

EXECUTIVE SUMMARY - ENFORCEMENT MATTER Page 1 of 3
DOCKET NO.: 2009-1819-AIR-E **TCEQ ID:** RN104964267 **CASE NO.:** 38692
RESPONDENT NAME: Texas Petrochemicals LLC

ORDER TYPE:		
<input checked="" type="checkbox"/> 1660 AGREED ORDER	<input type="checkbox"/> FINDINGS AGREED ORDER	<input type="checkbox"/> FINDINGS ORDER FOLLOWING SOAH HEARING
<input type="checkbox"/> FINDINGS DEFAULT ORDER	<input type="checkbox"/> SHUTDOWN ORDER	<input type="checkbox"/> IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER
<input type="checkbox"/> AMENDED ORDER	<input type="checkbox"/> EMERGENCY ORDER	
CASE TYPE:		
<input checked="" type="checkbox"/> AIR	<input type="checkbox"/> MULTI-MEDIA (check all that apply)	<input type="checkbox"/> INDUSTRIAL AND HAZARDOUS WASTE
<input type="checkbox"/> PUBLIC WATER SUPPLY	<input type="checkbox"/> PETROLEUM STORAGE TANKS	<input type="checkbox"/> OCCUPATIONAL CERTIFICATION
<input type="checkbox"/> WATER QUALITY	<input type="checkbox"/> SEWAGE SLUDGE	<input type="checkbox"/> UNDERGROUND INJECTION CONTROL
<input type="checkbox"/> MUNICIPAL SOLID WASTE	<input type="checkbox"/> RADIOACTIVE WASTE	<input type="checkbox"/> DRY CLEANER REGISTRATION
<p>SITE WHERE VIOLATION(S) OCCURRED: Port Neches Operations C4 Plant, 2102 Spur 136, Port Neches, Jefferson 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 April 19, 2010. No comments were received.</p> <p>CONTACTS AND MAILING LIST: SEP Coordinator: Mr. Phillip Hampsten, SEP Coordinator, Enforcement Division, MC 219, (512) 239-6732 TCEQ Enforcement Coordinator: Mr. Terry Murphy, Enforcement Division, Enforcement Team 4, MC 149, (512) 239-5025; Ms. Laurie Eaves, Enforcement Division, MC 219, (512) 239-4495 Respondent: Mr. James Kalathra, Senior Environmental Engineer, Texas Petrochemicals LLC, 2102 Spur 136, Port Neches, Texas 77651 Mr. Richard G. Berwick, EHS&S Manager, Texas Petrochemicals LLC, 2102 Spur 136, Port Neches, Texas 77651 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 24, 2009</p> <p>Date of NOE Relating to this Case: November 5, 2009</p> <p>Background Facts: This was a routine investigation.</p> <p>AIR</p> <p>1) Failure to submit a final report within two weeks of the end of an emissions event. Specifically, an emissions event occurred on July 12, 2009 (Incident No. 126687), and the final report was due on July 27, 2009, but was not submitted until July 29, 2009 [30 TEX. ADMIN. CODE § 101.201(b) and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p> <p>2) Failure to maintain emissions below allowable emission limits. Specifically, during an emissions event (Incident No. 126687) on July 12, 2009, a leak due to external corrosion on the crude butadiene transfer line (Emissions Point No. ["EPN"] C4FUG) released 1,153.49 pounds ("lbs") of unauthorized volatile organic compounds ("VOC") over a four hour period. Since the final report was not timely submitted, and because these emissions could have been avoided by better maintenance practices, the emissions are not subject to an affirmative defense under 30 TEX. ADMIN. CODE § 101.222(b)(1-11) [New Source Review Permit ("NSRP") No. 20485, Special Condition ("SC") 1, 30 TEX. ADMIN. CODE § 116.115(c), and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p> <p>3) Failure to maintain emissions below allowable emission limits. Specifically, during an emissions event (Incident No.</p>	<p>Total Assessed: \$20,206</p> <p>Total Deferred: \$4,041 <input checked="" type="checkbox"/> Expedited Settlement <input type="checkbox"/> Financial Inability to Pay</p> <p>SEP Conditional Offset: \$8,082</p> <p>Total Paid to General Revenue: \$8,083</p> <p>Site Compliance History Classification <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p>Person Compliance History Classification <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p>Major Source: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Applicable Penalty Policy: September 2002</p>	<p>Corrective Actions Taken:</p> <p>The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Plant:</p> <p>a. By September 9, 2009, replaced the damaged line involved in the July 12, 2009 emissions event, provided the line with better corrosion protection, and increased maintenance oversight;</p> <p>b. By October 1, 2009, incorporated emission event report deadlines into an electronic "compliance tracker" tool, capable of automatically sending email reminders to responsible personnel as deadlines approach. After an emission event report has initially been submitted, deadlines for submittal of the corresponding final reports are entered into the compliance tracker. The database is programmed to automatically email reminders to at least two individuals regarding the reporting deadline. These reminders will be automatically issued on a daily basis, beginning one week prior to the reporting deadline. This improvement is designed to ensure emission event reports are submitted within prescribed time periods, regardless of individual absences or workloads;</p> <p>c. By November 16, 2009, disabled inadvertent access to the overhead purge line involved in the July 15, 2009 emissions event, and replaced a clamped section; and</p> <p>d. By November 20, 2009, in response to the July 15, 2009 emissions event, provided additional training on the standard procedures for the use of physical measurement of tanks to gauge levels during product movements, and improved the alarm management system which reports disabled alarms and provides management tracking of repairs.</p> <p>Ordering Provisions:</p> <p>The Order will require the Respondent to implement and complete a Supplemental Environmental Project (SEP). (See SEP</p>

