

EXECUTIVE SUMMARY - ENFORCEMENT MATTER Page 1 of 3
DOCKET NO.: 2008-1584-AIR-E TCEQ ID: RN100209857 CASE NO.: 36588
RESPONDENT NAME: Chevron Phillips Chemical Company LP

ORDER TYPE:		
<input type="checkbox"/> 1660 AGREED ORDER	<input checked="" type="checkbox"/> FINDINGS AGREED ORDER	<input type="checkbox"/> FINDINGS ORDER FOLLOWING SOAH HEARING
<input type="checkbox"/> FINDINGS DEFAULT ORDER	<input type="checkbox"/> SHUTDOWN ORDER	<input type="checkbox"/> IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER
<input type="checkbox"/> AMENDED ORDER	<input type="checkbox"/> EMERGENCY ORDER	
CASE TYPE:		
<input checked="" type="checkbox"/> AIR	<input type="checkbox"/> MULTI-MEDIA (check all that apply)	<input type="checkbox"/> INDUSTRIAL AND HAZARDOUS WASTE
<input type="checkbox"/> PUBLIC WATER SUPPLY	<input type="checkbox"/> PETROLEUM STORAGE TANKS	<input type="checkbox"/> OCCUPATIONAL CERTIFICATION
<input type="checkbox"/> WATER QUALITY	<input type="checkbox"/> SEWAGE SLUDGE	<input type="checkbox"/> UNDERGROUND INJECTION CONTROL
<input type="checkbox"/> MUNICIPAL SOLID WASTE	<input type="checkbox"/> RADIOACTIVE WASTE	<input type="checkbox"/> DRY CLEANER REGISTRATION
<p>SITE WHERE VIOLATION(S) OCCURRED: Chevron Phillips Chemical Port Arthur Facility, 2001 Gulfway Drive, Port Arthur, Jefferson County</p> <p>TYPE OF OPERATION: Ethylene production plant</p> <p>SMALL BUSINESS: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>OTHER SIGNIFICANT MATTERS: There are no complaints. There are two additional pending enforcement actions regarding this facility location, Docket Nos. 2006-1028-IHW-E and 2008-1878-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 March 23, 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. Bryan Elliott, Enforcement Division, Enforcement Team 4, MC 149, (512) 239-6162; Ms. Cari-Michel La Caille, Enforcement Division, MC 219, (512) 239-1387 Respondent: Mr. Adrian Stovall, Environmental Manager, Chevron Phillips Chemical Company LP, 2001 Gulfway Drive, Port Arthur, Texas 77640 Mr. J. T. Becker, Plant Manager, Chevron Phillips Chemical Company LP, 2001 Gulfway Drive, 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 checked="" type="checkbox"/> Routine <input type="checkbox"/> Enforcement Follow-up <input 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 30 and July 15, 2008</p> <p>Date of NOV/NOE Relating to this Case: August 13 and 24, 2008 (NOE)</p> <p>Background Facts: These were routine investigations.</p> <p>AIR</p> <p>1) Failure to operate as represented. Specifically, the Respondent certified in Permit By Rule ("PBR") No. 79446 that the following emissions would be routed to Flare 17: control loop V-309, and analyzers AN308, AN801, AN802, AN805, and AN806. NSR Permit No. 18568, Special Condition No. 9 requires that cyclohexane unit, normal cumene unit process emissions, normal benzene dryer vent emissions, and wastewater vessel T 2000 vent also be routed to Flare 17. From August 15, 2006 through July 14, 2008 the Respondent had been routing these emissions to Temporary Flare 3, which was only authorized for emissions from Cumene Unit 1746 via PBR No. 78162 [30 TEX. ADMIN. CODE §§ 106.6(b) and (c), 116.115(c), and 116.116(a)(1), TEX. HEALTH & SAFETY CODE § 382.085(b), and New Source Review ("NSR") Permit No. 18568, Special Condition No. 9].</p> <p>2) Failure to prevent unauthorized emissions. Specifically, an emissions event occurred resulting from successive trips of the GB-201 Compressor due to low seal oil differential pressure from May 18 to 19, 2008 at emission point E-24-Flare that lasted for 25 hours and 51 minutes resulting in the release of 5,480.31 pounds ("lbs") of nitrogen oxides, 36,697.39 lbs of carbon monoxide, and 29,061.13 lbs of volatile organic compounds. Since this</p>	<p>Total Assessed: \$27,350</p> <p>Total Deferred: \$0 <input type="checkbox"/> Expedited Settlement <input type="checkbox"/> Financial Inability to Pay</p> <p>SEP Conditional Offset: \$13,675</p> <p>Total Paid to General Revenue: \$13,675</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>Findings Orders Justification: This is a Findings Order where people were exposed to pollutants which exceeded levels that are protective.</p>	<p>Corrective Actions Taken:</p> <p>The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Plant:</p> <p>a. By October 25, 2008, marked the flanges which hold orifice plates with fluorescent paint to facilitate visual verification of the presence of orifice plates and corresponded with the third party contractor, the necessity of re-installing the orifice plates after maintenance has been performed, in order to address the May 18-19, 2008 emissions event, and to prevent the recurrence of similar events; and</p> <p>b. On November 7, 2008, was issued PBR No. 79446, which certified that emissions from control loop V-309, and analyzers AN308, AN801, AN802, AN805, and AN806 cyclohexane unit, normal cumene unit process emissions, normal benzene dryer vent emissions, and wastewater vessel T 2000 vent were associated to Flare 40.</p> <p>Ordering Provisions:</p> <p>The Order will require the Respondent to implement and complete a Supplemental Environmental Project (SEP). (See SEP Attachment A)</p>

<p>emissions event could have been avoided by good operation practices, it failed to meet the demonstrations for an affirmative defense as found in 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE § 116.115(b)(2)(F) and (c), TEX. HEALTH & SAFETY CODE § 382.085(b), and NSR Permit No. 21101, Special Condition No. 8].</p>		
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Additional ID No(s): JE0508W

Attachment A
Docket Number: 2008-1584-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent: Chevron Phillips Chemical Company LP
Payable Penalty Amount: Twenty-Seven Thousand Three Hundred Fifty Dollars (\$27,350)
SEP Amount: Thirteen Thousand Six Hundred Seventy-Five Dollars (\$13,675)
Type of SEP: Pre-approved
Third-Party Recipient: South East Texas Regional Planning Commission-West Port Arthur Home Energy Efficiency Program
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 to the Third-Party Recipient pursuant to the agreement between the Third-Party Recipient and the TCEQ. Specifically, the contribution will be used to conduct home energy audits and to assist low income residents in the West Port Arthur area by weatherizing their homes which will improve their homes' energy efficiency. SEP monies will be used to pay for the cost of caulking and insulating homes, replacing heating and cooling systems and major appliances with new, energy efficient 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 reducing residential fuel and electricity usage for heating and cooling. These reductions, in turn, will reduce emissions of particulate matter, volatile organic compounds, and nitrogen oxides associated with the combustion of fuel and generation of electricity. Additionally, the improvements will improve homes as shelters for responding to emergency releases.

