

EXECUTIVE SUMMARY - ENFORCEMENT MATTER

DOCKET NO.: 2008-1269-AIR-E **TCEQ ID:** RN100217389 **CASE NO.:** 36272

RESPONDENT NAME: Flint Hills Resources, 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: Flint Hills Resources Port Arthur Facility, 4241 Savannah Avenue, Port Arthur, Jefferson County</p> <p>TYPE OF OPERATION: Petrochemical 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 one additional pending enforcement action regarding this facility location, Docket No. 2008-1066-AIR-E.</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: None TCEQ Enforcement Coordinator: Ms. Nadia Hameed, Enforcement Division, Enforcement Team 5, MC R-12, (713) 767-3629; Mr. Bryan Sinclair, Enforcement Division, MC 219, (512) 239-2171 Respondent: Mr. Bruce Tylock, Senior Environmental Manager, Flint Hills Resources, LP, 4241 Savannah Avenue, Port Arthur, Texas 77640 Mr. Kevin Radke, Plant Manager, Flint Hills Resources, LP, 4241 Savannah Avenue, Port Arthur, Texas 77640 Respondent's Attorney: Not represented by counsel on this enforcement matter</p>		

VIOLATION SUMMARY CHART:

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p>Type of Investigation: <input type="checkbox"/> Complaint <input 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: May 22, 2008</p> <p>Date of NOV/NOE Relating to this Case: July 17, 2008 (NOE)</p> <p>Background Facts: This was a record review.</p> <p>AIR</p> <p>Failure to prevent unauthorized emissions. Specifically, 3,338.98 pounds ("lbs") of volatile organic compounds, 2,529.62 lbs of carbon monoxide ("CO"), and 350.23 lbs of nitrogen oxides were released when the operator failed to ensure that the correct amount of raw hydrogen entered the Ethylene Reactors during periods of CO spikes when the furnace was being brought on line, resulting in an emissions event that occurred on March 18, 2008, and lasted for two hours and 59 minutes (Incident No. 105146). Since these emissions were avoidable, the demonstrations in 30 TEX. ADMIN. CODE § 101.222 necessary to present an affirmative defense were not met [30 TEX. ADMIN. CODE §§ 101.20(3), 116.715(a) and (c)(7), and 122.143(4), Air Permit No. 16989/PSD-TX-794, Special Condition No. 1, Federal Operating Permit No. O-01317, General Terms and Conditions and Special Condition No. 16, and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p>	<p>Total Assessed: \$7,025</p> <p>Total Deferred: \$1,405 <input checked="" type="checkbox"/> Expedited Settlement <input type="checkbox"/> Financial Inability to Pay</p> <p>SEP Conditional Offset: \$0</p> <p>Total Paid to General Revenue: \$5,620</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>Corrective Actions Taken:</p> <p>The Executive Director recognizes that on March 19, 2008, the Respondent completed revisions to the operations guidelines to provide the operators an improved reference for response to a CO increase.</p> <p>Ordering Provisions:</p> <p>The Order will require the Respondent to:</p> <p>a. Within 30 days of the effective date of this Agreed Order, complete the installation and startup of the improved carbon monoxide indication and alarm system to the Ethylene Reactors, and provide additional training to the unit operators to ensure the operators are aware of the change and trained to respond to the control board instrumentation; and</p> <p>b. Within 45 days after the effective date of this Agreed Order, submit written certification and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision a.</p>

Additional ID No(s): JE0135Q



Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision June 12, 2008

DATES	Assigned	21-Jul-2008	Screening	24-Jul-2008	EPA Due	13-Apr-2009
	PCW	30-Jul-2008				

RESPONDENT/FACILITY INFORMATION			
Respondent	Flint Hills Resources, LP		
Reg. Ent. Ref. No.	RN100217389		
Facility/Site Region	10-Beaumont	Major/Minor Source	Major

CASE INFORMATION			
Enf./Case ID No.	36272	No. of Violations	1
Docket No.	2008-1269-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Nadia Hameed
		EC's Team	Enforcement Team 5
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$10,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$2,500
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ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History	181.0% Enhancement	Subtotals 2, 3, & 7	\$4,525
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Notes
Penalty enhancement due to three Notices of Violation ("NOVs") issued for the same or similar violations, six NOVs issued for unrelated violations of which one was a self-reported effluent violation, three orders containing a denial of liability, and four orders without a denial of liability. Penalty reduction for four Notice of Audit letters and one Disclosure of Violation submitted.

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

Good Faith Effort to Comply Total Adjustments	Subtotal 5	\$0
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Economic Benefit	0.0% Enhancement*	Subtotal 6	\$0
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Total EB Amounts \$3,544
Approx. Cost of Compliance \$60,500
*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7	Final Subtotal	\$7,025
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OTHER FACTORS AS JUSTICE MAY REQUIRE	0.0%	Adjustment	\$0
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes

Final Penalty Amount	\$7,025
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$7,025
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DEFERRAL	20.0% Reduction	Adjustment	-\$1,405
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Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes
Deferral offered for expedited settlement.

