), New Source Permit 18033, Special Condition 1, and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p>	<p>Total Assessed: \$6,350</p> <p>Total Deferred: \$1,270 <input checked="" type="checkbox"/> Expedited Settlement <input type="checkbox"/> Financial Inability to Pay</p> <p>SEP Conditional Offset: \$0</p> <p>Total Paid to General Revenue: \$5,080</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>Corrective Actions Taken:</p> <p>The Executive Director recognizes that by December 15, 2006 the Respondent has implemented the following corrective measures at the Plant:</p> <ul style="list-style-type: none"> a. Revised the TDI unit training program to include the new knowledge dealing with the thermal stability information, hazards, and provided this data to all existing and new employees; b. Incorporated thermal stability data in Process Hazard Analyses and Management of Change (MOC) and Standard Operating Procedures (SOP) at the TDI-II Unit; c. Updated the new design and SOP to address controls in maintaining product viscosity within system design capabilities; d. Added newly designed equipment and controls to address sufficient mixing and cooling of the buffer tank contents to assure a homogenous mixture and maintain viscosity within system design limits [i.e. new agitator placed in Buffer Tank, new solvent cooler (plate and frame), larger quench cooler (shell and tube exchanger), and new truck loading cooler (shell and tube exchanger)]; e. Updated the buffer tank SOP to include clearly defined operating limits, complete operating process steps and the consequences of deviations from those operating limits; f. Included within the SOP actions required to respond to process deviations including identification of when unit shutdown is necessary; g. Installed improved pressure transmitter and temperature control devices on the buffer tank to monitor the process with readouts and appropriate alarms in the TDI-II control room; h. Installed newly designed and enhanced performance circulation pump and added a second circulation pump to the buffer tank system as backup;

		<p>i. Installed newly designed buffer tank with improved nozzle connections on the pressure release system; and</p> <p>j. Redesigned and lowered alarm and shutdown control points for temperature, pressure, and reset alarm points for cooling circulation performance, tank level, and abnormal circulating pump operating parameters.</p>
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Additional ID No(s): Air New Source Permit 18033, Air Acct. No CI0016S



Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision December 8, 2006

TCEQ

DATES	Assigned	19-Jan-2007	Screening	29-Jan-2007	EPA Due	26-Jun-2007
	PCW	30-Jan-2007				

RESPONDENT/FACILITY INFORMATION			
Respondent	Bayer MaterialScience LLC		
Reg. Ent. Ref. No.	RN100209931		
Facility/Site Region	12-Houston	Major/Minor Source	Major

CASE INFORMATION			
Enf./Case ID No.	32446	No. of Violations	1
Docket No.	2007-0116-AIR-E	Order Type	1660
Media Program(s)	Air Quality	Enf. Coordinator	Harvey Wilson
Multi-Media		EC's Team	EnforcementTeam 4
Admin. Penalty \$	Limit Minimum	\$0	Maximum
			\$10,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties) Subtotal 1 \$5,000

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History 52% Enhancement Subtotals 2, 3, & 7 \$2,600

Notes: A 52% enhancement is recommended based on the respondent having received three NOV's for the same or similar violations, twenty NOV's for violations that were not similar to the current violation, and credit for one audit letter and one disclosure.

Culpability No 0% Enhancement Subtotal 4 \$0

Notes: Respondent does not meet the culpability criteria.

Good Faith Effort to Comply 25% Reduction Subtotal 5 \$1,250

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

Notes: The Respondent came into compliance on December 15, 2006.

Total EB Amounts \$38 0% Enhancement* Subtotal 6 \$0
Approx. Cost of Compliance \$3,500 *Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7 Final Subtotal \$6,350

OTHER FACTORS AS JUSTICE MAY REQUIRE Adjustment \$0

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

Notes:

Final Penalty Amount \$6,350

STATUTORY LIMIT ADJUSTMENT Final Assessed Penalty \$6,350

DEFERRAL 20% Reduction Adjustment -\$1,270

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

Notes:

Deferral offered for expedited settlement.

