

EXECUTIVE SUMMARY - ENFORCEMENT MATTER Page 1 of 2
DOCKET NO.: 2009-0396-AIR-E **TCEQ ID:** RN102320850 **CASE NO.:** 37334
RESPONDENT NAME: Chevron Phillips Chemical Company LP

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: Philtex Ryton Plant, located on a private road, two miles north-east of the intersection of State Highway Spur 119 and State Highway Spur 245, Borger, Hutchinson County</p> <p>TYPE OF OPERATION: Petrochemical 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 one additional pending enforcement action regarding this facility location, Docket No. 2009-0893-AIR-E.</p> <p>INTERESTED PARTIES: No one other than the ED and the Respondent has expressed an interest in this matter.</p> <p>COMMENTS RECEIVED: The <i>Texas Register</i> comment period expired on August 24, 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: Mr. James Nolan, Enforcement Division, Enforcement Team 4, MC 149, (512) 239-6634; Ms. Cari-Michel La Caille, Enforcement Division, MC 219, (512) 239-1387 Respondent: Mr. Todd Williams, Environmental Team Leader, Chevron Phillips Chemical Company LP, P.O. Box 968, Borger, Texas 79008 Mr. D. P. Digman, Plant Manager, Chevron Phillips Chemical Company LP, P.O. Box 968, Borger, Texas 79008 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: February 18, 2009</p> <p>Date of NOV/NOE Relating to this Case: March 3, 2009 (NOE)</p> <p>Background Facts: This was a routine investigation.</p> <p>AIR</p> <p>Failure to maintain the emissions limit within the Maximum Allowable Emission Rate Table ("MAERT"). Specifically, during a stack test conducted on January 24, 2008, the Crude N-Methyl-2-Pyrrolidine ("NMP") Surge Tank Condenser Scrubber (EPN: R-V2) was found to exceed the hydrogen sulfide ("H₂S") MAERT limit of 0.1 pounds per hour ("lbs/hr") with a rate of 1.17 lbs/hr [30 TEX. ADMIN. CODE §§ 116.115(b)(2)(F), 116.115(c), and 122.143(4), New Source Review Permit No. 7719A Special Condition No. 1, Federal Operating Permit No. O-02165 Special Terms and Conditions No. 1, and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p>	<p>Total Assessed: \$25,000</p> <p>Total Deferred: \$5,000 <input checked="" type="checkbox"/> Expedited Settlement <input type="checkbox"/> Financial Inability to Pay</p> <p>SEP Conditional Offset: \$10,000</p> <p>Total Paid to General Revenue: \$10,000</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 on October 30, 2008, a permit amendment was issued for New Source Review Permit No. 7719A, increasing the MAERT limit for H₂S from the the Crude NMP Surge Tank Condenser Scrubber to 2.8 lbs/hr.</p> <p>Ordering Provisions:</p> <p>The Order will require the Respondent to implement and complete a Supplemental Environmental Project (SEP). (See SEP Attachment A)</p>

Additional ID No(s): HW0013C

Attachment A
Docket Number: 2009-0396-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent: Chevron Phillips Chemical Company LP
Payable Penalty Amount: Twenty Thousand Dollars (\$20,000)
SEP Offset Amount: Ten Thousand Dollars (\$10,000)
Type of SEP: Pre-approved
Third-Party Recipient: Texas PTA – *Clean School Bus Program*
Location of SEP: Texas Air Quality Control Region 211

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 Offset 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 the SEP Offset Amount to the Third-Party Recipient named above. The contribution will be to *Texas PTA* for the *Clean School Bus Program* in Texas Air Quality Control Region 211 as set forth in an agreement between the Third-Party Recipient and the TCEQ. Specifically, the contribution will be used to reimburse local school districts for the cost of the following activities to reduce emissions: 1) replacing older diesel buses with alternative fuelled or clean diesel buses; or 2) retrofitting older diesel buses with new, cleaner technology. 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 it has 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 particulate emissions on buses by more than 90% below today’s level and reducing hydrocarbons below measurement capability.

C. Minimum Expenditure

The Respondent shall contribute at least the SEP Offset 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 Offset Amount to the Third-Party Recipient. The Respondent shall mail a copy of the Agreed Order with the contribution to:

Texas Congress of Parents and Teachers dba Texas PTA
Clean School Bus Program
Suzy Swan, Director of Finance
408 West 11th Street
Austin, Texas 78707

3. Records and Reporting

Concurrent with the payment of the SEP Offset Amount, the Respondent shall provide the TCEQ SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Offset 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 expenditure of the SEP Offset 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 Offset Amount.

In the event of incomplete performance, the Respondent shall include on the check the docket number of this Agreed Order and a note that it is for reimbursement of a SEP. The Respondent shall make the payment for the amount due to "Texas Commission on Environmental Quality" and mail it to:

Litigation Division
Attention: SEP Coordinator, MC 175
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3087

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 a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.



Policy Revision 2 (September 2002)

Penalty Calculation Worksheet (PCW)

PCW Revision October 30, 2008

DATES	Assigned	9-Mar-2009	Screening	18-Mar-2009	EPA Due	28-Nov-2009
	PCW	13-Apr-2009				

RESPONDENT/FACILITY INFORMATION	
Respondent	Chevron Phillips Chemical Company LP
Reg. Ent. Ref. No.	RN102320850
Facility/Site Region	1-Amarillo
Major/Minor Source	Major

CASE INFORMATION			
Enf./Case ID No.	37334	No. of Violations	1
Docket No.	2009-0396-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	James Nolan
		EC's Team	Enforcement Team 4
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$10,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties) **Subtotal 1** \$10,000

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History 175.0% Enhancement **Subtotals 2, 3, & 7** \$17,500

Notes: Penalty enhancement due to five previous similar NOVs, eight previous non-similar NOVs, and seven previous 1660-style Agreed Orders. Penalty reduction due to four previous NOIs and one DOV.

