

**EXECUTIVE SUMMARY - ENFORCEMENT MATTER**  
**DOCKET NO.: 2009-0181-AIR-E TCEQ ID: RN100218130 CASE NO.: 37127**  
**RESPONDENT NAME: Houston Refining 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> Houston Refining, 12000 Lawndale Street, Houston, Harris 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 are four additional pending enforcement actions regarding this facility location, Docket Nos. 2008-0790-AIR-E, 2008-1454-AIR-E, 2009-0779-AIR-E, and 2009-1158-AIR-E.</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 November 23, 2009. No comments were received.</p> <p><b>CONTACTS AND MAILING LIST:</b>  <b>TCEQ Attorney/SEP Coordinator:</b> None  <b>TCEQ Enforcement Coordinator:</b> Ms. Kimberly Morales, Enforcement Division, Enforcement Team 5, MC R-12, (713) 422-8938; Ms. Cari-Michel La Caille, Enforcement Division, MC 219, (512) 239-1387  <b>Respondent:</b> Mr. Philip Oberbroeckling, Manager, Environmental and D.O.T. Affairs, Houston Refining LP, P.O. Box 2451, Houston, Texas 77252  Mr. James R. Daniel, Manager, Houston Refining LP, P.O. Box 2451, Houston, Texas 77252  <b>Respondent's Attorney:</b> Ms. Jennifer Keane, BAKER BOTTS, L.L.P., 1600 San Jacinto Center, 98 San Jacinto Boulevard, Austin, Texas 78701-4039</p>		

**VIOLATION SUMMARY CHART:**

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p><b>Type of Investigation:</b>  <input type="checkbox"/> Complaint  <input checked="" type="checkbox"/> Routine  <input type="checkbox"/> Enforcement Follow-up  <input type="checkbox"/> Records Review</p> <p><b>Date(s) of Complaints Relating to this Case:</b> None</p> <p><b>Date of Investigation Relating to this Case:</b> December 2 and 14, 2008</p> <p><b>Date of NOV/NOE Relating to this Case:</b> February 4, 2009 (NOE)</p> <p><b>Background Facts:</b> This was a routine investigation.</p> <p><b>AIR</b></p> <p>1) Failure to notify the TCEQ of a reportable emissions event within 24 hours of discovery (Incident No. 115083). Specifically, the event was discovered at 1:00 a.m. on October 4, 2008, but was not reported until 5:30 p.m. on October 6, 2008 [30 TEX. ADMIN. CODE § 101.201(a)(1)(B) and TEX. HEALTH &amp; SAFETY CODE § 382.085(b)].</p> <p>2) Failure to prevent unauthorized emissions during Incident No. 115083. Specifically, 28,043 pounds ("lbs") of unauthorized sulfur dioxide ("SO<sub>2</sub>") emissions were released from the Tail Gas Incinerator for 42 hours beginning on October 4, 2008 due to failure of a flow transmitter. Since the Respondent has not demonstrated that the equipment failure was beyond their control, and the event was reported late, the demonstrations in 30 TEX. ADMIN. CODE § 101.222 necessary to present an affirmative defense were not met [30 TEX. ADMIN. CODE § 116.715(a), Flexible Air Permit No. 2167, Special Condition 1, and TEX. HEALTH &amp; SAFETY CODE § 382.085(b)].</p> <p>3) Failure to prevent unauthorized emissions during Incident No. 117127. Specifically, unauthorized emissions of 33,908 lbs of SO<sub>2</sub> and 11,158 lbs of volatile organic compounds were released from the Coke Fractionator and Coker</p>	<p><b>Total Assessed:</b> \$40,524</p> <p><b>Total Deferred:</b> \$8,104  <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 (Due) to General Revenue:</b> \$0</p> <p>On January 6, 2009, the Respondent, together with certain other subsidiaries and affiliates of Lyondell Chemical Company, filed with the United States Bankruptcy Court a voluntary petition for relief under chapter 11 of the Bankruptcy Code.</p> <p>(Remaining \$32,420 due pending the outcome of bankruptcy proceedings)</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>Ordering Provisions:</b></p> <p>The Order will require the Respondent to:</p> <p>a. Within 30 days after the effective date of this Agreed Order:</p> <p>i. Design and implement procedures to prevent the recurrence of emissions events due to the same or similar causes as those of the October 4 and November 26, 2008 emissions events; and</p> <p>ii. Implement procedures designed to ensure proper reporting of emissions events.</p> <p>b. Within 45 days after the effective date of this Agreed Order, submit written certification and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provisions a.i. and a.ii.</p>

<p>Flare for 48 hours beginning on November 26, 2008 due to unstable operating conditions that resulted in a shutdown of the gas compressor. Since the Respondent has not demonstrated that the shutdown was beyond their control and could not have been foreseen and avoided, the demonstrations in 30 TEX. ADMIN. CODE § 101.222 necessary to present an affirmative defense were not met [30 TEX. ADMIN. CODE § 116.715(a), Flexible Air Permit No. 2167, Special Condition 1, and TEX. HEALTH &amp; SAFETY CODE § 382.085(b)].</p>		
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Additional ID No(s): HG0048L





# Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

## TCEQ

DATES	Assigned	5-Feb-2009	Screening	5-Feb-2009	EPA Due	
	PCW	15-Jul-2009				

<b>RESPONDENT/FACILITY INFORMATION</b>			
Respondent	Houston Refining LP		
Reg. Ent. Ref. No.	RN100218130		
Facility/Site Region	12-Houston	Major/Minor Source	Major

<b>CASE INFORMATION</b>			
Enf./Case ID No.	37127	No. of Violations	3
Docket No.	2009-0181-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Kimberly Morales
		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 13 NOVs for the same or similar violations, 10 NOVs for unrelated violations, six agreed orders containing a denial of liability, and nine agreed orders without a denial of liability. Penalty reduction due to four notice of audit letters and one disclosure of violations.

**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** 5-Feb-2009

**Docket No.** 2009-0181-AIR-E

**PCW**

**Respondent** Houston Refining LP

*Policy Revision 2 (September 2002)*

**Case ID No.** 37127

*PCW Revision October 30, 2008*

**Reg. Ent. Reference No.** RN100218130

**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 <i>(number of NOVs meeting criteria)</i>	13	65%
	Other written NOVs	10	20%
Orders	Any agreed final enforcement orders containing a denial of liability <i>(number of orders meeting criteria)</i>	6	120%
	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	9	225%
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 <i>(number of judgements or consent decrees meeting criteria)</i>	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 <i>(number of counts)</i>	0	0%
Emissions	Chronic excessive emissions events <i>(number of events)</i>	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 <i>(number of audits for which notices were submitted)</i>	4	-4%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 <i>(number of audits for which violations were disclosed)</i>	1	-2%
<i>Please Enter Yes or No</i>			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

**Adjustment Percentage (Subtotal 2)** 424%

>> **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 13 NOVs for the same or similar violations, 10 NOVs for unrelated violations, six agreed orders containing a denial of liability, and nine agreed orders without a denial of liability. Penalty reduction due to four notice of audit letters and one disclosure of violations.

**Total Adjustment Percentage (Subtotals 2, 3, & 7)** 424%

**Screening Date** 5-Feb-2009 **Docket No.** 2009-0181-AIR-E **PCW**  
**Respondent** Houston Refining LP *Policy Revision 2 (September 2002)*  
**Case ID No.** 37127 *PCW Revision October 30, 2008*  
**Reg. Ent. Reference No.** RN100218130  
**Media [Statute]** Air  
**Enf. Coordinator** Kimberly Morales  
**Violation Number** 1  
**Rule Cite(s)** 30 Tex. Admin. Code § 101.201(a)(1)(B) and Tex. Health & Safety Code § 382.085(b)  
**Violation Description** Failed to notify the TCEQ of a reportable emissions event within 24 hours of discovery (Incident No. 115083). Specifically, the event was discovered at 1:00 a.m. on October 4, 2008, but was not reported until 5:30 p.m. on October 6, 2008.

