

EXECUTIVE SUMMARY - ENFORCEMENT MATTER Page 1 of 2
DOCKET NO.: 2008-1180-AIR-E **TCEQ ID:** RN100825413 **CASE NO.:** 36234
RESPONDENT NAME: PD Glycol LP

ORDER TYPE:		
<input checked="" type="checkbox"/> 1660 AGREED ORDER	<input type="checkbox"/> FINDINGS AGREED ORDER	<input type="checkbox"/> FINDINGS ORDER FOLLOWING SOAH HEARING
<input type="checkbox"/> FINDINGS DEFAULT ORDER	<input type="checkbox"/> SHUTDOWN ORDER	<input type="checkbox"/> IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER
<input type="checkbox"/> AMENDED ORDER	<input type="checkbox"/> EMERGENCY ORDER	
CASE TYPE:		
<input checked="" type="checkbox"/> AIR	<input type="checkbox"/> MULTI-MEDIA (check all that apply)	<input type="checkbox"/> INDUSTRIAL AND HAZARDOUS WASTE
<input type="checkbox"/> PUBLIC WATER SUPPLY	<input type="checkbox"/> PETROLEUM STORAGE TANKS	<input type="checkbox"/> OCCUPATIONAL CERTIFICATION
<input type="checkbox"/> WATER QUALITY	<input type="checkbox"/> SEWAGE SLUDGE	<input type="checkbox"/> UNDERGROUND INJECTION CONTROL
<input type="checkbox"/> MUNICIPAL SOLID WASTE	<input type="checkbox"/> RADIOACTIVE WASTE	<input type="checkbox"/> DRY CLEANER REGISTRATION
<p>SITE WHERE VIOLATION(S) OCCURRED: PD Glycol Beaumont Plant, 3510 Gulf States Road, Beaumont, Jefferson County</p> <p>TYPE OF OPERATION: Chemical manufacturing plant</p> <p>SMALL BUSINESS: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>OTHER SIGNIFICANT MATTERS: There are no complaints. There is no record of additional pending enforcement actions regarding this facility location.</p> <p>INTERESTED PARTIES: No one other than the ED and the Respondent has expressed an interest in this matter.</p> <p>COMMENTS RECEIVED: The <i>Texas Register</i> comment period expired on January 26, 2009. No comments were received.</p> <p>CONTACTS AND MAILING LIST: TCEQ Attorney/SEP Coordinator: Ms. Melissa Keller, SEP Coordinator, Enforcement Division, MC 219, (512) 239-1768 TCEQ Enforcement Coordinator: Mr. J. Craig Fleming, Enforcement Division, Enforcement Team 3, MC 169, (512) 239-5806; Mr. Bryan Sinclair, Enforcement Division, MC 219, (512) 239-2171 Respondent: Mr. Randal Tatum, Plant Manager, PD Glycol LP, P.O. Box 3785, Beaumont, Texas 77704 Respondent's Attorney: Ms. Jennifer Keane, Attorney, Baker Botts LLP, 1500 San Jacinto Center, 98 San Jacinto Boulevard, Austin, Texas 78701</p>		

VIOLATION SUMMARY CHART:

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p>Type of Investigation: <input type="checkbox"/> Complaint <input type="checkbox"/> Routine <input type="checkbox"/> Enforcement Follow-up <input checked="" type="checkbox"/> Records Review</p> <p>Date(s) of Complaints Relating to this Case: None</p> <p>Date of Investigation Relating to this Case: June 12, 2008</p> <p>Date of NOV/NOE Relating to this Case: July 10, 2008 (NOE)</p> <p>Background Facts: This was a record review.</p> <p>AIR</p> <p>Failure to prevent the release of unauthorized contaminants into the atmosphere. Specifically, a cut control wire caused the loss of power and instrument air to the process unit resulting in six pounds of ethylene (gaseous) and 1,541 pounds of ethylene oxide being released into the atmosphere from Glycol II Unit on May 4-5, 2008, during an emission event which lasted 24 hours and 25 minutes. Since this emissions event was avoidable, an affirmative defense as defined by 30 TEX. ADMIN. CODE § 101.222 may not be claimed for the emissions [30 TEX. ADMIN. CODE § 116.115(c), TEX. HEALTH & SAFETY CODE § 382.085(b), and Permit No. 8639A, Special Condition 3(A)].</p>	<p>Total Assessed: \$5,875</p> <p>Total Deferred: \$1,175 <input checked="" type="checkbox"/> Expedited Settlement <input type="checkbox"/> Financial Inability to Pay</p> <p>SEP Conditional Offset: \$2,350</p> <p>Total Paid to General Revenue: \$2,350</p> <p>Site Compliance History Classification <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p>Person Compliance History Classification <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p>Major Source: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Applicable Penalty Policy: September 2002</p>	<p>Ordering Provisions:</p> <p>1) The Order will require the Respondent to implement and complete a Supplemental Environmental Project (SEP). (See SEP Attachment A)</p> <p>2) The Order will also require the Respondent to:</p> <p>a. Within 60 days after the effective date of this Agreed Order, implement operating procedures designed to improve operations and/or maintenance practices to help prevent accidental severing of control wires and the reoccurrence of emission events similar to the emission event that occurred on May 4 and 5, 2008; and</p> <p>b. Within 75 days after the effective date of this Agreed Order, submit written certification and include detailed supporting documentation to demonstrate compliance with Ordering Provision No. 2.a.</p>

