

**EXECUTIVE SUMMARY - ENFORCEMENT MATTER**

**DOCKET NO.: 2009-0292-AIR-E TCEQ ID: RN100238708 CASE NO.: 37220**

**RESPONDENT NAME: Ineos USA, LLC**

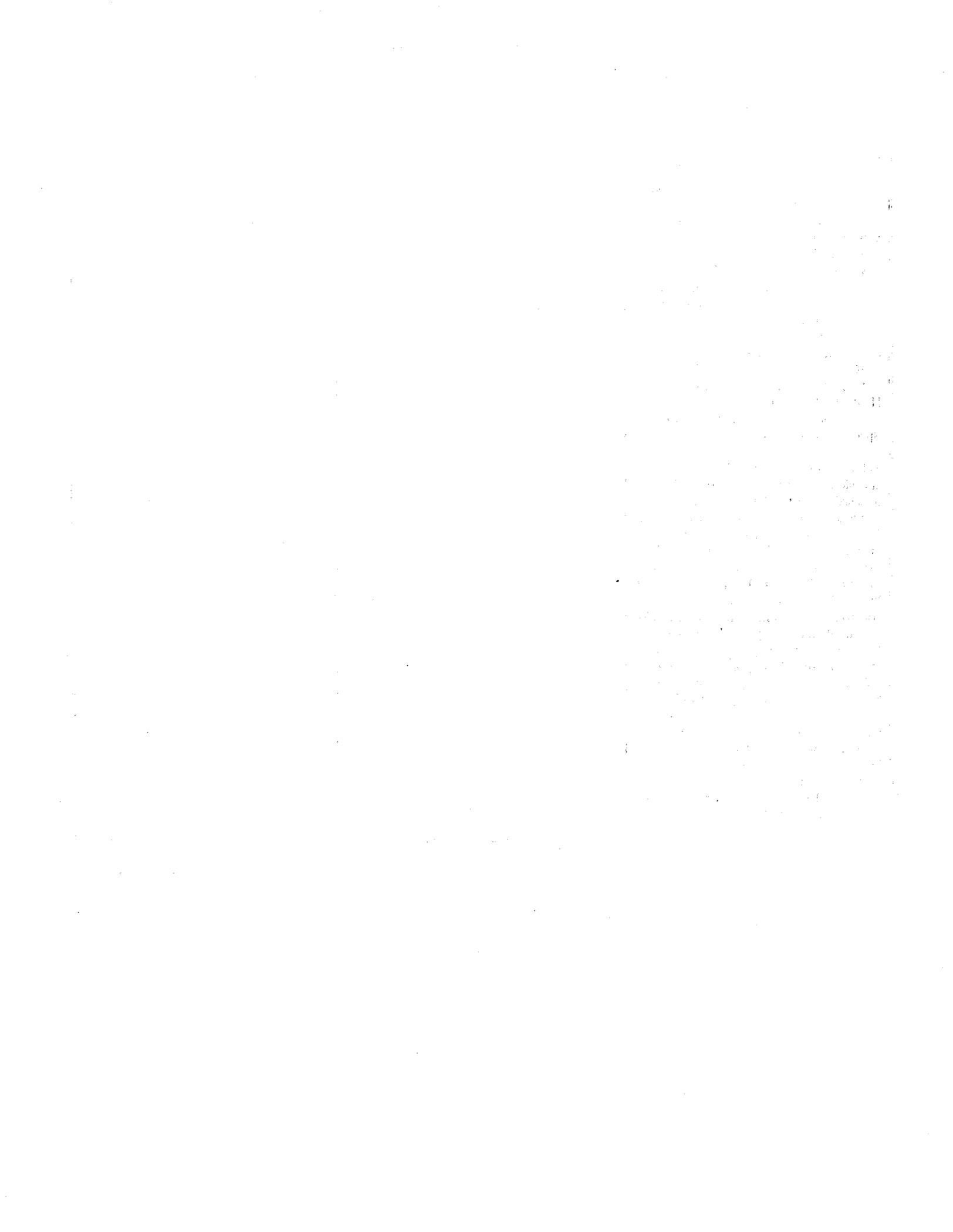
<b>ORDER TYPE:</b>		
<input type="checkbox"/> 1660 AGREED ORDER	<input checked="" type="checkbox"/> FINDINGS AGREED ORDER	<input type="checkbox"/> FINDINGS ORDER FOLLOWING SOAH HEARING
<input type="checkbox"/> FINDINGS DEFAULT ORDER	<input type="checkbox"/> SHUTDOWN ORDER	<input type="checkbox"/> IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER
<input type="checkbox"/> AMENDED ORDER	<input type="checkbox"/> EMERGENCY ORDER	
<b>CASE TYPE:</b>		
<input checked="" type="checkbox"/> AIR	<input type="checkbox"/> MULTI-MEDIA (check all that apply)	<input type="checkbox"/> INDUSTRIAL AND HAZARDOUS WASTE
<input type="checkbox"/> PUBLIC WATER SUPPLY	<input type="checkbox"/> PETROLEUM STORAGE TANKS	<input type="checkbox"/> OCCUPATIONAL CERTIFICATION
<input type="checkbox"/> WATER QUALITY	<input type="checkbox"/> SEWAGE SLUDGE	<input type="checkbox"/> UNDERGROUND INJECTION CONTROL
<input type="checkbox"/> MUNICIPAL SOLID WASTE	<input type="checkbox"/> RADIOACTIVE WASTE	<input type="checkbox"/> DRY CLEANER REGISTRATION
<p><b>SITE WHERE VIOLATION(S) OCCURRED:</b> Chocolate Bayou Plant, Farm-to-Market Road 2004, two miles south of Junction 2917, Alvin, Brazoria County</p> <p><b>TYPE OF OPERATION:</b> Petrochemical plant</p> <p><b>SMALL BUSINESS:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p><b>OTHER SIGNIFICANT MATTERS:</b> There are no complaints. There are two additional pending enforcement actions regarding this facility location, Docket Nos. 2007-1279-AIR-E and 2008-1816-AIR-E.</p> <p><b>INTERESTED PARTIES:</b> No one other than the ED and the Respondent has expressed an interest in this matter.</p> <p><b>COMMENTS RECEIVED:</b> The <i>Texas Register</i> comment period expired on June 29, 2009. No comments were received.</p> <p><b>CONTACTS AND MAILING LIST:</b>  <b>TCEQ Attorney/SEP Coordinator:</b> None Mr. Phillip Hampsten, SEP Coordinator, Enforcement Division, MC 219, (512) 239-6732  <b>TCEQ Enforcement Coordinator:</b> Mr. Kirk Schoppe, Enforcement Division, Enforcement Team 4, MC 149, (512) 239-0489; Ms. Cari-Michel La Caille, Enforcement Division, MC 219, (512) 239-1387  <b>Respondent:</b> Mr. Dan Lutz, Environmental Engineer, Ineos USA, LLC, FM 2004, Alvin, Texas 77512                      Mr. John Harvey III, Site Director, Ineos USA, LLC, FM 2004, Alvin, Texas 77512  <b>Respondent's Attorney:</b> Not represented by counsel on this enforcement matter</p>		

**VIOLATION SUMMARY CHART:**

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p><b>Type of Investigation:</b>  <input type="checkbox"/> Complaint  <input checked="" type="checkbox"/> Routine  <input type="checkbox"/> Enforcement Follow-up  <input type="checkbox"/> Records Review</p> <p><b>Date(s) of Complaints Relating to this Case:</b> None</p> <p><b>Date of Investigation Relating to this Case:</b> August 14, 2008 and January 27, 2009</p> <p><b>Date of NOV/NOE Relating to this Case:</b> February 18 and 25, 2009 (NOE)</p> <p><b>Background Facts:</b> This was a routine investigation.</p> <p><b>AIR</b></p> <p>1) Failure to prevent unauthorized emissions. Specifically, the Respondent released 59,635 pounds ("lbs") of unauthorized carbon monoxide ("CO") emissions, 11,703 lbs of unauthorized nitrogen oxides ("NOx") emissions, and 54,522 lbs of ethylene emissions from the Olefins No. 1 Flare into the atmosphere during the sixty-five hour event. The event occurred due to corrosion on internal components that caused the malfunction of the DB-105 Furnace liquid feed valve. This resulted in the shutdown of the furnace. The furnace trip caused a spike in the CO level which led to a temperature increase in the acetylene reactor, causing a bypass of the reactor, which caused the ethylene product to become off-specification. Since the emissions event was excessive and avoidable due to poor operating practices, it does not meet the demonstrations for an affirmative defense in 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE § 116.715(a), TEX. HEALTH &amp; SAFETY CODE § 382.085(b), and Flexible Permit No. 95, Special Condition 1].</p> <p>2) Failure to prevent unauthorized emissions. Specifically, the Respondent released 54,656 lbs of unauthorized CO emissions, 10,726 lbs of unauthorized NOx emissions, and 52,856 lbs of ethylene</p>	<p><b>Total Assessed:</b> \$60,000</p> <p><b>Total Deferred:</b> \$0  <input type="checkbox"/> Expedited Settlement  <input type="checkbox"/> Financial Inability to Pay</p> <p><b>SEP Conditional Offset:</b> \$30,000</p> <p><b>Total Paid to General Revenue:</b> \$30,000</p> <p><b>Site Compliance History Classification</b>  <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p><b>Person Compliance History Classification</b>  <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p><b>Major Source:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><b>Applicable Penalty Policy:</b> September 2002</p> <p><b>Findings Orders Justification:</b> This case involves unauthorized emissions which have been deemed excessive.</p>	<p><b>Ordering Provisions:</b></p> <p>1) The Order will require the Respondent to:</p> <p>a) Within 30 days after the effective date of this Agreed Order, implement improvements to training, design, operation, or maintenance procedures, in order to address the emissions event that occurred on November 7, 2008, and to prevent the reoccurrence of same or similar incidents;</p> <p>b) Submit the Corrective Action Plans ("CAPs") within the time frames directed by the TCEQ Excessive Emissions Event letters dated February 20, 2009 and respond completely and adequately, as determined by the Executive Director, to all written requests for information concerning the CAPs submitted in connection with the June 21, 2008 and June 30, 2008 excessive emissions events within 15 days after the date of such requests, or by any other deadline specified in writing;</p> <p>c) Upon Commission approval, implement the CAPs in accordance with the approved schedule;</p> <p>d) Within 15 days after completion of the implementation of the CAPs, submit written certification to demonstrate compliance; and</p> <p>e) 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> <p>2) The Order will also require the Respondent to implement and complete a Supplemental Environmental Project ("SEP") (See SEP Attachment A).</p>

