

EXECUTIVE SUMMARY - ENFORCEMENT MATTER Page 1 of 2
DOCKET NO.: 2007-1604-IWD-E **TCEQ ID:** RN100212620 **CASE NO.:** 34730
RESPONDENT NAME: Sterling Chemicals, Inc.

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 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 checked="" 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: Sterling Chemicals, 201 Bay Street South, Texas City, Galveston 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. There is no record of additional pending enforcement actions regarding this facility location.</p> <p>INTERESTED PARTIES: No one other than the ED and the Respondent has expressed an interest in this matter.</p> <p>COMMENTS RECEIVED: The <i>Texas Register</i> comment period expired on March 10, 2008. No comments were received.</p> <p>CONTACTS AND MAILING LIST: SEP Coordinator: Ms. Melissa Keller, SEP Coordinator, Enforcement Division, MC 219, (512) 239-1768 TCEQ Enforcement Coordinator: Mr. Thomas Jecha, Enforcement Division, Enforcement Team 3, MC 149, (512) 239-2576; Mr. Bryan Sinclair, Enforcement Division, MC 219, (512) 239-2171 Respondent: Mr. Walter Treybig, Plant Manager, Sterling Chemicals, Inc., P.O. Box 1311, Texas City, Texas 77592 Mr. Richard K. Crump, President & CEO, Sterling Chemicals, Inc., P.O. Box 1311, Texas City, Texas 77592 Respondent's Attorney: Not represented by counsel on this enforcement matter</p>		

VIOLATION SUMMARY CHART:

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p>Type of Investigation: <input type="checkbox"/> Complaint <input checked="" type="checkbox"/> Routine <input type="checkbox"/> Enforcement Follow-up <input type="checkbox"/> Records Review</p> <p>Date(s) of Complaints Relating to this Case: None</p> <p>Date of Investigation Relating to this Case: July 25, 2007</p> <p>Date of NOE Relating to this Case: September 28, 2007 (NOE)</p> <p>Background Facts: This was a routine investigation.</p> <p>WATER</p> <p>1) Failure to comply with the permitted effluent limits for outfall 002 [30 TEX. ADMIN. CODE § 305.125(1), TPDES Permit No. WQ0000575000, Effluent Limitations and Monitoring Requirements No. 1., and TEX. WATER CODE § 26.121(a)].</p> <p>2) Failure to prevent the unauthorized discharge of partially treated process wastewater to any water in the state. Specifically, unauthorized discharges through outfall 002 of process wastewater commingled with utility wastewater and storm water runoff occurred during heavy rainfall events on June 19, July 6, October 16, and October 27, 2006 [TEX. WATER CODE § 26.121(a)].</p>	<p>Total Assessed: \$7,875</p> <p>Total Deferred: \$1,575 <input checked="" type="checkbox"/> Expedited Settlement <input type="checkbox"/> Financial Inability to Pay</p> <p>SEP Conditional Offset: \$3,150</p> <p>Total Paid to General Revenue: \$3,150</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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Applicable Penalty Policy: September 2002</p>	<p>Ordering Provisions:</p> <p>1) The Order will require the Respondent to implement and complete a Supplemental Environmental Project (SEP) (See SEP Attachment A).</p> <p>2) The Order will require the Respondent to:</p> <p>a) Within 60 days after the effective date of this Agreed Order, achieve compliance with the permitted effluent limits contained in TPDES Permit No. WQ0000575000 and submit written certification. The certification shall include detailed supporting documentation to demonstrate compliance; and</p> <p>b) Within 365 days after the effective date of this Agreed Order, complete construction to remove process wastewater from the North Ditch Holding Pond to meet existing discharge limits and/or initiate modifications to TPDES Permit No. WQ0000575000 to authorize the discharge of process wastewater at Outfall 002 under specified circumstances and submit written certification as described above in Ordering Provision No. 2.a.</p>

Additional ID No(s): TPDES Permit No. WQ0000575000

Attachment A
Docket Number: 2007-1604-IWD-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent: Sterling Chemicals, Inc.
Payable Penalty Amount: Six Thousand Three Hundred Dollars (\$6,300)
SEP Amount: Three Thousand One Hundred Fifty Dollars (\$3,150)
Type of SEP: Pre-approved
Third-Party Recipient: Galveston Bay Foundation-“Marsh Mania”
Location of SEP: Galveston County

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

1. Project Description

A. Project

The Respondent will contribute to Galveston Bay Foundation “Marsh Mania” in Galveston County. The contribution will be used in accordance with the *Supplemental Environmental Project Agreement between the Galveston Bay Foundation and the Texas Commission on Environmental Quality*. SEP monies will be used to restore shoreline elevations, growing plants for shoreline restoration, and planting new habitat. Historic subsidence and erosion have resulted in shoreline elevations which are too low to support vegetation. This project will seek to raise elevations by scraping and terracing. Scraping involves the use of earthmoving equipment to grade an eroded, bluff-like shoreline so that it slopes gradually towards the water resulting in the ability of plant growth. Terracing uses earthmoving equipment to create small levees by burrowing and stacking sediment in shallow water. The high elevation can then be planted with emergent vegetation. SEP monies will be used to pay for the direct costs of the implementation of the project, including material, equipment, and labor costs.

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

B. Environmental Benefit

This SEP will provide a discernible environmental benefit by providing food and shelter for a variety of native fish, shellfish, birds, and mammals. The marshes will also result in the reduction of pollution by filtering particulates and excess nutrients from runoff. In addition, the new habitat will protect shorelines from erosion and will help reduce the effects of flooding.

