

EXECUTIVE SUMMARY - ENFORCEMENT MATTER
DOCKET NO.: 2007-1080-AIR-E TCEQ ID: RN103919817 CASE NO.: 34128
RESPONDENT NAME: CHEVRON PHILLIPS CHEMICAL COMPANY LP

ORDER TYPE:		
<input type="checkbox"/> 1660 AGREED ORDER	<input checked="" type="checkbox"/> FINDINGS AGREED ORDER	<input type="checkbox"/> FINDINGS ORDER FOLLOWING SOAH HEARING
<input type="checkbox"/> FINDINGS DEFAULT ORDER	<input type="checkbox"/> SHUTDOWN ORDER	<input type="checkbox"/> IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER
<input type="checkbox"/> AMENDED ORDER	<input type="checkbox"/> EMERGENCY ORDER	
CASE TYPE:		
<input checked="" type="checkbox"/> AIR	<input type="checkbox"/> MULTI-MEDIA (check all that apply)	<input type="checkbox"/> INDUSTRIAL AND HAZARDOUS WASTE
<input type="checkbox"/> PUBLIC WATER SUPPLY	<input type="checkbox"/> PETROLEUM STORAGE TANKS	<input type="checkbox"/> OCCUPATIONAL CERTIFICATION
<input type="checkbox"/> WATER QUALITY	<input type="checkbox"/> SEWAGE SLUDGE	<input type="checkbox"/> UNDERGROUND INJECTION CONTROL
<input type="checkbox"/> MUNICIPAL SOLID WASTE	<input type="checkbox"/> RADIOACTIVE WASTE	<input type="checkbox"/> DRY CLEANER REGISTRATION
<p>SITE WHERE VIOLATIONS OCCURRED: 9500 Interstate 10 East, Baytown, Harris County</p> <p>TYPE OF OPERATION: Chemical manufacturing plant</p> <p>SMALL BUSINESS: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>OTHER SIGNIFICANT MATTERS: There are no complaints. There are two additional pending enforcement actions regarding this Facility location, Docket Nos. 2008-1457-AIR-E and 2008-0921-AIR-E (set for January 28, 2009, agenda).</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 7, 2008. No comments were received.</p> <p>CONTACTS AND MAILING LIST:</p> <p>TCEQ Attorney: Ms. Laurencia Fasoyiro, Litigation Division, MC R-12, (713) 422-8914 Ms. Lena Roberts, Litigation Division, MC 175, (512) 239-0019</p> <p>TCEQ Enforcement Coordinator: Ms. Kimberly Morales, Air Enforcement Section, MC R-12, (713) 767-8938</p> <p>TCEQ Regional Contact: Ms. Linda Vasse, Houston Regional Office, MC R-12, (713) 767-3750</p> <p>Respondent: Mr. David Speaker, Senior Counsel, Environmental, Chevron Phillips Chemical Company, LP, 10001 Six Pines Drive, The Woodlands, TX 77387-4910</p> <p>Respondent's Attorney: Ms. Gindi Vincent, Pillsbury Winthrop Shaw Pittman, LLP, 2 Houston Center, 909 Fannin, Suite 2000, Houston, Texas 77010-1018.</p>		

VIOLATION SUMMARY CHART:

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p>Type of Investigation:</p> <p><input type="checkbox"/> Complaint <input type="checkbox"/> Routine <input type="checkbox"/> Enforcement Follow-up <input checked="" type="checkbox"/> Records Review</p> <p>Date of Complaint Relating to this Case: None</p> <p>Dates of Investigation Relating to this Case: August 17, 2006 and August 25, 2006</p> <p>Date of NOE Relating to this Case: May 18, 2007 and May 31, 2007</p> <p>Background Facts: The EDPRP was filed on April 9, 2008. Settlement was achieved and a signed Agreed Order was received on October 16, 2008.</p> <p>Current Compliance Status: No outstanding Technical Requirements.</p> <p>AIR:</p> <p>1. Failed to prevent unauthorized emissions. Specifically, 539 pounds ("lbs") of carbon monoxide, 351.72 lbs of ethylene, 218.8 lbs of acetylene, 129.96 lbs of unspecified volatile organic compounds, and 74.88 lbs of nitrogen oxide were released when Respondent failed to prevent an upset condition resulting from the shutdown of the boiler feed water system and the subsequent failure of the electrically driven backup pump to automatically restart, resulting in an emissions event that began on May 17, 2006, at the Ethylene Unit EU-1592 and lasted for thirty-six hours (Incident No.75967). Since this emissions event was avoidable, Respondent failed to meet the demonstrations for an affirmative defense in 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE § 116.115(c), Air Permit No. 1504A, Special Condition No. 1, and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p> <p>2. Failed to prevent unauthorized emissions. Specifically, 12,098.8 lbs of carbon monoxide, 10,911.7 lbs of ethylene, 4,881.1 lbs of propylene, 2,433 lbs of unspecified VOCs, 2,255 lbs of benzene, 1,675.2 lbs of nitrogen oxide, 1,641.2 lbs of propane, 1,572.4 lbs of butane, 748.4 lbs of 1,3-butadiene, and 600.7 lbs of butene were released when the Respondent failed to prevent the loss of pilot flame at Flare CB-701 during start-up of Ethylene Unit EU-1592, resulting in an emissions event that began on May 28, 2006, and lasted for twenty-four hours (Incident No.76377). Since this emissions event was avoidable, Respondent failed to meet the demonstrations for an affirmative defense in 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE § 116.115(c), Air Permit No. 1504A, Special Condition No. 1, and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p>	<p>Initial Calculated Penalty: \$17,150</p> <p>Total Assessed: \$16,950*</p> <p>Total Deferred: \$0 <input type="checkbox"/> Expedited Order <input type="checkbox"/> Financial Inability to Pay <input type="checkbox"/> SEP Conditional Offset</p> <p>Total Paid to General Revenue: \$16,950</p> <p>The Respondent has paid \$16,950 of the administrative penalty.</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 1, 2002</p> <p>Findings Order Justification: The environment has been exposed to significant amounts of pollutants which exceed levels that are protective (violation no. 2).</p> <p>Explanation for Penalty Reduction: After the Respondent signed the Agreed Order a correction was made to the PCW, which resulted in a calculated penalty increase of \$200.</p>	<p>Corrective Action(s) Taken:</p> <p>The Executive Director recognizes that the Respondent has taken the following corrective actions:</p> <ol style="list-style-type: none"> On May 17, 2006, replaced the auto-start pressure switch for the back-up boiler feed water pump, and incorporated annual inspections of the boiler feed water trip-throttle valve and other controls to check deterioration in order to prevent a similar event from occurring (Incident No. 75967). In addition, operator training was completed in July 2006, and from June 2006, to September 15, 2006, other preventative maintenance plans were put into place to prevent future events resulting from the same cause. On June 8, 2006, increased flow and pressure of propane fuel to the supplemental pilots and installed knock-out pot on methane fuel lines to prevent degradation and plugging of pilots, revised the fuel gas piping and regulator system on the original main pilots, and conducted pressure testing to verify flow. On April 14, 2007, completed the installation of deflector plates on supplemental pilot brackets to protect from steam during flare events, repositioned supplemental pilots back from steam/air assist tubes to protect tips, and rotated supplemental pilots away from main pilots and steam/air assist tubes to prevent future pilot flame outages resulting from the same cause as Incident No. 76377. On May 15, 2007, submitted a Corrective Action Plan (CAP) for the excessive emissions event that occurred on May 17, 2006. All items documented in the CAP were completed by June 22, 2007.



