

**EXECUTIVE SUMMARY - ENFORCEMENT MATTER**

**DOCKET NO.:** 2009-0121-AIR-E **TCEQ ID:** RN100217389 **CASE NO.:** 37072

**RESPONDENT NAME:** Flint Hills Resources, LP

<b>ORDER TYPE:</b>		
<input checked="" type="checkbox"/> 1660 AGREED ORDER	<input type="checkbox"/> FINDINGS AGREED ORDER	<input type="checkbox"/> FINDINGS ORDER FOLLOWING SOAH HEARING
<input type="checkbox"/> FINDINGS DEFAULT ORDER	<input type="checkbox"/> SHUTDOWN ORDER	<input type="checkbox"/> IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER
<input type="checkbox"/> AMENDED ORDER	<input type="checkbox"/> EMERGENCY ORDER	
<b>CASE TYPE:</b>		
<input checked="" type="checkbox"/> AIR	<input type="checkbox"/> MULTI-MEDIA (check all that apply)	<input type="checkbox"/> INDUSTRIAL AND HAZARDOUS WASTE
<input type="checkbox"/> PUBLIC WATER SUPPLY	<input type="checkbox"/> PETROLEUM STORAGE TANKS	<input type="checkbox"/> OCCUPATIONAL CERTIFICATION
<input type="checkbox"/> WATER QUALITY	<input type="checkbox"/> SEWAGE SLUDGE	<input type="checkbox"/> UNDERGROUND INJECTION CONTROL
<input type="checkbox"/> MUNICIPAL SOLID WASTE	<input type="checkbox"/> RADIOACTIVE WASTE	<input type="checkbox"/> DRY CLEANER REGISTRATION
<p><b>SITE WHERE VIOLATION(S) OCCURRED:</b> Flint Hills Resources Port Arthur Facility, 4241 Savannah Avenue, Port Arthur, Jefferson County</p> <p><b>TYPE OF OPERATION:</b> Petrochemical manufacturing 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 is no record of additional pending enforcement actions regarding this facility location.</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 July 13, 2009. No comments were received.</p> <p><b>CONTACTS AND MAILING LIST:</b>  <b>TCEQ Attorney/SEP Coordinator:</b> None  <b>TCEQ Enforcement Coordinator:</b> 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. Jeff Tilley, Plant Manager, Flint Hills Resources, LP, 4241 Savannah Avenue, Port Arthur, Texas 77640  <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> November 3, 2008</p> <p><b>Date of NOV/NOE Relating to this Case:</b> January 12, 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 during an event that occurred on June 21, 2008. Specifically, the Respondent released 49.73 pounds ("lbs") of unauthorized nitrogen oxides ("NOx") emissions, 444.20 lbs of unauthorized ethylene emissions, and 359.19 lbs of unauthorized carbon monoxide ("CO") emissions from the ethylene tower feed flare during the 19 minute event. The event occurred due to an existing procedure not being sufficiently detailed. Total hydrogen flow decreased from approximately 440 pounds per hour ("lbs/hr") to 110 lbs/hr, which resulted in acetylene breakthrough from the adiabatic reactor, resulting in the ethylene tower feed flaring. Since the emissions event was avoidable and could have been prevented by utilizing proper procedures, it does not meet the demonstrations for an affirmative defense in 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 101.20(3), 116.715(a), and 122.143(4), TEX. HEALTH &amp; SAFETY CODE § 382.085(b), Flexible Permit No. 16989/ PSD-TX-794 Special Condition 1, and Federal Operating Permit ("FOP") No. O-01317 Special Terms and Conditions 16].</p> <p>2) Failure to prevent unauthorized emissions during an event that occurred on June 28, 2008. Specifically, the Respondent released 14.24 lbs of</p>	<p><b>Total Assessed:</b> \$12,950</p> <p><b>Total Deferred:</b> \$2,590  <input checked="" type="checkbox"/> Expedited Settlement  <input type="checkbox"/> Financial Inability to Pay</p> <p><b>SEP Conditional Offset:</b> \$0</p> <p><b>Total Paid to General Revenue:</b> \$10,360</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>Corrective Actions Taken:</b></p> <p>The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Plant:</p> <p>a. By June 27, 2008, instructed the Outside Compressor operator to line up either of the two available flow control valves (FV-321A or FV-321B) and set HS-321 accordingly. In addition, to verify valve line up, a step was added in the operating procedures to stroke the valve prior to lining up;</p> <p>b. By June 28, 2008, provided guidelines for temporarily increasing the hydrogen to feed ratio prior to any significant feed increase such as a future furnace commissioning;</p> <p>c. By September 8, 2008, reviewed methods to verify employee understanding prior to executing critical tasks with Team Leaders and Unit Supervisors; and</p> <p>d. By September 10, 2008, trained Console Operators on how to swap control from one valve to another.</p>

<p>unauthorized NOx emissions, 119.15 lbs of unauthorized ethylene emissions, 102.85 lbs of unauthorized CO, and 0.22 lbs of propylene emissions from the Ethylene Tower feed flare during the five minute event. The event occurred when 'F' furnace was placed on-line. The hydrogen flow was increased proportionately to the increase in feed flow; however, due to the process dynamics there was inadequate excess hydrogen to react out all of the acetylene. The Ethylene Tower feed went off-test and automatically routed to the flare. Since the emissions event was avoidable by better operational guidelines, it does not meet the demonstrations for an affirmative defense in 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 101.20(3), 116.715(a), and 122.143(4), TEX. HEALTH &amp; SAFETY CODE § 382.085(b), Flexible Permit No. 16989/ PSD-TX-794 Special Condition 1, and FOP No. O-01317 Special Terms and Conditions 16].</p>		
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Additional ID No(s): JE0135Q





Policy Revision 2 (September 2002)

## Penalty Calculation Worksheet (PCW)

PCW Revision October 30, 2008

<b>DATES</b>	<b>Assigned</b>	20-Jan-2009	<b>Screening</b>	27-Jan-2009	<b>EPA Due</b>	9-Oct-2009
	<b>PCW</b>	27-Jan-2009				

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

<b>CASE INFORMATION</b>			
<b>Enf./Case ID No.</b>	37072	<b>No. of Violations</b>	2
<b>Docket No.</b>	2009-0121-AIR-E	<b>Order Type</b>	1660
<b>Media Program(s)</b>	Air	<b>Government/Non-Profit</b>	No
<b>Multi-Media</b>		<b>Enf. Coordinator</b>	Kirk Schoppe
		<b>EC's Team</b>	Enforcement Team 4
<b>Admin. Penalty \$ Limit Minimum</b>	\$0	<b>Maximum</b>	\$10,000

## Penalty Calculation Section

<b>TOTAL BASE PENALTY (Sum of violation base penalties)</b>	<b>Subtotal 1</b>	\$5,000
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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.

