

**EXECUTIVE SUMMARY - ENFORCEMENT MATTER**

**DOCKET NO.:** 2008-1222-AIR-E **TCEQ ID:** RN100235266 **CASE NO.:** 36168

**RESPONDENT NAME:** Flint Hills Resources, LP

<b>ORDER TYPE:</b>		
<input checked="" type="checkbox"/> 1660 AGREED ORDER	<input type="checkbox"/> FINDINGS AGREED ORDER	<input type="checkbox"/> FINDINGS ORDER FOLLOWING SOAH HEARING
<input type="checkbox"/> FINDINGS DEFAULT ORDER	<input type="checkbox"/> SHUTDOWN ORDER	<input type="checkbox"/> IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER
<input type="checkbox"/> AMENDED ORDER	<input type="checkbox"/> EMERGENCY ORDER	
<b>CASE TYPE:</b>		
<input checked="" type="checkbox"/> AIR	<input type="checkbox"/> MULTI-MEDIA (check all that apply)	<input type="checkbox"/> INDUSTRIAL AND HAZARDOUS WASTE
<input type="checkbox"/> PUBLIC WATER SUPPLY	<input type="checkbox"/> PETROLEUM STORAGE TANKS	<input type="checkbox"/> OCCUPATIONAL CERTIFICATION
<input type="checkbox"/> WATER QUALITY	<input type="checkbox"/> SEWAGE SLUDGE	<input type="checkbox"/> UNDERGROUND INJECTION CONTROL
<input type="checkbox"/> MUNICIPAL SOLID WASTE	<input type="checkbox"/> RADIOACTIVE WASTE	<input type="checkbox"/> DRY CLEANER REGISTRATION
<p><b>SITE WHERE VIOLATION(S) OCCURRED:</b> Flint Hills Resources Corpus Christi West Plant, 2825 Suntime Road, Corpus Christi, Nueces County</p> <p><b>TYPE OF OPERATION:</b> Petroleum refinery</p> <p><b>SMALL BUSINESS:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p><b>OTHER SIGNIFICANT MATTERS:</b> There are no complaints. There is no record of additional pending enforcement actions regarding this facility location.</p> <p><b>INTERESTED PARTIES:</b> No one other than the ED and the Respondent has expressed an interest in this matter.</p> <p><b>COMMENTS RECEIVED:</b> The <i>Texas Register</i> comment period expired on January 5, 2009. No comments were received.</p> <p><b>CONTACTS AND MAILING LIST:</b></p> <p><b>TCEQ Attorney/SEP Coordinator:</b> None</p> <p><b>TCEQ Enforcement Coordinator:</b> Ms. Nadia Hameed, Enforcement Division, Enforcement Team 5, MC R-12, (713) 767-3629; Mr. Bryan Sinclair, Enforcement Division, MC 219, (512) 239-2171</p> <p><b>Respondent:</b> Ms. Janice Golden, Environmental Manager, Flint Hills Resources, LP, 2825 Suntime Road, Corpus Christi, Texas 78409</p> <p>Mr. Phil Gaarder, Vice President/Manufacturing Manager, Flint Hills Resources, LP, 2825 Suntime Road, Corpus Christi, Texas 78409</p> <p><b>Respondent's Attorney:</b> Not represented by counsel on this enforcement matter</p>		

**VIOLATION SUMMARY CHART:**

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p><b>Type of Investigation:</b>  <input type="checkbox"/> Complaint  <input type="checkbox"/> Routine  <input type="checkbox"/> Enforcement Follow-up  <input checked="" type="checkbox"/> Records Review</p> <p><b>Date(s) of Complaints Relating to this Case:</b> None</p> <p><b>Date of Investigation Relating to this Case:</b> May 21, 2008</p> <p><b>Date of NOV/NOE Relating to this Case:</b> June 30, 2008 (NOE)</p> <p><b>Background Facts:</b> This was a record review.</p> <p><b>AIR</b></p> <p>Failure to prevent unauthorized emissions. Specifically, 701.30 pounds of nitrogen oxides were released when two isolation valves on the steam system were inadvertently closed by operations during a preventative maintenance activity, causing a loss of steam injection to the Cogeneration Unit, resulting in an emissions event which began on January 23, 2008, and lasted for three hours and 52 minutes (Incident No. 102794). Since the emissions event was avoidable, the demonstrations in 30 TEX. ADMIN. CODE § 101.222 necessary to present an affirmative defense were not met [30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(c), Air Permit No. 8803A, Special Condition No. 1, and TEX. HEALTH &amp; SAFETY CODE § 382.085(b)].</p>	<p><b>Total Assessed:</b> \$5,075</p> <p><b>Total Deferred:</b> \$1,015  <input checked="" type="checkbox"/> Expedited Settlement  <input type="checkbox"/> Financial Inability to Pay</p> <p><b>SEP Conditional Offset:</b> \$0</p> <p><b>Total Paid to General Revenue:</b> \$4,060</p> <p><b>Site Compliance History Classification</b>  <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p><b>Person Compliance History Classification</b>  <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p><b>Major Source:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><b>Applicable Penalty Policy:</b> September 2002</p>	<p><b>Corrective Actions Taken:</b></p> <p>The Executive Director recognizes that on June 13, 2008, the Respondent completed the implementation of a training program to ensure that all personnel are adequately trained before they are allowed into the field.</p>