C. Minimum Expenditure

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

2. Performance Schedule

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

Mr. Bob Stokes, President
Galveston Bay Foundation
17234-A Highway 3
Wester, Texas 77598

3. Records and Reporting

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

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

4. Failure to Fully Perform

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

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

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

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

5. Publicity

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

6. Clean Texas Program

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

7. Other SEPs by TCEQ or Other Agencies

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



Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision September 19, 2007

DATES	Assigned	1-Oct-2007	Screening	3-Oct-2007	EPA Due	
	PCW	19-Feb-2008				

RESPONDENT/FACILITY INFORMATION			
Respondent	Sterling Chemicals, Inc.		
Reg. Ent. Ref. No.	RN100212620		
Facility/Site Region	12-Houston	Major/Minor Source	Minor

CASE INFORMATION			
Enf./Case ID No.	34730	No. of Violations	2
Docket No.	2007-1604-IWD-E	Order Type	1660
Media Program(s)	Water Quality	Enf. Coordinator	Thomas Jecha
Multi-Media		EC's Team	EnforcementTeam 3
Admin. Penalty \$	Limit Minimum	\$0	Maximum
			\$10,000

Penalty Calculation Section

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

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

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

Notes

Culpability **Subtotal 4**

Notes

Good Faith Effort to Comply **Subtotal 5**

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

Notes

50% Enhancement* **Subtotal 6**

Total EB Amounts *Capped at the Total EB \$ Amount

Approx. Cost of Compliance

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

OTHER FACTORS AS JUSTICE MAY REQUIRE **Adjustment**

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes

Final Penalty Amount

STATUTORY LIMIT ADJUSTMENT **Final Assessed Penalty**

DEFERRAL **Adjustment**

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

Notes

PAYABLE PENALTY

Screening Date 3-Oct-2007

Docket No. 2007-1604-IWD-E

PCW

Respondent Sterling Chemicals, Inc.

Policy Revision 2 (September 2002)

Case ID No. 34730

PCW Revision September 19, 2007

Reg. Ent. Reference No. RN100212620

Media [Statute] Water Quality

Enf. Coordinator Thomas Jecha

Compliance History Worksheet

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

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written NOVs with same or similar violations as those in the current enforcement action (number of NOVs meeting criteria)	7	35%
	Other written NOVs	22	44%
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)	2	-2%
	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) 75%

>> **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

Enhancement for one NOV with same or similar violations, 22 NOVs with dissimilar violations, and six NOVs for self-reported effluent violations. Credit has been given for two audit letters and one audit violation disclosures.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 75%

Screening Date 3-Oct-2007	Docket No. 2007-1604-IWD-E	PCW
Respondent Sterling Chemicals, Inc.	<small>Policy Revision 2 (September 2002) PCW Revision September 19, 2007</small>	
Case ID No. 34730		
Reg. Ent. Reference No. RN100212620		
Media [Statute] Water Quality		
Enf. Coordinator Thomas Jecha		
Violation Number	1	
Rule Cite(s)	Tex. Water Code § 26.121(a), 30 Tex. Admin. Code § 305.125(1), and TPDES Permit No. WQ0000575000, Effluent Limitations and Monitoring Requirements No. 1.	
Violation Description	Failed to comply with the permitted effluent limits for outfall 002 and prevent unauthorized discharges through outfall 002 during the month of October 2006. See attached table.	
Base Penalty		\$10,000

>> Environmental, Property and Human Health Matrix

OR	Harm				
	Release	Major	Moderate		Minor
	Actual	x			
	Potential			Percent 25%	

>> Programmatic Matrix

	Falsification				
		Major	Moderate		Minor
				Percent 0%	

Matrix Notes
A simplified model was used to evaluate toluene, benzene, ethylbenzene, and styrene to determine whether the discharged amounts of pollutants exceeded levels protective of human health or the environment. Flow was also considered. As a result of these discharges, human health or the environment has been exposed to significant amounts of pollutants which do not exceed protective levels.

Adjustment \$7,500

\$2,500

Violation Events

Number of Violation Events	1		31	Number of violation days
<small>mark only one with an x</small>	daily			Violation Base Penalty \$2,500
	monthly	x		
	quarterly			
	semiannual			
	annual			
	single event			

One monthly event is recommended.

Economic Benefit (EB) for this violation	Statutory Limit Test
Estimated EB Amount \$0	Violation Final Penalty Total \$5,625
This violation Final Assessed Penalty (adjusted for limits) \$5,625	

Economic Benefit Worksheet

Respondent Sterling Chemicals, Inc.
Case ID No. 34730
Reg. Ent. Reference No. RN100212620
Media Water 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
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)				0.0	\$0	n/a	\$0

Notes for DELAYED costs

The economic benefit for this violation is included with the economic benefit for violation no. 2.

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

\$0

TOTAL

\$0

Screening Date 3-Oct-2007

Docket No. 2007-1604-IWD-E

PCW

Respondent Sterling Chemicals, Inc.

Policy Revision 2 (September 2002)

Case ID No. 34730

PCW Revision September 19, 2007

Reg. Ent. Reference No. RN100212620

Media [Statute] Water Quality

Enf. Coordinator Thomas Jecha

Violation Number 2

Rule Cite(s) Tex. Water Code § 26.121(a), 30 Tex. Admin. Code § 305.125(1), and TPDES Permit No. WQ0000575000, Effluent Limitations and Monitoring Requirements No. 1.

Violation Description

Failed to comply with the permitted effluent limits for outfall 002 and prevent unauthorized discharges through outfall 002 during the months of June and July 2006. See attached table.

Base Penalty \$10,000

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

Release	Harm			Percent
	Major	Moderate	Minor	
Actual			X	10%
Potential				

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor	Percent
				0%

Matrix Notes

A simplified model was used to evaluate benzene and ethylbenzene to determine whether the discharged amounts of pollutants exceeded levels protective of human health or the environment. Flow was also considered. As a result of these discharges, human health or the environment has been exposed to insignificant amounts of pollutants which do not exceed protective levels.

Adjustment \$9,000

\$1,000

Violation Events

Number of Violation Events Number of violation days

mark only one with an x

daily	
monthly	
quarterly	X
semiannual	
annual	
single event	

Violation Base Penalty \$1,000

One quarterly event is recommended.