<b>Compliance History</b>	184.0% Enhancement	<b>Subtotals 2, 3, &amp; 7</b>	\$9,200
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Notes: The penalty was enhanced due to four NOV's for similar violations, six NOV's for dissimilar violations, three 1660-style orders, and four Findings orders. The penalty was reduced due to six NOAs and one DOV.

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

<b>Good Faith Effort to Comply Total Adjustments</b>	<b>Subtotal 5</b>	\$1,250
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<b>Economic Benefit</b>	0.0% Enhancement*	<b>Subtotal 6</b>	\$0
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Total EB Amounts	\$17	*Capped at the Total EB \$ Amount
Approx. Cost of Compliance	\$3,000	

<b>SUM OF SUBTOTALS 1-7</b>	<b>Final Subtotal</b>	\$12,950
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<b>OTHER FACTORS AS JUSTICE MAY REQUIRE</b>	0.0%	<b>Adjustment</b>	\$0
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes

<b>Final Penalty Amount</b>	\$12,950
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<b>STATUTORY LIMIT ADJUSTMENT</b>	<b>Final Assessed Penalty</b>	\$12,950
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<b>DEFERRAL</b>	20.0% Reduction	<b>Adjustment</b>	-\$2,590
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Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes

Deferral offered for expedited settlement.

<b>PAYABLE PENALTY</b>	\$10,360
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Screening Date 27-Jan-2009

Docket No: 2009-0121-AIR-E

PCW

Respondent Flint Hills Resources, LP

Policy Revision 2 (September 2002)

Case ID No. 37072

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100217389

Media [Statute] Air

Enf. Coordinator Kirk Schoppe

### Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written NOVs with same or similar violations as those in the current enforcement action (number of NOVs meeting criteria)	4	20%
	Other written NOVs	6	12%
Orders	Any agreed final enforcement orders containing a denial of liability (number of orders meeting criteria)	3	60%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	4	100%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (number of judgements or consent decrees meeting criteria)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (number of counts)	0	0%
Emissions	Chronic excessive emissions events (number of events)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which notices were submitted)	6	-6%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which violations were disclosed)	1	-2%
Please Enter Yes or No			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 184%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Average Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

The penalty was enhanced due to four NOVs for similar violations, six NOVs for dissimilar violations, three 1660-style orders, and four Findings orders. The penalty was reduced due to six NOAs and one DOV.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 184%

**Screening Date** 27-Jan-2009 **Docket No.** 2009-0121-AIR-E **PCW**  
**Respondent** Flint Hills Resources, LP *Policy Revision 2 (September 2002)*  
**Case ID No.** 37072 *PCW Revision October 30, 2008*  
**Reg. Ent. Reference No.** RN100217389  
**Media [Statute]** Air  
**Enf. Coordinator** Kirk Schoppe

**Violation Number** 1  
**Rule Cite(s)** 30 Tex. Admin. Code §§ 101.20(3), 116.715(a) and 122.143(4), Tex. Health & Safety Code § 382.085(b), Flexible Permit No. 16989/ PSD-TX-794 Special Condition 1 and Federal Operating Permit ("FOP") No. O-01317 Special Terms and Conditions 16  
**Violation Description** Failed to prevent unauthorized emissions during an event that occurred on June 21, 2008, as documented during an investigation conducted on November 3, 2008. Specifically, the Respondent released 49.73 pounds ("lbs") of unauthorized nitrogen oxides ("NOx") emissions, 444.20 lbs of unauthorized ethylene emissions, and 359.19 lbs of unauthorized carbon monoxide ("CO") emissions from the ethylene tower feed flare during the 19 minute event. The event occurred when an incorrect procedure was used during valve selection. Total hydrogen flow decreased from approximately 440 pounds per hour ("lbs/hr") to 110 lbs/hr, which resulted in acetylene breakthrough from the adiabatic reactor, resulting in the ethylene tower feed flaring. Since the emissions event was avoidable and could have been prevented utilizing proper procedures, 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			Percent
	Major	Moderate	Minor	
Actual			X	25%
Potential				

  
**>> Programmatic Matrix**  

Matrix Notes	Falsification	Major	Moderate	Minor	Percent
	The emissions event resulted in the release of an insignificant amount of pollutants which did not exceed levels protective of human health and/or the environment.				

  
**Adjustment** \$7,500

**Violation Events** \$2,500

Number of Violation Events: 1 Number of violation days: 1  
 mark only one with an x  

daily	
weekly	
monthly	
quarterly	X
semiannual	
annual	
single event	

  
 Violation Base Penalty \$2,500  
 One quarterly event is recommended.

**Good Faith Efforts to Comply** 25.0% Reduction \$625  
 Before NOV NOV to EDPRP/Settlement Offer  

Extraordinary		
Ordinary	X	
N/A		(mark with x)

  
**Notes** The Respondent completed corrective actions by September 10, 2008, and the NOE is dated January 12, 2009.  
**Violation Subtotal** \$1,875

**Economic Benefit (EB) for this violation** **Statutory Limit Test**  
 Estimated EB Amount \$17 **Violation Final Penalty Total** \$6,475  
**This violation Final Assessed Penalty (adjusted for limits)** \$6,475

### Economic Benefit Worksheet

**Respondent** Flint Hills Resources, LP  
**Case ID No.** 37072  
**Reg. Ent. Reference No.** RN100217389  
**Media** Air  
**Violation No.** 1

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

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

**Delayed Costs**

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$1,500	21-Jun-2008	10-Sep-2008	0.22	\$17	n/a	\$17

Notes for DELAYED costs

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

**Avoided Costs**

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance

\$1,500

**TOTAL**

\$17

**Screening Date** 27-Jan-2009 **Docket No.** 2009-0121-AIR-E **PCW**

**Respondent** Flint Hills Resources, LP *Policy Revision 2 (September 2002)*

**Case ID No.** 37072 *PCW Revision October 30, 2008*

**Reg. Ent. Reference No.** RN100217389

**Media [Statute]** Air

**Enf. Coordinator** Kirk Schoppe

**Violation Number** 2

**Rule Cite(s)** 30 Tex. Admin. Code §§ 101.20(3), 116.715(a) and 122.143(4), Tex. Health & Safety Code § 382.085(b), Flexible Permit No. 16989/ PSD-TX-794 Special Condition 1 and Federal Operating Permit ("FOP") No. O-01317 Special Terms and Conditions 16

