

**EXECUTIVE SUMMARY - ENFORCEMENT MATTER**  
**DOCKET NO.: 2009-0711-AIR-E TCEQ ID: RN101058410 CASE NO.: 37642**  
**RESPONDENT NAME: The Lubrizol Corporation**

<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> Lubrizol Bayport Plant, 12801 Bay Area Boulevard, Pasadena, Harris County</p> <p><b>TYPE OF OPERATION:</b> Industrial organic chemicals 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 November 30, 2009. No comments were received.</p> <p><b>CONTACTS AND MAILING LIST:</b>  <b>TCEQ Attorney/SEP Coordinator:</b> None  <b>TCEQ Enforcement Coordinator:</b> Ms. Rebecca Johnson, Enforcement Division, Enforcement Team 5, MC R-12 Houston, (361) 825-3420; Ms. Cari-Michel La Caille, Enforcement Division, MC 219, (512) 239-1387  <b>Respondent:</b> Mr. Steven C. Oxley, General Manager, The Lubrizol Corporation, P.O. Box 158, Deer Park, Texas 77536  <b>Respondent's Attorney:</b> Not represented by counsel on this enforcement matter</p>		

VIOLATION SUMMARY CHART:		
VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p><b>Type of Investigation:</b>  <input type="checkbox"/> Complaint  <input checked="" type="checkbox"/> Routine  <input type="checkbox"/> Enforcement Follow-up  <input type="checkbox"/> Records Review</p> <p><b>Date(s) of Complaints Relating to this Case:</b> None</p> <p><b>Date of Investigation Relating to this Case:</b> August 12, 2008 and June 18, 2009</p> <p><b>Date of NOV/NOE Relating to this Case:</b> May 8, 2009 and July 5, 2009 (NOE)</p> <p><b>Background Facts:</b> These were routine investigations.</p> <p><b>AIR</b></p> <p>1) Failure to submit a timely and properly certified semi-annual deviation report. Specifically, the Respondent submitted a non-certified semi-annual deviation report for the period March 12, 2007 to September 11, 2007 on October 12, 2007 [30 TEX. ADMIN. CODE §§ 122.143(4), 122.143(15), 122.145(2)(C), and 122.165(a)(7), Federal Operating Permit No. O-01582, General Terms and Conditions, and TEX. HEALTH &amp; SAFETY CODE § 382.085(b)].</p> <p>2) Failure to comply with the net heating value requirements for flares. Specifically, during stack tests performed on January 15, 2008 and May 1, 2008, the net heating value for Flare X-402 was 248.4 British thermal units per standard cubic foot ("Btu/scf") and 223.3 Btu/scf, respectively, and the required net heating value is 300 Btu/scf [30 TEX. ADMIN. CODE § 116.115(c), 40 CODE OF FEDERAL REGULATIONS §§ 60.18(3)(ii), 63.11(b)(6)(ii), and 63.2450(3)(2), New Source Review Permit No. 7264, Special Condition No. 15A, and TEX. HEALTH &amp; SAFETY CODE § 382.085(b)].</p>	<p><b>Total Assessed:</b> \$8,147</p> <p><b>Total Deferred:</b> \$1,629  <input checked="" type="checkbox"/> Expedited Settlement  <input type="checkbox"/> Financial Inability to Pay</p> <p><b>SEP Conditional Offset:</b> \$0</p> <p><b>Total Paid to General Revenue:</b> \$6,518</p> <p><b>Site Compliance History Classification</b>  <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p><b>Person Compliance History Classification</b>  <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p><b>Major Source:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><b>Applicable Penalty Policy:</b> September 2002</p>	<p><b>Corrective Actions Taken:</b></p> <p>The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Plant:</p> <p>a. On July 22, 2009, the Respondent submitted a revised certified deviation report for the period of March 12, 2007 to September 11, 2007.</p> <p>b. On June 26, 2008, the Respondent programmed the optimal vent gas to natural gas ratios to 3:7 and set the Distributed Control System logic programming associated with Flare X-402 to ensure the net heating value above the required 300 Btu/scf. The stack test performed on July 25, 2008 confirmed that Flare X-402 is in compliance by operating above 300 Btu/scf (the net heating value reported was 412.86 Btu/scf).</p>