Additional ID No(s): Air Permit No. JE0049K

Attachment A
Docket Number: 2008-1180-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	PD Glycol LP
Payable Penalty Amount:	Four Thousand Seven Hundred Dollars (\$4,700)
SEP Amount:	Two Thousand Three Hundred Fifty Dollars (\$2,350)
Type of SEP:	Pre-approved
Third-Party Recipient:	Jefferson County-Southeast Texas Regional Air Monitoring Network Ambient Air Monitoring Station
Location of SEP:	Jefferson County

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

1. Project Description

A. Project

The Respondent shall contribute the SEP Amount to the Third-Party Recipient pursuant to the agreement between the Third-Party Recipient and the TCEQ. Specifically, the contribution will be used to install, operate, and maintain a stationary ambient air monitoring station in the vicinity of Memorial High School Ninth Grade Campus. The station will employ canister sampling, a hydrocarbon analyzer, and/or a chromatograph. Ancillary equipment will include a sample conditioning system, a ten meter meteorological tower, a climate controlled equipment shelter, a remote communications system, and have electronic data logging capabilities. The station will continuously sample and analyze the ambient air for a wide range of hydrocarbon species in accordance with Environmental Protection Agency’s recommended “TO-14” list. SEP monies will be used for the cost of purchasing, installing, operating, and maintaining the air monitoring station along with its ancillary equipment.

The Respondent certifies that there is no prior commitment to do this project and that it is being performed solely in an effort to settle this enforcement action.

B. Environmental Benefit

This SEP will provide a discernible environmental benefit by offering continuous assessment of ambient air quality in a sensitive area of Port Arthur that is not currently covered by existing ambient air monitoring stations. Monitoring this area of the community will help the TCEQ and local government better respond to

PD Glycol LP
Agreed Order – Attachment A

citizen's questions about public health as it related to air quality and will enable TCEQ to identify emission sources.

C. Minimum Expenditure

The Respondent shall contribute at least the SEP Amount to the Third-Party Recipient and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Amount to the Third-Party Recipient. The Respondent shall mail the contribution, with a copy of the Agreed Order, to:

The Honorable Ron Walker
Jefferson County Judge
1149 Pearl Street, 4th Floor
Beaumont, Texas 77701

3. Records and Reporting

Concurrent with the payment of the SEP Amount, the Respondent shall provide the TCEQ SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Amount to the Third-Party Recipient. The Respondent shall mail a copy of the check and transmittal letter to:

Enforcement Division
Attention: SEP Coordinator, MC 219
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If the Respondent does not perform its obligations under this SEP in any way, including full payment of the SEP Amount and submittal of the required reporting described in Section 3 above, the Executive Director may require immediate payment of all or part of the SEP Amount.

The check for any amount due shall be made out to "Texas Commission on Environmental Quality" and mailed to:

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

The Respondent shall also mail a copy of the check to the TCEQ SEP Coordinator at the address in Section 3 above.

5. Publicity

Any public statements concerning this SEP made by or on behalf of the Respondent must include a clear statement that the project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.

6. Clean Texas Program

The Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, the Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP identified in this Agreed Order has not been, and shall not be, included as an SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.



Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision June 12, 2008

DATES	Assigned	14-Jul-2008			
	PCW	18-Jul-2008	Screening	17-Jul-2008	EPA Due 9-Mar-2009

RESPONDENT/FACILITY INFORMATION	
Respondent	PD Glycol LP
Reg. Ent. Ref. No.	RN100825413
Facility/Site Region	10-Beaumont
Major/Minor Source	Major

CASE INFORMATION			
Enf./Case ID No.	36234	No. of Violations	1
Docket No.	2008-1180-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	J. Craig Fleming
		EC's Team	Enforcement Team 3
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$10,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties) *Subtotal 1* **\$2,500**

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History 135.0% Enhancement *Subtotals 2, 3, & 7* **\$3,375**

Notes
An enhancement is recommended for having five NOVs with non-similar violations, five agreed final enforcement orders containing a denial of liability, and one agreed final enforcement order without a denial of liability.

Culpability No 0.0% Enhancement *Subtotal 4* **\$0**

Notes
The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply Total Adjustments *Subtotal 5* **\$0**

Economic Benefit 0.0% Enhancement* *Subtotal 6* **\$0**

Total EB Amounts \$12
Approx. Cost of Compliance \$300
*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7 *Final Subtotal* **\$5,875**

OTHER FACTORS AS JUSTICE MAY REQUIRE 0.0% *Adjustment* **\$0**

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes

Final Penalty Amount **\$5,875**

STATUTORY LIMIT ADJUSTMENT *Final Assessed Penalty* **\$5,875**

DEFERRAL 20.0% Reduction *Adjustment* **-\$1,175**

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 **\$4,700**

Screening Date 17-Jul-2008

Docket No. 2008-1180-AIR-E

PCW

Respondent PD Glycol LP

Policy Revision 2 (September 2002)

Case ID No. 36234

PCW Revision June 12, 2008

Reg. Ent. Reference No. RN100825413

Media [Statute] Air

Enf. Coordinator J. Craig Fleming

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)	0	0%
	Other written NOVs	5	10%
Orders	Any agreed final enforcement orders containing a denial of liability (number of orders meeting criteria)	5	100%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	1	25%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (number of judgements or consent decrees meeting criteria)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (number of counts)	0	0%
Emissions	Chronic excessive emissions events (number of events)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which notices were submitted)	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which violations were disclosed)	0	0%
<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) 135%

>> 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

An enhancement is recommended for having five NOVs with non-similar violations, five agreed final enforcement orders containing a denial of liability, and one agreed final enforcement order without a denial of liability.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 135%

Screening Date 17-Jul-2008 **Docket No.** 2008-1180-AIR-E **PCW**
Respondent PD Glycol LP *Policy Revision 2 (September 2002)*
Case ID No. 36234 *PCW Revision June 12, 2008*
Reg. Ent. Reference No. RN100825413
Media [Statute] Air
Enf. Coordinator J. Craig Fleming
Violation Number 1
Rule Cite(s) 30 Tex. Admin. Code § 116.115(c), Tex. Health & Safety Code § 382.085(b), and Permit No. 8639A, Special Condition 3(A)
Violation Description
 Failed to prevent the release of unauthorized contaminants into the atmosphere. Specifically, a cut control wire caused a loss of power and instrument air to the process unit resulting in six pounds of ethylene (gaseous) and 1,541 pounds of ethylene oxide being released into the atmosphere from Glycol II Unit on May 4-5, 2008, during an emission event which lasted 24 hours and 25 minutes. Since this emissions event was avoidable, an affirmative defense as defined by 30 Tex. Admin. Code § 101.222 may not be claimed for the emissions.
Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR	Harm			Percent	
	Release	Major	Moderate		Minor
	Actual				X
	Potential				

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor	Percent
					0%

Matrix Notes: Emissions above the permitted limit have exposed human health or the environment to insignificant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$7,500

\$2,500

Violation Events

Number of Violation Events 1 Number of violation days 2

mark only one with an x

daily	
monthly	
quarterly	X
semiannual	
annual	
single event	

Violation Base Penalty \$2,500

One quarterly event is recommended.

Good Faith Efforts to Comply 0.0% Reduction \$0

	Before NOV	NOV to EDP RP/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 \$2,500

Economic Benefit (EB) for this violation Statutory Limit Test

Estimated EB Amount \$12 Violation Final Penalty Total \$5,875

This violation Final Assessed Penalty (adjusted for limits) \$5,875

Economic Benefit Worksheet

Respondent PD Glycol LP
Case ID No. 36234
Reg. Ent. Reference No. RN100825413
Media Air
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

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

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	\$300	4-May-2008	1-Mar-2009	0.82	\$12	n/a	\$12
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 approximate cost that was incurred to improve operations and maintenance practices. The Date Required was the date when the violation first occurred. The Final Date is the expected 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