**Violation Description**  
 Failed to prevent unauthorized emissions during an event that occurred on June 28, 2008, as documented during an investigation conducted on November 3, 2008. Specifically, the Respondent released 14.24 lbs of unauthorized NOx emissions, 119.15 lbs of unauthorized ethylene emissions, 102.85 lbs of unauthorized CO, and 0.22 lbs of propylene emissions from the Ethylene Tower feed flare during the 5 minute event. The event occurred when there was inadequate excess hydrogen to provide for the process dynamics of a significant feed increase when the "F" furnace was placed on-line. The Ethylene Tower feed went off-test and automatically routed to the flare. Since the emissions event was avoidable by better operational guidelines, 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	Harm			Percent
	Release	Major	Moderate	
Actual				X
Potential				
				25%

**>> Programmatic Matrix**

Matrix Notes	Falsification			Percent
	Major	Moderate	Minor	
The emissions event resulted in the release of an insignificant amount of pollutants which did not exceed levels protective of human health and/or the environment.				0%

**Adjustment** \$7,500

**Subtotal** \$2,500

**Violation Events**

Number of Violation Events: 1 Number of violation days: 1

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

**Violation Base Penalty** \$2,500

One quarterly event is recommended.

**Good Faith Efforts to Comply** 25.0% Reduction \$625

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

**Notes** The Respondent completed corrective actions on June 28, 2008, and the NOE is dated January 12, 2009.

**Violation Subtotal** \$1,875

**Economic Benefit (EB) for this violation** **Statutory Limit Test**

Estimated EB Amount \$0 Violation Final Penalty Total \$6,475

**This violation Final Assessed Penalty (adjusted for limits)** \$6,475

### Economic Benefit Worksheet

**Respondent** Flint Hills Resources, LP  
**Case ID No.** 37072  
**Reg. Ent. Reference No.** RN100217389  
**Media** Air  
**Violation No.** 2

Percent Interest	Years of Depreciation
5.0	15

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

**Delayed Costs**

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$1,500	28-Jun-2008	28-Jun-2008	0.00	\$0	n/a	\$0

Notes for DELAYED costs

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

**Avoided Costs**

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance

\$1,500

TOTAL

\$0

# Compliance History Report

Customer/Respondent/Owner-Operator:	CN600879712 Flint Hills Resources, LP	Classification: AVERAGE	Rating: 3.79
Regulated Entity:	RN100217389 FLINT HILLS RESOURCES PORT ARTHUR FACILITY	Classification: AVERAGE	Site Rating: 9.38

ID Number(s):	AIR OPERATING PERMITS	ACCOUNT NUMBER	JE0135Q
	AIR OPERATING PERMITS	PERMIT	1317
	WASTEWATER	PERMIT	WQ0003057000
	WASTEWATER	PERMIT	TPDES0105287
	WASTEWATER	PERMIT	TX0105287
	AIR NEW SOURCE PERMITS	PERMIT	16989
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	JE0135Q
	AIR NEW SOURCE PERMITS	REGISTRATION	54780
	AIR NEW SOURCE PERMITS	REGISTRATION	54845
	AIR NEW SOURCE PERMITS	REGISTRATION	55149
	AIR NEW SOURCE PERMITS	REGISTRATION	55150
	AIR NEW SOURCE PERMITS	REGISTRATION	55148
	AIR NEW SOURCE PERMITS	REGISTRATION	75753
	AIR NEW SOURCE PERMITS	REGISTRATION	76098
	AIR NEW SOURCE PERMITS	REGISTRATION	75685
	AIR NEW SOURCE PERMITS	REGISTRATION	76342
	AIR NEW SOURCE PERMITS	REGISTRATION	75824
	AIR NEW SOURCE PERMITS	REGISTRATION	56739
	AIR NEW SOURCE PERMITS	AFS NUM	4824500082
	AIR NEW SOURCE PERMITS	REGISTRATION	70435
	AIR NEW SOURCE PERMITS	REGISTRATION	70504
	AIR NEW SOURCE PERMITS	REGISTRATION	70231
	AIR NEW SOURCE PERMITS	REGISTRATION	70256
	AIR NEW SOURCE PERMITS	REGISTRATION	70780
	AIR NEW SOURCE PERMITS	REGISTRATION	71484
	AIR NEW SOURCE PERMITS	REGISTRATION	71465
	AIR NEW SOURCE PERMITS	REGISTRATION	72282
	AIR NEW SOURCE PERMITS	REGISTRATION	72235
	AIR NEW SOURCE PERMITS	REGISTRATION	71742
	AIR NEW SOURCE PERMITS	REGISTRATION	72541
	AIR NEW SOURCE PERMITS	REGISTRATION	73136
	AIR NEW SOURCE PERMITS	REGISTRATION	73892
	AIR NEW SOURCE PERMITS	REGISTRATION	73618
	AIR NEW SOURCE PERMITS	REGISTRATION	73988

AIR NEW SOURCE PERMITS	REGISTRATION	74779
AIR NEW SOURCE PERMITS	REGISTRATION	75061
AIR NEW SOURCE PERMITS	REGISTRATION	74299
AIR NEW SOURCE PERMITS	REGISTRATION	74850
AIR NEW SOURCE PERMITS	REGISTRATION	75259
AIR NEW SOURCE PERMITS	REGISTRATION	75258
AIR NEW SOURCE PERMITS	REGISTRATION	76405
AIR NEW SOURCE PERMITS	REGISTRATION	76648
AIR NEW SOURCE PERMITS	PERMIT	79802
AIR NEW SOURCE PERMITS	REGISTRATION	80894
AIR NEW SOURCE PERMITS	REGISTRATION	80420
AIR NEW SOURCE PERMITS	REGISTRATION	80563
AIR NEW SOURCE PERMITS	REGISTRATION	81224
AIR NEW SOURCE PERMITS	REGISTRATION	81542
AIR NEW SOURCE PERMITS	REGISTRATION	54846
AIR NEW SOURCE PERMITS	REGISTRATION	56574
AIR NEW SOURCE PERMITS	REGISTRATION	70191
AIR NEW SOURCE PERMITS	REGISTRATION	84551
AIR NEW SOURCE PERMITS	REGISTRATION	86625
AIR NEW SOURCE PERMITS	REGISTRATION	48586
AIR NEW SOURCE PERMITS	REGISTRATION	83299
AIR NEW SOURCE PERMITS	REGISTRATION	52327
AIR NEW SOURCE PERMITS	REGISTRATION	52120
AIR NEW SOURCE PERMITS	REGISTRATION	85841
INDUSTRIAL AND HAZARDOUS WASTE PROCESSING	PERMIT	50399