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:

South East Texas Regional Planning Commission
Transportation and Environmental Resources
Bob Dickenson, Director
2210 Eastex Freeway
Beaumont, Texas 77703

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	18-Aug-2008	Screening	27-Aug-2008	EPA Due	23-May-2009
	PCW	27-Aug-2008				

RESPONDENT/FACILITY INFORMATION			
Respondent	Chevron Phillips Chemical Company LP		
Reg. Ent. Ref. No.	RN100209857		
Facility/Site Region	10-Beaumont	Major/Minor Source	Major

CASE INFORMATION			
Enf./Case ID No.	36588	No. of Violations	2
Docket No.	2008-1584-AIR-E	Order Type	Findings
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Bryan Elliott
		EC's Team	Enforcement Team 4
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$10,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$22,500
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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	194.0% Enhancement	Subtotals 2, 3, & 7	\$43,650
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Notes
The penalty was enhanced due to two NOV's for similar violations, four NOV's for dissimilar violations, four 1660 style orders, and four findings orders. The penalty was reduced due to four NOAs.

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	\$2,000
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Economic Benefit	0.0% Enhancement*	Subtotal 6	\$0
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Total EB Amounts \$277
Approx. Cost of Compliance \$6,500
*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7	Final Subtotal	\$64,150
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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	\$64,150
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$27,350
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DEFERRAL	0.0% Reduction	Adjustment	\$0
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Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes

No deferral is recommended for Findings Orders.

PAYABLE PENALTY	\$27,350
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Screening Date 27-Aug-2008 **Docket No.** 2008-1584-AIR-E

PCW

Respondent Chevron Phillips Chemical Company LP

Policy Revision 2 (September 2002)

Case ID No. 36588

PCW Revision June 12, 2008

Reg. Ent. Reference No. RN100209857

Media [Statute] Air

Enf. Coordinator Bryan Elliott

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)	2	10%
	Other written NOVs	4	8%
Orders	Any agreed final enforcement orders containing a denial of liability (number of orders meeting criteria)	4	80%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	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)	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) 194%

>> **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

The penalty was enhanced due to two NOVs for similar violations, four NOVs for dissimilar violations, four 1660 style orders, and four findings orders. The penalty was reduced due to four NOAs.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 194%

Screening Date 27-Aug-2008 **Docket No.** 2008-1584-AIR-E **PCW**
Respondent Chevron Phillips Chemical Company LP *Policy Revision 2 (September 2002)*
Case ID No. 36588 *PCW Revision June 12, 2008*
Reg. Ent. Reference No. RN100209857

Media [Statute] Air
Enf. Coordinator Bryan Elliott

Violation Number 1
Rule Cite(s) 30 Tex. Admin. Code §§ 106.6(b) and (c), 116.115(c) and 116.116(a)(1), Tex. Health & Safety Code § 382.085(b), and New Source Review ("NSR") Permit No. 18568, Special Condition No. 9

Violation Description
 Failed to operate as represented, as documented during an investigation conducted on July 15, 2008. Specifically, the Respondent certified in Permit By Rule ("PBR") No. 79446 that the following emissions would be routed to Flare 17: control loop V-309, and analyzers AN308, AN801, AN802, AN805, and AN806. NSR Permit No. 18568, Special Condition No. 9 requires that cyclohexane unit, normal cumene unit process emissions, normal benzene dryer vent emissions, and wastewater vessel T 2000 vent also be routed to Flare 17. From August 15, 2006 through July 14, 2008 the Respondent had been routing these emissions to Temporary Flare 3, which was only authorized for emissions from Cumene Unit 1746 via PBR No. 78162.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

Release	Harm			Percent
	Major	Moderate	Minor	
Actual				0%
Potential				

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
	X			25%

Matrix Notes 100% of the rule requirement was not met.
Adjustment \$7,500

\$2,500

Violation Events

Number of Violation Events: 1 699 Number of violation days

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

Violation Base Penalty \$2,500

One single event is recommended.

Good Faith Efforts to Comply 0.0% Reduction \$0

	Before NOV	NOV to EDPRP/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 \$167 **Violation Final Penalty Total** \$7,350
This violation Final Assessed Penalty (adjusted for limits) \$7,350

Economic Benefit Worksheet

Respondent: Chevron Phillips Chemical Company LP
Case ID No.: 36588
Reg. Ent. Reference No.: RN100209857
Media: Air
Violation No.: 1

Percent Interest	Years of Depreciation
5.0	15

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

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$1,500	15-Aug-2006	7-Nov-2008	2.23	\$167	n/a	\$167

Notes for DELAYED costs

Estimated cost for additional oversight and management practices designed to ensure proper operation practices are followed. Date Required is based on the earliest date of non-compliance and the Final Date is the date of compliance.