<p>emissions from the Olefins No. 1 Flare, and 1,631 lbs of unauthorized CO emissions, 320 lbs of unauthorized NOx emissions, and 2,049 lbs of ethylene emissions from the Olefins No. 2 Flare into the atmosphere during the forty-one hour and fifty-six minute event. The event occurred when an inadequate solenoid valve rating and instrument air contamination led to the malfunction of the DB-109 Furnace feed valve which resulted in the unplanned shutdown of the furnace. Since the emissions event was excessive and avoidable due to poor operating practices, it does not meet the demonstrations for an affirmative defense in 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE § 116.715(a), TEX. HEALTH &amp; SAFETY CODE § 382.085(b), and Flexible Permit No. 95, Special Condition 1].</p> <p>3) Failure to prevent unauthorized emissions. Specifically, the Respondent released 2,739 lbs of unauthorized ethylene emissions, 93 lbs of unauthorized 1,3-butadiene emissions, 303 lbs of unauthorized propylene emissions, 1,119 lbs of unauthorized NOx emissions, 5,701 lbs of unauthorized CO emissions, and 527 lbs of other unauthorized volatile organic compounds emissions from the Olefins No. 1 Unit into the atmosphere during the thirteen hour and thirty minute event. The event occurred when the C-501 ethylene refrigeration compressor malfunctioned. Since the emissions event was avoidable due to poor operating practices, it does not meet the demonstrations for an affirmative defense in 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE § 116.715(a), TEX. HEALTH &amp; SAFETY CODE § 382.085(b), and Flexible Permit No. 95, Special Condition 1].</p>		
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Additional ID No(s): Air - BL0002S



Attachment A  
Docket Number: 2009-0292-AIR-E

**SUPPLEMENTAL ENVIRONMENTAL PROJECT**

**Respondent:** Ineos USA, LLC  
**Payable Penalty Amount:** Sixty Thousand Dollars (\$60,000)  
**SEP Amount:** Thirty Thousand Dollars (\$30,000)  
**Type of SEP:** Pre-approved  
**Third-Party Recipient:** Houston-Galveston AERCO's Clean Cities/Clean Vehicles Program  
**Location of SEP:** Brazoria 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 will contribute to Houston-Galveston AERCO's Clean Cities/Clean Vehicles Program in Brazoria County. The contribution will be used in accordance with the *Supplemental Environmental Project Agreement between the Houston-Galveston AERCO and the Texas Commission on Environmental Quality*. SEP monies will be used to aid local school districts and area transit agencies in reaching local match requirements mandated by the Federal Highway Administration's ("FHWA") Congestion Mitigation/Air Quality funding program. SEP monies will be disbursed to school districts and transit agencies in need of funding assistance in the Houston-Galveston non-attainment area. Those SEP monies will be used exclusively by the school districts and transit agencies as supplements to meet the local match requirements of the EPA. SEP monies will be used to pay for the cost of replacing older diesel buses with alternative fueled or clean diesel buses. The old buses will be permanently retired and only sold for scrap. The schools and transit agencies will also use the SEP monies to retrofit more buses to reduce emissions. Houston-Galveston AERCO will send the TCEQ verification in the form of paid invoices and other documentation to show that the retrofits were completed. Retrofit technologies include particulate matter traps, diesel particulate matter filters, NOx reduction catalyst technology in combination with diesel particulate filters, and other emission control technologies that are developed and approved by EPA or the California Air Resources Board.

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 particulate emissions of buses by more than 90% below today's level and reducing hydrocarbons below measurement capability.

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:

Houston-Galveston Area Council  
Houston-Galveston AERCO  
P.O. Box 22777  
Houston, Texas 77227-2777

**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:



Ineos USA, LLC  
Agreed Order – Attachment A

Litigation Division  
Attention: SEP Coordinator, MC 175  
Texas Commission on Environmental Quality  
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 October 30, 2008

<b>DATES</b>	Assigned	23-Feb-2009			
	PCW	27-Feb-2009	Screening	3-Mar-2009	EPA Due

<b>RESPONDENT/FACILITY INFORMATION</b>	
Respondent	Ineos USA, LLC
Reg. Ent. Ref. No.	RN100238708
Facility/Site Region	12-Houston
	Major/Minor Source
	Major

<b>CASE INFORMATION</b>			
Enf./Case ID No.	37220	No. of Violations	3
Docket No.	2009-0292-AIR-E	Order Type	Findings
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Kirk Schoppe
		EC's Team	Enforcement Team 4
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$10,000

### Penalty Calculation Section

<b>TOTAL BASE PENALTY (Sum of violation base penalties)</b>	<i>Subtotal 1</i>	\$55,000
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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	306.0% Enhancement		<i>Subtotals 2, 3, &amp; 7</i>	\$168,300
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Notes: The penalty was enhanced due to eleven NOVs for similar violations, eleven NOVs for dissimilar violations, nine 1660 style orders, and two findings orders. The penalty was reduced due to one NOA.

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

Good Faith Effort to Comply Total Adjustments		<i>Subtotal 5</i>	\$0
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Economic Benefit	0.0% Enhancement*		<i>Subtotal 6</i>	\$0
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Total EB Amounts	\$588	
Approx. Cost of Compliance	\$11,750	*Capped at the Total EB \$ Amount

<b>SUM OF SUBTOTALS 1-7</b>	<i>Final Subtotal</i>	\$223,300
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<b>OTHER FACTORS AS JUSTICE MAY REQUIRE</b>	0.0%		<i>Adjustment</i>	\$0
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes

	<i>Final Penalty Amount</i>	\$223,300
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<b>STATUTORY LIMIT ADJUSTMENT</b>		<i>Final Assessed Penalty</i>	\$60,000
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<b>DEFERRAL</b>	0.0%		<i>Adjustment</i>	\$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.

<b>PAYABLE PENALTY</b>	\$60,000
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Screening Date 3-Mar-2009

Docket No. 2009-0292-AIR-E

PCW

Respondent Ineos USA, LLC

Policy Revision 2 (September 2002)

Case ID No. 37220

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100238708

Media [Statute] Air

Enf. Coordinator Kirk Schoppe

## Compliance History Worksheet

## &gt;&gt; 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)	11	55%
	Other written NOVs	11	22%
Orders	Any agreed final enforcement orders containing a denial of liability (number of orders meeting criteria)	9	180%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	2	50%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (number of 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)	1	-1%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which violations were disclosed)	0	0%
Please Enter Yes or No			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 306%

## &gt;&gt; Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

## &gt;&gt; Compliance History Person Classification (Subtotal 7)

Average Performer

Adjustment Percentage (Subtotal 7) 0%

## &gt;&gt; Compliance History Summary

## Compliance History Notes

The penalty was enhanced due to eleven NOVs for similar violations, eleven NOVs for dissimilar violations, nine 1660 style orders, and two findings orders. The penalty was reduced due to one NOA.

Total Adjustment Percentage (Subtotals 2, 3, &amp; 7) 306%

Screening Date 3-Mar-2009

Docket No. 2009-0292-AIR-E

PCW

Respondent Ineos USA, LLC

Policy Revision 2 (September 2002)

Case ID No. 37220

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100238708

Media [Statute] Air

Enf. Coordinator Kirk Schoppe

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code § 116.715(a), Tex. Health & Safety Code § 382.085(b), and Flexible Permit No. 95, Special Condition 1

Violation Description

Failed to prevent unauthorized emissions during an event that occurred on June 30, 2008, as documented during an investigation conducted on August 14, 2008. Specifically, the Respondent released 59,635 pounds ("lbs") of unauthorized carbon monoxide ("CO") emissions, 11,703 lbs of unauthorized nitrogen oxides ("NOx") emissions, and 54,522 lbs of ethylene emissions from the Olefins No. 1 Flare into the atmosphere during the sixty-five hour event. The event occurred due to corrosion on internal components that caused the malfunction of the DB-105 Furnace liquid feed valve. This resulted in the shutdown of the furnace. The furnace trip caused a spike in the CO level which led to a temperature increase in the acetylene reactor, causing a bypass of the reactor, which caused the ethylene product to become off-specification. Since the emissions event was excessive and avoidable due to poor operating practices, it does not meet the demonstrations for an affirmative defense in 30 Tex. Admin. Code § 101.222.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual	x		
Potential			

Percent 100%

>> Programmatic Matrix

Matrix Notes	Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes

The emissions event resulted in the release of a significant amount of pollutants which exceed levels protective of human health and/or the environment.