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

TCEQ Region: REGION 10 - BEAUMONT

Date Compliance History Prepared: April 23, 2009

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: January 21, 2004 to January 21, 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/operator of the site during the compliance period? Yes
3. If Yes, who is the current owner/operator?
  - OWNOPR
  - N/A
  - Flint Hills Resources, LP
4. If Yes, who was/were the prior owner(s)/operator(s) ?
  - OWNOPR
  - N/A
  - Huntsman Petrochemical Corporation

5. When did the change(s) in owner or operator occur? 11/05/2007 OWNOPR Huntsman Petrochemical Corporation  
N/A

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: 07/15/2005 ADMINORDER 2004-0518-AIR-E  
N/A

Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(2)(G)  
30 TAC Chapter 101, SubChapter F 101.201(b)  
5C THC Chapter 382, SubChapter A 382.085(b)  
Description: Failure to satisfy the initial and final reporting requirements for a reportable emissions event.  
Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
30 TAC Chapter 116, SubChapter G 116.715(c)(7)  
5C THC Chapter 382, SubChapter A 382.085(b)  
Rqmt Prov: 16989/PSD-TX-794, SC 1 PERMIT  
Description: Failure to maintain an emission rate below the allowable emission limit.  
Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
30 TAC Chapter 116, SubChapter G 116.715(c)(7)  
5C THC Chapter 382, SubChapter A 382.085(b)  
Rqmt Prov: 16989 / PSD-TX-794 PERMIT  
Description: Failure to maintain an emission rate below the allowable limit for the light olefins Unit (LOU) Flare.  
Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
30 TAC Chapter 116, SubChapter G 116.715(c)(7)  
5C THC Chapter 382, SubChapter A 382.085(b)  
Rqmt Prov: 16989 / PSD-TX-794 PERMIT  
Description: Failure to maintain an emission rate below the allowable limit for the boiler feedwater pumps LOUflare.

Effective Date: 06/15/2006 ADMINORDER 2005-1774-AIR-E

Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter A 382.085(b)  
Rqmt Prov: 16989 and PSD-TX-794 PERMIT  
Description: Failure to maintain a VOC emission rate below the allowable emission limit for the LOU Flare (EPN - LOUFLARE).

Effective Date: 10/02/2006

ADMINORDER 2006-0512-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
30 TAC Chapter 116, SubChapter G 116.715(c)(7)  
5C THC Chapter 382, SubChapter A 382.085(b)

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

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

Classification: Moderate

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

Description: Failure to prevent a nuisance.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
30 TAC Chapter 116, SubChapter G 116.715(c)(7)  
30 TAC Chapter 122, SubChapter B 122.143(4)

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

Description: Failure to comply with emissions limitations.

Effective Date: 12/02/2006

ADMINORDER 2005-0926-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
30 TAC Chapter 116, SubChapter G 116.715(c)(7)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: 16989 / PSD-TX-794 PERMIT

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

Classification: Moderate

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

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

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
30 TAC Chapter 116, SubChapter G 116.715(c)(7)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: 16989 / PSD-TX-794 PERMIT

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

Classification: Minor

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

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

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
30 TAC Chapter 116, SubChapter G 116.715(c)(7)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: 16989 / PSD-TX-794 PERMIT

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

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
30 TAC Chapter 116, SubChapter G 116.715(c)(7)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: Special Condition 1 PERMIT

Description: Failure to prevent unauthorized emissions.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
30 TAC Chapter 116, SubChapter G 116.715(c)(7)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: 16989, Special Condition 1 PERMIT

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

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
30 TAC Chapter 116, SubChapter G 116.715(c)(7)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: SC 1 & 27 PERMIT

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

Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
30 TAC Chapter 116, SubChapter G 116.715(c)(7)  
5C THC Chapter 382, SubChapter A 382.085(b)

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

Description: Failure to comply with permitted emission limits.

Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
30 TAC Chapter 116, SubChapter G 116.715(c)(7)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THC Chapter 382, SubChapter A 382.085(b)

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

Description: Failure to comply with permitted emissions limits.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
30 TAC Chapter 116, SubChapter G 116.715(c)(7)  
5C THC Chapter 382, SubChapter A 382.085(b)

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

Description: Failure to comply with permitted emissions limits.

Effective Date: 11/09/2007

ADMINORDER 2007-0343-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
30 TAC Chapter 116, SubChapter G 116.715(c)(7)  
5C THC Chapter 382, SubChapter D 382.085(b)

Rqmt Prov: 16989 and PSD-TX-794 / SC1 PERMIT  
16989 and PSD-TX-794 / SC27 PERMIT

Description: Failed to prevent unauthorized emissions.

Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter D 382.085(b)  
Rqmt Prov: Permit 16989/PSD-TX-794 SC (1) PERMIT  
Description: Failed to prevent unauthorized emissions.

Effective Date: 05/22/2008 ADMINORDER 2006-1775-MLM-E

Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
30 TAC Chapter 116, SubChapter G 116.715(c)(7)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THC Chapter 382, SubChapter D 382.085(b)

Rqmt Prov: 16989/PSD-TX-794, Special Condition 1 PERMIT  
O-01317, General Terms and Conditions OP  
O-01317, Special Condition 16 OP

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

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

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

Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
30 TAC Chapter 116, SubChapter G 116.715(c)(7)  
30 TAC Chapter 122, SubChapter B 122.143(4)

Rqmt Prov: 16989/PSD-TX-794, Special Condition 1 PERMIT  
O-01317, General Terms and Conditions OP  
O-01317, Special Condition 16 OP

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

Effective Date: 11/17/2008 ADMINORDER 2008-0568-AIR-E

Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
30 TAC Chapter 116, SubChapter G 116.715(c)(7)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)

Rqmt Prov: 16989 Special Condition 1 PERMIT  
FOP-O-01317 Special Condition 16 OP

Description: Failed to prevent the failure of the governor valve and subsequent shutdown of the Light Olefins Unit ("LOU") Ethylene Compressor and flaring of process gases on Nove. During the emissions event lasting 13 hours and 20 minutes, the total unauthorized emissions from the LOU flare were 3,747.2 pounds ("lbs") of carbon monoxide ("CO"), 2,732.85 lbs of volatile organic compounds ("VOC"), and 518.81 lbs of nitrogen oxides ("NOx").

Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
30 TAC Chapter 116, SubChapter G 116.715(c)(7)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)

Rqmt Prov: 16989 Special Condition 1 PERMIT  
FOP-O-01317 Special Condition 16 OP

Description: Failed to prevent a contractor from inadvertently closing the air supply valve to the

hydrogen feed valve, resulting in loss of hydrogen flow to the acetylene reactors, resulting in the automatic diversion of the ethylene tower feed from the de-ethanizer overhead to the LOU flare on November 30, 2007. During the emissions event lasting seven hours, the total unauthorized emissions from the LOU flare were 7,176.86 lbs of VOC, 6,521.22 lbs of CO, and 902.88 lbs NOx.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
30 TAC Chapter 116, SubChapter G 116.715(c)(7)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)

Rqmt Prov: 16989/PSD-TX-794 Special Condition 1 PERMIT  
FOP-O-01317 Special Condition 16 OP

Description: Failed to prevent excess emissions from Tank 33752 on November 19, 2007, when hydrocarbon streams which were at a cool temperature were introduced into the tank which was at an elevated temperature. During the emissions event which lasted 30 minutes, 186.79 lbs of benzene and 151.69 lbs of other VOCs were released. Because these emissions could have been foreseen and avoided by good operating practices, the demonstrations for an affirmative defense could not be met.

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

N/A

C. Chronic excessive emissions events.

N/A

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

	1	01/27/2004	(323058)
N/A	2	02/18/2004	(257555)
	3	02/18/2004	(257798)
	4	02/24/2004	(323047)
	5	03/05/2004	(258707)
	6	03/25/2004	(323048)
	7	03/30/2004	(264152)
	8	04/26/2004	(323049)
	9	04/27/2004	(267489)
	10	05/12/2004	(257799)
	11	05/24/2004	(364434)
	12	06/23/2004	(364435)
	13	07/07/2004	(278431)
	14	07/07/2004	(278433)
	15	07/07/2004	(278434)
	16	07/07/2004	(278544)
	17	07/07/2004	(278545)
	18	07/12/2004	(278543)
	19	07/13/2004	(257800)
	20	07/22/2004	(364436)
	21	07/23/2004	(284067)
	22	08/24/2004	(364437)
	23	09/30/2004	(364438)
	24	10/13/2004	(291185)
	25	10/22/2004	(292535)
	26	10/25/2004	(364439)
	27	11/23/2004	(337200)
	28	11/29/2004	(388763)
	29	12/21/2004	(343764)
	30	12/27/2004	(388764)
	31	01/25/2005	(388765)
	32	01/26/2005	(344557)
	33	01/31/2005	(347316)
	34	02/23/2005	(388761)
	35	03/22/2005	(388762)

36	04/26/2005	(426339)
37	04/28/2005	(337253)
38	04/29/2005	(371588)
39	05/24/2005	(426340)
40	06/15/2005	(376683)
41	06/16/2005	(426341)
42	07/15/2005	(394390)
43	07/22/2005	(446662)
44	07/26/2005	(400177)
45	07/26/2005	(401118)
46	08/02/2005	(394561)
47	08/14/2005	(379713)
48	08/19/2005	(379633)
49	08/23/2005	(446663)
50	09/20/2005	(446664)
51	10/26/2005	(479516)
52	11/15/2005	(418534)
53	11/22/2005	(479517)
54	12/02/2005	(405596)
55	12/09/2005	(435983)
56	12/15/2005	(435695)
57	12/27/2005	(479518)
58	01/27/2006	(479519)
59	02/27/2006	(479515)
60	04/21/2006	(505237)
61	04/24/2006	(505238)
62	04/26/2006	(457779)
63	05/01/2006	(457781)
64	05/01/2006	(457784)
65	05/23/2006	(505239)
66	06/22/2006	(505240)
67	07/20/2006	(527519)
68	08/02/2006	(480166)
69	08/22/2006	(527520)
70	08/31/2006	(487243)
71	09/25/2006	(527521)
72	09/28/2006	(466186)
73	10/23/2006	(551246)
74	10/26/2006	(517315)
75	11/15/2006	(513585)
76	11/15/2006	(519115)
77	11/16/2006	(551247)
78	11/29/2006	(518544)
79	12/20/2006	(551248)
80	12/28/2006	(268049)
81	12/28/2006	(335044)
82	12/28/2006	(335759)
83	01/17/2007	(551249)
84	01/19/2007	(519404)
85	02/01/2007	(538360)
86	02/28/2007	(497606)
87	02/28/2007	(541429)
88	03/19/2007	(543387)
89	03/20/2007	(587916)
90	03/20/2007	(587917)
91	04/10/2007	(542262)
92	04/20/2007	(587918)
93	05/17/2007	(587919)

94 06/06/2007 (561378)  
95 06/13/2007 (587920)  
96 06/15/2007 (564423)  
97 07/16/2007 (587921)  
98 08/14/2007 (605258)  
99 09/12/2007 (605259)  
100 09/25/2007 (563763)  
101 10/12/2007 (572514)  
102 10/15/2007 (605260)  
103 11/02/2007 (628816)  
104 11/09/2007 (541901)  
105 11/09/2007 (573219)  
106 11/27/2007 (609694)  
107 12/18/2007 (600620)  
108 12/27/2007 (676531)  
109 01/14/2008 (628817)  
110 01/26/2008 (612204)  
111 02/07/2008 (611799)  
112 02/07/2008 (611952)  
113 02/19/2008 (676528)  
114 02/28/2008 (618936)  
115 03/03/2008 (615535)  
116 03/03/2008 (617774)  
117 03/03/2008 (636554)

118 03/12/2008 (637159)  
119 03/12/2008 (676529)  
120 03/20/2008 (615923)  
121 03/20/2008 (636924)  
122 03/31/2008 (617489)  
123 04/14/2008 (676530)  
124 04/23/2008 (637551)  
125 05/08/2008 (641183)  
126 05/13/2008 (695002)  
127 05/16/2008 (639769)  
128 06/06/2008 (682318)  
129 06/16/2008 (695003)  
130 06/26/2008 (680218)  
131 06/27/2008 (682444)  
132 07/14/2008 (695004)  
133 07/16/2008 (683700)  
134 07/17/2008 (682761)  
135 07/31/2008 (684054)  
136 08/02/2008 (686169)  
137 08/18/2008 (716508)  
138 09/04/2008 (687705)  
139 09/04/2008 (688797)  
140 09/08/2008 (687142)  
141 09/08/2008 (702304)  
142 09/10/2008 (716509)  
143 10/09/2008 (716510)  
144 10/31/2008 (704800)  
145 11/11/2008 (731995)  
146 11/18/2008 (704872)  
147 12/10/2008 (731996)  
148 12/15/2008 (721155)  
149 01/12/2009 (707510)  
150 01/14/2009 (731997)

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

Date: 02/18/2004 (257798) CN600879712  
N/A Self Report? NO Classification: Minor  
Citation: 16989 / PSD-TX-794 PERMIT  
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)  
Description: Sampling the AU Cooling Tower on vertical piping instead of top of horizontal piping.