PAYABLE PENALTY	\$5,620
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Screening Date 24-Jul-2008

Docket No. 2008-1269-AIR-E

PCW

Respondent: Flint Hills Resources, LP

Policy Revision 2 (September 2002)

Case ID No. 36272

PCW Revision June 12, 2008

Reg. Ent. Reference No. RN100217389

Media [Statute] Air

Enf. Coordinator: Nadia Hameed

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written NOVs with same or similar violations as those in the current enforcement action (number of NOVs meeting criteria)	3	15%
	Other written NOVs	6	12%
Orders	Any agreed final enforcement orders containing a denial of liability (number of orders meeting criteria)	3	60%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	4	100%
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)	4	-4%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which violations were disclosed)	1	-2%

Please Enter Yes or No

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

Adjustment Percentage (Subtotal 2) 181%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Average Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

Penalty enhancement due to three Notices of Violation ("NOVs") issued for the same or similar violations, six NOVs issued for unrelated violations of which one was a self-reported effluent violation, three orders containing a denial of liability, and four orders without a denial of liability. Penalty reduction for four Notice of Audit letters and one Disclosure of Violation submitted.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 181%

Screening Date 24-Jul-2008	Docket No. 2008-1269-AIR-E	PCW		
Respondent Flint Hills Resources, LP	<small>Policy Revision 2 (September 2002)</small>			
Case ID No. 36272	<small>PCW Revision June 12, 2008</small>			
Reg. Ent. Reference No. RN100217389				
Media [Statute] Air				
Enf. Coordinator Nadia Hameed				
Violation Number <input type="text" value="1"/>				
Rule Cite(s)	30 Tex. Admin. Code §§ 101.20(3), 116.715(a) and (c)(7), 122.143(4), Air Permit No. 16989/PSD-TX-794, Special Condition No. 1, Federal Operating Permit No. O-01317, General Terms and Conditions and Special Condition No. 16 and Tex. Health & Safety Code § 382.085(b)			
Violation Description	Failed to prevent unauthorized emissions. Specifically, 3,338.98 pounds ("lbs") of volatile organic compounds, 2,529.62 lbs of carbon monoxide ("CO"), and 350.23 lbs of nitrogen oxides were released when the operator failed to ensure that the correct amount of raw hydrogen entered the Ethylene Reactors during periods of CO spikes when the furnace was being brought on line, resulting in an emissions event that occurred on March 18, 2008, and lasted for two hours and 59 minutes (Incident No. 105146). Since these emissions were avoidable, the demonstrations in 30 Tex. Admin. Code § 101.222 necessary to present an affirmative defense were not met.			
Base Penalty		<input type="text" value="\$10,000"/>		
>> Environmental, Property and Human Health Matrix				
OR	Harm			
	Release	Major	Moderate	Minor
	Actual	<input type="text"/>	<input type="text"/>	<input checked="" type="checkbox"/>
Potential	<input type="text"/>	<input type="text"/>	<input type="text"/>	
Percent		<input type="text" value="25%"/>		
>> Programmatic Matrix				
	Falsification	Major	Moderate	Minor
	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Percent		<input type="text" value="0%"/>		
Matrix Notes	Human health or the environment has been exposed to insignificant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of the violation.			
Adjustment		<input type="text" value="\$7,500"/>		
		<input type="text" value="\$2,500"/>		
Violation Events				
Number of Violation Events <input type="text" value="1"/>		Number of violation days <input type="text" value="1"/>		
<small>mark only one with an x</small>	daily	<input type="text"/>	Violation Base Penalty <input type="text" value="\$2,500"/>	
	monthly	<input type="text"/>		
	quarterly	<input checked="" type="checkbox"/>		
	semiannual	<input type="text"/>		
	annual	<input type="text"/>		
	single event	<input type="text"/>		
One quarterly event is recommended.				
Good Faith Efforts to Comply		<input type="text" value="0.0%"/> Reduction	<input type="text" value="\$0"/>	
	Before NOV	NOV to EDRP/Settlement Offer		
Extraordinary	<input type="text"/>	<input type="text"/>		
Ordinary	<input type="text"/>	<input type="text"/>		
N/A	<input checked="" type="checkbox"/>	(mark with x)		
Notes	The Respondent does not meet the good faith criteria for this violation.			
Violation Subtotal		<input type="text" value="\$2,500"/>		
Economic Benefit (EB) for this violation		Statutory Limit Test		
Estimated EB Amount	<input type="text" value="\$3,544"/>	Violation Final Penalty Total	<input type="text" value="\$7,025"/>	
This violation Final Assessed Penalty (adjusted for limits)		<input type="text" value="\$7,025"/>		

Economic Benefit Worksheet

Respondent Flint Hills Resources, LP
Case ID No. 36272
Reg. Ent. Reference No. RN100217389
Media Air
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

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

Delayed Costs

Equipment	\$60,000	18-Mar-2008	20-Jan-2009	0.84	\$169	\$3,375	\$3,544
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	\$500	18-Mar-2008	19-Mar-2008	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
 Estimated cost for revised operational procedures (completed March 19, 2008), and the installation of an improved CO control system yet to be completed. Date required based on the date of the emissions event. Final dates based on the dates the corrective actions were or are expected to be completed.

Avoided Costs

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance

\$60,500

TOTAL

\$3,544

Compliance History

Customer/Respondent/Owner-Operator:	CN600879712	Flint Hills Resources, LP	Classification: AVERAGE	Rating: 3.91
Regulated Entity:	RN100217389	FLINT HILLS RESOURCES PORT ARTHUR FACILITY	Classification: AVERAGE	Site Rating: 32.09