Adjustment \$0

\$10,000

Violation Events

Number of Violation Events 3 Number of violation days 3

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

Violation Base Penalty \$30,000

Three daily events are recommended based on the three day event.

Good Faith Efforts to Comply

0.0% Reduction

\$0

Before NOV NOV to EDRP/Settlement Offer

Extraordinary		
Ordinary		
N/A	x	(mark with x)

Notes

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

Violation Subtotal \$30,000

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$250

Violation Final Penalty Total \$121,800

This violation Final Assessed Penalty (adjusted for limits) \$30,000

## Economic Benefit Worksheet

**Respondent** Ineos USA, LLC  
**Case ID No.** 37220  
**Reg. Ent. Reference No.** RN100238708  
**Media** Air  
**Violation No.** 1

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

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

**Delayed Costs**

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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	30-Jun-2008	30-Jun-2009	1.00	\$250	n/a	\$250

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 expected date of compliance.

**Avoided Costs**

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

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$5,000

**TOTAL**

\$250

Screening Date 3-Mar-2009

Docket No. 2009-0292-AIR-E

PCW

Respondent Ineos USA, LLC

Policy Revision 2 (September 2002)

Case ID No. 37220

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100238708

Media [Statute] Air

Enf. Coordinator Kirk Schoppe

Violation Number 2

Rule Cite(s) 30 Tex. Admin. Code § 116.715(a), Tex. Health & Safety Code § 382.085(b), and Flexible Permit No. 95, Special Condition 1

Violation Description

Failed to prevent unauthorized emissions during an event that occurred on June 21, 2008, as documented during an investigation conducted on August 14, 2008. Specifically, the Respondent released 54,656 lbs of unauthorized CO emissions, 10,726 lbs of unauthorized NOx emissions, and 52,856 lbs of ethylene emissions from the Olefins No. 1 Flare, and 1,631 lbs of unauthorized CO emissions, 320 lbs of unauthorized NOx emissions, and 2,049 lbs of ethylene emissions from the Olefins No. 2 Flare into the atmosphere during the forty-one hour and fifty-six minute event. The event occurred when an inadequate solenoid valve rating and instrument air contamination led to the malfunction of the DB-109 Furnace feed valve which resulted in the unplanned shutdown of the furnace. Since the emissions event was excessive and avoidable due to poor operating practices, it does not meet the demonstrations for an affirmative defense in 30 Tex. Admin. Code § 101.222.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual	x		
Potential			

Percent 100%

>> Programmatic Matrix

Falsification	Harm		
	Major	Moderate	Minor

Percent 0%

Matrix Notes

The emissions event resulted in the release of a significant amount of pollutants which exceed levels protective of human health and/or the environment.

Adjustment \$0

\$10,000

Violation Events

Number of Violation Events 2

2 Number of violation days

daily	x
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	

mark only one with an x

Violation Base Penalty \$20,000

Two daily events are recommended based on the two day event.

Good Faith Efforts to Comply

0.0% Reduction

\$0

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

Notes

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

Violation Subtotal \$20,000

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$250

Violation Final Penalty Total \$81,200

This violation Final Assessed Penalty (adjusted for limits) \$20,000

## Economic Benefit Worksheet

**Respondent** Ineos USA, LLC  
**Case ID No.** 37220  
**Reg. Ent. Reference No.** RN100238708  
**Media** Air  
**Violation No.** 2

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

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

**Delayed Costs**

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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	21-Jun-2008	21-Jun-2009	1.00	\$250	n/a	\$250

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 expected date of compliance.

**Avoided Costs**

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

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

<b>Approx. Cost of Compliance</b>	\$5,000	<b>TOTAL</b>	\$250
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<b>Screening Date</b> 3-Mar-2009	<b>Docket No.</b> 2009-0292-AIR-E	<b>PCW</b>														
<b>Respondent</b> Ineos USA, LLC		<small>Policy Revision 2 (September 2002)</small>														
<b>Case ID No.</b> 37220		<small>PCW Revision October 30, 2008</small>														
<b>Reg. Ent. Reference No.</b> RN100238708																
<b>Media [Statute]</b> Air																
<b>Enf. Coordinator</b> Kirk Schoppe																
<b>Violation Number</b> 3																
<b>Rule Cite(s)</b>	30 Tex. Admin. Code § 116.715(a), Tex. Health & Safety Code § 382.085(b), and Flexible Permit No. 95, Special Condition 1															
<b>Violation Description</b>	Failed to prevent unauthorized emissions during an event that occurred on November 7, 2008, as documented during an investigation conducted on January 27, 2009. Specifically, the Respondent released 2,739 lbs of unauthorized ethylene emissions, 93 lbs of unauthorized 1,3-butadiene emissions, 303 lbs of unauthorized propylene emissions, 1,119 lbs of unauthorized NOx emissions, 5,701 lbs of unauthorized CO emissions, and 527 lbs of other unauthorized volatile organic compounds emissions from the Olefins No. 1 Unit into the atmosphere during the thirteen hour and thirty minute event. The event occurred when the C-501 ethylene refrigeration compressor malfunctioned. Since the emissions event was avoidable due to poor operating practices, it does not meet the demonstrations for an affirmative defense in 30 Tex. Admin. Code § 101.222.															
	<b>Base Penalty</b>	\$10,000														
<b>&gt;&gt; Environmental, Property and Human Health Matrix</b>																
OR	<b>Harm</b>															
	Release	Major    Moderate    Minor														
	Actual	<input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/>														
	Potential	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>														
	<b>Percent</b>	50%														
<b>&gt;&gt; Programmatic Matrix</b>																
	Falsification	Major    Moderate    Minor														
	<input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>														
	<b>Percent</b>	0%														
<b>Matrix Notes</b>	Human health or the environment has been exposed to significant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of the violation.															
	<b>Adjustment</b>	\$5,000														
		\$5,000														
<b>Violation Events</b>																
	<b>Number of Violation Events</b> 1	<b>Number of violation days</b> 1														
<small>mark only one with an x</small>	<table border="1" style="border-collapse: collapse;"> <tr><td>daily</td><td><input type="checkbox"/></td></tr> <tr><td>weekly</td><td><input type="checkbox"/></td></tr> <tr><td>monthly</td><td><input checked="" type="checkbox"/></td></tr> <tr><td>quarterly</td><td><input type="checkbox"/></td></tr> <tr><td>semiannual</td><td><input type="checkbox"/></td></tr> <tr><td>annual</td><td><input type="checkbox"/></td></tr> <tr><td>single event</td><td><input type="checkbox"/></td></tr> </table>	daily	<input type="checkbox"/>	weekly	<input type="checkbox"/>	monthly	<input checked="" type="checkbox"/>	quarterly	<input type="checkbox"/>	semiannual	<input type="checkbox"/>	annual	<input type="checkbox"/>	single event	<input type="checkbox"/>	<b>Violation Base Penalty</b> \$5,000
daily	<input type="checkbox"/>															
weekly	<input type="checkbox"/>															
monthly	<input checked="" type="checkbox"/>															
quarterly	<input type="checkbox"/>															
semiannual	<input type="checkbox"/>															
annual	<input type="checkbox"/>															
single event	<input type="checkbox"/>															
	One monthly event is recommended based on the emissions event which occurred on November 7, 2008.															
<b>Good Faith Efforts to Comply</b>																
	0.0% Reduction	\$0														
	Before NOV    NOV to EDRP/Settlement Offer															
Extraordinary	<input type="checkbox"/>	<input type="checkbox"/>														
Ordinary	<input type="checkbox"/>	<input type="checkbox"/>														
N/A	<input checked="" type="checkbox"/>	(mark with x)														
<b>Notes</b>	The Respondent does not meet the good faith criteria for this violation.															
	<b>Violation Subtotal</b>	\$5,000														
<b>Economic Benefit (EB) for this violation</b>																
	<b>Statutory Limit Test</b>															
<b>Estimated EB Amount</b>	\$88	<b>Violation Final Penalty Total</b> \$20,300														
	<b>This violation Final Assessed Penalty (adjusted for limits)</b>	\$10,000														

## Economic Benefit Worksheet

**Respondent** Ineos USA, LLC  
**Case ID No.** 37220  
**Reg. Ent. Reference No.** RN100238708  
**Media** Air  
**Violation No.** 3

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

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

### Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling	\$250	7-Nov-2008	7-Nov-2009	1.00	\$13	n/a	\$13
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$1,500	7-Nov-2008	7-Nov-2009	1.00	\$75	n/a	\$75

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 expected date of compliance.

