

EXECUTIVE SUMMARY - ENFORCEMENT MATTER

DOCKET NO.: 2008-0050-AIR-E **TCEQ ID:** RN100716661 **CASE NO.:** 35182

RESPONDENT NAME: Pasadena Refining System, Inc

ORDER TYPE:		
<input checked="" type="checkbox"/> 1660 AGREED ORDER	<input type="checkbox"/> FINDINGS AGREED ORDER	<input type="checkbox"/> FINDINGS ORDER FOLLOWING SOAH HEARING
<input type="checkbox"/> FINDINGS DEFAULT ORDER	<input type="checkbox"/> SHUTDOWN ORDER	<input type="checkbox"/> IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER
<input type="checkbox"/> AMENDED ORDER	<input type="checkbox"/> EMERGENCY ORDER	
CASE TYPE:		
<input checked="" type="checkbox"/> AIR	<input type="checkbox"/> MULTI-MEDIA (check all that apply)	<input type="checkbox"/> INDUSTRIAL AND HAZARDOUS WASTE
<input type="checkbox"/> PUBLIC WATER SUPPLY	<input type="checkbox"/> PETROLEUM STORAGE TANKS	<input type="checkbox"/> OCCUPATIONAL CERTIFICATION
<input type="checkbox"/> WATER QUALITY	<input type="checkbox"/> SEWAGE SLUDGE	<input type="checkbox"/> UNDERGROUND INJECTION CONTROL
<input type="checkbox"/> MUNICIPAL SOLID WASTE	<input type="checkbox"/> RADIOACTIVE WASTE	<input type="checkbox"/> DRY CLEANER REGISTRATION
<p>SITE WHERE VIOLATION(S) OCCURRED: Pasadena Refining System, 111 Red Bluff Road, Pasadena, Harris County</p> <p>TYPE OF OPERATION: Petroleum refinery</p> <p>SMALL BUSINESS: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>OTHER SIGNIFICANT MATTERS: There are no complaints. There is no record of additional pending enforcement actions regarding this facility location.</p> <p>INTERESTED PARTIES: No one other than the ED and the Respondent has expressed an interest in this matter.</p> <p>COMMENTS RECEIVED: The <i>Texas Register</i> comment period expired on December 22, 2008. No comments were received.</p> <p>CONTACTS AND MAILING LIST: TCEQ Attorney/SEP Coordinator: None TCEQ Enforcement Coordinator: Ms. Roshondra Lowe, Enforcement Division, Enforcement Team 5, MC R-12, (713) 767-3553; Mr. Bryan Sinclair, Enforcement Division, MC 219, (512) 239-2171 Respondent: Mr. Chuck Dunlap for Mr. Daniel M. Kennedy, President & CEO, Refining, Pasadena Refining System, Inc, 111 Red Bluff Road, Pasadena, Texas 77506 Respondent's Attorney: Not represented by counsel on this enforcement matter</p>		

VIOLATION SUMMARY CHART:

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p>Type of Investigation: <input type="checkbox"/> Complaint <input checked="" type="checkbox"/> Routine <input type="checkbox"/> Enforcement Follow-up <input type="checkbox"/> Records Review</p> <p>Date(s) of Complaints Relating to this Case: None</p> <p>Date of Investigation Relating to this Case: October 12, 2007</p> <p>Date of NOV/NOE Relating to this Case: November 5, 2007 (NOE)</p> <p>Background Facts: This was a routine investigation.</p> <p>AIR</p> <p>Failure to prevent unauthorized emissions during a July 17, 2007 emissions event. Specifically, 1,387.88 pounds ("lbs") of the highly reactive volatile organic compounds butene and ethylene, 155.69 lbs of the hazardous air pollutants hexane, hexanes +, ethylbenzene, xylene, toluene, 1,3 butadiene, and benzene, 20,627.69 lbs of volatile organic compounds, 234.70 lbs of hydrogen sulfide, and 61.63 lbs of carbon monoxide were released from Tank 827 during an emissions event that began on July 17, 2007 and lasted for two hours (Incident No. 94242). Since this emissions event was avoidable, the demonstrations in 30 TEX. ADMIN. CODE § 101.222 necessary to present an affirmative defense was not met [30 TEX. ADMIN. CODE § 116.115(c), TCEQ Permit No. 76192, Special Condition No. 1, and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p>	<p>Total Assessed: \$10,000</p> <p>Total Deferred: \$2,000 <input checked="" type="checkbox"/> Expedited Settlement <input type="checkbox"/> Financial Inability to Pay</p> <p>SEP Conditional Offset: \$0</p> <p>Total Paid to General Revenue: \$8,000</p> <p>Site Compliance History Classification <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p>Person Compliance History Classification <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p>Major Source: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Applicable Penalty Policy: September 2002</p>	<p>Ordering Provisions:</p> <p>The Order will require the Respondent to:</p> <p>a. Within 30 days after the effective date of this Agreed Order, implement measures designed to prevent the recurrence of emissions events due to the same cause as the emissions event that began on July 17, 2007; and</p> <p>b. Within 45 days after the effective date of this Agreed Order, submit written certification and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision a.</p>