Additional ID No(s): NE0122D



# Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision June 12, 2008

<b>DATES</b>	Assigned	7-Jul-2008	Screening	8-Jul-2008	EPA Due	27-Mar-2009
	PCW	29-Jul-2008				

<b>RESPONDENT/FACILITY INFORMATION</b>	
Respondent	Flint Hills Resources, LP
Reg. Ent. Ref. No.	RN100235266
Facility/Site Region	12-Houston
Major/Minor Source	Major

<b>CASE INFORMATION</b>			
Enf./Case ID No.	36168	No. of Violations	1
Docket No.	2008-1222-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Nadia Hameed
		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**

### ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

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

Notes: Penalty enhancement due to three agreed orders with a denial of liability, two orders without a denial of liability, one same or similar NOV, and eight non-similar NOVs of which five were self-reported effluent violations. Penalty reduction for three Notice of Audit letters.

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

Notes: The Respondent does not meet the culpability criteria.

**Good Faith Effort to Comply Total Adjustments** **Subtotal 5**

**Economic Benefit**  Enhancement\* **Subtotal 6**

Total EB Amounts    
 Approx. Cost of Compliance    
 \*Capped at the Total EB \$ Amount

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

**OTHER FACTORS AS JUSTICE MAY REQUIRE**  **Adjustment**

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

**Final Penalty Amount**

**STATUTORY LIMIT ADJUSTMENT** **Final Assessed Penalty**

**DEFERRAL**  Reduction **Adjustment**

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

Notes:

Deferral offered for expedited settlement.

**PAYABLE PENALTY**

**Screening Date** 8-Jul-2008

**Docket No.** 2008-1222-AIR-E

**PCW**

**Respondent** Flint Hills Resources, LP

Policy Revision 2 (September 2002)

**Case ID No.** 36168

PCW Revision June 12, 2008

**Reg. Ent. Reference No.** RN100235266

**Media [Statute]** Air

**Enf. Coordinator** Nadia Hameed

**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)	1	5%
	Other written NOVs	8	16%
Orders	Any agreed final enforcement orders containing a denial of liability (number of orders meeting criteria)	3	60%
	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	2	50%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (number of judgments or consent decrees meeting criteria)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (number of counts)	0	0%
Emissions	Chronic excessive emissions events (number of events)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which notices were submitted)	3	-3%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which violations were disclosed)	0	0%

Please Enter Yes or No

Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

**Adjustment Percentage (Subtotal 2)** 128%

>> **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 three agreed orders with a denial of liability, two orders without a denial of liability, one same or similar NOV, and eight non-similar NOVs of which five were self-reported effluent violations. Penalty reduction for three Notice of Audit letters.

**Total Adjustment Percentage (Subtotals 2, 3, & 7)** 128%

<b>Screening Date</b> 8-Jul-2008	<b>Docket No.</b> 2008-1222-AIR-E	<b>PCW</b>		
<b>Respondent</b> Flint Hills Resources, LP		<small>Policy Revision 2 (September 2002)</small>		
<b>Case ID No.</b> 38168		<small>PCW Revision June 12, 2008</small>		
<b>Reg. Ent. Reference No.</b> RN100235266				
<b>Media [Statute]</b> Air				
<b>Enf. Coordinator</b> Nadia Hameed				
<b>Violation Number</b> <input type="text" value="1"/>				
<b>Rule Cite(s)</b>	30 Tex. Admin. Code §§ 101.20(3), 116.115(c), Air Permit No. 8803A, Special Condition No. 1 and Tex. Health & Safety Code § 382.085(b)			
<b>Violation Description</b>	Failed to prevent unauthorized emissions. Specifically, 701.30 pounds of nitrogen oxides were released when two isolation valves on the steam system were inadvertently closed by operations during a preventative maintenance activity, causing a loss of steam injection to the Cogeneration Unit, resulting in an emissions event which began on January 23, 2008, and lasted for three hours and 52 minutes (Incident No. 102794). Since the emissions event was avoidable, the demonstrations in 30 Tex. Admin. Code § 101.222 necessary to present an affirmative defense were not met.			
	<b>Base Penalty</b>	<input type="text" value="\$10,000"/>		
<b>&gt;&gt; Environmental, Property and Human Health Matrix</b>				
OR	<b>Release</b>	<b>Harm</b>		
		Major    Moderate    Minor		
	Actual	<input type="text"/>	<input type="text" value="X"/>	
	Potential	<input type="text"/>	<input type="text"/>	
	<b>Percent</b>	<input type="text" value="25%"/>		
<b>&gt;&gt; Programmatic Matrix</b>				
	Falsification	Major	Moderate	Minor
	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
	<b>Percent</b>	<input type="text" value="0%"/>		
<b>Matrix Notes</b>	Human health or the environment has been exposed to insignificant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of the violation.			
	<b>Adjustment</b>	<input type="text" value="\$7,500"/>		
		<b>Subtotal</b>	<input type="text" value="\$2,500"/>	
<b>Violation Events</b>				
	Number of Violation Events	<input type="text" value="1"/>	Number of violation days	
		<input type="text" value="1"/>		
<small>mark only one with an x</small>	daily	<input type="text"/>	<b>Violation Base Penalty</b> <input type="text" value="\$2,500"/>	
	monthly	<input type="text"/>		
	quarterly	<input checked="" type="text" value="X"/>		
	semiannual	<input type="text"/>		
	annual	<input type="text"/>		
	single event	<input type="text"/>		
One quarterly event is recommended.				
<b>Good Faith Efforts to Comply</b>				
	<b>25.0%</b> Reduction		<input type="text" value="\$625"/>	
	<small>Before NOV    NOV to EDPRP/Settlement Offer</small>			
Extraordinary	<input type="text"/>	<input type="text"/>		
Ordinary	<input checked="" type="text" value="X"/>	<input type="text"/>		
N/A	<input type="text"/>	<small>(mark with x)</small>		
<b>Notes</b>	The Respondent completed the corrective actions on June 13, 2008.			
	<b>Violation Subtotal</b>	<input type="text" value="\$1,875"/>		
<b>Economic Benefit (EB) for this violation</b>		<b>Statutory Limit Test</b>		
Estimated EB Amount	<input type="text" value="\$58"/>	Violation Final Penalty Total	<input type="text" value="\$5,075"/>	
		<b>This violation Final Assessed Penalty (adjusted for limits)</b>	<input type="text" value="\$5,075"/>	