ID Number(s):	Description	Account Number	ID
	AIR OPERATING PERMITS	ACCOUNT NUMBER	JE0135Q
	AIR OPERATING PERMITS	PERMIT	1317
	WASTEWATER	PERMIT	WQ0003057000
	WASTEWATER	PERMIT	TPDES0105287
	WASTEWATER	PERMIT	TX0105287
	AIR NEW SOURCE PERMITS	PERMIT	16989
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	JE0135Q
	AIR NEW SOURCE PERMITS	REGISTRATION	54780
	AIR NEW SOURCE PERMITS	REGISTRATION	54845
	AIR NEW SOURCE PERMITS	REGISTRATION	55149
	AIR NEW SOURCE PERMITS	REGISTRATION	55150
	AIR NEW SOURCE PERMITS	REGISTRATION	55148
	AIR NEW SOURCE PERMITS	REGISTRATION	75753
	AIR NEW SOURCE PERMITS	REGISTRATION	76098
	AIR NEW SOURCE PERMITS	REGISTRATION	75685
	AIR NEW SOURCE PERMITS	REGISTRATION	76342
	AIR NEW SOURCE PERMITS	REGISTRATION	75824
	AIR NEW SOURCE PERMITS	REGISTRATION	56739
	AIR NEW SOURCE PERMITS	AFS NUM	4824500082
	AIR NEW SOURCE PERMITS	REGISTRATION	70435
	AIR NEW SOURCE PERMITS	REGISTRATION	70504
	AIR NEW SOURCE PERMITS	REGISTRATION	70231
	AIR NEW SOURCE PERMITS	REGISTRATION	70256
	AIR NEW SOURCE PERMITS	REGISTRATION	70780
	AIR NEW SOURCE PERMITS	REGISTRATION	71484
	AIR NEW SOURCE PERMITS	REGISTRATION	71465
	AIR NEW SOURCE PERMITS	REGISTRATION	72282
	AIR NEW SOURCE PERMITS	REGISTRATION	72235
	AIR NEW SOURCE PERMITS	REGISTRATION	71742
	AIR NEW SOURCE PERMITS	REGISTRATION	72541
	AIR NEW SOURCE PERMITS	REGISTRATION	73136
	AIR NEW SOURCE PERMITS	REGISTRATION	73892
	AIR NEW SOURCE PERMITS	REGISTRATION	73618
	AIR NEW SOURCE PERMITS	REGISTRATION	73988
	AIR NEW SOURCE PERMITS	REGISTRATION	74779
	AIR NEW SOURCE PERMITS	REGISTRATION	75061
	AIR NEW SOURCE PERMITS	REGISTRATION	74299
	AIR NEW SOURCE PERMITS	REGISTRATION	74850
	AIR NEW SOURCE PERMITS	REGISTRATION	75259
	AIR NEW SOURCE PERMITS	REGISTRATION	75258
	AIR NEW SOURCE PERMITS	REGISTRATION	76405
	AIR NEW SOURCE PERMITS	REGISTRATION	76648
	AIR NEW SOURCE PERMITS	PERMIT	79802
	AIR NEW SOURCE PERMITS	REGISTRATION	80894
	AIR NEW SOURCE PERMITS	REGISTRATION	80420
	AIR NEW SOURCE PERMITS	REGISTRATION	80563
	AIR NEW SOURCE PERMITS	REGISTRATION	81224
	AIR NEW SOURCE PERMITS	REGISTRATION	81542
	AIR NEW SOURCE PERMITS	REGISTRATION	54846
	AIR NEW SOURCE PERMITS	REGISTRATION	56574
	AIR NEW SOURCE PERMITS	REGISTRATION	70191
	AIR NEW SOURCE PERMITS	REGISTRATION	84551
	AIR NEW SOURCE PERMITS	REGISTRATION	48586
	AIR NEW SOURCE PERMITS	REGISTRATION	83299
	AIR NEW SOURCE PERMITS	REGISTRATION	52327
	AIR NEW SOURCE PERMITS	REGISTRATION	52120
	INDUSTRIAL AND HAZARDOUS WASTE PROCESSING	PERMIT	50399

Location: 4241 SAVANNAH AVE, PORT ARTHUR, TX, 77640

Rating Date: September 01 07 Repeat
Violator: NO

TCEQ Region: REGION 10 - BEAUMONT

Date Compliance History Prepared: July 24, 2008

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: July 24, 2003 to July 24, 2008

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

Name: NHameed Phone: 713-767-3629

Site Compliance History Components

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

Components (Multimedia) for the Site :

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

Effective Date: 08/07/2003

ADMINORDER 2002-1431-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 111, SubChapter A 111.111(a)(4)(A)

30 TAC Chapter 116, SubChapter G 116.715(a)
30 TAC Chapter 116, SubChapter G 116.715(c)(7)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: SC1 PERMIT
SC10 PERMIT

Description: Failure to maintain an emission rate below the allowable limits.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(2)(H)
30 TAC Chapter 101, SubChapter F 101.201(b)(8)

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

Description: Failure to include all required information when notifying the agency of a reportable emissions event caused by the boiler feed water pump shutdown which occurred on 10/7/02.

Effective Date: 07/15/2005

ADMINORDER 2004-0518-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(2)(G)
30 TAC Chapter 101, SubChapter F 101.201(b)

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

Description: Failure to satisfy the initial and final reporting requirements for a reportable emissions event.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)

30 TAC Chapter 116, SubChapter G 116.715(c)(7)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: 16989/PSD-TX-794, SC 1 PERMIT

Description: Failure to maintain an emission rate below the allowable emission limit.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)

30 TAC Chapter 116, SubChapter G 116.715(c)(7)

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

Rqmt Prov: 16989 / PSD-TX-794 PERMIT

Description: Failure to maintain an emission rate below the allowable limit for the light olefins Unit (LOU) Flare.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)

30 TAC Chapter 116, SubChapter G 116.715(c)(7)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: 16989 / PSD-TX-794 PERMIT

Description: Failure to maintain an emission rate below the allowable limit for the boiler feedwater pumps LOUflare.

Effective Date: 06/15/2006

ADMINORDER 2005-1774-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: 16989 and PSD-TX-794 PERMIT

Description: Failure to maintain a VOC emission rate below the allowable emission limit for the LOU Flare (EPN - LOUFLARE).

Effective Date: 10/02/2006

ADMINORDER 2006-0512-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)

30 TAC Chapter 116, SubChapter G 116.715(c)(7)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: 16989 and PSD-TX-794 / SC 27 PERMIT
16989 and PSD-TX-794 / SC1 PERMIT

Description: Failure to maintain an emission rate below the allowable emission limit.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.4
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failure to prevent a nuisance.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)

30 TAC Chapter 116, SubChapter G 116.715(c)(7)
30 TAC Chapter 122, SubChapter B 122.143(4)

Rqmt Prov: 16989/PSD-TX-794 PERMIT
O-01317 OP

Description: Failure to comply with emissions limitations.