Additional ID No(s): HG0175D



Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision June 12, 2008

DATES	Assigned	12-Nov-2007	Screening	20-Dec-2007	EPA Due	1-Aug-2008
	PCW	10-Jan-2008				

RESPONDENT/FACILITY INFORMATION	
Respondent	Pasadena Refining System, Inc
Reg. Ent. Ref. No.	RN100716661
Facility/Site Region	12-Houston
Major/Minor Source	Major

CASE INFORMATION			
Enf./Case ID No.	35182	No. of Violations	1
Docket No.	2008-0050-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Roshondra Lowe
		EC's Team	Enforcement Team 5
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$10,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$5,000
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ADJUSTMENTS (+/-) TO SUBTOTAL 1			
Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.			
Compliance History	121.0% Enhancement	Subtotals 2, 3, & 7	\$6,050

Notes
Penalty enhanced due to eight NOVs for the same or similar violations, four NOVs for unrelated violations (which includes two months of self-reported effluent violations), one agreed order with denial of liability, one agreed order without denial of liability, and one Court Order with denial of liability. Penalty reduction due to two Notices of Audits submitted.

Culpability	No	0.0% Enhancement	Subtotal 4	\$0
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Notes
The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply Total Adjustments	Subtotal 5	\$0
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Economic Benefit	0.0% Enhancement*	Subtotal 6	\$0
Total EB Amounts	\$213	*Capped at the Total EB \$ Amount	
Approx. Cost of Compliance	\$4,000		

SUM OF SUBTOTALS 1-7	Final Subtotal	\$11,050
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OTHER FACTORS AS JUSTICE MAY REQUIRE	0.0%	Adjustment	\$0
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes

Final Penalty Amount	\$11,050
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$10,000
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DEFERRAL	20.0% Reduction	Adjustment	-\$2,000
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Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes
Deferral offered for expedited settlement.

PAYABLE PENALTY	\$8,000
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Screening Date 20-Dec-2007

Docket No. 2008-0050-AIR-E

PCW

Respondent Pasadena Refining System, Inc

Policy Revision 2 (September 2002)

Case ID No. 35182

PCW Revision June 12, 2008

Reg. Ent. Reference No. RN100716661

Media [Statute] Air

Enf. Coordinator Roshondra Lowe

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)	8	40%
	Other written NOVs	4	8%
Orders	Any agreed final enforcement orders containing a denial of liability (number of orders meeting criteria)	1	20%
	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	1	25%
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)	1	30%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (number of counts)	0	0%
Emissions	Chronic excessive emissions events (number of events)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which notices were submitted)	2	-2%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which violations were disclosed)	0	0%
<i>Please Enter Yes or No</i>			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	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) 121%

>> Repeat Violator (Subtotal 3)

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes Penalty enhanced due to eight NOVs for the same or similar violations, four NOVs for unrelated violations (which includes two months of self-reported effluent violations), one agreed order with denial of liability, one agreed order without denial of liability, and one Court Order with denial of liability. Penalty reduction due to two Notices of Audits submitted.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 121%

Screening Date 20-Dec-2007 **Docket No.** 2008-0050-AIR-E **PCW**
Respondent Pasadena Refining System, Inc *Policy Revision 2 (September 2002)*
Case ID No. 35182 *PCW Revision June 12, 2008*
Reg. Ent. Reference No. RN100716661
Media [Statute] Air
Enf. Coordinator Roshondra Lowe