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** \$2,500

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

Total EB Amounts \$69
Approx. Cost of Compliance \$1,800
*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7 **Final Subtotal** \$25,000

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

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes

Final Penalty Amount \$25,000

STATUTORY LIMIT ADJUSTMENT **Final Assessed Penalty** \$25,000

DEFERRAL 20.0% Reduction **Adjustment** -\$5,000

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

Notes

Deferral offered for expedited settlement.

PAYABLE PENALTY \$20,000

Screening Date 18-Mar-2009

Docket No. 2009-0396-AIR-E

PCW

Respondent Chevron Phillips Chemical Company LP

Policy Revision 2 (September 2002)

Case ID No. 37334

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN102320850

Media [Statute] Air

Enf. Coordinator James Nolan

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)	5	25%
	Other written NOVs	8	16%
Orders	Any agreed final enforcement orders containing a denial of liability (number of orders meeting criteria)	7	140%
	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)	4	-4%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which violations were disclosed)	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) 175%

>> 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 five previous similar NOV's, eight previous non-similar NOV's, and seven previous 1660-style Agreed Orders. Penalty reduction due to four previous NOIs and one DOV.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 175%

Screening Date 18-Mar-2009	Docket No. 2009-0396-AIR-E	PCW			
Respondent Chevron Phillips Chemical Company LP	<small>Policy Revision 2 (September 2002)</small>				
Case ID No. 37334	<small>PCW Revision October 30, 2008</small>				
Reg. Ent. Reference No. RN102320850					
Media [Statute] Air					
Enf. Coordinator James Nolan					
Violation Number <input type="text" value="1"/>					
Rule Cite(s)	30 Tex. Admin. Code §§ 116.115(b)(2)(F), 116.115(c), and 122.143(4), New Source Review Permit No. 7719A Special Condition No. 1, Federal Operating Permit No. O-02165 Special Terms and Conditions No. 1, Tex. Health & Safety Code § 382.085(b)				
Violation Description	Failed to maintain the emissions limit within the Maximum Allowable Emission Rate Table ("MAERT"). Specifically, during a stack test conducted on January 24, 2008, the Crude N-Methyl-2-Pyrrolidine ("NMP") Surge Tank Condenser Scrubber (EPN: R-V2) was found to exceed the hydrogen sulfide ("H2S") MAERT limit of 0.1 pounds per hour ("lbs/hr") with a rate of 1.17 lbs/hr.				
Base Penalty		<input type="text" value="\$10,000"/>			
>> Environmental, Property and Human Health Matrix					
OR	Harm				
	Release	Major	Moderate	Minor	
	Actual	<input type="text"/>	<input type="text"/>	<input checked="" type="checkbox"/>	
Potential	<input type="text"/>	<input type="text"/>	<input type="text"/>		
Percent		<input type="text" value="25%"/>			
>> Programmatic Matrix					
Falsification			Major	Moderate	Minor
<input type="text"/>			<input type="text"/>	<input type="text"/>	<input type="text"/>
Percent		<input type="text" value="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		<input type="text" value="\$7,500"/>			
					<input type="text" value="\$2,500"/>
Violation Events					
Number of Violation Events		<input type="text" value="4"/>	Number of violation days		<input type="text" value="280"/>
<small>mark only one with an x</small>	daily	<input type="text"/>			
	weekly	<input type="text"/>			
	monthly	<input type="text"/>			
	quarterly	<input checked="" type="checkbox"/>			
	semiannual	<input type="text"/>			
	annual	<input type="text"/>			
	single event	<input type="text"/>			
Violation Base Penalty		<input type="text" value="\$10,000"/>			
Four quarterly events are recommended based upon the date of the stack test (January 24, 2008) to the date of compliance (October 30, 2008).					
Good Faith Efforts to Comply		25.0% Reduction		<input type="text" value="\$2,500"/>	
		Before NOV	NOV to EDPRP/Settlement Offer		
Extraordinary	<input type="text"/>	<input type="text"/>			
Ordinary	<input checked="" type="checkbox"/>	<input type="text"/>			
N/A	<input type="text"/>	<small>(mark with x)</small>			
Notes	On October 30, 2008, a permit amendment was issued for New Source Review Permit No. 7719A increasing the H2S MAERT limit.				
Violation Subtotal		<input type="text" value="\$7,500"/>			
Economic Benefit (EB) for this violation			Statutory Limit Test		
Estimated EB Amount		<input type="text" value="\$69"/>	Violation Final Penalty Total		<input type="text" value="\$25,000"/>
This violation Final Assessed Penalty (adjusted for limits)					<input type="text" value="\$25,000"/>

Economic Benefit Worksheet

Respondent: Chevron Phillips Chemical Company LP

Case ID No.: 37334

Reg. Ent. Reference No.: RN102320850

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

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	\$1,800	24-Jan-2008	30-Oct-2008	0.77	\$69	n/a	\$69
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to amend New Source Review Permit No. 7719A. The date required is the date of the stack test and the final date is the date of compliance.

