

EXECUTIVE SUMMARY - ENFORCEMENT MATTER
DOCKET NO.: 2009-1466-AIR-E **TCEQ ID:** RN100215615 **CASE NO.:** 38327
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: Chevron Phillips Chemical Orange Polyethylene Plant, 5309 Farm-to-Market Road 1006, Orange, Orange County</p> <p>TYPE OF OPERATION: Chemical manufacturing plant</p> <p>SMALL BUSINESS: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>OTHER SIGNIFICANT MATTERS: There are no complaints. There is no record of additional pending enforcement actions regarding this facility location.</p> <p>INTERESTED PARTIES: No one other than the ED and the Respondent has expressed an interest in this matter.</p> <p>COMMENTS RECEIVED: The <i>Texas Register</i> comment period expired on January 25, 2010. No comments were received.</p> <p>CONTACTS AND MAILING LIST: TCEQ Attorney/SEP Coordinator: None TCEQ Enforcement Coordinator: Mr. Raymond Marlow, Enforcement Division, Enforcement Team 5, MC R-10, (409) 899-8785; Ms. Laurie Eaves, Enforcement Division, MC 219, (512) 239-4495 Respondent: Mr. G. L. Piana, Plant Manager, Chevron Phillips Chemical Company LP, P.O. Box 7400, Orange, Texas 77631 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: August 10, 2009</p> <p>Date of NOV/NOE Relating to this Case: August 24, 2009 (NOE)</p> <p>Background Facts: This was a routine investigation.</p> <p>AIR</p> <p>Failure to submit the Annual Compliance Certification ("ACC") in a timely manner. Specifically, the ACC for the period of April 1, 2008 through March 31, 2009, was due on April 30, 2009 but was not submitted until August 7, 2009 [30 TEX. ADMIN. CODE §§ 122.143(4), 122.146(1) and (2), TEX. HEALTH & SAFETY CODE § 382.085(b), and Federal Operating Permit No. O-01310, General Terms and Conditions].</p>	<p>Total Assessed: \$2,650</p> <p>Total Deferred: \$530 <input checked="" type="checkbox"/> Expedited Settlement <input type="checkbox"/> Financial Inability to Pay</p> <p>SEP Conditional Offset: \$0</p> <p>Total Paid to General Revenue: \$2,120</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 August 7, 2009 the Respondent submitted the ACC and included the requirement in the Orange Plant Environmental, Health and Safety compliance calendar.</p>

Additional ID No(s): OC0012Q



Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

TCEQ

DATES	Assigned	31-Aug-2009	Screening	8-Sep-2009	EPA Due	28-May-2010
	PCW	7-Oct-2009				

RESPONDENT/FACILITY INFORMATION	
Respondent	Chevron Phillips Chemical Company LP
Reg. Ent. Ref. No.	RN100215615
Facility/Site Region	10-Beaumont
Major/Minor Source	Major

CASE INFORMATION			
Enf./Case ID No.	38327	No. of Violations	1
Docket No.	2009-1466-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Raymond Marlow
		EC's Team	Enforcement Team 5
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$10,000

Penalty Calculation Section

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

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History Subtotals 2, 3, & 7

Notes:

Culpability Subtotal 4

Notes:

Good Faith Effort to Comply Total Adjustments Subtotal 5

Economic Benefit Subtotal 6

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

SUM OF SUBTOTALS 1-7 Final Subtotal

OTHER FACTORS AS JUSTICE MAY REQUIRE Adjustment

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

Final Penalty Amount

STATUTORY LIMIT ADJUSTMENT Final Assessed Penalty

DEFERRAL Adjustment

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

Notes:

PAYABLE PENALTY

Screening Date 8-Sep-2009

Docket No. 2009-1466-AIR-E

PCW

Respondent Chevron Phillips Chemical Company LP

Policy Revision 2 (September 2002)

Case ID No. 38327

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100215815

Media [Statute] Air

Enf. Coordinator Raymond Marlow

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)	1	5%
	Other written NOVs	12	24%
Orders	Any agreed final enforcement orders containing a denial of liability (number of orders meeting criteria)	1	20%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (number of judgements or consent decrees meeting criteria)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (number of counts)	0	0%
Emissions	Chronic excessive emissions events (number of events)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which notices were submitted)	1	-1%
	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%
<i>Please Enter Yes or No</i>			
Other	Environmental management systems in place for one year or more	Yes	-10%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	Yes	-5%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 31%