Violation Number 1
Rule Cite(s) 30 Tex. Admin. Code § 116.115(c), TCEQ Permit No: 76192, Special Condition No. 1; and Tex. Health & Safety Code § 382.085(b)
Violation Description
 Failed to prevent unauthorized emissions during a July 17, 2007 emissions event. Specifically, 1,387.88 pounds ("lbs") of the highly reactive volatile organic compounds ("HRVOCs") butene and ethylene, 155.69 lbs of the hazardous air pollutants ("HAPs") hexane, hexanes +, ethylbenzene, xylene, toluene, 1,3 butadiene, and benzene, 20,627.69 lbs of volatile organic compounds ("VOCs"), 234.70 lbs of hydrogen sulfide, and 61.63 lbs of carbon monoxide were released from Tank 827 during an emissions event that began on July 17, 2007 and lasted for two hours (Incident No. 94242). Since this emissions event was avoidable, the demonstrations in 30 Tex. Admin. Code § 101.222 necessary to present an affirmative defense was not met.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual		X	
Potential			

Percent 50%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes
 Human health or the environment in the Houston-Galveston-Brazoria nonattainment area has been exposed to significant amounts of pollutants which would not exceed levels that are protective of human health or environmental receptors as a result of this violation.

Adjustment \$5,000

\$5,000

Violation Events

Number of Violation Events 1 **Number of violation days** 1

mark only one with an x

daily	
monthly	X
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty \$5,000

One monthly event is recommended.

Good Faith Efforts to Comply 0.0% Reduction **\$0**

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

Notes
 The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$5,000

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

Estimated EB Amount \$213

Violation Final Penalty Total \$11,050

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

Economic Benefit Worksheet

Respondent: Pasadena Refining System, Inc

Case ID No: 35182

Reg. Ent. Reference No: RN100716661

Media: Air

Violation No: 1

Percent Interest	Years of Depreciation
5.0	15

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

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$4,000	17-Jul-2007	8-Aug-2008	1.06	\$213	n/a	\$213

Notes for DELAYED costs

Estimated cost to implement measures necessary to ensure proper operation of the Plant in batch mode. Date required is the date of the emissions event. Final date is the projected date of corrective action completion.

Avoided Costs

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

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$4,000

TOTAL

\$213

Compliance History

Customer/Respondent/Owner-Operator: CN603137605 Pasadena Refining System, Inc Classification: AVERAGE Rating: 2.44
 Regulated Entity: RN100716661 PASADENA REFINING SYSTEM Classification: AVERAGE Site Rating: 2.60