## Economic Benefit Worksheet

**Respondent** Flint Hills Resources, LP  
**Case ID No.** 36168  
**Reg. Ent. Reference No.** RN100235266  
**Media** Air  
**Violation No.** 1

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

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

**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	\$3,000	23-Jan-2008	13-Jun-2008	0.39	\$58	n/a	\$58
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost for operator training. Date required based on the date of the emissions event. Final date based on the date the corrective actions were completed.

**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

\$3,000

TOTAL

\$58

## Compliance History

Customer/Respondent/Owner-Operator:	CN600879712	Flint Hills Resources, LP	Classification: AVERAGE	Rating: 3.91
Regulated Entity:	RN100235266	FLINT HILLS RESOURCES CORPUS CHRISTI WEST PLANT	Classification: AVERAGE	Site Rating: 1.41
ID Number(s):	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	EPA ID		TXD088474663
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION # (SWR)		30529
	INDUSTRIAL AND HAZARDOUS WASTE STORAGE	PERMIT		50097
	WASTEWATER	PERMIT		WQ0000531000
	WASTEWATER	PERMIT		TPDES0006289
	WASTEWATER	PERMIT		TX0006289
	AIR NEW SOURCE PERMITS	PERMIT		8803A
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER		NE0122D
	AIR NEW SOURCE PERMITS	PERMIT		1533
	AIR NEW SOURCE PERMITS	PERMIT		1914
	AIR NEW SOURCE PERMITS	PERMIT		6628
	AIR NEW SOURCE PERMITS	PERMIT		6918A
	AIR NEW SOURCE PERMITS	PERMIT		11278
	AIR NEW SOURCE PERMITS	PERMIT		11813
	AIR NEW SOURCE PERMITS	PERMIT		15914
	AIR NEW SOURCE PERMITS	PERMIT		16173
	AIR NEW SOURCE PERMITS	PERMIT		19331
	AIR NEW SOURCE PERMITS	PERMIT		22451
	AIR NEW SOURCE PERMITS	PERMIT		23385
	AIR NEW SOURCE PERMITS	PERMIT		23386
	AIR NEW SOURCE PERMITS	PERMIT		24297
	AIR NEW SOURCE PERMITS	PERMIT		24937
	AIR NEW SOURCE PERMITS	PERMIT		25838
	AIR NEW SOURCE PERMITS	PERMIT		25097
	AIR NEW SOURCE PERMITS	PERMIT		25312
	AIR NEW SOURCE PERMITS	PERMIT		27090
	AIR NEW SOURCE PERMITS	PERMIT		25873
	AIR NEW SOURCE PERMITS	PERMIT		28368
	AIR NEW SOURCE PERMITS	PERMIT		28775
	AIR NEW SOURCE PERMITS	PERMIT		28956
	AIR NEW SOURCE PERMITS	PERMIT		29651
	AIR NEW SOURCE PERMITS	PERMIT		29973
	AIR NEW SOURCE PERMITS	PERMIT		29650
	AIR NEW SOURCE PERMITS	PERMIT		31518
	AIR NEW SOURCE PERMITS	PERMIT		32707
	AIR NEW SOURCE PERMITS	PERMIT		33508
	AIR NEW SOURCE PERMITS	PERMIT		33352
	AIR NEW SOURCE PERMITS	PERMIT		35045
	AIR NEW SOURCE PERMITS	PERMIT		35395
	AIR NEW SOURCE PERMITS	PERMIT		35776
	AIR NEW SOURCE PERMITS	PERMIT		36182
	AIR NEW SOURCE PERMITS	PERMIT		36331
	AIR NEW SOURCE PERMITS	PERMIT		36186
	AIR NEW SOURCE PERMITS	PERMIT		36505
	AIR NEW SOURCE PERMITS	PERMIT		36878
	AIR NEW SOURCE PERMITS	PERMIT		36987
	AIR NEW SOURCE PERMITS	PERMIT		37113
	AIR NEW SOURCE PERMITS	PERMIT		38537
	AIR NEW SOURCE PERMITS	PERMIT		39412
	AIR NEW SOURCE PERMITS	PERMIT		40133
	AIR NEW SOURCE PERMITS	PERMIT		41387
	AIR NEW SOURCE PERMITS	PERMIT		41299
	AIR NEW SOURCE PERMITS	PERMIT		42222
	AIR NEW SOURCE PERMITS	PERMIT		42274
	AIR NEW SOURCE PERMITS	PERMIT		43110
	AIR NEW SOURCE PERMITS	PERMIT		44048
	AIR NEW SOURCE PERMITS	PERMIT		45798
	AIR NEW SOURCE PERMITS	PERMIT		47975