Policy Revision 2 (September 2002)

# Penalty Calculation Worksheet (PCW)

PCW Revision October 30, 2008

<b>DATES</b>	<b>Assigned</b>	11-May-2009	<b>Screening</b>	13-May-2009	<b>EPA Due</b>	6-Apr-2010
	<b>PCW</b>	29-Jul-2009				

<b>RESPONDENT/FACILITY INFORMATION</b>	
<b>Respondent</b>	The Lubrizol Corporation
<b>Reg. Ent. Ref. No.</b>	RN101058410
<b>Facility/Site Region</b>	12-Houston
<b>Major/Minor Source</b>	Major

<b>CASE INFORMATION</b>			
<b>Enf./Case ID No.</b>	37642	<b>No. of Violations</b>	2
<b>Docket No.</b>	2009-0711-AIR-E	<b>Order Type</b>	1660
<b>Media Program(s)</b>	Air	<b>Government/Non-Profit</b>	No
<b>Multi-Media</b>		<b>Enf. Coordinator</b>	Martina Kusniadi
		<b>EC's Team</b>	Enforcement Team 5
<b>Admin. Penalty \$ Limit Minimum</b>	\$0	<b>Maximum</b>	\$10,000

## Penalty Calculation Section

**TOTAL BASE PENALTY (Sum of violation base penalties)** *Subtotal 1* **\$7,600**

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

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

**Compliance History** 32.0% Enhancement *Subtotals 2, 3, & 7* **\$2,432**

**Notes** The penalty was enhanced by four similar and six dissimilar NOVs.

**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* **\$1,885**

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

Total EB Amounts \$581  
Approx. Cost of Compliance \$19,000  
\*Capped at the Total EB \$ Amount

**SUM OF SUBTOTALS 1-7** *Final Subtotal* **\$8,147**

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

Reduces or enhances the Final Subtotal by the indicated percentage.

**Notes**

**Final Penalty Amount** **\$8,147**

**STATUTORY LIMIT ADJUSTMENT** *Final Assessed Penalty* **\$8,147**

**DEFERRAL** 20.0% Reduction *Adjustment* **-\$1,629**

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** **\$6,518**

**Screening Date** 13-May-2009

**Docket No.** 2009-0711-AIR-E

**PCW**

**Respondent** The Lubrizol Corporation

Policy Revision 2 (September 2002)

**Case ID No.** 37642

PCW Revision October 30, 2008

**Reg. Ent. Reference No.** RN101058410

**Media [Statute]** Air

**Enf. Coordinator** Martina Kusniadi

### Compliance History Worksheet

>> **Compliance History Site Enhancement (Subtotal 2)**

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written NOVs with same or similar violations as those in the current enforcement action (number of NOVs meeting criteria)	4	20%
	Other written NOVs	6	12%
Orders	Any agreed final enforcement orders containing a denial of liability (number of orders meeting criteria)	0	0%
	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%

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)** 32%

>> **Repeat Violator (Subtotal 3)**

No

**Adjustment Percentage (Subtotal 3)** 0%

>> **Compliance History Person Classification (Subtotal 7)**

Average Performer

**Adjustment Percentage (Subtotal 7)** 0%

>> **Compliance History Summary**

**Compliance History Notes**

The penalty was enhanced by four similar and six dissimilar NOVs.