### Avoided Costs

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance

\$1,750

**TOTAL**

\$88

# Compliance History Report

Customer/Respondent/Owner-Operator:	CN602817884 INEOS USA LLC	Classification: AVERAGE	Rating: 2.69
Regulated Entity:	RN100238708 CHOCOLATE BAYOU PLANT	Classification: AVERAGE	Site Rating: 7.13

ID Number(s):	AIR OPERATING PERMITS	ACCOUNT NUMBER	BL0002S
	AIR OPERATING PERMITS	PERMIT	1353
	AIR OPERATING PERMITS	PERMIT	2327
	WASTEWATER	PERMIT	WQ0001333000
	WASTEWATER	PERMIT	TPDES0004821
	WASTEWATER	PERMIT	TX0004821
	PETROLEUM STORAGE TANK REGISTRATION	REGISTRATION	12999
	PUBLIC WATER SYSTEM/SUPPLY	REGISTRATION	0200132
	UNDERGROUND INJECTION CONTROL	PERMIT	5D0400007
	AIR NEW SOURCE PERMITS	PERMIT	53419
	AIR NEW SOURCE PERMITS	PERMIT	95
	AIR NEW SOURCE PERMITS	PERMIT	101
	AIR NEW SOURCE PERMITS	REGISTRATION	75608
	AIR NEW SOURCE PERMITS	REGISTRATION	12953
	AIR NEW SOURCE PERMITS	REGISTRATION	53419
	AIR NEW SOURCE PERMITS	REGISTRATION	75399
	AIR NEW SOURCE PERMITS	REGISTRATION	10465
	AIR NEW SOURCE PERMITS	REGISTRATION	10906
	AIR NEW SOURCE PERMITS	REGISTRATION	11060
	AIR NEW SOURCE PERMITS	REGISTRATION	11539
	AIR NEW SOURCE PERMITS	REGISTRATION	12136
	AIR NEW SOURCE PERMITS	REGISTRATION	12709
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	BL0002S
	AIR NEW SOURCE PERMITS	AFS NUM	4803900014
	AIR NEW SOURCE PERMITS	EPA ID	PSDTX854
	AIR NEW SOURCE PERMITS	PERMIT	488A
	AIR NEW SOURCE PERMITS	PERMIT	491A
	AIR NEW SOURCE PERMITS	PERMIT	1041
	AIR NEW SOURCE PERMITS	PERMIT	2798
	AIR NEW SOURCE PERMITS	PERMIT	4882
	AIR NEW SOURCE PERMITS	PERMIT	7196
	AIR NEW SOURCE PERMITS	PERMIT	9517
	AIR NEW SOURCE PERMITS	PERMIT	19868
	AIR NEW SOURCE PERMITS	PERMIT	35735

AIR NEW SOURCE PERMITS	PERMIT	46192
AIR NEW SOURCE PERMITS	PERMIT	48637
AIR NEW SOURCE PERMITS	REGISTRATION	71820
AIR NEW SOURCE PERMITS	REGISTRATION	74968
AIR NEW SOURCE PERMITS	REGISTRATION	76394
AIR NEW SOURCE PERMITS	EPA ID	PSDTX793
AIR NEW SOURCE PERMITS	EPA ID	PSDTX983
AIR NEW SOURCE PERMITS	REGISTRATION	76826
AIR NEW SOURCE PERMITS	REGISTRATION	76401
AIR NEW SOURCE PERMITS	EPA ID	PSDTX642
AIR NEW SOURCE PERMITS	REGISTRATION	78501
AIR NEW SOURCE PERMITS	REGISTRATION	78483
AIR NEW SOURCE PERMITS	EPA ID	PSDTX854M2
WATER LICENSING	LICENSE	0200132
INDUSTRIAL AND HAZARDOUS WASTE GENERATION	EPA ID	TXD050309012
INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION # (SWR)	30042
INDUSTRIAL AND HAZARDOUS WASTE STORAGE	PERMIT	50121
INDUSTRIAL AND HAZARDOUS WASTE STORAGE	EPA ID	TXD050309012
INDUSTRIAL AND HAZARDOUS WASTE STORAGE	PERMIT	50121
IHW CORRECTIVE ACTION	SOLID WASTE REGISTRATION # (SWR)	30042
INDUSTRIAL AND HAZARDOUS WASTE COMPLIANCE PLANS	PERMIT	50121
INDUSTRIAL AND HAZARDOUS WASTE POST CLOSURE	PERMIT	50121

Location: Farm-to-Market Rd 2004, two miles South of Junction 2917, Alvin, Texas 77512

TCEQ Region: REGION 12 - HOUSTON

Date Compliance History Prepared: February 25, 2009

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: February 25, 2004 to February 25, 2009

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

Name: Kirk Schoppe Phone: 239 - 0489

### 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? Yes
3. If Yes, who is the current owner? N/A  
INEOS USA LLC

4. If Yes, who was/were the prior owner(s)?

INEOS USA LLC

N/A

BP Amoco Chemical Company

5. When did the change(s) in ownership occur?

N/A

04/25/2005

06/01/2005

6. Rating Date: 9/1/2008 Repeat Violator: NO

**Components (Multimedia) for the Site :**

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

Effective Date: 08/28/2004

ADMINORDER 2004-0036-PST-E

N/A

Classification: Minor

Citation: 2D TWC Chapter 26, SubChapter A 26.346(a)

30 TAC Chapter 334, SubChapter A 334.8(c)(4)(A)(vii)

Description: Failure to ensure the timely renewal of a previously issued UST delivery certificate.

Classification: Minor

Citation: 2D TWC Chapter 26, SubChapter A 26.3467(a)

30 TAC Chapter 334, SubChapter A 334.8(c)(5)(A)(i)

Description: Failure to make available to a common carrier a valid and current TCEQ delivery certificate before accepting the delivery of a regulated substance into the UST system.

Effective Date: 08/30/2004

ADMINORDER 2003-1280-AIR-E

Classification: Major

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)

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

Rqmt Prov: SC 1 PERMIT

Description: Exceeded the volatile organic carbon maximum allowable emission rate for Flare DM-1101 on March 17, 2003. (Note mistake in order should be "compound" not "carbon")

Effective Date: 08/28/2006

ADMINORDER 2006-0242-AIR-E

Classification: Moderate

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

30 TAC Chapter 116, SubChapter G 116.715(a)

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

Rqmt Prov: Air Permit #92/PSD-TX-854, S.C.#1 PA

Description: Failed to prevent unauthorized emissions during a April 14, 2005 emissions event.

Classification: Moderate

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

30 TAC Chapter 116, SubChapter G 116.715(a)

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

Rqmt Prov: Air Permit #95/PSD-TX-854, S.C.#1 PA

Description: Failed to prevent unauthorized emissions during a May 29, 2005 emissions event.

Classification: Moderate

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

30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter A 382.085(b)  
Rqmt Prov: Air Permit #95/PSD-TX-854, S.C.#1 PA  
Description: Failed to prevent unauthorized emissions during a July 5, 2005 emissions event.

Effective Date: 11/03/2006

ADMINORDER 2006-0469-AIR-E

Classification: Major

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

Rqmt Prov: No. 95/PSD-TX-854, Special Condition #1 PERMIT

Description: Failure to prevent loss of instrument air resulting in unauthorized emissions.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)

Rqmt Prov: Permit No. 95/PSD-TX-854 PERMIT

Description: Failed to maintain an emission rate below the maximum allowable emission limit of zero from the No. 1 Olefins Flare on November 19, 2005 [emission point No. ("EPN") DM-1101] on November 19, 2005.

Classification: Moderate

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

Rqmt Prov: Special Condition No. 1 PERMIT

Description: Failed to maintain an emission rate below the maximum allowable emission limit of zero from the No. 1 Olefins Flare on December 11, 2005 [EPN DM-1101] on December 11, 2005.

Effective Date: 04/26/2007

ADMINORDER 2006-1893-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)

Rqmt Prov: No. 95, Special Condition 1 PERMIT

Description: Failed to prevent unauthorized emissions.

Effective Date: 08/31/2007

ADMINORDER 2007-0175-AIR-E

Classification: Moderate

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

Rqmt Prov: No. 95, Special Condition 1 PERMIT

Description: Failure to prevent unauthorized emissions.

Effective Date: 11/19/2007

ADMINORDER 2004-0891-AIR-E

Classification: Major

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

Rqmt Prov: Flexible Air Permit #95, SC #1 PERMIT

Description: BP Amoco failed to prevent the unauthorized excessive emissions from Emission Point No. DDM-3101 during a period of 42 hours on April 1 through April 3, 2003.

Classification: Moderate

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

Rqmt Prov: Flexible Permit 95 and PSD-TX-854 PA

Description: BP Amoco failed to prevent the unauthorized emissions when a drain valve on Flare Knock-Out Drum AD-1501 was left open for one hour on May 3, 2004.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter A 382.085(b)  
Rqmt Prov: TCEQ FLEXIBLE AIR PERMIT #95, SC#1 PERMIT

Description: BP Amoco failed to prevent the unauthorized emissions when BP Amoco failed to prevent a high concentration of carbon monoxide in cracked gas which caused a malfunction in the acetylene reactor, which in turn, resulted in the production of ethylene which was routed to the Olefins 1 Flare for approximately 12 hours and 30 minutes on July 19, 2004.

Classification: Moderate

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

Rqmt Prov: TCEQ Flexible Air Permit No. 95, SC1 PERMIT

Description: BP Amoco failed to prevent the unauthorized emissions from the Olefins 2 Unit's flare when the Steam Turbine, DDGT-220AN, had an electrical short circuit which caused it to trip offline. This short circuiting caused the Cracked-Gas Compressor DDC-202N to trip-off during a period of approximately eleven (11) hours on June 16, 2004.

Classification: Moderate

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

Rqmt Prov: 19868, SC No. 1 PA

Description: BP Amoco failed to prevent the unauthorized emissions due to a seal failure on Quench Pump MG-251 for approximately one hour and forty-five minutes on July 9, 2004.