Avoided Costs

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance

\$1,500

TOTAL

\$167

Screening Date 27-Aug-2008	Docket No. 2008-1584-AIR-E	PCW		
Respondent Chevron Phillips Chemical Company LP	<small>Policy Revision 2 (September 2002)</small>			
Case ID No. 36588	<small>PCW Revision June 12, 2008</small>			
Reg. Ent. Reference No. RN100209857				
Media [Statute] Air				
Enf. Coordinator Bryan Elliott				
Violation Number 2				
Rule Cite(s)	30 Tex. Admin. Code § 116.115(b)(2)(F) and (c), Tex. Health & Safety Code § 382.085(b), and NSR Permit No. 21101, Special Condition No. 8			
Violation Description	Failed to prevent unauthorized emissions, as documented during an investigation conducted on June 30, 2008. Specifically, an emissions event occurred resulting from successive trips of the GB-201 Compressor due to low seal oil differential pressure from May 18 to 19, 2008 at emission point E-24-Flare that lasted for 25 hours and 51 minutes resulting in the release of 5,480.31 pounds ("lbs") of nitrogen oxides, 36,697.39 lbs of carbon monoxide, and 29,061.13 lbs of volatile organic compounds. Since this emissions event could have been avoided by good operation practices, it failed to meet the demonstrations for an affirmative defense as found in 30 Tex. Admin. Code § 101.222.			
Base Penalty		\$10,000		
>> Environmental, Property and Human Health Matrix				
OR	Harm			
	Release	Major	Moderate	Minor
	Actual	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Potential	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		Percent	<input type="text" value="100%"/>	
>> Programmatic Matrix				
	Falsification	Major	Moderate	Minor
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		Percent	<input type="text" value="0%"/>	
Matrix Notes	Human health or the environment was exposed to significant amounts of pollutants which did exceed levels protective of human health or environmental receptors as a result of the violation.			
Adjustment		<input type="text" value="\$0"/>		
		\$10,000		
Violation Events				
	Number of Violation Events	<input type="text" value="2"/>	Number of violation days	
		<input type="text" value="2"/>		
<small>mark only one with an x</small>	daily	<input checked="" type="checkbox"/>	Violation Base Penalty <input type="text" value="\$20,000"/>	
	monthly	<input type="checkbox"/>		
	quarterly	<input type="checkbox"/>		
	semiannual	<input type="checkbox"/>		
	annual	<input type="checkbox"/>		
	single event	<input type="checkbox"/>		
Two daily events are recommended.				
Good Faith Efforts to Comply		<input type="text" value="10.0%"/> Reduction	<input type="text" value="\$2,000"/>	
	Before NOV	NOV to EDPRP/Settlement Offer		
Extraordinary	<input type="checkbox"/>	<input type="checkbox"/>		
Ordinary	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
N/A	<input type="checkbox"/>	(mark with x)		
Notes	The Respondent came into compliance by October 25, 2008.			
Violation Subtotal		<input type="text" value="\$18,000"/>		
Economic Benefit (EB) for this violation		Statutory Limit Test		
Estimated EB Amount	<input type="text" value="\$110"/>	Violation Final Penalty Total	<input type="text" value="\$56,800"/>	
This violation Final Assessed Penalty (adjusted for limits)		<input type="text" value="\$20,000"/>		

Economic Benefit Worksheet

Respondent Chevron Phillips Chemical Company LP
Case ID No. 36588
Reg. Ent. Reference No. RN100209857
Media Air
Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

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

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$5,000	18-May-2008	25-Oct-2008	0.44	\$110	n/a	\$110

Notes for DELAYED costs

Estimated cost for additional oversight and management practices designed to ensure proper operation and maintenance practices are followed. Date Required is based on the date of the emissions event and the Final Date is the date of compliance.

Avoided Costs

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance

\$5,000

TOTAL

\$110

Compliance History

Customer/Respondent/Owner-Operator: CN600303614 CHEVRON PHILLIPS CHEMICAL COMPANY LP Classification: AVERAGE Rating: 2.92

Regulated Entity: RN100209857 CHEVRON PHILLIPS CHEMICAL PORT ARTHUR FACILITY Classification: AVERAGE Site Rating: 21.11

ID Number(s):	AIR OPERATING PERMITS	ACCOUNT NUMBER	JE0508W
	AIR OPERATING PERMITS	PERMIT	1235
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	JE0508W
	AIR NEW SOURCE PERMITS	PERMIT	5215A
	AIR NEW SOURCE PERMITS	PERMIT	18568
	AIR NEW SOURCE PERMITS	PERMIT	21101
	AIR NEW SOURCE PERMITS	PERMIT	24266
	AIR NEW SOURCE PERMITS	PERMIT	32713
	AIR NEW SOURCE PERMITS	REGISTRATION	83968
	AIR NEW SOURCE PERMITS	REGISTRATION	76323
	AIR NEW SOURCE PERMITS	REGISTRATION	76324
	AIR NEW SOURCE PERMITS	REGISTRATION	76321
	AIR NEW SOURCE PERMITS	AFS NUM	4824500162
	AIR NEW SOURCE PERMITS	REGISTRATION	73945
	AIR NEW SOURCE PERMITS	REGISTRATION	78071
	AIR NEW SOURCE PERMITS	REGISTRATION	77954
	AIR NEW SOURCE PERMITS	REGISTRATION	78021
	AIR NEW SOURCE PERMITS	REGISTRATION	78162
	AIR NEW SOURCE PERMITS	REGISTRATION	78143
	AIR NEW SOURCE PERMITS	REGISTRATION	79446
	AIR NEW SOURCE PERMITS	REGISTRATION	79030
	AIR NEW SOURCE PERMITS	REGISTRATION	79568
	AIR NEW SOURCE PERMITS	REGISTRATION	80459
	AIR NEW SOURCE PERMITS	REGISTRATION	80392
	AIR NEW SOURCE PERMITS	REGISTRATION	80781
	AIR NEW SOURCE PERMITS	REGISTRATION	80939
	AIR NEW SOURCE PERMITS	REGISTRATION	81433
	AIR NEW SOURCE PERMITS	REGISTRATION	81329
	AIR NEW SOURCE PERMITS	REGISTRATION	81205
	AIR NEW SOURCE PERMITS	REGISTRATION	80886
	AIR NEW SOURCE PERMITS	REGISTRATION	82948
	AIR NEW SOURCE PERMITS	PERMIT	83741
	AIR NEW SOURCE PERMITS	REGISTRATION	83797
	AIR NEW SOURCE PERMITS	REGISTRATION	82949
	AIR NEW SOURCE PERMITS	REGISTRATION	82950
	AIR NEW SOURCE PERMITS	REGISTRATION	84494
	AIR NEW SOURCE PERMITS	REGISTRATION	85115
	AIR NEW SOURCE PERMITS	REGISTRATION	84274
	AIR NEW SOURCE PERMITS	REGISTRATION	82951
	AIR NEW SOURCE PERMITS	REGISTRATION	82603
	AIR NEW SOURCE PERMITS	REGISTRATION	85121
	AIR NEW SOURCE PERMITS	REGISTRATION	85122
	AIR NEW SOURCE PERMITS	REGISTRATION	83220
	AIR NEW SOURCE PERMITS	REGISTRATION	82952
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	EPA ID	TXR000004390
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION # (SWR)	83963
	IHW CORRECTIVE ACTION	SOLID WASTE REGISTRATION # (SWR)	83963

Location: 2001 GULFWAY DR, PORT ARTHUR, TX, 77640 Rating Date: 9/1/2007 Repeat Violator: NO

TCEQ Region: REGION 10 - BEAUMONT

Date Compliance History Prepared: August 27, 2008

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: August 27, 2003 to August 27, 2008

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

Name: Bryan Elliott Phone: 239-6162

Site Compliance History Components

1. Has the site been in existence and/or operation for the full five year compliance period? Yes
2. Has there been a (known) change in ownership of the site during the compliance period? No

3. If Yes, who is the current owner? N/A
4. If Yes, who was/were the prior owner(s)? N/A
5. When did the change(s) in ownership occur? N/A

Components (Multimedia) for the Site :

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

Effective Date: 12/21/2003 ADMINORDER 2002-0786-AIR-E
Classification: Moderate

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

Rqmt Prov: SC 5 PERMIT
Description: Failure to operate Flare 17 with a pilot flame at all times.