**Total Adjustment Percentage (Subtotals 2, 3, & 7)** 32%

<b>Screening Date:</b> 13-May-2009	<b>Docket No.:</b> 2009-0711-AIR-E	<b>PCW</b>
<b>Respondent:</b> The Lubrizon Corporation	Policy Revision 2 (September 2002)	
<b>Case ID No.:</b> 37642	PCW Revision October 30, 2008	
<b>Reg. Ent. Reference No.:</b> RN101058410		
<b>Media [Statute]:</b> Air		
<b>Enf. Coordinator:</b> Martina Kusniadi		
<b>Violation Number:</b> 1		

<b>Rule Cite(s):</b>	30 Tex. Admin. Code §§ 122.143(4) and (15), 122.145(2)(C), and 122.165(a)(7), Federal Operating Permit No. O-01682, General Terms and Conditions, and Tex. Health & Safety Code § 382.085(b)
<b>Violation Description:</b>	Failed to submit a timely and properly certified semi-annual deviation report within 30 days after the end of the reporting period, as documented during an investigation conducted on August 12, 2008. Specifically, the Respondent submitted a non-certified semi-annual deviation report for the period March 12, 2007 to September 11, 2007 on October 12, 2007 and the due date was on October 11, 2007.

**Base Penalty:** \$10,000

**>> Environmental, Property and Human Health Matrix**

<b>OR</b>	<b>Harm</b>			
	Release	Major	Moderate	Minor
	Actual	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Potential	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
				<b>Percent:</b> <input type="text" value="0%"/>

**>> Programmatic Matrix**

	Falsification	Major	Moderate	Minor	
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<b>Percent:</b> <input type="text" value="1%"/>

**Matrix Notes:** The Respondent failed to comply with less than 30% of the rule requirement.

**Adjustment:** \$9,900

**\$100**

**Violation Events**

**Number of Violation Events:**  **Number of violation days:**

<i>mark only one with an x</i>	daily	<input type="checkbox"/>
	weekly	<input type="checkbox"/>
	monthly	<input type="checkbox"/>
	quarterly	<input type="checkbox"/>
	semiannual	<input type="checkbox"/>
	annual	<input type="checkbox"/>
	single event	<input checked="" type="checkbox"/>

**Violation Base Penalty:** \$100

One single event is recommended based on the one report.

**Good Faith Efforts to Comply**

**10.0% Reduction**

**\$10**

Before NOV    NOV to EDPRP/Settlement Offer

Extraordinary	<input type="checkbox"/>	<input type="checkbox"/>
Ordinary	<input type="checkbox"/>	<input checked="" type="checkbox"/>
N/A	(mark with x)	

**Notes:** The Respondent achieved compliance on July 22, 2009 and the NOE date was May 8, 2009.

**Violation Subtotal:** \$90

**Economic Benefit (EB) for this violation**

**Statutory Limit Test**

**Estimated EB Amount:** \$107

**Violation Final Penalty Total:** \$122

**This violation Final Assessed Penalty (adjusted for limits):** \$122

## Economic Benefit Worksheet

**Respondent:** The Lubrizol Corporation  
**Case ID No.:** 37642  
**Reg. Ent. Reference No.:** RN101058410  
**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
No commas or \$							

### Delayed Costs

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System	\$1,000	11-Oct-2007	1-Dec-2009	2.14	\$107	n/a	\$107
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)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated costs to provide additional oversight of the reporting system. The Date Required is the date the report was due, and the Final Date is the expected date of compliance.