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$314,630

Violation Final Penalty Total \$2,250

This violation Final Assessed Penalty (adjusted for limits) \$2,250

Economic Benefit Worksheet

Respondent Sterling Chemicals, Inc.
Case ID No. 34730
Reg. Ent. Reference No. RN100212620
Media Water Quality
Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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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)	\$2,200,000	19-Jun-2006	28-Apr-2009	2.9	\$314,630	n/a	\$314,630

Notes for DELAYED costs
 The estimated cost for additional oversight and sampling, which could have reduced or alleviated the exceedances and to modify the North Ditch Holding Pond. Date required is the date the noncompliance started and the final date is the estimated 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 \$2,200,000

TOTAL \$314,630

Effluent Limit Violation Table

Respondent: Sterling Chemicals, Inc.
ID Number(s): RN100212620; Enf Id No 34730
Docket Number: 2007-1604-IWD-E
Enf. Coordinator: Thomas Jecha

Corresponds to Violation Number: 1 & 2

EFFLUENT PARAMETER

Month/Year	Toluene (daily max loading)	Toluene (daily max conc)	Benzene (daily max loading)	Benzene (daily avg conc)	Benzene (daily max conc)	Ethylbenzene (daily max loading)	Ethylbenzene (daily avg conc)	Ethylbenzene (daily max conc)	Styrene (daily max conc)	Styrene (daily max loading)
	OUTFALL 002									
permit limit	1804 lbs/dy	3.0 mg/l	270 lbs/dy	0.35 mg/l	0.45 mg/l	1804 lbs/dy	1.0 mg/l	3.0 mg/l	3.0 mg/l	1804 lbs/dy
6/30/2006	c	c	c	c	c	c	c	3.41	c	C
7/31/2006	c	c	c	c	0.724	c	c	3.7	c	C
10/31/2006	2655.9	12.4	2548.8	0.52	11.9	6618.4	1.48	30.9	48.47	10381.7

mg/l = milligrams per liter
 lbs/dy = pounds per day
 c = compliant

Compliance History

Customer/Respondent/Owner-Operator:	CN600126288	Sterling Chemicals, Inc.	Classification: Average	Rating: 1.89
Regulated	RN100212620	STERLING CHEMICALS	Classification: Average	Site Rating: 1.89

ID Number(s):	AIR OPERATING PERMITS	ACCOUNT NUMBER	GB0060B
	AIR OPERATING PERMITS	PERMIT	1400
	AIR OPERATING PERMITS	PERMIT	1936
	AIR OPERATING PERMITS	PERMIT	1937
	AIR OPERATING PERMITS	PERMIT	1938
	AIR OPERATING PERMITS	PERMIT	1939
	WASTEWATER	PERMIT	WQ0000575000
	WASTEWATER	PERMIT	TX0005762
	AIR NEW SOURCE PERMITS	PERMIT	54964
	AIR NEW SOURCE PERMITS	PERMIT	20632
	AIR NEW SOURCE PERMITS	REGISTRATION	76074
	AIR NEW SOURCE PERMITS	PERMIT	56156
	AIR NEW SOURCE PERMITS	REGISTRATION	70352
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	GB0060B
	AIR NEW SOURCE PERMITS	PERMIT	70197
	AIR NEW SOURCE PERMITS	REGISTRATION	70462
	AIR NEW SOURCE PERMITS	PERMIT	70746
	AIR NEW SOURCE PERMITS	REGISTRATION	70651
	AIR NEW SOURCE PERMITS	REGISTRATION	71704
	AIR NEW SOURCE PERMITS	REGISTRATION	72435
	AIR NEW SOURCE PERMITS	REGISTRATION	74140
	AIR NEW SOURCE PERMITS	PERMIT	74291
	AIR NEW SOURCE PERMITS	PERMIT	74288
	AIR NEW SOURCE PERMITS	REGISTRATION	74346
	AIR NEW SOURCE PERMITS	PERMIT	74402
	AIR NEW SOURCE PERMITS	REGISTRATION	75003
	AIR NEW SOURCE PERMITS	REGISTRATION	76978
	AIR NEW SOURCE PERMITS	PERMIT	77088
	AIR NEW SOURCE PERMITS	REGISTRATION	73435
	AIR NEW SOURCE PERMITS	REGISTRATION	78327
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	GB0060B
	AIR NEW SOURCE PERMITS	AFS NUM	4816700010
	AIR NEW SOURCE PERMITS	PERMIT	1272A
	AIR NEW SOURCE PERMITS	PERMIT	3260A
	AIR NEW SOURCE PERMITS	PERMIT	7703A
	AIR NEW SOURCE PERMITS	PERMIT	5260B
	AIR NEW SOURCE PERMITS	PERMIT	18742
	AIR NEW SOURCE PERMITS	PERMIT	19491
	AIR NEW SOURCE PERMITS	PERMIT	22011
	AIR NEW SOURCE PERMITS	PERMIT	23494
	AIR NEW SOURCE PERMITS	PERMIT	23495
	AIR NEW SOURCE PERMITS	PERMIT	24458
	AIR NEW SOURCE PERMITS	PERMIT	32246
	AIR NEW SOURCE PERMITS	PERMIT	34168
	AIR NEW SOURCE PERMITS	PERMIT	35051
	AIR NEW SOURCE PERMITS	PERMIT	40209
	AIR NEW SOURCE PERMITS	PERMIT	40705
	AIR NEW SOURCE PERMITS	PERMIT	40704
	AIR NEW SOURCE PERMITS	PERMIT	40706
	AIR NEW SOURCE PERMITS	PERMIT	45863
	AIR NEW SOURCE PERMITS	PERMIT	46213
	AIR NEW SOURCE PERMITS	PERMIT	48205
	AIR NEW SOURCE PERMITS	PERMIT	49637
	AIR NEW SOURCE PERMITS	PERMIT	49811
	AIR NEW SOURCE PERMITS	REGISTRATION	81021
	UNDERGROUND INJECTION CONTROL	PERMIT	WDW196
	UNDERGROUND INJECTION CONTROL	PERMIT	WDW314
	UNDERGROUND INJECTION CONTROL	PERMIT	WDW91
	UNDERGROUND INJECTION CONTROL	PERMIT	WDW091
	STORMWATER	PERMIT	TXR05N331
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION # (SWR)	30285
	INDUSTRIAL AND HAZARDOUS WASTE	EPA ID	TXD008079527

GENERATION	PERMIT	2642
WATER RIGHTS	REGISTRATION	0840019
PUBLIC WATER SYSTEM/SUPPLY	REGISTRATION	0840019
PUBLIC WATER SYSTEM/SUPPLY	ID NUMBER	50114
INDUSTRIAL AND HAZARDOUS WASTE TRANSPORTATION		
INDUSTRIAL AND HAZARDOUS WASTE COMPLIANCE PLANS	PERMIT	50144
IHW CORRECTIVE ACTION	SOLID WASTE REGISTRATION # (SWR)	30285
INDUSTRIAL AND HAZARDOUS WASTE STORAGE	PERMIT	50144
INDUSTRIAL AND HAZARDOUS WASTE STORAGE	PERMIT	50144

Location: 201 BAY ST S, TEXAS CITY, TX, 77590 Rating Date: 9/1/2007 Repeat Violator: NO

TCEQ Region: REGION 12 - HOUSTON

Date Compliance History Prepared: October 01, 2007

Agency Decision Requiring Compliance: Enforcement

Compliance Period: October 01, 2002 to October 01, 2007

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

Name Thomas Jecha Phone: 512 239 2576

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

See addendum for information regarding federal actions.

