

EXECUTIVE SUMMARY - ENFORCEMENT MATTER Page 1 of 2
DOCKET NO.: 2009-0209-AIR-E **TCEQ ID:** RN100542224 **CASE NO.:** 37154
RESPONDENT NAME: INEOS NOVA LLC

ORDER TYPE:		
<input checked="" type="checkbox"/> 1660 AGREED ORDER	<input type="checkbox"/> FINDINGS AGREED ORDER	<input type="checkbox"/> FINDINGS ORDER FOLLOWING SOAH HEARING
<input type="checkbox"/> FINDINGS DEFAULT ORDER	<input type="checkbox"/> SHUTDOWN ORDER	<input type="checkbox"/> IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER
<input type="checkbox"/> AMENDED ORDER	<input type="checkbox"/> EMERGENCY ORDER	
CASE TYPE:		
<input checked="" type="checkbox"/> AIR	<input type="checkbox"/> MULTI-MEDIA (check all that apply)	<input type="checkbox"/> INDUSTRIAL AND HAZARDOUS WASTE
<input type="checkbox"/> PUBLIC WATER SUPPLY	<input type="checkbox"/> PETROLEUM STORAGE TANKS	<input type="checkbox"/> OCCUPATIONAL CERTIFICATION
<input type="checkbox"/> WATER QUALITY	<input type="checkbox"/> SEWAGE SLUDGE	<input type="checkbox"/> UNDERGROUND INJECTION CONTROL
<input type="checkbox"/> MUNICIPAL SOLID WASTE	<input type="checkbox"/> RADIOACTIVE WASTE	<input type="checkbox"/> DRY CLEANER REGISTRATION
<p>SITE WHERE VIOLATION(S) OCCURRED: NOVA Chemicals Bayport Site, 12222 Port Road, Pasadena, Harris County</p> <p>TYPE OF OPERATION: Chemical plant</p> <p>SMALL BUSINESS: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>OTHER SIGNIFICANT MATTERS: There are no complaints. There is no record of additional pending enforcement actions regarding this facility location.</p> <p>INTERESTED PARTIES: No one other than the ED and the Respondent has expressed an interest in this matter.</p> <p>COMMENTS RECEIVED: The <i>Texas Register</i> comment period expired on July 27, 2009. No comments were received.</p> <p>CONTACTS AND MAILING LIST: TCEQ Attorney/SEP Coordinator: Mr. Phillip Hampsten, SEP Coordinator, Enforcement Division, MC 219, (512) 239-6732 TCEQ Enforcement Coordinator: Ms. Nadia Hameed, Enforcement Division, Enforcement Team 5, MC R-12, (713) 767-3629; Ms. Cari-Michel La Caille, Enforcement Division, MC 219, (512) 239-1387 Respondent: Ms. Diana Firpi, Senior Environmental Engineer, INEOS NOVA LLC, 12222 Port Road, Pasadena, Texas 77507 Ms. Cathy Culpepper, Site Manager, INEOS NOVA LLC, 12222 Port Road, Pasadena, Texas 77507 Respondent's Attorney: Not represented by counsel on this enforcement matter</p>		

VIOLATION SUMMARY CHART:

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p>Type of Investigation: <input type="checkbox"/> Complaint <input checked="" type="checkbox"/> Routine <input type="checkbox"/> Enforcement Follow-up <input type="checkbox"/> Records Review</p> <p>Date(s) of Complaints Relating to this Case: None</p> <p>Date of Investigation Relating to this Case: July 31 and November 14, 2008</p> <p>Date of NOV/NOE Relating to this Case: January 30, 2009 (NOE)</p> <p>Background Facts: This was a routine investigation.</p> <p>AIR</p> <p>1) Failure to prevent unauthorized emissions. Specifically, 720 pounds of benzene were released when the Respondent failed to prevent trash from damaging the seat of a two-inch block valve, resulting in an emissions event which began on December 16, 2007, and lasted until February 5, 2008, for a total of 1,231 hours (Incident No. 114727). Since the emissions event was avoidable by better operations practices, the demonstrations in 30 TEX. ADMIN. CODE § 101.222 necessary to present an affirmative defense were not met [30 TEX. ADMIN. CODE § 116.115(c), Air Permit No. 5252, Special Condition No. 1, and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p> <p>2) Failure to notify the TCEQ within 24 hours when the benzene emissions exceeded the reportable quantity. Specifically, the initial notification for Incident No. 114727 was due to be submitted on December 17, 2007, but was not submitted until September 29, 2008 [30 TEX. ADMIN. CODE § 101.201(a)(1)(B) and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p>	<p>Total Assessed: \$5,642</p> <p>Total Deferred: \$1,128 <input checked="" type="checkbox"/> Expedited Settlement <input type="checkbox"/> Financial Inability to Pay</p> <p>SEP Conditional Offset: \$2,257</p> <p>Total Paid to General Revenue: \$2,257</p> <p>Site Compliance History Classification <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p>Person Compliance History Classification <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p>Major Source: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Applicable Penalty Policy: September 2002</p>	<p>Corrective Actions Taken:</p> <p>The Executive Director recognizes that the Respondent submitted the Initial Notification to the agency on September 29, 2008 (Incident No. 114727).</p> <p>Ordering Provisions:</p> <p>1) The Order will require the Respondent to implement and complete a Supplemental Environmental Project (SEP). (See SEP Attachment A)</p> <p>2) The Order will also require the Respondent to:</p> <p>a. Within 30 days after the effective date of this Agreed Order:</p> <p>i. Implement measures designed to prevent recurrence of emissions due to the same cause as the December 16, 2007, emissions event (Incident No. 114727); and</p> <p>ii. Complete training to ensure that emissions events are calculated correctly and notifications are submitted within the required time frames;</p> <p>b. Within 45 days after the effective date of this Agreed Order, submit written certification and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 2.a.</p>

Additional ID No(s): HG3307M

Attachment A
Docket Number: 2009-0209-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent: INEOS NOVA LLC

Payable Penalty Amount: Four Thousand Five Hundred Fourteen Dollars (\$4,514)

SEP Amount: Two Thousand Two Hundred Fifty-Seven Dollars (\$2,257)

Type of SEP: Pre-approved

Third-Party Recipient: Houston Regional Monitoring Corporation - Houston Area Monitoring

Location of SEP: Harris 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

Performing Party shall use SEP Funds to operate, maintain, and potentially expand portions of the existing Houston Regional Monitoring Corporation Ambient Air Quality Monitoring Network in the Houston area in order to continue to provide information on data quality and trends to the public, TCEQ, and industry representatives. SEP funds may be used to operate a single monitoring site or multiple sites contingent upon the amount of SEP funds provided.

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

Data from this monitoring may be used to evaluate the effectiveness of current emission control strategies, track ambient concentration trends for key pollutants of interest, evaluate episodic emission events, conduct source attribution studies, and assess potential community exposure to toxic air contaminants. Performing party notifies the TCEQ on a quarterly basis of all exceedences of the National Ambient Air Quality Standards ("NAAQS") that it measures at its monitoring stations. The TCEQ uses this information, along with information collected at its own monitors and monitors operated by the City of Houston, to evaluate Houston's progress toward achieving or remaining in attainment of the NAAQS.

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:

Christopher B. Amandes, Esquire, Vinson & Elkins LLP
First City Tower
1001 Fannin Street, Suite 2500
Houston, TX 77002-6760

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:

Office of Legal Services
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

DATES	Assigned	2-Feb-2009	Screening	13-Feb-2009	EPA Due	15-Sep-2009
	PCW	17-Feb-2009				

RESPONDENT/FACILITY INFORMATION	
Respondent	INEOS NOVA LLC
Reg. Ent. Ref. No.	RN100542224
Facility/Site Region	12-Houston
Major/Minor Source	Major

CASE INFORMATION			
Enf./Case ID No.	37154	No. of Violations	2
Docket No.	2009-0209-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Nadia Hameed
		EC's Team	Enforcement Team 5
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$10,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties) *Subtotal 1*

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History Enhancement *Subtotals 2, 3, & 7*

Notes: Penalty enhancement due to two agreed orders with a denial of liability, one court order with a denial of liability, nine same or similar NOVs, and three non-similar NOVs. Penalty reduction for two Notice of Audit letters and one Disclosure of Violation.

Culpability Enhancement *Subtotal 4*

Notes: The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply Total Adjustments *Subtotal 5*

Economic Benefit Enhancement *Subtotal 6*

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

SUM OF SUBTOTALS 1-7 *Final Subtotal*

OTHER FACTORS AS JUSTICE MAY REQUIRE *Adjustment*

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

Final Penalty Amount

STATUTORY LIMIT ADJUSTMENT *Final Assessed Penalty*

DEFERRAL Reduction *Adjustment*

Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes:

Deferral offered for expedited settlement.