Avoided Costs

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance

\$1,800

TOTAL

\$69

Compliance History Report

Customer/Respondent/Owner-Operator: CN600303614 Chevron Phillips Chemical Company LP Classification: AVERAGE Rating: 3.24

Regulated Entity: RN102320850 PHILTEX RYTON PLANT Classification: AVERAGE Site Rating: 8.07

ID Number(s):	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	EPA ID	TXD041516709
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION # (SWR)	30131
	INDUSTRIAL AND HAZARDOUS WASTE STORAGE	PERMIT	50254
	INDUSTRIAL AND HAZARDOUS WASTE STORAGE	PERMIT	50254
	INDUSTRIAL AND HAZARDOUS WASTE STORAGE	PERMIT	50018
	AIR NEW SOURCE PERMITS	PERMIT	39927
	AIR NEW SOURCE PERMITS	PERMIT	40813
	AIR NEW SOURCE PERMITS	PERMIT	41609
	AIR NEW SOURCE PERMITS	PERMIT	45470
	AIR NEW SOURCE PERMITS	PERMIT	45708
	AIR NEW SOURCE PERMITS	PERMIT	46022
	AIR NEW SOURCE PERMITS	PERMIT	46698
	AIR NEW SOURCE PERMITS	PERMIT	47618
	AIR NEW SOURCE PERMITS	PERMIT	47873
	AIR NEW SOURCE PERMITS	PERMIT	48389
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	HW0013C
	AIR NEW SOURCE PERMITS	PERMIT	7172
	AIR NEW SOURCE PERMITS	PERMIT	7173A
	AIR NEW SOURCE PERMITS	PERMIT	7719A
	AIR NEW SOURCE PERMITS	PERMIT	3251A
	AIR NEW SOURCE PERMITS	PERMIT	21918
	AIR NEW SOURCE PERMITS	PERMIT	31409
	AIR NEW SOURCE PERMITS	PERMIT	55433
	AIR NEW SOURCE PERMITS	REGISTRATION	70021
	AIR NEW SOURCE PERMITS	AFS NUM	4823300004
	AIR NEW SOURCE PERMITS	PERMIT	71299
	AIR NEW SOURCE PERMITS	PERMIT	54297
	AIR NEW SOURCE PERMITS	PERMIT	53267
	AIR NEW SOURCE PERMITS	PERMIT	53320
	AIR NEW SOURCE PERMITS	PERMIT	50537
	AIR NEW SOURCE PERMITS	REGISTRATION	72623
	AIR NEW SOURCE PERMITS	REGISTRATION	74568
	AIR NEW SOURCE PERMITS	REGISTRATION	75050
	AIR NEW SOURCE PERMITS	REGISTRATION	81490
	AIR NEW SOURCE PERMITS	REGISTRATION	83284
	AIR NEW SOURCE PERMITS	REGISTRATION	84319
	AIR NEW SOURCE PERMITS	REGISTRATION	87362
	AIR NEW SOURCE PERMITS	REGISTRATION	85444
	AIR NEW SOURCE PERMITS	REGISTRATION	83292
	AIR NEW SOURCE PERMITS	REGISTRATION	85574
	UNDERGROUND INJECTION CONTROL	PERMIT	WDW381
	UNDERGROUND INJECTION CONTROL	PERMIT	WDW067
	UNDERGROUND INJECTION CONTROL	PERMIT	WDW068
	UNDERGROUND INJECTION CONTROL	PERMIT	WDW219
	AIR OPERATING PERMITS	ACCOUNT NUMBER	HW0013C
	AIR OPERATING PERMITS	PERMIT	2164
	AIR OPERATING PERMITS	PERMIT	2165
	AIR OPERATING PERMITS	PERMIT	2166
	AIR OPERATING PERMITS	PERMIT	1440
	WASTEWATER	PERMIT	WQ0002484000
	WASTEWATER	PERMIT	TPDES0095869
	WASTEWATER	PERMIT	TX0095869
	IHW CORRECTIVE ACTION	SOLID WASTE REGISTRATION # (SWR)	30131
	INDUSTRIAL AND HAZARDOUS WASTE COMPLIANCE PLANS	PERMIT	50254

Location: FROM INTX OF SH SPURS 119 & 245 GO 2 MI NE ON PRIVATE RD.

TCEQ Region: REGION 01 - AMARILLO

Date Compliance History Prepared: March 18, 2009

Agency Decision Requiring Compliance History: Enforcement
Compliance Period: March 18, 2004 to March 18, 2009

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

Name: James Nolan Phone: (512) 239-6634

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: 11/06/2005 ADMINORDER 2005-0704-AIR-E
Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter G 116.715(c)(9)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: General Condition No. 1 PERMIT
Description: Failed to operate the North Flare (EPN FL-1) in the manner designed to prevent the release of unauthorized emissions during Incident No. 48675. Since this emissions event was foreseeable and avoidable, and the air pollution control equipment was not operated in a manner consistent with good practice for minimizing emi

Effective Date: 02/20/2006 ADMINORDER 2005-0094-AIR-E
Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: General Condition No. 1 PERMIT
Description: Failed to maintain an emission rate below represented levels during Incident No. 39918. Since these emissions were avoidable and reported late the respondent failed to meet the demonstrations for an affirmative defense in 30 Tex. Admin. Code § 101.222.

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

Rqmt Prov: General Condition No. 1 PERMIT
Description: Failed to maintain an emission rate below represented levels during Incident No. 40338. Since these emissions were avoidable the respondent failed to meet the demonstrations for an affirmative defense in 30 Tex. Admin. Code § 101.222.

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

Description: Failed to submit the initial report for Incident No. 39918 within 24 hours after discovery.
Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)(7)
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failed to identify all compounds known to have been released during Incident No. 42118 on the final report.