<p>126850) on July 15, 2009, an overhead purge line associated with EPN C4FUG was improperly left open, and this resulted in the release of 467.83 lbs of unauthorized VOC over a fifteen minute period. Since these emissions could have been avoided by better operational practices, the emissions are not subject to an affirmative defense under 30 TEX. ADMIN. CODE § 101.222(b)(1-11) [NSRP No. 20485, SC 1, 30 TEX. ADMIN. CODE § 116.115(c), and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p> <p>4) Failure to maintain emissions below allowable emission limits. Specifically, during an emissions event (Incident No. 126832) on July 15, 2009, the relief valve on Tank 2 (EPN C4FUG) lifted due to overpressure when filling the tank from a barge and released 1,126.64 lbs of unauthorized VOC emissions over a one minute period. Since these emissions could have been avoided by better operational practices, the emissions are not subject to an affirmative defense under 30 TEX. ADMIN. CODE § 101.222(b)(1-11) [NSRP No. 20485, SC 1, 30 TEX. ADMIN. CODE § 116.115(c), and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p>		Attachment A).
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Additional ID No(s): JEA007G

Attachment A
Docket Number: 2009-1819-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	Texas Petrochemicals LLC
Penalty Amount:	Sixteen Thousand One Hundred Sixty-Five Dollars (\$16,165)
SEP Offset Amount:	Eight Thousand Eighty-Two Dollars (\$8,082)
Type of SEP:	Pre-approved
Third-Party Recipient:	Texas PTA – <i>Clean School Bus Program</i>
Location of SEP:	Texas Air Quality Control Region 106 – Southern Louisiana-Southeast Texas

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* 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.



Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

DATES	Assigned	9-Nov-2009	Screening	10-Nov-2009	EPA Due	2-Aug-2010
	PCW	8-Jan-2010				

RESPONDENT/FACILITY INFORMATION	
Respondent	Texas Petrochemicals LLC
Reg. Ent. Ref. No.	RN104964267
Facility/Site Region	10-Beaumont
Major/Minor Source	Major

CASE INFORMATION			
Enf./Case ID No.	36692	No. of Violations	4
Docket No.	2009-1819-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Terry Murphy
Admin. Penalty \$ Limit Minimum	\$0	EC's Team	Enforcement Team 4
Maximum	\$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 **181.0%** Enhancement *Subtotals 2, 3, & 7* **\$13,756**

Notes: The penalty was enhanced by seven 1660-style agreed orders, one findings agreed order, three NOV's for same or similar violations, one NOV for dissimilar violations, and reduced by one NOA.

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* **\$1,150**

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

Total EB Amounts **\$145**
 Approx. Cost of Compliance **\$12,000**
 *Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7 *Final Subtotal* **\$20,206**

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

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes

Final Penalty Amount **\$20,206**

STATUTORY LIMIT ADJUSTMENT *Final Assessed Penalty* **\$20,206**

DEFERRAL **20.0%** Reduction *Adjustment* **-\$4,041**

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

Notes

Deferral offered for expedited settlement.

PAYABLE PENALTY **\$16,165**

Screening Date: 10-Nov-2009

Docket No.: 2009-1819-AIR-E

PCW

Respondent: Texas Petrochemicals LLC

Policy Revision 2 (September 2002)

Case ID No.: 38692

PCW Revision October 30, 2008

Reg. Ent. Reference No.: RN104964267

Media [Statute]: Air

Enf. Coordinator: Terry Murphy

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)	3	15%
	Other written NOVs	1	2%
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	1	25%
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 judgments 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)	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) 181%

>> 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 seven 1660-style agreed orders, one findings agreed order, three NOVs for same or similar violations, one NOV for dissimilar violations, and reduced by one NOA.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 181%

Screening Date 10-Nov-2009

Docket No. 2009-1819-AIR-E

PCW

Respondent Texas Petrochemicals LLC

Policy Revision 2 (September 2002)

Case ID No. 38692

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN104984267

Media [Statute] Air

Enf. Coordinator Terry Murphy

Violation Number 1

Rule Cite(s)

30 Tex. Admin. Code § 101.201(b) and Tex. Health & Safety Code § 382.065(b)

Violation Description

Failed to submit a final report within two weeks of the end of an emissions event, as documented during an investigation conducted on August 24, 2009. Specifically, an emissions event occurred on July 12, 2009 (Incident No. 126687), and the final report was due on July 27, 2009, but was not submitted until July 29, 2009.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0%

>> Programmatic Matrix

Falsification	Harm		
	Major	Moderate	Minor
			X

Percent 1%

Matrix Notes

The Respondent failed to comply with less than 30% of the rule.