ID Number(s):	AIR OPERATING PERMITS	ACCOUNT NUMBER	HG0175D
	AIR OPERATING PERMITS	PERMIT	1544
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	EPA ID	TXD008091290
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION # (SWR)	30311
	INDUSTRIAL AND HAZARDOUS WASTE STORAGE	PERMIT	50112
	WASTEWATER	PERMIT	WQ0000574000
	WASTEWATER	PERMIT	TPDES0004626
	WASTEWATER	PERMIT	TX0004626
	AIR NEW SOURCE PERMITS	PERMIT	3776
	AIR NEW SOURCE PERMITS	PERMIT	4160
	AIR NEW SOURCE PERMITS	PERMIT	4805
	AIR NEW SOURCE PERMITS	PERMIT	5639
	AIR NEW SOURCE PERMITS	PERMIT	5953
	AIR NEW SOURCE PERMITS	PERMIT	6059
	AIR NEW SOURCE PERMITS	PERMIT	12244
	AIR NEW SOURCE PERMITS	PERMIT	12421
	AIR NEW SOURCE PERMITS	PERMIT	12928
	AIR NEW SOURCE PERMITS	PERMIT	13051
	AIR NEW SOURCE PERMITS	PERMIT	13494
	AIR NEW SOURCE PERMITS	PERMIT	14097
	AIR NEW SOURCE PERMITS	PERMIT	14133
	AIR NEW SOURCE PERMITS	PERMIT	20246
	AIR NEW SOURCE PERMITS	PERMIT	21261
	AIR NEW SOURCE PERMITS	PERMIT	22039
	AIR NEW SOURCE PERMITS	PERMIT	26891
	AIR NEW SOURCE PERMITS	PERMIT	29623
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	HG0175D
	AIR NEW SOURCE PERMITS	REGISTRATION	75825
	AIR NEW SOURCE PERMITS	REGISTRATION	76022
	AIR NEW SOURCE PERMITS	PERMIT	76192
	AIR NEW SOURCE PERMITS	AFS NUM	4820100006
	AIR NEW SOURCE PERMITS	REGISTRATION	74742
	AIR NEW SOURCE PERMITS	REGISTRATION	15114
	AIR NEW SOURCE PERMITS	REGISTRATION	23453
	AIR NEW SOURCE PERMITS	REGISTRATION	24103
	AIR NEW SOURCE PERMITS	REGISTRATION	24413
	AIR NEW SOURCE PERMITS	REGISTRATION	29038
	AIR NEW SOURCE PERMITS	REGISTRATION	29628
	AIR NEW SOURCE PERMITS	REGISTRATION	37094
	AIR NEW SOURCE PERMITS	REGISTRATION	37366
	AIR NEW SOURCE PERMITS	REGISTRATION	38901
	AIR NEW SOURCE PERMITS	REGISTRATION	42375
	AIR NEW SOURCE PERMITS	REGISTRATION	42719
	AIR NEW SOURCE PERMITS	REGISTRATION	43721
	AIR NEW SOURCE PERMITS	REGISTRATION	45156
	AIR NEW SOURCE PERMITS	REGISTRATION	53208
	AIR NEW SOURCE PERMITS	REGISTRATION	54536
	AIR NEW SOURCE PERMITS	REGISTRATION	54538
	AIR NEW SOURCE PERMITS	REGISTRATION	56389
	AIR NEW SOURCE PERMITS	REGISTRATION	71605
	AIR NEW SOURCE PERMITS	REGISTRATION	77074
	AIR NEW SOURCE PERMITS	PERMIT	80804
	AIR NEW SOURCE PERMITS	REGISTRATION	81553
	AIR NEW SOURCE PERMITS	REGISTRATION	44511
	AIR NEW SOURCE PERMITS	REGISTRATION	81978
	AIR NEW SOURCE PERMITS	EPA ID	PSDTX1096
	AIR NEW SOURCE PERMITS	REGISTRATION	82003
	AIR NEW SOURCE PERMITS	REGISTRATION	82373
	AIR NEW SOURCE PERMITS	REGISTRATION	82840
	AIR NEW SOURCE PERMITS	EPA ID	PSDTX1109
	AIR NEW SOURCE PERMITS	REGISTRATION	82764-
	AIR NEW SOURCE PERMITS	REGISTRATION	82764
	AIR NEW SOURCE PERMITS	REGISTRATION	82861
	AIR QUALITY NON PERMITTED	ACCOUNT NUMBER	HG0175D
	IHW CORRECTIVE ACTION	SOLID WASTE REGISTRATION # (SWR)	30311

INDUSTRIAL AND HAZARDOUS WASTE POST CLOSURE PERMIT 50112
 INDUSTRIAL AND HAZARDOUS WASTE COMPLIANCE PLANS PERMIT 50112
 Location: 111 RED BLUFF RD, PASADENA, TX, 77506 Rating Date: 9/1/2007 Repeat Violator: NO

TCEQ Region: REGION 12 - HOUSTON
Date Compliance History Prepared: December 19, 2007
Agency Decision Requiring Compliance History: Enforcement
Compliance Period: December 19, 2002 to December 19, 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? Yes
3. If Yes, who is the current owner? Pasadena Refining System, Inc
4. If Yes, who was/were the prior owner(s)? Crown Central Petroleum Corporation
Pasadena Refining System, Inc.
5. When did the change(s) in ownership occur? 01/25/2005
01/12/2007

Components (Multimedia) for the Site :

A. Final Enforcement Orders, court judgements, and consent decrees of the state of Texas and the federal government.

Effective Date: 04/07/2006

COURTORDER

Classification: Moderate

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

Rqmt Prov: Emission Sources - MAERT PERMIT

Description: Crown failed to comply with the Emission Sources MAERT as authorized by the permit for Tank No. 332 (EPN T-332).