Policy Revision 2 (September 2002)

Penalty Calculation Worksheet (PCW)

PCW Revision June 26, 2007

DATES	Assigned	4-Jun-2007			
	PCW	15-Jul-2008	Screening	19-Jun-2004	EPA Due 25-Feb-2008

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

CASE INFORMATION					
Enf./Case ID No.	34128	No. of Violations	2		
Docket No.	2007-1080-AIR-E	Order Type	Findings		
Media Program(s)	Air	Enf. Coordinator	Kimberly Morales		
Multi-Media		EC's Team	EnforcementTeam 5		
Admin. Penalty \$	Limit Minimum	\$0	Maximum	\$10,000	

Penalty Calculation Section

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

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

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

Notes

Culpability **Subtotal 4**

Notes

Good Faith Effort to Comply **Subtotal 5**

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary	<input type="text"/>	<input type="text"/>
Ordinary	<input type="text"/>	<input checked="" type="checkbox"/>
N/A	<small>(mark with x)</small>	

Notes

0% Enhancement* **Subtotal 6**
*Capped at the Total EB \$ Amount

Total EB Amounts	\$8,578
Approx. Cost of Compliance	\$139,500

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

OTHER FACTORS AS JUSTICE MAY REQUIRE **Adjustment**

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

Notes

Final Penalty Amount

STATUTORY LIMIT ADJUSTMENT **Final Assessed Penalty**

DEFERRAL **Adjustment**

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

Notes

PAYABLE PENALTY

Screening Date 19-Jun-2004

Docket No. 2007-1080-AIR-E

PCW

Respondent Chevron Phillips Chemical Company LP

Policy Revision 2 (September 2002)

Case ID No. 34128

PCW Revision June 26, 2007

Reg. Ent. Reference No. RN103919817

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)	20	100%
	Other written NOVs	15	30%
Orders	Any agreed final enforcement orders containing a denial of liability (number of orders meeting criteria)	4	80%
	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)	5	-5%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which violations were disclosed)	2	-4%
<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	Yes	-5%

Adjustment Percentage (Subtotal 2) 196%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Average Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

Penalty enhancement due to four 1660 agreed orders, 20 same or similar NOVs, and 15 non-similar NOVs of which 11 were Discharge Monitoring Reports (DMRs). Penalty reduction for five Notice of Audits, two Disclosures of violations and one early compliance.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 196%

Screening Date 19-Jun-2004

Docket No. 2007-1080-AIR-E

PCW

Respondent Chevron Phillips Chemical Company LP

Policy Revision 2 (September 2002)

Case ID No. 34128

PCW Revision June 26, 2007

Reg. Ent. Reference No. RN103919817

Media [Statute] Air

Enf. Coordinator Kimberly Morales

Violation Number

Rule Cite(s) 30 Tex. Admin. Code § 116.115(c), Air Permit No. 1504A, Special Condition No. 1 and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to prevent unauthorized emissions. Specifically, 539 pounds ("lbs") of carbon monoxide, 351.72 lbs of ethylene, 218.8 lbs of acetylene, 129.96 lbs of unspecified volatile organic compounds ("VOCs"), and 74.88 lbs of nitrogen oxide were released when the Respondent failed to prevent an upset condition resulting from the shutdown of the boiler feedwater system and the subsequent failure of the electrically driven backup pump to automatically restart, resulting in an emissions event that began on May 17, 2006, at the Ethylene Unit EU-1592 and lasted for 36 hours (Incident No. 75967). Since this emissions event was avoidable, the Respondent failed to meet the demonstrations for an affirmative defense in 30 Tex. Admin. Code § 101.222.

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 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 Chevron Phillips Chemical Company LP
Case ID No. 34128
Reg. Ent. Reference No. RN103919817
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
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)	\$1,500	17-May-2006	22-Jun-2007	1.1	\$82	n/a	\$82

Notes for DELAYED costs

Estimated cost of modifications to prevent future boiler feed water pump shutdown. Date required is the date of the emissions event. Final date is the date by which the corrective actions were completed.

Avoided Costs

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance

\$1,500

TOTAL

\$82

Screening Date 19-Jun-2004	Docket No. 2007-1080-AIR-E	PCW
Respondent Chevron Phillips Chemical Company LP	<i>Policy Revision 2 (September 2002)</i>	
Case ID No. 34128	<i>PCW Revision June 26, 2007</i>	
Reg. Ent. Reference No. RN103919817		
Media [Statute] Air		
Enf. Coordinator Kimberly Morales		
Violation Number <input type="text" value="2"/>		
Rule Cite(s)	30 Tex. Admin. Code § 116.115(c), Air Permit No. 1504A, Special Condition No. 1 and Tex. Health & Safety Code § 382.085(b)	
Violation Description	Failed to prevent unauthorized emissions. Specifically, 12,098.8 lbs of carbon monoxide, 10,911.7 lbs of ethylene, 4,881.1 lbs of propylene, 2,433 lbs of unspciated VOCs, 2,255 lbs of benzene, 1,675.2 lbs of nitrogen oxide, 1,641.2 lbs of propane, 1,572.4 lbs of butane, 748.4 lbs of 1,3-butadiene, and 600.7 lbs of butene were released when the Respondent failed to prevent the loss of pilot flame at Flare CB-701 during start-up of Ethylene Unit EU-1592, resulting in an emissions event that began on May 28, 2006, and lasted for 24 hours (Incident No.76377). Since this emissions event was avoidable, the Respondent failed to meet the demonstrations for an affirmative defense in 30 Tex. Admin. Code § 101.222.	
	Base Penalty	<input type="text" value="\$10,000"/>

>> Environmental, Property and Human Health Matrix

OR	Harm				
		Major	Moderate	Minor	
	Actual	<input type="text" value="x"/>			
	Potential				Percent <input type="text" value="100%"/>

>> Programmatic Matrix

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

Matrix Notes: Human health or the environment has been exposed to significant amounts of pollutants which do 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

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

mark only one with an x

Violation Base Penalty

One daily event is recommended.

Economic Benefit (EB) for this violation	Statutory Limit Test
Estimated EB Amount <input type="text" value="\$8,496"/>	Violation Final Penalty Total <input type="text" value="\$28,600"/>
This violation Final Assessed Penalty (adjusted for limits) <input type="text" value="\$10,000"/>	

Economic Benefit Worksheet

Respondent Chevron Phillips Chemical Company LP
Case ID No. 34128
Reg. Ent. Reference No. RN103919817
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
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Delayed Costs

Equipment	\$138,000	28-May-2006	14-Apr-2007	0.9	\$405	\$8,091	\$8,496
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

Estimated cost of modifications to prevent future flame outages for Flare CB-701. Date required is the date of the emissions event. Final date is the date by which the corrective actions were completed.