PAYABLE PENALTY \$5,080

Screening Date 29-Jan-2007

Docket No. 2007-0116-AIR-E

PCW

Respondent Bayer MaterialScience LLC

Policy Revision 2 (September 2002)

Case ID No. 32446

PCW Revision December 8, 2006

Reg. Ent. Reference No. RN100209931

Media [Statute] Air Quality

Enf. Coordinator Harvey Wilson

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written NOVs with same or similar violations as those in the current enforcement action (number of NOVs meeting criteria)	3	15%
	Other written NOVs	20	40%
Orders	Any agreed final enforcement orders containing a denial of liability (number of orders meeting criteria)	0	0%
	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 (number of judgments or consent decrees meeting criteria)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (number of counts)	0	0%
Emissions	Chronic excessive emissions events (number of events)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which notices were submitted)	1	-1%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which violations were disclosed)	1	-2%
Please Enter Yes or No			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 52%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Average Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

A 52% enhancement is recommended based on the respondent having received three NOVs for the same or similar violations, twenty NOVs for violations that were not similar to the current violation, and credit for one audit letter and one disclosure.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 52%

Screening Date 29-Jan-2007

Docket No. 2007-0116-AIR-E

PCW

Respondent Bayer MaterialScience LLC

Policy Revision 2 (September 2002)

Case ID No. 32446

PCW Revision December 8, 2006

Reg. Ent. Reference No. RN100209931

Media [Statute] Air Quality

Enf. Coordinator Harvey Wilson

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code § 116.115(c), New Source Permit 18033, Special Condition 1, and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to prevent unauthorized emissions from entering the atmosphere. Specifically, the respondent failed to prevent the unauthorized emission of 272 pounds of orthodichlorobenzene and 5,563 pounds of ammonia during a 2 hour and 26 minute emissions event on September 26, 2006. Since this emissions event was avoidable, as defined by 30 Tex. Admin. Code 101.222, an affirmative defense may not be claimed for the emissions.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual		X	
Potential			

Percent 50%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes

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

Adjustment \$5,000

\$5,000

Violation Events

Number of Violation Events 1

1 Number of violation days

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

Violation Base Penalty \$5,000

One single event is recommended.

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$38

Violation Final Penalty Total \$6,350

This violation Final Assessed Penalty (adjusted for limits) \$6,350

Economic Benefit Worksheet

Respondent Bayer MaterialScience LLC
Case ID No. 32446
Reg. Ent. Reference No. RN100209931
Media Air Quality
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

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

Delayed Costs

Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling	\$1,000	26-Sep-2006	15-Dec-2006	0.2	\$11	n/a	\$11
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)	\$2,500	26-Sep-2006	15-Dec-2006	0.2	\$27	n/a	\$27

Notes for DELAYED costs

The estimated cost of conducting training, improving safety procedures and providing additional oversight to ensure a similar event does not occur in the future. Date Required is the date of the emissions event. Final Date is the date of compliance.

Avoided Costs

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance

\$3,500

TOTAL

\$38

Compliance History

Customer/Respondent/Owner-Operator:	CN601544042 Bayer MaterialScience LLC	Classification: AVERAGE	Rating: 0.57
Regulated Entity:	RN100209931 BAYER MATERIAL SCIENCE BAYTOWN PLANT	Classification: AVERAGE	Rating: 0.57