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

Rqmt Prov: General Condition No. 1 PERMIT
Description: Failed to maintain an emission rate below represented levels during Incident No. 42118. Since these emissions were incompletely reported the respondent failed to meet the demonstrations for an affirmative defense in 30 Tex. Admin. Code § 101.222.

Effective Date: 04/29/2006 ADMINORDER 2005-1638-AIR-E
Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)

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

Rqmt Prov: Special Condition No. 2 PERMIT
Description: Failed to comply with permitted emissions limits.

Classification: Moderate

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

Rqmt Prov: Special Condition No. 2 PERMIT
Description: Failed to comply with permitted emissions limits.

Classification: Moderate

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

Rqmt Prov: Special Condition No. 17.C. PERMIT
Description: Failed to keep complete records.

Classification: Moderate

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

Rqmt Prov: Special Condition No. 32 PERMIT
Description: Failed to control vapors from a loading operation.

Classification: Moderate

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

Rqmt Prov: Special Condition Nos. 35.F. and 35.I. PERMIT
Description: Failed to properly repair and monitor fugitive emission components in volatile organic compound ("VOC") service

Classification: Moderate

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

Rqmt Prov: Special Condition No. 46 PERMIT
Description: Failed to use data required by the permit in emissions calculations.

Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.146(5)(C)
30 TAC Chapter 122, SubChapter B 122.146(5)(D)

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

Rqmt Prov: General Terms and Conditions OP
Description: Failed to include all instances of deviations in a report.

Effective Date: 05/12/2006

ADMINORDER 2004-0958-AIR-E

Classification: Moderate

Citation: 5C THC Chapter 382, SubChapter A 382.085(a)
Description: Failed to comply with the statutory prohibition on emission of unauthorized air contaminants during Incident No. 33602.

Classification: Moderate

Citation: 5C THC Chapter 382, SubChapter A 382.085(a)
Description: Failed to comply with the statutory prohibition on emission of unauthorized air contaminants during Incident No. 33418.

Classification: Moderate

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

Description: Failed to submit the initial upset report for Incident No. 33418 in a timely manner.

Classification: Moderate

Citation: 30 TAC Chapter 113, SubChapter C 113.110
30 TAC Chapter 116, SubChapter G 116.715(c)(7)

40 CFR Part 63, Subpart A 63.11(b)(5)

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

Rqmt Prov: 2 PERMIT
Description: Failed to maintain an emission rate below the plant-wide maximum allowable emission limits of 45.03 lbs/hr of 1,3-butadiene during Incident No. 38501.

Classification: Major

Citation: 30 TAC Chapter 113, SubChapter C 113.110
30 TAC Chapter 116, SubChapter G 116.715(a)

40 CFR Part 63, Subpart F 63.104(b)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: SC NO. 6 PERMIT

Description: Failed to monitor Unit 45 cooling tower water associated with the heat exchanger.

Classification: Moderate

Citation: 30 TAC Chapter 113, SubChapter C 113.130
30 TAC Chapter 116, SubChapter G 116.715(a)
40 CFR Part 63, Subpart A 63.11(b)(5)
40 CFR Part 63, Subpart H 63.172(d)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: SC NO. 6 PERMIT

Description: Failed to ensure that the emission control device is operational during the venting of Hazardous Air Pollutants.

Classification: Moderate

Citation: 30 TAC Chapter 113, SubChapter C 113.130
30 TAC Chapter 116, SubChapter G 116.715(a)

40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.182(d)(2)(i)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: SC NO. 6 PERMIT

Description: Failed to accurately report the number of valves monitored in August and November of 2003 on the semiannual report for the period of July 1 through December 31, 2003.

Classification: Moderate

Citation: 30 TAC Chapter 113, SubChapter C 113.230
30 TAC Chapter 116, SubChapter G 116.715(a)

40 CFR Chapter 60, SubChapter C, PT 60, SubPT XX 60.502(e)(3)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT XX 60.502(e)(4)
40 CFR Part 63, Subpart R 63.422(a)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: SC NO. 6 PERMIT

Description: Failed to cross-check the tank identification numbers (Trailers Groendyke No. 356, BAFU 888703-6, and NATX 36035) with the tank vapor tightness documentation, and failed to notify the owners of trucks with invalid truck tightness documentation within the required time frames after the tanks were loaded.

Classification: Moderate

Citation: 30 TAC Chapter 113, SubChapter C 113.230
30 TAC Chapter 116, SubChapter G 116.715(a)

40 CFR Chapter 60, SubChapter C, PT 60, SubPT XX 60.502(e)(5)
40 CFR Part 63, Subpart R 63.422(a)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: SC NO. 6 PERMIT

Description: Failed to assure that a nonvapor-tight tank (Groendyke No. 35, loaded on July 10 and August 25, 2003) would not be reloaded before obtaining vapor tightness documentation.

Classification: Moderate

Citation: 30 TAC Chapter 113, SubChapter C 113.230
30 TAC Chapter 116, SubChapter G 116.715(a)

40 CFR Chapter 60, SubChapter C, PT 60, SubPT Kb 60.113b(a)
40 CFR Part 63, Subpart R 63.425(d)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: SC NO. 6 PERMIT

Description: Failed to conduct a visual inspection of the internal floating roof and the seal of Tank H-6 after the tank was emptied on February 20, 2003.

Effective Date: 07/22/2006

ADMINORDER 2006-0189-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.110(a)

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

Description: The facility failed to obtain an authorization for the unauthorized emissions during the incident No. 67916.

Effective Date: 11/06/2008 ADMINORDER 2008-0230-IHW-E

Classification: Moderate

Citation: 30 TAC Chapter 335, SubChapter A 335.4

Description: Failed to prevent the unauthorized disposal of industrial hazardous waste.