Avoided Costs

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance

\$138,000

TOTAL

\$8,496

Compliance History

Customer/Respondent/Owner-Operator:	CN600303614	Chevron Phillips Chemical Company LP	Classification: AVERAGE	Rating: 3.68
Regulated Entity:	RN103919817	CHEVRON PHILLIPS CHEMICAL COMPANY CEDAR BAYOU PLANT	Classification: AVERAGE	Site Rating: 1.38
ID Number(s):	WASTEWATER	PERMIT	WQ0001006000	
	WASTEWATER	PERMIT	TPDES0003948	
	WASTEWATER	PERMIT	TX0003948	
	PUBLIC WATER SYSTEM/SUPPLY	REGISTRATION	1012335	
	AIR OPERATING PERMITS	ACCOUNT NUMBER	HG0310V	
	AIR OPERATING PERMITS	ACCOUNT NUMBER	HG0310V	
	AIR OPERATING PERMITS	PERMIT	2113	
	AIR OPERATING PERMITS	PERMIT	2114	
	AIR OPERATING PERMITS	PERMIT	2115	
	AIR OPERATING PERMITS	PERMIT	2116	
	AIR OPERATING PERMITS	PERMIT	2370	
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	EPA ID	TXD003913381	
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION # (SWR)	30091	
	PETROLEUM STORAGE TANK REGISTRATION	REGISTRATION	28477	
	WATER LICENSING	LICENSE	1012335	
	USED OIL	ID NUMBER	HOU00074	
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	HG0310V	
	AIR NEW SOURCE PERMITS	AFS NUM	4820100018	
	AIR NEW SOURCE PERMITS	PERMIT	1504A	
	AIR NEW SOURCE PERMITS	PERMIT	2138A	
	AIR NEW SOURCE PERMITS	PERMIT	2139A	
	AIR NEW SOURCE PERMITS	PERMIT	6517A	
	AIR NEW SOURCE PERMITS	PERMIT	7403A	
	AIR NEW SOURCE PERMITS	PERMIT	8930A	
	AIR NEW SOURCE PERMITS	PERMIT	2462C	
	AIR NEW SOURCE PERMITS	PERMIT	19027	
	AIR NEW SOURCE PERMITS	PERMIT	24093	
	AIR NEW SOURCE PERMITS	PERMIT	26062	
	AIR NEW SOURCE PERMITS	PERMIT	32866	
	AIR NEW SOURCE PERMITS	PERMIT	37063	
	AIR NEW SOURCE PERMITS	PERMIT	38590	
	AIR NEW SOURCE PERMITS	PERMIT	40534	
	AIR NEW SOURCE PERMITS	PERMIT	41691	
	AIR NEW SOURCE PERMITS	PERMIT	44005	
	AIR NEW SOURCE PERMITS	PERMIT	44759	
	AIR NEW SOURCE PERMITS	PERMIT	46305	
	AIR NEW SOURCE PERMITS	PERMIT	46783	
	AIR NEW SOURCE PERMITS	PERMIT	48084	
	AIR NEW SOURCE PERMITS	PERMIT	49322	
	AIR NEW SOURCE PERMITS	PERMIT	50325	
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	HG1269J	
	AIR NEW SOURCE PERMITS	PERMIT	1504A	
	AIR NEW SOURCE PERMITS	PERMIT	52188	
	AIR NEW SOURCE PERMITS	REGISTRATION	54882	
	AIR NEW SOURCE PERMITS	REGISTRATION	54930	
	AIR NEW SOURCE PERMITS	REGISTRATION	75918	
	AIR NEW SOURCE PERMITS	REGISTRATION	75577	
	AIR NEW SOURCE PERMITS	PERMIT	55648	
	AIR NEW SOURCE PERMITS	REGISTRATION	75545	
	AIR NEW SOURCE PERMITS	REGISTRATION	75546	
	AIR NEW SOURCE PERMITS	REGISTRATION	56852	
	AIR NEW SOURCE PERMITS	AFS NUM	4820101282	
	AIR NEW SOURCE PERMITS	REGISTRATION	71487	
	AIR NEW SOURCE PERMITS	REGISTRATION	71350	
	AIR NEW SOURCE PERMITS	REGISTRATION	71479	
	AIR NEW SOURCE PERMITS	REGISTRATION	71483	
	AIR NEW SOURCE PERMITS	REGISTRATION	71530	
	AIR NEW SOURCE PERMITS	PERMIT	50757	
	AIR NEW SOURCE PERMITS	PERMIT	50758	

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

Location: 9500 Interstate 10 E, Baytown, TX Rating Date: September 01 06 Repeat Violator: NO

TCEQ Region: REGION 12 - HOUSTON

Date Compliance History Prepared: August 08, 2007

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: August 08, 2002 to August 08, 2007

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

Name: NHameed Phone: 713-767-3629

Site Compliance History Components

1. Has the site been in existence and/or operation for the full five year compliance period? Yes
2. Has there been a (known) change in ownership of the site during the compliance period? No
3. If Yes, who is the current owner? N/A
4. If Yes, who was/were the prior owner(s)? N/A
5. When did the change(s) in ownership occur? N/A

Components (Multimedia) for the Site :

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

- Effective Date: 12/21/2003 ADMINORDER 2003-0295-AIR-E 1
Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(G)
5C THC Chapter 382, SubChapter A 382.085(b)
Rqmt Prov: GC8 PERMIT
Description: Failed to maintain the annual Maximum Allowable Emissions Rate for Volatone Organic Compounds, Nitrogen Oxides, and Carbon Monoxide from Emission Point Number 110 (the Z-101 Flare) from September 24, 1997 until September 24, 2002.
- Effective Date: 06/26/2006 ADMINORDER 2005-0007-AIR-E 2
Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
5C THC Chapter 382, SubChapter A 382.085(b)
Rqmt Prov: Special Condition 1, MAERT PERMIT
Description: Failed to limit emissions in the Normal Alpha Olefin Unit 1797 from 2 block valves (EPN F-130) and the SYS-740 Flare (EPN 136), to those limited by the permit.
- Effective Date: 08/28/2006 ADMINORDER 2006-0147-AIR-E 3
Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter B 116.115(c)
5C THC Chapter 382, SubChapter A 382.085(b)
Rqmt Prov: 1504A/PSD-TX-748, Special Condition #1 PERMIT
Description: Failed to prevent unauthorized emissions.
Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
5C THC Chapter 382, SubChapter A 382.085(b)
Rqmt Prov: Air Permit #37063, Special Condition #1 PA
Description: Failed to prevent unauthorized emissions.
Effective Date: 11/03/2006 ADMINORDER 2006-0528-AIR-E 4
Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter B 116.115(c)
5C THC Chapter 382, SubChapter D 382.085(b)
Rqmt Prov: Air Permit #1504A/PSD-TX-748, SC#1 PA
Description: Failed to prevent unauthorized emissions.

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

N/A

C. Chronic excessive emissions events.

N/A

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

1	08/08/2002	(5888)
2	08/09/2002	(5292)
3	08/14/2002	(5872)
4	08/16/2002	(219734)
5	08/20/2002	(157149)
6	08/22/2002	(4594)
7	08/28/2002	(6801)
8	08/28/2002	(2755)
9	09/23/2002	(219738)
10	09/23/2002	(157152)
11	10/22/2002	(219741)
12	10/30/2002	(157155)
13	11/18/2002	(15741)
14	11/20/2002	(17279)
15	11/21/2002	(157159)
16	11/22/2002	(219745)
17	12/02/2002	(17970)
18	12/17/2002	(157163)
19	12/30/2002	(219749)
20	01/13/2003	(20355)
21	01/21/2003	(157167)
22	01/24/2003	(219753)
23	01/24/2003	(20319)
24	02/14/2003	(20304)
25	02/20/2003	(157126)
26	02/21/2003	(219711)
27	03/18/2003	(294954)
28	03/21/2003	(157129)
29	03/24/2003	(219714)
30	04/22/2003	(157134)
31	04/22/2003	(219719)
32	05/05/2003	(31743)
33	05/14/2003	(23660)
34	05/19/2003	(219723)
35	05/20/2003	(157138)
36	05/20/2003	(157146)
37	05/30/2003	(9853)
38	06/18/2003	(36346)
39	06/23/2003	(157142)
40	06/24/2003	(219731)
41	06/24/2003	(219727)
42	06/25/2003	(40843)
43	06/30/2003	(33989)
44	07/08/2003	(40968)
45	07/09/2003	(38183)
46	07/10/2003	(38199)
47	07/10/2003	(40888)
48	07/10/2003	(139402)