>> 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 one NOV for same or similar violations, 12 NOVs for unrelated violations, and one agreed order with a denial of liability. Penalty reduction due to one Notice of Intended Audit, one Disclosure of Violation, an Environmental Management System in place for one year or more and participation in a Voluntary Pollution Reduction Program.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 31%

Screening Date 8-Sep-2009

Docket No. 2009-1466-AIR-E

PCW

Respondent Chevron Phillips Chemical Company LP

Policy Revision 2 (September 2002)

Case ID No. 38327

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100215615

Media [Statute] Air

Enf. Coordinator Raymond Marlow

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code §§ 122.143(4), 122.146(1) and (2), Tex. Health & Safety Code 382.085(b), and Federal Operating Permit No. O-01310, General Terms and Conditions

Violation Description Failed to submit the Annual Compliance Certification ("ACC") in a timely manner. Specifically, the ACC for the period of April 1, 2008 through March 31, 2009, was due on April 30, 2009 but was not submitted until August 7, 2009.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

Release	Harm			Percent
	Major	Moderate	Minor	
Actual:				0%
Potential:				

>> Programmatic Matrix

Falsification	Harm			Percent
	Major	Moderate	Minor	
	x			25%

Matrix Notes: 100% of the rule requirements were not met.

Adjustment \$7,500

\$2,500

Violation Events

Number of Violation Events 1 Number of violation days 99

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

Violation Base Penalty \$2,500

One single event is recommended for the one late report.

Good Faith Efforts to Comply

25.0% Reduction

\$625

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

Notes: The Respondent achieved compliance on August 7, 2009, prior to the August 24, 2009 NOE.

Violation Subtotal \$1,875

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$1

Violation Final Penalty Total \$2,650

This violation Final Assessed Penalty (adjusted for limits) \$2,650

Economic Benefit Worksheet

Respondent Chevron Phillips Chemical Company LP
Case ID No. 38327
Reg. Ent. Reference No. RN100215615
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
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	\$100	30-Apr-2009	7-Aug-2009	0.27	\$1	n/a	\$1
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 cost to implement measures to ensure that the ACC is submitted within the proper timeframe. The date required is the earliest date of noncompliance. The final date is the date that the ACC was submitted and corrective actions were completed.

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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
 (Empty box for notes)

Approx. Cost of Compliance **TOTAL**
\$1

Compliance History Report

Customer/Respondent/Owner-Operator:	CN600303614 Chevron Phillips Chemical Company LP	Classification: AVERAGE	Rating: 3.12
Regulated Entity:	RN100215615 CHEVRON PHILLIPS CHEMICAL ORANGE POLYETHYLENE PLANT	Classification: AVERAGE	Site Rating: 2.31

ID Number(s):	AIR OPERATING PERMITS	ACCOUNT NUMBER	OC0012Q
	AIR OPERATING PERMITS	PERMIT	1310
	WASTEWATER	PERMIT	WQ0000359000
	WASTEWATER	PERMIT	TPDES0004839
	WASTEWATER	PERMIT	TX0004839
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	EPA ID	TXD008088833
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION # (SWR)	30015
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	OC0118W
	AIR NEW SOURCE PERMITS	PERMIT	583A
	AIR NEW SOURCE PERMITS	PERMIT	4140A
	AIR NEW SOURCE PERMITS	PERMIT	2017A
	AIR NEW SOURCE PERMITS	PERMIT	8335A
	AIR NEW SOURCE PERMITS	PERMIT	13293A
	AIR NEW SOURCE PERMITS	PERMIT	19394
	AIR NEW SOURCE PERMITS	PERMIT	21116
	AIR NEW SOURCE PERMITS	PERMIT	27481
	AIR NEW SOURCE PERMITS	PERMIT	42293
	AIR NEW SOURCE PERMITS	PERMIT	45682
	AIR NEW SOURCE PERMITS	REGISTRATION	55298
	AIR NEW SOURCE PERMITS	REGISTRATION	75444
	AIR NEW SOURCE PERMITS	AFS NUM	4836100014
	AIR NEW SOURCE PERMITS	REGISTRATION	70758
	AIR NEW SOURCE PERMITS	PERMIT	71619
	AIR NEW SOURCE PERMITS	REGISTRATION	73257
	AIR NEW SOURCE PERMITS	REGISTRATION	78485
	AIR NEW SOURCE PERMITS	REGISTRATION	81421
	AIR NEW SOURCE PERMITS	PERMIT	83823
	AIR NEW SOURCE PERMITS	REGISTRATION	84379
	AIR NEW SOURCE PERMITS	REGISTRATION	83823
	AIR NEW SOURCE PERMITS	REGISTRATION	83065
	AIR NEW SOURCE PERMITS	REGISTRATION	87771
	PUBLIC WATER SYSTEM/SUPPLY	REGISTRATION	1810093
	WASTEWATER LICENSING	LICENSE	WQ0000359000