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 10/11/2002 (10971)
- 2 10/21/2002 (158284)
- 3 10/23/2002 (8152)
- 4 11/12/2002 (14897)
- 5 11/25/2002 (158286)
- 6 11/25/2002 (158289)
- 7 12/17/2002 (18651)
- 8 12/20/2002 (17225)
- 9 12/30/2002 (158293)
- 10 01/22/2003 (158297)
- 11 02/20/2003 (158260)
- 12 03/21/2003 (158263)
- 13 03/28/2003 (28646)
- 14 03/28/2003 (28650)
- 15 03/28/2003 (28655)
- 16 03/28/2003 (28520)
- 17 03/28/2003 (28508)
- 18 03/28/2003 (28515)
- 19 04/10/2003 (9879)

20	04/16/2003	(295414)
21	05/05/2003	(34885)
22	05/05/2003	(34879)
23	05/05/2003	(34883)
24	05/13/2003	(35337)
25	05/15/2003	(36667)
26	05/22/2003	(295416)
27	06/23/2003	(36042)
28	06/23/2003	(295418)
29	07/22/2003	(295420)
30	08/06/2003	(61845)
31	08/22/2003	(150899)
32	08/25/2003	(295422)
33	08/26/2003	(150779)
34	09/23/2003	(295424)
35	10/17/2003	(249619)
36	10/23/2003	(295426)
37	11/19/2003	(295427)
38	12/08/2003	(255445)
39	12/08/2003	(255451)
40	12/08/2003	(255449)
41	12/19/2003	(295428)
42	01/23/2004	(295429)
43	02/24/2004	(295411)
44	03/04/2004	(256290)
45	03/22/2004	(295413)
46	04/26/2004	(352125)
47	05/14/2004	(352126)
48	05/19/2004	(270630)
49	05/19/2004	(268221)
50	05/19/2004	(268229)
51	05/19/2004	(270622)
52	05/19/2004	(270618)
53	05/19/2004	(268231)
54	06/21/2004	(352127)
55	07/09/2004	(272650)
56	07/23/2004	(261267)
57	08/28/2004	(266411)
58	09/01/2004	(432695)
59	09/21/2004	(352128)
60	09/23/2004	(334837)
61	09/23/2004	(334841)
62	09/23/2004	(334843)
63	10/10/2004	(450819)
64	10/25/2004	(352129)
65	11/19/2004	(339282)
66	11/19/2004	(334614)
67	11/19/2004	(339342)
68	11/19/2004	(339344)
69	11/23/2004	(381858)
70	12/14/2004	(338778)
71	12/27/2004	(352130)
72	01/24/2005	(381859)
73	02/23/2005	(350365)
74	02/23/2005	(350360)
75	02/23/2005	(350370)
76	02/28/2005	(345615)
77	03/16/2005	(334653)
78	03/16/2005	(334428)
79	03/18/2005	(419685)
80	04/25/2005	(377594)
81	04/25/2005	(377592)
82	04/25/2005	(419686)
83	04/25/2005	(377595)

84	05/23/2005	(376641)
85	05/24/2005	(419687)
86	06/22/2005	(419688)
87	07/20/2005	(393049)
88	07/22/2005	(395736)
89	07/22/2005	(395740)
90	07/22/2005	(440824)
91	07/29/2005	(401986)
92	07/29/2005	(401330)
93	07/29/2005	(392519)
94	08/01/2005	(392483)
95	08/05/2005	(403249)
96	08/05/2005	(403877)
97	08/05/2005	(395231)
98	08/10/2005	(395816)
99	08/11/2005	(404867)
100	08/18/2005	(405946)
101	08/18/2005	(405328)
102	08/22/2005	(440825)
103	08/22/2005	(400621)
104	08/24/2005	(403049)
105	08/27/2005	(402527)
106	08/29/2005	(406816)
107	09/09/2005	(418212)
108	09/23/2005	(440826)
109	10/21/2005	(434183)
110	10/21/2005	(434173)
111	10/21/2005	(434179)
112	10/24/2005	(468416)
113	11/22/2005	(468417)
114	12/20/2005	(468418)
115	12/27/2005	(437118)
116	01/23/2006	(468419)
117	02/14/2006	(452444)
118	02/14/2006	(452448)
119	02/14/2006	(452453)
120	02/22/2006	(468414)
121	03/07/2006	(457921)
122	03/16/2006	(456575)
123	03/23/2006	(468415)
124	04/20/2006	(498181)
125	04/27/2006	(461274)
126	05/08/2006	(508615)
127	05/17/2006	(463223)
128	05/18/2006	(457924)
129	05/19/2006	(498182)
130	05/24/2006	(464648)
131	05/24/2006	(459892)
132	06/20/2006	(498183)
133	06/28/2006	(483438)
134	07/21/2006	(520189)
135	08/21/2006	(520190)
136	08/29/2006	(490100)
137	08/29/2006	(487912)
138	08/29/2006	(497387)
139	08/29/2006	(497397)
140	08/29/2006	(497410)
141	08/29/2006	(508752)
142	08/31/2006	(490103)
143	09/01/2006	(486150)
144	09/20/2006	(520191)
145	09/27/2006	(513641)
146	10/04/2006	(512695)
147	10/20/2006	(544490)