Effective Date: 12/02/2006

ADMINORDER 2005-0926-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)

30 TAC Chapter 116, SubChapter G 116.715(c)(7)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: 16989 / PSD-TX-794 PERMIT

Description: Failure to maintain emission rates below the allowable limits for 14 incidents (Nos. 25731, 27057, 30707,31311, 32702, 34503, 40721, 25734, 30674, 32709, 43499, 31309 & 34502) NOW EIGHT. Special Condition 1 of permit limits the Carbon Monoxide (CO) and the Nitrogen Oxide (NOx) and VOC emission cap rate. A8c2Aii

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.110(a)
5C THC Chapter 382, SubChapter D 382.085(b)

Description: Failure to prevent unauthorized emissions for 4 [now 3] incidents (Numbers 29303, 29945, 33470 [dropped], & 44032). A8c2Aii

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)

30 TAC Chapter 116, SubChapter G 116.715(c)(7)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: 16989 / PSD-TX-794 PERMIT

Description: Failure to maintain an emission rate below the allowable limit of VOC and of Benzene for Incident 44200. Special Condition 1 of Permit 16989 / PSD-TX-794 limits the Volatile Organic Compound (VOC) emission cap rate. A8c2Aii

Classification: Minor

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

Description: Failure to notify the TCEQ Beaumont Regional Office no later than 24 hours after the discovery of a reportable emission event for Incident Numbers 30674 & 30707. C3

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)

30 TAC Chapter 116, SubChapter G 116.715(c)(7)

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

Rqmt Prov: 16989 / PSD-TX-794 PERMIT

Description: Failure to maintain an emission rate below the allowable limit for Incident 29181. Special Condition 1 of Permit 16989 / PSD-TX-794 limits the Volatile Organic Compound (VOC) emission cap rate. A8c2Aii

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)

30 TAC Chapter 116, SubChapter G 116.715(c)(7)

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

Rqmt Prov: Special Condition 1 PERMIT

Description: Failure 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)

30 TAC Chapter 116, SubChapter G 116.715(c)(7)

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

Rqmt Prov: 16989, Special Condition 1 PERMIT

Description: Failure to prevent unauthorized emissions: Incident Nos. 50480 and 50486 relating to both VOC and non-VOC emissions above limits.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)

30 TAC Chapter 116, SubChapter G 116.715(c)(7)

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

Rqmt Prov: SC 1 & 27 PERMIT

Description: Failed to maintain an emission rate below the permitted limits.

Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)

30 TAC Chapter 116, SubChapter G 116.715(c)(7)

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

Rqmt Prov: 16989/PSD-TX-794 PERMIT

O-01317 OP

Description: Failure to comply with permitted emission limits.

Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)

30 TAC Chapter 116, SubChapter G 116.715(c)(7)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: 16989/PSD-TX-794 PERMIT
O-01317 OP

Description: Failure to comply with permitted emissions limits.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)

30 TAC Chapter 116, SubChapter G 116.715(c)(7)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: 16989/PSD-TX-794 PERMIT
O-01317 OP

Description: Failure to comply with permitted emissions limits.

Effective Date: 11/09/2007

ADMINORDER 2007-0343-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)

30 TAC Chapter 116, SubChapter G 116.715(c)(7)
5C THC Chapter 382, SubChapter D 382.085(b)

Rqmt Prov: 16989 and PSD-TX-794 / SC1 PERMIT
16989 and PSD-TX-794 / SC27 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: Permit 16989/PSD-TX-794 SC (1) PERMIT

Description: Failed to prevent unauthorized emissions.

Effective Date: 05/22/2008

ADMINORDER 2006-1775-MLM-E

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)

30 TAC Chapter 116, SubChapter G 116.715(c)(7)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THC Chapter 382, SubChapter D 382.085(b)

Rqmt Prov: 16989/PSD-TX-794, Special Condition 1 PERMIT
O-01317, General Terms and Conditions OP

O-01317, Special Condition 16 OP

Description: Failure to maintain an emission rate below the allowable emission limit.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.110(a)
5C THC Chapter 382, SubChapter D 382.085(b)

Description: Failure to prevent the release of unauthorized emissions to the atmosphere during an unplanned shutdown activity.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)

30 TAC Chapter 116, SubChapter G 116.715(c)(7)

Description: Failure to maintain an emission rate below the allowable emission limit.

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

N/A

C. Chronic excessive emissions events.

N/A

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

1	07/24/2003	(323052)
2	08/12/2003	(145852)
3	08/25/2003	(323053)
4	08/29/2003	(145670)
5	08/29/2003	(150916)
6	09/25/2003	(323054)
7	10/16/2003	(249969)
8	10/24/2003	(323055)
9	11/17/2003	(255097)
10	11/24/2003	(323056)
11	12/11/2003	(253069)
12	12/22/2003	(257174)
13	12/29/2003	(323057)
14	01/27/2004	(323058)
15	02/18/2004	(257798)
16	02/18/2004	(257555)
17	02/24/2004	(323047)
18	03/05/2004	(258707)
19	03/25/2004	(323048)
20	03/30/2004	(264152)
21	04/26/2004	(323049)
22	04/27/2004	(267489)
23	05/12/2004	(257799)
24	05/24/2004	(364434)
25	06/23/2004	(364435)
26	07/07/2004	(278431)
27	07/07/2004	(278433)
28	07/07/2004	(278544)
29	07/07/2004	(278545)
30	07/07/2004	(278434)
31	07/12/2004	(278543)
32	07/13/2004	(257800)
33	07/22/2004	(364436)
34	07/23/2004	(284067)
35	08/24/2004	(364437)
36	09/30/2004	(364438)
37	10/13/2004	(291185)
38	10/22/2004	(292535)
39	10/25/2004	(364439)
40	11/23/2004	(337200)
41	11/29/2004	(388763)
42	12/21/2004	(343764)
43	12/27/2004	(388764)
44	01/25/2005	(388765)
45	01/26/2005	(344557)
46	01/31/2005	(347316)
47	02/23/2005	(388761)
48	03/22/2005	(388762)
49	04/26/2005	(426339)
50	04/28/2005	(337253)
51	04/29/2005	(371588)
52	05/24/2005	(426340)

