

**EXECUTIVE SUMMARY - ENFORCEMENT MATTER** Page 1 of 6  
**DOCKET NO.:** 2007-1188-AIR-E **TCEQ ID:** RN100216159 **CASE NO.:** 34300  
**RESPONDENT NAME:** Equistar Chemicals, LP

<b>ORDER TYPE:</b>		
<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	
<b>CASE TYPE:</b>		
<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><b>SITE WHERE VIOLATION(S) OCCURRED:</b> Equistar Matagorda Plant, State Highway 60, 13 miles south of Bay City, Matagorda County</p> <p><b>TYPE OF OPERATION:</b> Polyethylene manufacturing plant</p> <p><b>SMALL BUSINESS:</b>    <input type="checkbox"/> Yes    <input checked="" type="checkbox"/> No</p> <p><b>OTHER SIGNIFICANT MATTERS:</b> There are no complaints. There is no record of additional pending enforcement actions regarding this facility location.</p> <p><b>INTERESTED PARTIES:</b> No one other than the ED and the Respondent has expressed an interest in this matter.</p> <p><b>COMMENTS RECEIVED:</b> The <i>Texas Register</i> comment period expired on April 28, 2008. No comments were received.</p> <p><b>CONTACTS AND MAILING LIST:</b>  <b>TCEQ Attorney/SEP Coordinator:</b> Ms. Melissa Keller, SEP Coordinator, Enforcement Division, MC 219, (512) 239-1768  <b>TCEQ Enforcement Coordinator:</b> Ms. Nadia Hameed, Enforcement Division, Enforcement Team 5, MC R-01, (713) 422-8938;  Mr. Bryan Sinclair, Enforcement Division, MC 219, (512) 239-2171  <b>Respondent:</b> Mr. Michael VanDerSnick, Plant Manager, Equistar Chemicals, LP, P.O. Box 2100, Bay City, Texas 77414  <b>Respondent's Attorney:</b> Not represented by counsel on this enforcement matter</p>		

**VIOLATION SUMMARY CHART:**

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p><b>Type of Investigation:</b>  <input type="checkbox"/> Complaint  <input checked="" type="checkbox"/> Routine  <input type="checkbox"/> Enforcement Follow-up  <input type="checkbox"/> Records Review</p> <p><b>Date(s) of Complaints Relating to this Case:</b> None</p> <p><b>Date of Investigation Relating to this Case:</b> March 24 to April 3, 2007</p> <p><b>Date of NOV/NOE Relating to this Case:</b> June 4, 2007 (NOE)</p> <p><b>Background Facts:</b> This was a routine investigation.</p> <p><b>AIR</b></p> <p>1) Failure to seal open-ended lines in Volatile Organic Compound ("VOC") service, as reported in the July 21, 2006 and January 29, 2007 deviation reports. Specifically, 20 open-ended lines were in VOC service during the time period of January 18, 2006 to November 27, 2006 [30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4); Air Permit No. 18836, Special Condition No. 17.E.; Federal Operating Permit No. O-01635, Special Condition Nos. 1.A. and 7; 40 CODE OF FEDERAL REGULATIONS §§ 60.482-6(a)(1) and 60.562-2(a); and TEX. HEALTH &amp; SAFETY CODE § 382.085(b)].</p> <p>2) Failure to perform quarterly monitoring on connectors in VOC service, as reported in the July 21, 2006 and January 29, 2007 deviation reports. Specifically, six connectors on the process vessel V-521 level bridle were not monitored during the first quarter of 2006, and two connections on Line 2, 2R-231-A were not monitored during the third quarter of 2006 [ 30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4); Air Permit No. 18836, Special Condition No. 18.B(1); Federal Operating Permit No. O-01635, Special Condition No. 7; and TEX. HEALTH &amp; SAFETY CODE § 382.085(b)].</p> <p>3) Failure to perform quarterly monitoring on valves in VOC service, as reported in</p>	<p><b>Total Assessed:</b> \$51,984</p> <p><b>Total Deferred:</b> \$10,396  <input checked="" type="checkbox"/> Expedited Settlement  <input type="checkbox"/> Financial Inability to Pay</p> <p><b>SEP Conditional Offset:</b> \$20,794</p> <p><b>Total Paid to General Revenue:</b> \$20,794</p> <p><b>Site Compliance History Classification</b>  <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p><b>Person Compliance History Classification</b>  <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p><b>Major Source:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><b>Applicable Penalty Policy:</b> September 2002</p>	<p><b>Corrective Actions Taken:</b></p> <p>The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Plant:</p> <p>a. As indicated in the July 21, 2006 and January 29, 2007 deviation reports, open-ended lines were capped, plugged, or double-blocked upon discovery, the importance of plugging open-ended lines was discussed with all operators and pilot plant technicians during shift meetings and operation work place meetings, and a program was initiated to identify equipment when caps, plugs, or blinds are removed for maintenance;</p> <p>b. As indicated in the January 29, 2007 deviation report, six connectors on the process vessel V-521 level bridle were monitored on June 13, 2006, entered into the database, and are now being monitored at the required frequency. Additionally, two connections on Line 2, 2R-231-A were tagged, monitored and entered into the database on November 6, 2006;</p> <p>c. As indicated in the July 21, 2006 and January 29, 2007 deviation reports, three valves on the process vessel V-521 level bridle were monitored on June 13, 2006, entered into the database, and are now being monitored at the required frequency. Additionally, seven valves on Line 2, 2R-231-A were tagged, monitored, and entered into the database on November 6, 2006, and one valve in the 200 area of Line 3 was retagged, entered into the database, and monitored on December 11, 2006;</p> <p>d. As indicated in the July 21, 2006 deviation report, four valves that were not monitored in February 2006 as required were identified and now meet the monitoring frequency requirements of 40 CODE OF FEDERAL REGULATIONS ch. 60 Subpart VV;</p> <p>e. As indicated in the January 29, 2007 deviation report, a valve in VOC service that was not re-monitored within 15 days of being replaced was re-monitored on</p>

<p>the July 21, 2006 and January 29, 2007 deviation reports. Specifically, three valves on the process vessel V-521 level bridle were not monitored during the first quarter of 2006, and seven valves on Line 2, 2R-231-A and one valve in the 200 area of Line 3 were not monitored during the third quarter of 2006 [30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4); Air Permit No. 18836, Special Condition No. 17.F.; Federal Operating Permit No. O-01635, Special Condition Nos. 1.A. and 7; 40 CODE OF FEDERAL REGULATIONS §§ 60.482-7(a) and 60.562-2(a); and TEX. HEALTH &amp; SAFETY CODE § 382.085(b)].</p> <p>4) Failure to monitor valves in VOC service for two consecutive months after installation, as reported in the July 21, 2006 deviation report. Specifically, four valves were installed and monitored in January and March 2006, but were not monitored in February 2006 [30 TEX. ADMIN. CODE § 122.143(4); Federal Operating Permit No. O-01635, Special Condition No. 1.A.; 40 CODE OF FEDERAL REGULATIONS §§ 60.482-7(a) and 60.562-2(a); and TEX. HEALTH &amp; SAFETY CODE § 382.085(b)].</p> <p>5) Failure to re-monitor a valve in VOC service within 15 days of being replaced, as reported in the January 29, 2007 deviation report. Specifically, the valve was replaced on July 19, 2006, but was not re-monitored until August 22, 2006 [30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4); Air Permit No. 18836, Special Condition No. 17.F.; Federal Operating Permit No. O-01635, Special Condition Nos. 1.A. and 7; 40 CODE OF FEDERAL REGULATIONS §§ 60.482-7(d)(1) and 60.562-2(a); and TEX. HEALTH &amp; SAFETY CODE § 382.085(b)].</p> <p>6) Failure to re-monitor two valves leaking more than 10,000 parts per million for two consecutive leak-free months, as reported in the July 21, 2006 deviation report. Specifically, the two valves were placed on Delay of Repair in December 2005 and were re-monitored in February 2006, but not in January 2006 [30 TEX. ADMIN. CODE § 122.143(4); Federal Operating Permit No. O-01635, Special Condition No. 1.A.; 40 CODE OF FEDERAL REGULATIONS §§ 60.482-7(c)(2) and 60.562-2(a); and TEX. HEALTH &amp; SAFETY CODE § 382.085(b)].</p> <p>7) Failure to repair one valve in VOC service by the end of the next unit</p>		<p>August 22, 2006, and extensive training was conducted with operations technicians on follow-up monitoring requirements on new, reworked, or replaced notification process;</p> <p>f. As indicated in the July 21, 2006 deviation report, policies and procedures were implemented to ensure that valves found to be leaking in excess of 10,000 parts per million are monitored for two successive leak-free months;</p> <p>g. As indicated in the July 21, 2006 deviation report, a valve on Delay of Repair on filter 3F-201C was repaired on February 9, 2006 during the next unit shutdown, and the Production Maintenance Coordinator, who schedules all maintenance jobs, will scan for outstanding Delay of Repairs while the equipment is down to ensure no Delay of Repairs are missed;</p> <p>h. As indicated in the July 21, 2006 deviation report, the PSV downstream of rupture disc RD-302 was re-monitored on March 30, 2006;</p> <p>i. As indicated in the July 21, 2006 and January 29, 2007 deviation reports, guidelines were revised, current flare operation guidelines were reviewed, new procedures were written, tuning changes were made to the flare velocity, solenoid valves were cleaned and placed back into service, and personnel training was conducted to prevent the flare exit velocity from exceeding 10 fps while the BTU value is less than 500;</p> <p>j. As indicated in the July 21, 2006 deviation report, programming changes were made to the flare BTU controller to prevent the flare tip velocity from exceeding 60 fps;</p> <p>k. As indicated in the January 29, 2007 deviation report, current flare operation guidelines were reviewed, new procedures were written, tuning changes were made to the flare velocity, the signal from HS-765 was replaced by limit switches ZSC-765 and ZSO-765, and personnel training was conducted to ensure the flare BTU value is maintained above 400;</p> <p>l. As indicated in the January 29, 2007 deviation report, tuning changes were made to the flare velocity, the signal from HS-765 was replaced by limit switches ZSC-765 and ZSO-765 to ensure the flare</p>
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<p>shutdown, as reported in the July 21, 2006 deviation report. Specifically, a valve on Delay of Repair on filter 3F-201C was to be repaired when Production Line 3 was shutdown on January 19, 2006, but was not repaired until February 9, 2006 during the next unit shutdown. The Respondent reported the total amount of emissions from discovery to repair was 7.9 pounds ("lbs") of VOCs [30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4); Air Permit No. 18836, Special Condition No. 17.I.; Federal Operating Permit No. O-01635, Special Condition Nos. 1.A. and 7; 40 CODE OF FEDERAL REGULATIONS §§ 60.482-9(a) and 60.562-2(a); and TEX. HEALTH &amp; SAFETY CODE § 382.085(b)].</p> <p>8) Failure to re-monitor the pressure safety valve ("PSV") downstream of rupture disc RD-302 within five days after pressure release, as reported in the July 21, 2006 deviation report. Specifically, the PSV pressure release occurred on March 10, 2006, but was not re-monitored until March 30, 2006 [30 TEX. ADMIN. CODE § 122.143(4); Federal Operating Permit No. O-01635, Special Condition No. 1.A.; 40 CODE OF FEDERAL REGULATIONS §§ 60.482-4(b) and 60.562-2(a); and TEX. HEALTH &amp; SAFETY CODE § 382.085(b)].</p> <p>9) Failure to maintain the flare exit velocity at or below 10 feet per second ("fps") on a six minute rolling average while the British Thermal Unit ("BTU") value was less than 500 on January 23, February 26, August 3, September 11 and 17, November 27 and 29, and December 5, 21, 22, and 23, 2006, as reported in the July 21, 2006 and January 29, 2007 deviation reports [30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4); Air Permit No. 18836, Special Condition No. 9; Federal Operating Permit No. O-01635, Special Condition No. 7; and TEX. HEALTH &amp; SAFETY CODE § 382.085(b)].</p> <p>10) Failure to maintain the flare tip velocity below 60 fps on March 1, 2006, as reported in the July 21, 2006 deviation report [30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4); Air Permit No. 18836, Special Condition No. 9; Federal Operating Permit No. O-01635, Special Condition Nos. 1.A. and 7; 40 CODE OF FEDERAL REGULATIONS § 60.18(c)(4); and TEX. HEALTH &amp; SAFETY CODE § 382.085(b)].</p> <p>11) Failure to maintain the flare BTU</p>		<p>BTU value is maintained above 300;</p> <p>m. As indicated in the January 29, 2007 deviation report, solenoid valves were cleaned and placed back into service to ensure the required steam-to-hydrocarbon ratio is maintained. New spare valves were also ordered for backup in case of future failure, and results of the October 9, December 4, 5, 6, 22, and 24, 2006 incidents were discussed with all board operators;</p> <p>n. Reported five deviations that occurred during the January 1 to June 30, 2006 reporting period for Tanks T-171, T-601, T-602, T-606, and T-735 in the January 29, 2007 deviation report;</p> <p>o. As indicated in the January 29, 2007 deviation report, the minimum operating level of Tank T-606 was put in the daily instructions to keep it from landing. Additionally, procedures were written to address proper operation of floating roof tanks in VOC service and normal operating ranges will be changed to reflect the minimum level in Tank T-606 should be kept above 20%; and</p> <p>p. As indicated in the January 29, 2007 deviation report, the minimum operating levels of Tanks T-601 and T-602 were put in the daily instructions to keep them from landing. Additionally, procedures were written to address proper operation of floating roof tanks in VOC service and normal operating ranges will be changed to reflect the minimum level in Tank T-601 should be kept above 42%, while the minimum level in Tank T-602 should be kept above 20%.</p> <p><b>Ordering Provisions:</b></p> <p>The Order will require the Respondent to implement and complete a Supplemental Environmental Project (SEP). (See SEP Attachment A)</p>
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value greater than 400 on a six minute rolling average on August 8, September 11 and 17, November 29, December 4, 21, 22, 23, 24, and 26, 2006, as reported in the January 29, 2007 deviation report [30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4); Air Permit No. 18836, Special Condition No. 6; Federal Operating Permit No. O-01635, Special Condition No. 7; and TEX. HEALTH & SAFETY CODE § 382.085(b)].