148	11/20/2006	(544491)
149	11/21/2006	(519106)
150	11/21/2006	(518956)
151	11/21/2006	(519091)
152	11/21/2006	(518961)
153	11/21/2006	(519101)
154	11/21/2006	(518948)
155	12/07/2006	(516315)
156	12/20/2006	(544492)
157	01/22/2007	(575282)
158	02/02/2007	(535793)
159	02/02/2007	(538425)
160	02/02/2007	(535796)
161	02/02/2007	(535772)
162	02/02/2007	(535781)
163	02/15/2007	(544488)
164	02/15/2007	(544489)
165	04/12/2007	(541729)
166	04/18/2007	(575278)
167	04/25/2007	(555821)
168	04/25/2007	(541740)
169	04/25/2007	(555829)
170	04/25/2007	(541745)
171	04/25/2007	(555827)
172	05/09/2007	(556135)
173	05/09/2007	(554606)
174	05/18/2007	(575279)
175	05/30/2007	(556494)
176	06/18/2007	(575280)
177	06/26/2007	(558187)
178	07/11/2007	(560876)
179	07/18/2007	(575281)
180	08/17/2007	(572593)
181	08/17/2007	(572594)
182	08/20/2007	(572689)
183	08/20/2007	(572863)
184	08/27/2007	(568081)
185	08/27/2007	(573033)
186	08/29/2007	(572678)
187	09/28/2007	(564208)
188	09/28/2007	(564366)
189	09/28/2007	(570555)

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

Date	10/21/2002	(158286)		
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	12/23/2002	(17225)		
Self Report?	NO		Classification	Moderate
Citation:	30 TAC Chapter 101, SubChapter A 101.20(2) 30 TAC Chapter 116, SubChapter B 116.115(c)			
Description:	Failure to submit 40 CFR 63, subpart H reports to the TCEQ regional office.			
Date	04/10/2003	(9879)		
Self Report?	NO		Classification	Moderate
Citation:	30 TAC Chapter 111, SubChapter A 111.111(a)(4)(A)(ii)			
Description:	Failure to record the flare (EPN: 50Z501) observations for 26 days in the year 2002 (>2%).			
Self Report?	NO		Classification	Moderate
Citation:	30 TAC Chapter 115, SubChapter B 115.112(a)(2)(A) 40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.119(b)(6)			
Description:	Failure to maintain the internal manway rim in closed position for the IFR tank with EPN 50T101-4.			
Self Report?	NO		Classification	Moderate

Citation:	40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.123(c)		
Description:	Failure to maintain the visual inspection records of IFR tanks 50T101-1 and 50T101-2.		
Date	07/23/2004	(261267)	
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 TCEQ Air Permit #1272A, SC #1		
Description:	Exceeded permit emissions limit during an avoidable emissions event.		
Date	08/28/2004	(266411)	
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 TCEQ Air Permit #19491, SC #1		
Description:	Exceeded benzene permit limit.		
Date	11/30/2004	(352130)	
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	12/14/2004	(338778)	
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:	PA TCEQ Air Permit #19491, SC#1		
Description:	The regulated entity failed to maintain the desired tank fill rate which resulted in unauthorized emissions of swing storage tank (EPN: 14T20).		
Date	02/28/2005	(345615)	
Self Report?	NO		Classification Minor
Citation:	30 TAC Chapter 122, SubChapter A 122.10(1)(A)		
Description:	Sterling Chemicals facility is in violation of 30 TAC § 122.210 (a), which specifies that that the permit holder shall submit an application to the executive director for a revision to a permit for those activities at a site which change, add, or remove one or more permit terms or conditions.		
Date	06/01/2005	(392519)	
Self Report?	NO		Classification Moderate
Citation:	30 TAC Chapter 335, SubChapter F 335.152(a)(3) 40 CFR Chapter 264, SubChapter I, PT 264, SubPT D 264.52(d)		
Rqmt Prov:	PERMIT II.C.1.k. PERMIT II.C.2.c.		
Description:	Failure to have an up-to-date prioritized list of personnel qualified as emergency coordinators in the facility contingency plan.		
Date	07/29/2005	(392519)	
Self Report?	NO		Classification Moderate
Citation:	30 TAC Chapter 335, SubChapter C 335.69(a)(1)(B) 40 CFR Chapter 262, SubChapter I, PT 262, SubPT C 262.34(a)(1)(ii) 40 CFR Chapter 265, SubChapter I, PT 265, SubPT J 265.192[G]		
Description:	Failure to obtain a written assessment reviewed and certified by an independent, qualified, registered professional engineer for the Lab Waste Tank (NOR 070) when it was replaced in 1998.		
Date	08/30/2005	(402527)	
Self Report?	NO		Classification Major
Citation:	30 TAC Chapter 116, SubChapter B 116.110(a)[G]		
Description:	During the investigation on July 28, 2005, it was documented that the Regulated Entity had unauthorized emissions caused by the overfilling of a styrene railcar on June 24, 2004 and on January 18, 2005.		
Self Report?	NO		Classification Major
Citation:	30 TAC Chapter 116, SubChapter B 116.110(a)(4)		
Description:	During the investigation on July 28, 2005, it was documented that the facility to submit a PI-7 form and register for a Permit by Rule for emissions from units 954H1-1, 954H1-2 and 954H1-3.		
Date	12/27/2005	(437118)	
Self Report?	NO		Classification Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(4) 30 TAC Chapter 305, SubChapter F 305.125(5) TWC Chapter 26 26.121 TWC Chapter 26 26.121(a)(1)		