49	07/31/2003	(38160)
50	08/11/2003	(219735)
51	08/19/2003	(294963)
52	08/21/2003	(150910)
53	08/21/2003	(150918)
54	08/27/2003	(150926)
55	08/27/2003	(150924)
56	08/27/2003	(150937)
57	08/28/2003	(150887)
58	09/19/2003	(294965)
59	10/17/2003	(248463)
60	10/17/2003	(248509)
61	10/17/2003	(248486)
62	10/17/2003	(247681)
63	10/17/2003	(250526)
64	10/21/2003	(294967)
65	10/24/2003	(252855)
66	11/21/2003	(294968)
67	12/04/2003	(254252)
68	12/10/2003	(294969)
69	12/17/2003	(152105)
70	01/20/2004	(294971)
71	02/05/2004	(260955)
72	02/09/2004	(259978)
73	02/12/2004	(260170)
74	02/23/2004	(294952)
75	02/24/2004	(262471)
76	02/25/2004	(262589)
77	02/25/2004	(262587)
78	02/25/2004	(262389)
79	03/11/2004	(262456)
80	04/14/2004	(264014)
81	04/21/2004	(294955)
82	05/12/2004	(267824)
83	05/18/2004	(268884)
84	05/18/2004	(294957)
85	05/18/2004	(294961)
86	06/03/2004	(269885)
87	06/18/2004	(271284)
88	06/21/2004	(294959)
89	08/16/2004	(282057)
90	08/16/2004	(282411)
91	08/16/2004	(282020)
92	08/17/2004	(283539)
93	08/17/2004	(282610)
94	08/18/2004	(281927)
95	08/18/2004	(281973)
96	08/24/2004	(351924)
97	08/27/2004	(266898)
98	09/21/2004	(351925)
99	09/30/2004	(293341)
100	10/19/2004	(292959)
101	10/19/2004	(292912)
102	10/25/2004	(351926)
103	10/25/2004	(351928)
104	10/29/2004	(293050)
105	10/31/2004	(286738)
106	10/31/2004	(286179)
107	10/31/2004	(282375)
108	11/01/2004	(283579)
109	11/11/2004	(293130)
110	11/19/2004	(339740)
111	11/19/2004	(338998)
112	11/23/2004	(351927)
113	12/09/2004	(343665)
114	12/14/2004	(339393)
115	12/14/2004	(339395)
116	12/15/2004	(282588)

117	12/15/2004	(339394)
118	12/16/2004	(284752)
119	12/20/2004	(381763)
120	12/20/2004	(339391)
121	12/21/2004	(283434)
122	12/21/2004	(289254)
123	12/28/2004	(282257)
124	12/28/2004	(339392)
125	12/28/2004	(284682)
126	12/29/2004	(292369)
127	01/02/2005	(283495)
128	01/02/2005	(284716)
129	01/02/2005	(283460)
130	01/02/2005	(282884)
131	01/03/2005	(285841)
132	01/04/2005	(286354)
133	01/07/2005	(340081)
134	01/07/2005	(340082)
135	01/07/2005	(338932)
136	01/14/2005	(340184)
137	01/14/2005	(340901)
138	01/20/2005	(338916)
139	02/03/2005	(333891)
140	02/21/2005	(344997)
141	02/21/2005	(340395)
142	02/22/2005	(381762)
143	02/22/2005	(381760)
144	02/25/2005	(345201)
145	02/25/2005	(345203)
146	02/26/2005	(372327)
147	03/14/2005	(381761)
148	04/08/2005	(348606)
149	04/08/2005	(348897)
150	04/11/2005	(376384)
151	04/20/2005	(372236)
152	04/20/2005	(372237)
153	04/21/2005	(372231)
154	05/17/2005	(372229)
155	05/18/2005	(419593)
156	05/18/2005	(419595)
157	06/14/2005	(375880)
158	06/17/2005	(419594)
159	06/21/2005	(393595)
160	06/22/2005	(393592)
161	06/29/2005	(344167)
162	06/29/2005	(344174)
163	07/11/2005	(398110)
164	07/21/2005	(400409)
165	07/29/2005	(401052)
166	08/02/2005	(402216)
167	08/03/2005	(402167)
168	08/05/2005	(379433)
169	08/08/2005	(396942)
170	08/13/2005	(404688)
171	08/22/2005	(405962)
172	08/23/2005	(401535)
173	08/23/2005	(440737)
174	08/23/2005	(440739)
175	09/23/2005	(440738)
176	09/28/2005	(418690)
177	10/10/2005	(468259)
178	11/04/2005	(433451)
179	11/22/2005	(468260)
180	12/15/2005	(435582)
181	01/23/2006	(468261)
182	01/26/2006	(405968)
183	02/08/2006	(405969)
184	02/21/2006	(468258)

185	02/22/2006	(455830)
186	02/28/2006	(431936)
187	02/28/2006	(457017)
188	03/21/2006	(456836)
189	03/23/2006	(498082)
190	03/28/2006	(456883)
191	03/29/2006	(459443)
192	03/29/2006	(453494)
193	04/03/2006	(452797)
194	04/12/2006	(458187)
195	04/24/2006	(498083)
196	04/25/2006	(455025)
197	05/22/2006	(498084)
198	05/25/2006	(467438)
199	05/25/2006	(467440)
200	05/25/2006	(467443)
201	05/25/2006	(467445)
202	05/25/2006	(467431)
203	05/25/2006	(467433)
204	06/05/2006	(467064)
205	06/08/2006	(464678)
206	06/26/2006	(498085)
207	06/26/2006	(498086)
208	07/25/2006	(520101)
209	07/26/2006	(481894)
210	07/26/2006	(457460)
211	08/21/2006	(520102)
212	08/21/2006	(520105)
213	08/23/2006	(497553)
214	08/23/2006	(464714)
215	08/25/2006	(520103)
216	08/30/2006	(508885)
217	08/30/2006	(457471)
218	09/18/2006	(520104)
219	09/28/2006	(486905)
220	10/24/2006	(544360)
221	11/16/2006	(544361)
222	12/04/2006	(518861)
223	12/12/2006	(533185)
224	12/21/2006	(533938)
225	01/16/2007	(544362)
226	01/19/2007	(532509)
227	02/13/2007	(534351)
228	02/15/2007	(544358)
229	02/15/2007	(544359)
230	02/20/2007	(464696)
231	04/10/2007	(555531)
232	05/21/2007	(509420)
233	05/31/2007	(510231)
234	07/06/2007	(543644)

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

Count as 1 of 2

1	Date: 09/30/2002 (219741)		
	Self Report? YES	Classification:	Moderate
	Citation: 30 TAC Chapter 305, SubChapter F 305.125(1) TWC Chapter 26 26.121(a)[G]		
	Description: Failure to meet the limit for one or more permit parameter		
2	Date: 09/30/2002 (157155)		
	Self Report? YES	Classification:	Moderate
	Citation: 30 TAC Chapter 305, SubChapter F 305.125(1) TWC Chapter 26 26.121(a)[G]		
	Description: Failure to meet the limit for one or more permit parameter		
3	Date: 10/31/2002 (157159)		
	Self Report? YES	Classification:	Moderate
	Citation: 30 TAC Chapter 305, SubChapter F 305.125(1) TWC Chapter 26 26.121(a)[G]		
	Description: Failure to meet the limit for one or more permit parameter		
4	Date: 12/31/2002 (157167)		

If we count as one, then # of NOV's as RCW (39) will match.