**Base Penalty** \$10,000

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

Release	Harm			Percent
	Major	Moderate	Minor	
Actual				0%
Potential				

**>> Programmatic Matrix**

Falsification	Major	Moderate	Minor	Percent
			X	1%

Matrix Notes

At least 70% of the rule requirement was met.

**Adjustment** \$9,900

\$100

**Violation Events**

Number of Violation Events 1 2 Number of violation days

mark only one with an x	daily	
	weekly	
	monthly	
	quarterly	
	semiannual	
	annual	
	single event	X

**Violation Base Penalty** \$100

One single event is recommended based upon one late report.

**Good Faith Efforts to Comply**

0.0% Reduction

\$0

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

Notes

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

**Violation Subtotal** \$100

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

**Statutory Limit Test**

Estimated EB Amount \$0

**Violation Final Penalty Total** \$524

**This violation Final Assessed Penalty (adjusted for limits)** \$524

## Economic Benefit Worksheet

**Respondent** Houston Refining LP  
**Case ID No.** 37127  
**Reg. Ent. Reference No.** RN100218130  
**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				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

The economic benefit for this violation is included with that of Violation No. 2.

**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 \$0

TOTAL \$0

<b>Screening Date</b> 5-Feb-2009	<b>Docket No.</b> 2009-0181-AIR-E	<b>PCW</b>	
<b>Respondent</b> Houston Refining LP	<small>Policy Revision 2 (September 2002)</small>		
<b>Case ID No.</b> 37127	<small>PCW Revision October 30, 2008</small>		
<b>Reg. Ent. Reference No.</b> RN100218130			
<b>Media [Statute]</b> Air			
<b>Enf. Coordinator</b> Kimberly Morales			
<b>Violation Number</b> <input type="text" value="2"/>			
<b>Rule Cite(s)</b>	30 Tex. Admin. Code § 116.715(a), Flexible Air Permit No. 2167, Special Condition 1, and Tex. Health & Safety Code § 382.085(b)		
<b>Violation Description</b>	Failed to prevent unauthorized emissions during Incident No. 115083. Specifically, 28,043 pounds ("lbs") of unauthorized sulfur dioxide ("SO2") emissions were released from the Tail Gas Incinerator for 42 hours beginning on October 4, 2008 due to failure of a flow transmitter. Since the Respondent has not demonstrated that the equipment failure was beyond their control, and the event was reported late, 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>			
<b>Harm</b>			
Release	Major	Moderate	Minor
Actual	<input type="text"/>	<input checked="" type="checkbox"/>	<input type="text"/>
Potential	<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>Percent</b>		<input type="text" value="50%"/>	
<b>&gt;&gt; Programmatic Matrix</b>			
<b>Falsification</b>			
Major	Moderate	Minor	
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>Percent</b>		<input type="text" value="0%"/>	
<b>Matrix Notes</b>	Human health or the environment has been exposed to significant amounts of pollutants that do not exceed levels protective of human health or environmental receptors.		
<b>Adjustment</b>		<input type="text" value="\$5,000"/>	
		<input type="text" value="\$5,000"/>	
<b>Violation Events</b>			
<b>Number of Violation Events</b>		<input type="text" value="1"/>	<input type="text" value="2"/>
		<b>Number of violation days</b>	
<small>mark only one with an x</small>	daily	<input type="text"/>	<b>Violation Base Penalty</b> <input type="text" value="\$5,000"/>
	weekly	<input type="text"/>	
	monthly	<input checked="" type="checkbox"/>	
	quarterly	<input type="text"/>	
	semiannual	<input type="text"/>	
	annual	<input type="text"/>	
	single event	<input type="text"/>	
One monthly event is recommended based on the October 4 through 5, 2008 emissions event.			
<b>Good Faith Efforts to Comply</b>			
		<b>0.0% Reduction</b>	<input type="text" value="\$0"/>
		<small>Before NOV      NOV to EDPRP/Settlement Offer</small>	
Extraordinary	<input type="text"/>	<input type="text"/>	
Ordinary	<input type="text"/>	<input type="text"/>	
N/A	<input checked="" type="checkbox"/>	<small>(mark with x)</small>	
<b>Notes</b>	The Respondent does not meet the good faith criteria for this violation.		
<b>Violation Subtotal</b>		<input type="text" value="\$5,000"/>	
<b>Economic Benefit (EB) for this violation</b>			
<b>Estimated EB Amount</b>		<input type="text" value="\$91"/>	
<b>Statutory Limit Test</b>			
<b>Violation Final Penalty Total</b>		<input type="text" value="\$26,200"/>	
<b>This violation Final Assessed Penalty (adjusted for limits)</b>		<input type="text" value="\$20,000"/>	

## Economic Benefit Worksheet

**Respondent** Houston Refining LP  
**Case ID No.** 37127  
**Reg. Ent. Reference No.** RN100218130  
**Media** Air  
**Violation No.** 2

<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	\$1,000	4-Oct-2008	31-Aug-2009	0.91	\$45	n/a	\$45
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$1,000	4-Oct-2008	31-Aug-2009	0.91	\$45	n/a	\$45

**Notes for DELAYED costs** Estimated cost of implementing procedures designed to prevent recurrence of unauthorized emissions due to the same cause and to develop procedures and conduct training to ensure that emissions events are timely reported. The date required is the date of the emissions event, and the final date is the estimated date of compliance.

**Avoided Costs**

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

Disposal				0.00	\$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**

\$2,000

**TOTAL**

\$91

<b>Screening Date</b> 5-Feb-2009	<b>Docket No.</b> 2009-0181-AIR-E	<b>PCW</b>	
<b>Respondent</b> Houston Refining LP		<i>Policy Revision 2 (September 2002)</i>	
<b>Case ID No.</b> 37127		<i>PCW Revision October 30, 2008</i>	
<b>Reg. Ent. Reference No.</b> RN100218130			
<b>Media [Statute]</b> Air			
<b>Enf. Coordinator</b> Kimberly Morales			
<b>Violation Number</b> 3			
<b>Rule Cite(s)</b>	30 Tex. Admin. Code § 116.715(a), Flexible Air Permit No. 2167, Special Condition 1, and Tex. Health & Safety Code § 382.085(b)		
<b>Violation Description</b>	Failed to prevent unauthorized emissions during Incident No. 117127. Specifically, unauthorized emissions of 33,908 lbs of SO2 and 11,158 lbs of volatile organic compounds were released from the Coke Fractionator and Coker Flare for 48 hours beginning on November 26, 2008 due to unstable operating conditions that resulted in a shutdown of the gas compressor. Since the Respondent has not demonstrated that the shutdown was beyond their control and could not have been foreseen and avoided, the demonstrations in 30 Tex. Admin. Code § 101.222 necessary to present an affirmative defense were not met.		
	<b>Base Penalty</b>	\$10,000	
<b>&gt;&gt; Environmental, Property and Human Health Matrix</b>			
<b>OR</b>	<b>Release</b>	<b>Harm</b>	
		Major      Moderate      Minor	
	Actual	<input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/>	<b>Percent</b> <input type="text" value="50%"/>
	Potential	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	
<b>&gt;&gt; Programmatic Matrix</b>			
	<b>Falsification</b>	Major      Moderate      Minor	<b>Percent</b> <input type="text" value="0%"/>
Matrix Notes	Human health or the environment has been exposed to significant amounts of pollutants that do not exceed levels protective of human health or environmental receptors.		
	<b>Adjustment</b>	\$5,000	
		\$5,000	
<b>Violation Events</b>			
	Number of Violation Events <input type="text" value="1"/>	<input type="text" value="2"/>	Number of violation days
<i>mark only one with an x</i>	daily	<input type="checkbox"/>	
	weekly	<input type="checkbox"/>	
	monthly	<input checked="" type="checkbox"/>	
	quarterly	<input type="checkbox"/>	
	semiannual	<input type="checkbox"/>	
	annual	<input type="checkbox"/>	
	single event	<input type="checkbox"/>	
		<b>Violation Base Penalty</b>	\$5,000
One monthly event is recommended based on the November 26 through 27, 2008 emissions event.			
<b>Good Faith Efforts to Comply</b>			
	<b>0.0%</b> Reduction	\$0	
	Before NOV      NOV to EDRP/Settlement Offer		
Extraordinary	<input type="checkbox"/> <input type="checkbox"/>		
Ordinary	<input type="checkbox"/> <input type="checkbox"/>		
N/A	<input checked="" type="checkbox"/> (mark with x)		
Notes	The Respondent does not meet the good faith criteria for this violation.		
	<b>Violation Subtotal</b>	\$5,000	
<b>Economic Benefit (EB) for this violation</b>			
	<b>Estimated EB Amount</b> <input type="text" value="\$38"/>	<b>Statutory Limit Test</b>	
		<b>Violation Final Penalty Total</b>	\$26,200
	<b>This violation Final Assessed Penalty (adjusted for limits)</b>		\$20,000