	TWC Chapter 26 26.121(a)(2)		
	TWC Chapter 26 26.121(a)(3)		
	TWC Chapter 26 26.121(a)[G]		
	TWC Chapter 26 26.121(b)		
	TWC Chapter 26 26.121(c)		
	TWC Chapter 26 26.121(d)		
	TWC Chapter 26 26.121(e)		
	TWC Chapter 26 26.121[G]		
Description:	Failure to prevent the unauthorized discharge (UD) of partially treated process water into Galveston Bay.	Classification	Minor
Self Report?	NO		
Citation:	30 TAC Chapter 319, SubChapter A 319.6 30 TAC Chapter 319, SubChapter A 319.9(c)		
Description:	Failure to perform the required Quality Assurance/Quality Control (QA/QC) for the free available chlorine analyses.		
Date	03/16/2006 (456575)		
Self Report?	NO	Classification	Moderate
Citation:	30 TAC Chapter 116, SubChapter B 116.115(c)		
Rqmt Prov:	5C THC Chapter 382, SubChapter A 382.085(b)		
Description:	PERMIT TCEQ Permit #19491, SC #1 Sterling Chemicals failed to maintain a check valve.		
Date	04/25/2006 (461274)		
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 19491 SC#1		
Description:	Sterling Chemical failed to prevent an avoidable emission event.		
Self Report?	NO	Classification	Minor
Citation:	30 TAC Chapter 101, SubChapter F 101.201(b)(1)(H)		
Description:	Failure to include permit number on final report.		
Date	05/08/2006 (508615)		
Self Report?	NO	Classification	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) 30 TAC Chapter 305, SubChapter F 305.125(17)		
Description:	NON-RPT VIOS FOR MONIT PER OR PIPE		
Date	06/30/2006 (520189)		
Self Report?	YES	Classification	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1)		
Description:	TWC Chapter 26 26.121(a)[G] Failure to meet the limit for one or more permit parameter		
Date	07/31/2006 (520190)		
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	08/29/2006 (490100)		
Self Report?	NO	Classification	Moderate
Citation:	30 TAC Chapter 122, SubChapter B 122.145(2)(A)		
Description:	Failure to report deviations.		
Self Report?	NO	Classification	Moderate
Citation:	30 TAC Chapter 117, SubChapter B 117.206(i)		
Description:	Failure to perform diesel engine maintenance during authorized time periods		
Self Report?	NO	Classification	Moderate
Citation:	30 TAC Chapter 117, SubChapter B 117.219(f)(6)(B)		
Description:	Failure to maintain monthly operating records for diesel engines.		
Self Report?	NO	Classification	Moderate
Citation:	30 TAC Chapter 117, SubChapter B 117.219(f)(10)		
Description:	Failure to maintain records of maintenance and testing for diesel engines		
Self Report?	NO	Classification	Moderate
Citation:	30 TAC Chapter 122, SubChapter B 122.132(e)(1)		
Description:	Failure to include all emissions units in a permit		
Self Report?	NO	Classification	Moderate
Citation:	30 TAC Chapter 115, SubChapter D 115.352(4) 30 TAC Chapter 116, SubChapter B 116.115(c) 40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.167(a)(1)		
Description:	Discovery of open-ended lines.		
Self Report?	NO	Classification	Moderate

Citation:	40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.345(a)(1)(I)		
Description:	Failure to verify the design of benzene waste storage containers.		
Date	08/29/2006	(487912)	
Self Report?	NO		Classification Minor
Citation:	30 TAC Chapter 117, SubChapter B 117.219(f)(6)(A)		
Description:	failed to record start and stop time as required		
Self Report?	NO		Classification Minor
Citation:	30 TAC Chapter 117, SubChapter B 117.219(f)(10)		
Description:	failed to maintain engine records		
Self Report?	NO		Classification Moderate
Citation:	30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)		
Description:	30 TAC Chapter 122, SubChapter B 122.145(2)(A)		
Self Report?	NO		Classification Moderate
Citation:	30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)		
Description:	30 TAC Chapter 122, SubChapter B 122.145(2)(A)		
Self Report?	NO		Classification Moderate
Citation:	30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)		
Description:	failed to report a deviation		
Self Report?	NO		Classification Minor
Citation:	30 TAC Chapter 116, SubChapter B 116.115(c)		
Description:	40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.167(a)(1)		
Rqmt Prov:	PERMIT TCEQ Air Permit #5260B, SC 3		
Self Report?	NO		Classification Moderate
Citation:	30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)		
Description:	30 TAC Chapter 122, SubChapter B 122.145(2)(A)		
Self Report?	NO		Classification Moderate
Citation:	40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.120(a)(5)		
Description:	failed to give 30-day notice following tank degassing		
Date	08/29/2006	(508752)	
Self Report?	NO		Classification Moderate
Citation:	40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.167(a)(1)		
Description:	Each open-ended valve or line shall be equipped with a cap, blind flange, plug, or a second valve.		
Self Report?	NO		Classification Minor
Citation:	40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.120(b)(9)		
Description:	The owner or operator shall notify the Administrator in writing 30 calendar days in advance of any gap measurements.		
Self Report?	NO		Classification Minor
Citation:	30 TAC Chapter 115, SubChapter B 115.114(a)(1)		
Description:	If a failure cannot be repaired within 60 days and if the storage tank cannot be emptied within 60 days, the owner or operator may submit written requests for up to two extensions of up to 30 additional days each to the appropriate regional office.		
Date	08/31/2006	(490103)	
Self Report?	NO		Classification Moderate
Citation:	30 TAC Chapter 115, SubChapter D 115.352(4)		
Description:	30 TAC Chapter 116, SubChapter B 116.115(c)		
Rqmt Prov:	40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.167(a)(1)		
Description:	PERMIT Special Condition 18E		
Date	10/31/2006	(544491)	
Self Report?	YES		Classification Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1)		
Description:	TWC Chapter 26 26.121(a)[G]		
Date	02/02/2007	(535796)	
Self Report?	NO		Classification Minor
Citation:	30 TAC Chapter 331, SubChapter D 331.63(d)		
Rqmt Prov:	PERMIT WDW-314 Permit Provision VII.G.		
Description:	Failure to maintain the minimum annulus pressure differential for many dates in the past three years.		
Date	02/02/2007	(535793)	