Effective Date: 12/04/2008 ADMINORDER 2008-0916-AIR-E

Classification: Moderate

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

5C THSC Chapter 382 382.085(b)

Description: Failed to prevent the release of unauthorized air contaminants into the atmosphere from the North Flare [emission point number ("EPN") FL-1]. Specifically, 559 pounds of sulfur dioxide and eight pounds of other pollutants (hydrogen sulfide, sulfur dioxide, carbon monoxide and tert-butyl mercaptan 75-66-1) were release in a one hour and ten minute period on March 1, 2008.

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	03/26/2004	(266437)
2	03/26/2004	(266444)
3	03/26/2004	(266447)
4	04/16/2004	(320180)
5	05/24/2004	(362754)
6	06/07/2004	(362755)
7	06/16/2004	(266883)
8	06/16/2004	(266957)
9	06/16/2004	(274162)
10	07/12/2004	(362756)
11	07/16/2004	(281204)
12	07/16/2004	(281245)
13	07/19/2004	(281318)
14	08/07/2004	(281128)
15	08/12/2004	(288970)
16	08/20/2004	(362757)
17	09/02/2004	(291233)
18	09/02/2004	(291242)
19	09/07/2004	(291422)
20	09/08/2004	(291216)
21	09/09/2004	(362758)
22	10/08/2004	(362759)
23	10/15/2004	(337419)
24	10/15/2004	(337435)
25	10/15/2004	(337438)
26	10/16/2004	(335621)
27	11/05/2004	(339445)
28	11/16/2004	(387907)
29	12/28/2004	(340368)
30	12/28/2004	(340456)
31	12/29/2004	(345469)
32	01/05/2005	(387908)
33	01/07/2005	(346404)
34	01/07/2005	(346409)
35	02/07/2005	(425539)
36	02/16/2005	(350931)
37	03/03/2005	(345470)
38	03/03/2005	(372687)
39	03/03/2005	(372692)
40	03/03/2005	(372701)

41	03/14/2005	(425540)
42	04/13/2005	(425541)
43	05/16/2005	(425542)
44	06/02/2005	(394562)
45	06/06/2005	(425543)
46	06/17/2005	(396391)
47	07/22/2005	(446091)
48	08/05/2005	(446092)
49	08/26/2005	(400663)
50	09/07/2005	(446093)
51	09/08/2005	(431139)
52	09/08/2005	(431163)
53	09/08/2005	(431180)
54	10/11/2005	(478290)
55	11/10/2005	(478291)
56	12/15/2005	(478292)
57	01/05/2006	(451244)
58	01/05/2006	(451253)
59	01/05/2006	(451257)
60	01/23/2006	(478293)
61	02/06/2006	(478288)
62	02/13/2006	(455043)
63	02/16/2006	(435821)
64	02/16/2006	(454969)
65	03/10/2006	(478289)
66	03/13/2006	(458844)
67	03/23/2006	(459163)
68	04/20/2006	(504534)
69	04/25/2006	(463313)
70	04/25/2006	(463321)
71	04/25/2006	(463322)
72	05/08/2006	(504535)
73	05/22/2006	(467041)
74	05/25/2006	(463016)
75	06/07/2006	(526852)
76	08/04/2006	(526854)
77	08/18/2006	(509410)
78	09/06/2006	(526853)
79	09/18/2006	(526855)
80	10/03/2006	(513312)
81	10/03/2006	(513315)
82	10/03/2006	(513316)
83	10/03/2006	(514853)
84	10/03/2006	(514870)
85	10/03/2006	(514879)
86	10/06/2006	(550824)
87	10/16/2006	(515500)
88	10/31/2006	(517537)
89	11/03/2006	(550825)
90	12/15/2006	(534378)
91	12/20/2006	(534635)
92	01/04/2007	(535636)
93	01/08/2007	(587249)
94	01/31/2007	(538435)
95	02/09/2007	(587244)
96	02/26/2007	(541686)
97	02/27/2007	(541861)
98	02/27/2007	(541900)
99	03/05/2007	(587245)
100	03/09/2007	(542559)
101	03/09/2007	(542571)
102	03/23/2007	(554148)
103	03/26/2007	(553818)

104	03/26/2007	(553892)
105	04/11/2007	(556504)
106	04/11/2007	(556514)
107	04/11/2007	(556516)
108	04/13/2007	(556569)
109	04/13/2007	(556570)
110	04/13/2007	(556572)
111	04/16/2007	(587246)
112	04/30/2007	(556728)
113	05/03/2007	(587247)
114	05/17/2007	(555906)
115	06/01/2007	(561465)
116	06/08/2007	(587248)
117	07/16/2007	(604964)
118	08/06/2007	(569756)
119	08/08/2007	(604965)
120	09/20/2007	(604966)
121	09/24/2007	(595445)
122	09/24/2007	(595457)
123	09/24/2007	(595458)
124	10/03/2007	(594741)
125	10/16/2007	(626933)
126	11/20/2007	(626934)
127	12/07/2007	(626935)
128	01/04/2008	(610787)
129	01/04/2008	(610798)
130	01/16/2008	(676035)
131	01/18/2008	(610441)
132	01/31/2008	(600338)
133	02/12/2008	(617665)
134	02/15/2008	(676033)
135	03/03/2008	(618691)
136	03/03/2008	(618707)
137	03/03/2008	(618712)
138	03/11/2008	(613242)
139	03/17/2008	(676034)
140	04/07/2008	(641601)
141	04/10/2008	(694409)
142	04/17/2008	(646530)
143	04/29/2008	(653798)
144	05/13/2008	(657400)
145	05/14/2008	(694410)
146	05/30/2008	(671606)
147	05/30/2008	(680205)
148	05/30/2008	(681736)
149	05/31/2008	(680219)
150	06/16/2008	(715805)
151	07/14/2008	(694411)
152	08/11/2008	(715806)
153	09/04/2008	(700758)
154	09/08/2008	(715807)
155	09/29/2008	(702980)
156	09/29/2008	(702990)
157	09/29/2008	(702995)
158	09/30/2008	(702026)
159	09/30/2008	(702027)
160	09/30/2008	(702481)
161	10/06/2008	(702239)
162	10/20/2008	(702286)
163	10/21/2008	(731482)
164	10/22/2008	(706153)
165	10/22/2008	(706189)
166	10/22/2008	(706211)