## Economic Benefit Worksheet

**Respondent** Houston Refining LP  
**Case ID No.** 37127  
**Reg. Ent. Reference No.** RN100218130  
**Media** Air  
**Violation No.** 3

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

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							
<b>Delayed Costs</b>							
Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$1,000	26-Nov-2008	31-Aug-2009	0.76	\$38	n/a	\$38

**Notes for DELAYED costs**  
 Estimated cost of implementing procedures designed to prevent recurrence of unauthorized omissions due to the same cause. The date required is the date of the emissions event, and the final date is the estimated date of compliance.

Avoided Costs	ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)						
Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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 TOTAL

\$1,000	\$38
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# Compliance History Report

Customer/Respondent/Owner-Operator:	CN601313083 Houston Refining LP	Classification: AVERAGE	Rating: 9.22
Regulated Entity:	RN100218130 HOUSTON REFINING	Classification: AVERAGE	Site Rating: 9.22

ID Number(s):			
	AIR OPERATING PERMITS	ACCOUNT NUMBER	HG0048L
	AIR OPERATING PERMITS	PERMIT	1372
	PETROLEUM STORAGE TANK REGISTRATION	REGISTRATION	78219
	AIR NEW SOURCE PERMITS	PERMIT	2167
	AIR NEW SOURCE PERMITS	PERMIT	3844
	AIR NEW SOURCE PERMITS	PERMIT	31955
	AIR NEW SOURCE PERMITS	PERMIT	38735
	AIR NEW SOURCE PERMITS	PERMIT	44938
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	HG0048L
	AIR NEW SOURCE PERMITS	REGISTRATION	54769
	AIR NEW SOURCE PERMITS	REGISTRATION	55719
	AIR NEW SOURCE PERMITS	REGISTRATION	75386
	AIR NEW SOURCE PERMITS	AFS NUM	4820100040
	AIR NEW SOURCE PERMITS	EPA ID	PSDTX985
	AIR NEW SOURCE PERMITS	REGISTRATION	71613
	AIR NEW SOURCE PERMITS	REGISTRATION	74743
	AIR NEW SOURCE PERMITS	REGISTRATION	76934
	AIR NEW SOURCE PERMITS	REGISTRATION	78506
	AIR NEW SOURCE PERMITS	REGISTRATION	80698
	AIR NEW SOURCE PERMITS	REGISTRATION	43445
	AIR NEW SOURCE PERMITS	REGISTRATION	46595
	AIR NEW SOURCE PERMITS	REGISTRATION	49678
	AIR NEW SOURCE PERMITS	REGISTRATION	50839
	AIR NEW SOURCE PERMITS	REGISTRATION	56586
	AIR NEW SOURCE PERMITS	REGISTRATION	71380
	AIR NEW SOURCE PERMITS	REGISTRATION	81566
	AIR NEW SOURCE PERMITS	REGISTRATION	86815
	AIR NEW SOURCE PERMITS	REGISTRATION	85715
	AIR NEW SOURCE PERMITS	REGISTRATION	84563
	AIR NEW SOURCE PERMITS	REGISTRATION	84606
	WASTEWATER	PERMIT	WQ0000392000
	WASTEWATER	PERMIT	TPDES0003247
	WASTEWATER	EPA ID	TPDES0003247
	PUBLIC WATER SYSTEM/SUPPLY	REGISTRATION	1011570

INDUSTRIAL AND HAZARDOUS WASTE GENERATION	EPA ID	TXD082688979
INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION # (SWR)	30092
INDUSTRIAL AND HAZARDOUS WASTE STORAGE	PERMIT	50106
WATER LICENSING	LICENSE	1011570
IHW CORRECTIVE ACTION	SOLID WASTE REGISTRATION # (SWR)	30092
INDUSTRIAL AND HAZARDOUS WASTE POST CLOSURE	PERMIT	50106
INDUSTRIAL AND HAZARDOUS WASTE COMPLIANCE PLANS	PERMIT	50106

Location: 12000 LAWNSDALE ST, HOUSTON, TX, 77017

TCEQ Region: REGION 12 - HOUSTON

Date Compliance History Prepared: February 05, 2009

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: February 05, 2004 to February 05, 2009

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

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

### Site Compliance History Components

1. Has the site been in existence and/or operation for the full five year compliance period? Yes
2. Has there been a (known) change in ownership of the site during the compliance period? No
3. If Yes, who is the current owner? Houston Refining LP  
Arco Pipe Line Company  
A. J. Hurt, Jr., Incorporated
4. If Yes, who was/were the prior owner(s)? N/A
5. When did the change(s) in ownership occur? N/A
6. Rating Date: 9/1/2008 Repeat Violator: NO

### Components (Multimedia) for the Site:

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

Effective Date: 07/01/2004

ADMINORDER 2003-1418-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 No. 1 PERMIT

Description: Allowed an unauthorized release of SO<sub>2</sub>, H<sub>2</sub>S, and SO<sub>3</sub> from the Sulfur Recovery Complex. Specifically, an emissions event occurred on December 19, 2002 which resulted in excess emissions of 85,009 lbs of SO<sub>2</sub>, 1,869 lbs of H<sub>2</sub>S, and 2,426 lbs of SO<sub>3</sub>.

Effective Date: 04/10/2005 ADMINORDER 2004-0866-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: PSD-TX-985, Special Condition 1 PERMIT  
Description: Exceeded VOC emissions limit for TCEQ Flexible Permit #2167 during an emissions event.

Effective Date: 08/07/2005 ADMINORDER 2004-2002-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: Failed to comply with permitted emissions limits.  
Classification: Minor  
Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)(B)  
5C THC Chapter 382, SubChapter A 382.085(b)  
Description: Failed to submit the initial report for the reportable emission event that occurred on September 1, 2004 in a timely manner.

Effective Date: 12/15/2005 ADMINORDER 2005-1172-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: Flexible Permit No. 2167, SC #1. PERMIT  
Description: Failed to comply with permitted emissions limits.

Effective Date: 02/05/2006 ADMINORDER 2005-0754-AIR-E  
Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.716(a)  
5C THC Chapter 382, SubChapter A 382.085(b)  
Rqmt Prov: SC 1 PERMIT  
Description: Failed to comply with permitted emissions limits.