IHW CORRECTIVE ACTION

SOLID WASTE REGISTRATION # 30015
(SWR)

Location: 5309 FM 1006, ORANGE, TX, 77630

TCEQ Region: REGION 10 - BEAUMONT

Date Compliance History Prepared: August 31, 2009

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: August 31, 2004 to August 31, 2009

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

Name: Raymond Marlow, P.G. Phone: 409-899-8785

Site Compliance History Components

- 1. Has the site been in existence and/or operation for the full five year compliance period? Yes
- 2. Has there been a (known) change in ownership/operator of the site during the compliance period? Yes
- 3. If Yes, who is the current owner/operator? Chevron Phillips Chemical Company, LP
- 4. If Yes, who was/were the prior owner(s)/operator(s) ? OWN-Little Giant Manufacturing
- 5. When did the change(s) in owner or operator occur? 10/08/2007 OWN-Little Giant Manufacturing
- 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: 06/15/2006

ADMINORDER 2005-1769-AIR-E

1660

Classification: Moderate

- Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
- 30 TAC Chapter 115, SubChapter D 115.352(4)
- 30 TAC Chapter 116, SubChapter B 116.115(c)(1)
- 30 TAC Chapter 122, SubChapter B 122.143(4)
- 5C THC Chapter 382, SubChapter A 382.085(b)

- Rqmt Prov: FOP O-01310, SC 10 OP
- FOP O-01310, SC 1A OP
- Permit 4140A, SC 4E PERMIT

Description: Failed to install a second valve, a blind flange or a tightly-fitting plug or cap on 31 open ended lines.

Classification: Moderate

- Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
- 30 TAC Chapter 116, SubChapter B 116.115(c)(1)
- 30 TAC Chapter 122, SubChapter B 122.143(4)
- 40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(c)(2)
- 5C THC Chapter 382, SubChapter A 382.085(b)

- Rqmt Prov: FOP O-01310, SC 10 OP
- FOP O-01310, SC 1A OP
- Permit 4140A, SC 6 PERMIT

Description: Failed to maintain a pilot flame during flare operation. Specifically, failed to maintain a pilot flame while Flare 47 was being operated on eleven occasions during the period May 11, 2004 to August 30, 2004.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 122, SubChapter B 122.143(4)
30 TAC Chapter 122, SubChapter B 122.145(2)(A)
30 TAC Chapter 122, SubChapter B 122.145(2)(C)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT DDD 60.565(k)(4)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: Special Condition 1A OP

Description: Failure to submit a timely deviation report. Specifically, failed to report deviations for the reporting period April 10, 2004 to September 30, 2004 within 30 days.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(a)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: FOP O-01310, SC 1A OP

Description: Failed to conduct fugitive monitoring. Specifically, failed to monitor 28 valves monthly.

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	09/21/2004	(351995)
2	10/13/2004	(334872)
3	10/19/2004	(351996)
4	10/19/2004	(351998)
5	11/23/2004	(351997)
6	12/20/2004	(381808)
7	01/25/2005	(342331)
8	02/22/2005	(381806)
9	03/08/2005	(350824)
10	03/11/2005	(347803)
11	03/22/2005	(381807)
12	04/18/2005	(419636)
13	04/18/2005	(419639)
14	05/17/2005	(376383)
15	05/20/2005	(419637)
16	06/20/2005	(419638)
17	07/26/2005	(394337)
18	08/22/2005	(440771)
19	09/16/2005	(440772)
20	10/21/2005	(440773)
21	10/21/2005	(440774)
22	11/22/2005	(468327)
23	12/05/2005	(434578)
24	12/21/2005	(468328)
25	02/22/2006	(468325)
26	03/22/2006	(468326)
27	04/26/2006	(498121)
28	05/23/2006	(498122)