ID Number(s):	ACCOUNT NUMBER	CI0016S
AIR OPERATING PERMITS	PERMIT	1390
AIR OPERATING PERMITS	PERMIT	2100
AIR OPERATING PERMITS	PERMIT	2101
AIR OPERATING PERMITS	PERMIT	2102
AIR OPERATING PERMITS	PERMIT	2103
AIR OPERATING PERMITS	PERMIT	2104
AIR OPERATING PERMITS	PERMIT	2105
AIR OPERATING PERMITS	PERMIT	2106
AIR OPERATING PERMITS	PERMIT	2529
AIR OPERATING PERMITS	PERMIT	2105
AIR OPERATING PERMITS	PERMIT	2106
WASTEWATER	PERMIT	WQ0001499000
WASTEWATER	PERMIT	WQ0001499000
WASTEWATER	PERMIT	TX0002798
AIR NEW SOURCE PERMITS	PERMIT	32678
AIR NEW SOURCE PERMITS	PERMIT	32679
AIR NEW SOURCE PERMITS	PERMIT	32835
AIR NEW SOURCE PERMITS	PERMIT	32889
AIR NEW SOURCE PERMITS	PERMIT	32017
AIR NEW SOURCE PERMITS	PERMIT	33384
AIR NEW SOURCE PERMITS	PERMIT	32469
AIR NEW SOURCE PERMITS	PERMIT	33665
AIR NEW SOURCE PERMITS	PERMIT	33446
AIR NEW SOURCE PERMITS	PERMIT	34017
AIR NEW SOURCE PERMITS	PERMIT	33931
AIR NEW SOURCE PERMITS	PERMIT	34529
AIR NEW SOURCE PERMITS	PERMIT	35148
AIR NEW SOURCE PERMITS	PERMIT	35748
AIR NEW SOURCE PERMITS	PERMIT	36361
AIR NEW SOURCE PERMITS	PERMIT	36819
AIR NEW SOURCE PERMITS	PERMIT	38737
AIR NEW SOURCE PERMITS	PERMIT	39943
AIR NEW SOURCE PERMITS	PERMIT	39205
AIR NEW SOURCE PERMITS	PERMIT	39221
AIR NEW SOURCE PERMITS	PERMIT	39305
AIR NEW SOURCE PERMITS	PERMIT	38197
AIR NEW SOURCE PERMITS	PERMIT	40214
AIR NEW SOURCE PERMITS	PERMIT	41110
AIR NEW SOURCE PERMITS	PERMIT	41954
AIR NEW SOURCE PERMITS	PERMIT	42933
AIR NEW SOURCE PERMITS	PERMIT	43879
AIR NEW SOURCE PERMITS	PERMIT	44256
AIR NEW SOURCE PERMITS	PERMIT	44965
AIR NEW SOURCE PERMITS	PERMIT	46087
AIR NEW SOURCE PERMITS	PERMIT	46547
AIR NEW SOURCE PERMITS	PERMIT	47933
AIR NEW SOURCE PERMITS	PERMIT	47877
AIR NEW SOURCE PERMITS	PERMIT	48388
AIR NEW SOURCE PERMITS	PERMIT	49695
AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	CI0016S
AIR NEW SOURCE PERMITS	PERMIT	15373
AIR NEW SOURCE PERMITS	PERMIT	1837
AIR NEW SOURCE PERMITS	PERMIT	1933
AIR NEW SOURCE PERMITS	PERMIT	1978
AIR NEW SOURCE PERMITS	PERMIT	1978A
AIR NEW SOURCE PERMITS	PERMIT	2005
AIR NEW SOURCE PERMITS	PERMIT	2006A
AIR NEW SOURCE PERMITS	PERMIT	2006B
AIR NEW SOURCE PERMITS	PERMIT	2033E

AIR NEW SOURCE PERMITS	PERMIT	2035A
AIR NEW SOURCE PERMITS	PERMIT	2117
AIR NEW SOURCE PERMITS	PERMIT	2141
AIR NEW SOURCE PERMITS	PERMIT	6177
AIR NEW SOURCE PERMITS	PERMIT	6391
AIR NEW SOURCE PERMITS	PERMIT	6392
AIR NEW SOURCE PERMITS	PERMIT	7503
AIR NEW SOURCE PERMITS	PERMIT	7870
AIR NEW SOURCE PERMITS	PERMIT	7997
AIR NEW SOURCE PERMITS	PERMIT	10789
AIR NEW SOURCE PERMITS	PERMIT	10813
AIR NEW SOURCE PERMITS	PERMIT	11261
AIR NEW SOURCE PERMITS	PERMIT	11635
AIR NEW SOURCE PERMITS	PERMIT	13916
AIR NEW SOURCE PERMITS	PERMIT	13917
AIR NEW SOURCE PERMITS	PERMIT	14068
AIR NEW SOURCE PERMITS	PERMIT	14776
AIR NEW SOURCE PERMITS	PERMIT	15808
AIR NEW SOURCE PERMITS	PERMIT	17110
AIR NEW SOURCE PERMITS	PERMIT	18033
AIR NEW SOURCE PERMITS	PERMIT	7877A
AIR NEW SOURCE PERMITS	PERMIT	20153
AIR NEW SOURCE PERMITS	PERMIT	22197
AIR NEW SOURCE PERMITS	PERMIT	23001
AIR NEW SOURCE PERMITS	PERMIT	25130
AIR NEW SOURCE PERMITS	PERMIT	28737
AIR NEW SOURCE PERMITS	PERMIT	30638
AIR NEW SOURCE PERMITS	PERMIT	31256
AIR NEW SOURCE PERMITS	PERMIT	31683
AIR NEW SOURCE PERMITS	PERMIT	32646
AIR NEW SOURCE PERMITS	PERMIT	52342
AIR NEW SOURCE PERMITS	PERMIT	53004
AIR NEW SOURCE PERMITS	PERMIT	52109
AIR NEW SOURCE PERMITS	REGISTRATION	55162
AIR NEW SOURCE PERMITS	REGISTRATION	75401
AIR NEW SOURCE PERMITS	REGISTRATION	54702
AIR NEW SOURCE PERMITS	AFS NUM	0009
AIR NEW SOURCE PERMITS	REGISTRATION	70871
AIR NEW SOURCE PERMITS	REGISTRATION	70975
AIR NEW SOURCE PERMITS	PERMIT	54695
AIR NEW SOURCE PERMITS	PERMIT	52086
AIR NEW SOURCE PERMITS	PERMIT	54700
AIR NEW SOURCE PERMITS	REGISTRATION	76915
AIR NEW SOURCE PERMITS	REGISTRATION	79855
PETROLEUM STORAGE TANK REGISTRATION	REGISTRATION	75002
INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION # (SWR)	30603
INDUSTRIAL AND HAZARDOUS WASTE GENERATION	EPA ID	TXD058260977
INDUSTRIAL AND HAZARDOUS WASTE STORAGE	PERMIT	50173
IHW CORRECTIVE ACTION	SOLID WASTE REGISTRATION # (SWR)	30603
INDUSTRIAL AND HAZARDOUS WASTE POST CLOSURE	PERMIT	50173
INDUSTRIAL AND HAZARDOUS WASTE COMPLIANCE PLANS	PERMIT	50173