Effective Date: 02/20/2006 ADMINORDER 2005-0359-AIR-E  
Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)  
30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)

40 CFR Chapter 60, SubChapter C, PT 60, SubPT J 60.104(a)(1)

5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: Flexible Permit #2167, SC #2 PA

Flexible Permit #2167, SC#26 PA

Description: Failed to limit the hydrogen sulfide ("H<sub>2</sub>S") concentration in the fuel gas to no more than 160 parts per million ("ppm") on a three-hour rolling average basis.

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: Flexible Permit #2167, SC #44B PA

Description: Failed to operate the Wet Gas Scrubber (EPN 732 COB) at a minimum pressure drop across the scrubber of 0.91 pounds per square inch ("psi") and at a minimum liquid-to-gas ratio ("L/G") of 16.0 gallons per 1,000 actual cubic feet.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)  
30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT J 60.103(a)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: Flexible Permit #2167, SC #2 PA

Description: Failed to maintain a maximum hourly average carbon monoxide ("CO") concentration of no more than 500 parts per million volume ("ppmv") from the FCCU Catalyst Regenerator Stack (EPN 732-COB)

Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 111, SubChapter A 111.111(a)(4)(A)(ii)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: Special Condition 47 PERMIT

Description: Failed to note daily flare observations in the Flare Observation Log and failed to maintain monitoring records for a flare's pilot flame.

Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter A 101.20(2)  
30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 115, SubChapter D 115.352(2)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.171(a)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: Flexible Permit #2167, SC #14.I PA

Description: Failed to repair three valves within 15 days of leak detection

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: Flexible Permit #2167, SC #37 PA

Description: Failed to maintain the sulfur dioxide ("SO<sub>2</sub>") concentration in the exhaust gas of the #435 and #440 Tail Gas Thermal Oxidizers (EPNs TGU-ICN and TGU-ICN2) below 235 ppmv on a one-hour average basis.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 115, SubChapter B 115.114(a)(1)  
30 TAC Chapter 115, SubChapter B 115.114(a)(2)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.120(a)(2)(i)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.120(b)(1)(iii)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: Flexible Permit #2167, SC #4 PA

Description: Failed to conduct the required inspections for three storage tanks.

Effective Date: 05/28/2006

ADMINORDER 2005-1985-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: TCEQ Flexible Permit #2167, SC #1 PERMIT

Description: Failed to prevent unauthorized emissions.

Effective Date: 06/15/2006

ADMINORDER 2005-2073-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: TCEQ Permit #2167, SC#1 PERMIT

Description: Failed to prevent unauthorized emissions.

Effective Date: 02/05/2007

ADMINORDER 2006-0811-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: No. 2167, SC #1 PERMIT

Description: Failed to prevent unauthorized emissions on November 7, 2005.

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: TCEQ Permit #2167, SC#1 PERMIT

Description: Failed to prevent unauthorized emissions on March 21, 2006.

Effective Date: 08/10/2007

ADMINORDER 2007-0440-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter D 382.085(b)

Rqmt Prov: Special Condition 1 PERMIT

Description: Failed to prevent unauthorized emissions. Specifically, 10,494 pounds ("lbs") of sulfur dioxide, 126 lbs of carbon monoxide and 22 lbs of hydrogen sulfide were released from the Magnaformer Unit and the Sulfur Recovery Complex during an emissions event that began January 4, 2007 and lasted nine hours and 45 minutes.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter D 382.085(b)

Rqmt Prov: Special Condition 1 PERMIT

Description: Failed to prevent unauthorized emissions. Specifically, 1,431 pounds ("lbs") of propane, 510 lbs of propylene and 11 lbs of butenes were released from Unit 234 during an avoidable emissions event that began January 9, 2007 and lasted eight hours.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter D 382.085(b)

Rqmt Prov: Special Condition 1 PERMIT

Description: Failed to prevent unauthorized emissions. Specifically, 8,205 pounds of the Highly Reactive Volatile Organic Compound ethylene were released from the Paraxylene Recovery Unit during an avoidable emissions event that began January 16, 2007 and lasted one hour and 55 minutes.

Classification: Minor

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

Description: Failed to properly report the amount of ethylene emissions. Specifically, the final notification reported 7,650 lbs of ethylene were released as a result of the January 16, 2007 emissions event and the investigation determined that the actual emissions released were 8,205 lbs of ethylene.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter D 382.085(b)

Rqmt Prov: Special Condition 1 PERMIT

Description: Failed to prevent unauthorized emissions. Specifically, 189 lbs of propane, 530 lbs of propylene, 821 lbs of butanes, 1,064 lbs of butenes, 3,154 lbs of pentanes, 2,589 lbs of pentenes and 13,734 lbs of C6+ Hazardous Air Pollutants ("HAP") were released from the 732 Fluid Catalytic Cracking Unit ("FCCU") during

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter D 382.085(b)

Rqmt Prov: Special Condition 1 PERMIT

Description: Failed to prevent unauthorized emissions. Specifically, 72 lbs of ethylene, 2,195 lbs of propane, 7,057 lbs of propylene, 11,000 lbs of butanes, 8,990 lbs of butenes, 4,110 lbs of pentanes and 23,328 lbs of C6+ HAPs were released from the 732 FCCU during an avoidable emissions event that began March 5, 2007

Effective Date: 10/04/2007

ADMINORDER 2007-0713-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter D 382.085(b)

Rqmt Prov: Special Condition 1 PERMIT

Description: Failed to prevent unauthorized emissions. Specifically, Houston Refining released 1,830 lbs of SO2 from the Sulfur Recovery Complex during an avoidable emissions event that began April 3, 2007 and lasted one hour and 30 minutes.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter D 382.085(b)

Rqmt Prov: Special Condition 1 PERMIT

Description: Failed to prevent unauthorized emissions. Specifically, Exxon released 54,320 lbs of sulfur dioxide, 700 lbs of sulfur trioxide, 596 lbs of hydrogen sulfide, 304 lbs of ammonia and 76 lbs nitric oxide from the Sulfur Recovery Unit during an avoidable emissions event that began April 21, 2007 and lasted 16 hours and 45 minutes.

Classification: Minor

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

Description: Failed to submit an initial notification within 24 hours of the discovery of the April 21, 2007 emissions event. Specifically, the report, which was due April 22, 2007, was not submitted until April 26, 2007.

Effective Date: 12/20/2007

ADMINORDER 2006-1948-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: TCEQ Flexible Permit #2167, SC#1 PERMIT

Description: Failed to prevent unauthorized emissions.

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: Flexible Permit #2167, SC #1 PERMIT

Description: Failed to prevent unauthorized emissions.

Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter D 382.085(b)  
Rqmt Prov: TCEQ Flexible Permit #2167, SC #1 PERMIT  
Description: Failed to prevent unauthorized emissions.  
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: TCEQ Flexible Air Permit #2167, SC #1 PERMIT  
Description: Failed to prevent unauthorized emissions.  
Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter D 382.085(b)  
Rqmt Prov: TCEQ Flexible Permit No. 2167, SC #1 PERMIT  
Description: Failed to prevent unauthorized emissions on October 2, 2006, when a console operator inadvertently opened the wrong valve, resulting in an emissions event that released 2,608.50 pounds of sulfur dioxide and lasted for one hour ( Incident No. 82077)

Effective Date: 07/21/2008 ADMINORDER 2007-1954-AIR-E

Classification: Moderate  
Citation: 30 TAC Chapter 115, SubChapter H 115.722(c)(1)  
30 TAC Chapter 116, SubChapter G 116.715(c)  
5C THSC Chapter 382 382.085(b)  
Rqmt Prov: TCEQ Flexible Permit No. 2167, SC #1 PERMIT  
Description: Failed to prevent unauthorized emissions.

Effective Date: 10/23/2008 ADMINORDER 2008-0894-AIR-E

Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THSC Chapter 382 382.085(b)  
Rqmt Prov: SC 1 PERMIT  
SC 26 PERMIT  
Description: As owner and operator of the Plant, the Respondent is alleged to have failed to prevent excess hydrogen sulfide in the refinery fuel gas and prevent unauthorized emissions during an April 28, 2008 emissions event.