Date: 07/12/2004 (278543) CN600879712  
Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT Kb 60.113b(b)(5)  
5C THC Chapter 382, SubChapter A 382.085(b)  
Description: Failure to provide 30-day inspection notice for Tank 1596 prior to the seal gap measurement inspection. B3

Date: 08/19/2005 (379633) CN600879712  
Self Report? NO Classification: Moderate  
Citation: 16989 and PSD-TX-794 PERMIT  
30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 117, SubChapter B 117.213(e)(1)(A)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THC Chapter 382, SubChapter A 382.085(b)  
O-01317 OP

Description: Failure to perform daily CEMS calibrations.  
Self Report? NO Classification: Minor  
Citation: 16989 and PSD-TX-794 PERMIT

30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THC Chapter 382, SubChapter A 382.085(b)  
O-01317 OP

Description: Failure to conduct monitoring for benzene in the cooling water.  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 113, SubChapter C 113.110  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT F 63.104(b)(3)  
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failure to use an approved method for quarterly sampling of the cooling water.  
Self Report? NO Classification: Minor  
Citation: 16989 and PSD-TX-794 PERMIT

30 TAC Chapter 101, SubChapter A 101.20(1)  
30 TAC Chapter 101, SubChapter A 101.20(2)  
30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT QQQ 60.703(a)(2)  
40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.349(a)(1)(ii)  
5C THC Chapter 382, SubChapter A 382.085(b)  
O-01317 OP

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

Self Report? NO Classification: Minor  
Citation: 16989 and PSD-TX-794 PERMIT  
30 TAC Chapter 101, SubChapter A 101.20(1)  
30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 115, SubChapter D 115.352(1)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)

40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-8(c)  
5C THC Chapter 382, SubChapter A 382.085(b)  
O-01317 OP

Description: Failure to repair a component within 15 days of the discovery of the leak.  
Self Report? NO Classification: Minor  
Citation: 16989 and PSD-TX-794 PERMIT

30 TAC Chapter 101, SubChapter A 101.20(1)  
30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT Kb 60.113b(b)(5)  
5C THC Chapter 382, SubChapter A 382.085(b)  
O-01317 OP

Description: Failure to notify the administrator 30 days in advance of any gap measurements required by paragraph 40 CFR 60.113b(b)(1).

Self Report? NO Classification: Minor  
Citation: 16989 and PSD-TX-794 PERMIT

30 TAC Chapter 101, SubChapter A 101.20(1)  
30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(c)(3)(ii)  
5C THC Chapter 382, SubChapter A 382.085(b)  
O-01317 OP

Description: Failure to maintain a net heating value above 300 Btu/scf of the gas being combusted in the flare.

Self Report? NO Classification: Minor  
Citation: 16989 and PSD-TX-794 PERMIT

30 TAC Chapter 101, SubChapter A 101.20(2)  
30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 115, SubChapter D 115.352(4)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 61, SubChapter C, PT 61, SubPT V 61.242-6(a)

5C THC Chapter 382, SubChapter A 382.085(b)  
O-01317 OP

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

Self Report? NO Classification: Minor  
Citation: 16989 and PSD-TX-794 PERMIT

30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 113, SubChapter C 113.110  
30 TAC Chapter 115, SubChapter D 115.352(4)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.167(a)(1)  
5C THC Chapter 382, SubChapter A 382.085(b)  
O-01317 OP

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

Self Report? NO Classification: Minor  
Citation: 16989 and PSD-TX-794 PERMIT

30 TAC Chapter 101, SubChapter A 101.18  
30 TAC Chapter 101, SubChapter A 101.20(2)  
30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 115, SubChapter D 115.354(4)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 61, SubChapter C, PT 61, SubPT V 61.242-6(a)  
5C THC Chapter 382, SubChapter A 382.085(b)  
O-01317 OP

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

Self Report? NO Classification: Minor  
Citation: 16989 and PSD-TX-794 PERMIT

30 TAC Chapter 101, SubChapter A 101.18  
30 TAC Chapter 101, SubChapter A 101.20(1)  
30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 115, SubChapter D 115.352(4)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(1)  
5C THC Chapter 382, SubChapter A 382.085(b)  
O-01317 OP

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

Self Report? NO Classification: Minor

Citation: 16989 and PSD-TX-794 PERMIT  
30 TAC Chapter 101, SubChapter A 101.18  
30 TAC Chapter 101, SubChapter A 101.20(1)  
30 TAC Chapter 101, SubChapter A 101.20(2)  
30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT QQQ 60.703(c)(1)(ii)  
40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.354(f)(1)  
5C THC Chapter 382, SubChapter A 382.085(b)  
O-01317 OP

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

Self Report? NO Classification: Moderate

Citation: 16989 and PSD-TX-794 PERMIT  
30 TAC Chapter 101, SubChapter A 101.20(2)  
30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.354(d)  
5C THC Chapter 382, SubChapter A 382.085(b)  
O-01317 OP

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

Self Report? NO Classification: Minor

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

Description: Failure to record required LDAR monitoring data.

Self Report? NO Classification: Minor

Citation: 16989 and PSD-TX-794 PERMIT  
30 TAC Chapter 101, SubChapter A 101.20(2)  
30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.354(d)  
5C THC Chapter 382, SubChapter A 382.085(b)  
O-01317 OP

Description: Failure to conduct daily monitoring of the carbon absorption system.

Self Report? NO Classification: Minor

Citation: 16989 and PSD-TX-794 PERMIT  
30 TAC Chapter 101, SubChapter A 101.20(2)  
30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 61, SubChapter C, PT 61, SubPT V 61.242-7(c)(2)  
5C THC Chapter 382, SubChapter A 382.085(b)  
O-01317 OP

Description: Failure to monitor a valve monthly after a leak is detected.

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 113, SubChapter C 113.120  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT A 63.9(h)(2)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.146(b)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.152(b)(1)

5C THC Chapter 382, SubChapter A 382.085(b)  
O-01317 OP

Description: Failure to report the correct information in the Notification of Compliance Status (NCS).  
Failure to report the correct information in the Notification of Compliance Status (NCS).

Date: 04/30/2006 (505239) CN600879712  
Self Report? YES Classification: Moderate  
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)  
TWC Chapter 26 26.121(a)  
Description: Failure to meet the limit for one or more permit parameter

Date: 07/12/2006 (464981) CN600879712  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.4  
5C THC Chapter 382, SubChapter A 382.085(b)  
Description: FAILURE TO PREVENT NUISANCE CONDITIONS.