5
 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: 01/31/2003 (157126)

6
 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: 05/30/2003 (9853)

Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)[G]
 Description: Failure to meet the exemption demonstrations in 30 TAC 101.11.

Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(7)(A)
 Description: Failure to operate within the visible emission limitations of 30 TAC 111.111(a)(7)
 (A)
 Date: 09/30/2003 (294967)

7
 Self Report? YES Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 TWC Chapter 26 26.121(a)[G]
 Description: Failure to meet the limit for one or more permit parameter
 Date: 10/17/2003 (248463)

8
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)(B)
 Description: Failure to submit the initial notification within 24 hours of an emissions event.
 Date: 10/17/2003 (247681)

9
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(1)(C)
 Description: Failure to operate within the opacity limits.
 Date: 10/17/2003 (248509)

10
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)(B)
 Description: Failure to submit the initial notification within 24 hours.

Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)[G]
 Rqmt Prov: PERMIT 37063
 Description: Failure to operate within NOX hourly limits
 Date: 11/04/2003 (254252)

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

Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)(B)
 Description: Failure to submit the initial notification within 24 hours of an emissions event.

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

Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)[G]
 Rqmt Prov: PERMIT 37063
 Description: Failure to operate within NOX hourly limits
 Date: 11/17/2003 (248486)

12
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(1)(C)
 Description: Failure to operate within required opacity limits.
 Date: 12/19/2003 (152105)

B
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 115, SubChapter D 115.354(2)(C)
 30 TAC Chapter 116, SubChapter B 116.115(c)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(a)
 Description: Chevron Phillips Chemical Company (CPEC) failed to monitor 16 valves in the
 1796 Unit.

Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 115, SubChapter D 115.352(4)
 30 TAC Chapter 116, SubChapter B 116.115(c)

*el/m to EC re:
 why separate
 NOVs?*

40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(1)
 Description: Failure to cap, blind flange, or plug open-ended lines.
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 115, SubChapter D 115.352(2)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(d)(2)

19
 Description: Failure to conduct first attempt at repairs, for leaking valves, within 5 calendar days
 Date: 08/27/2004 (266898)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 5C THC Chapter 382, SubChapter A 382.085(b)
 Rqmt Prov: PERMIT TCEQ Air Permit #46783, SC #1

15
 Description: Exceeded VOC permit limit during an avoidable emissions event.
 Date: 09/30/2004 (293341)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT DDD 60.563(d)(2)
 Rqmt Prov: OP Special Terms and Conditions 1.A.
 Description: Failed to conduct the monthly car seal inspections.
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 115, SubChapter D 115.352[G]
 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT DDD 60.562-2(a)
 Rqmt Prov: OP Special Terms and Conditions 1.A.
 Description: Failed to conduct fugitive monitoring on 66 components.
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)[G]
 30 TAC Chapter 116, SubChapter B 116.115(c)
 Rqmt Prov: PA 46305, Special Condition No. 1
 Description: Failure to operate within MAERT limits for Flare EPN VE-9003.
 Date: 11/30/2004 (381763)
 Self Report? YES Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 TWC Chapter 26 26.121(a)[G]

15
 Description: Failure to meet the limit for one or more permit parameter.
 Date: 12/21/2004 (283434)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
 30 TAC Chapter 101, SubChapter F 101.221(a)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(c)(2)
 Description: Chevron failed to comply with 30 Tex. Admin. Code 101.222(b)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 5C THC Chapter 382, SubChapter A 382.085(b)
 Rqmt Prov: PERMIT 37063
 Description: Chevron failed to comply with 30 Tex. Admin. Code 101.222(b).
 Date: 12/21/2004 (289254)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter H 116.814(a)
 5C THC Chapter 382, SubChapter A 382.085(b)
 Rqmt Prov: PERMIT 46783
 Description: Chevron failed to comply with 30 Tex. Admin. Code 101.222(b).
 Date: 12/28/2004 (282257)
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)(B)
 30 TAC Chapter 101, SubChapter F 101.201(b)(7)

19
 Description: Chevron failed to submit a timely initial emissions event notification.
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 5C THC Chapter 382, SubChapter A 382.085(b)
 Rqmt Prov: PERMIT TCEQ Air Permit #37063, SC #1

20
 Description: Exceeded permit limits during an avoidable emissions event.
 Date: 01/03/2005 (285841)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 5C THC Chapter 382, SubChapter A 382.085(b)
 Rqmt Prov: PERMIT TCEQ Air Permit No. 19027, SC #1

24
 Description: Exceeded permit limits during an avoidable emissions event.
 Date: 01/04/2005 (286354)
 Self Report? NO Classification: Moderate

22
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
5C THC Chapter 382, SubChapter A 382.085(b)
Rqmt Prov: PERMIT TCEQ Air Permit No. 19027, SC #1
Description: Exceeded permit limit during an avoidable emissions event.
Date: 01/20/2005 (338916)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
Rqmt Prov: PERMIT 5015C, Special Condition 3B
OP O-01274, Special Term and Condition 5

Description: Failure to operate the stack, Unit 1794-16, within the required opacity limit.
Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
Rqmt Prov: PERMIT 5015C, Special Condition 6E
OP O-01274, Special Term and Condition 5

Description: Failure to maintain a plug on an open-ended line.
Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(4)(A)(ii)
30 TAC Chapter 122, SubChapter B 122.143(4)
Rqmt Prov: OP O-01274, Special Term and Condition 1A

23
Description: Failure to record the time of day for the flare observation for Flare FS-5210.
Date: 02/03/2005 (333891)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 115, SubChapter D 115.352(4)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(1)

Rqmt Prov: OP O-02114, Special Term and Condition #11
PERMIT Permit 8364A, Special Condition No. 9E

Description: Failure to maintain caps or plugs on open-ended lines.
Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 115, SubChapter D 115.352(4)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(1)

Rqmt Prov: PERMIT 37063, Special Term and Condition 11E
OP O-02114, Special Term and Condition 11

Description: Failure to maintain caps or plugs on a open-ended lines in F-1798-30.
Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter D 115.352(4)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
Rqmt Prov: PERMIT 6517A, Special Condition 1E
OP O-02114, Special Term and Condition 11

Description: Failure to maintain caps or plugs on open-ended lines in Unit 1795-66.
Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.116(a)(1)
30 TAC Chapter 122, SubChapter B 122.143(4)
Rqmt Prov: PERMIT 8364A, General Condition 1
OP O-02114, Special Term and Condition 11

Description: Failure to operate tanks 17 and 24A as represented in permit 8364A.
Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.116(a)(1)
30 TAC Chapter 122, SubChapter B 122.143(4)
Rqmt Prov: PERMIT 37063, General Condition 1
OP O-02114, Special Term and Condition 11

Description: Failure to operate Tank 28 as represented in permit 37063.
Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 115, SubChapter D 115.352(1)[G]
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-8(c)[G]