N/A

Approx. Cost of Compliance

\$300

TOTAL

\$12

Compliance History

Customer/Respondent/Owner-Operator: CN600505648 PD Glycol LP Classification: AVERAGE Rating: 3.77
 Regulated Entity: RN100825413 PD GLYCOL BEAUMONT PLANT Classification: AVERAGE Site Rating: 3.77

ID Number(s):	AIR OPERATING PERMITS	ACCOUNT NUMBER	JE0049K
	AIR OPERATING PERMITS	PERMIT	1620
	AIR OPERATING PERMITS	PERMIT	2190
	WASTEWATER	PERMIT	WQ0000490000
	WASTEWATER	PERMIT	TPDES0008931
	WASTEWATER	PERMIT	TX0008931
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION # (SWR)	37988
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION # (SWR)	30583
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	EPA ID	TXD020805446
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	EPA ID	TXT982813479
	AIR NEW SOURCE PERMITS	REGISTRATION	54604
	AIR NEW SOURCE PERMITS	REGISTRATION	55286
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	JE0049K
	AIR NEW SOURCE PERMITS	AFS NUM	4824500005
	AIR NEW SOURCE PERMITS	PERMIT	16357
	AIR NEW SOURCE PERMITS	PERMIT	3361A
	AIR NEW SOURCE PERMITS	PERMIT	8639A
	AIR NEW SOURCE PERMITS	PERMIT	10261
	AIR NEW SOURCE PERMITS	PERMIT	11673
	AIR NEW SOURCE PERMITS	PERMIT	11820
	AIR NEW SOURCE PERMITS	PERMIT	12799
	AIR NEW SOURCE PERMITS	PERMIT	54514
	AIR NEW SOURCE PERMITS	REGISTRATION	78746
	AIR NEW SOURCE PERMITS	PERMIT	83775
	STORMWATER	PERMIT	TXR050019
	IHW CORRECTIVE ACTION	SOLID WASTE REGISTRATION # (SWR)	30583

Location: 3510 GULF STATES RD, BEAUMONT, TX, 77701 Rating Date: September 01 07 Repeat Violator: NO

TCEQ Region: REGION 10 - BEAUMONT

Date Compliance History Prepared: July 16, 2008

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: July 16, 2003 to July 16, 2008

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

Name: J. Craig Fleming Phone: (512) 239-5806

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: 08/28/2004

ADMINORDER 2004-0204-AIR-E

Classification: Moderate

Citation: 5C THC Chapter 382, SubChapter A 382.085(a)

Description: Failed to prevent unauthorized emissions on August 6 and August 22, 2003.

Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)(8)

Description: Failed to include the preconstruction authorization rule citation in the final record submitted to the TCEQ for the emission event that occurred on August 22, 2003.

Effective Date: 02/20/2006

ADMINORDER 2005-0633-AIR-E

Classification: Moderate

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

Rqmt Prov: Permit No. 3361A MAERT PERMIT

Description: Failure to prevent emissions from sources not authorized by the permit, the Ethylene Glycol Unit No. I and II Emergency Vents, on July 12 and August 10, 2004, and from September 15 through October 3, 2004.

Classification: Moderate

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

Rqmt Prov: Air Permit No. 3361A MAERT PERMIT

Description: Failure to prevent emissions from sources not authorized by the permit, the Ethylene Glycol Unit No. I Emergency Vent, on March 25, 2005.

Effective Date: 04/26/2007

ADMINORDER 2006-1133-AIR-E

Classification: Moderate

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

Rqmt Prov: 3361A SC3 PERMIT

Description: Failure to maintain emissions below the allowable emission limit.

Classification: Moderate

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

Rqmt Prov: 8639A SC 3A PERMIT

Description: Failure to maintain emissions below the allowable emission limit.

Classification: Moderate

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

Rqmt Prov: 3361A PERMIT

Description: Failure to maintain emissions below the allowable emission limit. The July 20, 2006, emissions event released 11.0 pounds of ethylene glycol and 3,214 pounds of ethylene oxide from the Glycol 1 Emergency Vent.