Date: 08/03/2006 (480166) CN600879712  
Self Report? NO Classification: Moderate  
Citation: 16989 and PSD-TX-794 PERMIT  
30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THC Chapter 382, SubChapter A 382.085(b)  
O-01317 OP  
Description: Failure to maintain a net heating value above 300 Btu/scf of the gas being combusted in the flare.

Self Report? NO Classification: Minor  
Citation: 16989, SC23B PERMIT  
30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 117, SubChapter B 117.213(e)(1)(A)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THC Chapter 382, SubChapter A 382.085(b)  
O-01317, SC1 and SC16 OP

Description: Failure to perform daily CEMS calibrations.  
Self Report? NO Classification: Minor

Citation: 16989 and PSD-TX-794 PERMIT  
30 TAC Chapter 101, SubChapter A 101.20(1)  
30 TAC Chapter 101, SubChapter A 101.20(2)  
30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT RRR 60.703(c)  
40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.354(f)(1)  
O-01317 OP

Description: Failure to conduct monthly visual inspection of bypass line valves.  
Self Report? NO Classification: Minor

Citation: 16989 and PSD-TX-794 PERMIT  
30 TAC Chapter 101, SubChapter A 101.20(1)  
30 TAC Chapter 101, SubChapter A 101.20(2)  
30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT RRR 60.703(a)  
40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.349(a)(1)(ii)  
5C THC Chapter 382, SubChapter A 382.085(b)  
O-01317 OP

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

Self Report? NO Classification: Minor  
Citation: 16989 and PSD-TX-794 PERMIT

30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 113, SubChapter C 113.110  
30 TAC Chapter 115, SubChapter D 115.352(4)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.167(a)(1)  
5C THC Chapter 382, SubChapter A 382.085(b)  
O-01317 OP

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

Self Report? NO Classification: Minor

Citation: 16989 and PSD-TX-794 PERMIT  
30 TAC Chapter 101, SubChapter A 101.20(1)  
30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 115, SubChapter D 115.352(4)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(1)  
5C THC Chapter 382, SubChapter D 382.085(b)  
O-01317 OP

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

Self Report? NO Classification: Minor

Citation: 16989 and PSD-TX-794 PERMIT  
30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 113, SubChapter C 113.110  
30 TAC Chapter 115, SubChapter D 115.352(4)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.167(a)(1)  
5C THC Chapter 382, SubChapter D 382.085(b)  
O-01317 OP

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

Self Report? NO Classification: Minor

Citation: 16989 and PSD-TX-794 PERMIT  
30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THC Chapter 382, SubChapter D 382.085(b)  
O-01317 OP

Description: Failure to control the analyzer vent waste gas from Analyzer AR 3319 by a flare

or by an Atmospheric Reference Valve (ARV).

Self Report? NO Classification: Minor

Citation: 16989 and PSD-TX-794 PERMIT  
30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 117, SubChapter B 117.213(e)(1)(A)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THC Chapter 382, SubChapter D 382.085(b)  
O-01317 OP

Description: Failure to continuously monitor CO from the LOUBOILER6.

Date: 06/07/2007 (561378) CN600879712

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
30 TAC Chapter 122, SubChapter C 122.210(a)  
5C THC Chapter 382, SubChapter D 382.085(b)  
FOP-O-01317 Special Condition 16 OP

Description: Failure to incorporate NSR Permit 56282 into FOP-O-01317.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter D 115.352(1)(A)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Part 60, Subpart VV 60.482-7  
5C THC Chapter 382, SubChapter D 382.085(b)

FOP-O-01317 Special Condition 1 OP

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

Description: Failure to have the pilot flame on AU flare lit for a period of 12 minutes on April 4, 2006.

Date: 09/26/2007 (563763) CN600879712

Self Report? NO Classification: Moderate

Citation: 16989/PSD-TX-794, Special Condition 7 PERMIT  
30 TAC Chapter 101, SubChapter A 101.20(2)  
30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 113, SubChapter C 113.120  
30 TAC Chapter 115, SubChapter B 115.112(a)(2)(D)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.351(a)(2)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.119(c)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.119(c)(3)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.119(c)(4)  
5C THC Chapter 382, SubChapter A 382.085(b)  
O-01317, General Terms and Conditions OP  
O-01317, Special Condition 16 PERMIT  
O-01317, Special Condition 1A OP

Description: Failure to properly operate Tank 33755.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter C 122.222(k)(2)  
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failure to provide notification of an off-permit change.

Date: 02/28/2008 (618953) CN600879712

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
30 TAC Chapter 122, SubChapter B 122.145(2)(C)  
5C THSC Chapter 382 382.085(b)  
FOP-O-01317 General Terms and Conditions OP

Description: Failure to submit deviation report for the period of July 1, 2007, through November 4, 2007, in a timely manner.

Self Report? NO Classification: Moderate

Citation: 16989 Special Condition 8(G) PERMIT  
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)

FOP-O-01317 Special Condition 16 OP

Description: Failure to paint pyrolysis fuel oil tank white or aluminum.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
30 TAC Chapter 122, SubChapter B 122.145(2)(A)  
5C THSC Chapter 382 382.085(b)  
FOP-O-01317 General Terms and Conditions OP

Description: Failure to report deviations in the period of its occurrence.

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)  
5C THSC Chapter 382 382.085(b)  
FOP-O-01317 Special Condition 16 OP  
Permit 16989 Special Condition 15(E) PERMIT

Description: Failure to install a cap or plug on an open-ended line or valve.

Date: 09/08/2008 (687142) CN600879712

Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT WW 63.1066(b)(1)  
5C THSC Chapter 382 382.085(b)  
Special Condition 10(G) OP  
Description: Failure to submit tank seal inspection notifications in a timely manner.