PAYABLE PENALTY

Screening Date 13-Feb-2009

Docket No. 2009-0209-AIR-E

PCW

Respondent INEOS NOVA LLC

Policy Revision 2 (September 2002)

Case ID No. 37154

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100542224

Media [Statute] Air

Enf. Coordinator Nadia Hameed

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written NOVs with same or similar violations as those in the current enforcement action (number of NOVs meeting criteria)	9	45%
	Other written NOVs	3	6%
Orders	Any agreed final enforcement orders containing a denial of liability (number of orders meeting criteria)	2	40%
	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	0	0%
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)	1	30%
	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)	2	-2%
	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) 117%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Average Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

Penalty enhancement due to two agreed orders with a denial of liability, one court order with a denial of liability, nine same or similar NOV's, and three non-similar NOV's. Penalty reduction for two Notice of Audit letters and one Disclosure of Violation.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 117%

Screening Date 13-Feb-2009 **Docket No.** 2009-0209-AIR-E **PCW**
Respondent INEOS NOVA LLC *Policy Revision 2 (September 2002)*
Case ID No. 37154 *PCW Revision October 30, 2008*
Reg. Ent. Reference No. RN100542224
Media [Statute] Air
Enf. Coordinator Nadia Hameed
Violation Number 1
Rule Cite(s) 30 Tex. Admin. Code § 116.115(c), Air Permit No. 5252, Special Condition No. 1, and Tex. Health & Safety Code § 382.085(b)
Violation Description Failed to prevent unauthorized emissions. Specifically, 720 pounds of benzene were released when the Respondent failed to prevent trash from damaging the seat of a two-inch block valve, resulting in an emissions event which began on December 16, 2007, and lasted until February 5, 2008, for a total of 1,231 hours (Incident No. 114727). Since the emissions event was avoidable by better operations practices, the demonstrations in 30 Tex. Admin. Code § 101.222 necessary to present an affirmative defense were not met.
Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

Release	Harm			Percent
	Major	Moderate	Minor	
Actual			X	25%
Potential				

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
				0%

Matrix Notes Human health or the environment has been exposed to insignificant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$7,500

\$2,500

Violation Events

Number of Violation Events: 1 52 Number of violation days

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 based upon the duration of the emissions event from December 16, 2007 to February 5, 2008.

Good Faith Efforts to Comply 0.0% Reduction \$0

	0.0% Reduction	
	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary		
N/A	X	(mark with x)

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

Violation Subtotal \$2,500

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

Estimated EB Amount: \$414 Violation Final Penalty Total: \$5,425

This violation Final Assessed Penalty (adjusted for limits) \$5,425

Economic Benefit Worksheet

Respondent INEOS NOVA LLC
Case ID No. 37154
Reg. Ent. Reference No. RN100542224
Media Air
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

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

Delayed Costs

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	\$5,000	16-Dec-2007	12-Aug-2009	1.66	\$414	n/a	\$414
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs Estimated cost to ensure that future emissions events with the same cause are prevented. The date required is based on the date of the emissions event. The final date is based on the date the corrective actions are expected to be completed.

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 \$414

Screening Date 13-Feb-2009 Respondent INEOS NOVA LLC Case ID No. 37154 Reg. Ent. Reference No. RN100542224 Media [Statute] Air Enf. Coordinator Nadia Hameed Violation Number <input type="text" value="2"/> Rule Cite(s) <input type="text" value="30 Tex. Admin. Code § 101.201(a)(1)(B) and Tex. Health & Safety Code § 382.085(b)"/>	Docket No. 2009-0209-AIR-E PCW <small>Policy Revision 2 (September 2002) PCW Revision October 30, 2008</small>																												
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Adjustment <input type="text" value="\$9,900"/>																													
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	<input type="text" value="One single event is recommended based upon one late report."/>																												
Good Faith Efforts to Comply																													
	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td></td> <td style="text-align: center;">0.0% Reduction</td> <td style="text-align: right;"><input type="text" value="\$0"/></td> </tr> <tr> <td></td> <td style="text-align: center;">Before NOV</td> <td style="text-align: center;">NOV to EDPRP/Settlement Offer</td> </tr> <tr> <td>Extraordinary</td> <td><input type="text"/></td> <td><input type="text"/></td> </tr> <tr> <td>Ordinary</td> <td><input type="text"/></td> <td><input type="text"/></td> </tr> <tr> <td>N/A</td> <td style="text-align: center;">x</td> <td style="text-align: center;">(mark with x)</td> </tr> <tr> <td>Notes</td> <td colspan="2"><input type="text" value="The Respondent does not meet the good faith criteria for this violation."/></td> </tr> </table>		0.0% Reduction	<input type="text" value="\$0"/>		Before NOV	NOV to EDPRP/Settlement Offer	Extraordinary	<input type="text"/>	<input type="text"/>	Ordinary	<input type="text"/>	<input type="text"/>	N/A	x	(mark with x)	Notes	<input type="text" value="The Respondent does not meet the good faith criteria for this violation."/>											
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Notes	<input type="text" value="The Respondent does not meet the good faith criteria for this violation."/>																												
Violation Subtotal <input type="text" value="\$100"/>																													
Economic Benefit (EB) for this violation																													
Statutory Limit Test																													
Estimated EB Amount	<input type="text" value="\$83"/>	Violation Final Penalty Total	<input type="text" value="\$217"/>																										
		This violation Final Assessed Penalty (adjusted for limits)	<input type="text" value="\$217"/>																										