### Avoided Costs

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance

\$1,000

**TOTAL**

\$107

<b>Screening Date:</b> 13-May-2009	<b>Docket No.:</b> 2009-0711-AIR-E	<b>PCW</b>			
<b>Respondent:</b> The Lubrizol Corporation	<i>Policy Revision 2 (September 2002)</i>				
<b>Case ID No.:</b> 37642	<i>PCW Revision October 30, 2008</i>				
<b>Reg. Ent. Reference No.:</b> RN101058410					
<b>Media [Statute]:</b> Air					
<b>Enf. Coordinator:</b> Martina Kusniadi					
<b>Violation Number:</b> 2					
<b>Rule Cite(s):</b>	30 Tex. Admin. Code § 116.116(c), 40 Code of Federal Regulations §§ 60.18(3)(ii), 63.11(b)(6)(ii), and 63.2450(3)(2), New Source Review Permit No. 7264, Special Condition No. 15A, and Tex. Health & Safety Code § 382.085(b)				
<b>Violation Description:</b>	Failed to comply with the net heating value requirements for flares, as documented during an investigation conducted on June 18, 2009. Specifically, during stack tests performed on January 15, 2008 and May 1, 2008, the net heating value for Flare X-402 was 248.4 British thermal units per standard cubic foot ("Btu/scf") and 223.3 Btu/scf, respectively, and the required net heating value is 300 Btu/scf.				
<b>Base Penalty:</b>		\$10,000			
<b>&gt;&gt; Environmental, Property and Human Health Matrix</b>					
OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	25%
	Potential	<input type="checkbox"/>	X	<input type="checkbox"/>	
<b>&gt;&gt; Programmatic Matrix</b>					
	Falsification	Major	Moderate	Minor	Percent
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0%
<b>Matrix Notes:</b>	Human health or the environment could be exposed to significant amounts of pollutants that would not exceed levels protective of human health or environmental receptors.				
<b>Adjustment:</b>					\$7,500
					\$2,500
<b>Violation Events</b>					
Number of Violation Events		3	Number of violation days		192
mark only one with an x	daily	<input type="checkbox"/>	Violation Base Penalty		
	weekly	<input type="checkbox"/>			
	monthly	<input type="checkbox"/>			
	quarterly	X			
	semiannual	<input type="checkbox"/>			
	annual	<input type="checkbox"/>			
	single event	<input type="checkbox"/>			
Three quarterly events are recommended based on the period of non-compliance from January 15, 2008 to July 25, 2008.					
<b>Good Faith Efforts to Comply</b>					
		25.0%	Reduction		\$1,875
		Before NOV	NOV to EDPRP/Settlement Offer		
Extraordinary	<input type="checkbox"/>	<input type="checkbox"/>			
Ordinary	X	<input type="checkbox"/>			
N/A	<input type="checkbox"/>	(mark with x)			
<b>Notes:</b>	The Respondent achieved compliance on July 25, 2008, and the NOE was dated July 5, 2009.				
<b>Violation Subtotal:</b>					\$5,625
<b>Economic Benefit (EB) for this violation</b>			<b>Statutory Limit Test</b>		
<b>Estimated EB Amount:</b>		\$473	<b>Violation Final Penalty Total:</b>		\$8,025
<b>This violation Final Assessed Penalty (adjusted for limits):</b>					\$8,025

### Economic Benefit Worksheet

**Respondent** The Lubrizon Corporation  
**Case ID No.** 37642  
**Reg. Ent. Reference No.** RN101058410  
**Media** Air  
**Violation No.** 2

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

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

**Delayed Costs**

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)	\$18,000	15-Jan-2008	25-Jul-2008	0.53	\$473	n/a	\$473

Notes for DELAYED costs

Estimated costs to set the Distributed Control System logic programming associated with Flare X-402 to ensure compliance. The Date Required is the date of the first failed stack test and the Final Date is the date the compliance was achieved.