Classification: Moderate

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

Rqmt Prov: Emission Sources - MAERT PERMIT

Description: Crown failed to comply with the Emission Sources MAERT as authorized by the permit for Reformer No. 3 (EPN HTREF2631).

Effective Date: 02/18/2007

ADMINORDER 2006-0664-AIR-E

Classification: Moderate

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

Rqmt Prov: No. 20246, Special Condition 4 PERMIT

Description: Failure to prevent an unplanned compressor shutdown resulting in unauthorized emissions.

Classification: Moderate

Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(1)(A)
Description: Failure to prevent unauthorized emissions.

Classification: Moderate

Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(1)(A)
30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)

Rqmt Prov: TCEQ Permit No. 5953, MAERT PERMIT

Description: Failure to prevent unauthorized emissions from an avoidable emissions event.

Classification: Minor

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

Description: Failure to provide notification of a reportable emissions event within 24 hours of discovery.

Effective Date: 10/04/2007

ADMINORDER 2006-2193-AIR-E

Classification: Moderate

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

Rqmt Prov: No. 20246, Special Condition 1 PERMIT

Description: Failed to prevent unauthorized emissions.

Classification: Minor

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

Description: Failed to submit an initial notification of an emissions event within the 24-hour period.

Classification: Moderate

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

Rqmt Prov: No. 20246, Special Condition 1 PERMIT

Description: Failed to prevent unauthorized emissions.

Classification: Minor

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

Description: Failed to submit an initial notification of an emissions event within the 24-hour period

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	01/17/2003	(157317)
2	01/26/2003	(295057)
3	02/13/2003	(157277)
4	03/14/2003	(157280)
5	04/22/2003	(157285)
6	05/20/2003	(157289)
7	06/16/2003	(157293)
8	06/27/2003	(40856)
9	07/08/2003	(60369)
10	07/31/2003	(295048)
11	09/22/2003	(295050)
12	09/22/2003	(295052)
13	09/25/2003	(249564)
14	10/08/2003	(249305)
15	10/08/2003	(248976)
16	10/08/2003	(249236)
17	10/08/2003	(248881)
18	10/17/2003	(295054)
19	11/07/2003	(253579)
20	11/21/2003	(295055)
21	12/22/2003	(295056)
22	01/27/2004	(257474)
23	02/17/2004	(295040)
24	03/23/2004	(264460)
25	03/31/2004	(295042)
26	04/26/2004	(295043)
27	05/17/2004	(295045)
28	06/30/2004	(273377)
29	06/30/2004	(272332)
30	07/02/2004	(278046)
31	07/26/2004	(351954)
32	07/28/2004	(351953)
33	08/04/2004	(275287)
34	08/13/2004	(277198)
35	08/13/2004	(277250)
36	08/13/2004	(277929)
37	08/23/2004	(351955)
38	08/31/2004	(282637)
39	09/20/2004	(351956)
40	10/19/2004	(335210)
41	10/19/2004	(335752)
42	10/21/2004	(351957)
43	11/22/2004	(338866)
44	11/24/2004	(351958)
45	11/29/2004	(339524)
46	12/17/2004	(338853)
47	12/17/2004	(338865)
48	12/17/2004	(338855)
49	12/20/2004	(274159)
50	12/20/2004	(338847)
51	12/22/2004	(338872)
52	12/23/2004	(381778)