Classification: Moderate

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

Rqmt Prov: SC 14 PERMIT
Description: Failure to operate Flare 24 with a pilot flame at all times.

Classification: Moderate

Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(4)(A)
30 TAC Chapter 116, SubChapter B 116.115(c)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: SC 5 PERMIT
Description: Failure to operate Flare 17 w/out visible emissions.

Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter D 115.354(2)(D)
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failure to monitor pressure relief valves on a quarterly basis.

Classification: Moderate

Citation: 30 TAC Chapter 113, SubChapter C 113.130
30 TAC Chapter 115, SubChapter D 115.354(2)(C)
30 TAC Chapter 116, SubChapter B 116.115(c)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.168(d)(1)(ii)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: SC 4C PERMIT
Description: Failure to monitor valves on a quarterly basis.

Classification: Moderate

Citation: 30 TAC Chapter 113, SubChapter C 113.130
30 TAC Chapter 115, SubChapter D 115.356(1)(B)
30 TAC Chapter 116, SubChapter B 116.115(c)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.181(b)(3)(i)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: SC 4C PERMIT
Description: Failure to keep a master component list that included all pressure relief valves.

Classification: Moderate

Citation: 30 TAC Chapter 113, SubChapter C 113.130
30 TAC Chapter 115, SubChapter D 115.352(2)
30 TAC Chapter 116, SubChapter B 116.115(c)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: SC 4C PERMIT
Description: Failure to repair a leak w/in 15 days and/or during the first shutdown after a leak was detected.

Classification: Moderate

Citation: 30 TAC Chapter 113, SubChapter C 113.130
30 TAC Chapter 115, SubChapter D 115.354(1)(C)
30 TAC Chapter 116, SubChapter B 116.115(c)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.168(h)(2)

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

Rqmt Prov: SC 4C PERMIT

Description: Failure to monitor difficult to monitor valves on an annual basis.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)(ii)
30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)(v)

30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 117, SubChapter B 117.219(f)(8)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: SC 5 PERMIT

Description: Failure to maintain records.

Classification: Moderate

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

Rqmt Prov: SC 8 PERMIT

Description: Failure to conduct H2S fuel gas sampling on a monthly basis.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 101, SubChapter A 101.20(2)

30 TAC Chapter 115, SubChapter D 115.354(2)(C)
30 TAC Chapter 116, SubChapter B 116.115(c)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(c)
40 CFR Chapter 61, SubChapter C, PT 61, SubPT V 61.242-7(c)
40 CFR Part 61, Subpart J 61.112(a)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: SC 1A, 2A, 2B, and 17F PERMIT

Description: Failure to monitor valves on a quarterly basis.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 101, SubChapter A 101.20(2)

30 TAC Chapter 115, SubChapter D 115.352(2)
30 TAC Chapter 116, SubChapter B 116.115(c)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(d)(1)
40 CFR Chapter 61, SubChapter C, PT 61, SubPT V 61.242-7(d)
40 CFR Part 61, Subpart J 61.112(a)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: 17H PERMIT

SC 1A, 2A, 2B PERMIT

Description: Failure to repair valves w/in 15 days after a leak was detected.

Classification: Moderate

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

Rqmt Prov: MAERT PERMIT

Description: Failure to comply with the emission limits set in the MAERT for permit 21101.

Classification: Moderate

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

Rqmt Prov: SC 6 PERMIT

Description: Failure to comply with the 1 hr maximum firing rates as required in permit 21101.

Classification: Moderate

Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(1)(A)
30 TAC Chapter 116, SubChapter B 116.115(c)

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

Rqmt Prov: SC 5 PERMIT

Description: Failure to operate Flare 17 w/out visible emissions.

Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter A 101.6(b)(5)

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

Description: Failure to identify on the nonreportable upset report the individually listed compounds involved in the upset which occurred on 4/25/02.

Effective Date: 11/24/2005

ADMINORDER 2003-0646-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(4)(A)(ii)
30 TAC Chapter 116, SubChapter B 116.115(b)(2)

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

Rqmt Prov: 21101, Special Condition 14 PERMIT

Description: Failed to prevent visible emissions and maintain emission rates below the allowable emission limits for CO, NOx and VOCs at Ethylene Unit 1544.

Classification: Minor

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

30 TAC Chapter 101, SubChapter F 101.201(b)(3)
30 TAC Chapter 101, SubChapter F 101.201(b)(8)
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failure to properly notify the regional office of a reportable emission event at the Cumene Feed Prep Unit 1740 on September 20, 2002 from 9:00 am to 9:35 am.

Classification: Moderate

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

Description: Failure to prevent unauthorized emissions released at the Cumene Feed Prep Unit 1740 on September 20, 2002 and at the 11 Pump House on January 20, 2003.

Classification: Moderate

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

Rqmt Prov: 32713, Special Condition 15 PERMIT

Description: Failure to submit annual summaries for criteria pollutants for CYs 2001 and 2002.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18

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

Rqmt Prov: 5215A, Special Condition 5 PERMIT

Description: Failure to operate the Cumene Unit process flare.

Classification: Moderate

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

30 TAC Chapter 101, SubChapter F 101.201(b)(9)
30 TAC Chapter 101, SubChapter F 101.211(b)(10)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: Permit 21101, Special Condition 14 PERMIT

Description: Failure to properly notify the TCEQ regional office of unauthorized emissions at the Ethylene Unit.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
30 TAC Chapter 116, SubChapter B 116.115(c)

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

Rqmt Prov: Permit 5215A, Special Condition 1 PERMIT

Description: Failure to maintain emission rates below the allowable emissions limits at the Cumene Unit - #17 Flare on October 29, 2002, October 31, 2002 and March 2, 2003.

