

**EXECUTIVE SUMMARY - ENFORCEMENT MATTER**

**DOCKET NO.:** 2009-0193-AIR-E **TCEQ ID:** RN100211903 **CASE NO.:** 37144

**RESPONDENT NAME:** Mobil Chemical Company Inc.

<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> Mobil Beaumont Polyethylene Plant, 11440 Highway 90, Beaumont, Jefferson County</p> <p><b>TYPE OF OPERATION:</b> Polyethylene plastic 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 27, 2009. No comments were received.</p> <p><b>CONTACTS AND MAILING LIST:</b>  <b>TCEQ Attorney/SEP Coordinator:</b> Mr. Phillip Hampsten, SEP Coordinator, Enforcement Division, MC 219, (512) 239-6732  <b>TCEQ Enforcement Coordinator:</b> Mr. Kirk Schoppe, Enforcement Division, Enforcement Team 4, MC 149, (512) 239-0489; Ms. Cari-Michel La Caille, Enforcement Division, MC 219, (512) 239-1387  <b>Respondent:</b> Mr. R. Perry Padden, Plant Manager, Mobil Chemical Company Inc., 11440 Highway 90, Beaumont, Texas 77713  <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> January 16, 2009</p> <p><b>Date of NOV/NOE Relating to this Case:</b> January 26, 2009 (NOE)</p> <p><b>Background Facts:</b> This was a routine investigation.</p> <p><b>AIR</b></p> <p>Failure to prevent unauthorized emissions during an event that occurred on July 26, 2008. Specifically, the Respondent released 139.20 pounds of unauthorized ethylene emissions from Emission Point Number 105 for 9 hours and 36 minutes. The event occurred when a tube in the prewarmer to the high pressure reactor ruptured due to cyclic fatigue. Since the emissions event was avoidable, it does not meet the demonstrations for an affirmative defense in 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 116.115(b)(2)(F) and (c) and 122.143(4), TEX. HEALTH &amp; SAFETY CODE § 382.085(b), New Source Review Permit No. 6860, Special Condition 1, and Federal Operating Permit No. O-01243, General Terms and Conditions and Special Terms and Conditions 10A].</p>	<p><b>Total Assessed:</b> \$3,675</p> <p><b>Total Deferred:</b> \$735  <input checked="" type="checkbox"/> Expedited Settlement  <input type="checkbox"/> Financial Inability to Pay</p> <p><b>SEP Conditional Offset:</b> \$1,470</p> <p><b>Total Paid to General Revenue:</b> \$1,470</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>Ordering Provisions:</b></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, implement improvements to training, design, operation, or maintenance procedures, in order to address the emissions event that occurred on July 26, 2008, and to prevent the reoccurrence of same or similar incidents; and</p> <p>b. Within 45 days after the effective date of this Agreed Order, submit written certification and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 2.a.</p>

Additional ID No(s): JE0065M

Attachment A

Docket Number: 2009-0193-AIR-E

**SUPPLEMENTAL ENVIRONMENTAL PROJECT**

**Respondent:** Mobil Chemical Company Inc.  
**Payable Penalty Amount:** Two Thousand Nine Hundred Forty Dollars (\$2,940)  
**SEP Amount:** One Thousand Four Hundred Seventy Dollars (\$1,470)  
**Type of SEP:** Pre-approved  
**Third-Party Recipient:** Jefferson County: Retrofit/Replacement of Heavy Equipment and Vehicles with Alternative Fueled Equipment and Vehicles  
**Location of SEP:** Jefferson County

The Texas Commission on Environmental Quality ("TCEQ") agrees to offset a portion of the administrative Penalty Amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project ("SEP"). The offset is equal to the SEP Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

**1. Project Description**

**A. Project**

The Respondent shall contribute to the Third-Party Recipient pursuant to the agreement between the Third-Party Recipient and the TCEQ. Specifically, the Third-Party Recipient will contribute to Jefferson County for its Retrofit/Replacement of Heavy Equipment and Vehicles with Alternative Fueled Equipment and Vehicles. Specifically, the contribution will be used to purchase alternative fueled equipment such as propane or electric powered lawn mowers, propane powered light duty and heavy equipment, and alternative fueled vehicles and retire diesel and gasoline powered equipment and vehicles. Jefferson County will also convert current equipment and vehicles to alternative fueled equipment in order to lower emissions.