Economic Benefit Worksheet

Respondent INEOS NOVA LLC
Case ID No. 37154
Reg. Ent. Reference No. RN100542224
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	\$1,000	17-Dec-2007	12-Aug-2009	1.65	\$83	n/a	\$83
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs Estimated cost to ensure that emissions are calculated and reported correctly. The date required is based on the date the emissions event should have been reported. The final date is based on the date the corrective actions are expected to be completed.

Avoided Costs

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance \$1,000

TOTAL \$83

Compliance History Report

Customer/Respondent/Owner-Operator: CN603252479 INEOS NOVA LLC Classification: AVERAGE Rating: 6.66
 Regulated Entity: RN100542224 NOVA CHEMICALS BAYPORT SITE Classification: AVERAGE Site Rating: 7.69

ID Number(s):	AIR OPERATING PERMITS	ACCOUNT NUMBER	HG3307M
	AIR OPERATING PERMITS	PERMIT	1625
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	EPA ID	TXD987985678
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION # (SWR)	39186
	PUBLIC WATER SYSTEM/SUPPLY	REGISTRATION	1011650
	AIR NEW SOURCE PERMITS	PERMIT	5252
	AIR NEW SOURCE PERMITS	REGISTRATION	76216
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	HG3307M
	AIR NEW SOURCE PERMITS	AFS NUM	4820101296
	AIR NEW SOURCE PERMITS	PERMIT	22013
	AIR NEW SOURCE PERMITS	PERMIT	23515
	AIR NEW SOURCE PERMITS	PERMIT	55768
	AIR NEW SOURCE PERMITS	REGISTRATION	80170
	AIR NEW SOURCE PERMITS	REGISTRATION	81829
	AIR NEW SOURCE PERMITS	REGISTRATION	83493
	WATER LICENSING	LICENSE	1011650
	IHW CORRECTIVE ACTION	SOLID WASTE REGISTRATION # (SWR)	39186

Location: 12222 PORT RD, PASADENA, TX, 77507

TCEQ Region: REGION 12 - HOUSTON

Date Compliance History Prepared: February 11, 2009

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: February 11, 2004 to February 11, 2009

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

Name: Nadia Hameed Phone: (713) 767-3629

Site Compliance History Components

1. Has the site been in existence and/or operation for the full five year compliance period? Yes
2. Has there been a (known) change in ownership of the site during the compliance period? No
3. If Yes, who is the current owner? N/A
4. If Yes, who was/were the prior owner(s)? N/A
5. When did the change(s) in ownership occur? N/A
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: 08/20/2006

ADMINORDER 2006-0355-AIR-E

Classification: Moderate

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

Rqmt Prov: No. 5252, Special Condition No. 1 PERMIT

Description: Failed to prevent an avoidable emissions event.

Effective Date: 12/19/2006

COURTORDER

Classification: Major

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)

Description: Caused, suffered, allowed, or permitted the unauthorized discharge of industrial wastewater containing benzene, toluene, ethylbenzene, and styrene.

Classification: Moderate

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

30 TAC Chapter 101, SubChapter F 101.201(b)

Description: Failure to include in its initial report the facility air account number, an estimate of the total quantities and the authorized emission limit for the compound being released during the emission event.