Classification: Moderate

Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(4)(A)(ii)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: Permit 5215A, Special Condition 1 PERMIT
Description: Failure to prevent unauthorized emissions at the Cumene Unit - #3 Flare on January 22, 2003.

Classification: Moderate

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

Rqmt Prov: 18568 PERMIT

Description: Failure to report the VOC concentration from the exhaust of the 2001 air stripping testing system and/or the corresponding pounds of strippable VOC per gallon of cooling water for tower 169.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
30 TAC Chapter 116, SubChapter B 116.115(c)

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

Rqmt Prov: 18568 PERMIT
18568, Special Condition 17B PERMIT

Description: Failed to comply with permitted VOC emission limits and repair/maintain equipment

associated with cooling tower 169.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(2)
40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.355(a)(1)(i)

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

Description: Failure to determine the annual benzene waste generated at Cooling Towers 169 and 294.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
30 TAC Chapter 116, SubChapter B 116.115(c)

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

Rqmt Prov: 21101, Special Condition 1 PERMIT

Description: Failed to prevent authorized emissions on August 18, 2003 at the #24 Flare.

Effective Date: 02/05/2006 ADMINORDER 2004-1533-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 116, SubChapter B 116.115(c)

40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.7(a)(3)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT NNN 60.662
40 CFR Chapter 60, SubChapter C, PT 60, SubPT NNN 60.665(a)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT NNN 60.665(l)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT QQQ 60.702
40 CFR Chapter 60, SubChapter C, PT 60, SubPT RRR 60.705(a)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT RRR 60.705(l)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: Special condition 1B and 1C PERMIT
Special Condition 2A and 2C PERMIT

Description: Failed to provide notification of start up, notification of specific provision applicability, or initial and periodic reports.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 116, SubChapter B 116.115(c)

40 CFR Chapter 60, SubChapter C, PT 60, SubPT NNN 60.665(b)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT NNN 60.665(c)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT NNN 60.665(d)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT NNN 60.665(e)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT NNN 60.665(f)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT NNN 60.665(g)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT NNN 60.665(h)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT NNN 60.665(j)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT RRR 60.705(b)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT RRR 60.705(c)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT RRR 60.705(d)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT RRR 60.705(e)

40 CFR Chapter 60, SubChapter C, PT 60, SubPT RRR 60.705(f)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT RRR 60.705(g)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT RRR 60.705(h)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT RRR 60.705(i)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT RRR 60.705(j)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: Special Condition 1B and 1C PERMIT
Special Condition 2A and 2C PERMIT

Description: Failed to keep up-to-date, readily accessible records.

Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 116, SubChapter B 116.115(c)

40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(b)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: 5215A, Special Condition 5 PA

Description: Failure to operate a flare with a pilot flame lit at all times.

Classification: Minor

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

Description: Allowed unauthorized emissions.

Classification: Minor

Citation: 30 TAC Chapter 106, SubChapter T 106.454(3)(B)(i)

30 TAC Chapter 115, SubChapter E 115.412(1)(A)
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failed to satisfy a Permit by Rule condition.

Classification: Major

Citation: 30 TAC Chapter 106, SubChapter A 106.8
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failed to maintain, and make readily available for review, required records.

Classification: Major

Citation: 30 TAC Chapter 116, SubChapter B 116.110(a)
5C THC Chapter 382, SubChapter A 382.0518(a)

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

Description: Failed to obtain authorization for air emissions.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)(1)
30 TAC Chapter 101, SubChapter F 101.201(b)(2)

30 TAC Chapter 101, SubChapter F 101.201(b)(3)

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

30 TAC Chapter 101, SubChapter F 101.211(b)(1)

30 TAC Chapter 101, SubChapter F 101.211(b)(2)

30 TAC Chapter 101, SubChapter F 101.211(b)(3)

30 TAC Chapter 101, SubChapter F 101.211(b)(9)

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

Description: Failed to provide complete records of 72 non-reportable events and 40 maintenance activities that occurred from March 13, 2003 to August 31, 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: Maximum Allowable Emission Rate Table PERMIT

Description: Failed to limit emissions from Flare 24 (EPN F-24-flare) to those authorized by the permit.

Effective Date: 02/20/2006

ADMINORDER 2005-0406-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 106, SubChapter A 106.6(b)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: PI-8 PERMIT

Description: Failed to limit emissions from Flare-17 (EPN F-17-Flare) in Cyclohexane Unit 1741 to those authorized by a Permit by Rule.

Effective Date: 04/29/2006

ADMINORDER 2005-1808-AIR-E

Classification: Minor

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

Description: Failed to submit a timely emission event report.

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: 21101, General Condition 8 PERMIT

Description: Failed to comply with permitted emissions limits.

Effective Date: 07/14/2006 ADMINORDER 2006-0023-AIR-E

Classification: Minor

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

Description: Failed to submit notification of an emissions event within 24 hrs. of discovery (Inc. No. 65155).

Classification: Moderate

Citation: 30 TAC Chapter 106, SubChapter A 106.4
30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)

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

Rqmt Prov: 21101 PERMIT

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

Effective Date: 11/09/2007 ADMINORDER 2007-0404-AIR-E

Classification: Minor

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

Description: Failure to comply with the reporting requirements found in 30 TAC 101.201.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
30 TAC Chapter 116, SubChapter B 116.115(c)

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

Rqmt Prov: 21101 PERMIT

Description: Failure to comply with an emissions limitation.

Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)(1)(D)
30 TAC Chapter 101, SubChapter F 101.201(b)(1)(H)

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

Description: Failure to identify the correct agency established EPN and the correct authorized emissions for Flare 24 (EPN: E-24-Flare) in the Final Report for an emissions event (Incident # 76193) which occurred on May 19, 2006 in the Ethylene Unit 1544.