All dollars contributed will be used solely for the direct cost of the project and no portion will be spent on administrative costs. The SEP will be done in accordance with all federal, state and local environmental laws and regulations.

The Respondent certifies that there is no prior commitment to make this contribution and that it is being done solely in an effort to settle this enforcement action.

**B. Environmental Benefit**

This SEP will provide a discernible environmental benefit by reducing air emissions generated by gasoline and diesel powered equipment and vehicles in the Beaumont/Port Arthur ozone non-attainment area.



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:

The Honorable Judge Ron Walker  
Jefferson County Judge  
1149 Pearl Street, 4<sup>th</sup> Floor  
Beaumont, Texas 77701

**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:

Litigation Division  
Attention: SEP Coordinator, MC 175  
Texas Commission on Environmental Quality  
P.O. Box 13088  
Austin, Texas 78711-3088

The Respondent shall also mail a copy of the check to the TCEQ SEP Coordinator at the address in Section 3 above.



**5. Publicity**

Any public statements concerning this SEP made by or on behalf of the Respondent must include a clear statement that the project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.

**6. Clean Texas Program**

The Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, the Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

**7. Other SEPs by TCEQ or Other Agencies**

The SEP identified in this Agreed Order has not been, and shall not be, included as an SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.





# Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

**TCEQ**

DATES	Assigned	2-Feb-2009	Screening	6-Feb-2009	EPA Due	23-Oct-2009
	PCW	6-Feb-2009				

**RESPONDENT/FACILITY INFORMATION**

Respondent	Mobil Chemical Company Inc.		
Reg. Ent. Ref. No.	RN100211903		
Facility/Site Region	10-Beaumont	Major/Minor Source	Major

**CASE INFORMATION**

Enf./Case ID No.	37144	No. of Violations	1
Docket No.	2009-0193-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Kirk Schoppe
Admin. Penalty \$	Limit Minimum \$0	Maximum	\$10,000
		EC's Team	Enforcement Team 4

## Penalty Calculation Section

**TOTAL BASE PENALTY (Sum of violation base penalties)** Subtotal 1 \$2,500

**ADJUSTMENTS (+/-) TO SUBTOTAL 1**

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

**Compliance History** 47.0% Enhancement Subtotals 2, 3, & 7 \$1,175

Notes: The penalty was enhanced due to three similar and six dissimilar NOV's and one 1660 style order.

**Culpability** No 0.0% Enhancement Subtotal 4 \$0

Notes: The Respondent does not meet the culpability criteria.

**Good Faith Effort to Comply Total Adjustments** Subtotal 5 \$0

**Economic Benefit** 0.0% Enhancement\* Subtotal 6 \$0

Total EB Amounts \$75  
Approx. Cost of Compliance \$1,500  
\*Capped at the Total EB \$ Amount

**SUM OF SUBTOTALS 1-7** Final Subtotal \$3,675

**OTHER FACTORS AS JUSTICE MAY REQUIRE** 0.0% Adjustment \$0

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

**Final Penalty Amount** \$3,675

**STATUTORY LIMIT ADJUSTMENT** Final Assessed Penalty \$3,675

**DEFERRAL** 20.0% Reduction Adjustment -\$735

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** \$2,940

Screening Date 6-Feb-2009

Docket No. 2009-0193-AIR-E

PCW

Respondent Mobil Chemical Company Inc.