AIR NEW SOURCE PERMITS	PERMIT	49631
AIR NEW SOURCE PERMITS	PERMIT	6819A
AIR NEW SOURCE PERMITS	PERMIT	24346
AIR NEW SOURCE PERMITS	REGISTRATION	76274
AIR NEW SOURCE PERMITS	REGISTRATION	75765
AIR NEW SOURCE PERMITS	PERMIT	75717
AIR NEW SOURCE PERMITS	REGISTRATION	76194
AIR NEW SOURCE PERMITS	AFS NUM	4835500017
AIR NEW SOURCE PERMITS	PERMIT	56399
AIR NEW SOURCE PERMITS	REGISTRATION	70303
AIR NEW SOURCE PERMITS	EPA ID	PSDTX413M7
AIR NEW SOURCE PERMITS	EPA ID	PSDTX413M5
AIR NEW SOURCE PERMITS	EPA ID	PSDTX772M2
AIR NEW SOURCE PERMITS	PERMIT	50925
AIR NEW SOURCE PERMITS	REGISTRATION	725
AIR NEW SOURCE PERMITS	REGISTRATION	72670
AIR NEW SOURCE PERMITS	PERMIT	74076
AIR NEW SOURCE PERMITS	PERMIT	72572
AIR NEW SOURCE PERMITS	REGISTRATION	73711
AIR NEW SOURCE PERMITS	REGISTRATION	75266
AIR NEW SOURCE PERMITS	REGISTRATION	76446
AIR NEW SOURCE PERMITS	EPA ID	PSDTX777M1
AIR NEW SOURCE PERMITS	EPA ID	PSDTX777M2
AIR NEW SOURCE PERMITS	REGISTRATION	76539
AIR NEW SOURCE PERMITS	EPA ID	PSDTX413M6
AIR NEW SOURCE PERMITS	REGISTRATION	77530
AIR NEW SOURCE PERMITS	REGISTRATION	77459
AIR NEW SOURCE PERMITS	REGISTRATION	77177
AIR NEW SOURCE PERMITS	REGISTRATION	77652
AIR NEW SOURCE PERMITS	REGISTRATION	77655
AIR NEW SOURCE PERMITS	REGISTRATION	79214
AIR NEW SOURCE PERMITS	REGISTRATION	79195
AIR NEW SOURCE PERMITS	REGISTRATION	79770
AIR NEW SOURCE PERMITS	EPA ID	PSDTX413M8
AIR NEW SOURCE PERMITS	REGISTRATION	82956
AIR NEW SOURCE PERMITS	REGISTRATION	83266
AIR NEW SOURCE PERMITS	EPA ID	PSDTX413M9
AIR OPERATING PERMITS	PERMIT	1272
AIR OPERATING PERMITS	ACCOUNT NUMBER	NE0122D
WASTEWATER LICENSING	LICENSE	WQ0000531000
IHW CORRECTIVE ACTION	SOLID WASTE REGISTRATION # (SWR)	30529
INDUSTRIAL AND HAZARDOUS WASTE POST CLOSURE	PERMIT	50097
INDUSTRIAL AND HAZARDOUS WASTE COMPLIANCE PLANS	PERMIT	50097

Location: 2825 SUNTIDE ROAD, CORPUS CHRISTI, TX, 78409 Rating Date: 9/1/2007 Repeat Violator: NO

TCEQ Region: REGION 14 - CORPUS CHRISTI

Date Compliance History Prepared: July 08, 2008

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: July 08, 2003 to July 08, 2008