29	05/24/2006	(465267)
30	06/22/2006	(498123)
31	06/23/2006	(483857)
32	06/29/2006	(464688)
33	07/18/2006	(498124)
34	07/21/2006	(480959)
35	08/21/2006	(520132)
36	09/21/2006	(488834)
37	09/22/2006	(575162)
38	10/24/2006	(575163)
39	11/20/2006	(514665)
40	11/27/2006	(575164)
41	12/04/2006	(680405)
42	12/15/2006	(533428)
43	12/18/2006	(575165)
44	01/18/2007	(575166)
45	02/15/2007	(575157)
46	03/23/2007	(575158)
47	04/16/2007	(575159)
48	05/22/2007	(575160)
49	06/22/2007	(575161)
50	07/23/2007	(607525)
51	08/20/2007	(571257)
52	08/20/2007	(607526)
53	08/28/2007	(572006)
54	09/24/2007	(607527)
55	10/22/2007	(619479)
56	10/22/2007	(619482)
57	11/19/2007	(619480)
58	11/26/2007	(598836)
59	12/17/2007	(600730)
60	12/17/2007	(619481)
61	02/21/2008	(671988)
62	03/18/2008	(671989)
63	04/18/2008	(689904)
64	04/18/2008	(689906)
65	05/14/2008	(641702)
66	05/21/2008	(689905)
67	06/20/2008	(710688)
68	07/11/2008	(681388)
69	07/15/2008	(682569)
70	07/30/2008	(684476)
71	08/06/2008	(720823)
72	08/20/2008	(710689)
73	09/23/2008	(710690)
74	10/17/2008	(727447)
75	11/20/2008	(727448)
76	12/04/2008	(709581)
77	12/16/2008	(727449)
78	01/23/2009	(750211)
79	02/24/2009	(750209)
80	03/19/2009	(750210)
81	04/08/2009	(739533)
82	08/24/2009	(765347)

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

Date: 01/11/2005 (350824)
Self Report? NO **Classification:** Moderate
Citation: PC2g PERMIT
Description: Failure to discharge wastewater generated by hydroblasting through a permitted outfall.

Date: 03/24/2005 (376383)
Self Report? NO **Classification:** Minor
Citation: 30 TAC Chapter 290, SubChapter D 290.42(e)(5)
Description: Failure to replace the vent screen on the bleach container.

Date: 06/30/2005 (419639)
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: 12/31/2005 (440774)
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: 06/30/2006 (464688)
Self Report? NO **Classification:** Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 115, SubChapter D 115.352(4)
30 TAC Chapter 116, SubChapter B 116.115(c)(1)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(1)
5C THC Chapter 382, SubChapter A 382.085(b)
FOP O-01310, SC 10 OP
FOP O-01310, SC 1A OP
Permit 4140A, SC 4E PERMIT

Description: Failure to install a cap cap/plug on an open-ended line or valve.
Self Report? NO **Classification:** Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 116, SubChapter B 116.115(c)(1)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(c)(3)(ii)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT DDD 60.562-1(a)(1)(I)(C)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-10(d)
5C THC Chapter 382, SubChapter D 382.085(b)
FOP O-01310, SC 10 OP
FOP O-1310, SC 1A OP
Permit 4140A, SC 6 PERMIT
Description: Failure to maintain the net heating value of the gas being combusted in flare FL58 at 11.2 MJ/scm (300 Btu/scf) or greater.

Date: 09/30/2006 (575163)
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: 10/31/2006 (575164)
Self Report? YES **Classification:** Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)

TWC Chapter 26 26.121(a)
Description: Failure to meet the limit for one or more permit parameter

Date:08/29/2007 (572006)

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT DDD 60.562-2(a)
5C THC Chapter 382, SubChapter D 382.085(b)
FOP-O-01310 Special Condition 10 OP
FOP-O-01310 Special Condition 1A OP
Permit 19394 Special Condition 2 PERMIT

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

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(c)(3)(ii)
5C THC Chapter 382, SubChapter D 382.085(b)
FOP-O-01310 Special Condition 10 OP
FOP-O-01310 Special Condition 1A OP
Permit 19394 Special Condition 6 PERMIT

Description: Failure to maintain the net heating value of the gas being combusted in flare EPN
58 at 300 BTU/SCF or greater.

Self Report? NO Classification: Minor

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

Description: Failure to report deviations in the period after it occurred. The facility failed to report that records of annual AVO inspections were not maintained for calendar years 2004 and 2005.