Policy Revision 2 (September 2002)

Case ID No. 37144

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100211903

Media [Statute] Air

Enf. Coordinator Kirk Schoppe

## Compliance History Worksheet

## &gt;&gt; Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written NOVs with same or similar violations as those in the current enforcement action (number of NOVs meeting criteria)	3	15%
	Other written NOVs	6	12%
Orders	Any agreed final enforcement orders containing a denial of liability (number of orders meeting criteria)	1	20%
	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)	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)	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which violations were disclosed)	0	0%
<i>Please Enter Yes or No</i>			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 47%

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

No

Adjustment Percentage (Subtotal 3) 0%

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

Average Performer

Adjustment Percentage (Subtotal 7) 0%

## &gt;&gt; Compliance History Summary

Compliance History Notes

The penalty was enhanced due to three similar and six dissimilar NOV's and one 1660 style order.

Total Adjustment Percentage (Subtotals 2, 3, &amp; 7) 47%

<b>Screening Date</b> 6-Feb-2009	<b>Docket No.</b> 2009-0193-AIR-E	<b>PCW</b>		
<b>Respondent</b> Mobil Chemical Company Inc.	<small>Policy Revision 2 (September 2002)</small>			
<b>Case ID No.</b> 37144	<small>PCW Revision October 30, 2008</small>			
<b>Reg. Ent. Reference No.</b> RN100211903				
<b>Media [Statute]</b> Air				
<b>Enf. Coordinator</b> Kirk Schoppe				
<b>Violation Number</b> 1				
<b>Rule Cite(s)</b>	30 Tex. Admin. Code §§ 116.115(b)(2)(F) and (c) and 122.143(4), Tex. Health & Safety Code § 382.085(b), New Source Review Permit No. 6860, Special Condition 1, and Federal Operating Permit No. O-01243, General Terms and Conditions and Special Terms and Conditions 10A			
<b>Violation Description</b>	Failed to prevent unauthorized emissions during an event that occurred on July 26, 2008, as documented during an investigation conducted on January 16, 2009. Specifically, the Respondent released 139.20 pounds of unauthorized ethylene emissions from Emission Point Number 105 for 9 hours and 36 minutes. The event occurred when a tube in the prewarmer to the high pressure reactor ruptured due to cyclic fatigue. Since the emissions event was avoidable due to evidence of corrosion fatigue noted during an inspection of the prewarmer in April of 2002, it does not meet the demonstrations for an affirmative defense in 30 Tex. Admin. Code § 101.222.			
<b>Base Penalty</b>		\$10,000		
<b>&gt;&gt; Environmental, Property and Human Health Matrix</b>				
OR	<b>Harm</b>			
	Release	Major	Moderate	Minor
	Actual	<input type="text"/>	<input type="text"/>	x
	Potential	<input type="text"/>	<input type="text"/>	<input type="text"/>
		<b>Percent</b>	25%	
<b>&gt;&gt; Programmatic Matrix</b>				
	Falsification	Major	Moderate	Minor
	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
		<b>Percent</b>	0%	
<b>Matrix Notes</b>	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.			
<b>Adjustment</b>		\$7,500	\$2,500	
<b>Violation Events</b>				
	Number of Violation Events	1	Number of violation days	
		1		
<small>mark only one with an x</small>	daily	<input type="text"/>	<b>Violation Base Penalty</b> \$2,500	
	weekly	<input type="text"/>		
	monthly	<input type="text"/>		
	quarterly	x		
	semiannual	<input type="text"/>		
	annual	<input type="text"/>		
	single event	<input type="text"/>		
	One quarterly event is recommended.			
<b>Good Faith Efforts to Comply</b>		0.0% Reduction	\$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)		
<b>Notes</b>	The Respondent does not meet good faith criteria for this violation.			
<b>Violation Subtotal</b>		\$2,500		
<b>Economic Benefit (EB) for this violation</b>		<b>Statutory Limit Test</b>		
Estimated EB Amount	\$75	Violation Final Penalty Total	\$3,675	
		<b>This violation Final Assessed Penalty (adjusted for limits)</b>	\$3,675	