Location: 8500 W BAY RD, BAYTOWN, TX, 77520 Rating Date: September 01 06 Repeat Viol
NO

TCEQ Region: REGION 12 - HOUSTON

Date Compliance History Prepared: January 26, 2007

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: January 26, 2002 to January 26, 2007

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

Name: Harvey Wilson

Phone: 239-0321

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? Yes
3. If Yes, who is the current owner? Bayer Corporation
Bayer MaterialSciences LLC
Lanxess Corporation
4. if Yes, who was/were the prior owner(s)? Bayer Chemicals Corporation
5. When did the change(s) in ownership occur? N/A
03/05/2003
07/01/2004

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

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

N/A

- C. Chronic excessive emissions events.

N/A

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

1	05/23/2003	(155561)
2	04/22/2003	(155560)
3	04/22/2002	(155559)
4	03/14/2003	(22299)
5	04/22/2003	(155556)
6	12/21/2006	(517975)
7	03/09/2006	(433319)
8	03/21/2003	(155554)
9	08/16/2004	(258329)
10	12/21/2005	(438746)
11	03/21/2002	(155553)
12	01/23/2003	(22356)
13	02/22/2006	(468056)
14	11/22/2004	(333490)
15	03/14/2006	(468057)
16	02/24/2003	(155551)
17	08/18/2006	(465994)
18	07/14/2005	(396158)
19	04/05/2006	(468058)
20	10/25/2005	(468059)
21	02/22/2002	(155550)
22	10/25/2005	(468060)
23	08/04/2005	(401277)
24	11/22/2005	(468061)
25	12/19/2005	(468062)
26	02/25/2002	(155547)
27	12/05/2005	(468063)
28	09/19/2003	(247865)
29	05/26/2005	(393534)
30	08/03/2006	(486550)
31	07/21/2004	(258315)
32	10/23/2006	(519973)
33	11/16/2004	(337556)
34	10/23/2006	(519974)

35	04/12/2005	(376712)
36	02/23/2004	(294392)
37	03/19/2004	(294394)
38	05/01/2006	(463114)
39	11/30/2003	(250002)
40	06/23/2004	(275422)
41	07/07/2005	(394069)
42	05/11/2006	(462169)
43	01/23/2003	(155598)
44	01/03/2005	(343305)
45	04/21/2004	(294395)
46	04/19/2005	(440598)
47	05/25/2004	(294397)
48	01/19/2007	(517978)
49	01/23/2003	(155595)
50	06/29/2004	(258331)
51	05/17/2005	(440599)
52	05/30/2002	(143234)
53	06/23/2005	(440600)
54	05/16/2002	(143233)
55	06/21/2004	(294399)
56	07/25/2005	(440601)
57	12/27/2002	(155593)
58	08/23/2005	(440602)
59	05/03/2002	(143232)
60	10/20/2003	(294401)
61	08/24/2004	(351678)
62	05/01/2002	(143231)
63	09/23/2005	(440603)
64	08/19/2003	(294403)
65	09/01/2004	(291513)
66	09/18/2003	(294405)
67	12/27/2002	(155590)
68	08/05/2005	(400358)
69	10/20/2003	(294408)
70	11/26/2002	(155588)
71	09/01/2004	(291516)
72	11/19/2003	(294409)
73	09/19/2006	(512304)
74	09/20/2004	(351679)
75	12/18/2003	(294410)
76	04/12/2002	(143230)
77	11/26/2002	(155585)
78	10/22/2004	(351680)
79	01/20/2004	(294412)
80	07/20/2006	(460769)
81	10/28/2002	(155583)
82	04/02/2002	(143229)
83	03/26/2002	(143228)
84	11/23/2004	(351681)
85	03/05/2002	(143227)
86	03/01/2002	(143226)
87	02/08/2005	(381658)
88	08/14/2002	(6881)
89	07/21/2004	(258310)
90	02/26/2002	(143225)
91	03/22/2005	(381659)
92	06/04/2004	(267646)
93	02/26/2002	(143224)
94	10/28/2002	(155580)
95	02/22/2002	(143223)
96	07/07/2005	(394317)
97	02/22/2002	(143222)