Self Report?	NO	Classification	Minor
Citation:	30 TAC Chapter 331, SubChapter D 331.63(d)		
Rqmt Prov:	PERMIT WDW-196 Permit Provision VII.E.		
Description:	Failure to maintain the minimum annulus pressure differential for many dates in the past three years.		
Date	02/02/2007	(535781)	
Self Report?	NO	Classification	Minor
Citation:	30 TAC Chapter 331, SubChapter D 331.63(d)		
Rqmt Prov:	PERMIT WDW-091 Permit Provision VII.E.		
Description:	Failure to maintain the minimum annulus pressure differential for many dates in the past three years.		
Date	05/30/2007	(556494)	
Self Report?	NO	Classification	Minor
Citation:	30 TAC Chapter 115, SubChapter H 115.725(d)(4)		
Description:	During the investigation on April 9, 2007, it was determined that Sterling Chemicals, Inc. failed to perform manual sampling within 10 hours of the initial on-line analyzer malfunction.		
Self Report?	NO	Classification	Minor
Citation:	30 TAC Chapter 122, SubChapter B 122.145(2)(A)		
Description:	During the investigation on April 9, 2007, it was determined that Sterling Chemicals, Inc. failed to report a deviation.		
Self Report?	NO	Classification	Minor
Citation:	30 TAC Chapter 115, SubChapter H 115.725(c)(3)(D)		
Description:	During the investigation on April 9, 2007, it was determined that Sterling Chemicals, Inc. failed to perform quarterly inspections of all pressure relief valves and associated monitors.		
Self Report?	NO	Classification	Minor
Citation:	30 TAC Chapter 117, SubChapter B 117.219(d)(3)		
Description:	During the investigation on April 9, 2007, it was determined that Sterling Chemicals, Inc. failed to report NOx control and CEMS changes in the Chapter 117 RACT report.		
Self Report?	NO	Classification	Minor
Citation:	40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.152(c)(1)		
Description:	During the investigation on April 9, 2007, it was determined that Sterling Chemicals, Inc. failed to submit the HON Subpart H Semi-annual report within 60 calendar days after the end of the 6 month period.		
Self Report?	NO	Classification	Minor
Citation:	40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.167(a)(1)		
Description:	During the investigation on April 9, 2007, it was determined that Sterling Chemicals, Inc. found a total of 12 open-ended lines.		
Date	08/27/2007	(568081)	
Self Report?	NO	Classification	Minor
Citation:	30 TAC Chapter 115, SubChapter H 115.725(d)(4)		
Description:	During the investigation on April 9, 2007, it was determined that Sterling Chemicals, Inc. failed to perform manual sampling within 10 hours of the initial on-line analyzer malfunction.		
Self Report?	NO	Classification	Minor
Citation:	30 TAC Chapter 122, SubChapter B 122.145(2)(A)		
Description:	During the investigation on April 9, 2007, it was determined that Sterling Chemicals, Inc. failed to report a deviation.		
Self Report?	NO	Classification	Minor
Citation:	30 TAC Chapter 115, SubChapter H 115.725(c)(3)(D)		
Description:	During the investigation on April 9, 2007, it was determined that Sterling Chemicals, Inc. failed to perform quarterly inspections of all pressure relief valves and associated monitors.		
Self Report?	NO	Classification	Minor
Citation:	30 TAC Chapter 117, SubChapter B 117.219(d)(3)		
Description:	During the investigation on April 9, 2007, it was determined that Sterling Chemicals, Inc. failed to report NOx control and CEMS changes in the Chapter 117 RACT report.		
Self Report?	NO	Classification	Minor
Citation:	40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.152(c)(1)		
Description:	During the investigation on April 9, 2007, it was determined that Sterling Chemicals, Inc. failed to submit the HON Subpart H Semi-annual report within 60 calendar days after the end of the 6 month period.		
Self Report?	NO	Classification	Minor
Citation:	40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.167(a)(1)		
Description:	During the investigation on April 9, 2007, it was determined that Sterling Chemicals, Inc.		

found a total of 12 open-ended lines.
(572678)

Date 08/29/2007

Self Report? NO

Classification Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
30 TAC Chapter 122, SubChapter B 122.145(2)(C)
5C THC Chapter 382, SubChapter D 382.085(b)

Rqmt Prov: OP O-01939 General Terms and Conditions

Description: Failure to submit both semiannual deviation reports within 30 days of the end of the deviation reporting period.

Self Report? NO

Classification Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
30 TAC Chapter 122, SubChapter B 122.146(2)
5C THC Chapter 382, SubChapter D 382.085(b)

Rqmt Prov: OP O-01939 General Terms and Conditions

Description: Failure to submit the permit compliance certification within 30 days of the end of the reporting period.

Dat 07/31/2007

Self Report? YES

Classification: Moderate

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

F. Environmental audit

Notice of Intent Date: 04/25/2003 (35874)
Disclosure Date: 07/03/2003

Viol. Classification: Major

Citation: 30 TAC Chapter 116, SubChapter B

Description: Failure to obtain a permit
Notice of Intent Date: 07/05/2006 (488429)

No DOV Associated

G. Type of environmental management systems (EMSs).

N/A

H. Voluntary on-site compliance assessment dates.

N/A

I. Participation in a voluntary pollution reduction program.

N/A

J. Early compliance.

N/A

Sites Outside of Texas

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING STERLING
CHEMICALS, INC.
RN100212620**

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**BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY**

AGREED ORDER DOCKET NO. 2007-1604-IWD-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 Sterling Chemicals, Inc. ("the Respondent") under the authority of TEX. WATER CODE chs. 7 and 26. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent appear before the Commission and together stipulate that:

1. The Respondent owns and operates a chemical manufacturing plant located at 201 Bay Street South, Texas City, Galveston County, Texas (the "Facility").
2. The Respondent has discharged industrial waste into or adjacent to any water in the state under TEX. WATER CODE ch. 26.
3. The Commission and the Respondent agree that the Commission has jurisdiction to enter this Agreed Order, and that the Respondent is subject to the Commission's jurisdiction.
4. The Respondent received notice of the violations alleged in Section II ("Allegations") on or about October 3, 2007.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
6. An administrative penalty in the amount of Seven Thousand Eight Hundred Seventy-Five Dollars (\$7,875) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Three Thousand One Hundred Fifty Dollars (\$3,150)

of the administrative penalty and One Thousand Five Hundred Seventy-Five Dollars (\$1,575) is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If the Respondent fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require the Respondent to pay all or part of the deferred penalty. Three Thousand One Hundred Fifty Dollars (\$3,150) shall be conditionally offset by the Respondent's completion of a Supplemental Environmental Project.

7. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
8. The Executive Director of the TCEQ and the Respondent have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.
9. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
10. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
11. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

II. ALLEGATIONS

As owner and operator of the Facility, the Respondent is alleged to have:

1. Failed to comply with the permitted effluent limits for outfall 002, in violation of TEX. WATER CODE § 26.121(a), 30 TEX. ADMIN. CODE § 305.125(1), and Texas Pollutant Discharge Elimination System ("TPDES") Permit No. WQ0000575000, Effluent Limitations and Monitoring Requirements No. 1, as documented during an inspection conducted on July 25, 2007 and shown in the table below.