## Economic Benefit Worksheet

**Respondent** Mobil Chemical Company Inc.  
**Case ID No.** 37144  
**Reg. Ent. Reference No.** RN100211903  
**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
<b>Delayed Costs</b>							
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	26-Jul-2008	26-Jul-2009	1.00	\$75	n/a	\$75

Notes for DELAYED costs

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

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance TOTAL

\$1,500	\$75
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# Compliance History Report

Customer/Respondent/Owner-Operator: CN600125777 Mobil Chemical Company Inc. Classification: AVERAGE Rating: 1.95  
Regulated Entity: RN100211903 MOBIL BEAUMONT POLYETHYLENE PLANT Classification: AVERAGE Site Rating: 0.82

ID Number(s):	AIR OPERATING PERMITS	ACCOUNT NUMBER	JE0065M
	AIR OPERATING PERMITS	PERMIT	1243
	AIR OPERATING PERMITS	PERMIT	2277
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	EPA ID	TXD000807909
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION # (SWR)	31424
	PETROLEUM STORAGE TANK REGISTRATION	REGISTRATION	27119
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	JE0065M
	AIR NEW SOURCE PERMITS	AFS NUM	4824500064
	AIR NEW SOURCE PERMITS	PERMIT	3161
	AIR NEW SOURCE PERMITS	PERMIT	6860
	AIR NEW SOURCE PERMITS	PERMIT	8758
	AIR NEW SOURCE PERMITS	PERMIT	10850
	AIR NEW SOURCE PERMITS	PERMIT	11752
	AIR NEW SOURCE PERMITS	PERMIT	27431
	AIR NEW SOURCE PERMITS	PERMIT	34167
	AIR NEW SOURCE PERMITS	PERMIT	44210
	AIR NEW SOURCE PERMITS	REGISTRATION	78569
	AIR NEW SOURCE PERMITS	REGISTRATION	79895
	AIR NEW SOURCE PERMITS	REGISTRATION	81548
	AIR NEW SOURCE PERMITS	REGISTRATION	84499
WASTEWATER	PERMIT	WQ0002029000	
WASTEWATER	EPA ID	TX0068934	
WASTEWATER	PERMIT	TPDES0068934	

Location: 11440 HIGHWAY 90, BEAUMONT, TX, 77713

TCEQ Region: REGION 10 - BEAUMONT

Date Compliance History Prepared: February 02, 2009

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: February 02, 2004 to February 02, 2009

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

Name: Kirk Schoppe Phone: 239 - 0489

## Site Compliance History Components

1. Has the site been in existence and/or operation for the full five year compliance period? Yes
2. Has there been a (known) change in ownership of the site during the compliance period? 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: 11/06/2008

ADMINORDER 2008-0665-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
 30 TAC Chapter 122, SubChapter B 122.143(4)  
 5C THSC Chapter 382 382.085(b)

Rqmt Prov: O-01243 General Terms and Conditions OP  
 O-01243 Special Condition 10A OP

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

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

N/A

- C. Chronic excessive emissions events.

N/A

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

1	02/23/2004	(311188)
2	03/18/2004	(311190)
3	04/22/2004	(311191)
4	05/24/2004	(311193)
5	06/22/2004	(311195)
6	06/25/2004	(311197)
7	08/09/2004	(277839)
8	08/20/2004	(358499)
9	09/23/2004	(358500)
10	10/13/2004	(334228)
11	10/20/2004	(358501)
12	10/22/2004	(358504)
13	11/29/2004	(358502)
14	12/22/2004	(358503)
15	12/27/2004	(341779)
16	01/26/2005	(336844)
17	01/31/2005	(346210)
18	03/02/2005	(385378)
19	03/16/2005	(372728)
20	03/22/2005	(385379)
21	04/26/2005	(423423)
22	04/26/2005	(423426)
23	04/26/2005	(423427)
24	05/18/2005	(379174)
25	05/18/2005	(379176)
26	05/23/2005	(423424)
27	06/28/2005	(423425)
28	01/18/2006	(497000)
29	02/23/2006	(452285)
30	03/30/2006	(454314)
31	06/29/2006	(464328)
32	11/29/2006	(516160)
33	12/06/2006	(531516)
34	12/08/2006	(533603)
35	02/08/2007	(539235)