Classification: Moderate

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

Rqmt Prov: TCEQ Flex Air Permit No. 95, SC1 PERMIT

Description: BP Amoco failed to prevent unauthorized emissions from the Olefins 1 Unit Flare when BP failed to control back-pressure in a hydrogen pipeline; thereby shutting down two compressors and decreasing flow through the ethylene section of the Olefins 1 Unit for approximately 40 hours from October 21 through October 23, 2004.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)

Rqmt Prov: 95, SC #1 PA

Description: BP Amoco failed to prevent unauthorized emissions from the Olefins 1 Flare when BP failed to control the carbon monoxide concentration and temperature in the acetylene reactor, DR-201 A/B, for approximately 10 hours on October 29, 2004.

Effective Date: 01/28/2008

ADMINORDER 2007-0370-AIR-E

Classification: Moderate

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

Rqmt Prov: No. 95/PSD-TX-854, SC#1 PERMIT

Description: Failure to prevent an unplanned compressor shutdown resulting in unauthorized emissions during Incident 63040 and 63041.

Classification: Major

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: No. 95 PERMIT

Description: Failed to control unauthorized emissions during Incident No. 63863 and No. 63864.

Classification: Moderate

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

Rqmt Prov: TCEQ Flex Air Permit #95/PSD-TX-854, SC1 OP

Description: INEOS failure to prevent an avoidable emissions event.

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: Special Condition No. 1 PERMIT  
Description: Failure to prevent loss of feed resulting in 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 A 382.085(b)  
Rqmt Prov: TCEQ Permit No. 95, Special Condition 1 PERMIT  
Description: Failure to prevent unauthorized emissions due to operator error.  
Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter A 382.085(b)  
Rqmt Prov: TCEQ Permit No. 95, 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)  
5C THC Chapter 382, SubChapter A 382.085(b)  
Rqmt Prov: No. 95, Special Condition 1 PERMIT  
Description: Failure to prevent unauthorized emissions.

Effective Date: 04/03/2008 ADMINORDER 2007-1325-PWS-E  
Classification: Moderate  
Citation: 30 TAC Chapter 290, SubChapter F 290.113(f)(4)  
5A THC Chapter 341, SubChapter A 341.0315(c)  
Description: Violated the maximum contaminant level for Trihalomethanes during the fourth quarter of 2006.  
Classification: Moderate  
Citation: 30 TAC Chapter 290, SubChapter F 290.113(f)(4)  
5A THC Chapter 341, SubChapter A 341.0315(c)  
Description: Violated the maximum contaminant level for Trihalomethanes during the first quarter of 2007.

Effective Date: 07/21/2008 ADMINORDER 2008-0266-AIR-E  
Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THSC Chapter 382 382.085(b)  
Rqmt Prov: No. 95, Special Condition 1 PERMIT  
Description: Failed to prevent the interruption of dimethylsulfide supply to dilution steam.

Effective Date: 11/17/2008 ADMINORDER 2008-0800-AIR-E  
Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 111, SubChapter A 111.111(a)(1)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THSC Chapter 382 382.085(b)  
Rqmt Prov: General Condition No. 11 PERMIT  
Special Condition 1 PERMIT  
Description: Failed to comply with permitted emissions limits.

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	04/22/2004	(295172)
N/A	2	05/12/2004	(295174)
	3	05/21/2004	(60492)
	4	06/15/2004	(272258)
	5	06/17/2004	(295176)
	6	06/28/2004	(272032)
	7	07/05/2004	(272521)
	8	07/05/2004	(272798)
	9	07/05/2004	(278078)
	10	07/05/2004	(278334)
	11	07/09/2004	(272455)
	12	07/13/2004	(274532)
	13	07/15/2004	(351989)
	14	07/19/2004	(274762)
	15	08/05/2004	(287465)
	16	08/16/2004	(351990)
	17	08/18/2004	(284687)
	18	08/30/2004	(250202)
	19	08/31/2004	(272440)
	20	08/31/2004	(277083)
	21	09/13/2004	(293314)
	22	09/23/2004	(351991)
	23	10/04/2004	(336250)
	24	10/22/2004	(351992)
	25	11/08/2004	(336528)
	26	11/08/2004	(337000)
	27	11/23/2004	(351993)
	28	12/11/2004	(335356)
	29	12/11/2004	(335371)
	30	12/11/2004	(341906)
	31	12/13/2004	(333505)
	32	12/13/2004	(336245)
	33	12/13/2004	(337068)
	34	12/13/2004	(338522)
	35	12/15/2004	(337091)
	36	12/16/2004	(341903)
	37	12/17/2004	(337094)
	38	12/20/2004	(342723)
	39	12/22/2004	(381804)
	40	12/28/2004	(277182)
	41	12/28/2004	(287065)
	42	12/28/2004	(288451)
	43	01/05/2005	(287246)
	44	01/06/2005	(337406)
	45	01/07/2005	(287050)
	46	01/07/2005	(288575)
	47	01/07/2005	(341099)
	48	01/07/2005	(343281)
	49	01/10/2005	(286887)
	50	01/17/2005	(286916)
	51	01/20/2005	(381805)
	52	02/04/2005	(338314)

53	02/22/2005	(381802)
54	03/21/2005	(381803)
55	04/22/2005	(419633)
56	04/26/2005	(372080)
57	05/18/2005	(374942)
58	05/19/2005	(419634)
59	05/20/2005	(392949)
60	06/20/2005	(419635)
61	07/13/2005	(440766)
62	07/15/2005	(399321)
63	08/10/2005	(404141)
64	08/13/2005	(404828)
65	08/18/2005	(404361)
66	08/19/2005	(440767)
67	08/24/2005	(404609)
68	08/24/2005	(406770)
69	08/29/2005	(407005)
70	08/30/2005	(418277)
71	09/08/2005	(337658)
72	09/08/2005	(372077)
73	09/08/2005	(375408)
74	09/16/2005	(440768)
75	09/21/2005	(431548)
76	10/10/2005	(432962)
77	10/13/2005	(440769)
78	10/13/2005	(440770)
79	11/03/2005	(431679)
80	11/18/2005	(468323)
81	12/05/2005	(397651)
82	12/20/2005	(468322)
83	12/20/2005	(468324)
84	01/12/2006	(451532)
85	01/12/2006	(451560)
86	01/26/2006	(437271)
87	01/26/2006	(437342)
88	01/26/2006	(438227)
89	01/27/2006	(451469)
90	02/15/2006	(468321)
91	02/16/2006	(436530)
92	02/24/2006	(438700)
93	02/24/2006	(450737)
94	02/24/2006	(450766)
95	02/24/2006	(450771)
96	02/24/2006	(454384)
97	02/27/2006	(440360)
98	02/27/2006	(449481)
99	02/27/2006	(450755)
100	02/28/2006	(333721)
101	02/28/2006	(435662)
102	02/28/2006	(437776)
103	02/28/2006	(450758)
104	03/17/2006	(498116)
105	03/20/2006	(438702)
106	03/20/2006	(454973)
107	03/20/2006	(454984)
108	04/19/2006	(449649)
109	04/21/2006	(498117)
110	04/24/2006	(459777)

111	04/24/2006	(460166)
112	04/24/2006	(460197)
113	04/28/2006	(453217)
114	05/04/2006	(462911)
115	05/09/2006	(453215)
116	05/10/2006	(451219)
117	05/15/2006	(454640)
118	05/16/2006	(498118)
119	05/17/2006	(462063)
120	05/19/2006	(453213)
121	06/19/2006	(498119)
122	06/30/2006	(482249)
123	07/06/2006	(485562)
124	07/07/2006	(483768)
125	07/07/2006	(483977)
126	07/07/2006	(484327)
127	07/17/2006	(498120)
128	07/21/2006	(484894)
129	07/21/2006	(485159)
130	07/27/2006	(465816)
131	08/09/2006	(375409)
132	08/16/2006	(520130)
133	09/01/2006	(488185)
134	09/01/2006	(488258)
135	09/01/2006	(488259)
136	09/01/2006	(488316)
137	09/01/2006	(488416)
138	09/01/2006	(488461)
139	09/01/2006	(488482)
140	09/01/2006	(489158)
141	09/01/2006	(497259)
142	10/10/2006	(511470)
143	10/10/2006	(514525)
144	10/12/2006	(520131)

145	10/17/2006	(515418)
146	11/08/2006	(544398)
147	11/17/2006	(544397)
148	11/27/2006	(455008)
149	12/06/2006	(518260)
150	12/12/2006	(544399)
151	12/19/2006	(532142)
152	01/12/2007	(544400)
153	01/16/2007	(534803)
154	01/17/2007	(567358)
155	02/07/2007	(544396)
156	02/22/2007	(437530)
157	02/23/2007	(437902)
158	02/26/2007	(489773)
159	02/26/2007	(541487)
160	02/28/2007	(541747)
161	03/12/2007	(575151)
162	03/13/2007	(455785)
163	03/22/2007	(541397)
164	03/23/2007	(460443)
165	04/03/2007	(461307)
166	04/09/2007	(541411)
167	04/11/2007	(461770)
168	04/13/2007	(532653)