12) Failure to maintain the flare BTU value greater than 300 on September 11 and December 21, 22, 23, 24, and 26, 2006, as reported in the January 29, 2007 deviation report [30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4); Air Permit No. 18836, Special Condition No. 7.A.; Federal Operating Permit No. O-01635, Special Condition Nos. 1.A. and 7; 40 CODE OF FEDERAL REGULATIONS § 60.18(c)(3)(ii); and TEX. HEALTH & SAFETY CODE § 382.085(b)].

13) Failure to maintain a minimum steam-to-hydrocarbon ratio of less than or equal to 2.0 for a feed rate greater than 300 lbs/hr and less than or equal to 3.0 for a feed rate greater than 300 pounds per hour ("lbs/hr") averaged over six minutes on October 9, December 4, 5, 6, 22, and 24, 2006, as reported in the January 29, 2007 deviation report [30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4); Air Permit No. 18836, Special Condition No. 8; Federal Operating Permit No. O-01635, Special Condition No. 7; and TEX. HEALTH & SAFETY CODE § 382.085(b)].

14) Failure to report five deviations for Tanks T-171, T-601, T-602, T-606, and T-735 which occurred in the previous deviation reporting period of January 1 to June 30, 2006, as reported in the January 29, 2007 deviation report [30 TEX. ADMIN. CODE §§ 122.143(4) and 122.145(2)(A); Federal Operating Permit No. O-01635, General Conditions; and TEX. HEALTH & SAFETY CODE § 385.085(b)].

15) Failure to prevent the landing of the internal floating roof to Tank T-606 (EPN No. HT-606), as reported in the January 29, 2007 deviation report. Specifically, Tank T-606 set on legs from January 1 to January 10, 2006, resulting in total emissions of 208 lbs of Hexane [30 TEX. ADMIN. CODE § 122.143(4); Federal Operating Permit No. O-01635, Special Condition No. 1.A.; 40 CODE OF FEDERAL REGULATIONS § 60.112a(a)(2); and TEX.

<p>HEALTH &amp; SAFETY CODE § 382.085(b)].</p> <p>16) Failure to prevent the landing of the internal floating roof to Tanks T-601 (EPN HT-601) and T-602 (EPN HT-602), as reported in the January 29, 2007 deviation report. Specifically, Tank T-601 set on legs from January 4 to June 30, 2006 and from July 1 to December 10, 2006, resulting in total emissions of 3,270 lbs of Hexane. Tank T-602 set on legs on May 27, 2006 and August 4 and 5, 2006, resulting in total emissions of 261 lbs of Hexane [30 TEX. ADMIN. CODE §§ 116.115(b)(2)(F) and (c) and 122.143(4); Air Permit No. 18836, Special Condition Nos. 1 and 8; Federal Operating Permit No. O-01635, Special Condition Nos. 1.A. and 7; 40 CODE OF FEDERAL REGULATIONS § 60.112a(a)(2), and TEX. HEALTH &amp; SAFETY CODE § 382.085(b)].</p>		
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Additional ID No(s): MH0040N

Attachment A  
Docket Number: 2007-1188-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

<b>Respondent:</b>	<b>Equistar Chemicals, LP</b>
<b>Payable Penalty Amount:</b>	<b>Forty-One Thousand Five Hundred Eighty-Eight Dollars (\$41,588)</b>
<b>SEP Amount:</b>	<b>Twenty Thousand Seven Hundred Ninety-Four Dollars (\$20,794)</b>
<b>Type of SEP:</b>	<b>Pre-approved</b>
<b>Third-Party Recipient:</b>	<b>Texas Association of Resource Conservation and Development Areas, Inc. ("RC&amp;D")- Clean School Buses</b>
<b>Location of SEP:</b>	<b>Matagorda County</b>

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

**1. Project Description**

A. Project

The Respondent shall contribute to the Third-Party Recipient pursuant to the agreement between the Third-Party Recipient and the TCEQ. Specifically, the contribution will be used to aid local school districts, area transit agencies, and local governments in need of funding assistance to pay for the cost of the following activities to reduce emissions: 1) replacing older diesel buses with alternative fuelled or clean diesel buses; or 2) retrofitting older diesel buses with new, cleaner technology. The funds will be disbursed on a needs-rated basis, using non-attainment area status, condition of buses, and economic status of the recipient as possible rating factors if competition for the funds exists. To maximize funds, retrofitting will take priority over replacement of buses. Older buses deemed not suitable for retrofitting will be permanently retired and sold only for scrap.

Acceptable retrofit technologies include particulate matter traps, diesel particulate matter filters, nitrogen oxides (NO<sub>x</sub>) reduction catalyst technology in combination with diesel particulate filters, and other emission control technologies that are developed and approved by the United States Environmental Protection Agency ("EPA") or the California Air Resources Board.

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 reducing particulate matter and hydrocarbon emissions from buses, to meet the new, more stringent emissions standards introduced by the EPA which will be phased in between 2007 and 2010.



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:

Texas Association of Resource Conservation and Development Areas, Inc.  
1716 Briarcrest Drive, Suite 510  
Bryan, Texas 77802-2700

**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

<b>DATES</b>	<b>Assigned</b>	11-Jun-2007	<b>Screening</b>	23-Jul-2007	<b>EPA Due</b>	29-Feb-2008
	<b>PCW</b>	28-Jan-2008				

<b>RESPONDENT/FACILITY INFORMATION</b>			
<b>Respondent</b>	Equistar Chemicals, LP		
<b>Reg. Ent. Ref. No.</b>	RN100216159		
<b>Facility/Site Region</b>	12-Houston	<b>Major/Minor Source</b>	Major

<b>CASE INFORMATION</b>			
<b>Enf./Case ID No.</b>	34300	<b>No. of Violations</b>	16
<b>Docket No.</b>	2007-1188-AIR-E	<b>Order Type</b>	1660
<b>Media Program(s)</b>	Air	<b>Enf. Coordinator</b>	Kimberly Morales
<b>Multi-Media</b>		<b>EC's Team</b>	Enforcement Team 5
<b>Admin. Penalty \$</b>	<b>Limit Minimum</b>	\$0	<b>Maximum</b>
			\$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**  Enhancement **Subtotals 2, 3, & 7**

**Notes**

**Culpability**   Enhancement **Subtotal 4**

**Notes**

**Good Faith Effort to Comply**  Reduction **Subtotal 5**

Before NOV      NOV to EDRP/Settlement Offer

Extraordinary	<input type="text"/>	<input type="text"/>
Ordinary	<input checked="" type="checkbox"/>	<input type="text"/>
N/A	<input type="text"/>	(mark with x)

**Notes**

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

**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**  Reduction **Adjustment**

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

**Notes**

**PAYABLE PENALTY**

Screening Date 23-Jul-2007

Docket No. 2007-1188-AIR-E

PCW

Respondent Equistar Chemicals, LP

Policy Revision 2 (September 2002)

Case ID No. 34300

PCW Revision September 19, 2007

Reg. Ent. Reference No. RN100216159

Media [Statute] Air

Enf. Coordinator Kimberly Morales

### 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	12	24%
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 judgements or consent decrees meeting criteria)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (number of counts)	0	0%
Emissions	Chronic excessive emissions events (number of events)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which notices were submitted)	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which violations were disclosed)	0	0%
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)

>> Repeat Violator (Subtotal 3)

Adjustment Percentage (Subtotal 3)

>> Compliance History Person Classification (Subtotal 7)

Adjustment Percentage (Subtotal 7)

>> Compliance History Summary

Compliance History Notes

Penalty enhancement due to three NOVs issued for the same or similar violations and 12 NOVs issued for unrelated violations (including 11 self-reported effluent violations).

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

<b>Screening Date</b> 23-Jul-2007	<b>Docket No.</b> 2007-1188-AIR-E	<b>PCW</b>
<b>Respondent</b> Equistar Chemicals, LP	<i>Policy Revision 2 (September 2002)</i>	
<b>Case ID No.</b> 34300	<i>PCW Revision September 19, 2007</i>	
<b>Reg. Ent. Reference No.</b> RN100216159		
<b>Media [Statute]</b> Air		
<b>Enf. Coordinator</b> Kimberly Morales		
<b>Violation Number</b> <input type="text" value="1"/>		
<b>Rule Cite(s)</b>	30 Tex. Admin. Code §§ 116.115(c) and 122.143(4); Air Permit No. 18836, Special Condition No. 17.E.; Federal Operating Permit No. O-01635, Special Condition Nos. 1.A. and 7; 40 Code of Federal Regulations §§ 60.482-6(a)(1) and 60.562-2(a); and Tex. Health & Safety Code § 382.085(b)	
<b>Violation Description</b>	Failed to seal open-ended lines in Volatile Organic Compound ("VOC") service, as reported in the July 21, 2006 and January 29, 2007 deviation reports. Specifically, 20 open-ended lines were in VOC service during the time period of January 18, 2006 to November 27, 2006.	
<b>Base Penalty</b>		<input type="text" value="\$10,000"/>

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

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

>> **Programmatic Matrix**

	Falsification	Major	Moderate	Minor	<b>Percent</b> <input type="text" value="0%"/>
	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	

**Matrix Notes**  
 Estimated emissions of 23.7 pounds ("lbs") of VOCs for the 20 open-ended lines were calculated utilizing the Uncontrolled Synthetic Organic Chemical Manufacturing Industry ("SOCMI") Fugitive Emission Factors in the "Air Permits Technical Guidance for Chemical Sources: Equipment Leak Fugitives" publication. Human health or the environment has been exposed to insignificant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

**Adjustment**

**Violation Events**

Number of Violation Events   Number of violation days

<i>mark only one with an x</i>	daily	<input type="text"/>
	monthly	<input type="text"/>
	quarterly	<input type="text" value="x"/>
	semiannual	<input type="text"/>
	annual	<input type="text"/>
	single event	<input type="text"/>

**Violation Base Penalty**

Four quarterly events are recommended.

**Economic Benefit (EB) for this violation** **Statutory Limit Test**

Estimated EB Amount  Violation Final Penalty Total

**This violation Final Assessed Penalty (adjusted for limits)**

### Economic Benefit Worksheet

**Respondent** Equistar Chemicals, LP  
**Case ID No.** 34300  
**Reg. Ent. Reference No.** RN100216159  
**Media Air**  
**Violation No.** 1

<b>Percent Interest</b>	<b>Years of Depreciation</b>
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
<b>Delayed Costs</b>							
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)	\$2,600	18-Jan-2006	29-Jan-2007	1.0	\$134	n/a	\$134

**Notes for DELAYED costs**  
 Estimated cost to seal open-ended lines. Date required is the start date of the violation. Final date is the date of corrective action documentation.

<b>Avoided Costs</b>							
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 **\$2,600** **TOTAL** **\$134**

**Screening Date** 23-Jul-2007

**Docket No.** 2007-1188-AIR-E

**PCW**

**Respondent** Equistar Chemicals, LP

*Policy Revision 2 (September 2002)*

**Case ID No.** 34300

*PCW Revision September 19, 2007*

**Reg. Ent. Reference No.** RN100216159

**Media [Statute]** Air

**Enf. Coordinator** Kimberly Morales

**Violation Number**

**Rule Cite(s)**  
 30 Tex. Admin. Code §§ 116.115(c) and 122.143(4); Air Permit No. 18836, Special Condition No. 18.B(1); Federal Operating Permit No. O-01635, Special Condition No. 7; and Tex. Health & Safety Code § 382.085(b)

**Violation Description**  
 Failed to perform quarterly monitoring on connectors in VOC service, as reported in the July 21, 2006 and January 29, 2007 deviation reports. Specifically, six connectors on the process vessel V-521 level bridle were not monitored during the first quarter of 2006, and two connections on Line 2, 2R-231-A were not monitored during the third quarter of 2006.