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: 05/12/2006 ADMINORDER 2005-1659-AIR-E  
Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter A 382.085(b)  
Rqmt Prov: Special Condition No. 1 PERMIT  
Description: Failure to satisfy all demonstration criteria as described in 30 Tex. Admin. Code § 101.222 and gain an affirmative defense for contaminants released from this emissions event, Incident No. 58502. The regulated entity failed to satisfy the demonstration criteria of 30 TAC § 101.222(b)(1), (2), and (3).  
Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)(7)  
5C THC Chapter 382, SubChapter A 382.085(b)  
Description: Failure to submit to the Region 14 office a final report which included all individually listed compounds which were known to have been released during the emissions event.
- Effective Date: 08/20/2006 ADMINORDER 2005-0018-AIR-E  
Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter A 382.085(b)  
Rqmt Prov: Special Condition 1 PERMIT  
Description: Failed to prevent the unauthorized release of benzene on October 26, 2004 at the No. 1 Cumene Reactor (Equipment No. 04DA420).
- Effective Date: 09/21/2007 ADMINORDER 2007-0029-AIR-E  
Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter D 382.085(b)  
Rqmt Prov: FLEX 8803A/PSD-TX-413M8 SC 1 PERMIT  
Description: Failed to prevent unauthorized emissions. Specifically, 548.8 lbs of sulfur dioxide and 69.5 lbs of the HAP benzene were released from the 1st Stage Flare (EPN V-6), 2nd Stage Flare (EPN V-5) and the Hydrocracker Fugitives unit (F-26) during an emissions event that began October 10, 2006 and lasted one hour and 12 min
- Effective Date: 10/25/2007 ADMINORDER 2007-0297-AIR-E  
Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter D 382.085(b)  
Rqmt Prov: 8803A PERMIT  
PSD-TX-413M8 PERMIT  
Description: Failure to comply with any and all general and special conditions of the flexible permit. Specifically, the RE failed to gain the affirmative defense for unauthorized emissions for emissions event, Incident No. 76682 that occurred on June 5, 2006. This event resulted in the unauthorized release of 11,930.40 of CO.  
Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter D 382.085(b)  
Rqmt Prov: 8803A PERMIT  
PSD-TX-413M8 PERMIT  
Description: Failure to comply with any and all general and special conditions of the flexible permit. Specifically, the RE failed to gain the affirmative defense for unauthorized emissions for emissions event, Incident No. 79293 that occurred on July 31, 2006. There was a release of 37 lbs of benzene, that exceeded the cap limit.
- Effective Date: 02/08/2008 ADMINORDER 2007-1095-AIR-E  
Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
30 TAC Chapter 116, SubChapter G 116.715(d)  
5C THC Chapter 382, SubChapter D 382.085(b)  
Rqmt Prov: SC 1 PA  
SC 10 PA  
Description: Flint Hills failed to prevent unauthorized emissions during a January 2, 2007 emissions event.

See addendum for information regarding federal actions.

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

N/A

C. Chronic excessive emissions events.

N/A

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

1	07/24/2003	(159017)
2	08/25/2003	(149639)
3	08/25/2003	(295770)
4	08/25/2003	(295774)
5	09/23/2003	(295772)
6	11/24/2003	(295775)
7	12/17/2003	(258097)
8	12/29/2003	(295776)
9	01/07/2004	(259334)
10	01/13/2004	(256717)
11	01/26/2004	(295777)
12	02/23/2004	(295759)
13	02/23/2004	(295762)
14	03/30/2004	(332776)
15	04/15/2004	(264615)
16	05/24/2004	(295764)
17	05/24/2004	(295768)
18	06/22/2004	(295766)
19	07/01/2004	(274375)
20	07/27/2004	(284451)
21	08/24/2004	(352257)
22	08/24/2004	(352259)
23	08/31/2004	(292881)
24	09/23/2004	(352258)
25	09/24/2004	(288927)
26	11/19/2004	(341703)
27	11/23/2004	(352260)
28	11/23/2004	(352261)
29	12/06/2004	(342992)
30	12/17/2004	(381915)
31	01/11/2005	(342595)
32	01/14/2005	(343443)
33	02/17/2005	(337774)
34	02/17/2005	(347028)
35	02/22/2005	(381911)
36	02/22/2005	(381913)
37	02/22/2005	(381914)
38	02/22/2005	(381916)
39	02/28/2005	(350991)
40	02/28/2005	(342613)
41	03/04/2005	(337092)
42	03/04/2005	(337581)
43	03/21/2005	(373751)
44	03/21/2005	(350992)
45	03/22/2005	(381912)
46	03/22/2005	(373190)
47	05/23/2005	(419753)
48	05/25/2005	(337418)
49	06/16/2005	(395317)
50	06/23/2005	(419754)
51	06/29/2005	(397679)
52	07/01/2005	(348124)
53	08/04/2005	(403348)
54	08/13/2005	(404585)
55	08/19/2005	(440889)
56	08/19/2005	(440891)
57	08/24/2005	(401812)
58	08/26/2005	(406021)
59	08/30/2005	(406208)