167 11/18/2008 (708165)
 168 11/24/2008 (731483)
 169 12/08/2008 (709727)
 170 12/22/2008 (731484)
 171 01/16/2009 (723360)
 172 01/16/2009 (723370)
 173 01/16/2009 (723381)
 174 01/29/2009 (724335)
 175 01/29/2009 (724397)
 176 01/29/2009 (724493)
 177 02/02/2009 (723517)
 178 02/18/2009 (709614)
 179 02/19/2009 (735565)
 180 03/02/2009 (723467)
 181 03/03/2009 (709311)

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

Date: 03/23/2006 (459163)

CN600303614

Self NO Classification Minor

Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)

Effluent Limitations and Monitoring PERMIT

Description: Failure to meet effluent limitations for pH, at outfall 001.

Date: 04/26/2006 (463322)

Self NO Classification Minor

Citation: 30 TAC Chapter 331, SubChapter D 331.65(b)(3)

XI. Additional Requirements E. PERMIT

Description: Failure to submit the WDW-219 Injection Zone Annual Report for the operating year 2005, by January 20, 2006, as required by 30 TAC 331.65.

Date: 04/26/2006 (463321)

Self NO Classification Minor

Citation: 30 TAC Chapter 331, SubChapter D 331.65(b)(3)

XI. Additional Requirements E. PERMIT

Description: Failure to submit the WDW-068 Injection Zone Report for the operating year 2005 by January 20, 2006, as required by 30 TAC 331.65.

Date: 04/26/2006 (463313)

Self NO Classification Minor

Citation: 30 TAC Chapter 331, SubChapter D 331.65(b)(3)

XI. Additional Requirements PERMIT

Description: Failure to submit the WDW-067 Injection Zone Annual Report for the operating year 2005 by January 20, 2006, as required by 30 TAC 331.65.

Date: 05/25/2006 (463016)

Self NO Classification Moderate

Citation: 40 CFR Part 60, Subpart Kb 60.112b(a)(1)(i)

Description: The facility failed to comply with the provisions of Subpart Kb standards.

Self NO Classification Moderate

Citation: 40 CFR Part 60, Subpart A 60.18(c)(2)

40 CFR Part 60, Subpart Kb 60.112b(a)(3)

Description: The facility failed to comply with the provisions of Subpart Kb standards.

Self NO Classification Moderate

Citation: 40 CFR Part 60, Subpart VV 60.482-2

Description: The facility failed to comply with the provisions of Subpart VV.

Self NO Classification Moderate

Citation: 40 CFR Part 60, Subpart VV 60.482-5

Description: The facility failed to comply with the provisions of Subpart VV.

Self NO Classification Moderate

Citation: 40 CFR Part 60, Subpart VV 60.482-6

Description: The facility failed to comply with the provisions of Subpart VV.

Self NO Classification Moderate

Citation: 40 CFR Part 60, Subpart VV 60.482-7

Description: The facility failed to comply with the provisions of Subpart VV.

Self NO Classification Moderate

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

Description: The facility failed to comply with the provisions of the special condition No. 35 of the permit number 21918 by failing to monitor valves associated with the closed vent system for the North Flare.

Date: 12/20/2006 (534635)