53	06/15/2005	(376683)
54	06/16/2005	(426341)
55	07/15/2005	(394390)
56	07/22/2005	(446662)
57	07/26/2005	(400177)
58	07/26/2005	(401118)
59	08/02/2005	(394561)
60	08/14/2005	(379713)
61	08/19/2005	(379633)
62	08/23/2005	(446663)
63	09/20/2005	(446664)
64	10/26/2005	(479516)
65	11/15/2005	(418534)
66	11/22/2005	(479517)
67	12/02/2005	(405596)
68	12/09/2005	(435983)
69	12/15/2005	(435695)
70	12/27/2005	(479518)
71	01/27/2006	(479519)
72	02/27/2006	(479515)
73	04/21/2006	(505237)
74	04/24/2006	(505238)
75	04/26/2006	(457779)
76	05/01/2006	(457784)
77	05/01/2006	(457781)
78	05/23/2006	(505239)
79	06/22/2006	(505240)
80	07/20/2006	(527519)
81	08/02/2006	(480166)
82	08/22/2006	(527520)
83	08/31/2006	(487243)
84	09/25/2006	(527521)
85	09/28/2006	(466186)
86	10/23/2006	(551246)
87	10/26/2006	(517315)
88	11/15/2006	(513585)
89	11/15/2006	(519115)
90	11/16/2006	(551247)
91	11/29/2006	(518544)
92	12/20/2006	(551248)
93	12/28/2006	(335044)
94	12/28/2006	(268049)
95	12/28/2006	(335759)
96	01/17/2007	(551249)
97	01/19/2007	(519404)
98	02/01/2007	(538360)
99	02/28/2007	(497606)
100	02/28/2007	(541429)
101	03/19/2007	(543387)
102	03/20/2007	(587916)
103	03/20/2007	(587917)
104	04/10/2007	(542262)
105	04/20/2007	(587918)
106	05/17/2007	(587919)
107	06/06/2007	(561378)
108	06/13/2007	(587920)
109	06/15/2007	(564423)
110	07/16/2007	(587921)
111	08/14/2007	(605258)
112	09/12/2007	(605259)
113	09/25/2007	(563763)
114	10/12/2007	(572514)
115	10/15/2007	(605260)
116	11/02/2007	(628816)
117	11/09/2007	(573219)
118	11/09/2007	(541901)
119	11/27/2007	(609694)

120 12/18/2007 (600620)
 121 12/27/2007 (676531)
 122 01/14/2008 (628817)
 123 01/26/2008 (612204)
 124 02/07/2008 (611799)
 125 02/07/2008 (611952)
 126 02/19/2008 (676528)
 127 02/28/2008 (618936)
 128 03/03/2008 (617774)
 129 03/03/2008 (615535)
 130 03/03/2008 (636554)
 131 03/12/2008 (637159)
 132 03/12/2008 (676529)
 133 03/20/2008 (615923)
 134 03/20/2008 (636924)
 135 03/31/2008 (617489)
 136 04/14/2008 (676530)
 137 04/23/2008 (637551)
 138 05/08/2008 (641183)
 139 05/16/2008 (639769)
 140 06/06/2008 (682318)
 141 06/26/2008 (680218)
 142 06/27/2008 (682444)
 143 07/16/2008 (683700)
 144 07/17/2008 (682761)

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

Date **02/18/2004** (257798)
 Self Report? NO Classification Minor
 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: PERMIT 16989 / PSD-TX-794
 Description: Sampling the AU Cooling Tower on vertical piping instead of top of horizontal piping.

Date **07/12/2004** (278543)
 Self Report? NO Classification Minor
 Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT Kb 60.113b(b)(5)
 5C THC Chapter 382, SubChapter A 382.085(b)
 Description: Failure to provide 30-day inspection notice for Tank 1596 prior to the seal gap measurement inspection. B3

Date **08/19/2005** (379633)
 Self Report? NO Classification Moderate
 Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 117, SubChapter B 117.213(e)(1)(A)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THC Chapter 382, SubChapter A 382.085(b)
 Rqmt Prov: PERMIT 16989 and PSD-TX-794
 OP O-01317
 Description: Failure to perform daily CEMS calibrations.

Self Report? NO Classification Minor
 Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THC Chapter 382, SubChapter A 382.085(b)
 Rqmt Prov: PERMIT 16989 and PSD-TX-794
 OP O-01317
 Description: Failure to conduct monitoring for benzene in the cooling water.

Self Report? NO Classification Moderate
 Citation: 30 TAC Chapter 113, SubChapter C 113.110
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT F 63.104(b)(3)
 5C THC Chapter 382, SubChapter A 382.085(b)
 Description: Failure to use an approved method for quarterly sampling of the cooling water.

Self Report? NO Classification Minor
Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 101, SubChapter A 101.20(2)
30 TAC Chapter 101, SubChapter A 101.20(3)
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 QQQ 60.703(a)(2)
40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.349(a)(1)(ii)
5C THC Chapter 382, SubChapter A 382.085(b)
Rqmt Prov: PERMIT 16989 and PSD-TX-794
OP O-01317
Description: Failure to install a flow indicator at the entrance to any bypass line that could divert the vent stream away from the control device to the atmosphere.
away from the control device to the atmosphere.