Effective Date: 06/29/2007

ADMINORDER 2006-2102-AIR-E

Classification: Moderate

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

Rqmt Prov: 8639A PERMIT
FOP O-02190 OP

Description: Failed to prevent unauthorized emissions. On July 27, 2006, a reportable emissions event at the Ethylene Glycol Unit II resulted in the unauthorized release of 1,213 pounds of ethylene during a two minute period. Since the emissions event was avoidable, PD Glycol failed to meet the demonstrations for an affirmative d

Effective Date: 11/19/2007

ADMINORDER 2007-0208-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
5C THC Chapter 382, SubChapter D 382.085(b)

Rqmt Prov: 3631A, Spec. Cond. No. 3 PERMIT
8639A, Special Condition 3B PERMIT

FOP O-02190, General Terms and Condition OP
FOP O-02190, Special Condition 9 OP

Description: Failed to prevent the unauthorized release of air contaminants into the atmosphere.

Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)(B)
30 TAC Chapter 122, SubChapter B 122.143(4)

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

Rqmt Prov: O-02190, General Terms and Conditions OP

Description: Failed to report an emission event as soon as practical, but no later than 24 hours after the discovery of the emission event.

Effective Date: 01/28/2008

ADMINORDER 2007-0838-AIR-E

Classification: Moderate

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

30 TAC Chapter 122, SubChapter B 122.143(4)

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

Rqmt Prov: 8639A, Special Condition 3B PERMIT

FOP O-2190, General Terms and Conditions OP

FOP O-2190, Special Condition 9 OP

Description: Failed to prevent unauthorized emissions.

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

N/A

C. Chronic excessive emissions events.

N/A

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

1	07/18/2003	(296765)
2	08/15/2003	(296766)
3	09/19/2003	(296767)
4	10/21/2003	(296768)
5	11/13/2003	(252664)
6	11/14/2003	(296769)
7	12/22/2003	(296770)
8	01/13/2004	(256356)
9	01/13/2004	(256357)
10	01/13/2004	(256358)
11	01/16/2004	(296771)
12	02/10/2004	(296758)
13	03/23/2004	(296760)
14	04/20/2004	(296761)
15	04/22/2004	(262190)
16	06/08/2004	(352749)
17	07/15/2004	(352750)
18	08/03/2004	(283981)
19	08/16/2004	(352751)
20	08/25/2004	(264050)
21	08/31/2004	(275950)
22	09/13/2004	(352752)
23	10/15/2004	(352753)
24	11/10/2004	(382127)
25	12/16/2004	(382128)
26	01/21/2005	(382129)
27	02/22/2005	(441102)

28	03/02/2005	(345738)
29	03/16/2005	(382126)
30	04/18/2005	(441103)
31	05/20/2005	(441104)
32	06/14/2005	(441105)
33	06/21/2005	(375835)
34	07/19/2005	(441106)
35	08/12/2005	(441107)
36	08/16/2005	(394905)
37	09/09/2005	(404884)
38	09/16/2005	(441108)
39	10/09/2005	(468886)
40	11/14/2005	(468887)
41	11/15/2005	(436085)
42	11/17/2005	(406277)
43	12/16/2005	(468888)
44	01/20/2006	(468889)
45	01/27/2006	(439364)
46	02/21/2006	(468884)
47	02/24/2006	(450862)
48	03/23/2006	(468885)
49	03/31/2006	(455423)
50	03/31/2006	(455364)
51	04/17/2006	(498498)
52	05/23/2006	(498499)
53	06/21/2006	(498500)
54	07/13/2006	(465277)
55	07/18/2006	(498501)
56	07/27/2006	(483370)
57	08/17/2006	(520499)
58	09/13/2006	(520500)
59	09/21/2006	(512398)
60	10/17/2006	(520501)
61	11/17/2006	(575941)
62	11/27/2006	(517987)
63	11/29/2006	(518158)
64	12/08/2006	(533632)
65	12/19/2006	(575942)
66	01/16/2007	(575943)
67	02/01/2007	(538195)
68	02/01/2007	(531481)
69	02/14/2007	(535191)
70	02/16/2007	(575935)
71	02/22/2007	(484579)
72	03/15/2007	(575936)
73	03/15/2007	(541476)
74	03/16/2007	(537038)
75	03/19/2007	(542288)
76	04/11/2007	(575937)
77	05/04/2007	(542813)
78	05/09/2007	(557257)
79	05/14/2007	(560463)
80	05/17/2007	(575938)
81	05/23/2007	(555039)
82	06/18/2007	(575939)
83	06/20/2007	(557430)
84	07/18/2007	(575940)
85	07/19/2007	(560865)
86	08/16/2007	(607665)
87	09/01/2007	(571507)
88	09/17/2007	(607666)
89	10/15/2007	(574467)
90	10/16/2007	(607667)