98 09/26/2002 (155579)
 99 12/20/2004 (381660)
 100 10/22/2004 (351682)
 101 07/30/2004 (258333)
 102 02/15/2002 (143221)
 103 02/14/2002 (143220)
 104 09/26/2002 (12582)
 105 08/19/2002 (155576)
 106 08/31/2005 (407287)
 107 02/01/2002 (155575)
 108 05/22/2006 (497959)
 109 06/19/2006 (497960)
 110 07/22/2003 (155573)
 111 03/14/2006 (454965)
 112 07/26/2002 (155572)
 113 07/16/2002 (3026)
 114 07/22/2003 (155570)
 115 06/20/2003 (155569)
 116 06/07/2004 (270945)
 117 09/23/2002 (12298)
 118 07/20/2004 (258314)
 119 06/27/2002 (155568)
 120 09/01/2006 (485127)
 121 05/24/2006 (461566)
 122 05/23/2003 (155565)
 123 06/01/2003 (450869)
 124 05/21/2002 (155564)
 125 08/19/2005 (400355)
 126 02/15/2006 (438764)

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

Date: 08/31/2005 (407287)
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 115, SubChapter D 115.352(4)
 Description: Failure to ensure that there are no missing caps on valves that are in VOC service.

Date: 08/05/2005 (400358)
 Self Report? NO Classification: Moder
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 Rqmt Prov: PERMIT IA
 Description: Failure to ensure that all open ended lines are equipped with either a cap, blind flange or a second valve.

Date: 07/22/2004 (258310)
 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 seal open-ended lines.

Date: 01/04/2005 (343305)
 Self Report? NO Classification: Moder
 Citation: 30 TAC Chapter 101, SubChapter F 101.201(g)
 30 TAC Chapter 116, SubChapter B 116.115(c)
 5C THC Chapter 382, SubChapter A 382.085(b)
 Rqmt Prov: PERMIT IA
 Description: Bayer failed to comply with 30 TAC 101.222(b).

Date: 07/15/2005 (396158)
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 122, SubChapter B 122.145(2)(A)
 Description: Incomplete deviation reports.
 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:	Missing plugs on open-ended lines.		
Date:	05/30/2002 (143234)		
Self Report?	NO	Classification:	Moder
Citation:	30 TAC Chapter 116, SubChapter B 116.115(c)		
Rqmt Prov:	OP IA		
Description:	PERMIT SPECIAL CONDITIO		
Self Report?	NO	Classification:	Moder
Citation:	30 TAC Chapter 116, SubChapter B 116.115(c)		
Rqmt Prov:	OP IA		
Description:	PERMIT SPECIAL CONDITI		
Date:	05/06/2002 (143232)		
Self Report?	NO	Classification:	Moder
Citation:	30 TAC Chapter 116, SubChapter B 116.115(c)		
Rqmt Prov:	OP IA		
Description:	PERMIT SPECIAL CONDITI		
Date:	07/12/2002 (3026)		
Self Report?	NO	Classification:	Minor
Citation:	30 TAC Chapter 319, SubChapter A 319.7(a)[G]		
Description:	Failure to document manganese oxide correction results.		
Date:	06/30/2004 (294401)		
Self Report?	YES	Classification:	Moder
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) TWC Chapter 26 26.121(a)[G]		
Description:	Failure to meet the limit for one or more permit parameter		
Date:	03/14/2006 (454965)		
Self Report?	NO	Classification:	Moder
Citation:	30 TAC Chapter 116, SubChapter B 116.115(c) 30 TAC Chapter 122, SubChapter B 122.143(4) 40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.167(a)(1) 5C THC Chapter 382, SubChapter A 382.085(b)		
Rqmt Prov:	OP IA PERMIT IA		
Description:	Failure to seal open-ended lines.		
Self Report?	NO	Classification:	Minor
Citation:	30 TAC Chapter 122, SubChapter B 122.143(4) 40 CFR Chapter 63, SubChapter C, PT 63, SubPT F 63.104(b)(5) 5C THC Chapter 382, SubChapter A 382.085(b)		
Rqmt Prov:	OP IA		
Description:	Failed to correctly analyze the cooling water taken at the entrance and exit of the heat exchanger.		
Self Report?	NO	Classification:	Moder
Citation:	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:	Failed to monitor, every twelve hours, the water flow rates through the scrubbers.		
Self Report?	NO	Classification:	Minor
Citation:	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:	Failed to include the time of the inspection of components that are in low volatility		