53	12/27/2004	(289044)
54	01/03/2005	(338875)
55	01/07/2005	(338863)
56	01/07/2005	(338846)
57	01/07/2005	(338882)
58	01/07/2005	(339594)
59	01/17/2005	(381779)
60	02/22/2005	(381777)
61	03/16/2005	(348878)
62	03/23/2005	(419605)
63	04/12/2005	(377273)
64	04/15/2005	(419606)
65	05/11/2005	(419607)
66	06/20/2005	(419608)
67	07/05/2005	(394416)
68	07/11/2005	(440748)
69	07/22/2005	(394059)
70	08/10/2005	(373721)
71	08/17/2005	(403174)
72	08/24/2005	(403097)
73	08/25/2005	(440749)
74	09/12/2005	(440750)
75	10/14/2005	(468284)
76	11/21/2005	(468285)
77	12/22/2005	(468286)
78	01/20/2006	(468287)
79	02/08/2006	(454548)
80	02/10/2006	(468282)
81	02/14/2006	(454565)
82	02/27/2006	(418333)
83	02/27/2006	(407010)
84	02/27/2006	(407360)
85	03/13/2006	(468283)
86	04/20/2006	(498096)
87	05/11/2006	(457075)
88	05/18/2006	(498097)
89	05/22/2006	(462966)
90	05/22/2006	(459365)
91	05/23/2006	(462971)
92	05/26/2006	(462753)
93	06/22/2006	(498098)
94	06/30/2006	(483478)
95	06/30/2006	(483088)
96	07/21/2006	(520114)
97	07/31/2006	(484233)
98	08/21/2006	(520115)
99	09/01/2006	(482950)
100	09/15/2006	(490299)
101	09/15/2006	(510015)
102	09/27/2006	(520116)
103	10/05/2006	(513823)
104	10/13/2006	(512280)
105	10/19/2006	(544373)
106	11/16/2006	(517348)
107	11/30/2006	(544374)
108	12/12/2006	(532836)
109	12/18/2006	(544375)
110	12/20/2006	(533720)
111	12/21/2006	(533545)
112	01/22/2007	(544376)
113	01/23/2007	(535901)
114	02/05/2007	(536180)
115	02/14/2007	(533928)
116	03/01/2007	(575114)
117	03/22/2007	(575115)
118	04/23/2007	(575116)
119	05/16/2007	(575117)
120	06/13/2007	(575118)
121	07/11/2007	(575119)
122	08/17/2007	(601551)
123	08/20/2007	(571080)
124	08/23/2007	(564192)
125	09/19/2007	(601552)
126	10/12/2007	(601553)
127	11/05/2007	(598483)

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

Date: 02/28/2003 (157280)
 Self Report? YES Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 TWC Chapter 26 26.121(a)
 Description: Failure to meet the limit for one or more permit parameter
 Date: 06/30/2003 (40856)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 Rqmt Prov: PA 5953 Special Condition No. 2
 Description: NOx emissions from EPN: RH-2631 exceeded the permit allowable limit of 0.06 pounds per Million Btu heat input.
 Date: 10/09/2003 (249236)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 101, SubChapter F 101.211(a)(1)(I)
 30 TAC Chapter 101, SubChapter F 101.211(b)(9)
 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(G)
 Rqmt Prov: PERMIT 20246
 Description: Failure to state authorized limits on the initial notification and final report of scheduled maintenance. Non-exempted emissions from Tank 818.
 Date: 10/09/2003 (248976)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 101, SubChapter F 101.201(e)(8)
 30 TAC Chapter 111, SubChapter A 111.111(a)(1)(E)
 30 TAC Chapter 116, SubChapter B 116.115(c)
 Rqmt Prov: PERMIT 20246
 Description: Failure to state authorized opacity limit on notification of excess opacity event. Non-exempted emissions from Boiler No. 10.
 Date: 10/09/2003 (248881)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)(B)
 30 TAC Chapter 111, SubChapter A 111.111(a)(1)(B)
 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(G)
 Rqmt Prov: PERMIT 20246
 Description: Failure to submit initial notification within 24 hours of start of emissions event. Non-exempted emissions from Fluidized Catalytic Cracking Unit.
 Date: 12/20/2004 (274159)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)(B)
 30 TAC Chapter 116, SubChapter B 116.115(c)
 5C THC Chapter 382, SubChapter A 382.085(b)
 Rqmt Prov: PERMIT No. 3776, S.C. No. 4
 Description: Failure to submit notification within 24 hours from discovery of emissions event.
 Date: 05/11/2006 (457075)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 5C THC Chapter 382, SubChapter A 382.085(b)
 Rqmt Prov: PERMIT TCEQ Permit 20246, Special Condition 7
 Description: Failure to prevent excess opacity.
 Date: 05/31/2006 (462753)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)(B)
 5C THC Chapter 382, SubChapter A 382.085(b)
 Description: Failure to comply with the EE reporting requirements.
 Date: 06/30/2006 (483088)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(1)(A)
 5C THC Chapter 382, SubChapter A 382.085(b)
 Description: Failure to prevent unauthorized emissions.
 Date: 07/31/2006 (484233)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 5C THC Chapter 382, SubChapter A 382.085(b)
 Rqmt Prov: PERMIT No. 20246, Special Condition 4
 Description: Failure to prevent unauthorized emissions.
 Date: 01/23/2007 (535901)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 5C THC Chapter 382, SubChapter A 382.085(b)
 Rqmt Prov: PERMIT No. 20246, Special Condition 1
 Description: Failure to prevent unauthorized emissions.
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)(B)