Rqmt Prov: PERMIT 37063, Special Condition 11
OP O-02114, Special Term and Condition 11

Description: Failure to repair a component within the required timeframe.
Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 115, SubChapter D 115.354(2)[G]
30 TAC Chapter 116, SubChapter B 116.115(c)

30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(a)
 Rqmt Prov: PERMIT 37063, Special Condition 11
 OP O-02114, Special Term and Condition 11
 Description: Failure to monitor fugitive components in the F-1798-30 Unit area.
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
 30 TAC Chapter 115, SubChapter D 115.354(2)[G]
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7[G]

Rqmt Prov: PERMIT 8364A, Special Condition 9
 OP O-02114, Special Term and Condition 11
 Description: Failure to monitor fugitive components in the F-130 Unit Area.
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 115, SubChapter D 115.354(2)[G]
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)

Rqmt Prov: PERMIT 6517A, Special Condition 1
 OP O-02114, Special Term and Condition 11
 Description: Failure to monitor fugitive components in the F-1795-66 Unit Area.
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT RRR 60.705(b)(2)(ii)

Rqmt Prov: OP O-02114, Special Term and Condition 1A
 Description: Failure to conduct monthly bypass line valve car seal inspections for 40 valves.
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT RRR 60.705(d)(2)

Rqmt Prov: OP O-02114, Special Term and Condition 1A
 Description: Failure to include all car seal ID numbers on monthly car seal inspection records.
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 115, SubChapter C 115.212(a)(2)
 30 TAC Chapter 122, SubChapter B 122.143(4)

Rqmt Prov: OP O-02114, Special Term and Condition 6A
 Description: Failure to route hexene vapors to control while depressuring a tank truck.
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)

Rqmt Prov: PERMIT 37063, Special Condition 4A
 OP O-02114, Special Term and Condition 11
 Description: Failure to operate heater H-3 with the required firing rate.
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(c)(2)

Rqmt Prov: PERMIT 37063, Special Condition 6B
 OP O-02114, ST&C 11 and 1A
 Description: Failure to maintain a flare pilot light at all times on Flare Z-1101
 Date: 02/28/2005 (381761)
 Self Report? YES Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 TWC Chapter 26 26.121(a)[G]

Description: Failure to meet the limit for one or more permit parameter
 Date: 07/29/2005 (401052)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 115, SubChapter D 115.352(2)
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)

Rqmt Prov: PERMIT 19027, SC No. 20I
 OP O-02116, SC 1A.
 Description: Failure to repair a leaking valve when it could have been repaired without unit shutdown.
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(1)(B)
 30 TAC Chapter 122, SubChapter B 122.143(4)

Rqmt Prov: OP O-02216, SC 3Aiii
 Description: Failure to maintain an opacity of 20% for the 6 minute observation period for an emergency electrical generator.

24

25

Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(1)
 Rqmt Prov: PERMIT 19027, GC 1
 Description: Overflowed tank TK-561

Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 115, SubChapter D 115.354(2)[G]
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT DDD 60.562-2(a)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(a)
 Rqmt Prov: PERMIT 19027, SC No. 20 & 21
 OP O-02116, SC 1A
 Description: Failure to monitor 14 valves and 33 connectors for fugitive monitoring.

Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 115, SubChapter D 115.354
 30 TAC Chapter 115, SubChapter D 115.354(2)[G]
 30 TAC Chapter 115, SubChapter H 115.781(b)
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT DDD 60.562-2(a)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(a)
 Rqmt Prov: PERMIT 19027, SC No. 21 & 21
 OP O-02116, SC No. 1A
 Description: Failure to monitor 85 valves and 349 connectors in HRVOC service.
 Date: 09/30/2005 (468259)

25
 Self Report? YES Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 TWC Chapter 26 26.121(a)[G]
 Description: Failure to meet the limit for one or more permit parameter
 Date: 02/08/2006 (405969)

27
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)
 5C THC Chapter 382, SubChapter A 382.085(b)
 Rqmt Prov: PERMIT 46783, General Condition #8
 Description: Failure to prevent a pipe leak resulting in unauthorized emissions.
 Date: 03/22/2006 (456836)

28
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 106, SubChapter T 106.454(4)(C)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 Rqmt Prov: OP FOP O-02115, STC 13
 Description: Failure to keep the lid on the parts washer closed at all times

Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 Rqmt Prov: OP FOP O-02115, SC 12
 PERMIT NSR Permit 2462C, SC 9
 Description: Failure to operate the catalytic converter at 95% efficiency in disposing of the VOC (B19.g.(1))

Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 115, SubChapter D 115.352(4)
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 Rqmt Prov: OP FOP # O-02115, SC 12
 PERMIT NSR Permit# 2462C, SC 17(E)
 Description: Failure to plug eight open-ended valves or lines
 Date: 04/03/2006 (452797)

29
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 115, SubChapter D 115.352(4)
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THC Chapter 382, SubChapter A 382.085(b)
 Rqmt Prov: PERMIT SC #21E
 OP ST & C #12
 Description: Failure to comply with 30 TAC Chapter 115.352(4) which requires valves and pipelines containing VOC to be operated with either a second valve, blind flange, or a tightly-fitting plug or cap.

Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(1)(B)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THC Chapter 382, SubChapter A 382.085(b)
 Rqmt Prov: OP Special Condition #3(A)(i).
 Description: Failure to operate engines in accordance with 30 TAC Chapter 111.111(a)(1)(B)

	Self Report?	NO	Classification:	Moderate
	Citation:	30 TAC Chapter 115, SubChapter D 115.352(2) 30 TAC Chapter 115, SubChapter H 115.782(b)(1) 30 TAC Chapter 115, SubChapter H 115.782(b)(2) 30 TAC Chapter 116, SubChapter B 116.115(c) 30 TAC Chapter 122, SubChapter B 122.143(4) 5C THC Chapter 382, SubChapter A 382.085(b)		
	Rqmt Prov:	PA NSR Permit 1504A, Special Condition 21.I OP ST & C #1.L.(iv) OP ST & C #12		
	Description:	Failure to repair leaking components within the required timeframes.		
	Self Report?	NO	Classification:	Minor
	Citation:	30 TAC Chapter 115, SubChapter H 115.782(c)(1)(B)(i)(II) 30 TAC Chapter 122, SubChapter B 122.143(4) 5C THC Chapter 382, SubChapter A 382.085(b)		
	Rqmt Prov:	OP ST & C #1.L.(iv)		
	Description:	Failure to perform initial emissions rate calculations within 30 calendar days.		
	Self Report?	NO	Classification:	Moderate
	Citation:	30 TAC Chapter 115, SubChapter D 115.354(2)(B) 30 TAC Chapter 115, SubChapter D 115.354(2)(C) 30 TAC Chapter 116, SubChapter B 116.115(c) 30 TAC Chapter 122, SubChapter B 122.143(4) 40 CFR Chapter 61, SubChapter C, PT 61, SubPT V 61.242-7(a) 5C THC Chapter 382, SubChapter A 382.085(b)		
	Rqmt Prov:	PERMIT SC #21E PERMIT SC #22A OP ST & C #12		
	Description:	Failure to conduct Method 21 monitoring as required to 325, valves, 818 connectors, and 2 pumps.		
30	Date:	06/30/2006 (520101)		
	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		
31	Date:	07/31/2006 (520102)		
	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		
32	Date:	08/23/2006 (464714)		
	Self Report?	NO	Classification:	Moderate
	Citation:	30 TAC Chapter 116, SubChapter B 116.115(c) 5C THC Chapter 382, SubChapter D 382.085(b)		
	Rqmt Prov:	PERMIT TCEQ Air Permit No. 2462C, SC1		
	Description:	Investigation No. 464714 determined that CPC failed to prevent a decomposition reaction in the Line 4 Reactor during Incident No. 72456.		
33	Date:	09/28/2006 (486905)		
	Self Report?	NO	Classification:	Moderate
	Citation:	30 TAC Chapter 116, SubChapter B 116.115(c) 5C THC Chapter 382, SubChapter D 382.085(b)		
	Rqmt Prov:	PERMIT 37063 Special Condition 1		
	Description:	Failure to prevent unauthorized emissions.		
34	Date:	02/13/2007 (534351)		
	Self Report?	NO	Classification:	Moderate
	Citation:	30 TAC Chapter 116, SubChapter B 116.115(c) 5C THC Chapter 382, SubChapter D 382.085(b)		
	Rqmt Prov:	PERMIT 19027/Special Condition 1		
	Description:	Failed to prevent unauthorized emissions.		
35	Date:	07/06/2007 (543644)		
	Self Report?	NO	Classification:	Moderate
	Citation:	30 TAC Chapter 115, SubChapter D 115.352(4) 30 TAC Chapter 116, SubChapter B 116.115(c) 30 TAC Chapter 122, SubChapter B 122.143(4) 5C THC Chapter 382, SubChapter A 382.085(b)		
	Rqmt Prov:	PERMIT 2462C, SC # 17E OP FOP O-02115, SC #12 OP FOP O-02115, SC #1A		
	Description:	Failure to cap or plug 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)		