service.

Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 122, SubChapter B 122.145(2)(A)
Description: Failed to include on the semiannual deviation reports, the failure to monitor, every twelve hours, the water flow rates through the scrubbers and the failure to include the time of the inspection of components that are in low volatility service.
Date: 03/14/2003 (22299)

Self Report? NO Classification: Moder
Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)[G]
5C THC Chapter 382, SubChapter A 382.085(b)
Description: Failure to control HMDA emissions within the permit limits.
Date: 07/31/2004 (351678)

Self Report? YES Classification: Moder
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter
Date: 04/15/2002 (143230)

Self Report? NO Classification: Moder
Citation: 30 TAC Chapter 115, SubChapter D 115.353
Description: ALT CNTRL REQUIREMENTS

Self Report? NO Classification: Moder
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
Rqmt Prov: OP IA
Description: PERMIT SPECIAL CONDITI

Self Report? NO Classification: Moder
Citation: 30 TAC Chapter 113, SubChapter C 113.130
Description: FL BE COMPLIANCE DATE

Self Report? NO Classification: Moder
Citation: 30 TAC Chapter 101, SubChapter A 101.6[G]
Description: NOTIFICATION MAJ UPSET

Self Report? NO Classification: Moder
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
Description: PERMIT SPECIAL CONDITI

Self Report? NO Classification: Moder
Citation: 30 TAC Chapter 113, SubChapter C 113.130
Description: COMPLIANCE DATE

Self Report? NO Classification: Moder
Citation: 30 TAC Chapter 113, SubChapter C 113.130
Description: COMPLIANCE DATE

Self Report? NO Classification: Moder
Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
Description: NSPS STANDARDS

Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 115, SubChapter D 115.352(3)
Description: REFINERY FUGTV CNTRL

Self Report? NO Classification: Moder
Citation: 30 TAC Chapter 115, SubChapter D 115.355[G]
Description: VOC LEAKS TESTING

Self Report? NO Classification: Moder
Description: VOC COUNTY COMPL DATES
Date: 07/08/2005 (394069)

Self Report? NO Classification: Moder
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 conduct May 2004 ammonia slip test on CTO.

Self Report? NO Classification: Moder
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)

40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.167(a)(1)

Rqmt Prov: OP IA
PERMIT IA

Description: Failure to seal open-ended lines.

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 122, SubChapter B 122.145(2)(A)

Description: Incomplete deviation reports.

Date: 12/21/2006 (517975)

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)(1)(H)

Description: Failure to include the facility's permit number in the final report.

Date: 07/22/2004 (258315)

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)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.167(a)(1)

Rqmt Prov: OP IA
PERMIT IA

Description: Failure to seal open-ended lines.

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: Invalid monthly sample analysis.

Date: 02/28/2005 (381659)

Self Report? YES Classification: Moder

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: 08/18/2004 (258329)

Self Report? NO Classification: Moder

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

Rqmt Prov: OP IA
PA IA

Description: RE failed to plug the open-ended valves or lines.

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter A 101.20(2)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.118(a)(3)

Rqmt Prov: OP IA

Description: Regulated Entity failed to maintain hourly records of the flow meter on the bypass line.