Adjustment \$9,900

\$100

Violation Events

Number of Violation Events 1

2 Number of violation days

mark only one with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	X

Violation Base Penalty \$100

One single event is recommended, based on the one late report.

Good Faith Efforts to Comply

25.0% Reduction

\$25

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

Notes

The Respondent completed corrective actions by October 1, 2009, and the NOE is dated November 5, 2009.

Violation Subtotal \$75

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$18

Violation Final Penalty Total \$256

This violation Final Assessed Penalty (adjusted for limits) \$256

Economic Benefit Worksheet

Respondent: Texas Petrochemicals LLC
Case ID No.: 38692
Reg. Ent. Reference No.: RN104984267
Media: Air
Violation No.: 1

Percent Interest	Years of Depreciation
5.0	15

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

Delayed Costs

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System	\$2,000	27-Jul-2009	1-Oct-2009	0.18	\$18	n/a	\$18
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 improve reporting procedures. The Date Required is the date the report was due, and the Final Date is when improvements to the reporting system were completed.

Avoided Costs

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance

\$2,000

TOTAL

\$18

Screening Date 10-Nov-2009

Docket No: 2009-1819-AIR-E

PCW

Respondent Texas Petrochemicals LLC

Policy Revision 2 (September 2002)

Case ID No: 38692

PCW Revision October 30, 2008

Reg. Ent. Reference No: RN104984287

Media [Statute] Air

Enf. Coordinator: Terry Murphy

Violation Number 2

Rule Cite(s) New Source Review Permit ("NSRP") No. 20485, Special Condition ("SC") 1, 30 Tex. Admin. Code § 116.115(c), and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to maintain emissions below allowable emission limits, as documented during an investigation conducted on August 24, 2009. Specifically, during an emissions event (Incident No. 126687) on July 12, 2009, a leak due to external corrosion on the crude butadiene transfer line (Emissions Point No. ["EPN"] C4FUG) released 1,153.49 pounds ("lbs") of unauthorized volatile organic compounds ("VOC") over a four hour period. Since the final report was not timely submitted, and because these emissions could have been avoided by better maintenance practices, the emissions are not subject to an affirmative defense under 30 Tex. Admin. Code § 101.222(b)(1-11).

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			X
Potential			

Percent 25%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes

Human health or the environment has been exposed to insignificant amounts of pollutants not exceeding levels protective of human health or environmental receptors as a result of the violation.

Adjustment \$7,500

\$2,500

Violation Events

Number of Violation Events 1

1 Number of violation days

daily	
weekly	
monthly	
quarterly	X
semiannual	
annual	
single event	

mark only one with an x

Violation Base Penalty \$2,500

One quarterly event is recommended, based on the July 12, 2009 event.

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 completed corrective actions by September 9, 2009, and the NOE is dated November 5, 2009.

Violation Subtotal \$1,875

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$40

Violation Final Penalty Total \$6,400

This violation Final Assessed Penalty (adjusted for limits) \$6,400

Economic Benefit Worksheet

Respondent Texas Petrochemicals LLC
Case ID No. 38892
Reg. Ent. Reference No. RN104964267
Media Air
Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

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

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)	\$5,000	12-Jul-2009	9-Sep-2009	0.16	\$40	n/a	\$40

Notes for DELAYED costs

Estimated costs to replace the damaged line, provide better corrosion protection, and increase maintenance oversight. The Date Required is the date of the event, and the Final Date is the date the Respondent completed the repairs and improved maintenance practices.

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

\$5,000

TOTAL

\$40

Screening Date: 10-Nov-2009 **Docket No.:** 2009-1819-AIR-E **PCW**
Respondent: Texas Petrochemicals LLC *Policy Revision 2 (September 2002)*
Case ID No.: 38692 *PCW Revision October 30, 2008*
Reg. Ent. Reference No.: RN104964267
Media [Statute]: Air
Enf. Coordinator: Terry Murphy
Violation Number: 3
Rule Cite(s): NSRP No. 20485, SC 1, 30 Tex. Admin. Code § 116.115(c), and Tex. Health & Safety Code § 382.085(b)

Violation Description: Failed to maintain emissions below allowable emission limits, as documented during an investigation conducted on August 24, 2009. Specifically, during an emissions event (Incident No. 126850) on July 15, 2009, an overhead purge line associated with EPN C4FUG was improperly left open, and this resulted in the release of 467.83 lbs of unauthorized VOC over a fifteen minute period. Since these emissions could have been avoided by better operational practices, the emissions are not subject to an affirmative defense under 30 Tex. Admin. Code § 101.222(b)(1-11).