**Base Penalty**

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

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

**>> Programmatic Matrix**

	Falsification	Major	Moderate	Minor	Percent
	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="0%"/>

**Matrix Notes**

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

**Adjustment**

**Violation Events**

**Number of Violation Events**  **Number of violation days**

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

**Violation Base Penalty**

Two events are recommended (one event for each quarter not monitored).

**Economic Benefit (EB) for this violation**

**Statutory Limit Test**

**Estimated EB Amount**

**Violation Final Penalty Total**

**This violation Final Assessed Penalty (adjusted for limits)**

## Economic Benefit Worksheet

**Respondent** Equistar Chemicals, LP  
**Case ID No.** 34300  
**Reg. Ent. Reference No.** RN100216159  
**Media** Air  
**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
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)	\$1,300	1-Jan-2006	6-Nov-2006	0.8	\$55	n/a	\$55

Notes for DELAYED costs

Estimated cost to conduct monitoring as required. Date required is the start date of the violation. Final date is the date corrective action was completed.

**Avoided Costs**

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance

\$1,300

TOTAL

\$55

**Screening Date** 23-Jul-2007

**Docket No.** 2007-1188-AIR-E

**PCW**

**Respondent** Equistar Chemicals, LP

*Policy Revision 2 (September 2002)*

**Case ID No.** 34300

*PCW Revision September 19, 2007*

**Reg. Ent. Reference No.** RN100216159

**Media [Statute]** Air

**Enf. Coordinator** Kimberly Morales

**Violation Number**

**Rule Cite(s)**  
 30 Tex. Admin. Code §§ 116.115(c) and 122.143(4); Air Permit No. 18836, Special Condition No. 17.F.; Federal Operating Permit No. O-01635, Special Condition Nos. 1.A. and 7; 40 Code of Federal Regulations §§ 60.482-7(a) and 60.562-2(a); and Tex. Health & Safety Code § 382.085(b)

**Violation Description**  
 Failed to perform quarterly monitoring on valves in VOC service, as reported in the July 21, 2006 and January 29, 2007 deviation reports. Specifically, three valves on the process vessel V-521 level bridge were not monitored during the first quarter of 2006, and seven valves on Line 2, 2R-231-A and one valve in the 200 area of Line 3 were not monitored during the third quarter of 2006.

**Base Penalty**

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

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

**>> Programmatic Matrix**

Falsification	Major	Moderate	Minor	Percent
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="0%"/>

**Matrix Notes**  
 Estimated emissions of 11.9 lbs of VOCs for the two quarters not monitored were calculated utilizing the Uncontrolled SOCMF Fugitive Emission Factors in the "Air Permits Technical Guidance for Chemical Sources: Equipment Leak Fugitives" publication. Human health or the environment has been exposed to insignificant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

**Adjustment**

**Violation Events**

Number of Violation Events   Number of violation days

*mark only one with an x*

daily	<input type="text"/>
monthly	<input type="text"/>
quarterly	<input checked="" type="checkbox"/>
semiannual	<input type="text"/>
annual	<input type="text"/>
single event	<input type="text"/>

**Violation Base Penalty**

**Economic Benefit (EB) for this violation**

**Statutory Limit Test**

Estimated EB Amount

Violation Final Penalty Total

**This violation Final Assessed Penalty (adjusted for limits)**

### Economic Benefit Worksheet

**Respondent** Equistar Chemicals, LP  
**Case ID No.** 34300  
**Reg. Ent. Reference No.** RN100216159  
**Media** Air  
**Violation No.** 3

<b>Percent Interest</b>	<b>Years of Depreciation</b>
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**

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)	\$1,700	1-Jan-2006	11-Dec-2006	0.9	\$80	n/a	\$80

Notes for DELAYED costs

Estimated cost to conduct monitoring as required. Date required is the start date of the violation. Final date is the date corrective action was completed.

**Avoided Costs**

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

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equipment				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$1,700

TOTAL

\$80

<b>Screening Date</b> 23-Jul-2007	<b>Docket No.</b> 2007-1188-AIR-E	<b>PCW</b>
<b>Respondent</b> Equistar Chemicals, LP		<small>Policy Revision 2 (September 2002)</small>
<b>Case ID No.</b> 34300		<small>PCW Revision September 19, 2007</small>
<b>Reg. Ent. Reference No.</b> RN100216159		
<b>Media [Statute]</b> Air		
<b>Enf. Coordinator</b> Kimberly Morales		
<b>Violation Number</b> <input type="text" value="4"/>		
<b>Rule Cite(s)</b>	30 Tex. Admin. Code § 122.143(4); Federal Operating Permit No. O-01635, Special Condition No. 1.A.; 40 Code of Federal Regulations §§ 60.482-7(a) and 60.562-2(a); and Tex. Health & Safety Code § 382.085(b)	
<b>Violation Description</b>	Failed to monitor valves in VOC service for two consecutive months after installation, as reported in the July 21, 2006 deviation report. Specifically, four valves were installed in January 2006 and were monitored in March 2006, but were not monitored in February 2006.	
	<b>Base Penalty</b>	<input type="text" value="\$10,000"/>

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

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

**>> Programmatic Matrix**

	Falsification	Major	Moderate	Minor	
	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	
					<b>Percent</b> <input type="text" value="0%"/>

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

**Adjustment**

**Violation Events**

Number of Violation Events <input type="text" value="1"/>	<input type="text" value="28"/>	Number of violation days												
<small>mark only one with an x</small>	<table border="1" style="width:100%; border-collapse: collapse;"> <tr><td>daily</td><td><input type="text"/></td></tr> <tr><td>monthly</td><td><input type="text"/></td></tr> <tr><td>quarterly</td><td><input type="text"/></td></tr> <tr><td>semiannual</td><td><input type="text"/></td></tr> <tr><td>annual</td><td><input type="text"/></td></tr> <tr><td>single event</td><td style="text-align: center;">x</td></tr> </table>	daily	<input type="text"/>	monthly	<input type="text"/>	quarterly	<input type="text"/>	semiannual	<input type="text"/>	annual	<input type="text"/>	single event	x	<b>Violation Base Penalty</b> <input type="text" value="\$1,000"/>
daily	<input type="text"/>													
monthly	<input type="text"/>													
quarterly	<input type="text"/>													
semiannual	<input type="text"/>													
annual	<input type="text"/>													
single event	x													

One single event is recommended for the quarter not monitored.

<b>Economic Benefit (EB) for this violation</b>	<b>Statutory Limit Test</b>
Estimated EB Amount <input type="text" value="\$19"/>	Violation Final Penalty Total <input type="text" value="\$1,140"/>
<b>This violation Final Assessed Penalty (adjusted for limits)</b> <input type="text" value="\$1,140"/>	

## Economic Benefit Worksheet

**Respondent** Equistar Chemicals, LP  
**Case ID No.** 34300  
**Reg. Ent. Reference No.** RN100216159  
**Media** Air  
**Violation No.** 4

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost <small>No commas or \$</small>	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
<b>Delayed Costs</b>							
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)	\$800	1-Feb-2006	21-Jul-2006	0.5	\$19	n/a	\$19

Notes for DELAYED costs

Estimated cost to conduct monitoring as required. Date required is the start date of the violation. Final date is the date of corrective action documentation.

**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 \$800

TOTAL \$19

<b>Screening Date</b> 23-Jul-2007	<b>Docket No.</b> 2007-1188-AIR-E	<b>PCW</b>
<b>Respondent</b> Equistar Chemicals, LP		<i>Policy Revision 2 (September 2002)</i>
<b>Case ID No.</b> 34300		<i>PCW Revision September 19, 2007</i>
<b>Reg. Ent. Reference No.</b> RN100216159		
<b>Media [Statute]</b> Air		
<b>Enf. Coordinator</b> Kimberly Morales		
<b>Violation Number</b> <input type="text" value="5"/>		
<b>Rule Cite(s)</b>	30 Tex. Admin. Code §§ 116.115(c) and 122.143(4); Air Permit No. 18836, Special Condition No. 17.F.; Federal Operating Permit No. O-01635, Special Condition Nos. 1.A. and 7; 40 Code of Federal Regulations §§ 60.482-7(d)(1) and 60.562-2(a); and Tex. Health & Safety Code § 382.085(b)	
<b>Violation Description</b>	Failed to re-monitor a valve in VOC service within 15 days of being replaced, as reported in the January 29, 2007 deviation report. Specifically, the valve was replaced on July 19, 2006, but was not re-monitored until August 22, 2006.	
	<b>Base Penalty</b>	<input type="text" value="\$10,000"/>

>> Environmental, Property and Human Health Matrix

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

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor	<b>Percent</b> <input type="text" value="0%"/>
	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	

**Matrix Notes**  
 Estimated emissions of 0.2 lb of VOCs for the one valve not monitored were calculated utilizing the Uncontrolled SOCMF Fugitive Emission Factors in the "Air Permits Technical Guidance for Chemical Sources: Equipment Leak Fugitives" publication. Human health or the environment has been exposed to insignificant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

**Adjustment**

Violation Events

Number of Violation Events   Number of violation days

<i>mark only one with an x</i>	daily	<input type="text"/>
	monthly	<input type="text"/>
	quarterly	<input type="text" value="x"/>
	semiannual	<input type="text"/>
	annual	<input type="text"/>
	single event	<input type="text"/>

**Violation Base Penalty**

One quarterly event is recommended.

<b>Economic Benefit (EB) for this violation</b>	<b>Statutory Limit Test</b>
Estimated EB Amount <input type="text" value="\$4"/>	Violation Final Penalty Total <input type="text" value="\$2,850"/>
This violation Final Assessed Penalty (adjusted for limits) <input type="text" value="\$2,850"/>	

## Economic Benefit Worksheet

**Respondent** Equistar Chemicals, LP  
**Case ID No.** 34300  
**Reg. Ent. Reference No.** RN100216159  
**Media** Air  
**Violation No.** 5

<b>Percent Interest</b>	<b>Years of Depreciation</b>
5.0	15

Item Description	Item Cost <small>No commas or \$</small>	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
<b>Delayed Costs</b>							
Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)	\$1,500	3-Aug-2006	22-Aug-2006	0.1	\$4	n/a	\$4

**Notes for DELAYED costs**  
 Estimated cost to conduct monitoring as required and conduct extensive training with operations technicians. Date required is the start date of the violation. Final date is the date corrective action was completed.

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

**Notes for AVOIDED costs**

Approx. Cost of Compliance \$1,500 **TOTAL** \$4

<b>Screening Date</b> 23-Jul-2007	<b>Docket No.</b> 2007-1188-AIR-E	<b>PCW</b>
<b>Respondent</b> Equistar Chemicals, LP	<i>Policy Revision 2 (September 2002)</i>	
<b>Case ID No.</b> 34300	<i>PCW Revision September 19, 2007</i>	
<b>Reg. Ent. Reference No.</b> RN100216159		
<b>Media [Statute]</b> Air		
<b>Enf. Coordinator</b> Kimberly Morales		
<b>Violation Number</b> <input type="text" value="6"/>		
<b>Rule Cite(s)</b>	30 Tex. Admin. Code § 122.143(4); Federal Operating Permit No. O-01635, Special Condition No. 1.A.; 40 Code of Federal Regulations §§ 60.482-7(c)(2) and 60.562-2(a); and Tex. Health & Safety Code § 382.085(b)	
<b>Violation Description</b>	Failed to re-monitor two valves leaking more than 10,000 parts per million for two consecutive leak-free months, as reported in the July 21, 2006 deviation report. Specifically, the two valves were placed on Delay of Repair in December 2005 and were re-monitored in February 2006, but not in January 2006.	
<b>Base Penalty</b>		<input type="text" value="\$10,000"/>

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

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

**>> Programmatic Matrix**

	Major	Moderate	Minor	
Falsification	<input type="text"/>	<input type="text"/>	<input type="text"/>	
				<b>Percent</b> <input type="text" value="0%"/>

**Matrix Notes**  
 Estimated emissions of 0.7 lb of VOCs for the one month not monitored were calculated utilizing the Uncontrolled SOCM Fugitive Emission Factors in the "Air Permits Technical Guidance for Chemical Sources: Equipment Leak Fugitives" publication. Human health or the environment has been exposed to insignificant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

**Adjustment**

**Violation Events**

Number of Violation Events   Number of violation days

<i>mark only one with an x</i>	daily	<input type="text"/>
	monthly	<input type="text"/>
	quarterly	<input checked="" type="text" value="x"/>
	semiannual	<input type="text"/>
	annual	<input type="text"/>
	single event	<input type="text"/>

**Violation Base Penalty**

One quarterly event is recommended.