Date: 07/08/2005 (394317)

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 seal open-ended lines

Self Report? NO Classification: Moder

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 record liquid flowrate in the caustic fume scrubber

Date: 06/01/2003 (155570)

Self Report? YES Classification: Moder

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: 08/04/2005 (401277)
 Self Report? NO Classification: Moder

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 Rqmt Prov: PERMIT IA
 Description: Failure to keep CO emissions within the 100 ppm allowable limit on August 19, 2004
 from 22:00 to 23:00.
 Date: 08/18/2006 (465994)
 Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)(1)(H)
 Description: Failed to meet the Emissions Event Reporting and Recordkeeping Requirements.
 Date: 07/01/2004 (258331)
 Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 115, SubChapter D 115.352(4)
 30 TAC Chapter 116, SubChapter B 116.115(c)
 Rqmt Prov: PA IA
 Description: Failure to plug open-ended valve or line.

F. Environmental audits.

Notice of Intent Date: 03/12/2002 (60350)
 Disclosure Date: 10/15/2002 12:00:00 AM

Viol. Classification: Minor
 Citation: 30 TAC Chapter 111, SubChapter A
 Description: Failed to maintain documents relating to SIR vent flare from DTA 1 unit.

Viol. Classification: Moderate
 Citation: 30 TAC Chapter 111, SubChapter A
 30 TAC Chapter 116, SubChapter B
 Description: Failed to repair leaks within 5 days after they were discovered.

Viol. Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B
 Rqmt Prov: PERMIT 2035A, Special Condition 10
 Description: Failed to initiate maintenance of leaking valves.

Viol. Classification: Minor
 Citation: 30 TAC Chapter 111, SubChapter A
 30 TAC Chapter 116, SubChapter B
 Description: Failed to designate leaking pumps as such or undertake repair activities.

Viol. Classification: Minor
 Citation: 30 TAC Chapter 111, SubChapter A
 Description: Failed to maintain records for Instrument No. 850.

Viol. Classification: Minor
 Citation: 30 TAC Chapter 116, SubChapter B
 Rqmt Prov: PERMIT 18033, Special Condition
 Description: Failed to follow LDAR procedures as specified.

Viol. Classification: Minor
 Citation: 30 TAC Chapter 117, SubChapter D
 Description: Failed to keep records of operating hours of several emergency generators.

Viol. Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B
 Rqmt Prov: PERMIT 22197, Special Condition 11
 Description: Failed to test the back-up scrubber/adsorber (EPN FV05010900).

Viol. Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B
 Rqmt Prov: PERMIT 39943, Special Condition 13A
 Description: Failed to submit alternate method for TDI sampling to TCEQ for approval.

Viol. Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B
 Rqmt Prov: PERMIT 39943, Special Condition 13A
 Description: Failed to perform twice daily AVO inspections for the shipping operations.

Viol. Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B
 Description: Failed to authorize emissions from diesel engines for the power pumps, emergency power generators, ww storage
 tank associated w/ the MDA II unit, the HCL tank and the ammonia tank associated w/ utility operations and wwt
 plant.

Viol. Classification: Major

Citation: 30 TAC Chapter 116, SubChapter B
Description: Failed to authorize emissions from several emissions points associated with the HCL unit.

Viol. Classification: Minor

Citation: 30 TAC Chapter 111, SubChapter A
30 TAC Chapter 116, SubChapter B

Description: Failed to document weekly inspections of agitators for the TDA I unit.

Viol. Classification: Minor

Citation: 30 TAC Chapter 116, SubChapter B
Rqmt Prov: PERMIT 35148, Special Condition 8B

Description: Failed to maintain records of downtimes for the CEM serving boilers No. 5 & 6, nor have downages been reported to the TCEQ Regional Director.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B
Rqmt Prov: PERMIT 34017, Special Condition 7

Description: Failed to maintain required pH levels in the caustic fume scrubber.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B
Rqmt Prov: PERMIT 34017, Special Condition 7

Description: Failed to maintain the required flow rate through the caustic fume scrubber.

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.

J. Early compliance.

N/A

Sites Outside of Texas

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
BAYER MATERIALSCIENCE LLC
RN100209931**

**§ BEFORE THE
§
§ TEXAS COMMISSION ON
§
§ ENVIRONMENTAL QUALITY**

AGREED ORDER DOCKET NO. 2007-0116-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 Bayer MaterialScience LLC ("Bayer") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and Bayer, represented by Patricia Finn Braddock of the law firm of Fulbright & Jaworski L.L.P., appear before the Commission and together stipulate that:

1. Bayer owns and operates a chemical manufacturing plant at 8500 West Bay Road in Baytown, Chambers County, Texas (the "Plant").
2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003 (12).
3. The Commission and Bayer agree that the Commission has jurisdiction to enter this Agreed Order, and that Bayer is subject to the Commission's jurisdiction.
4. Bayer received notice of the violations alleged in Section II ("Allegations") on or about January 13, 2007.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by Bayer of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
6. An administrative penalty in the amount of Six Thousand Three Hundred Fifty Dollars (\$6,350) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). Bayer has paid Five Thousand Eighty Dollars (\$5,080) of the administrative penalty and One

Thousand Two Hundred Seventy Dollars (\$1,270) is deferred contingent upon Bayer's timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If Bayer fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require Bayer to pay all or part of the deferred penalty.