F. Environmental audits.

Notice of Intent Date: 06/25/2004 (348010)  
No DOV Associated  
Notice of Intent Date: 07/22/2004 (334189)  
No DOV Associated  
Notice of Intent Date: 02/01/2007 (573881)  
Disclosure Date: 06/27/2007  
Viol. Classification: Minor  
Citation: 40 CFR Chapter 262, SubChapter I, PT 262, SubPT C 262.34(a)(4)  
Description: Failure to maintain up to date emergency contact and equipment information in the contingency plan.  
Viol. Classification: Minor  
Citation: 40 CFR Chapter 279, SubChapter I, PT 279, SubPT C 279.22(c)(1)  
Description: Failure to properly label drums with the words used oil in the garage area.  
Viol. Classification: Moderate  
Citation: 40 CFR Chapter 273, SubChapter I, PT 273, SubPT B 273.13(d)(1)  
40 CFR Chapter 273, SubChapter I, PT 273, SubPT B 273.14(e)  
40 CFR Chapter 273, SubChapter I, PT 273, SubPT B 273.15(c)(1)  
40 CFR Chapter 273, SubChapter I, PT 273, SubPT C 273.33(d)(1)  
40 CFR Chapter 273, SubChapter I, PT 273, SubPT C 273.34(e)  
40 CFR Chapter 273, SubChapter I, PT 273, SubPT C 273.35(c)(1)  
Description: Failure to properly label/store universal waste. Specifically, fluorescent light bulbs were in unlabeled boxes and on the ground in the Electrician's shop, and spent bulbs were throughout the Texaco Research Building not labeled or boxed.  
Viol. Classification: Moderate  
Citation: 30 TAC Chapter 335, SubChapter Q 335.475(6)  
Description: Failure to file and have a pollution prevention plan executive summary and a signed certification available during the audit.  
Viol. Classification: Moderate  
Citation: 30 TAC Chapter 350, SubChapter B 350.33(d)  
Description: Failure to maintain a copy of the RAP for SWMU 3.  
Viol. Classification: Moderate  
Rqmt Prov: IHWP/EMTCP IX.B.1.e.  
Description: Failure to submit a written report to the TCEQ within 60 days after a pipeline release of cyclohexane on 1/12/07.

Notice of Intent Date: 11/02/2007 (610103)  
No DOV Associated

Notice of Intent Date: 07/17/2008 (688108)  
No DOV Associated

Notice of Intent Date: 08/18/2008 (703367)  
No DOV Associated

G. Type of environmental management systems (EMSs).

N/A

H. Voluntary on-site compliance assessment dates.

N/A

I. Participation in a voluntary pollution reduction program.

N/A

J. Early compliance.

N/A

Sites Outside of Texas

N/A



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN  
ENFORCEMENT ACTION  
CONCERNING  
FLINT HILLS RESOURCES, LP  
RN100217389

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§  
§  
§  
§

BEFORE THE  
TEXAS COMMISSION ON  
ENVIRONMENTAL QUALITY

**AGREED ORDER  
DOCKET NO. 2009-0121-AIR-E**

**I. JURISDICTION AND STIPULATIONS**

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

1. The Respondent owns and operates a petrochemical manufacturing plant at 4241 Savannah Avenue in Port Arthur, Jefferson County, Texas (the "Plant").
2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
3. The Commission and the Respondent agree that the Commission has jurisdiction to enter this Agreed Order, and that the Respondent is subject to the Commission's jurisdiction.
4. The Respondent received notice of the violations alleged in Section II ("Allegations") on or about January 17, 2009.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
6. An administrative penalty in the amount of Twelve Thousand Nine Hundred Fifty Dollars (\$12,950) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Ten Thousand Three Hundred Sixty Dollars (\$10,360) of the administrative penalty and Two Thousand Five Hundred Ninety Dollars (\$2,590) is

- deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If the Respondent fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require the Respondent to pay all or part of the deferred penalty.
7. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
  8. The Executive Director of the TCEQ and the Respondent have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.
  9. The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Plant:
    - a. By June 27, 2008, instructed the Outside Compressor operator to line up either of the two available flow control valves (FV-321A or FV-321B) and set HS-321 accordingly. In addition, to verify valve line up, a step was added in the operating procedures to stroke the valve prior to lining up;
    - b. By June 28, 2008, provided guidelines for temporarily increasing the hydrogen to feed ratio prior to any significant feed increase such as a future furnace commissioning;
    - c. By September 8, 2008, reviewed methods to verify employee understanding prior to executing critical tasks with Team Leaders and Unit Supervisors; and
    - d. By September 10, 2008, trained Console Operators on how to swap control from one valve to another.
  10. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
  11. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
  12. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

## II. ALLEGATIONS

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

1. Failed to prevent unauthorized emissions during an event that occurred on June 21, 2008, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 116.715(a) and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), Flexible Permit No. 16989/ PSD-TX-794 Special Condition 1, and

Federal Operating Permit ("FOP") No. O-01317 Special Terms and Conditions 16, as documented during an investigation conducted on November 3, 2008. Specifically, the Respondent released 49.73 pounds ("lbs") of unauthorized nitrogen oxides ("NOx") emissions, 444.20 lbs of unauthorized ethylene emissions, and 359.19 lbs of unauthorized carbon monoxide ("CO") emissions from the ethylene tower feed flare during the 19 minute event. The event occurred due to an existing procedure not being sufficiently detailed. Total hydrogen flow decreased from approximately 440 pounds per hour ("lbs/hr") to 110 lbs/hr, which resulted in acetylene breakthrough from the adiabatic reactor, resulting in the ethylene tower feed flaring. Since the emissions event was avoidable and could have been prevented by utilizing proper procedures, it does not meet the demonstrations for an affirmative defense in 30 TEX. ADMIN. CODE § 101.222.

2. Failed to prevent unauthorized emissions during an event that occurred on June 28, 2008, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 116.715(a) and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), Flexible Permit No. 16989/ PSD-TX-794 Special Condition 1, and FOP No. O-01317 Special Terms and Conditions 16, as documented during an investigation conducted on November 3, 2008. Specifically, the Respondent released 14.24 lbs of unauthorized NOx emissions, 119.15 lbs of unauthorized ethylene emissions, 102.85 lbs of unauthorized CO, and 0.22 lbs of propylene emissions from the Ethylene Tower feed flare during the five minute event. The event occurred when 'F' furnace was placed on-line. The hydrogen flow was increased proportionately to the increase in feed flow, however, due to the process dynamics there was inadequate excess hydrogen to react out all of the acetylene. The Ethylene Tower feed went off-test and automatically routed to the flare. Since the emissions event was avoidable by better operational guidelines, it does not meet the demonstrations for an affirmative defense in 30 TEX. ADMIN. CODE § 101.222.

### III. DENIALS

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

### IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that the Respondent pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Flint Hills Resources, LP, Docket No. 2009-0121-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 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.
3. 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.
4. 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.
5. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to the Respondent, or three days after the date on which the Commission mails notice of the Order to the Respondent, whichever is earlier. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

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

John Soder  
For the Executive Director

6/23/2009  
Date

I, the undersigned, have read and understand the attached Agreed Order. I am authorized to agree to the attached Agreed Order on behalf of the entity indicated below my signature, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I also understand that failure to comply with the Ordering Provisions, if any, in this order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions;
- Automatic referral to the Attorney General's Office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.

Jeff Tilley  
Signature

5/12/09  
Date

Jeff Tilley  
Name (Printed or typed)  
Authorized Representative of  
Flint Hills Resources, LP

Plant Manager  
Title

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