Self Report? NO Classification Minor
Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 115, SubChapter D 115.352(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: PERMIT 16989 and PSD-TX-794
OP O-01317
Description: **Failure to repair a component within 15 days of the discovery of the leak.**

Self Report? NO Classification Minor
Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 101, SubChapter A 101.20(3)
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)(5)
5C THC Chapter 382, SubChapter A 382.085(b)
Rqmt Prov: PERMIT 16989 and PSD-TX-794
OP O-01317
Description: Failure to notify the administrator 30 days in advance of any gap measurements required by paragraph 40 CFR 60.113b(b)(1).

Self Report? NO Classification Minor
Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 101, SubChapter A 101.20(3)
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)(3)(ii)
5C THC Chapter 382, SubChapter A 382.085(b)
Rqmt Prov: PERMIT 16989 and PSD-TX-794
OP O-01317
Description: Failure to maintain a net heating value above 300 Btu/scf of the gas being combusted in the flare.

Self Report? NO 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(4)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 61, SubChapter C, PT 61, SubPT V 61.242-6(a)
5C THC Chapter 382, SubChapter A 382.085(b)
Rqmt Prov: PERMIT 16989 and PSD-TX-794
OP O-01317
Description: Failure to equip an open-ended line with a cap, blind flange, plug or a second valve.

Self Report? NO Classification Minor
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 113, SubChapter C 113.110
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 63, SubChapter C, PT 63, SubPT H 63.167(a)(1)
5C THC Chapter 382, SubChapter A 382.085(b)
Rqmt Prov: PERMIT 16989 and PSD-TX-794
OP O-01317
Description: Failure to equip an open-ended line with a cap, blind flange, plug or a second valve.

Self Report? NO Classification Minor

Citation: 30 TAC Chapter 101, SubChapter A 101.18
30 TAC Chapter 101, SubChapter A 101.20(2)
30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 115, SubChapter D 115.354(4)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 61, SubChapter C, PT 61, SubPT V 61.242-6(a)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: PERMIT 16989 and PSD-TX-794
OP O-01317

Description: Failure to equip an open-ended line with a cap, blind flange, plug or a second valve.

Self Report? NO Classification Minor

Citation: 30 TAC Chapter 101, SubChapter A 101.18
30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 101, SubChapter A 101.20(3)
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: PERMIT 16989 and PSD-TX-794
OP O-01317

Description: Failure to equip an open-ended line with a cap, blind flange, plug or a second valve.

Self Report? NO Classification Minor

Citation: 30 TAC Chapter 101, SubChapter A 101.18
30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 101, SubChapter A 101.20(2)
30 TAC Chapter 101, SubChapter A 101.20(3)
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 QQQ 60.703(c)(1)(ii)
40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.354(f)(1)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: PERMIT 16989 and PSD-TX-794
OP O-01317

Description: Failure to conduct monthly visual inspection of bypass line valves.

Self Report? NO Classification Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(2)
30 TAC Chapter 101, SubChapter A 101.20(3)

30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.354(d)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: PERMIT 16989 and PSD-TX-794
OP O-01317

Description: Failure to switch waste gas to an alternate set of carbon canisters within three hours of breakthrough.

Self Report? NO Classification Minor

Citation: 30 TAC Chapter 115, SubChapter D 115.356(2)(C)
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failure to record required LDAR monitoring data.

Self Report? NO Classification Minor

Citation: 30 TAC Chapter 101, SubChapter A 101.20(2)
30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)

40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.354(d)
 5C THC Chapter 382, SubChapter A 382.085(b)
 Rqmt Prov: PERMIT 16989 and PSD-TX-794
 OP O-01317
 Description: Failure to conduct daily monitoring of the carbon absorption system.
 Self Report? NO Classification Minor
 Citation: 30 TAC Chapter 101, SubChapter A 101.20(2)
 30 TAC Chapter 101, SubChapter A 101.20(3)
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 61, SubChapter C, PT 61, SubPT V 61.242-7(c)(2)
 5C THC Chapter 382, SubChapter A 382.085(b)
 Rqmt Prov: PERMIT 16989 and PSD-TX-794
 OP O-01317
 Description: Failure to monitor a valve monthly after a leak is detected.
 Self Report? NO Classification Minor
 Citation: 30 TAC Chapter 113, SubChapter C 113.120
 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT A 63.9(h)(2)
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.146(b)
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.152(b)(1)
 5C THC Chapter 382, SubChapter A 382.085(b)
 Rqmt Prov: OP O-01317
 Description: Failure to report the correct information in the Notification of Compliance Status (NCS).
 Failure to report the correct information in the Notification of Compliance Status (NCS).

Date 04/30/2006 (505239)
 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 07/12/2006 (464981)
 Self Report? NO Classification Moderate
 Citation: 30 TAC Chapter 101, SubChapter A 101.4
 5C THC Chapter 382, SubChapter A 382.085(b)
 Description: **FAILURE TO PREVENT NUISANCE CONDITIONS.**
 Date 08/03/2006 (480166)
 Self Report? NO Classification Moderate
 Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THC Chapter 382, SubChapter A 382.085(b)
 Rqmt Prov: PERMIT 16989 and PSD-TX-794
 OP O-01317
 Description: Failure to maintain a net heating value above 300 Btu/scf of the gas being combusted in the flare.
 Self Report? NO Classification Minor
 Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 117, SubChapter B 117.213(e)(1)(A)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THC Chapter 382, SubChapter A 382.085(b)
 Rqmt Prov: PERMIT 16989, SC23B
 OP O-01317, SC1 and SC16
 Description: Failure to perform daily CEMS calibrations.
 Self Report? NO Classification Minor
 Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
 30 TAC Chapter 101, SubChapter A 101.20(2)
 30 TAC Chapter 101, SubChapter A 101.20(3)
 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 RRR 60.703(c)
 40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.354(f)(1)

Rqmt Prov: PERMIT 16989 and PSD-TX-794
OP O-01317

Description: Failure to conduct monthly visual inspection of bypass line valves.