91 10/24/2007 (594947)
 92 11/06/2007 (593963)
 93 11/15/2007 (619744)
 94 11/27/2007 (596968)
 95 12/13/2007 (619745)
 96 12/28/2007 (613080)
 97 01/11/2008 (610214)
 98 01/13/2008 (609800)
 99 01/16/2008 (619746)
 100 02/05/2008 (617286)
 101 02/18/2008 (672250)
 102 02/20/2008 (614830)
 103 03/06/2008 (636941)
 104 03/19/2008 (672251)
 105 04/10/2008 (638751)
 106 04/11/2008 (641731)
 107 04/17/2008 (672252)
 108 05/23/2008 (669981)
 109 06/19/2008 (682119)
 110 07/10/2008 (683130)

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

Date 07/13/2006 (465277)
 Self Report? NO Classification Moderate
 Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
 30 TAC Chapter 115, SubChapter D 115.352(4)
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(1)
 5C THC Chapter 382, SubChapter A 382.085(b)
 Rqmt Prov: OP Operating Permit O-1620
 PERMIT Permit 3361A
 Description: Failure to equip one open-ended line with a cap, blind flange, plug, or a second valve at the Glycol I Unit.
 Self Report? NO Classification Moderate
 Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
 30 TAC Chapter 115, SubChapter D 115.352(4)
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(1)
 5C THC Chapter 382, SubChapter A 382.085(b)
 Rqmt Prov: OP OP O-2190
 PERMIT Permit 8639A
 Description: Failure to equip eleven open-ended lines containing VOC with a cap, blind flange, plug, or a second valve at the Glycol II Unit.
 Self Report? NO Classification Moderate
 Citation: 30 TAC Chapter 122, SubChapter B 122.146(2)
 5C THC Chapter 382, SubChapter A 382.085(b)
 Description: Failure to submit copies of the annual compliance certification for Permits O-1620 and O-2190 to the EPA.
 Date 06/21/2007 (557430)
 Self Report? NO 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)(2)
 5C THC Chapter 382, SubChapter D 382.085(b)
 Rqmt Prov: PERMIT 3361A Special Condition 10
 PERMIT 3361A Special Condition 1E
 PERMIT 8639A Special Condition 1E
 PERMIT 8639A Special Condition 6

OP FOP O-01620 General Terms and Conditions
 OP FOP O-01620 Special Condition 7
 OP FOP O-02190 General Terms and Conditions
 OP FOP O-02190 Special Condition 9
Description: Failure to seal open-ended lines. C10
Self Report? NO **Classification** Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-2(a)(1)
 5C THC Chapter 382, SubChapter D 382.085(b)
Rqmt Prov: PERMIT 3361A Special Condition 10
 OP FOP O-02190 General Terms and Conditions
 OP FOP O-02190 Special Condition 9
Description: Failure to monitor two pumps in VOC service.
Self Report? NO **Classification** Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
 30 TAC Chapter 115, SubChapter D 115.354
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(a)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.486(e)(1)
 5C THC Chapter 382, SubChapter D 382.085(b)
Rqmt Prov: PERMIT 3361A Special Condition 10
 PERMIT 3361A Special Condition 1F
 PERMIT 3361A Special Condition 2
 PERMIT 8639A Special Condition 1F
 PERMIT 8639A Special Condition 6
 OP FOP O-01620 General Terms and Conditions
 OP FOP O-01620 Special Condition 7
 OP FOP O-02190 General Terms and Conditions
 OP FOP O-2190 Special Condition 9
Description: Failure to identify and inspect fugitive VOC components.
Self Report? NO **Classification** Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(c)(2)
 5C THC Chapter 382, SubChapter D 382.085(b)
Rqmt Prov: PERMIT 3361A Special Condition 9
 PERMIT 8639A Special Condition 4
 OP FOP O-01620 General Terms and Conditions
 OP FOP O-01620 Special Condition 7
Description: Failure to maintain a pilot flame on a flare.
Date 06/30/2007 (575940)
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 07/18/2007 (560865)
Self Report? NO **Classification** Minor
Citation: 30 TAC Chapter 335, SubChapter A 335.9(a)(1)
Description: Failure to provide documentation for waste determination and classification of waste streams; process wastewater and wash-down wastewater.
Self Report? NO **Classification** Minor
Citation: 30 TAC Chapter 335, SubChapter C 335.69(a)(4)
 40 CFR Chapter 262, SubChapter I, PT 262, SubPT C 262.34(a)(4)
Description: Failure to include in the contingency plan, a list of all emergency equipment on site, and the location and description of the equipment.
Self Report? NO **Classification** Moderate
Citation: 30 TAC Chapter 335, SubChapter C 335.69(a)

Description: 40 CFR Chapter 262, SubChapter I, PT 262, SubPT C 262.34(a)
 Failure of the less than 90 days accumulation time limitation for storage of hazardous waste, out-dated laboratory chemicals.