**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

\$18,000

**TOTAL**

\$473

# Compliance History Report

Customer/Respondent/Owner-Operator:	CN600269617    The Lubrizol Corporation	Classification: AVERAGE	Rating: 2.02
Regulated Entity:	RN101058410    LUBRIZOL BAYPORT PLANT	Classification: AVERAGE	Site Rating: 0.43
ID Number(s):	AIR OPERATING PERMITS	ACCOUNT NUMBER	HG0460B
	AIR OPERATING PERMITS	PERMIT	1582
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	EPA ID	TXD000842348
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION # (SWR)	30325
	WASTEWATER	PERMIT	TPDES0091227
	WASTEWATER	PERMIT	WQ0002594000
	WASTEWATER	PERMIT	TX0091227
	AIR NEW SOURCE PERMITS	PERMIT	1685
	AIR NEW SOURCE PERMITS	PERMIT	1093
	AIR NEW SOURCE PERMITS	PERMIT	3169
	AIR NEW SOURCE PERMITS	PERMIT	6221
	AIR NEW SOURCE PERMITS	PERMIT	7264
	AIR NEW SOURCE PERMITS	PERMIT	7730
	AIR NEW SOURCE PERMITS	PERMIT	19002
	AIR NEW SOURCE PERMITS	PERMIT	48651
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	HG0460B
	AIR NEW SOURCE PERMITS	AFS NUM	4820100304
	AIR NEW SOURCE PERMITS	REGISTRATION	77731
	AIR NEW SOURCE PERMITS	REGISTRATION	77547
	AIR NEW SOURCE PERMITS	REGISTRATION	77540
	AIR NEW SOURCE PERMITS	REGISTRATION	78674
	AIR NEW SOURCE PERMITS	REGISTRATION	80042
	AIR NEW SOURCE PERMITS	REGISTRATION	83572
	AIR NEW SOURCE PERMITS	REGISTRATION	83437
	AIR NEW SOURCE PERMITS	PERMIT	84752
	AIR NEW SOURCE PERMITS	REGISTRATION	84401
	AIR NEW SOURCE PERMITS	REGISTRATION	86823

Location: 12801 BAY AREA BLVD, PASADENA, TX, 77507

TCEQ Region: REGION 12 - HOUSTON  
 Date Compliance History Prepared: May 11, 2009  
 Agency Decision Requiring Compliance History: Enforcement  
 Compliance Period: May 11, 2004 to May 11, 2009

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

Name: Martina Kusniadi Phone: 713-767-3682

### Site Compliance History Components

1. Has the site been in existence and/or operation for the full five year compliance period? Yes
2. Has there been a (known) change in ownership/operator of the site during the compliance period? No
3. If Yes, who is the current owner/operator? N/A
4. If Yes, who was/were the prior owner(s)/operator(s) ? N/A
5. When did the change(s) in owner or operator 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.  
N/A
- 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	05/14/2004	(361945)
2	06/17/2004	(318596)
3	07/15/2004	(361946)
4	07/17/2004	(257959)
5	08/18/2004	(361947)
6	08/20/2004	(258001)
7	08/31/2004	(291135)
8	09/21/2004	(361948)
9	10/15/2004	(336716)
10	10/18/2004	(361949)
11	11/23/2004	(387430)
12	12/13/2004	(285696)
13	12/27/2004	(387431)
14	01/18/2005	(387432)
15	02/25/2005	(430453)
16	03/07/2005	(387429)
17	03/16/2005	(371333)
18	04/18/2005	(430454)
19	06/03/2005	(430455)
20	06/23/2005	(430456)
21	07/21/2005	(430457)
22	08/16/2005	(396902)
23	08/23/2005	(445770)
24	09/20/2005	(445771)
25	10/24/2005	(477640)
26	11/04/2005	(433007)
27	11/21/2005	(477641)
28	12/20/2005	(477642)
29	01/16/2006	(477643)
30	02/13/2006	(477638)
31	03/23/2006	(477639)
32	04/20/2006	(504137)
33	05/11/2006	(504138)
34	06/12/2006	(464188)
35	06/15/2006	(504139)
36	06/30/2006	(457438)
37	07/17/2006	(526517)
38	08/21/2006	(526518)
39	09/29/2006	(526519)
40	10/16/2006	(514708)
41	10/20/2006	(550722)
42	11/27/2006	(550723)
43	12/15/2006	(550724)
44	01/22/2007	(587004)
45	02/23/2007	(586999)
46	03/12/2007	(587000)
47	04/13/2007	(587001)
48	05/16/2007	(587002)
49	06/18/2007	(587003)
50	07/18/2007	(604888)
51	08/15/2007	(604889)
52	08/17/2007	(568682)
53	09/24/2007	(604890)
54	10/25/2007	(625676)
55	11/26/2007	(625677)