Base Penalty: \$10,000

>> Environmental, Property and Human Health Matrix

Release	Harm			Percent
	Major	Moderate	Minor	
Actual			x	25%
Potential				

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
				0%

Matrix Notes: Human health or the environment has been exposed to insignificant amounts of pollutants not exceeding levels protective of human health or environmental receptors as a result of the violation.

Adjustment: \$7,500

\$2,500

Violation Events

Number of Violation Events: 1 Number of violation days: 1

mark only one with an x

daily	
weekly	
monthly	
quarterly	x
semiannual	
annual	
single event	

Violation Base Penalty: \$2,500

One quarterly event is recommended, based on the July 15, 2009 event.

Good Faith Efforts to Comply 10.0% Reduction \$250

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

Notes: The Respondent completed corrective actions on November 16, 2009, and the NOE is dated November 5, 2009.

Violation Subtotal: \$2,250

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

Estimated EB Amount: \$34

Violation Final Penalty Total: \$6,775

This violation Final Assessed Penalty (adjusted for limits): \$6,775

Economic Benefit Worksheet

Respondent Texas Petrochemicals LLC
Case ID No. 38892
Reg. Ent. Reference No. RN104964267
Media Air
Violation No. 3

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				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)	\$2,000	15-Jul-2009	16-Nov-2009	0.34	\$34	n/a	\$34

Notes for DELAYED costs

Estimated costs to disable inadvertent access to the overhead purge line and replace a clamped section. The Date Required is the date of the event, and the Final Date is the date the repair and design improvement were completed.

Avoided Costs

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance

\$2,000

TOTAL

\$34

Screening Date 10-Nov-2009 **Docket No.** 2009-1819-AIR-E **PCW**
Respondent Texas Petrochemicals LLC *Policy Revision 2 (September 2002)*
Case ID No. 38692 *PCW Revision October 30, 2008*
Reg. Ent. Reference No. RN104964267
Media [Statute] Air
Enf. Coordinator Terry Murphy
Violation Number 4

Rule Cite(s) NSRP No. 20485, SC 1, 30 Tex. Admin. Code § 116.115(c), and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to maintain emissions below allowable emission limits, as documented during an investigation conducted on August 24, 2009. Specifically, during an emissions event (Incident No. 126832) on July 15, 2009, the relief valve on Tank 2 (EPN C4FUG) lifted due to overpressure when filling the tank from a barge and released 1,126.64 lbs of unauthorized VOC emissions over a one minute period. Since these emissions could have been avoided by better operational practices, the emissions are not subject to an affirmative defense under 30 Tex. Admin. Code § 101.222(b)(1-11).

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual			X	25%
	Potential				

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor	Percent
					0%

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

Adjustment \$7,500

\$2,500

Violation Events

Number of Violation Events Number of violation days

mark only one with an x

daily	
weekly	
monthly	
quarterly	X
semiannual	
annual	
single event	

Violation Base Penalty \$2,500

One quarterly event is recommended, based on the July 15, 2009 event.

Good Faith Efforts to Comply 10.0% Reduction \$250

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

Notes The Respondent completed corrective actions by November 20, 2009, and the NOE is dated November 5, 2009.

Violation Subtotal \$2,250

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

Estimated EB Amount \$53 **Violation Final Penalty Total** \$6,775

This violation Final Assessed Penalty (adjusted for limits) \$6,775

Economic Benefit Worksheet

Respondent Texas Petrochemicals LLC
Case ID No. 38692
Reg. Ent. Reference No. RN104964267
Media Air
Violation No. 4

Percent Interest	Years of Depreciation
5.0	15

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

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)	\$3,000	15-Jul-2009	20-Nov-2009	0.35	\$53	n/a	\$53

Notes for DELAYED costs
 Estimated costs to provide additional training on the standard procedures for the use of physical measurement of tanks to gauge the levels during product movements, and to improve the alarm management system which reports disabled alarms and provides management tracking of repairs. The Date Required is the date of the event, and the Final Date is the date the Respondent completed the training and system improvements.