Description: Failure to notify the TCEQ Houston Region office of a reportable emissions event within 24 hours of its discovery.

Self Report? NO Classification: Minor

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

Description: Failure to include in the final report of a reportable emissions event, the authorized emission limits and preconstruction authorization of the facility involved in the emissions event.

Date: 07/31/2007 (601551)

Self Report? YES Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)

30 TAC Chapter 305, SubChapter F 305.125(1)

Description: Failure to meet the limit for one or more permit parameter

F. Environmental audits.

Notice of Intent Date: 05/16/2005 (396204)
No DOV Associated

Notice of Intent Date: 04/09/2007 (558490)
No DOV Associated

G. Type of environmental management systems (EMSs).

N/A

H. Voluntary on-site compliance assessment dates.

N/A

I. Participation in a voluntary pollution reduction program.

N/A

J. Early compliance.

N/A

Sites Outside of Texas

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
PASADENA REFINING SYSTEM, INC
RN100716661**

§
§
§
§
§

**BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY**

**AGREED ORDER
DOCKET NO. 2008-0050-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 Pasadena Refining System, Inc ("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 petroleum refinery at 111 Red Bluff Road in Pasadena, Harris County, Texas (the "Plant").
2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
3. 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 November 10, 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 Ten Thousand Dollars (\$10,000) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Eight Thousand Dollars (\$8,000) of the administrative penalty and Two Thousand Dollars (\$2,000) 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.

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

II. ALLEGATIONS

As owner and operator of the Plant, the Respondent is alleged to have failed to prevent unauthorized emissions during a July 17, 2007 emissions event, in violation of 30 TEX. ADMIN. CODE § 116.115(c), TCEQ Permit No. 76192, Special Condition No. 1; and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on October 12, 2007. Specifically, 1,387.88 pounds ("lbs") of the highly reactive volatile organic compounds ("HRVOCs") butene and ethylene, 155.69 lbs of the hazardous air pollutants ("HAPs") hexane, hexanes +, ethylbenzene, xylene, toluene, 1,3 butadiene, and benzene, 20,627.69 lbs of volatile organic compounds ("VOCs"), 234.70 lbs of hydrogen sulfide, and 61.63 lbs of carbon monoxide were released from Tank 827 during an emissions event that began on July 17, 2007 and lasted for two hours (Incident No. 94242). Since this emissions event was avoidable, the demonstrations in 30 TEX. ADMIN. CODE § 101.222 necessary to present an affirmative defense was not met.

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: Pasadena Refining System, Inc, Docket No. 2008-0050-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. It is further ordered that the Respondent shall undertake the following technical requirements:
 - a. Within 30 days after the effective date of this Agreed Order, implement measures designed to prevent the recurrence of emissions events due to the same cause as the emissions event that began on July 17, 2007; and
 - b. Within 45 days after the effective date of this Agreed Order, submit written certification as described below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 2.a. The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

"I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations."

The certification shall be submitted to:

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

with a copy to:

Air Section, Manager
Houston Regional Office
Texas Commission on Environmental Quality
5425 Polk Avenue, Suite H
Houston, Texas 77023-1486

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.

Pasadena Refining System, Inc
DOCKET NO. 2008-0050-AIR-E
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SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

John S. Miller
For the Executive Director

11/14/2008
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.

FMK. *Chuck Dunlap*
Signature For CHUCK DUNLAP

8/22/08
Date

CHUCK DUNLAP
DANIEL M KENNEDY

President & CEO
Title

Name (Printed or typed)
Authorized Representative of
Pasadena Refining System, Inc

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