**Economic Benefit (EB) for this violation**

**Statutory Limit Test**

**Estimated EB Amount**

**Violation Final Penalty Total**

**This violation Final Assessed Penalty (adjusted for limits)**

## Economic Benefit Worksheet

**Respondent** Equistar Chemicals, LP  
**Case ID No.** 34300  
**Reg. Ent. Reference No.** RN100216159  
**Media** Air  
**Violation No.** 6

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost <small>No commas or \$</small>	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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**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)	\$600	1-Jan-2006	21-Jul-2006	0.6	\$17	n/a	\$17

Notes for DELAYED costs

Estimated cost to conduct monitoring as required. Date required is the start date of the violation. Final date is the date of corrective action documentation.

**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

\$600

TOTAL

\$17

**Screening Date** 23-Jul-2007

**Docket No.** 2007-1188-AIR-E

**PCW**

**Respondent** Equistar Chemicals, LP

Policy Revision 2 (September 2002)

**Case ID No.** 34300

PCW Revision September 19, 2007

**Reg. Ent. Reference No.** RN100216159

**Media [Statute]** Air

**Enf. Coordinator** Kimberly Morales

**Violation Number**

**Rule Cite(s)** 30 Tex. Admin. Code §§ 116.115(c) and 122.143(4); Air Permit No. 18836, Special Condition No. 17.1.; Federal Operating Permit No. O-01635, Special Condition Nos. 1.A. and 7; 40 Code of Federal Regulations §§ 60.482-9(a) and 60.562-2(a); and Tex. Health & Safety Code § 382.085(b)

**Violation Description**

Failed to repair one valve in VOC service by the end of the next unit shutdown, as reported in the July 21, 2006 deviation report. Specifically, a valve on Delay of Repair on filter 3F-201C was to be repaired when Production Line 3 was shutdown on January 19, 2006, but was not repaired until February 9, 2006 during the next unit shutdown. The Respondent reported the total amount of emissions from discovery to repair was 7.9 lbs of VOCs.

**Base Penalty**

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

OR

Release	Harm		
	Major	Moderate	Minor
Actual	<input type="text"/>	<input type="text"/>	<input checked="" type="text" value="x"/>
Potential	<input type="text"/>	<input type="text"/>	<input type="text"/>

**Percent**

**>> Programmatic Matrix**

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

**Percent**

**Matrix Notes**

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

**Adjustment**

**Violation Events**

Number of violation days

mark only one with an x

daily	<input type="text"/>
monthly	<input type="text"/>
quarterly	<input checked="" type="text" value="x"/>
semiannual	<input type="text"/>
annual	<input type="text"/>
single event	<input type="text"/>

**Violation Base Penalty**

One quarterly event is recommended.

**Economic Benefit (EB) for this violation**

**Statutory Limit Test**

**Estimated EB Amount**

**Violation Final Penalty Total**

**This violation Final Assessed Penalty (adjusted for limits)**

### Economic Benefit Worksheet

**Respondent** Equistar Chemicals, LP  
**Case ID No.** 34300  
**Reg. Ent. Reference No.** RN100216159  
**Media** Air  
**Violation No.** 7

<b>Percent Interest</b>	<b>Years of Depreciation</b>
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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**Delayed Costs**

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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)	\$2,000	19-Jan-2006	21-Jul-2006	0.5	\$50	n/a	\$50

Notes for DELAYED costs

Estimated cost to repair a valve in VOC service and have the Production Maintenance Coordinator implement new policies and procedures. Date required is the start date of the violation. Final date is the date corrective action was completed.

**Avoided Costs**

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

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equipment				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$2,000

TOTAL

\$50

**Screening Date** 23-Jul-2007

**Docket No.** 2007-1188-AIR-E

**PCW**

**Respondent** Equistar Chemicals, LP

*Policy Revision 2 (September 2002)*

**Case ID No.** 34300

*PCW Revision September 19, 2007*

**Reg. Ent. Reference No.** RN100216159

**Media [Statute]** Air

**Enf. Coordinator** Kimberly Morales

**Violation Number**

**Rule Cite(s)** 30 Tex. Admin. Code § 122.143(4); Federal Operating Permit No. O-01635, Special Condition No. 1.A.; 40 Code of Federal Regulations §§ 60.482-4(b) and 60.562-2(a); and Tex. Health & Safety Code § 382.085(b)

**Violation Description** Failed to re-monitor the pressure safety valve ("PSV") downstream of rupture disc RD-302 within five days after pressure release, as reported in the July 21, 2006 deviation report. Specifically, the PSV pressure release occurred on March 10, 2006, but was not re-monitored until March 30, 2006.

**Base Penalty**

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

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

**>> Programmatic Matrix**

Falsification	Major	Moderate	Minor	Percent
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="0%"/>

**Matrix Notes**

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

**Adjustment**

**Violation Events**

Number of violation days

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

**Violation Base Penalty**

**Economic Benefit (EB) for this violation**

**Statutory Limit Test**

**Estimated EB Amount**

**Violation Final Penalty Total**

**This violation Final Assessed Penalty (adjusted for limits)**

## Economic Benefit Worksheet

**Respondent** Equistar Chemicals, LP  
**Case ID No.** 34300  
**Reg. Ent. Reference No.** RN100216159  
**Media** Air  
**Violation No.** 8

<b>Percent Interest</b>	<b>Years of Depreciation</b>
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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**Delayed Costs**

Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				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)	\$500	15-Mar-2006	30-Mar-2006	0.0	\$1	n/a	\$1

Notes for DELAYED costs

Estimated cost to conduct monitoring as required. Date required is the start date of the violation. Final date is the date corrective action was completed.

**Avoided Costs**

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance

\$500

TOTAL

\$1

<b>Screening Date</b> 23-Jul-2007	<b>Docket No.</b> 2007-1188-AIR-E	<b>PCW</b>
<b>Respondent</b> Equistar Chemicals, LP		<i>Policy Revision 2 (September 2002)</i>
<b>Case ID No.</b> 34300		<i>PCW Revision September 19, 2007</i>
<b>Reg. Ent. Reference No.</b> RN100216159		
<b>Media [Statute]</b> Air		
<b>Enf. Coordinator</b> Kimberly Morales		
<b>Violation Number</b>	9	
<b>Rule Cite(s)</b>	30 Tex. Admin. Code §§ 116.115(c) and 122.143(4); Air Permit No. 18836, Special Condition No. 9; Federal Operating Permit No. O-01635, Special Condition No. 7; and Tex. Health & Safety Code § 382.085(b)	
<b>Violation Description</b>	Failed to maintain the flare exit velocity at or below 10 feet per second ("fps") on a six minute rolling average while the British Thermal Unit ("BTU") value was less than 500 on January 23, February 26, August 3, September 11 and 17, November 27 and 29, and December 5, 21, 22, and 23, 2006, as reported in the July 21, 2006 and January 29, 2007 deviation reports.	
	<b>Base Penalty</b>	\$10,000

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

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

**>> Programmatic Matrix**

	<b>Falsification</b>	Major	Moderate	Minor	
	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<b>Percent</b> <input type="text" value="0%"/>
<b>Matrix Notes</b>	Human health or the environment will or could be exposed to insignificant amounts of pollutants which would not exceed levels that are protective of human health or environmental receptors as a result of the violation.				

**Adjustment**

**Violation Events**

Number of Violation Events <input type="text" value="1"/>	<input type="text" value="1"/>	Number of violation days											
<i>mark only one with an x</i> <table border="1" style="border-collapse: collapse;"> <tr><td style="padding: 2px;">daily</td><td style="width: 40px;"><input type="text"/></td></tr> <tr><td style="padding: 2px;">monthly</td><td><input type="text"/></td></tr> <tr><td style="padding: 2px;">quarterly</td><td><input type="text"/></td></tr> <tr><td style="padding: 2px;">semiannual</td><td><input type="text"/></td></tr> <tr><td style="padding: 2px;">annual</td><td><input type="text"/></td></tr> <tr><td style="padding: 2px;">single event</td><td style="text-align: center;"><input checked="" type="checkbox"/></td></tr> </table>	daily	<input type="text"/>	monthly	<input type="text"/>	quarterly	<input type="text"/>	semiannual	<input type="text"/>	annual	<input type="text"/>	single event	<input checked="" type="checkbox"/>	<b>Violation Base Penalty</b> <input type="text" value="\$1,000"/>
daily	<input type="text"/>												
monthly	<input type="text"/>												
quarterly	<input type="text"/>												
semiannual	<input type="text"/>												
annual	<input type="text"/>												
single event	<input checked="" type="checkbox"/>												

One single event is recommended.

<b>Economic Benefit (EB) for this violation</b>	<b>Statutory Limit Test</b>
Estimated EB Amount <input type="text" value="\$315"/>	Violation Final Penalty Total <input type="text" value="\$1,140"/>
<b>This violation Final Assessed Penalty (adjusted for limits)</b> <input type="text" value="\$1,140"/>	

## Economic Benefit Worksheet

**Respondent** Equistar Chemicals, LP  
**Case ID No.** 34300  
**Reg. Ent. Reference No.** RN100216159  
**Media** Air  
**Violation No.** 9

<b>Percent Interest</b>	<b>Years of Depreciation</b>
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
<b>Delayed Costs</b>							
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)	\$6,200	23-Jan-2006	29-Jan-2007	1.0	\$315	n/a	\$315

Notes for DELAYED costs

Estimated cost to maintain the flare exit velocity at or below 10 fps. Date required is the start date of the violation. Final date is the date of corrective action documentation.

**Avoided Costs**

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance

\$6,200

TOTAL

\$315

<b>Screening Date</b> 23-Jul-2007	<b>Docket No.</b> 2007-1188-AIR-E	<b>PCW</b>
<b>Respondent</b> Equistar Chemicals, LP		<small>Policy Revision 2 (September 2002)</small>
<b>Case ID No.</b> 34300		<small>PCW Revision September 19, 2007</small>
<b>Reg. Ent. Reference No.</b> RN100216159		
<b>Media [Statute]</b> Air		
<b>Enf. Coordinator</b> Kimberly Morales		
<b>Violation Number</b> <input type="text" value="10"/>		
<b>Rule Cite(s)</b>	30 Tex. Admin. Code §§ 116.115(c) and 122.143(4); Air Permit No. 18836, Special Condition No. 9; Federal Operating Permit No. O-01635, Special Condition Nos. 1.A. and 7; 40 Code of Federal Regulations § 60.18(c)(4); and Tex. Health & Safety Code § 382.085(b)	
<b>Violation Description</b>	Failed to maintain the flare tip velocity below 60 fps on March 1, 2006, as reported in the July 21, 2006 deviation report.	
	<b>Base Penalty</b>	<input type="text" value="\$10,000"/>

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

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

**>> Programmatic Matrix**

	Falsification	Major	Moderate	Minor	
	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<b>Percent</b> <input type="text" value="0%"/>

**Matrix Notes**

**Adjustment**

**Violation Events**

Number of Violation Events        Number of violation days

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

**Violation Base Penalty**

One single event is recommended.

<b>Economic Benefit (EB) for this violation</b>	<b>Statutory Limit Test</b>
<b>Estimated EB Amount</b> <input type="text" value="\$107"/>	<b>Violation Final Penalty Total</b> <input type="text" value="\$1,140"/>
<b>This violation Final Assessed Penalty (adjusted for limits)</b> <input type="text" value="\$1,140"/>	

## Economic Benefit Worksheet

**Respondent** Equistar Chemicals, LP  
**Case ID No.** 34300  
**Reg. Ent. Reference No.** RN100216159  
**Media** Air  
**Violation No.** 10

<b>Percent Interest</b>	<b>Years of Depreciation</b>
5.0	15

Item Description	Item Cost <small>No commas or \$</small>	Date Required	Final Date	Yrs	Interest Saved	One/Time Costs	EB Amount
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**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)	\$5,500	1-Mar-2006	21-Jul-2006	0.4	\$107	n/a	\$107

Notes for DELAYED costs

Estimated cost to maintain the flare tip velocity at or below 60 fps. Date required is the date of the violation. Final date is the date of corrective action documentation.