36 02/15/2007 (537273)  
 37 02/26/2007 (540166)  
 38 02/26/2007 (583709)  
 39 03/07/2007 (540343)  
 40 03/15/2007 (542169)  
 41 03/21/2007 (583710)  
 42 04/24/2007 (583711)  
 43 05/22/2007 (583712)  
 44 06/01/2007 (555670)  
 45 06/21/2007 (583713)  
 46 07/16/2007 (564293)  
 47 07/26/2007 (583714)  
 48 07/26/2007 (583715)  
 49 08/24/2007 (604026)  
 50 09/24/2007 (604027)  
 51 10/25/2007 (622913)  
 52 11/20/2007 (598662)  
 53 11/26/2007 (597915)  
 54 11/26/2007 (622914)  
 55 12/17/2007 (599014)  
 56 12/19/2007 (674359)  
 57 02/13/2008 (618381)  
 58 02/26/2008 (674357)  
 59 03/17/2008 (674358)  
 60 04/08/2008 (637388)  
 61 04/08/2008 (639586)  
 62 04/14/2008 (637190)  
 63 04/22/2008 (692702)  
 64 05/21/2008 (692703)  
 65 06/11/2008 (692704)  
 66 06/11/2008 (692706)  
 67 06/11/2008 (692707)  
 68 07/17/2008 (692705)  
 69 08/02/2008 (686144)  
 70 08/12/2008 (713836)  
 71 10/17/2008 (713837)  
 72 12/03/2008 (709030)  
 73 12/18/2008 (721546)  
 74 01/26/2009 (724143)

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

Date: 10/31/2004 (358502)  
 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: 08/31/2005 (423427)  
 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: 01/18/2006 (497000)  
 Self Report? NO Classification: Moderate  
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)  
 30 TAC Chapter 305, SubChapter F 305.125(17)  
 Description: NON-RPT VIOS FOR MONIT PER OR PIPE

Date: 06/29/2006 (464328)

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)  
30 TAC Chapter 115, SubChapter D 115.352(4)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
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)  
OP O-01243, General Condition OP  
OP O-01243, Special Condition 10 OP  
PERMIT 6860, Special Condition 5E PERMIT

Description: Failure to seal an open-ended line.

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 111, SubChapter B 111.205(a)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THC Chapter 382, SubChapter D 382.085(b)  
OP O-02277, Special Condition 3G (i) OP

Description: Failure to provide prior notification for fire training.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
30 TAC Chapter 122, SubChapter B 122.145(2)(A)  
5C THC Chapter 382, SubChapter D 382.085(b)

OP O-01243, General Condition OP  
OP O-02277, General Condition OP

Description: Failure to report late repair of components due to Hurricane Rita on Semi-Annual Deviation Reports.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 106, SubChapter S 106.433(9)  
30 TAC Chapter 116, SubChapter B 116.110(a)(4)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
30 TAC Chapter 122, SubChapter B 122.145(2)(A)  
5C THC Chapter 382, SubChapter D 382.085(b)  
OP O-01243, General Condition OP

Description: Failure to obtain authorization for a Permit By Rule prior to operating a surface coating operation.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 106, SubChapter T 106.452(2)(D)  
30 TAC Chapter 106, SubChapter T 106.452(2)(E)  
30 TAC Chapter 116, SubChapter B 116.110(a)(4)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
30 TAC Chapter 122, SubChapter B 122.145(2)(A)  
5C THC Chapter 382, SubChapter D 382.085(b)  
OP O-01243, General Condition OP