Effective Date: 11/06/2008 ADMINORDER 2008-0674-MLM-E

Classification: Moderate  
Citation: 30 TAC Chapter 115, SubChapter H 115.764(a)(3)  
30 TAC Chapter 115, SubChapter H 115.764(a)(6)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THC Chapter 382, SubChapter A 382.085(b)  
Rqmt Prov: FOP #O-01372, STC #1.H.(iv) OP  
Description: Failed to operate six cooling tower heat exchange system HRVOC analyzers for the minimum 95% of the required operating time from April 1, 2006 through January 31, 2007.  
Classification: Minor  
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 A 60.13(d)(1)  
5C THC Chapter 382, SubChapter A 382.085(b)  
Rqmt Prov: FOP# O-01372, SC# 12F OP

Description: Failed to perform daily/zero span checks on the sulfur dioxide analyzer on the 435 Unit when Houston Refining ran out of calibration gas and the repair exceeded the maximum of five days from November 25, 2005 through December 2, 2005

Classification: Minor

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)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: FOP# O-01372, SC #1A OP  
FOP# O-01372, SC# 28 OP  
NSR Permit # 2167, SC#29 PA

Description: Failed to demonstrate that flares were operated with a continuously operating pilot light. Specifically, sensor monitoring data indicated that the pilot lights were out on Plant Flare No. 2 (338K002) on November 7, 2005, January 4, 2006, February 21, 2006, March 10, 2006; the Houston Street Flare (338K0005) on September 19, 2005; Plant Flare No. 3 (338K0007) on November 17, 2005, December 1, 2005; and Plant Flare No. 4 (338K0008) on September 15, 2005.

Classification: Minor

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)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: FOP # O-01372, SC # 28 OP  
FOP # O-01372, SC #1A OP  
NSR Permit # 2167, SC #14E PA

Description: Failed to cap 13 open-ended valves/lines with either a cap, plug, blind flange or other sealing device.

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 QQQ 60.692-2(a)(2)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: FOP # O-01372, SC # 1A OP  
FOP # O-01372, SC# 13B OP

Description: Failed to perform monthly visual inspections to individual drain systems. Specifically, during September and October 2005, one and five drain inspections was missed, respectively

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: FOP # O-01372, SC #28 OP

NSR Permit # 2167, SC # 44B PA

Description: Failed to operate the wet gas scrubber with a minimum pressure drop across the scrubber of 0.91 pound per square inch ("psi") and a minimum liquid to-gas ratio ("L/G") of 16.0 gallons per 1000 actual cubic feet ("16.0 gal/1000 ft<sup>3</sup>"). Specifically, on December 10 and 13, 2005, the L/G fell below 16.0 gal/1000 ft<sup>3</sup>, and the minimum pressure drop fell below 0.91 psi. from May 25 through 27, 2006.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(2)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.354(d)  
5C THSC Chapter 382 382.085(b)

Rqmt Prov: FOP# O-01372, SC #1A OP

Description: Failed to change out the carbon from a carbon canister immediately after breakthrough was discovered on November 21, 2005.

Classification: Minor

Citation: 30 TAC Chapter 117, SubChapter B 117.213(g)(1)(B)(ii)(I)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: FOP# O-01372, SC #1A OP

Description: Failed to operate a continuous run-time meter for the firewater pump at Dock A from July 1, 2005 through January 10, 2006

Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter B 115.144(2)(C)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: FOP# O-01372, SC# 1A OP

Description: Failed to perform the required semi-annual seal inspection on volatile organic compound ("VOC") storage tanks. Specifically, Houston Refining failed to do semi-annual seal inspections on Tank No. 137TK0412 from June 8, 2005 to August 3, 2005 and 32TK0854 from December 6, 2004 to July 7, 2005.

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 Kb 60.113b(b)(1)(ii)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: FOP# O-01372, SC# 1A OP  
FOP# O-01372, SC# 28 OP  
NSR Permit #2167, SC# 20D PA

Description: Failed to perform the required seal gap inspection on Tank No. 137TK0890 within 60 days of tank refilling. Specifically, the tank was put back into service on August 24, 2005 after being out of service more than two years for extensive repairs and a seal gap inspection was not conducted by October 23, 2005.

Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter A 101.20(2)  
30 TAC Chapter 115, SubChapter D 115.354(2)(B)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.163(b)(1)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: FOP# O-01372, SC# 1A OP

Description: Failed to perform routine LDAR monitoring on the Tank 669 East transfer pump from July 1, 2005 through November 15, 2005 and on two pumps in the 734 Benzene Tolulene Unit during the first and second quarters of 2005.

Classification: Minor

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 VV 60.482-8(c)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: FOP# O-01372, SC# 1A OP  
FOP# O-01372, SC# 28 OP  
NSR Permit# 2167, SC# 14I & 15H PA

Description: Failed to repair eight individual component leaks found during AVO inspections within 15 calendar days from July 26, 2005 through December 31, 2005.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(2)  
30 TAC Chapter 115, SubChapter D 115.352(2)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.168(f)(1)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: FOP# O-01372, SC# 1A OP  
FOP# O-021372, SC# 28 OP  
NSR Permit# 2167, SC# 14I & 15H PA

Description: Failed to repair two leaking valves in Hazardous Organic National Emission Standards for Hazardous Air Pollutants ("HON") service within 15 calendar days. Specifically, the valves were found leaking on August 11, 2005 and were repaired on September 12, 2005.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(2)  
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 63, SubChapter C, PT 63, SubPT H 63.168(f)(1)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: FOP# O-01372, SC# 1A OP

FOP# O-01372, SC# 28 OP  
NSR Permit # 2167, SC# 15F PA

Description: Failed to conduct routine quarterly LDAR monitoring from July 1, 2005 through June 30, 2006. Specifically, Houston Refining failed to monitor 71 valves on the 135 Unit and 44 valves on the 938 Unit from January 1, 2006 through June 20, 2006; two valves on the 732 Unit from February 15, 2006 through June 30, 2006; and 58 valves in the South Tank Farm, five valves in the FCCU, and three valves in the 536, 537, and 736 Units from July 1, 2005 through December 31, 2005.

Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter H 115.781(b)(3)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: FOP# O-01372, SC#1.H(v) OP

Description: Failed to perform initial monitoring of approximately 651 connectors in HRVOC service. Specifically, approximately 350 Black Lake Unit and Propane/Propylene Treater connectors were not monitored from April 1, 2006 to June 30, 2006 and 301 connectors in fuel gas service at the Boiler House were not monitored from April 24, 2006 to May 24, 2006.

Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter H 115.781(g)(1)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: FOP#O-01372, SC#1.H(v) OP

Description: Failed to record all the required monitoring data for 236 HRVOC-service valves in July 2005 on the 736 Unit. Specifically, due to data logger failure, the same date and time of monitoring was recorded for 236 valves instead the exact date and time of the monitoring of each valve. Non-leaking valves were given the same default readings but leaking valves had the correct readings.

Classification: Minor

Citation: 30 TAC Chapter 115, SubChapter H 115.782(b)(1)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: FOP #O-01372, SC # 1.H.(v) OP

Description: Failed to repair three valves and two connectors in HRVOC service within seven days. Specifically, Houston Refining failed to repair the following within seven days: valve tag no. 2300956 found leaking in the 938 Unit on March 8, repaired March 16, 2006; two connectors found leaking in the 234 Unit on April 11, 2006, repaired April 24, 2006; valve tag no. 602111 and tag no. 214696 found leaking in the 936 Unit on May 1 and May 3, 2006, respectively, both repaired May 16, 2006.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(2)  
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 63, SubChapter C, PT 63, SubPT H 63.168(d)(2)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: FOP# O-01372, SC# 1A OP

FOP# O-01372, SC# 28 OP

NSR Permit# 2167, SC# 15F PA

Description: Failed to monitor 406 valves on the Para-xylene Recovery Unit ("PRU"), including valves in HON-service, during first quarter 2005, 551 HON-service valves on the PRU during the second quarter 2005, and 26 HON-service valves on the 934 Unit during the third quarter 2005.