Date:08/31/2007 (607527)

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: 07/11/2008 (681388)

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT DDD 60.562-2(a)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(1)
5C THSC Chapter 382 382.085(b)
FOP O-01310 General Terms and Conditions OP
FOP O-01310 Special Condition 1A OP
FOP O-01310 Special Condition 9A OP
Permit 19394 Special Condition 2 PERMIT

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

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 116, SubChapter B 116.115(b)(2)(G)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(c)(3)(ii)
5C THSC Chapter 382 382.085(b)
FOP O-01310 General Terms and Conditions OP
FOP O-01310 Special Condition 1A OP
FOP O-01310 Special Condition 9A OP
Permit 19394 Special Condition 10A PERMIT

Description: Failure to maintain the net heating value of the gas being combusted in Flare EPN

58 at 300 BTU/SCF or greater.
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 111, SubChapter A 111.111(a)(4)(A)
30 TAC Chapter 116, SubChapter B 116.115(b)(2)(G)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(c)(1)
5C THSC Chapter 382 382.085(b)
FOP O-01310 General Terms and Conditions OP
FOP O-01310 Special Condition 1A OP
FOP O-01310 Special Condition 9A OP
Permit 19394 Special Condition 10C PERMIT
Description: Failure to prevent visible emissions from a process gas flare for no more than five minutes in any two-hour period.

Date: 08/06/2008 (720823)
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
30 TAC Chapter 305, SubChapter F 305.125(17)
Description: NON-RPT VIOS FOR MONIT PER OR PIPE

Date: 04/08/2009 (739533)
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(5)
OpR 1 PERMIT
Description: Failure by Chevron Phillips Chemical Company to properly maintain units of treatment.

Date: 08/24/2009 (765347)
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 115, SubChapter D 115.352(4)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT DDD 60.562-2(a)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(1)
4140A, Special Condition 6 PERMIT
4140A, Special Condition 8E PERMIT
5C THSC Chapter 382 382.085(b)
O-01310, General Terms and Condition OP
O-01310, Special Condition 9A OP
Description: Failure to seal an open-ended line with a cap, plug, or blind flange.

F. Environmental audits.

Notice of Intent Date: 04/19/2006

Disclosure Date: 07/18/2006

Viol. Classification: Moderate
Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-10(f)(1)(ii)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-10(l)(5)
Description: Failure to maintain records of audio, visual and olfactory (AVO) inspections of closed vent systems beyond the process operating units of the flare.

G. Type of environmental management systems (EMSs).

04/23/2007	04/23/2010	ENVIRONMENTAL MANAGEMENT SYSTEM	30 TAC CERTIFIED
04/23/2007	04/23/2010	ENVIRONMENTAL MANAGEMENT SYSTEM	30 TAC CERTIFIED

H. Voluntary on-site compliance assessment dates. N/A

I. Participation in a voluntary pollution reduction program.

Type	Tier	Certification Date
CLEAN TEXAS PROGRAM	LEADER	04/23/2007

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
RN100215615

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§
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BEFORE THE

TEXAS COMMISSION ON

ENVIRONMENTAL QUALITY

AGREED ORDER DOCKET NO. 2009-1466-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 chemical manufacturing plant at 5309 Farm-to-Market Road 1006 in Orange, Orange 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 August 29, 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 Two Thousand Six Hundred Fifty Dollars (\$2,650) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations").

The Respondent has paid Two Thousand One Hundred Twenty Dollars (\$2,120) of the administrative penalty and Five Hundred Thirty Dollars (\$530) 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 on August 7, 2009 the Respondent submitted the Annual Compliance Certification ("ACC") and included the requirement in the Orange Plant Environmental, Health and Safety compliance calendar.
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 submit the ACC in a timely manner, in violation of 30 TEX. ADMIN. CODE §§ 122.143(4), 122.146(1) and (2), TEX. HEALTH & SAFETY CODE 382.085(b), and Federal Operating Permit No. O-01310, General Terms and Conditions, as documented during an investigation conducted on August 10, 2009. Specifically, the ACC for the period of April 1, 2008 through March 31, 2009, was due on April 30, 2009 but was not submitted until August 7, 2009.

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. 2009-1466-AIR-E" to:

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

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

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

John S. Miller

For the Executive Director

2/17/2010

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.

G L Piana

Signature

11-2-2009

Date

G L PIANA

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.