Rqmt Prov: 5C THC Chapter 382, SubChapter A 382.085(b)
 PERMIT 2462C, SC #9
 OP FOP O-02115, SC #12

Description: Failure to maintain a 95% VOC destruction efficiency for H-3030 and ZZ-702 from November 1, 2005 to December 31, 2005.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 106, SubChapter T 106.454(3)(B)(i)
 30 TAC Chapter 115, SubChapter E 115.412(1)(A)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: OP FOP O-02115, SC #1A

Description: Failure to keep the parts washer lid closed on March 21, 2006 and again on April 20, 2006.

F. Environmental audits.

- 1 Notice of Intent Date: 12/19/2002 (33131)
 No DOV Associated
- 2 Notice of Intent Date: 06/12/2003 (251330)
 Disclosure Date: 07/18/2003
- Viol. Classification: Moderate
 Citation: 30 TAC Chapter 335, SubChapter A
 Description: Hazardous waste manifest inadequate.
 Viol. Classification: Moderate
 Citation: 30 TAC Chapter 111, SubChapter A
 Description: The flare logs did not include times of observation.
 Viol. Classification: Moderate
 Citation: 30 TAC Chapter 101, SubChapter F
 Description: Failure to demonstrate that all air emission events were evaluated within time constraints.
 Viol. Classification: Moderate
 Citation: 30 TAC Chapter 335, SubChapter E
 Description: Failed to ensure that tank 903 was certified by an engineer.
 Viol. Classification: Moderate
 Citation: 30 TAC Chapter 335, SubChapter E
 Description: Tank 902 leaked.
 Viol. Classification: Minor
 Citation: 40 CFR Chapter 268, SubChapter I, PT 268, SubPT A
 Description: The facility did not provide all required information on and maintain copies of each initial land disposal restriction notice.
 Viol. Classification: Minor
 Citation: 30 TAC Chapter 101, SubChapter F
 Description: Final records for air releases are not always dated to demonstrate compliance within a 14 day window.
- 3 Notice of Intent Date: 05/13/2005 (400692)
 No DOV Associated
- 4 Notice of Intent Date: 05/18/2006 (481743)
 Disclosure Date: 08/09/2006
- Viol. Classification: Moderate
 Citation: 30 TAC Chapter 115, SubChapter D
 Rqmt Prov: PERMIT 37063
 Description: Failure to maintain records justifying each component as difficult to monitor.
 Disclosure Date: 08/29/2006
- Viol. Classification: Moderate
 Citation: 30 TAC Chapter 117, SubChapter B
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT A
 Rqmt Prov: PERMIT O-2113
 Description: Failure to ensure that semiannual continuous emissions monitoring system (CEMS) downtime reports for the cracking furnaces and boilers included out of control periods for the CEMS analyzers.
 Viol. Classification: Moderate
 Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV
 Rqmt Prov: PERMIT O-2114
 Description: Failure to ensure that all synthetic organic chemical manufacturing (SOCMI) units had no more than 3.0% of valves monitored for fugitive emissions be designated as difficult to monitor.
 Viol. Classification: Moderate
 Citation: 30 TAC Chapter 115, SubChapter H
 Rqmt Prov: PERMIT O-2113
 Description: Failure to ensure that multipoint validations were performed following midpoint validation failures on the highly reactive volatile organic compounds (HRVOC) analyzers.
 Viol. Classification: Moderate
 Citation: 30 TAC Chapter 117, SubChapter B
 Description: Failure to ensure that written notifications were provided to TCEQ within 15 days after relative accuracy test audit (RATA) testing was completed.
 Viol. Classification: Moderate
 Citation: 30 TAC Chapter 334, SubChapter C

Description: Failure to ensure that all underground tank systems were provided cathodic protection.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 334, SubChapter C

Description: Failure to ensure that all UST systems were included in the mechanical integrity and maintenance programs.

Viol. Classification: Minor

Citation: 30 TAC Chapter 117, SubChapter B

Rqmt Prov: PERMIT O-2113

Description: Failure to ensure that records were maintained of engine hours of operation or of start and end times for testing and maintenance.

5 Notice of Intent Date: 03/05/2007 (555111)
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.

J. Early compliance.

Date Achieved	Description
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12/31/2003	early compliance with NOx emissions required for compliance with 30 TAC Chapter 101 Subchapter H
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Sites Outside of Texas

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



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

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§

BEFORE THE

TEXAS COMMISSION ON

ENVIRONMENTAL QUALITY

AGREED ORDER
DOCKET NO. 2007-1080-AIR-E

At its _____ agenda, the Texas Commission on Environmental Quality ("Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Chevron Phillips Chemical Company LP ("Chevron Phillips") under the authority of TEX. WATER CODE ch. 7 and TEX. HEALTH & SAFETY CODE ch. 382. The Executive Director of the TCEQ, represented by the Litigation Division, and Chevron Phillips, represented by Gindi Eckel Vincent, of the law firm of Pillsbury, Winthrop, Shaw, Pittman, LLP, presented this agreement to the Commission.

Chevron Phillips understands that it has certain procedural rights at certain points in the enforcement process, including, but not limited to, the right to formal notice of violations, notice of an evidentiary hearing, the right to an evidentiary hearing, and a right to appeal. By entering into this Agreed Order, Chevron Phillips agrees to waive all notice and procedural rights.