Self Report? NO Classification Minor

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 101, SubChapter A 101.20(2)
30 TAC Chapter 101, SubChapter A 101.20(3)
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 RRR 60.703(a)
40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.349(a)(1)(ii)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: PERMIT 16989 and PSD-TX-794
OP O-01317

Description: Failure to install a flow indicator at the entrance to any bypass line that could divert the vent stream away from the control device to the atmosphere.

Self Report? NO Classification Minor

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 113, SubChapter C 113.110
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 63, SubChapter C, PT 63, SubPT H 63.167(a)(1)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: PERMIT 16989 and PSD-TX-794
OP O-01317

Description: Failure to equip an open-ended line with a cap, blind flange, plug or a second valve.

Self Report? NO Classification Minor

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 101, SubChapter A 101.20(3)
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 D 382.085(b)

Rqmt Prov: PERMIT 16989 and PSD-TX-794
OP O-01317

Description: Failure to equip an open-ended line with a cap, blind flange, plug or a second valve.

Self Report? NO Classification Minor

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 113, SubChapter C 113.110
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 63, SubChapter C, PT 63, SubPT H 63.167(a)(1)
5C THC Chapter 382, SubChapter D 382.085(b)

Rqmt Prov: PERMIT 16989 and PSD-TX-794
OP O-01317

Description: Failure to equip an open-ended line with a cap, blind flange, plug or a second valve.

Self Report? NO Classification Minor

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
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: PERMIT 16989 and PSD-TX-794
OP O-01317

Description: Failure to control the analyzer vent waste gas from Analyzer AR 3319 by a flare or by an Atmospheric Reference Valve (ARV).

Self Report? NO Classification Minor

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 117, SubChapter B 117.213(e)(1)(A)
30 TAC Chapter 122, SubChapter B 122.143(4)

Rqmt Prov: 5C THC Chapter 382, SubChapter D 382.085(b)
 PERMIT 16989 and PSD-TX-794
 OP O-01317
 Description: Failure to continuously monitor CO from the LOUBOILER6.
 Date 06/07/2007 (561378)
 Self Report? NO Classification Moderate
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
 30 TAC Chapter 122, SubChapter C 122.210(a)
 5C THC Chapter 382, SubChapter D 382.085(b)

Rqmt Prov: OP FOP-O-01317 Special Condition 16
 Description: Failure to incorporate NSR Permit 56282 into FOP-O-01317.
 Self Report? NO Classification Moderate
 Citation: 30 TAC Chapter 115, SubChapter D 115.352(1)(A)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Part 60, Subpart VV 60.482-7
 5C THC Chapter 382, SubChapter D 382.085(b)

Rqmt Prov: OP FOP-O-01317 Special Condition 1
 Description: Failure to repair LDAR component K-0821 within 15 days of leak determination.
 Self Report? NO Classification Moderate
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Part 60, Subpart A 60.18(c)(2)
 5C THC Chapter 382, SubChapter D 382.085(b)

Rqmt Prov: OP FOP-O-01317 Special Condition 1
 Description: Failure to have the pilot flame on AU flare lit for a period of 12 minutes on April 4, 2006.
 Date 09/26/2007 (563763)
 Self Report? NO Classification Moderate
 Citation: 30 TAC Chapter 101, SubChapter A 101.20(2)
 30 TAC Chapter 101, SubChapter A 101.20(3)
 30 TAC Chapter 113, SubChapter C 113.120
 30 TAC Chapter 115, SubChapter B 115.112(a)(2)(D)
 30 TAC Chapter 116, SubChapter G 116.715(a)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.351(a)(2)
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.119(c)
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.119(c)(3)
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.119(c)(4)
 5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: PERMIT 16989/PSD-TX-794, Special Condition 7
 OP O-01317, General Terms and Conditions
 PERMIT O-01317, Special Condition 16
 OP O-01317, Special Condition 1A
 Description: Failure to properly operate Tank 33755.
 Self Report? NO Classification Moderate
 Citation: 30 TAC Chapter 122, SubChapter C 122.222(k)(2)
 5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failure to provide notification of an off-permit change.
 Date 02/28/2008 (618953)
 Self Report? NO Classification Moderate
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
 30 TAC Chapter 122, SubChapter B 122.145(2)(C)
 5C THSC Chapter 382 382.085(b)

Rqmt Prov: OP FOP-O-01317 General Terms and Conditions
 Description: Failure to submit deviation report for the period of July 1, 2007, through November 4, 2007, in a timely manner.
 Self Report? NO Classification Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)

Rqmt Prov: PERMIT 16989 Special Condition 8(G)
 OP FOP-O-01317 Special Condition 16
 Description: Failure to paint pyrolysis fuel oil tank white or aluminum.
 Self Report? NO Classification Moderate
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)

30 TAC Chapter 122, SubChapter B 122.145(2)(A)
 5C THSC Chapter 382 382.085(b)
 Rqmt Prov: OP FOP-O-01317 General Terms and Conditions
 Description: Failure to report deviations in the period of its occurrence.
 Self Report? NO Classification Minor
 Citation: 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)
 5C THSC Chapter 382 382.085(b)
 Rqmt Prov: OP FOP-O-01317 Special Condition 16
 PERMIT Permit 16989 Special Condition 15(E)
 Description: Failure to install a cap or plug on an open-ended line or valve.