Effective Date: 07/03/2008 ADMINORDER 2007-1514-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: FOP O-01235, General Terms and Condition OP
FOP O-01235, Special Condition 21 OP

FOP O-01235, Special Condition 21 OP

NSR Permit 21101, Special Condition 8 PERMIT

Description: Failed to comply with the permitted emissions limits.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)(1)(G)
30 TAC Chapter 101, SubChapter F 101.201(b)(1)(H)

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

Description: Failed to list the compound descriptive type for an emissions event and to furnish the correct authorized 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	10/09/2003	(251686)
2	10/16/2003	(251648)
3	11/06/2003	(254079)
4	12/17/2003	(255857)
5	12/31/2003	(256375)
6	01/13/2004	(255882)
7	01/28/2004	(260394)
8	01/30/2004	(260374)
9	02/18/2004	(262747)
10	03/26/2004	(264422)
11	03/26/2004	(266501)
12	03/26/2004	(266567)
13	03/30/2004	(264423)
14	03/30/2004	(264278)
15	05/07/2004	(264932)
16	05/12/2004	(266872)
17	05/14/2004	(268767)
18	05/21/2004	(270623)
19	05/27/2004	(269429)
20	05/27/2004	(269047)
21	07/07/2004	(277842)
22	07/07/2004	(277866)
23	07/07/2004	(278397)
24	08/31/2004	(292814)
25	10/20/2004	(334670)
26	10/20/2004	(334660)
27	10/20/2004	(335672)
28	11/12/2004	(336801)
29	12/10/2004	(341172)
30	02/02/2005	(342775)
31	02/22/2005	(371695)
32	02/23/2005	(349112)
33	02/25/2005	(346983)
34	03/29/2005	(372071)
35	03/29/2005	(349695)
36	03/29/2005	(372068)
37	04/20/2005	(375919)
38	04/20/2005	(377313)
39	04/20/2005	(378099)
40	04/20/2005	(375692)
41	04/20/2005	(375210)
42	04/20/2005	(376051)
43	04/20/2005	(375928)
44	04/20/2005	(373914)
45	04/28/2005	(350987)
46	06/07/2005	(394278)
47	06/07/2005	(394217)
48	06/15/2005	(392859)
49	07/19/2005	(397037)
50	08/31/2005	(348609)
51	11/15/2005	(435694)
52	12/21/2005	(436261)
53	12/22/2005	(450202)
54	02/28/2006	(437666)
55	04/26/2006	(406843)
56	05/30/2006	(463478)
57	08/28/2006	(488322)
58	08/28/2006	(489560)
59	08/31/2006	(488575)
60	08/31/2006	(458241)
61	11/28/2006	(517158)
62	11/29/2006	(514240)
63	11/29/2006	(516808)
64	12/05/2006	(519672)
65	12/11/2006	(532265)
66	12/28/2006	(341362)
67	12/28/2006	(534760)
68	12/28/2006	(374971)
69	01/11/2007	(486288)

70 05/14/2007 (554939)
 71 05/16/2007 (555965)
 72 05/21/2007 (556453)
 73 05/21/2007 (556743)
 74 05/23/2007 (559175)
 75 07/09/2007 (560572)
 76 08/28/2007 (563168)
 77 10/03/2007 (594932)
 78 10/10/2007 (571849)
 79 10/15/2007 (573350)
 80 10/22/2007 (573439)
 81 03/05/2008 (616484)
 82 04/06/2008 (616137)
 83 05/27/2008 (671309)
 84 06/13/2008 (653679)
 85 06/13/2008 (653682)
 86 06/13/2008 (653659)
 87 06/18/2008 (653652)
 88 06/18/2008 (653647)
 89 06/18/2008 (653689)
 90 06/19/2008 (653603)
 91 06/26/2008 (654341)
 92 07/21/2008 (685979)
 93 08/15/2008 (671234)
 94 08/25/2008 (684503)
 95 08/26/2008 (684779)

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

Date 01/30/2004 (260374)
 Self Report? NO Classification Moderate
 Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)(1)
 Description: Failure by Chevron Phillips Chemical Port Arthur Facility to prevent the discharge of wastewater into or adjacent to waters in the state.

Date 05/21/2004 (270623)
 Self Report? NO 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 21101
 Description: Failure to comply with MAER limits.

Date 11/29/2006 (514240)
 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 NNN 60.665(l)(4)
 5C THC Chapter 382, SubChapter D 382.085(b)
 Rqmt Prov: OP FOP 1235 Special Condition 1A
 PERMIT Permit 21101 Special Condition 1
 Description: Failure to report a flare pilot outage on an NSPS semi-annual report. Minor C,3

Self Report? NO Classification Moderate
 Citation: 30 TAC Chapter 101, SubChapter A 101.20(2)
 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)
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT A 63.11(b)(5)
 5C THC Chapter 382, SubChapter D 382.085(b)
 Rqmt Prov: OP FOP 1235 Special Condition 1A
 PERMIT Permit 21101/Special Condition 14
 Description: Failure to operate Flare 24 with a pilot flame at all times. MOD,B18

Self Report? NO Classification Minor
 Citation: 30 TAC Chapter 101, SubChapter A 101.20(2)
 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 61.357(d)(7)(iv)(F)
 5C THC Chapter 382, SubChapter D 382.085(b)
 Rqmt Prov: OP FOP 1235 Special Condition 10K
 PERMIT Permit 21101 Special Condition 2C
 Description: Failure to report a flare pilot outage on a NESHAP Report. Minor C,3

Self Report? NO Classification Minor
 Citation: 30 TAC Chapter 101, SubChapter A 101.20(2)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.7(c)(2)

40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.7(d)(2)
 5C THC Chapter 382, SubChapter D 382.085(b)
 Rqmt Prov: OP FOP 1235 Special Condition 26
 Description: Failure to submit all of the required information in the excess emissions report for the reporting period of 07/01/2005 through 12/31/2005. Minor C,3
 Self Report? NO Classification Minor
 Citation: 30 TAC Chapter 117, SubChapter B 117.219(d)(1)(A)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.7(c)
 5C THC Chapter 382, SubChapter D 382.085(b)
 Rqmt Prov: OP FOP 1235 Special Condition 26
 Description: Failure to submit a semi-annual report in a timely manner. Minor C,3
 Date 05/16/2007 (555965)
 Self Report? NO Classification Moderate
 Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
 30 TAC Chapter 115, SubChapter D 115.352(2)
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-8(c)(2)
 5C THC Chapter 382, SubChapter D 382.085(b)
 Rqmt Prov: PERMIT 21101 Special Condition 1A