**Avoided Costs**

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance

\$5,500

TOTAL

\$107

<b>Screening Date</b> 23-Jul-2007	<b>Docket No.</b> 2007-1188-AIR-E	<b>PCW</b>
<b>Respondent</b> Equistar Chemicals, LP		<i>Policy Revision 2 (September 2002)</i>
<b>Case ID No.</b> 34300		<i>PCW Revision September 19, 2007</i>
<b>Reg. Ent. Reference No.</b> RN100216159		
<b>Media [Statute]</b> Air		
<b>Enf. Coordinator</b> Kimberly Morales		
<b>Violation Number</b> <input type="text" value="11"/>		
<b>Rule Cite(s)</b>	30 Tex. Admin. Code §§ 116.115(c) and 122.143(4); Air Permit No. 18836, Special Condition No. 6; Federal Operating Permit No. O-01635, Special Condition No. 7; and Tex. Health & Safety Code § 382.085(b)	
<b>Violation Description</b>	Failed to maintain the flare BTU value greater than 400 on a six minute rolling average on August 8, September 11 and 17, November 29, December 4, 21, 22, 23, 24, and 26, 2006, as reported in the January 29, 2007 deviation report.	
	<b>Base Penalty</b>	\$10,000

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

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

**>> Programmatic Matrix**

	Falsification	Major	Moderate	Minor	
	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<b>Percent</b> <input type="text" value="0%"/>

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

**Adjustment**

**Violation Events**

Number of Violation Events   Number of violation days

<i>mark only one with an x</i>	daily	<input type="text"/>
	monthly	<input type="text"/>
	quarterly	<input type="text"/>
	semiannual	<input type="text"/>
	annual	<input type="text"/>
single event	x	

**Violation Base Penalty**

One single event is recommended.

<b>Economic Benefit (EB) for this violation</b>	<b>Statutory Limit Test</b>
<b>Estimated EB Amount</b> <input type="text" value="\$141"/>	<b>Violation Final Penalty Total</b> <input type="text" value="\$1,140"/>
<b>This violation Final Assessed Penalty (adjusted for limits)</b> <input type="text" value="\$1,140"/>	

## Economic Benefit Worksheet

**Respondent** Equistar Chemicals, LP  
**Case ID No.** 34300  
**Reg. Ent. Reference No.** RN100216159  
**Media** Air  
**Violation No.** 11

<b>Percent Interest</b>	<b>Years of Depreciation</b>
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)	\$5,900	8-Aug-2006	29-Jan-2007	0.5	\$141	n/a	\$141

Notes for DELAYED costs

Estimated cost to maintain the flare BTU value greater than 400. Date required is the start date of the violation.  
 Final date is the date of corrective action documentation.

**Avoided Costs**

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance

\$5,900

TOTAL

\$141

**Screening Date** 23-Jul-2007 **Docket No.** 2007-1188-AIR-E **PCW**  
**Respondent** Equistar Chemicals, LP *Policy Revision 2 (September 2002)*  
**Case ID No.** 34300 *PCW Revision September 19, 2007*  
**Reg. Ent. Reference No.** RN100216159  
**Media [Statute]** Air  
**Enf. Coordinator** Kimberly Morales  
**Violation Number** 12  
**Rule Cite(s)** 30 Tex. Admin. Code §§ 116.115(c) and 122.143(4); Air Permit No. 18836, Special Condition No. 7.A.; Federal Operating Permit No. O-01635, Special Condition Nos. 1.A. and 7; 40 Code of Federal Regulations § 60.18(c)(3)(ii); and Tex. Health & Safety Code § 382.085(b)  
**Violation Description** Failed to maintain the flare BTU value greater than 300 on September 11 and December 21, 22, 23, 24, and 26, 2006, as reported in the January 29, 2007 deviation report.  
**Base Penalty** \$10,000

>> Environmental, Property and Human Health Matrix

**OR**

Release	Harm			Percent
	Major	Moderate	Minor	
Actual				10%
Potential			x	

  
 >>Programmatic Matrix
 

Falsification	Harm			Percent
	Major	Moderate	Minor	
				0%

  
**Matrix Notes** Human health or the environment will or could be exposed to insignificant amounts of pollutants which would not exceed levels that are protective of human health or environmental receptors as a result of the violation.  
**Adjustment** \$9,000

\$1,000

Violation Events

Number of Violation Events  Number of violation days   
 mark only one with an x
 

daily	
monthly	
quarterly	
semiannual	
annual	
single event	x

**Violation Base Penalty** \$1,000  
 One single event is recommended.

Economic Benefit (EB) for this violation	Statutory Limit Test
Estimated EB Amount <input type="text" value="\$90"/>	Violation Final Penalty Total <input type="text" value="\$1,140"/>
<b>This violation Final Assessed Penalty (adjusted for limits)</b> <input type="text" value="\$1,140"/>	

### Economic Benefit Worksheet

Respondent Equistar Chemicals, LP  
 Case ID No. 34300  
 Reg. Ent. Reference No. RN100216159  
 Media Air  
 Violation No. 12

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost <small>(No commas or \$)</small>	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
<b>Delayed Costs</b>							
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)	\$4,700	11-Sep-2006	29-Jan-2007	0.4	\$90	n/a	\$90

Notes for DELAYED costs  
 Estimated cost to maintain the flare BTU value greater than 300. Date required is the start date of the violation. Final date is the date of corrective action documentation.

Item Description	ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)	Yrs	Interest Saved	Onetime Costs	EB Amount
<b>Avoided Costs</b>					
Disposal		0.0	\$0	\$0	\$0
Personnel		0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling		0.0	\$0	\$0	\$0
Supplies/equipment		0.0	\$0	\$0	\$0
Financial Assurance [2]		0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]		0.0	\$0	\$0	\$0
Other (as needed)		0.0	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance \$4,700 **TOTAL** \$90

<b>Screening Date</b> 23-Jul-2007	<b>Docket No.</b> 2007-1188-AIR-E	<b>PCW</b>
<b>Respondent</b> Equistar Chemicals, LP		<i>Policy Revision 2 (September 2002)</i>
<b>Case ID No.</b> 34300		<i>PCW Revision September 19, 2007</i>
<b>Reg. Ent. Reference No.</b> RN100216159		
<b>Media [Statute]</b> Air		
<b>Enf. Coordinator</b> Kimberly Morales		
<b>Violation Number</b> <input type="text" value="13"/>		
<b>Rule Cite(s)</b>	30 Tex. Admin. Code §§ 116.115(c) and 122.143(4); Air Permit No. 18836, Special Condition No. 8; Federal Operating Permit No. O-01635, Special Condition No. 7; and Tex. Health & Safety Code § 382.085(b)	
<b>Violation Description</b>	Failed to maintain a minimum steam-to-hydrocarbon ratio of less than or equal to 2.0 for a feed rate greater than 300 lbs/hr and less than or equal to 3.0 for a feed rate greater than 300 lbs/hr averaged over six minutes on October 9, December 4, 5, 6, 22, and 24, 2006, as reported in the January 29, 2007 deviation report.	
	<b>Base Penalty</b>	<input type="text" value="\$10,000"/>

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

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

>> **Programmatic Matrix**

	<b>Falsification</b>	Major	Moderate	Minor	
	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<b>Percent</b> <input type="text" value="0%"/>
<b>Matrix Notes</b>	Human health or the environment will or could be exposed to insignificant amounts of pollutants which would not exceed levels that are protective of human health or environmental receptors as a result of the violation.				
					<b>Adjustment</b> <input type="text" value="\$9,000"/>

**Violation Events**

Number of Violation Events <input type="text" value="1"/>		Number of violation days <input type="text" value="6"/>
---	--	---

<i>mark only one with an x</i>	daily	<input type="text"/>		
	monthly	<input type="text"/>		
	quarterly	<input type="text"/>		
	semiannual	<input type="text"/>		
	annual	<input type="text"/>		
	single event	<input type="text" value="x"/>		

**Violation Base Penalty**

One single event is recommended.

<b>Economic Benefit (EB) for this violation</b>	<b>Statutory Limit Test</b>
Estimated EB Amount <input type="text" value="\$51"/>	Violation Final Penalty Total <input type="text" value="\$1,140"/>
<b>This violation Final Assessed Penalty (adjusted for limits)</b> <input type="text" value="\$1,140"/>	

## Economic Benefit Worksheet

**Respondent** Equistar Chemicals, LP  
**Case ID No.** 34300  
**Reg. Ent. Reference No.** RN100216159  
**Media** Air  
**Violation No.** 13

<b>Percent Interest</b>	<b>Years of Depreciation</b>
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)	\$3,300	9-Oct-2006	29-Jan-2007	0.3	\$51	n/a	\$51

Notes for DELAYED costs

Estimated cost to maintain the minimum steam-to-hydrocarbon ratio. Date required is the start date of the violation. Final date is the date of corrective action documentation.

**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

\$3,300

TOTAL

\$51

<b>Screening Date</b> 23-Jul-2007	<b>Docket No.</b> 2007-1188-AIR-E	<b>PCW</b>
<b>Respondent</b> Equistar Chemicals, LP		<i>Policy Revision 2 (September 2002)</i>
<b>Case ID No.</b> 34300		<i>PCW Revision September 19, 2007</i>
<b>Reg. Ent. Reference No.</b> RN100216159		
<b>Media [Statute]</b> Air		
<b>Enf. Coordinator</b> Kimberly Morales		
<b>Violation Number</b> <input type="text" value="14"/>		
<b>Rule Cite(s)</b>	30 Tex. Admin. Code §§ 122.143(4) and 122.145(2)(A); Federal Operating Permit No. O-01635, General Conditions; and Tex. Health & Safety Code § 385.085(b)	
<b>Violation Description</b>	Failed to report five deviations for Tanks T-171, T-601, T-602, T-606, and T-735 which occurred in the previous deviation reporting period of January 1 to June 30, 2006, as reported in the January 29, 2007 deviation report.	
	<b>Base Penalty</b>	<input type="text" value="\$10,000"/>

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

<b>OR</b>	<b>Harm</b>				
	<b>Release</b>	Major	Moderate		Minor
	Actual	<input type="text"/>	<input type="text"/>		<input type="text"/>
Potential	<input type="text"/>	<input type="text"/>	<input type="text"/>	<b>Percent</b> <input type="text" value="0%"/>	

**>> Programmatic Matrix**

	<b>Falsification</b>	Major	Moderate	Minor	
	<input type="text"/>	<input type="text"/>	<input type="text"/>	x	
	<b>Percent</b> <input type="text" value="1%"/>				

**Matrix Notes**

At least 70% of the rule requirement was met.

**Adjustment**

**Violation Events**

Number of Violation Events        Number of violation days

<i>mark only one with an x</i>	daily	<input type="text"/>
	monthly	<input type="text"/>
	quarterly	<input type="text"/>
	semiannual	<input type="text"/>
	annual	<input type="text"/>
	single event	x

**Violation Base Penalty**

One single event is recommended.

<b>Economic Benefit (EB) for this violation</b>	<b>Statutory Limit Test</b>
Estimated EB Amount <input type="text" value="\$25"/>	Violation Final Penalty Total <input type="text" value="\$114"/>
<b>This violation Final Assessed Penalty (adjusted for limits)</b> <input type="text" value="\$114"/>	

### Economic Benefit Worksheet

**Respondent** Equistar Chemicals, LP  
**Case ID No.** 34300  
**Reg. Ent. Reference No.** RN100216159  
**Media** Air  
**Violation No.** 14

<b>Percent Interest</b>	<b>Years of Depreciation</b>
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)	\$1,000	30-Jul-2006	29-Jan-2007	0.5	\$25	n/a	\$25

Notes for DELAYED costs

Estimated cost to implement procedures to ensure all instances of deviations are reported in a timely manner. Date required is the due date of the January 1 to June 30, 2006 deviation report. Final date is the date the deviations were reported.

**Avoided Costs**

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance

\$1,000

TOTAL

\$25

<b>Screening Date</b> 23-Jul-2007	<b>Docket No.</b> 2007-1188-AIR-E	<b>PCW</b>
<b>Respondent</b> Equistar Chemicals, LP		<i>Policy Revision 2 (September 2002)</i>
<b>Case ID No.</b> 34300		<i>PCW Revision September 19, 2007</i>
<b>Reg. Ent. Reference No.</b> RN100216159		
<b>Media [Statute]</b> Air		
<b>Enf. Coordinator</b> Kimberly Morales		
<b>Violation Number</b>	15	
<b>Rule Cite(s)</b>	30 Tex. Admin. Code § 122.143(4); Federal Operating Permit No. O-01635, Special Condition No. 1.A.; 40 Code of Federal Regulations § 60.112a(a)(2); and Tex. Health & Safety Code § 382.085(b)	
<b>Violation Description</b>	Failed to prevent the landing of the internal floating roof to Tank T-606 (EPN No. HT-606), as reported in the January 29, 2007 deviation report. Specifically, Tank T-606 set on legs from January 1 to January 10, 2006, resulting in total emissions of 208 lbs of Hexane.	
	<b>Base Penalty</b>	\$10,000

<b>&gt;&gt; Environmental, Property and Human Health Matrix</b>					
<b>OR</b>		<b>Harm</b>			
	<b>Release</b>	Major	Moderate	Minor	
	<b>Actual</b>			x	
	<b>Potential</b>				<b>Percent</b> <span style="border: 1px solid black; padding: 2px;">25%</span>
<b>&gt;&gt; Programmatic Matrix</b>					
	Falsification	Major	Moderate	Minor	
					<b>Percent</b> <span style="border: 1px solid black; padding: 2px;">0%</span>
<b>Matrix Notes</b>	Human health or the environment has been exposed to insignificant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of the violation.				
					<b>Adjustment</b> <span style="border: 1px solid black; padding: 2px;">\$7,500</span>
					\$2,500

<b>Violation Events</b>				
	Number of Violation Events <span style="border: 1px solid black; padding: 2px;">1</span>		Number of violation days <span style="border: 1px solid black; padding: 2px;">9</span>	
<i>mark only one with an x</i>	daily			
	monthly			
	quarterly	x		
	semiannual			
	annual			
	single event			
				<b>Violation Base Penalty</b> <span style="border: 1px solid black; padding: 2px;">\$2,500</span>
One quarterly event is recommended.				