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: FOP# O-01372, SC# 3(B)(i) OP

Description: Failed to prevent visible emissions from a stationary vent for approximately 25 minutes on January 15, 2006 when the 536 F-1B IDAP failed causing the heater oxygen to fall causing visible smoke from the heater stack.

Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter H 115.725(a)(4)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: FOP# O-01372, SC# 1.H.(ii) OP

Description: Failed to complete a written monitoring plan for continuous monitoring systems by December 31, 2005.

Classification: Moderate  
Citation: 30 TAC Chapter 115, SubChapter H 115.725(a)(1)(B)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THC Chapter 382, SubChapter A 382.085(b)  
Rqmt Prov: FOP #O-01372, SC #1.H(ii) OP  
FOP #O-01372, SC 1.H(i) OP  
Description: Failed to test 32 HRVOC analyzers on 32 HRVOC service heater stacks by January 30, 2006.

Classification: Moderate  
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)  
30 TAC Chapter 305, SubChapter F 305.125(1)  
Rqmt Prov: EFFLUENT LIMITS PERMIT  
Description: Failed to comply with the permitted effluent limits (Effluent Limitations and Monitoring Requirements No. 1 for Outfall 001A, Nos. 1 and 2 for Outfall 002A, and No. 1 for Outfall 003A)

Classification: Minor  
Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)(B)  
5C THC Chapter 382, SubChapter D 382.085(b)  
Description: Failed to submit the initial notification for the May 28, 2007 emissions event in a timely manner. Specifically, the report, which was due May 29, 2007 was not submitted until May 31, 2007.

Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter D 382.085(b)  
Rqmt Prov: Special Condition 1 PERMIT  
Description: Failed to prevent unauthorized emissions. Specifically, Houston Refining released 2,781 pounds of nitrogen oxide ("NOx") from the Fluid Catalytic Cracking Unit ("FCCU") during an avoidable emissions event that began May 28, 2007 and lasted 10 hours. Since this emissions event was improperly reported, Houston Refining failed to meet the demonstrations necessary to present an affirmative defense in 30 TEX. ADMIN. CODE § 101.222.

Classification: Minor  
Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)(1)(H)  
5C THC Chapter 382, SubChapter D 382.085(b)  
Description: Failed to properly report the amount of unauthorized NOx emissions released as a result of the May 28, 2007 emissions event

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 unauthorized emissions. Specifically, Houston Refining released 1,500 lbs of VOC, including 1,019 lbs of the HRVOC propylene, from the Butane Recovery Unit during an emissions event that began October 9, 2007 and lasted two hours. Since these emissions were avoidable, the demonstrations in 30 TEX. ADMIN. CODE § 101.222 necessary to present an affirmative defense were not met.

Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THSC Chapter 382 382.085(b)  
Rqmt Prov: Special Condition 1 PERMIT

Description: Failed to prevent unauthorized emissions. Specifically, during a March 19, 2008 emissions event the following unauthorized emissions were released from Flare Nos. 1, 2, and 3 over a period of six hours: 3,061 lbs of sulfur dioxide, 1,902 lbs of VOC, 1,079 lbs of carbon monoxide, 154 lbs of NOx, and 33 lbs of hydrogen sulfide. Since the emissions event was avoidable, the demonstration criteria for an affirmative defense under 30 TEX. ADMIN. CODE § 101.222 were not met.

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	02/09/2004	(294599)
2	02/23/2004	(4691)
3	02/24/2004	(263274)
4	02/29/2004	(262038)

5	03/09/2004	(294603)
6	04/16/2004	(294604)
7	05/14/2004	(264609)
8	05/20/2004	(351815)
9	05/27/2004	(143412)
10	06/14/2004	(351816)
11	07/22/2004	(351817)
12	08/11/2004	(286666)
13	08/11/2004	(287948)
14	08/11/2004	(288389)
15	08/16/2004	(260585)
16	08/16/2004	(260979)
17	08/16/2004	(351818)
18	08/19/2004	(261725)
19	08/24/2004	(271493)
20	08/31/2004	(271505)
21	08/31/2004	(289666)
22	08/31/2004	(292409)
23	09/01/2004	(276631)
24	09/15/2004	(351819)
25	10/15/2004	(282886)
26	10/18/2004	(351820)
27	10/19/2004	(335898)
28	10/19/2004	(336015)
29	11/11/2004	(290238)
30	11/11/2004	(291091)
31	11/11/2004	(292704)
32	11/14/2004	(271509)
33	11/18/2004	(340059)
34	11/18/2004	(351821)
35	11/22/2004	(341679)
36	12/03/2004	(269989)
37	12/07/2004	(341250)
38	12/09/2004	(342162)
39	12/14/2004	(342195)
40	12/16/2004	(285369)
41	12/27/2004	(351822)
42	12/28/2004	(278159)
43	01/18/2005	(381702)
44	01/28/2005	(345654)
45	02/02/2005	(347718)
46	02/15/2005	(381700)
47	03/16/2005	(347527)
48	03/21/2005	(381701)
49	03/29/2005	(375273)
50	04/14/2005	(372794)
51	04/14/2005	(376977)
52	04/18/2005	(419493)
53	04/19/2005	(376798)
54	04/22/2005	(349552)
55	05/02/2005	(372107)
56	05/03/2005	(376226)
57	05/20/2005	(381195)
58	05/24/2005	(419494)
59	05/25/2005	(379525)
60	05/26/2005	(337173)
61	05/26/2005	(349881)
62	06/07/2005	(395018)
63	06/20/2005	(419495)

64	06/21/2005	(379593)
65	07/07/2005	(379524)
66	07/22/2005	(400281)
67	07/25/2005	(419496)
68	08/15/2005	(404916)
69	08/18/2005	(404331)
70	08/18/2005	(404363)
71	08/24/2005	(405556)
72	08/24/2005	(405604)
73	08/24/2005	(440650)
74	08/25/2005	(404773)
75	09/19/2005	(440651)
76	10/10/2005	(431795)
77	10/10/2005	(468144)
78	10/28/2005	(432450)
79	10/31/2005	(432333)
80	11/07/2005	(468145)
81	11/23/2005	(435308)
82	12/02/2005	(431511)
83	12/28/2005	(434541)
84	01/19/2006	(468146)
85	02/01/2006	(468142)
86	02/25/2006	(456998)
87	02/25/2006	(457004)
88	02/25/2006	(457020)
89	02/28/2006	(457235)
90	03/17/2006	(468143)
91	04/10/2006	(498011)
92	04/20/2006	(437368)
93	04/27/2006	(439800)
94	05/10/2006	(498012)
95	05/31/2006	(480494)
96	05/31/2006	(480500)
97	05/31/2006	(480503)
98	05/31/2006	(480504)
99	05/31/2006	(480506)
100	06/14/2006	(479843)
101	06/15/2006	(461559)
102	06/15/2006	(481316)
103	06/15/2006	(498013)
104	06/29/2006	(458901)
105	06/30/2006	(469140)
106	07/17/2006	(485790)
107	07/26/2006	(520029)
108	07/28/2006	(463199)
109	08/08/2006	(489220)
110	08/11/2006	(520030)
111	08/18/2006	(396831)
112	09/11/2006	(489202)
113	09/11/2006	(574927)
114	10/06/2006	(489212)
115	10/12/2006	(544276)
116	10/30/2006	(511654)
117	11/21/2006	(544277)
118	12/11/2006	(574928)
119	01/08/2007	(574929)
120	01/09/2007	(532009)
121	01/25/2007	(512685)
122	02/02/2007	(435323)