Self NO Classification Moderate

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

Description: failure to keep cold solvent cleaner lid closed

Self Report?	NO	Classification	Minor
Citation:	30 TAC Chapter 106, SubChapter T 106.454(1)(E)		
Description:	failure to label cold solvent cleaner		
Self Report?	NO	Classification	Moderate
Citation:	30 TAC Chapter 116, SubChapter G 116.715(a)		
Description:	failure to test mercaptan loading dock scrubber every five years		
Self Report?	NO	Classification	Minor
Citation:	30 TAC Chapter 116, SubChapter G 116.715(a)		
Description:	failure to include sulfur compounds in 2005 annual flare test for FL-2		
Self Report?	NO	Classification	Minor
Citation:	30 TAC Chapter 122, SubChapter B 122.145(2)		
Description:	failure to include deviation in deviation report		
Date:	01/31/2008 (600338)		
Self Report?	NO	Classification	Moderate
Citation:	30 TAC Chapter 116, SubChapter G 116.715(a)		
Description:	failure to place a fresh canister as the new polishing canister within 4 hours of breakthrough		
Self Report?	NO	Classification	Moderate
Citation:	30 TAC Chapter 116, SubChapter G 116.715(a)		
Description:	40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.163(c)(2)		
Description:	failure to make first attempt to repair a pump within 5 days		
Self Report?	NO	Classification	Moderate
Citation:	30 TAC Chapter 116, SubChapter G 116.715(a)		
Description:	40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.168(f)(2)		
Description:	failure to make first attempt to repair three valves within 5 days		
Self Report?	NO	Classification	Moderate
Citation:	30 TAC Chapter 116, SubChapter G 116.715(a)		
Description:	40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(d)(2)		
Description:	failure to make first attempt to repair one valve within 5 days		
Self Report?	NO	Classification	Moderate
Citation:	30 TAC Chapter 116, SubChapter G 116.715(a)		
Description:	failure to continuously monitor H2S Flare (FL-1) for SO2		
Self Report?	NO	Classification	Moderate
Citation:	30 TAC Chapter 116, SubChapter G 116.715(a)		
Description:	failure to monitor various components as required by the applicable fugitive monitoring program		
Self Report?	NO	Classification	Moderate
Citation:	30 TAC Chapter 116, SubChapter G 116.715(a)		
Description:	40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-2(a)(1)		
Description:	failure to conduct monthly fugitive monitoring for one pump		
Self Report?	NO	Classification	Moderate
Citation:	30 TAC Chapter 116, SubChapter G 116.715(a)		
Description:	40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(a)		
Description:	failure to conduct monthly fugitive monitoring for various valves		
Self Report?	NO	Classification	Minor
Citation:	40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.123(i)(1)		
Description:	failure to keep records of the certifications from owners or operators of facilities that reload or clean railcars		
Self Report?	NO	Classification	Moderate
Citation:	30 TAC Chapter 116, SubChapter G 116.715(a)		
Description:	40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.168(f)(1)		
Description:	failure to repair a leak no later than 15 days after detection		
Self Report?	NO	Classification	Moderate
Citation:	30 TAC Chapter 116, SubChapter G 116.715(a)		
Description:	failure to vent ethyl mercaptan vapors through carbon-bed during container cleaning process		
Self Report?	NO	Classification	Moderate
Citation:	30 TAC Chapter 116, SubChapter G 116.715(a)		
Description:	40 CFR Part 63, Subpart H 63.167		
Description:	failure to prevent open-ended valves or lines		
Self Report?	NO	Classification	Minor
Citation:	30 TAC Chapter 122, SubChapter B 122.145(2)		
Description:	failure to report all instances of deviations on deviation reports		
Date:	02/12/2008 (617665)		
Self Report?	NO	Classification	Moderate
Citation:	30 TAC Chapter 331, SubChapter D 331.64(d)(2)		
Description:	Failure to conduct a temperature log once every five years as required in 30 TAC 331.64(d)(2).		
Date:	03/11/2008 (613242)		
Self Report?	NO	Classification	Moderate
Citation:	30 TAC Chapter 116, SubChapter G 116.715(c)(7)		
Description:	5C THSC Chapter 382 382.085(b)		
Description:	Failure to prevent the release of unauthorized emissions to the atmosphere during an		

emissions event (which did not meet all affirmative defense criteria)

Self Report? NO Classification Moderate
Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)(B)
Description: Failure to submit initial notification within 24 hours of discovery of an emissions event

Date: 05/31/2008 (715805) CN600303614
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: 02/02/2009 (723517) CN600303614
Self Report? NO Classification Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
Effluent limitations and Monitoring PERMIT
Description: Failure to meet permit effluent limitations for Total suspended Solids (TSS) during a discharge at outfall 001.

Self Report? NO Classification Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
Effluent Limitations and Monitoring PERMIT
Description: Failure to collect samples and analyze for Total Dissolved Solids (TDS) as permit required at outfall 003 (when discharging) and to correctly report the analysis results on the monthly Discharge Monitoring Reports.

Date: 02/20/2009 (735565)
Self Report? NO Classification Moderate
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
5C THSC Chapter 382 382.085(b)
Description: Failure to prevent unauthorized emissions. The release of unauthorized emissions occurred during an emissions event (which did not meet all affirmative defense criteria).

Date: 03/03/2009 (709311)
Self Report? NO Classification Minor
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
Permit No. 7719A PERMIT
Description: failure to record finding of daily inspection of Dryer A and Dryer B filter vents for visible particulate emissions

Self Report? NO Classification Minor
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
Permit No. 7719A PERMIT
Description: failure to record the Crude NMP Condenser Scrubber liquid circulation rate at least once an hour

Self Report? NO Classification Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
30 TAC Chapter 116, SubChapter B 116.115(c)
Description: failure to comply with VOC hourly emission limit for R-V2

Self Report? NO Classification Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
Permit No. 7719A PERMIT
Description: failure of R-V2 to comply with the maximum temperature limit for outlet gas stream

Self Report? NO Classification Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
Permit No. 7719A PERMIT
Description: failure to maintain required caustic charge for R-V8

Self Report? NO Classification Minor
Citation: 30 TAC Chapter 122, SubChapter B 122.145(2)
Description: failure to include all instances of deviations on previous deviation reports

Self Report? NO Classification Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
30 TAC Chapter 116, SubChapter B 116.115(c)
Permit No. 7719A PERMIT
Description: failure to obtain authorization for H2S emissions from several facilities

F. Environmental audits.

Notice of Intent Date: 02/15/2005 (372352)
No DOV Associated

Notice of Intent Date: 02/24/2005 (374234)
No DOV Associated

Notice of Intent Date: 09/21/2005 (434811)
Disclosure Date: 03/07/2006

Viol. Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter C 305.44

Rqmt PERMIT TPDES permit 02484
Description: Failure to amend TPDES permit.