Date 06/20/2008 (682119)

Self Report? NO Classification Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
 30 TAC Chapter 115, SubChapter D 115.352(4)
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(1)
 5C THSC Chapter 382 382.085(b)

Rqmt Prov: PERMIT 3361A Special Condition 1E
 OP O-01620 General Terms and Conditions
 OP O-01620 Special Condition 7A

Description: Failure to equip an open-ended line or valve with a cap, plug, blind flange, or second valve.
 EIC C10 MOD(2)(G)

Self Report? NO Classification Minor

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
 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 60, SubChapter C, PT 60, SubPT VV 60.482-7(a)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.486(e)(1)
 5C THSC Chapter 382 382.085(b)

Rqmt Prov: PERMIT 3361A Special Condition 10
 PERMIT 8639A Special Condition 6
 OP O-01620 General Terms and Conditions
 OP O-01620 Special Condition 7A
 OP O-02190 General Terms and Conditions
 OP O-02190 Special Condition 9A

Description: Failure to identify and monitor all valves in Volatile Organic Compound (VOC) service.
 EIC B18 MIN(3)(A)

Self Report? NO Classification Minor

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
 30 TAC Chapter 115, SubChapter D 115.354(2)(B)

30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-2(a)(1)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.486(e)(1)
 5C THSC Chapter 382 382.085(b)

Rqmt Prov: PERMIT 3361A Special Condition 10
 ORDER O-01620 General Terms and Conditions
 OP O-01620 Special Condition 7A

Description: Failure to identify and monitor all pumps in VOC service.
 EIC B18 MIN(3)(A)

Self Report? NO 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 60.486(e)(1)
 5C THSC Chapter 382 382.085(b)

Rqmt Prov: PERMIT 3361A Special Condition 10
 PERMIT 3361A Special Condition 2
 OP O-01620 General Terms and Conditions
 OP O-01620 Special Condition 7A

Description: Failure to identify and monitor all connectors in VOC service.

EIC B18 MIN(3)(A)

F. Environmental audits.

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
PD GLYCOL LP
RN100825413

§
§
§
§
§

BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY

AGREED ORDER
DOCKET NO. 2008-1180-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 PD Glycol 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 LLP, appear before the Commission and together stipulate that:

1. The Respondent owns and operates a chemical manufacturing plant that produces ethylene glycol and other glycol products at 3510 Gulf States Road in Beaumont, Jefferson 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 15, 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 Eight Hundred Seventy-Five Dollars (\$5,875) is assessed by the Commission in settlement of the violations alleged in Section II

("Allegations"). The Respondent has paid Two Thousand Three Hundred Fifty Dollars (\$2,350) of the administrative penalty and One Thousand One Hundred Seventy-Five Dollars (\$1,175) 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. Two Thousand Three Hundred Fifty Dollars (\$2,350) shall be conditionally offset by the Respondent's completion of a Supplemental Environmental Project ("SEP").

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

II. ALLEGATIONS

As owner and operator of the Plant, the Respondent is alleged to have failed to prevent the release of unauthorized contaminants into the atmosphere, in violation of 30 TEX. ADMIN. CODE § 116.115(c), TEX. HEALTH & SAFETY CODE § 382.085(b), and Permit No. 8639A, Special Condition 3(A), as documented during a record review conducted on June 12, 2008. Specifically, a cut control wire caused the loss of power and instrument air to the process unit resulting in six pounds of ethylene (gaseous) and 1,541 pounds of ethylene oxide being released into the atmosphere from Glycol II Unit on May 4-5, 2008, during an emission event which lasted 24 hours and 25 minutes. Since this emissions event was avoidable, an affirmative defense as defined by 30 TEX. ADMIN. CODE § 101.222 may not be claimed for the emissions.