123	02/02/2007	(511662)
124	02/05/2007	(536476)
125	02/08/2007	(512678)
126	02/16/2007	(574922)
127	02/22/2007	(510814)
128	02/23/2007	(511980)
129	03/16/2007	(574923)
130	03/21/2007	(539188)
131	03/21/2007	(539192)
132	03/21/2007	(539194)
133	04/04/2007	(554793)
134	04/04/2007	(554809)
135	04/13/2007	(574924)
136	04/20/2007	(556941)
137	04/24/2007	(557537)
138	04/30/2007	(554360)
139	05/04/2007	(556720)
140	05/09/2007	(554980)
141	05/15/2007	(574925)
142	05/29/2007	(559572)
143	06/14/2007	(574926)
144	07/03/2007	(563761)
145	07/12/2007	(619397)
146	07/20/2007	(561274)
147	07/25/2007	(566621)
148	08/13/2007	(601490)
149	08/17/2007	(570286)
150	08/23/2007	(570387)
151	08/28/2007	(570635)
152	09/07/2007	(573978)
153	09/14/2007	(601491)
154	09/27/2007	(595742)
155	10/08/2007	(619398)
156	10/10/2007	(594976)
157	10/17/2007	(567541)
158	10/18/2007	(566919)
159	10/19/2007	(598478)
160	10/25/2007	(596179)
161	11/06/2007	(619399)
162	11/09/2007	(599574)
163	12/04/2007	(600555)
164	12/10/2007	(619400)
165	12/21/2007	(610028)
166	01/15/2008	(612806)
167	01/15/2008	(671905)
168	01/18/2008	(609373)
169	01/25/2008	(613320)
170	01/28/2008	(616032)
171	01/29/2008	(611265)
172	02/11/2008	(671904)
173	03/03/2008	(616148)
174	03/24/2008	(689825)
175	04/07/2008	(617770)
176	04/08/2008	(595524)
177	04/14/2008	(689826)
178	04/22/2008	(639660)
179	04/22/2008	(640670)
180	05/15/2008	(689827)
181	05/30/2008	(670616)

182 06/23/2008 (710583)  
 183 07/11/2008 (710584)  
 184 08/14/2008 (710585)  
 185 08/18/2008 (699930)  
 186 08/22/2008 (688646)  
 187 08/27/2008 (687046)  
 188 08/27/2008 (687290)  
 189 09/09/2008 (701172)  
 190 09/23/2008 (710586)  
 191 10/08/2008 (702275)  
 192 10/23/2008 (710587)  
 193 10/29/2008 (686547)  
 194 11/26/2008 (709085)  
 195 12/08/2008 (709767)  
 196 12/15/2008 (721107)  
 197 02/04/2009 (709615)  
 198 02/04/2009 (721393)

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

Date: 02/29/2004 (262038) Classification: Moderate  
 Self Report? NO  
 Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
 5C THC Chapter 382, SubChapter A 382.085(b)  
 TCEQ FLEXIBLE AIR PERMIT #2167, SC #1 PERMIT  
 Description: Lyondell exceeded permit limits during an emissions event.

Date: 05/14/2004 (264609) Classification: Moderate  
 Self Report? NO  
 Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
 5C THC Chapter 382, SubChapter A 382.085(b)  
 Permit #2167, Special Condition #1 PERMIT  
 Description: Exceeded VOC permit limit during an emissions event.

Date: 08/16/2004 (260585) CN601313083 Classification: Moderate  
 Self Report? NO  
 Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
 5C THC Chapter 382, SubChapter A 382.085(b)  
 TCEQ FLEXIBLE AIR PERMIT 2167, SC #1 PERMIT  
 Description: Exceeded VOC permit limit during an avoidable emissions event.  
 Self Report? NO Classification: Minor  
 Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)(8)  
 Description: Failure to submit an administratively complete final emissions event report.

Date: 08/16/2004 (260979) CN601313083 Classification: Minor  
 Self Report? NO  
 Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)(8)  
 Description: Failure to comply with emissions events reporting requirements.

Date: 08/18/2004 (261725) CN601313083 Classification: Minor  
 Self Report? NO  
 Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)(8)  
 5C THC Chapter 382, SubChapter A 382.085(b)  
 TCEQ Flexible Air Permit #2167, SC #1 PERMIT  
 Description: Failure to submit an administratively complete final emissions event report.

Date: 11/14/2004 (271509) CN601313083 Classification: Moderate  
 Self Report? NO  
 Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)

5C THC Chapter 382, SubChapter A 382.085(b)  
Flexible No. 2167 and PSD-TX-985, S.C. 1 PERMIT  
Description: Exceeded VOC permit limits during an avoidable emissions event.  
Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 101, SubChapter F 101.201(c)  
Description: Failure to submit a final report within 14 days of the end of an emissions event.

Date: 11/30/2004 (351822) CN601313083  
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: 12/09/2004 (342162) CN601313083  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
Special Condition #1 PA  
Description: Failure to control unauthorized emissions.

Date: 05/02/2005 (372107) CN601313083  
Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 117, SubChapter B 117.219(f)(10)  
5C THC Chapter 382, SubChapter A 382.085(b)  
Description: Failure to record the times of operation for testing and maintenance for diesel engines subject to the restriction on hours of operation.

Date: 05/26/2005 (379525) CN601313083  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter B 116.110(a)(1)  
5C THC Chapter 382, SubChapter A 382.085(b)  
Description: Failure to control knockout pot level on south compressor.

Date: 07/06/2005 (379524) CN601313083  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 115, SubChapter D 115.352(4)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter A 382.085(b)  
Special Condition 15E PERMIT  
Description: Failed to keep a cap or plug on open-ended line ID # 501010 and open-ended valve # 614862.

Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 115, SubChapter D 115.352(4)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6  
5C THC Chapter 382, SubChapter A 382.085(b)  
Special Condition 15E PERMIT  
Description: Failed to keep a cap or plug on open-ended valves ID # 501010 and # 270505.

Date: 07/31/2005 (440650) CN601313083  
Self Report? YES Classification: Moderate  
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)  
TWC Chapter 26 26.121(a)  
Description: Failure to meet the limit for one or more permit parameter

Date: 06/13/2006 (479843) CN601313083  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter D 382.085(b)  
TCEQ Flexible Permit #2167, SC #1 PERMIT  
Description: Lyondell failed to prevent the "Y Train" from overpressuring.

Date: 06/30/2006 (520029) CN601313083  
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: 07/31/2006 (520030) CN601313083  
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: 08/01/2006 (463199) CN601313083  
Self Report? NO Classification: Moderate

Citation: 2167 and PSD-TX-985, SC 15E PA  
30 TAC Chapter 101, SubChapter A 101.20(1)  
30 TAC Chapter 115, SubChapter D 115.352(4)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(1)

Description: Failure to cap/plug open-ened line  
Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(2)

Description: Leaking plug associated with valve #802412.  
Self Report? NO Classification: Moderate

Citation: 2167 and PSD-TX-985, SC 15F PA  
30 TAC Chapter 101, SubChapter A 101.20(1)  
30 TAC Chapter 115, SubChapter D 115.354(2)(C)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(a)

Description: Failure to monitor valves

Date: 08/09/2006 (489220) CN601313083  
Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter D 382.085(b)  
TCEQ Flexible Permit #2167, SC#1 PERMIT  
Description: Failure to prevent the disconnection of a pressure indication instrument.

Date: 08/18/2006 (398831) CN601313083  
Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter A 382.085(b)  
Flexible Permit No. 2167, SC #1. PERMIT  
Description: The RE failed to prevent unauthorized emissions from a leaking pipe.