<b>Economic Benefit (EB) for this violation</b>	<b>Statutory Limit Test</b>
<b>Estimated EB Amount</b> <span style="border: 1px solid black; padding: 2px;">\$269</span>	<b>Violation Final Penalty Total</b> <span style="border: 1px solid black; padding: 2px;">\$2,850</span>
<b>This violation Final Assessed Penalty (adjusted for limits)</b> <span style="border: 1px solid black; padding: 2px;">\$2,850</span>	

## Economic Benefit Worksheet

**Respondent** Equistar Chemicals, LP  
**Case ID No.** 34300  
**Reg. Ent. Reference No.** RN100216159  
**Media** Air  
**Violation No.** 15

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)	\$5,000	1-Jan-2006	29-Jan-2007	1.1	\$269	n/a	\$269

Notes for DELAYED costs

Estimated cost to implement instructions to maintain the tanks above the calculated critical level. Date required is the start date of the violation. Final date is the date of corrective action documentation.

**Avoided Costs**

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance

\$5,000

TOTAL

\$269

<b>Screening Date</b> 23-Jul-2007	<b>Docket No.</b> 2007-1188-AIR-E	<b>PCW</b>
<b>Respondent</b> Equistar Chemicals, LP		<small>Policy Revision 2 (September 2002)</small>
<b>Case ID No.</b> 34300		<small>PCW Revision September 19, 2007</small>
<b>Reg. Ent. Reference No.</b> RN100216159		
<b>Media [Statute]</b> Air		
<b>Enf. Coordinator</b> Kimberly Morales		
<b>Violation Number</b> 16		
<b>Rule Cite(s)</b>	30 Tex. Admin. Code §§ 116.115(b)(2)(F) and (c) and 122.143(4); Air Permit No. 18836, Special Condition Nos. 1 and 8; Federal Operating Permit No. O-01635, Special Condition Nos. 1.A. and 7; 40 Code of Federal Regulations § 60.112a(a)(2), and Tex. Health & Safety Code § 382.085(b)	
<b>Violation Description</b>	Failed to prevent the landing of the internal floating roof to Tanks T-601 (EPN HT-601) and T-602 (EPN HT-602), as reported in the January 29, 2007 deviation report. Specifically, Tank T-601 set on legs from January 4 to June 30, 2006 and from July 1 to December 10, 2006, resulting in total emissions of 3,270 lbs of Hexane. Tank T-602 set on legs on May 27, 2006 and August 4 and 5, 2006, resulting in total emissions of 261 lbs of Hexane.	
	<b>Base Penalty</b>	\$10,000

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

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

**>> Programmatic Matrix**

	<b>Falsification</b>			
	Major	Moderate	Minor	
	<input type="text"/>	<input type="text"/>	<input type="text"/>	<b>Percent</b> <input type="text" value="0%"/>
<b>Matrix Notes</b>	Human health or the environment has been exposed to insignificant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of the violation.			

**Adjustment**

**Violation Events**

Number of Violation Events   Number of violation days

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

**Violation Base Penalty**

Four quarterly events are recommended.

<b>Economic Benefit (EB) for this violation</b>	<b>Statutory Limit Test</b>
Estimated EB Amount <input type="text" value="\$0"/>	Violation Final Penalty Total <input type="text" value="\$11,400"/>
<b>This violation Final Assessed Penalty (adjusted for limits)</b> <input type="text" value="\$11,400"/>	

### Economic Benefit Worksheet

**Respondent** Equistar Chemicals, LP  
**Case ID No.** 34300  
**Reg. Ent. Reference No.** RN100216159  
**Media** Air  
**Violation No.** 16

<b>Percent Interest</b>	<b>Years of Depreciation</b>
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**

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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

Economic benefit is already included in Violation No. 15.

**Avoided Costs**

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

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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

## Compliance History

Customer/Respondent/Owner-Operator: CN600124705 Equistar Chemicals, LP Classification: AVERAGE Rating: 2.55  
 Regulated Entity: RN100216159 EQUISTAR MATAGORDA PLANT Classification: AVERAGE Site Rating: 1.09

ID Number(s):

AIR OPERATING PERMITS	ACCOUNT NUMBER	MH0040N
AIR OPERATING PERMITS	PERMIT	1635
INDUSTRIAL AND HAZARDOUS WASTE GENERATION	EPA ID	TXD980796643
INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION #	32390
WASTEWATER	(SWR) PERMIT	WQ0002481000
WASTEWATER	PERMIT	TX0087173
WASTEWATER	EPA ID	TX0087173
AIR NEW SOURCE PERMITS	PERMIT	18836
AIR NEW SOURCE PERMITS	PERMIT	23806
AIR NEW SOURCE PERMITS	PERMIT	25716
AIR NEW SOURCE PERMITS	PERMIT	45196
AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	MH0040N
AIR NEW SOURCE PERMITS	PERMIT	53473
AIR NEW SOURCE PERMITS	AFS NUM	4832100026
AIR NEW SOURCE PERMITS	REGISTRATION	76004
AIR NEW SOURCE PERMITS	REGISTRATION	74298
PUBLIC WATER SYSTEM/SUPPLY	REGISTRATION	1610089

Location: STATE HIGHWAY 60, 13 MILES SOUTH OF BAY CITY, MATAGORDA COUNTY, TEXAS Rating Date: September 01 06 Repeat Violator: NO

TCEQ Region: REGION 12 - HOUSTON

Date Compliance History Prepared: July 20, 2007

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: July 20, 2002 to July 20, 2007

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

Name: Kimberly Morales Phone: (713) 422-8938

### 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?   | <u>N/A</u> |
| 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

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

N/A

C. Chronic excessive emissions events.

N/A

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

- |    |            |          |
|----|------------|----------|
| 1  | 07/22/2002 | (209349) |
| 2  | 08/21/2002 | (209351) |
| 3  | 09/23/2002 | (209354) |
| 4  | 10/14/2002 | (209356) |
| 5  | 11/18/2002 | (209358) |
| 6  | 12/20/2002 | (209360) |
| 7  | 01/21/2003 | (209362) |
| 8  | 02/10/2003 | (209340) |
| 9  | 03/21/2003 | (209342) |
| 10 | 04/22/2003 | (209344) |
| 11 | 05/20/2003 | (317125) |
| 12 | 06/23/2003 | (317126) |
| 13 | 08/18/2003 | (317129) |
| 14 | 09/19/2003 | (317130) |
| 15 | 10/09/2003 | (317128) |

16	10/23/2003	(317131)
17	11/25/2003	(317132)
18	12/16/2003	(249593)
19	12/29/2003	(317133)
20	01/08/2004	(317134)
21	02/18/2004	(317123)
22	03/22/2004	(317124)
23	04/22/2004	(361216)
24	05/25/2004	(361217)
25	06/01/2004	(273843)
26	06/21/2004	(317127)
27	07/20/2004	(361218)
28	09/17/2004	(361219)
29	10/22/2004	(361220)
30	11/24/2004	(387048)
31	12/20/2004	(387049)
32	01/24/2005	(387050)
33	02/15/2005	(424832)
34	03/18/2005	(387047)
35	04/01/2005	(346693)
36	04/22/2005	(424833)
37	05/11/2005	(380629)
38	05/20/2005	(424834)
39	06/20/2005	(424835)
40	07/08/2005	(375897)
41	07/21/2005	(445482)
42	08/22/2005	(445483)
43	09/19/2005	(445484)
44	11/21/2005	(477021)
45	12/20/2005	(477020)
46	12/20/2005	(477022)
47	01/13/2006	(477023)
48	02/10/2006	(477018)
49	03/23/2006	(477019)
50	03/31/2006	(454659)
51	04/24/2006	(503780)
52	05/23/2006	(503781)
53	06/07/2006	(463101)
54	06/22/2006	(503782)
55	07/26/2006	(526134)
56	08/21/2006	(526135)
57	09/19/2006	(526136)
58	10/24/2006	(550468)
59	10/24/2006	(550471)
60	10/24/2006	(509045)
61	11/16/2006	(550469)
62	12/12/2006	(550470)
63	06/04/2007	(543647)

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

Date:	02/28/2003	(209342)		
Self Report?	YES		Classification	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) TWC Chapter 26 26.121(a)[G]			
Description:	Failure to meet the limit for one or more permit parameter			
Date:	03/31/2003	(209344)		
Self Report?	YES		Classification	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) TWC Chapter 26 26.121(a)[G]			
Description:	Failure to meet the limit for one or more permit parameter			
Date:	06/30/2003	(317128)		
Self Report?	YES		Classification	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) TWC Chapter 26 26.121(a)[G]			
Description:	Failure to meet the limit for one or more permit parameter			
Date:	10/31/2003	(317132)		
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:	12/15/2003 (249593)		
Self Report?	NO	Classification	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1)		
Description:	Failure to maintain compliance with permitted effluent limits.		
Date:	04/30/2004 (361217)		
Self Report?	YES	Classification	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) TWC Chapter 26 26.121(a)[G]		
Description:	Failure to meet the limit for one or more permit parameter		
Date:	08/31/2004 (361219)		
Self Report?	YES	Classification	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) TWC Chapter 26 26.121(a)[G]		
Description:	Failure to meet the limit for one or more permit parameter		
Date:	10/31/2004 (387048)		
Self Report?	YES	Classification	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) TWC Chapter 26 26.121(a)[G]		
Description:	Failure to meet the limit for one or more permit parameter		
Date:	11/30/2004 (387049)		
Self Report?	YES	Classification	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) TWC Chapter 26 26.121(a)[G]		
Description:	Failure to meet the limit for one or more permit parameter		
Date:	12/31/2004 (387050)		
Self Report?	YES	Classification	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) TWC Chapter 26 26.121(a)[G]		
Description:	Failure to meet the limit for one or more permit parameter		
Date:	04/01/2005 (346693)		
Self Report?	NO	Classification	Moderate
Citation:	30 TAC Chapter 116, SubChapter B 116.115(c)		
Rqmt Prov:	OP No. O-01635, SC No.7		
Description:	Failure to monitor connectors quarterly with an approved gas analyzer during the certification period.		
Self Report?	NO	Classification	Moderate
Citation:	30 TAC Chapter 116, SubChapter B 116.115(c) 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(a)		
Rqmt Prov:	PERMIT No. 18836 SC 12F OP No. O-01635, SC 7		
Description:	Failure to monitor the valves monthly with an approved gas analyzer during the certification period.		
Self Report?	NO	Classification	Moderate
Citation:	40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(c)(2)		
Rqmt Prov:	OP No. O-01635, SC 1.A		
Description:	Failure to monitor 11 valves consecutively for two months after detecting the leaks during the quarterly monitoring with an approved gas analyzer during the certification period		
Self Report?	NO	Classification	Moderate
Citation:	30 TAC Chapter 116, SubChapter B 116.115(c) 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-2(a)(1)		
Rqmt Prov:	PERMIT No. 18836 OP No. O-01635, SC 7		
Description:	Failure to monitor the pumps monthly with an approved gas analyzer during the certification period.		
Self Report?	NO	Classification	Moderate
Citation:	30 TAC Chapter 116, SubChapter B 116.115(c) 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(1)		
Rqmt Prov:	PERMIT No. 18836 SC 12E OP NO. O-01635 SC 7		
Description:	Failure to cap or plug 92 open ended lines in the Matagorda Plant, during the certification period.		
Self Report?	NO	Classification	Moderate
Citation:	30 TAC Chapter 115, SubChapter B 115.114(c)(1)		
Rqmt Prov:	OP No. O-01635, SC 1.A		
Description:	Failure to repair the storage tank (HT-606) detached seal within 60 days after the inspection date.		
Self Report?	NO	Classification	Minor
Citation:	30 TAC Chapter 111, SubChapter A 111.111(a)(4)(A)(ii)		