Classification: Moderate

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

Description: Failure to include a cause of the emissions event and minimize the emissions.

Classification: Major

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

Rqmt Prov: Special Condition No. 1 PERMIT

Description: Failure to comply with the maximum allowable emission rates ("MAER") for NO2, benzene, toluene, and ethylbenzene which were emitted from the facility.

Effective Date: 04/26/2007

ADMINORDER 2006-1299-IHW-E

Classification: Minor

Citation: 30 TAC Chapter 335, SubChapter C 335.62

Description: Failed to complete an accurate waste determination for the cooling tower sludge waste stream.

Classification: Minor

Citation: 30 TAC Chapter 335, SubChapter A 335.6(c)

Description: Failure to update facility's Notice of Registration for waste streams 00073101, 0044319H, and 2001117H.

Classification: Minor

Citation: 30 TAC Chapter 335, SubChapter A 335.10(a)

Description: Failure to use a Texas Uniform Manifest when shipping a Class 1 waste.

Classification: Major

Citation: 30 TAC Chapter 335, SubChapter A 335.2(b)

Description: Disposed of a Class 1 waste at a facility only authorized to receive Class 2 waste.

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	03/17/2004	(250412)
2	04/30/2004	(270749)
3	07/09/2004	(280315)
4	07/09/2004	(280536)
5	07/30/2004	(281569)
6	07/30/2004	(281876)

7	07/30/2004	(282858)
8	07/30/2004	(283059)
9	07/30/2004	(283344)
10	07/30/2004	(284619)
11	07/30/2004	(285941)
12	08/06/2004	(287144)
13	08/06/2004	(287153)
14	08/10/2004	(288716)
15	08/11/2004	(289084)
16	08/12/2004	(289599)
17	08/19/2004	(289775)
18	09/01/2004	(284163)
19	09/02/2004	(277052)
20	09/02/2004	(291916)
21	09/03/2004	(290785)
22	09/08/2004	(288948)
23	09/08/2004	(289999)
24	09/09/2004	(291518)
25	11/05/2004	(333829)
26	11/05/2004	(334568)
27	11/22/2004	(337393)
28	12/22/2004	(341737)
29	12/29/2004	(345174)
30	01/24/2005	(333969)
31	01/26/2005	(337394)
32	07/27/2005	(401527)
33	07/29/2005	(401353)
34	08/02/2005	(402995)
35	08/05/2005	(403946)
36	08/08/2005	(401324)
37	08/10/2005	(403983)
38	08/12/2005	(404809)
39	08/15/2005	(398560)
40	08/15/2005	(398639)
41	08/15/2005	(398764)
42	08/15/2005	(398775)
43	08/16/2005	(405183)
44	08/18/2005	(405755)
45	08/18/2005	(406032)
46	08/29/2005	(418313)
47	08/29/2005	(418391)
48	09/06/2005	(418724)
49	09/15/2005	(431888)
50	10/31/2005	(434910)
51	01/26/2006	(450246)
52	02/24/2006	(454930)
53	02/28/2006	(453857)
54	02/28/2006	(453923)
55	02/28/2006	(454853)
56	03/21/2006	(452277)
57	04/27/2006	(453637)
58	05/31/2006	(465230)
59	07/14/2006	(481248)
60	09/01/2006	(462824)
61	09/19/2006	(513270)
62	02/05/2007	(514476)
63	02/09/2007	(513556)
64	02/13/2007	(517235)
65	02/14/2007	(514632)

66 02/14/2007 (517021)
 67 02/22/2007 (532982)
 68 05/02/2007 (559020)
 69 05/31/2007 (559985)
 70 07/05/2007 (566477)
 71 08/24/2007 (571936)
 72 08/27/2007 (573640)
 73 04/04/2008 (613196)
 74 06/30/2008 (671294)
 75 06/30/2008 (671311)
 76 07/08/2008 (682663)
 77 08/06/2008 (685800)
 78 10/03/2008 (699563)
 79 10/16/2008 (671064)
 80 01/20/2009 (704932)
 81 01/30/2009 (681421)
 82 01/30/2009 (709483)

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

Date: 03/17/2004 (250412) **CN603252479**
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT Db 60.49b(c)(3)
 5252 PERMIT
 Description: Failure to get the approval for alternate monitoring plan for NOx emissions
 monitoring for the boiler HB-1301-P
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(4)(A)(ii)
 Description: Failure to make the notations in the flare operation log regarding the flare (EPN:
 FL) observations for 64 days for the period, April 2003 to December 2003.