Date: 10/31/2006 (544277) CN601313083  
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: 08/31/2007 (601491) CN601313083  
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

Date: 09/30/2007 (619398) CN601313083  
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

Date: 02/29/2008 (689825) CN601313083  
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

Date: 11/26/2008 (709085)  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THSC Chapter 382 382.085(b)  
Special Condition 1 06/30/2008 PERMIT  
Description: Failure to present an affirmative defense for the unauthorized emissions associated with Incident #114224, which was caused by external corrosion on a dead leg pipe, resulting in butene / butane emissions from a pinhole leak.

F. Environmental audits.

Notice of Intent Date: 08/15/2007 (574133)  
No DOV Associated

Notice of Intent Date: 09/05/2007 (595042)  
Disclosure Date: 02/13/2008  
Viol. Classification: Major  
Citation: 30 TAC Chapter 115, SubChapter D 115.352(4)  
30 TAC Chapter 115, SubChapter H 115.783(5)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(1)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.167(a)(1)  
Rqmt Prov: PERMIT 2167 SC 14E, 15E,

Description: Failure to provide seals for open ended lines that contain VOCs.  
Disclosure Date: 04/03/2008

Viol. Classification: Major  
Citation: 30 TAC Chapter 115, SubChapter D 115.352(4)  
30 TAC Chapter 115, SubChapter H 115.783(5)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(1)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.167(a)(1)  
Rqmt Prov: PERMIT 2167 SC 14E, 15E,

Description: Failure to provide seals for open ended lines that contain VOCs.

Notice of Intent Date: 10/04/2007 (598208)  
No DOV Associated

Notice of Intent Date: 09/10/2008 (598166)  
No DOV Associated

G. Type of environmental management systems (EMSs).

N/A

H. Voluntary on-site compliance assessment dates.

N/A

I. Participation in a voluntary pollution reduction program.

N/A

J. Early compliance.

N/A

Sites Outside of Texas

N/A



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN  
ENFORCEMENT ACTION  
CONCERNING  
HOUSTON REFINING LP  
RN100218130

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BEFORE THE  
TEXAS COMMISSION ON  
ENVIRONMENTAL QUALITY

AGREED ORDER  
DOCKET NO. 2009-0181-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 Houston Refining 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, represented by Jennifer Keane of the law firm of BAKER BOTTS, L.L.P., appear before the Commission and together stipulate that:

1. The Respondent owns and operates a petroleum refinery at 12000 Lawndale Street in Houston, Harris County, Texas (the "Plant").
2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
3. The Commission and the Respondent agree that the Commission has jurisdiction to enter this Agreed Order, and that the Respondent is subject to the Commission's jurisdiction.
4. The Respondent received notice of the violations alleged in Section II ("Allegations") on or about February 9, 2009.
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. On January 6, 2009, the Respondent, together with certain other subsidiaries and affiliates of Lyondell Chemical Company, filed with the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court") a voluntary petition for relief under chapter 11 of

the Bankruptcy Code (the "Code"). In re Lyondell Chemical Company, et al., Case No. 09-10023 (REG) (Chapter 11) (Bankr. S.D.N.Y.) (the "Bankruptcy Case"). The automatic stay imposed by the Code (specifically, 11 U.S.C. § 362 (a)) does not apply to the commencement or continuation of an action or a proceeding by a governmental unit to enforce such governmental unit's police and regulatory power, including the enforcement of a judgment other than a money judgment obtained in such action or proceeding, by virtue of the exception provided in 11 U.S.C. § 362 (b)(4). Accordingly, TCEQ (a governmental unit as defined under 11 U.S.C. § 101(27)) is expressly excepted from the automatic stay in pursuing enforcement of the State's environmental protection laws, and in seeking to liquidate its damages for such violations, including the assessment of Respondent of the administrative penalty in the amount of Forty Thousand Five Hundred Twenty-Four Dollars (\$40,524) in settlement of the violations alleged in Section II ("Allegations"). TCEQ shall not seek to collect such penalty except in accordance with applicable Bankruptcy law. The Respondent agrees to stipulate that, in accordance with this Agreed Order, TCEQ shall have an allowed general unsecured claim in the amount of Forty Thousand Five Hundred Twenty-Four Dollars (\$40,524), which shall be paid in accordance with the terms prescribed in the plan of reorganization approved by the Bankruptcy Court or liquidation.

7. An administrative penalty in the amount of Forty Thousand Five Hundred Twenty-Four Dollars (\$40,524) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations").
8. 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.
9. 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.
10. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
11. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
12. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

## II. ALLEGATIONS

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

1. Failed to notify the TCEQ of a reportable emissions event within 24 hours of discovery (Incident No. 115083), in violation of 30 TEX. ADMIN. CODE § 101.201(a)(1)(B) and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on December 2

and 14, 2008. Specifically, the event was discovered at 1:00 a.m. on October 4, 2008, but was not reported until 5:30 p.m. on October 6, 2008.

2. Failed to prevent unauthorized emissions during Incident No. 115083, in violation of 30 TEX. ADMIN. CODE § 116.715(a), Flexible Air Permit No. 2167, Special Condition 1, and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on December 2 and 14, 2008. Specifically, 28,043 pounds ("lbs") of unauthorized sulfur dioxide ("SO<sub>2</sub>") emissions were released from the Tail Gas Incinerator for 42 hours beginning on October 4, 2008 due to failure of a flow transmitter. Since the Respondent has not demonstrated that the equipment failure was beyond their control, and the event was reported late, the demonstrations in 30 TEX. ADMIN. CODE § 101.222 necessary to present an affirmative defense were not met.
3. Failed to prevent unauthorized emissions during Incident No. 117127, in violation of 30 TEX. ADMIN. CODE § 116.715(a), Flexible Air Permit No. 2167, Special Condition 1, and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on December 2 and 14, 2008. Specifically, unauthorized emissions of 33,908 lbs of SO<sub>2</sub> and 11,158 lbs of volatile organic compounds were released from the Coke Fractionator and Coker Flare for 48 hours beginning on November 26, 2008 due to unstable operating conditions that resulted in a shutdown of the gas compressor. Since the Respondent has not demonstrated that the shutdown was beyond their control and could not have been foreseen and avoided, 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 be assessed an administrative penalty as set forth in Section I, Paragraph 6 above. The assessment 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. Subject to the provisions of Section 1, Paragraph 6 above, which are expressly incorporated herein, TCEQ shall have an allowed general unsecured claim in the Respondent's bankruptcy case.
2. It is further ordered that the Respondent shall undertake the following technical requirements:
  - a. Within 30 days after the effective date of this Agreed Order:
    - i. Design and implement procedures to prevent the recurrence of emissions events due to the same or similar causes as those of the October 4 and November 26, 2008 emissions events; and
    - ii. Implement procedures designed to ensure proper reporting of emissions events.

- b. Within 45 days after the effective date of this Agreed Order, submit written certification as described below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision Nos. 2.a.i. and 2.a.ii. The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

"I certify under penalty of law that I have personally examined and am familiar with the information submitted and all attached documents, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing violations."

The certification shall be submitted to:

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

with a copy to:

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

3. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Plant operations referenced in this Agreed Order.
4. If the Respondent fails to comply with any of the Ordering Provisions in this Agreed Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, the Respondent's failure to comply is not a violation of this Agreed Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
5. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.

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

**SIGNATURE PAGE**

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

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

John S. Miller  
For the Executive Director

10/21/2009  
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 also understand that failure to comply with the Ordering Provisions, if any, in this order 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;
- 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.

James R. Daniel  
Signature

9/16/2009  
Date

James R. Daniel  
Name (Printed or typed)  
Authorized Representative of  
Houston Refining LP

Manager  
Title

Instructions: Send the original, signed Agreed Order to the Financial Administration Division, Revenues Section.