Description: Failure to obtain authorization for a Permit By Rule prior to operating an abrasive cleaning operation.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)  
30 TAC Chapter 115, SubChapter D 115.352(2)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-9(a)  
5C THC Chapter 382, SubChapter D 382.085(b)  
OP O-01243, General Condition OP  
OP O-02277, General Condition OP  
Permit 6860, Special Condition 5H PERMIT  
Permit 8758, Special Condition 3H PERMIT

Description: Failure to repair leaking components within the 15 day requirement.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)  
30 TAC Chapter 115, SubChapter D 115.352(2)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-9(a)  
5C THC Chapter 382, SubChapter D 382.085(b)

OP O-01243, General Condition OP  
OP O-02277, General Condition OP  
Permit 6860, Special Condition 5H PERMIT  
Permit 8758, Special Condition 3H PERMIT

Description: Failure to repair leaking components within the 15 day requirement and failure to conduct a first attempt of repair within 5 days of discovery.

Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)  
30 TAC Chapter 115, SubChapter D 115.352(2)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-9(c)(1)  
5C THC Chapter 382, SubChapter D 382.085(b)  
Permit 6860, Special Condition 5H PERMIT  
Permit 8758, Special Condition 3H PERMIT  
Permit O-01243, General Condition OP  
Permit O-02277 OP

Description: Failure to repair leaking components prior to exceeding the shutdown emission estimates.

Date: 11/30/2006 (516160) CN600125777

Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)  
30 TAC Chapter 115, SubChapter D 115.352(4)  
30 TAC Chapter 116, SubChapter B 116.115(c)

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)  
6860, Special Condition 5E PERMIT  
8758, Special Condition 3E PERMIT  
O-1243, General Condition OP  
O-1243, Special Condition 10 OP  
O-1243, Special Condition 1A OP  
O-2277, General Condition OP  
O-2277, Special Condition 1A OP  
O-2277, Special Condition 9 OP

Description: Failure to seal open-ended lines.

Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT DDD 60.562-1(e)  
5C THC Chapter 382, SubChapter D 382.085(b)  
8758, Special Condition 2 PERMIT  
O-2277, General Condition OP  
O-2277, Special Condition 1A OP  
O-2277, Special Condition 9 OP

Description: Failure to car-seal five valves to prevent venting to the atmosphere.

Date: 02/16/2007 (537273)

Self Report? NO Classification: Minor  
Citation: OT 3 PERMIT

Description: Failure by Exxon Mobil Beaumont Polyethylene Plant to maintain compliance with the permitted chlorine residual limitations at the domestic wastewater treatment plant.

Self Report? NO Classification: Moderate  
Citation: EL&MR 1 PERMIT

Description: Failure by Exxon Mobil Beaumont Polyethylene Plant to prevent unauthorized discharges into or adjacent to the waters of the state.

Date: 08/31/2007 (604027)

Self Report? YES Classification: Moderate  
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)

30 TAC Chapter 305, SubChapter F 305.125(1)

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

Date: 12/14/2007 (611995)

CN600125777

Self Report? NO

Classification: Moderate

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

Description: Failure to properly dispose of a hazardous waste at an authorized facility.

Self Report? NO

Classification: Moderate

Citation: 30 TAC Chapter 335, SubChapter A 335.10(a)  
30 TAC Chapter 335, SubChapter A 335.10(a)(1)  
30 TAC Chapter 335, SubChapter A 335.10(a)(2)  
30 TAC Chapter 335, SubChapter A 335.10(a)(3)  
30 TAC Chapter 335, SubChapter A 335.10(a)(4)  
30 TAC Chapter 335, SubChapter A 335.10(a)(5)  
30 TAC Chapter 335, SubChapter A 335.10(a)(6)  
40 CFR Chapter 262, SubChapter I, PT 262, SubPT B 262.20(a)

Description: Failure to manifest hazardous waste.