Date: 09/02/2004 (277052) **CN603252479**
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 335, SubChapter A 335.6(c)
 Description: Failure to maintain an up-to-date Notice of Registration.

Date: 12/23/2004 (341737)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 5C THC Chapter 382, SubChapter A 382.085(b)
 TCEQ Air Permit #5252, SC #1 PA
 Description: Nova Chemicals, Inc. failed to prevent a level instrument malfunction.

Date: 01/27/2005 (337394)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
 30 TAC Chapter 116, SubChapter B 116.115(c)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT Db 60.48b(b)(1)
 SC 2 PERMIT
 Description: Nox alternative monitoring system failed to meet the Relative Accuracy (RA)
 criteria of 20% for the Mean Reference Sample Method and 10% when
 compared to the Applicable Standard of 0.20 lb/MMBtu at 0% O2. This test
 indicated 36.0% and 13.9% respectively.

Date: 08/08/2005 (401324) **CN603252479**
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 5252, SC No.1 PERMIT
 Description: Failure to maintain the NOx and CO emissions from the heater HS-201/219 within
 the pounds per hour limit of the permit 5252 dated August 12, 2003 during the

certification period.

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 115, SubChapter D 115.352(4)
30 TAC Chapter 116, SubChapter B 116.115(c)
5252, SC No. 9E PERMIT

Description: Failure to cap or plug 18 open ended lines during the certification period.

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
O-01625, SC No. 3A(iii) OP

Description: Failure to conduct the quarterly opacity observation during the the last quarter of certification period.

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(2)
40 CFR Chapter 61, SubChapter C, PT 61, SubPT W 61.271(a)(5)(i)
40 CFR Chapter 61, SubChapter C, PT 61, SubPT W 61.271(a)(5)(v)

Description: Failure to equip the ladder opening and emergency roof drain with proper seal without any gaps.

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 101, SubChapter A 101.20(2)
40 CFR Part 60, Subpart RRR 60.703(c)(1)(ii)
40 CFR Part 61, Subpart FF 61.349(a)(1)(ii)(B)

Description: Failure to car seal closed the by pass line valves without flow indicator during the certification period.

Date: 01/27/2006 (450246)

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(1)(A)
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Nova Chemicals Inc. Bayport (Nova) failed to control the flow rates to the HB-301S burner resulting in an opacity of 25 percent (%) to the atmosphere.

Date: 02/28/2006 (453923)

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
5C THC Chapter 382, SubChapter A 382.085(b)
No. 5252, Special Condition No. 1 PERMIT

Description: Nova Chemicals Inc. Bayport (Nova) failed to prevent the AS-107 from over pressuring.

Date: 02/28/2006 (453857)

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
5C THC Chapter 382, SubChapter A 382.085(b)
No. 5252, Special Condition No. 1 PERMIT

Description: Nova Chemicals Inc. Bayport (Nova) failed to prevent relief valve RV-4122 from discharging.

Date: 04/26/2006 (453637)

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(1)(A)
5C THC Chapter 382, SubChapter A 382.085(b)

Description: **Nova Chemicals Inc. Bayport (Nova) failed to prevent excess oxygen and fuel gas flow to the HS-201/219 heaters.**

Date: 04/04/2008 (613196)

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
5C THSC Chapter 382 382.085(b)
TCEQ AIR PERMIT #5252, SC#1 PA

Description: Nova Chemicals Bayport failed to prevent the Benzene Prefractionator Reflux Drum (MS -104) from overpressuring. The unauthorized emissions released were 40.4 pounds (lbs) of benzene.

Date: 07/07/2008 (682663)

Self Report? NO

Classification: Minor

Citation: 30 TAC Chapter 117, SubChapter B 117.345(c)
5C THSC Chapter 382 382.085(b)

Description: The RE failed to submit a stack test report on time.

Date: 01/30/2009 (681421)

Self Report? NO

Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter B 115.144(3)(E)
30 TAC Chapter 115, SubChapter H 115.722(d)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT NNN 60.662(b)
40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.349(a)(2)(iii)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT A 63.11(b)(6)(ii)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.172(d)
40 CFR Part 60, Subpart A 60.18
5C THSC Chapter 382 382.085(b)
Federal Operating Permit O-01625 SC1A OP
Federal Operating Permit O-01625, SC14A OP
NSR 5252 SC 7A PERMIT

Description: The RE was unable to meet the 300 Btu/scf vent gas to the flare.