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 Bayer 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 by December 15, 2006 Bayer has implemented the following corrective measures at the Plant:
 - a. Revised the TDI unit training program to include the new knowledge dealing with the thermal stability information, hazards, and provided this data to all existing and new employees;
 - b. Incorporated thermal stability data in Process Hazard Analyses and Management of Change (MOC) and Standard Operating Procedures (SOP) at the TDI-II Unit;
 - c. Updated the new design and Standard Operating Procedures to address controls in maintaining product viscosity within system design capabilities;
 - d. Added newly designed equipment and controls to address sufficient mixing and cooling of the buffer tank contents to assure a homogenous mixture and maintain viscosity within system design limits [i.e. new agitator placed in Buffer Tank, new solvent cooler (plate and frame), larger quench cooler (shell and tube exchanger), and new truck loading cooler (shell and tube exchanger)];
 - e. Updated the buffer tank Standard Operating Procedures to include clearly defined operating limits, complete operating process steps and the consequences of deviations from those operating limits;
 - f. Included within the Standard Operating Procedures actions required to respond to process deviations including identification of when unit shutdown is necessary;
 - g. Installed improved pressure transmitter and temperature control devices on the buffer tank to monitor the process with readouts and appropriate alarms in the TDI-II control room;
 - h. Installed newly designed and enhanced performance circulation pump and added a second circulation pump to the buffer tank system as backup;
 - i. Installed newly designed buffer tank with improved nozzle connections on the pressure release system; and

- j. Redesigned and lowered alarm and shutdown control points for temperature, pressure, and reset alarm points for cooling circulation performance, tank level, and abnormal circulating pump operating parameters.
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 Bayer 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, Bayer is alleged to have failed to prevent unauthorized emissions from entering the atmosphere, in violation of 30 TEX. ADMIN. CODE § 116.115(c), New Source Permit 18033, Special Condition 1, and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on September 27, 2006. Specifically, Bayer failed to prevent the unauthorized emission of 272 pounds of orthodichlorobenzene and 5,563 pounds of ammonia during a 2 hour and 26 minute emissions event on September 26, 2006.

III. DENIALS

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

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that Bayer pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and Bayer'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: Bayer MaterialScience LLC, Docket No. 2007-0116-AIR-E" to:

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

2. The provisions of this Agreed Order shall apply to and be binding upon Bayer. Bayer is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Plant operations referenced in this Agreed Order.
3. This Agreed Order, issued by the Commission, shall not be admissible against Bayer 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.
4. 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.
5. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to Bayer, or three days after the date on which the Commission mails notice of the Order to Bayer, whichever is earlier. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

John Zedler
For the Executive Director

12/03/2007
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 failure to comply with the Ordering Provisions, if any, in this order and/or failure to timely pay the penalty amount, may result in:

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

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

David Law
Signature

DAVID LAW
Name (Printed or typed)
Authorized Representative of
Bayer MaterialScience LLC

April 12, 2007
Date
May 22, 2007
Director - HSEQ
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.

Section 1: Introduction

The following information is provided for your reference.

For further details, please refer to the attached documents.

This document is intended to provide a comprehensive overview of the project's objectives and scope.

The primary goal of this project is to enhance the efficiency of our current processes. This will be achieved through the implementation of new software solutions and the optimization of existing workflows.

The project is divided into several key phases, including:
1. Initial Assessment and Planning
2. System Design and Development
3. Testing and Deployment
4. Post-Implementation Support and Evaluation

It is important to note that the success of this project depends on the active participation and collaboration of all stakeholders involved. Regular communication and reporting will be essential to ensure that the project remains on track and meets its intended goals.

Yours faithfully,
[Signature]

[Signature]
[Name]
[Title]

This document is confidential and contains information that is exempt from disclosure under the Freedom of Information Act.