60	08/31/2005	(405868)
61	08/31/2005	(405667)
62	08/31/2005	(418713)
63	09/23/2005	(440890)
64	11/09/2005	(418704)
65	11/22/2005	(468539)
66	11/30/2005	(433973)
67	11/30/2005	(433974)
68	12/13/2005	(439149)
69	12/14/2005	(437435)
70	12/14/2005	(437441)
71	12/21/2005	(468540)
72	02/12/2006	(453536)
73	02/21/2006	(468536)
74	02/21/2006	(468538)
75	02/28/2006	(451808)
76	03/23/2006	(468537)
77	04/24/2006	(498271)
78	05/18/2006	(461571)
79	05/22/2006	(418953)
80	05/22/2006	(498272)
81	06/23/2006	(498273)
82	07/21/2006	(486580)
83	08/21/2006	(520285)
84	08/21/2006	(508941)
85	08/22/2006	(489391)
86	08/23/2006	(509435)
87	08/30/2006	(490319)
88	08/30/2006	(510851)
89	09/15/2006	(489520)
90	09/25/2006	(520286)
91	09/29/2006	(514148)
92	10/16/2006	(515334)
93	10/24/2006	(544608)
94	10/25/2006	(516898)
95	10/26/2006	(516897)
96	11/27/2006	(544609)
97	12/06/2006	(532315)
98	12/27/2006	(544610)
99	01/04/2007	(534091)
100	01/22/2007	(544611)
101	01/24/2007	(535454)
102	01/29/2007	(519260)
103	01/31/2007	(513496)
104	02/16/2007	(538999)
105	02/22/2007	(575452)
106	03/15/2007	(543230)
107	03/23/2007	(575453)
108	04/05/2007	(556107)
109	04/10/2007	(556407)
110	04/13/2007	(518319)
111	04/23/2007	(575454)
112	05/09/2007	(557774)
113	05/18/2007	(560248)
114	05/18/2007	(560035)
115	05/18/2007	(542502)
116	05/23/2007	(575455)
117	05/29/2007	(560778)
118	06/04/2007	(561366)
119	06/25/2007	(558967)
120	06/25/2007	(575456)
121	07/13/2007	(561122)
122	07/16/2007	(564659)
123	07/17/2007	(567734)
124	07/20/2007	(575457)
125	08/01/2007	(569775)
126	08/08/2007	(534723)
127	08/20/2007	(565993)

128 08/21/2007 (570742)  
 129 08/22/2007 (601658)  
 130 08/24/2007 (573157)  
 131 09/24/2007 (601659)  
 132 10/02/2007 (534725)  
 133 10/15/2007 (596343)  
 134 10/23/2007 (619555)  
 135 11/19/2007 (619556)  
 136 12/20/2007 (619557)  
 137 01/07/2008 (613411)  
 138 01/16/2008 (672081)  
 139 02/08/2008 (616859)  
 140 02/21/2008 (672079)  
 141 03/24/2008 (672080)  
 142 04/29/2008 (653836)  
 143 06/27/2008 (684512)  
 144 06/30/2008 (680445)  
 145 06/30/2008 (684533)

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

Date: 02/29/2004 (295761)  
 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: 03/30/2004 (332776)  
 Self Report? NO Classification: Moderate  
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)  
 30 TAC Chapter 305, SubChapter F 305.125(17)  
 Description: NON-RPT VIOS FOR MONIT PER OR PIPE  
 Date: 09/30/2004 (352259)  
 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: 01/11/2005 (342595)  
 Self Report? NO Classification: Moderate  
 Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(1)(G)  
 30 TAC Chapter 116, SubChapter B 116.115(c)(1)  
 Rqmt Prov: PA Special Condition 1  
 Description: Failure to comply with the visible emission requirements for stationary vents, and  
 to meet the demonstration requirements of 30 TAC § 101.222(b) or obtain  
 regulatory authority for contaminants released from the WFCCU Bypass Stack.  
 Date: 01/31/2005 (381911)  
 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: 02/10/2005 (347028)  
 Self Report? NO Classification: Moderate  
 Citation: 40 CFR Chapter 270, SubChapter I, PT 270, SubPT C 270.30(a)  
 Rqmt Prov: IHWPERMTCP CP-50097 §III.E. & Attach. B No. 11  
 OP HW-50097-000 P.P.VI. B. & Attach. F  
 OP HW-50097-000 Permit Provision II.A.  
 Description: FHR West failed to follow the Field Plan as required by the permit  
 Date: 08/22/2006 (489391)  
 Self Report? NO Classification: Minor  
 Citation: 2D TWC Chapter 26, SubChapter A 26.121  
 Rqmt Prov: PERMIT Permit Conditions No. 2(g), Pg. 7  
 Description: Failure to prevent the discharge of wastewater or any other waste.  
 Date: 09/30/2006 (544608)  
 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: 07/31/2007 (601658)

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: 07/10/2006 (488046)

No DOV Associated

Notice of Intent Date: 08/03/2007 (572669)

No DOV Associated

Notice of Intent Date: 01/11/2008 (616231)

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



**Addendum to Compliance History  
Federal Enforcement Actions**

CUSTOMER (Defendant):   
REGULATED ENTITY:   
REG. ENTITY ADDRESS:   
REG. ENTITY CITY:

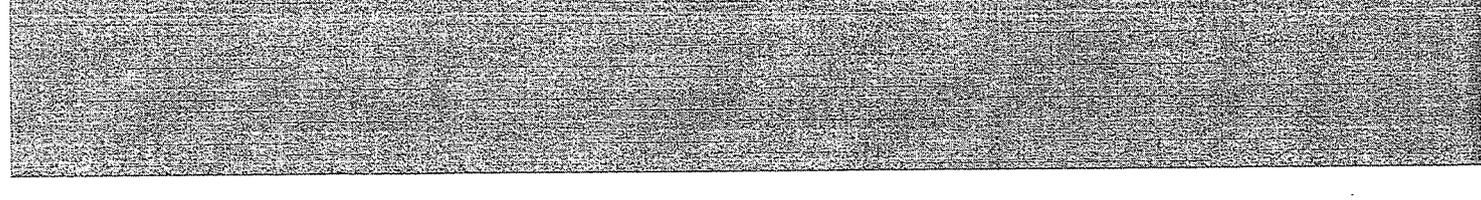
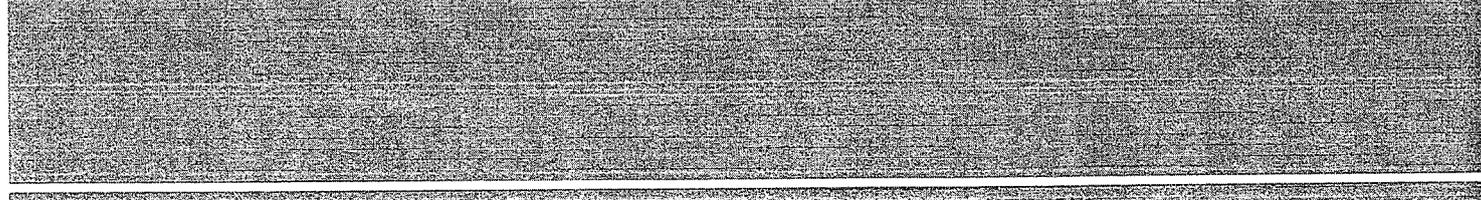
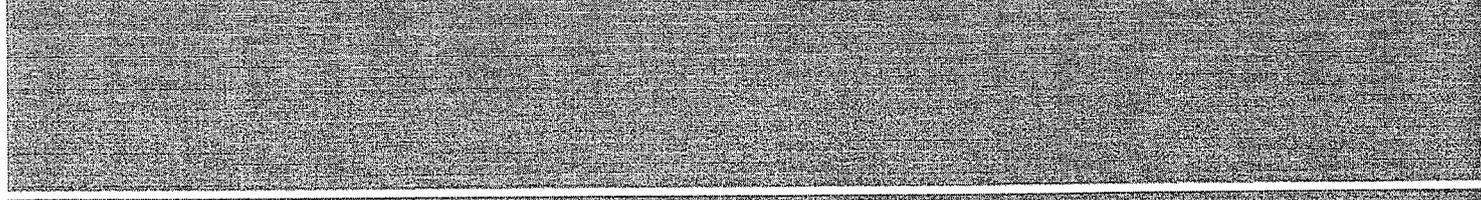
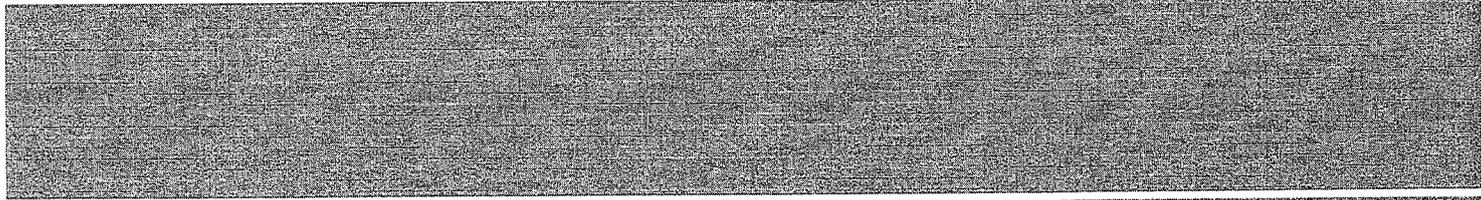
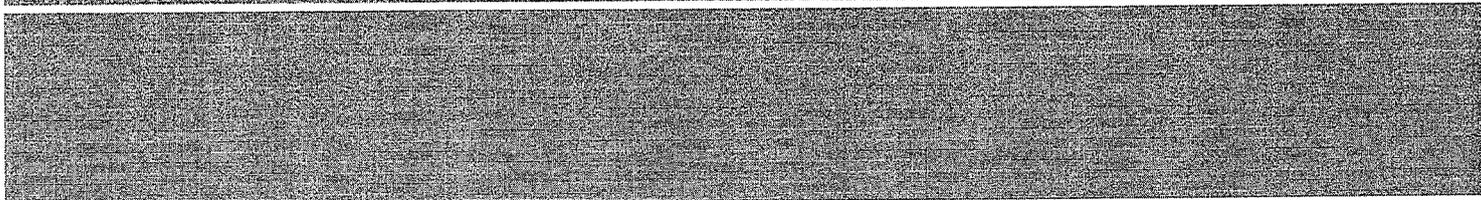
CUSTOMER NO.:   
REG. ENTITY NO.:

**Violations**

EPA CASE NO:	<input type="text" value="05-2000-0584"/>	CLASSIFICATION:	<input type="text" value="MODERATE"/>
ORDER ISSUED DATE (YYYYMMDD):	<input type="text" value="20010425"/>	STATUTE:	<input type="text" value="CAA"/> <input type="text" value="SECT. OF STATUTE: 113A"/>
ENFORCEMENT ACTION TYPE:	<input type="text" value="Consent Decree/Court Order"/>	CITATION:	<input type="text"/> <input type="text" value="CITE PART: "/> <input type="text" value="CITE SECT: "/>
CASE RESULT:	<input type="text" value="Final Order With Penalty"/>	PROGRAM:	<input type="text" value="NOVs and Compliance Orders"/>
		VIOLATION TYPE:	<input type="text" value="Other/Miscellaneous"/>

EPA CASE NO:	<input type="text" value="05-2000-0584"/>	CLASSIFICATION:	<input type="text" value="MODERATE"/>
ORDER ISSUED DATE (YYYYMMDD):	<input type="text" value="20010425"/>	STATUTE:	<input type="text" value="RCRA"/> <input type="text" value="SECT. OF STATUTE: 3008"/>
ENFORCEMENT ACTION TYPE:	<input type="text" value="Consent Decree/Court Order"/>	CITATION:	<input type="text"/> <input type="text" value="CITE PART: "/> <input type="text" value="CITE SECT: "/>
CASE RESULT:	<input type="text" value="Final Order With Penalty"/>	PROGRAM:	<input type="text"/>
		VIOLATION TYPE:	<input type="text"/>

EPA CASE NO:	<input type="text" value="05-2000-0584"/>	CLASSIFICATION:	<input type="text" value="MODERATE"/>
ORDER ISSUED DATE (YYYYMMDD):	<input type="text" value="20010425"/>	STATUTE:	<input type="text" value="CWA"/> <input type="text" value="SECT. OF STATUTE: 311"/>
ENFORCEMENT ACTION TYPE:	<input type="text" value="Consent Decree/Court Order"/>	CITATION:	<input type="text"/> <input type="text" value="CITE PART: "/> <input type="text" value="CITE SECT: "/>
CASE RESULT:	<input type="text" value="Final Order With Penalty"/>	PROGRAM:	<input type="text"/>
		VIOLATION TYPE:	<input type="text"/>





TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN  
ENFORCEMENT ACTION  
CONCERNING  
FLINT HILLS RESOURCES, LP  
RN100235266

§  
§  
§  
§  
§

BEFORE THE  
TEXAS COMMISSION ON  
ENVIRONMENTAL QUALITY

AGREED ORDER  
DOCKET NO. 2008-1222-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 Flint Hills Resources, LP ("the Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent appear before the Commission and together stipulate that:

1. The Respondent owns and operates a petroleum refinery at 2825 Suntime Road in Corpus Christi, Nueces 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 July 5, 2008.
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 Five Thousand Seventy-Five Dollars (\$5,075) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Four Thousand Sixty Dollars (\$4,060) of the administrative penalty and One Thousand Fifteen Dollars (\$1,015) 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 recognizes that on June 13, 2008, the Respondent completed the implementation of a training program to ensure that all personnel are adequately trained before they are allowed into the field.
10. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
11. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
12. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

## **II. ALLEGATIONS**

As owner and operator of the Plant, the Respondent is alleged to have failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(c), Air Permit No. 8803A, Special Condition No. 1 and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review conducted on May 21, 2008. Specifically, 701.30 pounds of nitrogen oxides were released when two isolation valves on the steam system were inadvertently closed by operations during a preventative maintenance activity, causing a loss of steam injection to the Cogeneration Unit, resulting in an emissions event which began on January 23, 2008, and lasted for three hours and 52 minutes (Incident No. 102794). Since the emissions event was avoidable, the demonstrations in 30 TEX. ADMIN. CODE § 101.222 necessary to present an affirmative defense were 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: Flint Hills Resources, LP, Docket No. 2008-1222-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 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.
3. 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.
4. This agreement may be executed in multiple counterparts, which together shall constitute a single original instrument. Any executed signature page to this Agreement may be transmitted by facsimile transmission to the other parties, which shall constitute an original signature for all purposes.
5. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to the Respondent, or three days after the date on which the Commission mails notice of the Order to the Respondent, whichever is earlier. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties.



## SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

\_\_\_\_\_  
For the Commission

John Srdien  
For the Executive Director

12/8/2008  
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.

Phil Gaarder  
Signature

10/22/08  
Date

Phil Gaarder  
Name (Printed or typed)  
Authorized Representative of  
Flint Hills Resources, LP

UP/Manufacturing Mgr  
Title

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