56	01/14/2008	(675721)
57	01/29/2008	(609301)
58	02/04/2008	(675722)
59	02/25/2008	(694062)
60	04/03/2008	(694063)
61	04/23/2008	(694064)
62	05/22/2008	(694065)
63	06/23/2008	(715408)
64	07/17/2008	(715409)
65	08/19/2008	(715410)
66	09/02/2008	(700295)
67	09/26/2008	(715411)
68	10/29/2008	(731200)
69	11/20/2008	(731201)
70	12/05/2008	(700607)
71	12/18/2008	(731202)
72	05/08/2009	(681765)

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

Date:	12/13/2004 (285896)	CN600269617		
Self Report?	NO		Classification:	Moderate
Citation:	30 TAC Chapter 116, SubChapter B 116.115(c) 5C THC Chapter 382, SubChapter A 382.085(b) TCEQ AIR PERMIT #19002, SC#1 PERMIT			
Description:	Improper valve positioning during a transfer of organic material from Tank B-223 to Tank B-224, which resulted in the overflow of Tank B-224.			
Date:	02/28/2005 (387429)	CN600269617		
Self Report?	YES		Classification:	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) TWC Chapter 26 26.121(a)			
Description:	Failure to meet the limit for one or more permit parameter			
Date:	07/31/2005 (445770)	CN600269617		
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:	11/30/2005 (477642)	CN600269617		
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:	06/12/2006 (464188)	CN600269617		
Self Report?	NO		Classification:	Minor
Citation:	30 TAC Chapter 335, SubChapter A 335.6(h)			
Description:	Failure to submit recycling notification for waste stream 00394891			
Self Report?	NO		Classification:	Moderate
Citation:	30 TAC Chapter 335, SubChapter A 335.8(b)			
Description:	Failure to conduct the required closure activities per 30 TAC 335.8 for WMUs			
Date:	06/30/2006 (457438)	CN600269617		
Self Report?	NO		Classification:	Moderate
Citation:	30 TAC Chapter 116, SubChapter B 116.115(c) 5C THC Chapter 382, SubChapter A 382.085(b) NSR # 7284, Special Condition 10 PERMIT			
Description:	Failure to prevent the flare from smoking resulting in visible emissions.			
Self Report?	NO		Classification:	Moderate
Citation:	30 TAC Chapter 122, SubChapter B 122.165(a)(7) 30 TAC Chapter 122, SubChapter B 122.165(a)(8) 5C THC Chapter 382, SubChapter A 382.085(b)			
Description:	Failure to provide signatures(Form OP-CRO1) when the deviation reports and the Annual Compliance Certification was submitted.			
Date:	10/16/2006 (514708)	CN600269617		
Self Report?	NO		Classification:	Moderate
Citation:	02594-000 PERMIT 30 TAC Chapter 305, SubChapter F 305.125(1)			

Description: Failure to comply with the permitted effluent limits for total organic carbon (TOC) as reported on the discharge monitoring reports (DMRs).

Date: 08/17/2007 (568682) CN600269617

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
30 TAC Chapter 122, SubChapter B 122.145(2)(C)  
5C THC Chapter 382, SubChapter D 382.085(b)  
O-01582 General Terms and Conditions OP

Description: Failure to submit the semiannual deviation report within 30 days of the end of the deviation reporting period.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
30 TAC Chapter 122, SubChapter B 122.146(2)  
5C THC Chapter 382, SubChapter D 382.085(b)  
O-01582 General Terms and Conditions OP

Description: Failure to submit the permit compliance certification within 30 days of the end of the reporting period.

Date: 09/02/2008 (701586) CN600269617

Self Report? NO Classification: Minor

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

Description: Failure to submit the deviation report dated October 12, 2007, within 30 days after the end of the reporting period of September 11, 2007.