	Toluene (daily max loading)	Toluene (daily max conc)	Benzene (daily max loading)	Benzene (daily avg conc)	Benzene (daily max conc)	Ethyl benzene (daily max loading)	Ethyl benzene (daily avg conc)	Ethyl benzene (daily max conc)	Styrene (daily max conc)	Styrene (daily max loading)
OUTFALL 002										
Month/Year	1,804 lbs/dy	3.0 mg/l	270 lbs/dy	0.35 mg/l	0.45 mg/l	1,804 lbs/dy	1.0 mg/l	3.0 mg/l	3.0 mg/l	1,804 lbs/dy
permit limit										
6/30/2006	c	c	c	c	c	c	c	3.41	c	C
7/31/2006	c	c	c	c	0.724	c	c	3.7	c	C
10/31/2006	2655.9	12.4	2548.8	0.52	11.9	6618.4	1.48	30.9	48.47	1,0381.7
c = compliant liter mg/l = milligrams per liter conc = concentration lbs/dy = pounds per day										

2. Failed to prevent the unauthorized discharge of partially treated process wastewater to any water in the state, in violation of TEX. WATER CODE § 26.121(a), as documented during an inspection conducted on July 25, 2007. Specifically, unauthorized discharges through outfall 002 of process wastewater commingled with utility wastewaters and storm water runoff occurred during heavy rainfall events on June 19, July 6, October 16, and October 27, 2006.

III. DENIALS

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

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that the Respondent pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations, which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Sterling Chemicals, Inc., Docket No. 2007-1604-IWD-E" to:

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

2. The Respondent shall implement and complete a Supplemental Environmental Project ("SEP") in accordance with TEX. WATER CODE § 7.067. As set forth in Section I, Paragraph 6 above, Three Thousand One Hundred Fifty Dollars (\$3,150) of the assessed administrative penalty shall be offset with the condition that the Respondent implement the SEP defined in Attachment A, incorporated herein by reference. The Respondent's obligation to pay the conditionally offset portion of the administrative penalty assessed shall be discharged upon final completion of all provisions of the SEP agreement.
3. It is further ordered that the Respondent shall undertake the following technical requirements:
 - a. Within 60 days after the effective date of this Agreed Order, achieve compliance with the permitted effluent limits contained in TPDES Permit No. WQ0000575000 and submit written certification as described below. The certification shall include detailed supporting documentation to demonstrate compliance.

The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

"I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that

qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations."

The certification shall be submitted to:

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

with a copy to:

Manager, Water Section
Houston Regional Office
Texas Commission on Environmental Quality
5425 Polk Street, Suite H
Houston, Texas 77023-1452

- b. Within 365 days after the effective date of this Agreed Order, complete construction to remove process wastewater from the North Ditch Holding Pond to meet existing discharge limits and/or initiate modifications to TPDES Permit No. WQ0000575000 to authorize the discharge of process wastewater at Outfall 002 under specified circumstances and submit written certification as described above in Ordering Provision No. 3.a.
4. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Facility operations referenced in this Agreed Order.
5. If the Respondent fails to comply with any of the Ordering Provisions in this Agreed Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, the Respondent's failure to comply is not a violation of this Agreed Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
6. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.

7. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
8. This agreement may be executed in multiple counterparts, which together shall constitute a single original instrument. Any executed signature page to this Agreement may be transmitted by facsimile transmission to the other parties, which shall constitute an original signature for all purposes.
9. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to the Respondent, or three days after the date on which the Commission mails notice of the Order to the Respondent, whichever is earlier. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

John Sredlein
For the Executive Director

3/21/2008
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, if any, 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 my failure to comply with the Ordering Provisions, if any, in this order and/or my failure to timely pay the penalty amount, may result in:

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

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

R.K. Crump
Signature

3/04/08
Date

RICHARD K. CRUMP
Name (Printed or typed)
Authorized Representative of
Sterling Chemicals, Inc.

PRESIDENT ; CEO
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.

3/1/14
Bismarck, N.D.

3/1/14
Bismarck, N.D.

Attachment A
Docket Number: 2007-1604-IWD-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent: Sterling Chemicals, Inc.
Payable Penalty Amount: Six Thousand Three Hundred Dollars (\$6,300)
SEP Amount: Three Thousand One Hundred Fifty Dollars (\$3,150)
Type of SEP: Pre-approved
Third-Party Recipient: Galveston Bay Foundation-“Marsh Mania”
Location of SEP: Galveston County

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

1. Project Description

A. Project

The Respondent will contribute to Galveston Bay Foundation “Marsh Mania” in Galveston County. The contribution will be used in accordance with the *Supplemental Environmental Project Agreement between the Galveston Bay Foundation and the Texas Commission on Environmental Quality*. SEP monies will be used to restore shoreline elevations, growing plants for shoreline restoration, and planting new habitat. Historic subsidence and erosion have resulted in shoreline elevations which are too low to support vegetation. This project will seek to raise elevations by scraping and terracing. Scraping involves the use of earthmoving equipment to grade an eroded, bluff-like shoreline so that it slopes gradually towards the water resulting in the ability of plant growth. Terracing uses earthmoving equipment to create small levees by burrowing and stacking sediment in shallow water. The high elevation can then be planted with emergent vegetation. SEP monies will be used to pay for the direct costs of the implementation of the project, including material, equipment, and labor costs.

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

B. Environmental Benefit

This SEP will provide a discernible environmental benefit by providing food and shelter for a variety of native fish, shellfish, birds, and mammals. The marshes will also result in the reduction of pollution by filtering particulates and excess nutrients from runoff. In addition, the new habitat will protect shorelines from erosion and will help reduce the effects of flooding.

C. Minimum Expenditure

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

2. Performance Schedule

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

Mr. Bob Stokes, President
Galveston Bay Foundation
17234-A Highway 3
Wester, Texas 77598

3. Records and Reporting

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

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

4. Failure to Fully Perform

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

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

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

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

5. Publicity

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

6. Clean Texas Program

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

7. Other SEPs by TCEQ or Other Agencies

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