Viol. Classification: Moderate

Citation: 40 CFR Chapter 414, SubChapter N, PT 414, SubPT J 414.101

40 CFR Chapter 414, SubChapter N, PT 414, SubPT A 414.11

Description: Failure to adequately characterize wastewater discharge streams to ensure that any toxic pollutants do not exceed the limitations prescribed in the subpart.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 331, SubChapter D 331.64(a)

Description: Failure to sample for all specific parameters during annual underground injection well sampling.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 331, SubChapter D 331.64

Rqmt PERMIT WDW 219

Description: Failure to adequately implement underground injection well monitoring requirements.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 331, SubChapter D 331.63(f)

Description: Failure to adequately test and calibrate on a quarterly basis manual gauges that could be used to monitor underground injection wells.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 335, SubChapter R 335.513(c)

Description: Failure to maintain all required waste stream documentation.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 335, SubChapter C 335.69(a)(1)(A)

Description: Failure to complete required weekly inspections for all < 90 day hazardous waste storage areas looking for leaks and for deterioration caused by corrosion or other factors.

Notice of Intent Date: 06/22/2006 (486718)

No DOV Associated

G. Type of environmental management systems (EMSs).

N/A

H. Voluntary on-site compliance assessment dates.

N/A

I. Participation in a voluntary pollution reduction program.

N/A

J. Early compliance.

N/A

Sites Outside of Texas

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
CHEVRON PHILLIPS CHEMICAL
COMPANY LP
RN102320850

§
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BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY

AGREED ORDER
DOCKET NO. 2009-0396-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 Chevron Phillips Chemical Company LP ("the Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent appear before the Commission and together stipulate that:

1. The Respondent owns and operates a petrochemical plant on a private road, two miles north-east of the intersection of State Highway Spur 119 and State Highway Spur 245 in Borger, Hutchinson 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 March 8, 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 Twenty-Five Thousand Dollars (\$25,000) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Ten Thousand Dollars (\$10,000) of the administrative penalty and Five Thousand Dollars (\$5,000) 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. Ten Thousand Dollars (\$10,000) 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 recognizes that on October 30, 2008, a permit amendment was issued for New Source Review Permit No. 7719A, increasing the Maximum Allowable Emission Rate Table ("MAERT") limit for hydrogen sulfide ("H₂S") from the the Crude N-Methyl-2-Pyrrolidine ("NMP") Surge Tank Condenser Scrubber to 2.8 pounds per hour ("lbs/hr").
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 failed to maintain the emissions limit within the MAERT, in violation of 30 TEX. ADMIN. CODE §§ 116.115(b)(2)(F), 116.115(c), and 122.143(4), New Source Review Permit No. 7719A Special Condition No. 1, Federal Operating Permit No. O-02165 Special Terms and Conditions No. 1, and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on February 18, 2009. Specifically, during a stack test conducted on January 24, 2008, the Crude NMP Surge Tank Condenser Scrubber (EPN: R-V2) was found to exceed the H₂S MAERT limit of 0.1 lbs/hr with a rate of 1.17 lbs/hr.

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: Chevron Phillips Chemical Company LP, Docket No. 2009-0396-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, Ten Thousand Dollars (\$10,000) of the assessed administrative penalty shall be offset with the condition that the Respondent implement the SEP defined in Attachment A, incorporated herein by reference. The Respondent's obligation to pay the conditionally offset portion of the administrative penalty assessed shall be discharged upon final completion of all provisions of the SEP agreement.
3. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Plant operations referenced in this Agreed Order.
4. If the Respondent fails to comply with any of the Ordering Provisions in this Agreed Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, the Respondent's failure to comply is not a violation of this Agreed Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
5. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.

6. 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.
7. 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.
8. 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

7/22/2009
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

10 JUN 2009
Date

DP DIGNAN
Name (Printed or typed)

Authorized Representative of
Chevron Phillips Chemical Company LP

PLANT MANAGER
Title

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

Attachment A
Docket Number: 2009-0396-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	Chevron Phillips Chemical Company LP
Payable Penalty Amount:	Twenty Thousand Dollars (\$20,000)
SEP Offset Amount:	Ten Thousand Dollars (\$10,000)
Type of SEP:	Pre-approved
Third-Party Recipient:	Texas PTA – <i>Clean School Bus Program</i>
Location of SEP:	Texas Air Quality Control Region 211

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 Offset 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 the SEP Offset Amount to the Third-Party Recipient named above. The contribution will be to *Texas PTA* for the *Clean School Bus Program* in Texas Air Quality Control Region 211 as set forth in an agreement between the Third-Party Recipient and the TCEQ. Specifically, the contribution will be used to reimburse local school districts for the cost of the following activities to reduce emissions: 1) replacing older diesel buses with alternative fuelled or clean diesel buses; or 2) retrofitting older diesel buses with new, cleaner technology. 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 it has 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 particulate emissions on buses by more than 90% below today’s level and reducing hydrocarbons below measurement capability.

C. Minimum Expenditure

The Respondent shall contribute at least the SEP Offset 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 Offset Amount to the Third-Party Recipient. The Respondent shall mail a copy of the Agreed Order with the contribution to:

Texas Congress of Parents and Teachers dba Texas PTA
Clean School Bus Program
Suzy Swan, Director of Finance
408 West 11th Street
Austin, Texas 78707

3. Records and Reporting

Concurrent with the payment of the SEP Offset Amount, the Respondent shall provide the TCEQ SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Offset 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 expenditure of the SEP Offset 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 Offset Amount.

In the event of incomplete performance, the Respondent shall include on the check the docket number of this Agreed Order and a note that it is for reimbursement of a SEP. The Respondent shall make the payment for the amount due to "Texas Commission on Environmental Quality" and mail it to:

Litigation Division
Attention: SEP Coordinator, MC 175
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3087

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 a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.