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: PD Glycol LP, Docket No. 2008-1180-AIR-E" to:

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

2. The Respondent shall implement and complete a SEP in accordance with TEX. WATER CODE § 7.067. As set forth in Section I, Paragraph 6 above, Two Thousand Three Hundred Fifty Dollars (\$2,350) of the assessed administrative penalty shall be offset with the condition that the Respondent implement the SEP defined in Attachment A, incorporated herein by reference. The Respondent's obligation to pay the conditionally offset portion of the administrative penalty assessed shall be discharged upon final completion of all provisions of the SEP agreement.
3. It is further ordered that the Respondent shall undertake the following technical requirements:
 - a. Within 60 days after the effective date of this Agreed Order, implement operating procedures designed to improve operations and/or maintenance practices to help prevent accidental severing of control wires and the reoccurrence of emission events similar to the emission event that occurred on May 4 and 5, 2008; and
 - b. Within 75 days after the effective date of this Agreed Order, submit written certification as described below, and include detailed supporting documentation to demonstrate compliance with Ordering Provision No. 3.a. The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

"I certify under penalty of law that 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 fine and imprisonment for knowing violations."

The certification shall be submitted to:

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

with a copy to:

Air Section, Manager
Beaumont Regional Office
Texas Commission on Environmental Quality
3870 Eastex Freeway
Beaumont, Texas 77703-1892

4. 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.
5. 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.
6. 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.
7. 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.
8. 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.
9. 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 Zedler
For the Executive Director

11/9/2009
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 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.

Paul J. [Signature]
Signature

11-10-2008
Date

RANDAL TAYLOR
Name (Printed or typed)
Authorized Representative of
PD Glycol LP

PLANT MANAGER
Title

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

Attachment A
Docket Number: 2008-1180-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	PD Glycol LP
Payable Penalty Amount:	Four Thousand Seven Hundred Dollars (\$4,700)
SEP Amount:	Two Thousand Three Hundred Fifty Dollars (\$2,350)
Type of SEP:	Pre-approved
Third-Party Recipient:	Jefferson County-Southeast Texas Regional Air Monitoring Network Ambient Air Monitoring Station
Location of SEP:	Jefferson County

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

1. Project Description

A. Project

The Respondent shall contribute the SEP Amount to the Third-Party Recipient pursuant to the agreement between the Third-Party Recipient and the TCEQ. Specifically, the contribution will be used to install, operate, and maintain a stationary ambient air monitoring station in the vicinity of Memorial High School Ninth Grade Campus. The station will employ canister sampling, a hydrocarbon analyzer, and/or a chromatograph. Ancillary equipment will include a sample conditioning system, a ten meter meteorological tower, a climate controlled equipment shelter, a remote communications system, and have electronic data logging capabilities. The station will continuously sample and analyze the ambient air for a wide range of hydrocarbon species in accordance with Environmental Protection Agency's recommended "TO-14" list. SEP monies will be used for the cost of purchasing, installing, operating, and maintaining the air monitoring station along with its ancillary equipment.

The Respondent certifies that there is no prior commitment to do this project and that it is being performed solely in an effort to settle this enforcement action.

B. Environmental Benefit

This SEP will provide a discernible environmental benefit by offering continuous assessment of ambient air quality in a sensitive area of Port Arthur that is not currently covered by existing ambient air monitoring stations. Monitoring this area of the community will help the TCEQ and local government better respond to

citizen's questions about public health as it related to air quality and will enable TCEQ to identify emission sources.

C. Minimum Expenditure

The Respondent shall contribute at least the SEP Amount to the Third-Party Recipient and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Amount to the Third-Party Recipient. The Respondent shall mail the contribution, with a copy of the Agreed Order, to:

The Honorable Ron Walker
Jefferson County Judge
1149 Pearl Street, 4th Floor
Beaumont, Texas 77701

3. Records and Reporting

Concurrent with the payment of the SEP Amount, the Respondent shall provide the TCEQ SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Amount to the Third-Party Recipient. The Respondent shall mail a copy of the check and transmittal letter to:

Enforcement Division
Attention: SEP Coordinator, MC 219
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If the Respondent does not perform its obligations under this SEP in any way, including full payment of the SEP Amount and submittal of the required reporting described in Section 3 above, the Executive Director may require immediate payment of all or part of the SEP Amount.

The check for any amount due shall be made out to "Texas Commission on Environmental Quality" and mailed to:

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

The Respondent shall also mail a copy of the check to the TCEQ SEP Coordinator at the address in Section 3 above.

5. Publicity

Any public statements concerning this SEP made by or on behalf of the Respondent must include a clear statement that the project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.

6. Clean Texas Program

The Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, the Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP identified in this Agreed Order has not been, and shall not be, included as an SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.