Rqmt Prov:	OP No.O-01635 SC 1A		
Description:	Failure to perform daily flare observations by using Method 9 or 22 for 48 days during the certification period.		
Self Report?	NO	Classification	Moderate
Citation:	30 TAC Chapter 116, SubChapter B 116.115(c)		
Rqmt Prov:	PERMIT No. 18836, SC 4		
	OP No. O-01635, SC 7		
Description:	Failure to maintain the minimum heating value of waste gas going to flare at 400 BTU/scf.		
Self Report?	NO	Classification	Moderate
Citation:	30 TAC Chapter 116, SubChapter B 116.115(c)		
Rqmt Prov:	PERMIT No. 18836, SC 6		
	OP No. O-01635, SC 7		
Description:	Failure to maintain the steam to hydrocarbon ratio below 2:1 or 3:1 depending on the hydrocarbon feed rate.		
Self Report?	NO	Classification	Moderate
Citation:	30 TAC Chapter 116, SubChapter B 116.115(c)		
Rqmt Prov:	PERMIT No. 18836, SC7		
	OP No. O-01635, SC7		
Description:	Failure to maintain the minimum heating value of waste gas going to flare at 500 BTU/scf when the exit velocity exceeds 10 ft/second.		
Self Report?	NO	Classification	Minor
Citation:	30 TAC Chapter 115, SubChapter B 115.112(c)(1)		
Rqmt Prov:	OP No. O-01635, SC 1A		
Description:	Failure to submerge the bottom of the fill pipe of the storage tank (HT-801) during the certification period.		
Date:	06/30/2005	(445482)	
Self Report?	YES	Classification	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1)		
	TWC Chapter 26 26.121(a)[G]		
Description:	Failure to meet the limit for one or more permit parameter		
Date:	04/03/2006	(454659)	
Self Report?	NO	Classification	Minor
Citation:	30 TAC Chapter 101, SubChapter A 101.20(1)		
	40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(c)		
Description:	Failure to verify two leak free months on valves in VOC service.		
Date:	06/30/2006	(526134)	
Self Report?	YES	Classification	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1)		
	TWC Chapter 26 26.121(a)[G]		
Description:	Failure to meet the limit for one or more permit parameter		
Date:	10/24/2006	(509045)	
Self Report?	NO	Classification	Moderate
Citation:	30 TAC Chapter 116, SubChapter B 116.115(c)		
	30 TAC Chapter 122, SubChapter B 122.143(4)		
	5C THC Chapter 382, SubChapter D 382.085(b)		
Rqmt Prov:	PERMIT 18836, Special Condition 4		
	OP O-01635, Special Condition 7		
Description:	Exceeded the oxides of nitrogen emissions from the boiler stacks.		
Self Report?	NO	Classification	Moderate
Citation:	30 TAC Chapter 116, SubChapter B 116.115(c)		
	30 TAC Chapter 122, SubChapter B 122.143(4)		
	5C THC Chapter 382, SubChapter D 382.085(b)		
Rqmt Prov:	PERMIT 18836, Special Condition 18A		
	OP O-01635, Special Condition 7		
Description:	Failed to monitor 164 connections designated as annual Difficult to Monitor (DTM) components.		
Self Report?	NO	Classification	Moderate
Citation:	30 TAC Chapter 116, SubChapter B 116.115(c)		
	30 TAC Chapter 122, SubChapter B 122.143(4)		
	5C THC Chapter 382, SubChapter D 382.085(b)		
Rqmt Prov:	PERMIT 18836, Special Condition 18B		
	OP O-01635, Special Conditions 7		
Description:	Failed to monitor 404 connections on a quarterly schedule.		
Self Report?	NO	Classification	Moderate
Citation:	30 TAC Chapter 116, SubChapter B 116.115(c)		
	30 TAC Chapter 122, SubChapter B 122.143(4)		
	5C THC Chapter 382, SubChapter D 382.085(b)		
Rqmt Prov:	PERMIT 18836, Special Condition 9		
	OP O-01635, Special Condition 7		
Description:	Failed to maintain the BTU content and the tip velocity of the flare. Sub Category B13		

Self Report?	NO	Classification	Moderate
Citation:	30 TAC Chapter 116, SubChapter B 116.115(c) 30 TAC Chapter 122, SubChapter B 122.143(4) 5C THC Chapter 382, SubChapter D 382.085(b)		
Rqmt Prov:	PERMIT 18836, Special Condition 8 OP O-01635, Special Condition 7		
Description:	Exceeded the steam to hydrocarbon ratio at the flare. Sub Category B13		
Self Report?	NO	Classification	Moderate
Citation:	30 TAC Chapter 116, SubChapter B 116.115(c) 30 TAC Chapter 122, SubChapter B 122.143(4) 5C THC Chapter 382, SubChapter D 382.085(b)		
Rqmt Prov:	PERMIT 18836, Special Condition 6 OP O-01635, Special Condition 7		
Description:	Failed to maintain the BTU content of the flare. Sub Category B13		
Self Report?	NO	Classification	Moderate
Citation:	30 TAC Chapter 116, SubChapter B 116.115(c) 30 TAC Chapter 122, SubChapter B 122.143(4) 40 CFR Chapter 60, SubChapter C, PT 60, SubPT DDD 60.562-2(a) 5C THC Chapter 382, SubChapter D 382.085(b)		
Rqmt Prov:	PERMIT 18836, Special Condition 17E OP O-01635 Special Condition 1 OP O-01635, Special Condition 7		
Description:	Failed to seal thirty three open-ended lines.		
Self Report?	NO	Classification	Moderate
Citation:	30 TAC Chapter 116, SubChapter B 116.115(c) 30 TAC Chapter 122, SubChapter B 122.143(4) 40 CFR Chapter 60, SubChapter C, PT 60, SubPT DDD 60.562-2(a) 5C THC Chapter 382, SubChapter D 382.085(b)		
Rqmt Prov:	PERMIT 18836, Special Condition 17F OP O-01635, Special Condition 1 OP O-01635, Special Condition 7		
Description:	Failed to monitor replacement valves within 15 days of replacement.		
Self Report?	NO	Classification	Moderate
Citation:	30 TAC Chapter 111, SubChapter A 111.111(a)(7)(A) 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(G) 5C THC Chapter 382, SubChapter D 382.085(b)		
Rqmt Prov:	OP O-01635, Special Condition 1		
Description:	Exceeded the opacity limit with in buildings CB-2 & CB-3. Sub Category B13		
Self Report?	NO	Classification	Moderate
Citation:	30 TAC Chapter 116, SubChapter B 116.115(c) 30 TAC Chapter 122, SubChapter B 122.143(4) 5C THC Chapter 382, SubChapter D 382.085(b)		
Rqmt Prov:	PERMIT 18836, Special Condition 2 OP O-01635, Special Condition 7		
Description:	Located a blown ruptured disc.		
Self Report?	NO	Classification	Moderate
Citation:	30 TAC Chapter 116, SubChapter B 116.115(c) 30 TAC Chapter 122, SubChapter B 122.143(4) 5C THC Chapter 382, SubChapter D 382.085(b)		
Rqmt Prov:	PERMIT 18836, Special Condition 7B OP O-01635, Special Condition 7		
Description:	Failed to maintain the flare pilot flame.		
Self Report?	NO	Classification	Moderate
Citation:	40 CFR Chapter 60, SubChapter C, PT 60, SubPT DDD 60.562-2(a) 5C THC Chapter 382, SubChapter D 382.085(b)		
Rqmt Prov:	OP O-01635, Special Condition 1		
Description:	Failed to remonitor components within 5 days to insure it had reseated.		
Self Report?	NO	Classification	Moderate
Citation:	30 TAC Chapter 122, SubChapter B 122.143(4) 30 TAC Chapter 122, SubChapter B 122.145(2)(A) 30 TAC Chapter 122, SubChapter B 122.145(2)(C) 5C THC Chapter 382, SubChapter D 382.085(b)		
Rqmt Prov:	OP O-01635, General Terms and Conditions		
Description:	Failed to report three deviations in the appropriate deviation report time frames.		
Self Report?	NO	Classification	Moderate
Citation:	30 TAC Chapter 116, SubChapter B 116.115(c) 30 TAC Chapter 122, SubChapter B 122.143(4) 40 CFR Chapter 60, SubChapter C, PT 60, SubPT DDD 60.562-2(a) 5C THC Chapter 382, SubChapter D 382.085(b)		
Rqmt Prov:	PERMIT 18836, Special Condition 17F OP O-01635, Special Condition 1A OP O-01635, Special Condition 7		
Description:	Failed to monitor 45 valves designated as annual Difficult to Monitor (DTM).		
Self Report?	NO	Classification	Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT DDD 60.562-2(b)  
5C THC Chapter 382, SubChapter D 382.085(b)  
Rqmt Prov: PERMIT 18836, Special Condition 17F  
OP O-01635, Special Condition 1A  
OP O-01635, Special Condition 7  
Description: Failed to monitor 266 valves on a quarterly schedule.

- F. Environmental audits.  
N/A
  - 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  
EQUISTAR CHEMICALS, LP  
RN100216159**

§  
§  
§  
§  
§

**BEFORE THE  
TEXAS COMMISSION ON  
ENVIRONMENTAL QUALITY**

## **AGREED ORDER DOCKET NO. 2007-1188-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 Equistar Chemicals, LP ("the Respondent") 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 the Respondent appear before the Commission and together stipulate that:

1. The Respondent owns and operates a polyethylene manufacturing plant on State Highway 60, 13 miles south of Bay City, Matagorda 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 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 June 9, 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 Fifty-One Thousand Nine Hundred Eighty-Four Dollars (\$51,984) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Twenty Thousand Seven Hundred Ninety-Four Dollars (\$20,794) of the administrative penalty and Ten Thousand Three Hundred Ninety-Six



Dollars (\$10,396) 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. Twenty Thousand Seven Hundred Ninety-Four Dollars (\$20,794) shall be conditionally offset by the Respondent's completion of a Supplemental Environmental Project ("SEP").

7. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
8. The Executive Director of the TCEQ and 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 recognizes that the Respondent has implemented the following corrective measures at the Plant:
  - a. As indicated in the July 21, 2006 and January 29, 2007 deviation reports, open-ended lines were capped, plugged, or double-blocked upon discovery, the importance of plugging open-ended lines was discussed with all operators and pilot plant technicians during shift meetings and operation work place meetings, and a program was initiated to identify equipment when caps, plugs, or blinds are removed for maintenance;
  - b. As indicated in the January 29, 2007 deviation report, six connectors on the process vessel V-521 level bridle were monitored on June 13, 2006, entered into the database, and are now being monitored at the required frequency. Additionally, two connections on Line 2, 2R-231-A were tagged, monitored and entered into the database on November 6, 2006;
  - c. As indicated in the July 21, 2006 and January 29, 2007 deviation reports, three valves on the process vessel V-521 level bridle were monitored on June 13, 2006, entered into the database, and are now being monitored at the required frequency. Additionally, seven valves on Line 2, 2R-231-A were tagged, monitored, and entered into the database on November 6, 2006, and one valve in the 200 area of Line 3 was retagged, entered into the database, and monitored on December 11, 2006;
  - d. As indicated in the July 21, 2006 deviation report, four valves that were not monitored in February 2006 as required were identified and now meet the monitoring frequency requirements of 40 CODE OF FEDERAL REGULATIONS ch. 60 Subpart VV;
  - e. As indicated in the January 29, 2007 deviation report, a valve in VOC service that was not re-monitored within 15 days of being replaced was re-monitored on August 22, 2006, and extensive training was conducted with operations technicians on follow-up monitoring requirements on new, reworked, or replaced notification process;
  - f. As indicated in the July 21, 2006 deviation report, policies and procedures were implemented to ensure that valves found to be leaking in excess of 10,000 parts per million are monitored for two successive leak-free months;



- g. As indicated in the July 21, 2006 deviation report, a valve on Delay of Repair on filter 3F-201C was repaired on February 9, 2006 during the next unit shutdown, and the Production Maintenance Coordinator, who schedules all maintenance jobs, will scan for outstanding Delay of Repairs while the equipment is down to ensure no Delay of Repairs are missed;
- h. As indicated in the July 21, 2006 deviation report, the pressure safety valve ("PSV") downstream of rupture disc RD-302 was re-monitored on March 30, 2006;
- i. As indicated in the July 21, 2006 and January 29, 2007 deviation reports, guidelines were revised, current flare operation guidelines were reviewed, new procedures were written, tuning changes were made to the flare velocity, solenoid valves were cleaned and placed back into service, and personnel training was conducted to prevent the flare exit velocity from exceeding 10 feet per second ("fps") while the British Thermal Unit ("BTU") value is less than 500;
- j. As indicated in the July 21, 2006 deviation report, programming changes were made to the flare BTU controller to prevent the flare tip velocity from exceeding 60 fps;
- k. As indicated in the January 29, 2007 deviation report, current flare operation guidelines were reviewed, new procedures were written, tuning changes were made to the flare velocity, the signal from HS-765 was replaced by limit switches ZSC-765 and ZSO-765, and personnel training was conducted to ensure the flare BTU value is maintained above 400;
- l. As indicated in the January 29, 2007 deviation report, tuning changes were made to the flare velocity, the signal from HS-765 was replaced by limit switches ZSC-765 and ZSO-765 to ensure the flare BTU value is maintained above 300;
- m. As indicated in the January 29, 2007 deviation report, solenoid valves were cleaned and placed back into service to ensure the required steam-to-hydrocarbon ratio is maintained. New spare valves were also ordered for backup in case of future failure, and results of the October 9, December 4, 5, 6, 22, and 24, 2006 incidents were discussed with all board operators;
- n. Reported five deviations that occurred during the January 1 to June 30, 2006 reporting period for Tanks T-171, T-601, T-602, T-606, and T-735 in the January 29, 2007 deviation report;
- o. As indicated in the January 29, 2007 deviation report, the minimum operating level of Tank T-606 was put in the daily instructions to keep it from landing. Additionally, procedures were written to address proper operation of floating roof tanks in Volatile Organic Compound ("VOC") service and normal operating ranges will be changed to reflect the minimum level in Tank T-606 should be kept above 20%; and
- p. As indicated in the January 29, 2007 deviation report, the minimum operating levels of Tanks T-601 and T-602 were put in the daily instructions to keep them from landing. Additionally, procedures were written to address proper operation of floating roof tanks in VOC service and normal operating ranges will be changed to reflect the minimum level in



Tank T-601 should be kept above 42%, while the minimum level in Tank T-602 should be kept above 20%.