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	\$3,000	TOTAL	\$53
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Compliance History Report

Customer/Respondent/Owner-Operator: CN603436122 TEXAS PETROCHEMICALS LLC Classification: AVERAGE Rating: 7.43
 Regulated Entity: RN104964267 PORT NECHES OPERATIONS C4 PLANT Classification: AVERAGE Site Rating: 18.77

ID Number(s):	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	EPA ID	TXR000069476
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION #	87942
	INDUSTRIAL AND HAZARDOUS WASTE PROCESSING	PERMIT	50396
	AIR OPERATING PERMITS	PERMIT	1327
	AIR NEW SOURCE PERMITS	REGISTRATION	79464
	AIR NEW SOURCE PERMITS	PERMIT	20485
	AIR NEW SOURCE PERMITS	REGISTRATION	80323
	AIR NEW SOURCE PERMITS	PERMIT	12599
	AIR NEW SOURCE PERMITS	PERMIT	13377
	AIR NEW SOURCE PERMITS	PERMIT	42061
	AIR NEW SOURCE PERMITS	PERMIT	71986
	AIR NEW SOURCE PERMITS	PERMIT	78199
	AIR NEW SOURCE PERMITS	PERMIT	53515
	AIR NEW SOURCE PERMITS	PERMIT	79198
	AIR NEW SOURCE PERMITS	REGISTRATION	79122
	AIR NEW SOURCE PERMITS	REGISTRATION	85193
	AIR NEW SOURCE PERMITS	REGISTRATION	89677
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	JEA007G
	AIR NEW SOURCE PERMITS	AFS NUM	4824500715
	PETROLEUM STORAGE TANK REGISTRATION	REGISTRATION	35486
	AIR EMISSIONS INVENTORY	ACCOUNT NUMBER	JEA007G

Location: 2102 SPUR 136, PORT NECHES, TX, 77651

TCEQ Region: REGION 10 - BEAUMONT

Date Compliance History Prepared: November 24, 2009

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: November 24, 2004 to November 24, 2009

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

Name: Terry Murphy Phone: (512) 239-5025

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: 9/1/2009 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	Effective Date: 12/02/2006	ADMINORDER 2005-0926-AIR-E
	Classification: Minor	
	Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)(A)	
	30 TAC Chapter 101, SubChapter F 101.201(c)	
	30 TAC Chapter 101, SubChapter F 101.211(a)	
	5C THC Chapter 382, SubChapter A 382.085(b)	

Description: Failure to submit a timely reports of an emissions events on October 20 and 25, 2004, and March 16,2005.

Classification: Major

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

Rqmt Prov: Permit 5807A SC 1 PERMIT

Description: Failure to prevent unauthorized emissions that occurred at the anhydrous ammonia loading area of the E4 Unit; E4 Unit covered by Permit 5807A. Incident 48357.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)

30 TAC Chapter 116, SubChapter B 116.115(c)

30 TAC Chapter 122, SubChapter B 122.143(4)

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

Rqmt Prov: FOP O-01327, SC 15 OP

Permit 20486, SC 1 PERMIT

Description: Failure to comply with the MAERT limits of permit 20485; failure to comply with the conditions of FOP O-01327.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)

30 TAC Chapter 116, SubChapter B 116.115(c)

30 TAC Chapter 122, SubChapter B 122.143(4)

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

Rqmt Prov: FOP O-01327, SC 15 OP

Permit 20485, SC 1 PERMIT

Description: Failure to comply with the emissions limits as specified in Special Condition 1, which references the Maximum Allowable Emissions Rate Table, of TCEQ Permit 20485, and Special Condition 15 of Federal Operating Permit O-01327.

Effective Date: 11/09/2007

ADMINORDER 2007-0488-AIR-E

Classification: Moderate

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

30 TAC Chapter 122, SubChapter B 122.143(4)

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

Rqmt Prov: 20485 Special Condition 1 PERMIT

FOP 1327 General Terms and Conditions OP

FOP 1327 Special Condition 15 OP

Description: Failure to maintain emissions below the allowable emission limits of the Maximum Allowable Emission Rates Table (MAERT) of Permit 20485. The MAERT of Permit 20485 does not authorize emissions from Tank 25 Discharge Line. MOD 2(D) EIC A8(c)(2)(A)(ii)

Effective Date: 07/21/2008

ADMINORDER 2008-0043-AIR-E

Classification: Moderate

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

30 TAC Chapter 122, SubChapter B 122.143(4)

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

Rqmt Prov: 20485 Special Condition 1 PERMIT

O-01327 General Terms and Conditions OP

O-01327 Special Condition 15 OP

Description: Failed to prevent unauthorized emissions of 87.13 pounds ("lbs") of 1, 3 Butadiene during an emissions event which began on May 30, 2007 at a Pressure Relief Valve ("PRV") 6RV559 during the loading of a butadiene barge and lasted for 20 seconds.

Effective Date: 09/22/2008

ADMINORDER 2008-0182-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: 1322 Special Condition 17 OP
Permit 20485 Special Condition 1 PERMIT

Description: Failure to maintain emissions below the allowable emission limit. The July 22, 2007 event was caused as a result of the emergency shutdown of the South 4 group. The emergency shutdown occurred when a leaking cooling water outlet block valve, (known to be leaking when the blind was installed earlier and that attempts to change the valve by freeze plugging the line had failed earlier) was removed from the cooling water line while the system was still in service.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: 1322 Special Condition 17 OP
2048 Special Condition 1 PERMIT

Description: Failure to maintain emissions below the allowable emission limit. The August 10,

event was caused when Tank 6-TK-12 was overfilled as a result of lack of proper monitoring during tank fill.