F. Environmental audits.

Notice of Intent Date: 06/25/2004 (348010)
 No DOV Associated

Notice of Intent Date: 07/22/2004 (334189)
 No DOV Associated

Notice of Intent Date: 02/01/2007 (573881)
Disclosure Date: 06/27/2007

Viol. Classification: Minor

Citation: 40 CFR Chapter 262, SubChapter I, PT 262, SubPT C 262.34(a)(4)

Description: Failure to maintain up to date emergency contact and equipment information in the contingency plan.

Viol. Classification: Minor

Citation: 40 CFR Chapter 279, SubChapter I, PT 279, SubPT C 279.22(c)(1)

Description: Failure to properly label drums with the words used oil in the garage area.

Viol. Classification: Moderate

Citation: 40 CFR Chapter 273, SubChapter I, PT 273, SubPT B 273.13(d)(1)

40 CFR Chapter 273, SubChapter I, PT 273, SubPT B 273.14(e)

40 CFR Chapter 273, SubChapter I, PT 273, SubPT B 273.15(c)(1)

40 CFR Chapter 273, SubChapter I, PT 273, SubPT C 273.33(d)(1)

40 CFR Chapter 273, SubChapter I, PT 273, SubPT C 273.34(e)

40 CFR Chapter 273, SubChapter I, PT 273, SubPT C 273.35(c)(1)

Description: Failure to properly label/store universal waste. Specifically, fluorescent light bulbs were in unlabeled boxes and on the ground in the Electrician's shop, and spent bulbs were throughout the Texaco Research Building not labeled or boxed.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 335, SubChapter Q 335.475(6)

Description: Failure to file and have a pollution prevention plan executive summary and a signed certification available during the audit.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 350, SubChapter B 350.33(d)

Description: Failure to maintain a copy of the RAP for SWMU 3.

Viol. Classification: Moderate

Rqmt IHWPERMTCP IX.B.1.e.

Description: Failure to submit a written report to the TCEQ within 60 days after a pipeline release of cyclohexane on 1/12/07.

Notice of Intent Date: 11/02/2007 (610103)
 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
FLINT HILLS RESOURCES, LP
RN100217389**

§ **BEFORE THE**
§
§ **TEXAS COMMISSION ON**
§
§ **ENVIRONMENTAL QUALITY**

AGREED ORDER DOCKET NO. 2008-1269-AIR-E

I. JURISDICTION AND STIPULATIONS

At its _____ agenda, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Flint Hills Resources, LP ("the Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent appear before the Commission and together stipulate that:

1. The Respondent owns and operates a petrochemical plant at 4241 Savannah Avenue in Port Arthur, 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 22, 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 Seven Thousand Twenty-Five Dollars (\$7,025) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Five Thousand Six Hundred Twenty Dollars (\$5,620) of the administrative penalty and One Thousand Four Hundred Five Dollars (\$1,405) is deferred

- contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If the Respondent fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require the Respondent to pay all or part of the deferred penalty.
7. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
 8. The Executive Director of the TCEQ and the Respondent have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.
 9. The Executive Director recognizes that on March 19, 2008, the Respondent completed revisions to the operations guidelines to provide the operators an improved reference for response to a carbon monoxide ("CO") increase.
 10. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
 11. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
 12. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

II. ALLEGATIONS

As owner and operator of the Plant, the Respondent is alleged to have failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 116.715(a) and (c)(7), 122.143(4), Air Permit No. 16989/PSD-TX-794, Special Condition No. 1, Federal Operating Permit No. O-01317, General Terms and Conditions and Special Condition No. 16 and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review conducted on May 22, 2008. Specifically, 3,338.98 pounds ("lbs") of volatile organic compounds, 2,529.62 lbs of CO, and 350.23 lbs of nitrogen oxides were released when the operator failed to ensure that the correct amount of raw hydrogen entered the Ethylene Reactors during periods of CO spikes when the furnace was being brought on line, resulting in an emissions event that occurred on March 18, 2008, and lasted for two hours and 59 minutes (Incident No. 105146). Since these emissions were avoidable, the demonstrations in 30 TEX. ADMIN. CODE § 101.222 necessary to present an affirmative defense were not met.

III. DENIALS

The Respondent generally denies each allegation in Section II ("Allegations").

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that the Respondent pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Flint Hills Resources, LP, Docket No. 2008-1269-AIR-E" to:

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

2. It is further ordered that the Respondent shall undertake the following technical requirements:
 - a. Within 30 days of the effective date of this Agreed Order, complete the installation and startup of the improved carbon monoxide indication and alarm system to the Ethylene Reactors, and provide additional training to the unit operators to ensure the operators are aware of the change and trained to respond to the control board instrumentation; and
 - b. Within 45 days after the effective date of this Agreed Order, submit written certification as described below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 2.a. The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

"I certify under penalty of law that 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

3. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Plant operations referenced in this Agreed Order.
4. If the Respondent fails to comply with any of the Ordering Provisions in this Agreed Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, the Respondent's failure to comply is not a violation of this Agreed Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
5. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
6. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
7. This agreement may be executed in multiple counterparts, which together shall constitute a single original instrument. Any executed signature page to this Agreement may be transmitted by facsimile transmission to the other parties, which shall constitute an original signature for all purposes.
8. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to the Respondent, or three days after the date on which the Commission mails notice of the Order to the Respondent, whichever is earlier. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

John Sadler
For the Executive Director

1/9/2009
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.

Kevin Radke
Signature

1/12/08
Date

KEVIN RADKE
Name (Printed or typed)
Authorized Representative of
Flint Hills Resources, 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.

Handwritten text at the top of the page, possibly a header or title, which is mostly illegible due to fading.

Main body of handwritten text, consisting of several lines of cursive script. The text is very faint and difficult to decipher.

Handwritten signature or name in the bottom left corner.

Handwritten signature or name in the bottom right corner.