Self Report? NO

Classification: Moderate

Citation: 30 TAC Chapter 335, SubChapter C 335.69(a)(4)  
30 TAC Chapter 335, SubChapter C 335.69(a)(4)(A)  
30 TAC Chapter 335, SubChapter C 335.69(a)(4)(B)  
30 TAC Chapter 335, SubChapter C 335.69(a)(4)(C)  
40 CFR Chapter 262, SubChapter I, PT 262, SubPT C 262.34(a)(4)

Description: Failure to document the name, job title, and job description of each employee in a position related to hazardous waste management.

Self Report? NO

Classification: Moderate

Citation: 30 TAC Chapter 324, SubChapter A 324.4  
40 CFR Chapter 279, SubChapter I, PT 279, SubPT B 279.10(b)(2)

Description: Failure to properly manage used oil.

Self Report? NO

Classification: Moderate

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

Description: Failure to notify the executive director of regulated waste activities.

Date: 12/18/2007 (599014)

CN600125777

Self Report? NO

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THC Chapter 382, SubChapter A 382.085(b)  
O-1243 General Terms and Conditions OP  
O-1243 Special Condition 10A OP  
P-6860 Special Condition 4 PERMIT

Description: Failure to limit the ethylene emissions from Product Line 3 below the permitted limit of 750 pounds per million pounds of product produced.

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)  
5C THC Chapter 382, SubChapter A 382.085(b)  
O-1243 General Terms and Conditions OP  
O-1243 Special Condition 10A OP  
O-2277 General Terms and Conditions OP  
O-2277 Special Condition 9A OP  
P-6860 Special Condition 5E PERMIT  
P-8758 Special Condition 3E PERMIT

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

Self Report? NO

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.485(b)(1)  
5C THSC Chapter 382 382.085(b)  
O-1243 General Terms and Condition OP  
O-1243 Special Condition 10A OP

O-2277 General Terms and Conditions OP

O-2277 Special Condition 9A OP

P-6860 Special Condition 5F PERMIT

P-8758 Special Condition 3F PERMIT

Description: Failure to conduct quarterly monitoring of fugitive emissions at the High Pressure Unit.

F. Environmental audits.

N/A

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  
MOBIL CHEMICAL COMPANY INC.  
RN100211903

§  
§  
§  
§  
§

BEFORE THE  
TEXAS COMMISSION ON  
ENVIRONMENTAL QUALITY

AGREED ORDER  
DOCKET NO. 2009-0193-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 Mobil Chemical Company Inc. ("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 polyethylene plastic manufacturing plant at 11440 Highway 90 in Beaumont, 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 31, 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 Three Thousand Six Hundred Seventy-Five Dollars (\$3,675) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid One Thousand Four Hundred Seventy Dollars (\$1,470) of the administrative penalty and Seven Hundred Thirty-Five Dollars (\$735) 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. One Thousand Four Hundred Seventy Dollars (\$1,470) shall be conditionally offset by the Respondent's completion of a Supplemental Environmental Project.

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 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.
10. 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.
11. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

## II. ALLEGATIONS

As owner and operator of the Plant, the Respondent is alleged to have failed to prevent unauthorized emissions during an event that occurred on July 26, 2008, in violation of 30 TEX. ADMIN. CODE §§ 116.115(b)(2)(F) and (c) and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), New Source Review Permit No. 6860, Special Condition 1, and Federal Operating Permit No. O-01243, General Terms and Conditions and Special Terms and Conditions 10A, as documented during an investigation conducted on January 16, 2009. Specifically, the Respondent released 139.20 pounds of unauthorized ethylene emissions from Emission Point Number 105 for 9 hours and 36 minutes. The event occurred when a tube in the prewarmer to the high pressure reactor ruptured due to cyclic fatigue. Since the emissions event was avoidable, 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: Mobil Chemical Company Inc., Docket No. 2009-0193-AIR-E" to:

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

2. The Respondent shall implement and complete a Supplemental Environmental Project ("SEP") in accordance with TEX. WATER CODE § 7.067. As set forth in Section I, Paragraph 6 above, One Thousand Four Hundred Seventy Dollars (\$1,470) of the assessed administrative penalty shall be offset with the condition that the Respondent implements the SEP defined in Attachment A, incorporated herein by reference. The Respondent's obligation to pay the conditionally offset portion of the administrative penalty assessed shall be discharged upon final completion of all provisions of the SEP agreement.
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, implement improvements to training, design, operation, or maintenance procedures, in order to address the emissions event that occurred on July 26, 2008, and to prevent the reoccurrence of same or similar incidents; 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 this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of 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  
Beaumont Regional Office  
Texas Commission on Environmental Quality  
3870 Eastex Freeway  
Beaumont, Texas 77703-1892

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

John S. Green  
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.

Sam Padden  
Signature

5/22/09  
Date

R. Perry Padden  
Name (Printed or typed)  
Authorized Representative of  
Mobil Chemical Company Inc.

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.



Attachment A  
Docket Number: 2009-0193-AIR-E

**SUPPLEMENTAL ENVIRONMENTAL PROJECT**

<b>Respondent:</b>	<b>Mobil Chemical Company Inc.</b>
<b>Payable Penalty Amount:</b>	<b>Two Thousand Nine Hundred Forty Dollars (\$2,940)</b>
<b>SEP Amount:</b>	<b>One Thousand Four Hundred Seventy Dollars (\$1,470)</b>
<b>Type of SEP:</b>	<b>Pre-approved</b>
<b>Third-Party Recipient:</b>	<b>Jefferson County: Retrofit/Replacement of Heavy Equipment and Vehicles with Alternative Fueled Equipment and Vehicles</b>
<b>Location of SEP:</b>	<b>Jefferson County</b>

The Texas Commission on Environmental Quality (“TCEQ”) agrees to offset a portion of the administrative Penalty Amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project (“SEP”). The offset is equal to the SEP Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

**1. Project Description**

A. Project

The Respondent shall contribute to the Third-Party Recipient pursuant to the agreement between the Third-Party Recipient and the TCEQ. Specifically, the Third-Party Recipient will contribute to Jefferson County for its Retrofit/Replacement of Heavy Equipment and Vehicles with Alternative Fueled Equipment and Vehicles. Specifically, the contribution will be used to purchase alternative fueled equipment such as propane or electric powered lawn mowers, propane powered light duty and heavy equipment, and alternative fueled vehicles and retire diesel and gasoline powered equipment and vehicles. Jefferson County will also convert current equipment and vehicles to alternative fueled equipment in order to lower emissions.

All dollars contributed will be used solely for the direct cost of the project and no portion will be spent on administrative costs. The SEP will be done in accordance with all federal, state and local environmental laws and regulations.

The Respondent certifies that there is no prior commitment to make this contribution and that it is being done solely in an effort to settle this enforcement action.

B. Environmental Benefit

This SEP will provide a discernible environmental benefit by reducing air emissions generated by gasoline and diesel powered equipment and vehicles in the Beaumont/Port Arthur ozone non-attainment area.

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:

The Honorable Judge Ron Walker  
Jefferson County Judge  
1149 Pearl Street, 4<sup>th</sup> Floor  
Beaumont, Texas 77701

**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:

Litigation Division  
Attention: SEP Coordinator, MC 175  
Texas Commission on Environmental Quality  
P.O. Box 13088  
Austin, Texas 78711-3088

The Respondent shall also mail a copy of the check to the TCEQ SEP Coordinator at the address in Section 3 above.

**5. Publicity**

Any public statements concerning this SEP made by or on behalf of the Respondent must include a clear statement that the project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.

**6. Clean Texas Program**

The Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, the Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

**7. Other SEPs by TCEQ or Other Agencies**

The SEP identified in this Agreed Order has not been, and shall not be, included as an SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.