Effective Date: 10/23/2008

ADMINORDER 2008-0385-AIR-E

Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)(1)(G)
30 TAC Chapter 101, SubChapter F 101.201(b)(1)(H)

30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: O-01327, General Terms and Conditions OP
O-01327, Special Condition 2F OP

Description: Failure to properly report an emissions event.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
30 TAC Chapter 116, SubChapter B 116.115(c)

30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: 20485, Special Condition 1 PERMIT
O-01327, General Terms and Conditions OP

O-01327, Special Condition 15A OP

Description: Failure to maintain emission rates below the allowable emission limits.

Effective Date: 02/22/2009

ADMINORDER 2008-1194-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: Special Condition 1 PERMIT
Special Condition 15 OP

Description: Failure to maintain emissions below the allowable emission limit during the April 4, 2008, emissions event.

Effective Date: 04/05/2009

ADMINORDER 2008-1568-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: Special Condition 1 PERMIT
Special Condition 15 OP

Description: Failure to maintain emissions below the allowable emission limit.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: Special Condition 1 PERMIT
Special Condition 15 OP

Description: Failure to maintain emissions below the allowable emission limit.

Effective Date: 10/18/2009 ADMINORDER 2009-0524-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 116, SubChapter B 116.116(b)

30 TAC Chapter 122, SubChapter B 122.143(4)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: Special Condition 15 OP
Special Condition 21(A) PERMIT

Description: Failed to comply with the rolling 12 month annual Raffinate loading throughput limits as required by the confidential section of the permit application submitted on April 6, 2006, Appendix B of the Raffinate 1 Loading Amendment Application.

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	05/20/2005	(376583)
N/A		
2	07/15/2005	(392774)
3	02/22/2006	(456036)
4	02/28/2006	(457553)
5	02/28/2006	(457561)
6	09/25/2006	(509296)
7	11/01/2006	(510843)
8	11/27/2006	(515231)
9	12/22/2006	(516848)
10	01/17/2007	(534894)
11	01/17/2007	(534961)
12	02/23/2007	(534486)
13	02/28/2007	(539917)
14	03/20/2007	(539234)
15	08/16/2007	(570181)
16	09/21/2007	(570656)
17	11/19/2007	(595271)
18	12/21/2007	(595889)
19	01/09/2008	(598390)
20	01/14/2008	(613800)
21	02/25/2008	(613954)

22 04/07/2008 (638234)
 23 04/17/2008 (612398)
 24 05/08/2008 (640085)
 25 07/10/2008 (682283)
 26 09/09/2008 (687328)
 27 02/20/2009 (725135)
 28 02/20/2009 (725829)
 29 02/20/2009 (725920)
 30 02/20/2009 (726737)
 31 03/11/2009 (725828)
 32 04/13/2009 (740923)
 33 05/12/2009 (745346)
 34 05/28/2009 (745473)
 35 05/28/2009 (745605)
 36 09/11/2009 (775280)
 37 09/22/2009 (764116)
 38 11/05/2009 (767629)
 39 11/24/2009 (781526)

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

Date: 02/26/2007 (534486) CN603436122

N/A

Self NO Classification Moderate

Citation: 20485 Special Condition 26F PERMIT

- 20485 Special Condition 2A PERMIT
- 20485 Special Condition 3 PERMIT
- 30 TAC Chapter 101, SubChapter A 101.20(1)
- 30 TAC Chapter 113, SubChapter C 113.130
- 30 TAC Chapter 115, SubChapter D 115.352(4)
- 30 TAC Chapter 116, SubChapter B 116.115(c)
- 30 TAC Chapter 122, SubChapter B 122.143(4)
- 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(1)
- 40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.167(a)(1)
- 5C THC Chapter 382, SubChapter D 382.085(b)
- O-01327 Special Condition 15 OP

Description: Failure to operate without a cap, blind flange, plug, or a second valve installed on equipment in VOC service at the C4 Plant.

Self NO Classification Moderate

Citation: 20485 Special Condition 12 PERMIT

- 20485 Special Condition 3 PERMIT
- 30 TAC Chapter 113, SubChapter C 113.120
- 30 TAC Chapter 115, SubChapter B 115.136(a)(4)
- 30 TAC Chapter 116, SubChapter B 116.115(c)
- 30 TAC Chapter 122, SubChapter B 122.143(4)
- 40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.152(c)(2)(ii)
- 5C THC Chapter 382, SubChapter D 382.085(b)
- O-01327 Special Condition 1A OP
- O-1327 Special Condition 15 OP

Description: Failure to continuously collect and maintain operational parameters of any control device required to be installed to meet applicable control requirements required by 30 TAC 115.136(a)(2).