Date: 05/11/2009 (681785) CN600269617

Self Report? NO Classification: Minor

Citation: (OP O-01582), General Conditions OP  
30 TAC Chapter 122, SubChapter B 122.143(4)  
30 TAC Chapter 122, SubChapter B 122.145(2)(A)  
5C THSC Chapter 382 382.085(b)

Description: Failure to include four emission events (two reportable and two recordable) in deviation reports. (Category C3)

F. Environmental audits.

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  
THE LUBRIZOL CORPORATION  
RN101058410**

**§ BEFORE THE  
§  
§ TEXAS COMMISSION ON  
§  
§ ENVIRONMENTAL QUALITY**

**AGREED ORDER  
DOCKET NO. 2009-0711-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 The Lubrizol Corporation ("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 an industrial organic chemicals plant at 12801 Bay Area Boulevard in Pasadena, Harris County, Texas (the "Plant").
2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
3. The Commission and the Respondent agree that the Commission has jurisdiction to enter this Agreed Order, and that the Respondent is subject to the Commission's jurisdiction.
4. The Respondent received notice of the violations alleged in Section II ("Allegations") on or about May 13, 2009 and July 10, 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 Eight Thousand One Hundred Forty-Seven Dollars (\$8,147) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Six Thousand Five Hundred Eighteen Dollars (\$6,518) of the administrative penalty and One Thousand Six Hundred Twenty-Nine Dollars (\$1,629) is



deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If the Respondent fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require the Respondent to pay all or part of the deferred penalty.

7. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
8. The Executive Director of the TCEQ and the Respondent have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.
9. The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Plant:
  - a. On July 22, 2009, the Respondent submitted a revised certified deviation report for the period of March 12, 2007 to September 11, 2007; and
  - b. On June 26, 2008, the Respondent programmed the optimal vent gas to natural gas ratios to 3:7 and set the Distributed Control System logic programming associated with Flare X-402 to ensure the net heating value above the required 300 British thermal units per standard cubic foot ("Btu/scf"). The stack test performed on July 25, 2008 confirmed that Flare X-402 is in compliance by operating above 300 Btu/scf (the net heating value reported was 412.86 Btu/scf).
10. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
11. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
12. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

## II. ALLEGATIONS

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

1. Failed to submit a timely and properly certified semi-annual deviation report, in violation of 30 TEX. ADMIN. CODE §§ 122.143(4), 122.143(15), 122.145(2)(C), and 122.165(a)(7), Federal Operating Permit No. O-01582, General Terms and Conditions, and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on August 12, 2008. Specifically, the Respondent submitted a non-certified semi-annual deviation report for the period March 12, 2007 to September 11, 2007 on October 12, 2007.



2. Failed to comply with the net heating value requirements for flares, in violation of 30 TEX. ADMIN. CODE § 116.115(c), 40 CODE OF FEDERAL REGULATIONS §§ 60.18(3)(ii), 63.11(b)(6)(ii), and 63.2450(3)(2), New Source Review Permit No. 7264, Special Condition No. 15A, and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on June 18, 2009. Specifically, during stack tests performed on January 15, 2008 and May 1, 2008, the net heating value for Flare X-402 was 248.4 Btu/scf and 223.3 Btu/scf, respectively, and the required net heating value is 300 Btu/scf.

### 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: The Lubrizol Corporation, Docket No. 2009-0711-AIR-E" to:

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

2. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Plant operations referenced in this Agreed Order.
3. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
4. This Agreed Order may be executed in multiple counterparts, which together shall constitute a single original instrument. Any executed signature page to this Agreed Order may be transmitted by facsimile transmission to the other parties, which shall constitute an original signature for all purposes under this Agreed Order.
5. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to the Respondent, or three days after the date on which the Commission mails notice of the Order to the Respondent, whichever is earlier. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties.



## SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

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

  
\_\_\_\_\_  
For the Executive Director

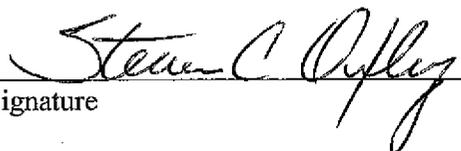
\_\_\_\_\_  
Date 1/19/2010

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

\_\_\_\_\_  
Date 09/02/2009

\_\_\_\_\_  
Name (Printed or typed)  
Authorized Representative of  
The Lubrizol Corporation

\_\_\_\_\_  
Title  
GENERAL MANAGER

**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.