169	04/16/2007	(575152)
170	05/03/2007	(554914)
171	05/10/2007	(555702)
172	05/18/2007	(568214)
173	05/18/2007	(575153)
174	05/18/2007	(652283)
175	05/21/2007	(511619)
176	05/25/2007	(560317)
177	06/06/2007	(562013)
178	06/11/2007	(575154)
179	06/25/2007	(564693)
180	07/11/2007	(454997)
181	07/12/2007	(575155)
182	07/19/2007	(567658)
183	07/23/2007	(566724)
184	07/23/2007	(567132)
185	07/30/2007	(568409)
186	08/07/2007	(575156)
187	08/10/2007	(562140)
188	08/10/2007	(563070)
189	08/10/2007	(652667)
190	08/31/2007	(565801)
191	09/18/2007	(607523)
192	09/18/2007	(607524)
193	09/19/2007	(570290)
194	09/19/2007	(574167)
195	09/28/2007	(565477)
196	10/04/2007	(565852)
197	10/04/2007	(565854)
198	10/10/2007	(565963)
199	10/10/2007	(565967)
200	10/10/2007	(566452)
201	10/10/2007	(566839)
202	10/10/2007	(566915)
203	10/11/2007	(566941)

204	10/11/2007	(566955)
205	10/18/2007	(569974)
206	10/19/2007	(566487)
207	10/19/2007	(566879)
208	11/06/2007	(600100)
209	11/08/2007	(619477)
210	11/09/2007	(594021)
211	11/09/2007	(594251)
212	11/09/2007	(594360)
213	11/09/2007	(594738)
214	11/13/2007	(574346)
215	11/15/2007	(653032)
216	11/16/2007	(594670)
217	11/16/2007	(594676)
218	11/16/2007	(594681)
219	11/19/2007	(594880)
220	11/26/2007	(569987)
221	11/26/2007	(570225)
222	11/27/2007	(570543)
223	12/04/2007	(566947)
224	12/05/2007	(619478)
225	12/06/2007	(710683)
226	12/20/2007	(599302)

227	01/02/2008	(599812)
228	01/03/2008	(611841)
229	01/08/2008	(600585)
230	01/10/2008	(609407)
231	01/18/2008	(611544)
232	01/25/2008	(609712)
233	02/08/2008	(600663)
234	02/08/2008	(609244)
235	02/08/2008	(609996)
236	02/08/2008	(610061)
237	02/08/2008	(610221)
238	02/08/2008	(610485)
239	02/08/2008	(611533)
240	02/08/2008	(611999)
241	02/08/2008	(612004)
242	02/08/2008	(612681)
243	02/08/2008	(652098)
244	02/13/2008	(671984)
245	02/15/2008	(618820)
246	02/20/2008	(570269)
247	03/06/2008	(636901)
248	03/06/2008	(671985)
249	03/10/2008	(597253)
250	03/13/2008	(614947)
251	03/18/2008	(615544)
252	03/18/2008	(615545)
253	03/18/2008	(615556)
254	03/18/2008	(615557)
255	03/26/2008	(671987)
256	03/31/2008	(616611)
257	03/31/2008	(616733)
258	04/04/2008	(618108)
259	04/07/2008	(671986)
260	04/21/2008	(639800)
261	05/07/2008	(654421)
262	05/09/2008	(637781)

263	05/12/2008	(689902)
264	05/16/2008	(639937)
265	05/16/2008	(639984)
266	05/16/2008	(640018)
267	05/23/2008	(640200)
268	06/10/2008	(689903)
269	06/26/2008	(683110)
270	06/27/2008	(684063)
271	06/30/2008	(671377)
272	06/30/2008	(671397)
273	07/07/2008	(641625)
274	07/15/2008	(681456)
275	07/28/2008	(687478)
276	08/14/2008	(686668)
277	08/19/2008	(687694)
278	08/22/2008	(687895)
279	08/29/2008	(701306)
280	09/05/2008	(710684)
281	09/23/2008	(710685)
282	09/23/2008	(710687)
283	10/21/2008	(682299)
284	10/27/2008	(657228)

285 10/28/2008 (685844)  
 286 10/29/2008 (636605)  
 287 11/10/2008 (700448)  
 288 11/10/2008 (705593)  
 289 11/10/2008 (710686)  
 290 12/10/2008 (727445)  
 291 12/10/2008 (727446)  
 292 02/03/2009 (722657)  
 293 02/05/2009 (722823)  
 294 02/05/2009 (722848)  
 295 02/10/2009 (726338)  
 296 02/20/2009 (689406)  
 297 02/20/2009 (689422)

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

Date: 08/30/2004 (250202) CN602817884  
 N/A Self Report? NO Classification: Moderate  
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
 35735 PA  
 Description: Failure to comply with Special Condition No. 11A of TCEQ Permit No. 35735.

Date: 12/28/2004 (288451) CN602817884  
 Self Report? NO Classification: Moderate  
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(a)  
 5419, SC 1 PA  
 Description: Failure to meet demonstration criteria.

Date: 01/05/2005 (287246) CN602817884  
 Self Report? NO Classification: Moderate  
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)  
 5C THC Chapter 382, SubChapter A 382.085(b)  
 95, Special Condition No. 1 PA  
 Description: Exceeded permit limit during an avoidable emissions event.

Date: 06/13/2005 (418277) CN602817884  
 Self Report? NO Classification: Minor  
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)  
 Other Requirements, No. 3 PERMIT  
 Description: Failure to comply with chlorine residual limits for the discharge from the domestic sewage facility.

Self Report? NO Classification: Minor  
 Citation: 30 TAC Chapter 319, SubChapter A 319.11(b)  
 Description: Failure to analyze chlorine residual samples within hold time.

Date: 07/15/2005 (399321) CN602817884  
 Self Report? NO Classification: Moderate  
 Citation: 19868 SC No. 7E PA  
 30 TAC Chapter 101, SubChapter A 101.20(1)  
 30 TAC Chapter 115, SubChapter D 115.352(4)  
 30 TAC Chapter 116, SubChapter B 116.115(c)  
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(1)

Description: Failure to plug the open-ended lines.  
 Self Report? NO Classification: Minor  
 Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)  
 30 TAC Chapter 116, SubChapter B 116.115(c)  
 35735 SC No. 3 PA  
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(c)(3)(ii)

Description: Failure to maintain net heating value of flare header to a minimum value of 300 Btu/Scf.

Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 117, SubChapter B 117.206(j)  
Description: Failure to comply with 30 TAC 117.206(j) by operating the emergency generator between the hours of 6:00 AM and Noon.

Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 122, SubChapter B 122.136(b)  
Description: Failure to include PP-1 powder baghouse and vent CM-1307 in the title V permit within 60 days upon discovery.

Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 115, SubChapter H 115.782(c)(2)(A)  
Description: Failure to conduct extraordinary attempts to repair leaking valves within seven days.

Self Report? NO 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(c)  
5419 SC No. 3 PA  
Description: Failure to avoid visible emissions from flare for more than five minutes in any two hour period.

Date: 08/31/2005 (440768) CN602817884  
Self Report? YES Classification: Moderate  
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)  
TWC Chapter 26 26.121(a)  
Description: Failure to meet the limit for one or more permit parameter

Date: 12/05/2005 (397651) CN602817884  
Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)  
30 TAC Chapter 115, SubChapter H 115.783(5)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(1)  
Permit # 95 Special Condition 28E PERMIT  
Description: Failure to seal three open ended lines.

Date: 04/28/2006 (453217) CN602817884  
Self Report? NO Classification: Moderate  
Citation: Permit No. 19868, Special Condition 1 PERMIT  
30 TAC Chapter 116, SubChapter B 116.115(c)  
5C THC Chapter 382, SubChapter A 382.085(b)  
Description: Failure to keep the emissions within the Maximum Allowable Emissions Rate Table limits specified in TCEQ Air Permit No. 19868 for the Flare.

Date: 01/17/2007 (567358) CN602817884  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 290, SubChapter F 290.113(f)(4)  
5A THC Chapter 341, SubChapter A 341.0315(c)  
Description: Violated the maximum contaminant level for Trihalomethanes during the fourth quarter of 2006.

Date: 05/18/2007 (652283) CN602817884  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 290, SubChapter F 290.113(f)(4)  
Description: TOTAL TRIHALOMETHANES

Date: 05/18/2007 (568214) CN602817884  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 290, SubChapter F 290.113(f)(4)  
5A THC Chapter 341, SubChapter A 341.0315(c)  
Description: Violated the maximum contaminant level for Trihalomethanes during the first quarter of 2007.

Date: 08/10/2007 (652667) CN602817884  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 290, SubChapter F 290.113(f)(4)  
Description: TOTAL TRIHALOMETHANES

Date: 08/31/2007 (565801) CN602817884  
Self Report? NO Classification: Moderate  
Citation: 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 Part 60, Subpart VV 60.482-6(a)(1)  
5C THC Chapter 382, SubChapter D 382.085(b)  
FOP #O-01353, Special Condition #1A OP  
FOP #O-01353, Special Condition #6 OP  
Permit #19868, Special Condition #5E PERMIT  
Permit #35735, Special Condition #8E PERMIT  
Permit #5419, Special Condition #8E PERMIT

Description: Failure to seal open-ended lines in a VOC service.  
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 THC Chapter 382, SubChapter D 382.085(b)  
FOP # O-01353, Special Condition #1A OP  
FOP # O-01353, Special Condition #6 OP  
Permit #19868, Special Condition #8D PERMIT  
Permit #35735, Special Condition #4 PERMIT

Description: Failure to prevent flares' on-line analyzers to be out of service.  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(4)(A)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Part 60, Subpart A 60.18(c)(1)  
5C THC Chapter 382, SubChapter D 382.085(b)  
FOP #O-01353, Special Condition #1A OP  
FOP #O-01353, Special Condition #6 OP  
Permit #35735, Special Condition #3 PERMIT

Description: Failure to prevent visible emissions at the flare.  
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 THC Chapter 382, SubChapter D 382.085(b)  
FOP #O-01353, Special Condition #6 OP  
Permit #35735, Special Condition #4 PERMIT

Description: Failure to prevent flare monitoring data for vent flow rate lost due to parametric meter malfunction.  
Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
30 TAC Chapter 122, SubChapter B 122.145(2)(A)  
30 TAC Chapter 122, SubChapter B 122.146(5)(D)  
5C THC Chapter 382, SubChapter D 382.085(b)

Description: Failure to include in four previous deviation reports (May 2005 to October 2006) their failure to submit semi-annual reports of non-repairable HRVOC fugitive emission components to TCEQ Houston Region Office.

Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 115, SubChapter H 115.782(c)(2)(A)(i)  
5C THC Chapter 382, SubChapter D 382.085(b)

Description: Failure to prevent extraordinary repair attempt not completed within 30 days of leak detection for valve in HRVOC service (leaking <10,000 ppmv).

Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 115, SubChapter H 115.786(c)

Description: 5C THC Chapter 382, SubChapter D 382.085(b)  
Failure to submit reports of HRVOC fugitive emissions components that were non-repairable (i.e. placed on delay of repair) to the TCEQ and local agency

semi-annually as required until the report covering the period ending December 31, 2006.

Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 115, SubChapter H 115.764(a)(2)  
5C THC Chapter 382, SubChapter D 382.085(b)  
Description: Failure to collect samples for total VOC analysis while Polypropylene Unit #2 cooling tower analyzer was out of calibration.

Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 117, SubChapter B 117.206(i)  
5C THC Chapter 382, SubChapter D 382.085(b)  
Description: Failure to prevent stationary diesel emergency engine tested between 6 am and 12 noon.

Date: 09/30/2007 (607523) CN602817884  
Self Report? YES Classification: Moderate  
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)  
30 TAC Chapter 305, SubChapter F 305.125(1)  
Description: Failure to meet the limit for one or more permit parameter

Date: 11/15/2007 (653032) CN602817884  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 290, SubChapter F 290.113(f)(4)  
Description: TOTAL TRIHALOMETHANES

Date: 02/08/2008 (652098) CN602817884  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 290, SubChapter F 290.113(f)(4)  
Description: TOTAL TRIHALOMETHANES

Date: 04/04/2008 (618108) CN602817884  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THSC Chapter 382 382.085(b)  
No. 95, Special Condition 1 PERMIT  
Description: Failure to prevent unauthorized emissions due to operator error.

Date: 07/15/2008 (681456) CN602817884  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter F 101.221(a)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(c)(2)  
5C THSC Chapter 382 382.085(b)  
Special Condition No. 8B PERMIT  
Description: Failed to prevent the loss of flame at the flare.

Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
5C THSC Chapter 382 382.085(b)  
Special Condition 1 PERMIT  
Description: Failed to prevent unauthorized emissions.

Date: 08/22/2008 (687895) CN602817884  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
5C THSC Chapter 382 382.085(b)  
Special Condition #1 PERMIT  
Description: Failure to prevent flare malfunction.

Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(c)(2)  
Special Condition #8.B PERMIT  
Description: Failure to prevent the loss of flame on the flare.

Date: 10/31/2008 (710686)

CN602817884

Self Report? YES

Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)  
30 TAC Chapter 305, SubChapter F 305.125(1)

Description: Failure to meet the limit for one or more permit parameter

Date: 10/31/2008 (636605)

CN602817884

Self Report? NO

Classification: Minor

Citation: 30 TAC Chapter 115, SubChapter D 115.352(2)(C)  
30 TAC Chapter 115, SubChapter H 115.782(c)(1)(C)(ii)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.171(d)(2)  
5C THSC Chapter 382 382.085(b)  
STC 1A OP

Description: Failure to repair four leaking pumps.

Self Report? NO

Classification: Minor

Citation: 30 TAC Chapter 115, SubChapter D 115.352(2)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)  
STC 1A OP

Description: Failed to repair leaking components within 15 days.

Self Report? NO

Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter H 115.786(c)  
5C THSC Chapter 382 382.085(b)

Description: Failure to submit HRVOC Delay of Repair report.

Self Report? NO

Classification: Minor

Citation: 30 TAC Chapter 115, SubChapter H 115.782(c)(2)(A)(i)  
5C THSC Chapter 382 382.085(b)

Description: Failure to conduct Extra-Ordinary Efforts.

Self Report? NO

Classification: Minor

Citation: 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 UU 63.1033(b)(1)  
5C THSC Chapter 382 382.085(b)  
SC 34E PA  
STC 19 PA

Description: Failure to seal open ended lines.

Self Report? NO

Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter D 115.354(2)  
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)  
SC 35F PA  
STC 19 OP

Description: Failure to conduct fugitive monitoring on 216 valves.

Self Report? NO

Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter D 115.352(2)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)  
STC 1A OP

Description: Failure to verify leak repairs.

Self Report? NO

Classification: Minor

Citation: 30 TAC Chapter 115, SubChapter H 115.788(c)  
5C THSC Chapter 382 382.085(b)

Description: Failure to provide 30 day notification prior to HRVOC Audit.

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)  
SC 13 PA  
STC 19 OP

Description: Failure to maintain hourly NOX emissions within limits.

Self Report? NO

Classification: Minor

Citation: 30 TAC Chapter 115, SubChapter H 115.725(d)(3)  
 30 TAC Chapter 122, SubChapter B 122.143(4)  
 5C THSC Chapter 382 382.085(b)  
 STC 1Hi OP  
 Description: Failure to maintain flare analyzer downtime to less than 5%.  
 Self Report? NO Classification: Minor  
 Citation: 30 TAC Chapter 117, SubChapter B 117.310(c)(2)  
 5C THSC Chapter 382 382.085(b)  
 Description: Failure to maintain ammonia emissions less than 10 ppmv.  
 Self Report? NO Classification: Minor  
 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)  
 SC 1 PA  
 STC 19 OP  
 Description: Failure to maintain ammonia emissions within the MAERT.  
 Self Report? NO Classification: Minor  
 Citation: 30 TAC Chapter 117, SubChapter B 117.300  
 30 TAC Chapter 117, SubChapter B 117.340(d)  
 30 TAC Chapter 122, SubChapter B 122.143(4)  
 5C THSC Chapter 382 382.085(b)  
 STC 1A OP  
 Description: Failure to monitor ammonia slip.  
 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 A 60.18(c)(4)(ii)  
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT A 63.11(b)(7)(ii)  
 5C THSC Chapter 382 382.085(b)  
 SC 11A PA  
 STC 1A OP  
 Description: Failure to maintain flare exit velocity less than Vmax.  
 Self Report? NO Classification: Moderate  
 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 A 60.18(c)(3)  
 5C THSC Chapter 382 382.085(b)  
 SC 11A PA  
 STC 1A OP  
 Description: Failure to maintain net heating content greater than 300 Btu/scf.  
 Self Report? NO Classification: Minor  
 Citation: 30 TAC Chapter 117, SubChapter B 117.300  
 30 TAC Chapter 117, SubChapter B 117.335(a)(4)  
 30 TAC Chapter 122, SubChapter B 122.143(4)  
 5C THSC Chapter 382 382.085(b)  
 STC 1A OP  
 Description: Failure to test engine within 60 days.  
 Self Report? NO Classification: Moderate  
 Citation: 30 TAC Chapter 117, SubChapter B 117.300  
 30 TAC Chapter 117, SubChapter B 117.310(c)(1)  
 30 TAC Chapter 122, SubChapter B 122.143(4)  
 5C THSC Chapter 382 382.085(b)  
 STC 1A OP  
 Description: Failure to maintain CO emissions less than 400 ppmv.  
 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)  
 SC 1 PA  
 STC 19 OP  
 Description: Failure to maintain firing rates within limits.  
 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)

SC 4B PA  
 STC 19 OP  
 Description: Failure to maintain boiler firing rate less than 388 mmbtu/hr.  
 Self Report? NO Classification: Minor  
 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)  
 SC 49 PA  
 STC 19 OP  
 Description: Failure to record vent stream flow to flare.  
 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)  
 SC 1 PA  
 STC 19 OP  
 Description: Failure to maintain CO emissions within the MAERT.  
 Self Report? NO Classification: Moderate  
 Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(1)(A)  
 30 TAC Chapter 122, SubChapter B 122.143(4)  
 5C THSC Chapter 382 382.085(b)  
 STC 3Ai OP  
 Description: Failure to prevent visible emissions from stationary vents.  
 Self Report? NO Classification: Minor  
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT UU 63.1038(c)(2)(i)  
 5C THSC Chapter 382 382.085(b)  
 STC 1A OP  
 Description: Failure to maintain records of Audio, Visual, Olfactory (AVO) inspections.  
 Self Report? NO Classification: Minor  
 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)  
 SC 38 PA  
 STC 19 OP  
 Description: Failure to record time during ammonia AVO inspections  
 Self Report? NO Classification: Minor  
 Citation: 1A OP  
 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)  
 SC 3 PA  
 Description: Failure to maintain NOx emissions within limits  
 Self Report? NO Classification: Minor  
 Citation: 30 TAC Chapter 117, SubChapter B 117.300  
 30 TAC Chapter 117, SubChapter B 117.345(b)(2)  
 30 TAC Chapter 122, SubChapter B 122.143(4)  
 5C THSC Chapter 382 382.085(b)  
 STC 1A OP  
 Description: Failure to submit PEMS RATA notification within 15 days.  
 Self Report? NO Classification: Minor  
 Citation: 30 TAC Chapter 117, SubChapter B 117.310(f)  
 30 TAC Chapter 122, SubChapter B 122.143(4)  
 5C THSC Chapter 382 382.085(b)  
 STC 7A OP  
 Description: Failure to prevent engine testing between 6 am and 12 noon.  
 Self Report? NO Classification: Minor  
 Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)(B)  
 30 TAC Chapter 122, SubChapter B 122.143(4)  
 5C THSC Chapter 382 382.085(b)  
 STC 2F OP  
 Description: Failure to submit Emission Event reports to local programs.

Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THSC Chapter 382 382.085(b)  
Special Condition 1 PERMIT  
Description: Failure to prevent unauthorized emissions.  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(c)(2)  
5C THSC Chapter 382 382.085(b)  
Special Condition #11.B PERMIT  
Description: Failed to prevent the loss of flame on the flare.

F. Environmental audits.

09/08/2005

(435727)

Notice of Intent Date:

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  
INEOS USA, LLC  
RN100238708

§  
§  
§  
§  
§

BEFORE THE  
TEXAS COMMISSION ON  
ENVIRONMENTAL QUALITY

**AGREED ORDER**  
**DOCKET NO. 2009-0292-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 Ineos USA, LLC ("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 a petrochemical plant at Farm-to-Market Road 2004, two miles south of Junction 2917, in Alvin, Brazoria 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 August 14, 2008, TCEQ staff documented that the Respondent failed to prevent unauthorized emissions during an event that occurred on June 30, 2008. Specifically, the Respondent released 59,635 pounds ("lbs") of unauthorized carbon monoxide ("CO") emissions, 11,703 lbs of unauthorized nitrogen oxides ("NOx") emissions, and 54,522 lbs of ethylene emissions from the Olefins No. 1 Flare into the atmosphere during the sixty-five hour event. The event occurred due to corrosion on internal components that caused the malfunction of the DB-105 Furnace liquid feed valve. This resulted in the shutdown of the furnace. The furnace trip caused a spike in the CO level which led to a temperature increase in the acetylene reactor, causing a bypass of the reactor, which caused the ethylene product to become off-specification. Since the emissions event was excessive and avoidable due to poor operating practices, it does not meet the demonstrations for an affirmative defense in 30 TEX. ADMIN. CODE § 101.222.
4. During an investigation on August 14, 2008, TCEQ staff documented that the Respondent failed to prevent unauthorized emissions during an event that occurred on June 21, 2008. Specifically, the Respondent released 54,656 lbs of unauthorized CO emissions, 10,726 lbs of unauthorized NOx emissions, and 52,856 lbs of ethylene emissions from the Olefins No. 1 Flare, and 1,631 lbs of unauthorized CO emissions, 320 lbs of unauthorized NOx emissions, and 2,049 lbs of ethylene emissions from the Olefins No. 2 Flare into the atmosphere during the forty-one hour and fifty-six minute event. The event occurred when an inadequate solenoid valve rating and instrument air contamination led to the malfunction of the DB-109 Furnace feed valve which resulted in the unplanned shutdown of the furnace. Since the emissions event was excessive and avoidable due to poor operating practices, it does not meet the demonstrations for an affirmative defense in 30 TEX. ADMIN. CODE § 101.222.
5. During an investigation on January 27, 2009, TCEQ staff determined that the Respondent failed to prevent unauthorized emissions during an event that occurred on November 7, 2008. Specifically, the Respondent released 2,739 lbs of unauthorized ethylene emissions, 93 lbs of unauthorized 1,3-butadiene emissions, 303 lbs of unauthorized propylene emissions, 1,119 lbs of unauthorized NOx emissions, 5,701 lbs of unauthorized CO emissions, and 527 lbs of other unauthorized volatile organic compounds emissions from the Olefins No. 1 Unit into the atmosphere during the thirteen hour and thirty minute event. The event occurred when the C-501 ethylene refrigeration compressor malfunctioned. Since the emissions event was avoidable, it does not meet the demonstrations for an affirmative defense in 30 TEX. ADMIN. CODE § 101.222.
6. The Respondent received notice of the violations on February 23, 2009 and March 2, 2009, respectively.

## 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 prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE § 116.715(a), TEX. HEALTH & SAFETY CODE § 382.085(b), and Flexible Permit No. 95, Special Condition 1.
3. As evidenced by Findings of Fact No. 4, the Respondent failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE § 116.715(a), TEX. HEALTH & SAFETY CODE § 382.085(b), and Flexible Permit No. 95, Special Condition 1.
4. As evidenced by Findings of Fact No. 5, the Respondent failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE § 116.715(a), TEX. HEALTH & SAFETY CODE § 382.085(b), and Flexible Permit No. 95, Special Condition 1.
5. 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.
6. An administrative penalty in the amount of Sixty Thousand Dollars (\$60,000) 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 Thirty Thousand Dollars (\$30,000) of the administrative penalty. Thirty Thousand Dollars (\$30,000) 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 Sixty Thousand Dollars (\$60,000) as set forth in Section II, Paragraph 6 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: Ineos USA, LLC, Docket No. 2009-0292-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 undertake the following technical requirements:
- a. Within 30 days after the effective date of this Agreed Order, implement improvements to training, design, operation, or maintenance procedures, in order to address the emissions event that occurred on November 7, 2008, and to prevent the reoccurrence of same or similar incidents;
  - b. Submit the Corrective Action Plans ("CAPs") within the time frames directed by the TCEQ Excessive Emissions Event letters dated February 20, 2009 and respond completely and adequately, as determined by the Executive Director, to all written requests for information concerning the CAPs submitted in connection with the June 21, 2008 and June 30, 2008 excessive emissions events within 15 days after the date of such requests, or by any other deadline specified in writing;
  - c. Upon Commission approval, implement the CAPs in accordance with the approved schedule;
  - d. Within 15 days after completion of the implementation of the CAPs, submit written certification to demonstrate compliance, as described in Ordering Provision No. 2.e.; and
  - e. 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 certifications shall be notarized by a State of Texas Notary Public and include the following certification language:

"I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, 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 certifications shall be submitted to:

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

with a copy to:

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

3. The 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 6 above, Thirty Thousand Dollars (\$30,000) of the assessed administrative penalty shall be offset with the condition that the Respondent implements 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.
4. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Plant operations referenced in this Agreed Order.
5. If the Respondent fails to comply with any of the Ordering Provisions in this Agreed Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, the Respondent's failure to comply is not a violation of this Agreed Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
6. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
7. 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.
8. 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.
  9. 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.
  10. This Agreed Order may be executed in multiple counterparts, which together shall constitute a single original instrument. Any executed signature page to this Agreed Order may be transmitted by facsimile transmission to the other parties, which shall constitute an original signature for all purposes under this Agreed Order.
  11. 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

John Sullivan  
For the Executive Director

6/3/2009  
Date

I, the undersigned, have read and understand the attached Agreed Order in the matter of Ineos USA, LLC. I am authorized to agree to the attached Agreed Order on behalf of Ineos USA, LLC, 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, Ineos USA, LLC 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.

John Harvey III  
Signature

4/30/09  
Date

John Harvey III  
Name (Printed or typed)  
Authorized Representative of  
Ineos USA, LLC

Site Director  
Title

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



Attachment A  
Docket Number: 2009-0292-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent: Ineos USA, LLC  
Payable Penalty Amount: Sixty Thousand Dollars (\$60,000)  
SEP Amount: Thirty Thousand Dollars (\$30,000)  
Type of SEP: Pre-approved  
Third-Party Recipient: Houston-Galveston AERCO's Clean Cities/Clean Vehicles Program  
Location of SEP: Brazoria 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 will contribute to Houston-Galveston AERCO's Clean Cities/Clean Vehicles Program in Brazoria County. The contribution will be used in accordance with the *Supplemental Environmental Project Agreement between the Houston-Galveston AERCO and the Texas Commission on Environmental Quality*. SEP monies will be used to aid local school districts and area transit agencies in reaching local match requirements mandated by the Federal Highway Administration's ("FHWA") Congestion Mitigation/Air Quality funding program. SEP monies will be disbursed to school districts and transit agencies in need of funding assistance in the Houston-Galveston non-attainment area. Those SEP monies will be used exclusively by the school districts and transit agencies as supplements to meet the local match requirements of the EPA. SEP monies will be used to pay for the cost of replacing older diesel buses with alternative fueled or clean diesel buses. The old buses will be permanently retired and only sold for scrap. The schools and transit agencies will also use the SEP monies to retrofit more buses to reduce emissions. Houston-Galveston AERCO will send the TCEQ verification in the form of paid invoices and other documentation to show that the retrofits were completed. Retrofit technologies include particulate matter traps, diesel particulate matter filters, NOx reduction catalyst technology in combination with diesel particulate filters, and other emission control technologies that are developed and approved by EPA or the California Air Resources Board.

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 particulate emissions of buses by more than 90% below today's level and reducing hydrocarbons below measurement capability.

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:

Houston-Galveston Area Council  
Houston-Galveston AERCO  
P.O. Box 22777  
Houston, Texas 77227-2777

**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:

Ineos USA, LLC  
Agreed Order - Attachment A

Litigation Division  
Attention: SEP Coordinator, MC 175  
Texas Commission on Environmental Quality  
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.