Self Report? NO Classification Moderate

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

Description: Failure to report all instances of deviations.

Self Report? NO Classification Moderate

Citation: 20485 Special Condition 3 PERMIT
 30 TAC Chapter 113, SubChapter C 113.130

30 TAC Chapter 115, SubChapter D 115.352(2)
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.163(c)(2)
 5C THC Chapter 382, SubChapter D 382.085(b)
 O-01327 Special Condition 15 OP
Description: Failure to make the first attempt at repair within five calendar days.
Self Report? NO **Classificatio** Moderate

Citation: 20485 Special Condition 35(B) PERMIT
 20485 Special Condition 8(B) PERMIT
 20485 Special Condition 8(C) PERMIT
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THC Chapter 382, SubChapter D 382.085(b)
 O-01327 Special Condition 15 OP
Description: Failure to maintain emission rates below permitted limits.
Self Report? NO **Classificatio** Moderate

Citation: 20485 Special Condition 3 PERMIT
 20485 Special Condition 2A PERMIT
 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)
 30 TAC Chapter 122, SubChapter B 122.144(1)(A)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(f)(2)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.7(f)
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT A 63.11(b)(5)
 5C THC Chapter 382, SubChapter D 382.085(b)
 O-01327 Special Condition 15 OP
Description: Failure to maintain records of flare monitors at the South Flare
Date: 01/09/2008 (598390) CN603436122
Self Report? NO **Classificatio** Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
 30 TAC Chapter 122, SubChapter B 122.146(2)
 5C THSC Chapter 382 382.085(b)
 O-01327 General Terms and Conditions OP
 O-01327 Special Condition 18 OP
Description: Failure to submit an annual permit compliance certification (ACC) report within 30 days of the certification period.
Self Report? NO **Classificatio** Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
 30 TAC Chapter 122, SubChapter B 122.145(2)(B)
 30 TAC Chapter 122, SubChapter B 122.145(2)(C)
 5C THSC Chapter 382 382.085(b)
 O-01327 General Terms and Conditions OP
Description: Failure to submit a semiannual deviation report in a timely manner.
Self Report? NO **Classificatio** Moderate

Citation: 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)
 O-01327 General Terms and Conditions OP
Description: Failure to report all instances of deviations.
Self Report? NO **Classificatio** Moderate

Citation: 30 TAC Chapter 117, SubChapter B 117.219(d)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 O-01327 General Terms and Conditions OP
 O-01327 Special Condition 1D OP
Description: Failure to submit semiannual reports within 30 days of the end of the reporting period.

Date: 02/20/2009 (726737) CN603436122
 Self Report? NO Classification Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.138(d)(6)
 5C THSC Chapter 382 382.085(b)
 Special Condition 15 OP
 Special Condition 2 PERMIT
 Description: Failure to operate wastewater stripper (EPN: N2D7) in accordance with the requirements of 40 CFR 63.138(d)(6).
 Self Report? NO Classification Minor
 Citation: 30 TAC Chapter 115, SubChapter D 115.352(4)
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.167(a)(1)
 5C THSC Chapter 382 382.085(b)
 Special Condition 26(E) PERMIT
 Special Condition 15 OP
 Description: Failure to install a cap or plug on an open-ended line in VOC service.
 Self Report? NO Classification Moderate
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
 30 TAC Chapter 122, SubChapter B 122.145(2)(A)
 5C THSC Chapter 382 382.085(b)
 General Terms and Conditions OP
 Description: Failure to report deviations in barge loading throughput limit exceedances for the period of January-June 2008, in a timely manner.
 Self Report? NO Classification Moderate
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.114(d)(2)
 5C THSC Chapter 382 382.085(b)
 Special Condition 11(E) OP
 Description: Failure to inspect and document monthly car seal inspections on the facility control device for the period of September 1, 2008 through
 Date: 03/11/2009 (725828) CN603436122
 Self Report? NO Classification Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.138(d)(3)
 5C THSC Chapter 382 382.085(b)
 Special Condition 2 PERMIT
 Special Conditions 15 OP
 Description: Failure to operate the wastewater stripper (EPN: N2D7) in accordance with the requirements of 40 CFR 63.138.

F. Environmental audits.

Notice of Intent Date: 04/02/2008 (654019)
 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

.N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
TEXAS PETROCHEMICALS LLC
RN104964267**

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

AGREED ORDER DOCKET NO. 2009-1819-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 Texas Petrochemicals LLC ("the Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent appear before the Commission and together stipulate that:

1. The Respondent owns and operates a chemical manufacturing plant at 2102 Spur 136 in Port Neches, Jefferson County, Texas (the "Plant").
2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
3. The Commission and the Respondent agree that the Commission has jurisdiction to enter this Agreed Order, and that the Respondent is subject to the Commission's jurisdiction.
4. The Respondent received notice of the violations alleged in Section II ("Allegations") on or about November 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 Twenty Thousand Two Hundred Six Dollars (\$20,206) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Eight Thousand Eighty-Three Dollars (\$8,083) of the administrative penalty and Four Thousand Forty-One Dollars (\$4,041) 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. Eight Thousand Eighty-Two Dollars (\$8,082) shall be conditionally offset by the Respondent's completion of a Supplemental Environmental Project ("SEP").

7. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
8. The Executive Director of the TCEQ and the Respondent have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.
9. The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Plant:
 - a. By September 9, 2009, replaced the damaged line involved in the July 12, 2009 emissions event, provided the line with better corrosion protection, and increased maintenance oversight;
 - b. By October 1, 2009, incorporated emission event report deadlines into an electronic "compliance tracker" tool, capable of automatically sending email reminders to responsible personnel as deadlines approach. After an emission event report has initially been submitted, deadlines for submittal of the corresponding final reports are entered into the compliance tracker. The database is programmed to automatically email reminders to at least two individuals regarding the reporting deadline. These reminders will be automatically issued on a daily basis, beginning one week prior to the reporting deadline. This improvement is designed to ensure emission event reports are submitted within prescribed time periods, regardless of individual absences or workloads;
 - c. By November 16, 2009, disabled inadvertent access to the overhead purge line involved in the July 15, 2009 emissions event, and replaced a clamped section; and
 - d. By November 20, 2009, in response to the July 15, 2009 emissions event, provided additional training on the standard procedures for the use of physical measurement of tanks to gauge levels during product movements, and improved the alarm management system which reports disabled alarms and provides management tracking of repairs.
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 final report within two weeks of the end of an emissions event, in violation of 30 TEX. ADMIN. CODE § 101.201(b) and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on August 24, 2009. Specifically, an emissions event occurred on July 12, 2009 (Incident No. 126687), and the final report was due on July 27, 2009, but was not submitted until July 29, 2009.
2. Failed to maintain emissions below allowable emission limits, in violation of New Source Review Permit ("NSRP") No. 20485, Special Condition ("SC") 1, 30 TEX. ADMIN. CODE § 116.115(c), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on August 24, 2009. Specifically, during an emissions event (Incident No. 126687) on July 12, 2009, a leak due to external corrosion on the crude butadiene transfer line (Emissions Point No. ["EPN"] C4FUG) released 1,153.49 pounds ("lbs") of unauthorized volatile organic compounds ("VOC") over a four hour period. Since the final report was not timely submitted, and because these emissions could have been avoided by better maintenance practices, the emissions are not subject to an affirmative defense under 30 TEX. ADMIN. CODE § 101.222(b)(1-11).
3. Failed to maintain emissions below allowable emission limits, in violation of NSRP No. 20485, SC 1, 30 TEX. ADMIN. CODE § 116.115(c), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on August 24, 2009. Specifically, during an emissions event (Incident No. 126850) on July 15, 2009, an overhead purge line associated with EPN C4FUG was improperly left open, and this resulted in the release of 467.83 lbs of unauthorized VOC over a fifteen minute period. Since these emissions could have been avoided by better operational practices, the emissions are not subject to an affirmative defense under 30 TEX. ADMIN. CODE § 101.222(b)(1-11).
4. Failed to maintain emissions below allowable emission limits, in violation of NSRP No. 20485, SC 1, 30 TEX. ADMIN. CODE § 116.115(c), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on August 24, 2009. Specifically, during an emissions event (Incident No. 126832) on July 15, 2009, the relief valve on Tank 2 (EPN C4FUG) lifted due to overpressure when filling the tank from a barge and released 1,126.64 lbs of unauthorized VOC emissions over a one minute period. Since these emissions could have been avoided by better operational practices, the emissions are not subject to an affirmative defense under 30 TEX. ADMIN. CODE § 101.222(b)(1-11).

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: Texas Petrochemicals LLC, Docket No. 2009-1819-AIR-E" to:

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

2. The Respondent shall implement and complete a SEP in accordance with TEX. WATER CODE § 7.067. As set forth in Section I, Paragraph 6 above, Eight Thousand Eighty-Two Dollars (\$8,082) 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

John S. Soder

For the Executive Director

3/26/2010

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.

Richard B. Bewick

Signature

2/17/10

Date

RICHARD B. BEWICK

Name (Printed or typed)
Authorized Representative of
Texas Petrochemicals LLC

EHS MGR

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: 2009-1819-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	Texas Petrochemicals LLC
Penalty Amount:	Sixteen Thousand One Hundred Sixty-Five Dollars (\$16,165)
SEP Offset Amount:	Eight Thousand Eighty-Two Dollars (\$8,082)
Type of SEP:	Pre-approved
Third-Party Recipient:	Texas PTA – <i>Clean School Bus Program</i>
Location of SEP:	Texas Air Quality Control Region 106 – Southern Louisiana-Southeast Texas

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* 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 ATexas 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.