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 the Respondent 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, the Respondent is alleged to have:

1. Failed to seal open-ended lines in VOC service, as reported in the July 21, 2006 and January 29, 2007 deviation reports, in violation of 30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4); Air Permit No. 18836, Special Condition No. 17.E.; Federal Operating Permit No. O-01635, Special Condition Nos. 1.A. and 7; 40 CODE OF FEDERAL REGULATIONS §§ 60.482-6(a)(1) and 60.562-2(a); and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from March 24 to April 3, 2007. Specifically, 20 open-ended lines were in VOC service during the time period of January 18, 2006 to November 27, 2006.
2. Failed to perform quarterly monitoring on connectors in VOC service, as reported in the July 21, 2006 and January 29, 2007 deviation reports, in violation of 30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4); Air Permit No. 18836, Special Condition No. 18.B(1); Federal Operating Permit No. O-01635, Special Condition No. 7; and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from March 24 to April 3, 2007. Specifically, six connectors on the process vessel V-521 level bridle were not monitored during the first quarter of 2006, and two connections on Line 2, 2R-231-A were not monitored during the third quarter of 2006.
3. Failed to perform quarterly monitoring on valves in VOC service, as reported in the July 21, 2006 and January 29, 2007 deviation reports, in violation of 30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4); Air Permit No. 18836, Special Condition No. 17.F.; Federal Operating Permit No. O-01635, Special Condition Nos. 1.A. and 7; 40 CODE OF FEDERAL REGULATIONS §§ 60.482-7(a) and 60.562-2(a); and TEX. HEALTH & SAFETY CODE § 382.085(b) as documented during an investigation conducted from March 24 to April 3, 2007. Specifically, three valves on the process vessel V-521 level bridle were not monitored during the first quarter of 2006, and seven valves on Line 2, 2R-231-A and one valve in the 200 area of Line 3 were not monitored during the third quarter of 2006.
4. Failed to monitor valves in VOC service for two consecutive months after installation, as reported in the July 21, 2006 deviation report, in violation of 30 TEX. ADMIN. CODE § 122.143(4); Federal



- Operating Permit No. O-01635, Special Condition No. 1.A.; 40 CODE OF FEDERAL REGULATIONS §§ 60.482-7(a) and 60.562-2(a); and TEX. HEALTH & SAFETY CODE § 382.085(b) as documented during an investigation conducted from March 24 to April 3, 2007. Specifically, four valves were installed and monitored in January and March 2006, but were not monitored in February 2006.
5. Failed to re-monitor a valve in VOC service within 15 days of being replaced, as reported in the January 29, 2007 deviation report, in violation of 30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4); Air Permit No. 18836, Special Condition No. 17.F.; Federal Operating Permit No. O-01635, Special Condition Nos. 1.A. and 7; 40 CODE OF FEDERAL REGULATIONS §§ 60.482-7(d)(1) and 60.562-2(a); and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from March 24 to April 3, 2007. Specifically, the valve was replaced on July 19, 2006, but was not re-monitored until August 22, 2006.
  6. Failed to re-monitor two valves leaking more than 10,000 parts per million for two consecutive leak-free months, as reported in the July 21, 2006 deviation report, in violation of 30 TEX. ADMIN. CODE § 122.143(4); Federal Operating Permit No. O-01635, Special Condition No. 1.A.; 40 CODE OF FEDERAL REGULATIONS §§ 60.482-7(c)(2) and 60.562-2(a); and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from March 24 to April 3, 2007. Specifically, the two valves were placed on Delay of Repair in December 2005 and were re-monitored in February 2006, but not in January 2006.
  7. Failed to repair one valve in VOC service by the end of the next unit shutdown, as reported in the July 21, 2006 deviation report, in violation of 30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4); Air Permit No. 18836, Special Condition No. 17.I.; Federal Operating Permit No. O-01635, Special Condition Nos. 1.A. and 7; 40 CODE OF FEDERAL REGULATIONS §§ 60.482-9(a) and 60.562-2(a); and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from March 24 to April 3, 2007. Specifically, a valve on Delay of Repair on filter 3F-201C was to be repaired when Production Line 3 was shutdown on January 19, 2006, but was not repaired until February 9, 2006 during the next unit shutdown. The Respondent reported the total amount of emissions from discovery to repair was 7.9 lbs of VOCs.
  8. Failed to re-monitor the PSV downstream of rupture disc RD-302 within five days after pressure release, as reported in the July 21, 2006 deviation report, in violation of 30 TEX. ADMIN. CODE § 122.143(4); Federal Operating Permit No. O-01635, Special Condition No. 1.A.; 40 CODE OF FEDERAL REGULATIONS §§ 60.482-4(b) and 60.562-2(a); and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from March 24 to April 3, 2007. Specifically, the PSV pressure release occurred on March 10, 2006, but was not re-monitored until March 30, 2006.
  9. Failed to maintain the flare exit velocity at or below 10 fps on a six minute rolling average while the BTU value was less than 500 on January 23, February 26, August 3, September 11 and 17, November 27 and 29, and December 5, 21, 22, and 23, 2006, as reported in the July 21, 2006 and January 29, 2007 deviation reports, in violation of 30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4); Air Permit No. 18836, Special Condition No. 9; Federal Operating Permit No. O-01635, Special Condition No. 7; and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from March 24 to April 3, 2007.
  10. Failed to maintain the flare tip velocity below 60 fps on March 1, 2006, as reported in the July 21, 2006 deviation report, in violation of 30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4); Air



Permit No. 18836, Special Condition No. 9; Federal Operating Permit No. O-01635, Special Condition Nos. 1.A. and 7; 40 CODE OF FEDERAL REGULATIONS § 60.18(c)(4); and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from March 24 to April 3, 2007.

11. Failed to maintain the flare BTU value greater than 400 on a six minute rolling average on August 8, September 11 and 17, November 29, December 4, 21, 22, 23, 24, and 26, 2006, as reported in the January 29, 2007 deviation report, in violation of 30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4); Air Permit No. 18836, Special Condition No. 6; Federal Operating Permit No. O-01635, Special Condition No. 7; and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from March 24 to April 3, 2007.
12. Failed to maintain the flare BTU value greater than 300 on September 11 and December 21, 22, 23, 24, and 26, 2006, as reported in the January 29, 2007 deviation report, in violation of 30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4); Air Permit No. 18836, Special Condition No. 7.A.; Federal Operating Permit No. O-01635, Special Condition Nos. 1.A. and 7; 40 CODE OF FEDERAL REGULATIONS § 60.18(c)(3)(ii); and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from March 24 to April 3, 2007.
13. Failed to maintain a minimum steam-to-hydrocarbon ratio of less than or equal to 2.0 for a feed rate greater than 300 lbs/hr and less than or equal to 3.0 for a feed rate greater than 300 lbs/hr averaged over six minutes on October 9, December 4, 5, 6, 22, and 24, 2006, as reported in the January 29, 2007 deviation report, in violation of 30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4); Air Permit No. 18836, Special Condition No. 8; Federal Operating Permit No. O-01635, Special Condition No. 7; and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from March 24 to April 3, 2007.
14. Failed to report five deviations for Tanks T-171, T-601, T-602, T-606, and T-735 which occurred in the previous deviation reporting period of January 1 to June 30, 2006, as reported in the January 29, 2007 deviation report, in violation of 30 TEX. ADMIN. CODE §§ 122.143(4) and 122.145(2)(A); Federal Operating Permit No. O-01635, General Conditions; and TEX. HEALTH & SAFETY CODE § 385.085(b), as documented during an investigation conducted from March 24 to April 3, 2007.
15. Failed to prevent the landing of the internal floating roof to Tank T-606 (EPN No. HT-606), as reported in the January 29, 2007 deviation report, in violation of 30 TEX. ADMIN. CODE § 122.143(4); Federal Operating Permit No. O-01635, Special Condition No. 1.A.; 40 CODE OF FEDERAL REGULATIONS § 60.112a(a)(2); and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from March 24 to April 3, 2007. Specifically, Tank T-606 set on legs from January 1 to January 10, 2006, resulting in total emissions of 208 lbs of Hexane.
16. Failed to prevent the landing of the internal floating roof to Tanks T-601 (EPN HT-601) and T-602 (EPN HT-602), as reported in the January 29, 2007 deviation report, in violation of 30 TEX. ADMIN. CODE §§ 116.115(b)(2)(F) and (c) and 122.143(4); Air Permit No. 18836, Special Condition Nos. 1 and 8; Federal Operating Permit No. O-01635, Special Condition Nos. 1.A. and 7; 40 CODE OF FEDERAL REGULATIONS § 60.112a(a)(2), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from March 24 to April 3, 2007. Specifically, Tank T-601 set on legs from January 4 to June 30, 2006 and from July 1 to



December 10, 2006, resulting in total emissions of 3,270 lbs of Hexane. Tank T-602 set on legs on May 27, 2006 and August 4 and 5, 2006, resulting in total emissions of 261 lbs of Hexane.

### 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: Equistar Chemicals, LP, Docket No. 2007-1188-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 Respondent shall implement and complete a SEP in accordance with TEX. WATER CODE § 7.067. As set forth in Section I, Paragraph 6 above, Twenty Thousand Seven Hundred Ninety-Four Dollars (\$20,794) 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. 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 Plant operations referenced in this Agreed Order.
4. 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.
5. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by 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.

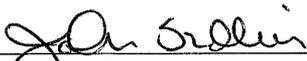
6. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted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

  
\_\_\_\_\_  
For the Executive Director

7/18/2008  
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 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.

  
Signature

1/31/08  
Date

MICHAEL VANDERSNICK  
Name (Printed or typed)  
Authorized Representative of  
Equistar Chemicals, LP

PLANT MANAGER  
Title

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



**Attachment A**  
**Docket Number: 2007-1188-AIR-E**

**SUPPLEMENTAL ENVIRONMENTAL PROJECT**

**Respondent:** Equistar Chemicals, LP

**Payable Penalty Amount:** Forty-One Thousand Five Hundred Eighty-Eight Dollars (\$41,588)

**SEP Amount:** Twenty Thousand Seven Hundred Ninety-Four Dollars (\$20,794)

**Type of SEP:** Pre-approved

**Third-Party Recipient:** Texas Association of Resource Conservation and Development Areas, Inc. ("RC&D")- Clean School Buses

**Location of SEP:** Matagorda County

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

**1. Project Description**

A. Project

The Respondent shall contribute to the Third-Party Recipient pursuant to the agreement between the Third-Party Recipient and the TCEQ. Specifically, the contribution will be used to aid local school districts, area transit agencies, and local governments in need of funding assistance to pay for the cost of the following activities to reduce emissions: 1) replacing older diesel buses with alternative fuelled or clean diesel buses; or 2) retrofitting older diesel buses with new, cleaner technology. The funds will be disbursed on a needs-rated basis, using non-attainment area status, condition of buses, and economic status of the recipient as possible rating factors if competition for the funds exists. To maximize funds, retrofitting will take priority over replacement of buses. Older buses deemed not suitable for retrofitting will be permanently retired and sold only for scrap.

Acceptable retrofit technologies include particulate matter traps, diesel particulate matter filters, nitrogen oxides (NO<sub>x</sub>) reduction catalyst technology in combination with diesel particulate filters, and other emission control technologies that are developed and approved by the United States Environmental Protection Agency ("EPA") or the California Air Resources Board.

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 reducing particulate matter and hydrocarbon emissions from buses, to meet the new, more stringent emissions standards introduced by the EPA which will be phased in between 2007 and 2010.



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:

Texas Association of Resource Conservation and Development Areas, Inc.  
1716 Briarcrest Drive, Suite 510  
Bryan, Texas 77802-2700

**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.