Self Report? NO

Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter H 115.786(b)(1)
30 TAC Chapter 116, SubChapter B 116.115(c)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT QQQ 60.703(b)(2)(ii)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.148(f)(2)
5C THSC Chapter 382 382.085(b)
FOP O-01625 SC 14A OP
FOP O-01625 SC 1A OP
NSR 5252 SC 21 2B PERMIT
NSR 5252 SC 4 PERMIT

Description: The RE failed to conduct car seal inspections for the period of February through March.

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 Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(2)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.168(f)(2)
FOP O-01625 SC 14A OP
FOP O-01625 SC 1A OP
New Source Review 5252 SC 12E PERMIT
NSR 5252 SC 13E PERMIT

Description: The RE discovered 69 open ended lines.

Self Report? NO

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
FOP O-01625 SC 1 OP
FOP O-01625 SC 14 A OP
NSR 5252 SC 1 PERMIT

Description: The RE exceeded hourly emission on the HS-102 excess firing.

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)
Federal Operating Permit O-01625 SC 14A OP
New Source Review 5252 SC 1 PERMIT

Description: The RE exceeded the hourly flare VOC limit.

Self Report? NO

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 117, SubChapter G 117.8130
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
Federal Operating Permit O-01625 SC 14 OP
Federal Operating Permit O-01625 SC 1A OP

New Source Review 5252 SC 17 PERMIT

Description: The RE unable to demonstrate compliance with ammonia permit limit on HS-220.
 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)
 Federal Operating Permit O-01625 SC 14A OP
 Federal Operating Permit O-01625 SC1 OP
New Source Review 5252 SC 1 PERMIT

Description: **The RE failed to meet hourly limits on the MAERT for NOx on the HS -220.**
 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)
 Federal Operating Permit O-01625 SC 14A OP
 Federal Operating Permit O-01625 SC 6B PERMIT
New Source Review 5252 SC 6B PERMIT

Description: The RE was unable comply with the provision of Special Condition 6 of the NSR permit during startup and shut down for the steam super Heater HS-220.
 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)
 Federal Operating Permit O-01625 SC 1A OP
 Federal Operating Permit O-01625 SC 14 A OP
 New Source Review 5252 SC 1 PERMIT

Description: The RE failed to adhere to the permitted PM limits for the cooling tower.
 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)
 Federal Operating Permit O-.01625 SC 1A OP
 Federal Operating Permit O-01625 SC 14A OP
 New Source Review 5252 SC 1 PERMIT

Description: **The RE exceeded the twelve month rolling average for flare VOC.**
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)

Federal Operating Permit O-01625 SC 14A OP
 Federal Operating Permit O-01625 SC 1A OP
 New Source Review Permit 5252 SC 1 PERMIT

Description: THE RE exceeded the permit limit for PM in the HS-220 unit.

F. Environmental audits.

Notice of Intent Date: 08/10/2006 (511421)
 No DOV Associated

Notice of Intent Date: 08/10/2006 (511449)
 Disclosure Date: 02/14/2007

Viol. Classification: Moderate
 Citation: 30 TAC Chapter 115, SubChapter H 115.780
 40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.340
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.160
 10C THC Chapter 823, SubChapter E 823.001(3)
 Rqmt Prov: PERMIT 5252, Conditions 12 and 13

Description: Failure to include/monitor some 300 fugitive emission components (piping, valves, connectors) in the LDAR program.

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 NOVA LLC
RN100542224

§
§
§
§
§

BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY

AGREED ORDER
DOCKET NO. 2009-0209-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 INEOS NOVA 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 appear before the Commission and together stipulate that:

1. The Respondent owns and operates a chemical plant at 12222 Port Road in Pasadena, Harris 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 February 4, 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 Five Thousand Six Hundred Forty-Two Dollars (\$5,642) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Two Thousand Two Hundred Fifty-Seven Dollars (\$2,257) of the administrative penalty and One Thousand One Hundred Twenty-Eight Dollars

(\$1,128) is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If the Respondent fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require the Respondent to pay all or part of the deferred penalty. Two Thousand Two Hundred Fifty-Seven Dollars (\$2,257) shall be conditionally offset by the Respondent's completion of a Supplemental Environmental Project ("SEP").

7. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
8. The Executive Director of the TCEQ and the Respondent have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.
9. The Executive Director recognizes that the Respondent submitted the Initial Notification to the agency on September 29, 2008 (Incident No. 114727).
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, in violation of 30 TEX. ADMIN. CODE § 116.115(c), Air Permit No. 5252, Special Condition No. 1, and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on November 14, 2008. Specifically, 720 pounds of benzene were released when the Respondent failed to prevent trash from damaging the seat of a two-inch block valve, resulting in an emissions event which began on December 16, 2007, and lasted until February 5, 2008, for a total of 1,231 hours (Incident No. 114727). Since the emissions event was avoidable by better operations practices, the demonstrations in 30 TEX. ADMIN. CODE § 101.222 necessary to present an affirmative defense were not met.
2. Failed to notify the TCEQ within 24 hours when the benzene emissions exceeded the reportable quantity, in violation of 30 TEX. ADMIN. CODE § 101.201(a)(1)(B) and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on July 31, 2008. Specifically, the initial notification for Incident No. 114727 was due to be submitted on December 17, 2007, but was not submitted until September 29, 2008.

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: INEOS NOVA LLC, Docket No. 2009-0209-AIR-E" to:

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

2. The Respondent shall implement and complete a SEP in accordance with TEX. WATER CODE § 7.067. As set forth in Section I, Paragraph 6 above, Two Thousand Two Hundred Fifty-Seven Dollars (\$2,257) of the assessed administrative penalty shall be offset with the condition that the Respondent implement the SEP defined in Attachment A, incorporated herein by reference. The Respondent's obligation to pay the conditionally offset portion of the administrative penalty assessed shall be discharged upon final completion of all provisions of the SEP agreement.
3. It is further ordered that the Respondent shall undertake the following technical requirements:
 - a. Within 30 days after the effective date of this Agreed Order:
 - i. Implement measures designed to prevent recurrence of emissions due to the same cause as the December 16, 2007, emissions event (Incident No. 114727);
 - ii. Complete training to ensure that emissions events are calculated correctly and notifications are submitted within the required time frames; and
 - b. Within 45 days after the effective date of this Agreed Order, submit written certification as described below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering

Provision No. 3.a. The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

"I certify under penalty of law that I have personally examined and am familiar with the information submitted and all attached documents, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing violations."

The certification shall be submitted to:

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

with a copy to:

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

4. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Plant operations referenced in this Agreed Order.
5. If the Respondent fails to comply with any of the Ordering Provisions in this Agreed Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, the Respondent's failure to comply is not a violation of this Agreed Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
6. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
7. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.

8. This 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.
9. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to the Respondent, or three days after the date on which the Commission mails notice of the Order to the Respondent, whichever is earlier. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission



For the Executive Director

7/2/2009

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.



Signature

5/20/09

Date

CATHY COLPEPPEL

Name (Printed or typed)
Authorized Representative of
INEOS NOVA LLC

SITE MANAGER

Title

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

Attachment A
Docket Number: 2009-0209-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent: INEOS NOVA LLC

Payable Penalty Amount: Four Thousand Five Hundred Fourteen Dollars (\$4,514)

SEP Amount: Two Thousand Two Hundred Fifty-Seven Dollars (\$2,257)

Type of SEP: Pre-approved

Third-Party Recipient: Houston Regional Monitoring Corporation - Houston Area Monitoring

Location of SEP: Harris 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

Performing Party shall use SEP Funds to operate, maintain, and potentially expand portions of the existing Houston Regional Monitoring Corporation Ambient Air Quality Monitoring Network in the Houston area in order to continue to provide information on data quality and trends to the public, TCEQ, and industry representatives. SEP funds may be used to operate a single monitoring site or multiple sites contingent upon the amount of SEP funds provided.

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

Data from this monitoring may be used to evaluate the effectiveness of current emission control strategies, track ambient concentration trends for key pollutants of interest, evaluate episodic emission events, conduct source attribution studies, and assess potential community exposure to toxic air contaminants. Performing party notifies the TCEQ on a quarterly basis of all exceedences of the National Ambient Air Quality Standards ("NAAQS") that it measures at its monitoring stations. The TCEQ uses this information, along with information collected at its own monitors and monitors operated by the City of Houston, to evaluate Houston's progress toward achieving or remaining in attainment of the NAAQS.

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:

Christopher B. Amandes, Esquire, Vinson & Elkins LLP
First City Tower
1001 Fannin Street, Suite 2500
Houston, TX 77002-6760

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:

Office of Legal Services
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.