 OP FOP 1235 General Terms and Conditions
 OP FOP 1235 Special Condition 21
 Description: Failure to make a first attempt repair on a leaking component within five days. EIC B1 MOD 2(E)
 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 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)
 40 CFR Chapter 61, SubChapter C, PT 61, SubPT V 61.242-6(a)(2)
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.167(a)(2)
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT UU 63.1033(b)(1)
 5C THC Chapter 382, SubChapter D 382.085(b)
 Rqmt Prov: PERMIT 21101
 OP FOP 1235
 Description: Failure to maintain a sealing device on an open ended line. EIC C(4) MIN (3)(D)
 Self Report? NO Classification Moderate
 Citation: 30 TAC Chapter 106, SubChapter K 106.262
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THC Chapter 382, SubChapter D 382.085(b)
 Rqmt Prov: OP FOP 1235 Special Condition 22
 Description: Failure to provide notification within ten days following the installation or modification of facilities. EIC B(4) MOD 2(B)
 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 THC Chapter 382, SubChapter D 382.085(b)
 Rqmt Prov: OP FOP 1235 General Terms and Conditions
 Description: Failure to report deviations on two separate semi-annual deviation reports for the reporting periods of February 16, 2006, through August 17, 2006, and August 18, 2006, through February 15, 2007. EIC B(3) MOD 2(B)
 Self Report? NO Classification Moderate
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
 30 TAC Chapter 122, SubChapter B 122.146(1)
 30 TAC Chapter 122, SubChapter B 122.146(5)(D)
 5C THC Chapter 382, SubChapter D 382.085(b)
 Rqmt Prov: OP FOP 1235 General Terms and Conditions
 Description: Failure to accurately certify an Annual Compliance Certification for the periods of February 16, 2005, through February 15, 2006, and February 16, 2006, through February 15, 2007. EIC B(3) MOD 2(B)
 Date 06/20/2008 (653603)
 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)
 40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.349(a)(2)(iii)

40 CFR Chapter 63, SubChapter C, PT 63, SubPT A 63.11(b)(5)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: OP FOP O-01235, General Terms and Condition
OP FOP O-01235, Special Condition 1A
OP FOP O-01235, Special Condition 21
PERMIT NSR Permit 21101, Special Condition 14
PERMIT NSR Permit 21101, Special Condition 1B
PERMIT NSR Permit 21101, Special Condition 1C
PERMIT NSR Permit 21101, Special Condition 2C
Description: Failure to operate Flare 24 with a pilot flame at all times. EIC B,18 MOD 2,G
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 60.482-7(c)(2)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: OP FOP O-01235, General Terms and Condition
OP FOP O-01235, Special Condition 1A
OP FOP O-01235, Special Condition 21
PERMIT NSR Permit 21101, Special Condition 1A
Description: Failure to perform the second follow-up monitoring on Tag Number 48604. EIC B,1
MOD 2,A

Date 08/15/2008 (671234)
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: OP FOP O-01235 General Terms and Conditions
OP FOP O-01235 Special Condition 21
PERMIT NSR Permit 18568, Special Condition 10D
Description: Failure to calibrate the Hydrocarbon Vapor Recovery Unit (HVRU) prior to loading
operations.
Self Report? NO Classification Moderate
Citation: 30 TAC Chapter 113, SubChapter C 113.130
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)
40 CFR Chapter 61, SubChapter C, PT 61, SubPT V 61.242-6(a)(2)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.167(a)(2)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: OP FOP O-01235 General Terms and Condition
OP FOP O-01235 Special Condition 1A
OP FOP O-01235 Special Condition 21
PERMIT NSR Permit 18568 Special Condition 4
PERMIT NSR Permit 21101 Special Condition 1A
PERMIT NSR Permit 21101 Special Condition 2A
Description: Failure to maintain a sealing device on an open ended line. EIC C10 MOD 2D
Self Report? NO Classification Moderate
Citation: 30 TAC Chapter 115, SubChapter D 115.352(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 VV 60.486(b)(1)
40 CFR Chapter 61, SubChapter C, PT 61, SubPT V 61.246(b)(1)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: OP FOP O-01235 General Terms and Conditions
OP FOP O-01235 Special Condition 1A
OP FOP O-01235 Special Condition 21
PERMIT NSR Permit 21101 SC 1A and 2A
PERMIT NSR Permit 21101 Special Condition 17H
PERMIT NSR Permit 21101 Special Condition 19
Description: Failure to tag components on Delay of Repair (DOR). EIC C3 MOD 2B
Self Report? NO Classification Moderate
Citation: 30 TAC Chapter 115, SubChapter E 115.412(1)(E)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 116, SubChapter B 116.116(a)(1)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: OP FOP O-01235 General Terms and Conditions
OP FOP O-01235 Special Condition 1A
OP FOP O-01235 Special Condition 20
OP FOP O-01235 Special Condition 21

Description: Failure to maintain a free-board ratio greater than 0.71 for Degreasers 1 and 2. EIC B18 MOD 2G

Self Report? NO Classification Moderate

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

Rqmt Prov: OP FOP O-01235 General Terms and Conditions
OP FOP O-01235 Special Condition 20

Description: Failure to inspect Degreasers 1 and 2 on a monthly basis and to maintain records demonstrating inspection. EIC B1 MOD 2A

Self Report? NO Classification Moderate

Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: OP FOP O-01235 General Terms and Conditions
OP FOP O-01235 Special Condition 2F

Description: Failure to create a final record of the non-reportable emission event experienced by the facility on December 6, 2007. EIC B3 MOD 2B

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 106, SubChapter K 106.262(a)(3)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: OP FOP O-01235 General Terms and Conditions
OP FOP O-01235 Special Condition 22

Description: Failure to provide notification within ten days following the installation or modification of facilities. EIC B4 MOD 2B

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-01235 General Terms and Conditions

Description: Failure to report deviations on several semi-annual deviation reports. EIC B3 MOD 2G

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
30 TAC Chapter 122, SubChapter B 122.146(1)
30 TAC Chapter 122, SubChapter B 122.146(5)(D)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: OP FOP O-01235 General Terms and Conditions

Description: Failure to accurately certify an Annual Compliance Certification for the periods of February 16, 2005, through February 15, 2006; February 16, 2006, through February 15, 2007; and February 16, 2007, through February 15, 2008. EIC B3 MOD 2G

F. Environmental audits.

Notice of Intent Date: 09/17/2004 (347257)
No DOV Associated

Notice of Intent Date: 03/16/2005 (376225)
No DOV Associated

Notice of Intent Date: 11/06/2006 (534260)
No DOV Associated

Notice of Intent Date: 08/30/2007 (595568)
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
CHEVRON PHILLIPS CHEMICAL
COMPANY LP
RN100209857

§
§
§
§
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§

BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY

AGREED ORDER
DOCKET NO. 2008-1584-AIR-E

At its _____ agenda, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Chevron Phillips Chemical Company 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 presented this agreement to the Commission.