It is further understood and agreed that this Agreed Order represents the complete and fully-integrated agreement of the parties. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable. The duties and responsibilities imposed by this Agreed Order are binding upon Chevron Phillips

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

FINDINGS OF FACT

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

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

2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
3. During a record review on August 17, 2006, TCEQ staff documented that Chevron Phillips failed to prevent unauthorized emissions. Specifically, 539 pounds ("lbs") of carbon monoxide, 351.72 lbs of ethylene, 218.8 lbs of acetylene, 129.96 lbs of unspeciatiated volatile organic compounds ("VOCs"), and 74.88 lbs of nitrogen oxide ("NO") were released when Chevron failed to prevent an upset condition resulting from the shutdown of the boiler feed water system and the subsequent failure of the electrically driven backup pump to automatically restart, resulting in an emissions event that began on May 17, 2006, at the Ethylene Unit EU-1592 and lasted for thirty-six hours (Incident No.75967);
4. During a record review on August 25, 2006, TCEQ staff documented that Chevron Phillips failed to prevent unauthorized emissions. Specifically, Chevron failed to prevent the loss of pilot flame at Flare CB-701 during start-up of Ethylene Unit EU-1592, resulting in an emissions event that began on May 28, 2006, and lasted for twenty-four hours (Incident No.76377). The following unauthorized emissions were released:
 - a. 10,911.7 lbs of ethylene;
 - b. 1,641.2 lbs of propane;
 - c. 4,881.1 lbs of propylene;
 - d. 1,572.4 lbs of butane;
 - e. 2,255 lbs of benzene;
 - f. 600.7 lbs of butene;
 - g. 748.4 lbs of 1,3-butadiene;
 - h. 2,433 lbs of unspeciatiated VOCs;
 - i. 12,098.8 lbs of carbon monoxide; and
 - j. 1,675.2 lbs of NO.

5. Chevron Phillips received notice of the violations on May 23, 2007 and June 5, 2007.
6. The Executive Director recognizes that Chevron Phillips has implemented the following corrective measures at the Plant:
 - a. On May 17, 2006, Chevron Phillips replaced the auto-start pressure switch for the back-up boiler feed water pump, and incorporated annual inspections of the boiler feed water trip-throttle valve and other controls to check deterioration in order to prevent a similar event from occurring (Incident No. 75967). In addition, operator training was completed in July 2006, and from June 2006 to September 15, 2006, other preventative maintenance plans were put into place to prevent future events resulting from the same cause;
 - b. On June 8, 2006, Chevron Phillips increased flow and pressure of propane fuel to the supplemental pilots and installed a knock-out pot on methane fuel lines to prevent degradation and plugging of pilots, revised the fuel gas piping and regulator system on the original main pilots, and conducted pressure testing to verify flow;
 - c. On April 14, 2007, Chevron Phillips completed the installation of deflector plates on supplemental pilot brackets to protect from steam during flare events; repositioned supplemental pilots back from steam/air assist tubes to protect tips, and rotated supplemental pilots away from main pilots and steam/air assist tubes to prevent future pilot flame outages resulting from the same cause as Incident No. 76377; and
 - d. On May 15, 2007, Chevron Phillips submitted a Corrective Action Plan ("CAP") for the excessive emissions event that occurred on May 17, 2006. All items documented in the CAP were completed by June 22, 2007.

CONCLUSIONS OF LAW

1. As evidenced by Finding of Fact Nos. 1 and 2, Chevron Phillips is subject to the jurisdiction of the TCEQ pursuant to TEX. WATER CODE § 7.002, TEX. HEALTH & SAFETY CODE ch. 382 and the rules of the Commission.
2. As evidenced by Finding of Fact No. 3, Chevron Phillips failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE § 116.115(c), Air Permit No. 1504A, Special Condition No. 1 and TEX. HEALTH & SAFETY CODE § 382.085(b). Since this emissions event was avoidable, Chevron Phillips failed to meet the demonstrations for an affirmative defense in 30 TEX. ADMIN. CODE § 101.222.

3. As evidenced by Finding of Fact No. 4, Chevron Phillips failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE § 116.115(c), Air Permit No. 1504A, Special Condition No. 1 and TEX. HEALTH & SAFETY CODE § 382.085(b). Since this emissions event was avoidable, Chevron Phillips failed to meet the demonstrations for an affirmative defense in 30 TEX. ADMIN. CODE § 101.222.
4. Pursuant to TEX. WATER CODE § 7.051, the Commission has the authority to assess an administrative penalty against Chevron Phillips for violations of the Texas Water Code and the Texas Health and Safety Code within the Commission's jurisdiction; for violations of rules adopted under such statutes; or for violations of orders or permits issued under such statutes.
5. An administrative penalty in the amount of sixteen thousand nine hundred fifty dollars (\$16,950.00) is justified by the facts recited in this Agreed Order, and considered in light of the factors set forth in TEX. WATER CODE § 7.053. Chevron Phillips has paid the sixteen thousand nine hundred fifty dollars (\$16,950) administrative penalty.

ORDERING PROVISIONS

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

1. Chevron Phillips is assessed an administrative penalty in the amount of sixteen thousand nine hundred fifty dollars (\$16,950) as set forth in Conclusion of Law No. 5 for violations of TCEQ rules and state statutes. The payment of this administrative penalty and Chevron Phillips' compliance with all the terms and conditions set forth in this Agreed Order completely resolve the violations set forth by this Agreed Order in this action. However, the Commission shall not be constrained in any manner from requiring corrective actions or penalties for other violations that are not raised here. Administrative penalty payments shall be made payable to "Texas Commission on Environmental Quality" and shall be sent with the notation "Re: Chevron Phillips Chemical Company LP, Docket No. 2007-1080-AIR-E to:

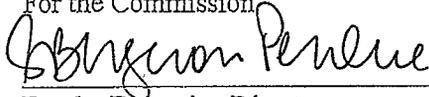
Financial Administration Division, Revenues Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088

2. The provisions of this Agreed Order shall apply to and be binding upon Chevron Phillips. Chevron Phillips is ordered to give notice of this Agreed Order to personnel who maintain day-to-day control over the Plant operations referenced in this Agreed Order.
3. The Executive Director may refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings without notice to Chevron Phillips if the Executive Director determines that Chevron Phillips has not complied with one or more of the terms or conditions in this Agreed Order.
4. 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.
5. This Agreed Order, issued by the Commission, shall not be admissible against Chevron Phillips in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
6. 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.
7. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties. Pursuant to 30 TEX. ADMIN. CODE § 70.10(b) and TEX. GOV'T CODE § 2001.142, the effective date is the date of hand-delivery of the Order to Chevron Phillips, or three days after the date on which the Commission mails notice of the Order to Chevron Phillips, whichever is earlier.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission



For the Executive Director

11/25/2008

Date

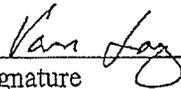
I, the undersigned, have read and understand the attached Agreed Order in the matter of Chevron Phillips Chemical Company LP. I represent that I am authorized to agree to the attached Agreed Order on behalf of Chevron Phillips Chemical Company LP, and do agree to the specified terms and conditions. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

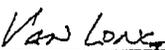
I understand that by entering into this Agreed Order, Chevron Phillips Chemical Company LP waives certain procedural rights, including, but not limited to, the right to formal notice of violations addressed by this Agreed Order, notice of an evidentiary hearing, the right to an evidentiary hearing, and the right to appeal. Chevron Phillips agrees to the terms of the Agreed Order in lieu of an evidentiary hearing. This Agreed Order constitutes full and final adjudication by the Commission of the violations set forth in this Agreed Order.

I also understand that Chevron Phillips' failure to comply with the Ordering Provisions, if any, in this order and/or failure to timely pay the penalty amount, may result in:

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

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


Signature


Name (printed or typed)
Authorized Representative
Chevron Phillips Chemical Company LP

08/16, 2008
Date

PLANT MANAGER
Title