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

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

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

I. FINDINGS OF FACT

1. The Respondent owns and operates an ethylene production plant at 2001 Gulfway Drive 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. During an investigation on July 15, 2008, TCEQ staff documented that the Respondent failed to operate as represented. Specifically, the Respondent certified in Permit By Rule ("PBR") No. 79446 that the following emissions would be routed to Flare 17: control loop V-309, and analyzers AN308, AN801, AN802, AN805, and AN806. New Source Review ("NSR") Permit No. 18568, Special Condition No. 9 requires that cyclohexane unit, normal cumene unit process emissions, normal benzene dryer vent emissions, and wastewater vessel T 2000 vent also be routed to Flare 17. From August 15, 2006 through July 14, 2008, the Respondent had been routing these emissions to Temporary Flare 3, which was only authorized for emissions from Cumene Unit 1746 via PBR No. 78162.
4. During an investigation on June 30, 2008, TCEQ staff documented that the Respondent failed to prevent unauthorized emissions. Specifically, an emissions event occurred resulting from successive trips of the GB-201 Compressor due to low seal oil differential pressure from May 18 to 19, 2008 at emission point E-24-Flare that lasted for 25 hours and 51 minutes resulting in the release of 5,480.31 pounds ("lbs") of nitrogen oxides, 36,697.39 lbs of carbon monoxide, and 29,061.13 lbs of volatile organic compounds. Since this emissions event could have been avoided by good operation practices, it failed to meet the demonstrations for affirmative defense as found in 30 TEX. ADMIN. CODE § 101.222.
5. The Respondent received notices of the violations on August 18 and 29, 2008.
6. The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Plant:
 - a. By October 25, 2008, marked the flanges which hold orifice plates with fluorescent paint to facilitate visual verification of the presence of orifice plates and corresponded with the third party contractor, the necessity of re-installing the orifice plates after maintenance has been performed, in order to address the May 18-19, 2008 emissions event, and to prevent the recurrence of similar events; and
 - b. On November 7, 2008, was issued PBR No. 79446, which certified that emissions from control loop V-309, and analyzers AN308, AN801, AN802, AN805, and AN806 cyclohexane unit, normal cumene unit process emissions, normal benzene dryer vent emissions, and wastewater vessel T 2000 vent were associated to Flare 40.

II. CONCLUSIONS OF LAW

1. The Respondent is subject to the jurisdiction of the TCEQ pursuant to TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7 and the rules of the Commission.

2. As evidenced by Findings of Fact No. 3, the Respondent failed to operate as represented, in violation of 30 TEX. ADMIN. CODE §§ 106.6(b) and (c), 116.115(c) and 116.116(a)(1), TEX. HEALTH & SAFETY CODE § 382.085(b), and NSR Permit No. 18568, Special Condition No. 9.
3. As evidenced by Findings of Fact No. 4, the Respondent failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE § 116.115(b)(2)(F) and (c), TEX. HEALTH & SAFETY CODE § 382.085(b), and NSR Permit No. 21101, Special Condition No. 8.
4. Pursuant to TEX. WATER CODE § 7.051, the Commission has the authority to assess an administrative penalty against the Respondent for violations of the Texas Water Code and the Texas Health and Safety Code within the Commission's jurisdiction; for violations of rules adopted under such statutes; or for violations of orders or permits issued under such statutes.
5. An administrative penalty in the amount of Twenty-Seven Thousand Three Hundred Fifty Dollars (\$27,350) is justified by the facts recited in this Agreed Order, and considered in light of the factors set forth in TEX. WATER CODE § 7.053. The Respondent has paid the Thirteen Thousand Six Hundred Seventy-Five Dollar (\$13,675) administrative penalty. Thirteen Thousand Six Hundred Seventy-Five Dollars (\$13,675) shall be conditionally offset by the Respondent's completion of a Supplemental Environmental Project.

III. ORDERING PROVISIONS

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

1. The Respondent is assessed an administrative penalty in the amount of Twenty-Seven Thousand Three Hundred Fifty Dollars (\$27,350) as set forth in Section II, Paragraph 5 above, for violations of TCEQ rules and state statutes. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order completely resolve the violations set forth by this Agreed Order in this action. However, the Commission shall not be constrained in any manner from requiring corrective actions or penalties for other violations that are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Chevron Phillips Chemical Company LP, Docket No. 2008-1584-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 Supplemental Environmental Project ("SEP") in accordance with TEX. WATER CODE § 7.067. As set forth in Section II, Paragraph 5 above, Thirteen Thousand Six Hundred Seventy-Five Dollars (\$13,675) 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

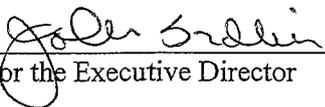
conditionally offset portion of the administrative penalty assessed shall be discharged upon final completion of all provisions of the SEP agreement.

3. 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. The Executive Director may refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings without notice to the Respondent if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
7. 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.
8. 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.
9. 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.
10. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties. By law, the effective date of this Agreed Order is the third day after the mailing date, as provided by 30 TEX. ADMIN. CODE § 70.10(b) and TEX. GOV'T CODE § 2001.142.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission



For the Executive Director

2/27/2009
Date

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

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

I also understand that 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.



Signature

December 30, 2008
Date

J.T. Becker
Name (Printed or typed)
Authorized Representative of
Chevron Phillips Chemical Company LP

Plant Manager
Title

Attachment A
Docket Number: 2008-1584-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent: Chevron Phillips Chemical Company LP
Payable Penalty Amount: Twenty-Seven Thousand Three Hundred Fifty Dollars (\$27,350)
SEP Amount: Thirteen Thousand Six Hundred Seventy-Five Dollars (\$13,675)
Type of SEP: Pre-approved
Third-Party Recipient: South East Texas Regional Planning Commission-West Port Arthur Home Energy Efficiency Program
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 to the Third-Party Recipient pursuant to the agreement between the Third-Party Recipient and the TCEQ. Specifically, the contribution will be used to conduct home energy audits and to assist low income residents in the West Port Arthur area by weatherizing their homes which will improve their homes' energy efficiency. SEP monies will be used to pay for the cost of caulking and insulating homes, replacing heating and cooling systems and major appliances with new, energy efficient 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 reducing residential fuel and electricity usage for heating and cooling. These reductions, in turn, will reduce emissions of particulate matter, volatile organic compounds, and nitrogen oxides associated with the combustion of fuel and generation of electricity. Additionally, the improvements will improve homes as shelters for responding to emergency releases.

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:

South East Texas Regional Planning Commission
Transportation and Environmental Resources
Bob Dickenson, Director
2210 Eastex Freeway
Beaumont, Texas 77703

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.

