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EXECUTIVE SUMMARY - ENFORCEMENT MATTER
DOCKET NO.: 2010-0738-AIR-E **TCEQ ID:** RN100219393 **CASE NO.:** 39643
RESPONDENT NAME: Akzo Nobel Surface Chemistry LLC

ORDER TYPE:		
<input type="checkbox"/> 1660 AGREED ORDER	<input checked="" 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: Akzo Nobel Surface Chemistry, 15200 Almeda Road, Houston, Fort Bend County</p> <p>TYPE OF OPERATION: Chemical plant</p> <p>SMALL BUSINESS: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>OTHER SIGNIFICANT MATTERS: There are no complaints. There is one additional pending enforcement action regarding this facility location, Docket No. 2010-1709-AIR-E.</p> <p>INTERESTED PARTIES: No one other than the ED and the Respondent has expressed an interest in this matter.</p> <p>COMMENTS RECEIVED: The <i>Texas Register</i> comment period expired on November 29, 2010. No comments were received.</p> <p>CONTACTS AND MAILING LIST: TCEQ Attorney/SEP Coordinator: Mr. Phillip Hampsten, SEP Coordinator, Enforcement Division, MC 219, (512) 239-6732 TCEQ Enforcement Coordinator: Mr. Kirk Schoppe, Enforcement Division, Enforcement Team 4, MC 149, (512) 239-0489; Ms. Laurie Eaves, Enforcement Division, MC 219, (512) 239-4495 Respondent: Mr. James Yu, Environmental Manager, Akzo Nobel Surface Chemistry LLC, 15200 Almeda Road, Houston, Texas 77053 Mr. Clifford H. Barr, Site Director, Akzo Nobel Surface Chemistry LLC, 15200 Almeda Road, Houston, Texas 77053 Respondent's Attorney: Not represented by counsel on this enforcement matter</p>		

VIOLATION SUMMARY CHART:		
VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p>Type of Investigation: <input type="checkbox"/> Complaint <input checked="" type="checkbox"/> Routine <input type="checkbox"/> Enforcement Follow-up <input type="checkbox"/> Records Review</p> <p>Date(s) of Complaints Relating to this Case: None</p> <p>Date of Investigation Relating to this Case: February 22, 2010</p> <p>Date of NOV/NOE Relating to this Case: April 15, 2010 (NOE)</p> <p>Background Facts: This was a routine investigation.</p> <p>AIR</p> <p>1) Failed to maintain the minimum liquid flow rate on the scrubbers [30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4) and TEX. HEALTH & SAFETY CODE § 382.085(b), New Source Review Permit No. 9600, Special Condition 14, and Federal Operating Permit No. O-01328, Special Terms and Conditions 9].</p> <p>2) Failed to submit a complete semi-annual deviation report [30 TEX. ADMIN. CODE §§ 122.143(4) and 122.145(2)(A) and TEX. HEALTH & SAFETY CODE § 382.085(b), and Federal Operating Permit No. O-01328, General Terms and Conditions].</p>	<p>Total Assessed: \$15,960</p> <p>Total Deferred: \$0 <input type="checkbox"/> Expedited Settlement <input type="checkbox"/> Financial Inability to Pay</p> <p>SEP Conditional Offset: \$7,980</p> <p>Total Paid to General Revenue: \$7,980</p> <p>Compliance History Classifications: Person/CN - Average Site/RN - Average</p> <p>Major Source: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Applicable Penalty Policy: September 2002</p> <p>Findings Orders Justification: Three repeated Notice of Violations over the prior 5-year period for the same violation.</p>	<p>Ordering Provisions:</p> <p>1) The Order will require the Respondent to implement and complete a Supplemental Environmental Project (SEP). (See SEP Attachment A)</p> <p>2) The Order will also require the Respondent to:</p> <p>a. Within 30 days after the effective date of this Agreed Order, implement improvements to training, design, operation, or maintenance procedures to help maintain the minimum liquid flow rate on Scrubbers V-003, V-004, and V-008;</p> <p>b. Within 30 days after the effective date of this Agreed Order, implement a plan to help ensure the timely and complete submittal of semi-annual deviation reports; and</p> <p>c. Within 45 days after the effective date of this Agreed Order, submit written certification and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provisions a. and b.</p>

Additional ID No(s): Air Permit No. FG0042L

Attachment A
Docket Number: 2010-0738-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent: Akzo Nobel Surface Chemistry LLC

Payable Penalty Amount: Fifteen Thousand Nine Hundred Sixty Dollars
(\$15,960)

SEP Amount: Seven Thousand Nine Hundred Eighty Dollars
(\$7,980)

Type of SEP: Pre-approved

Third-Party Recipient: Houston-Galveston AERCO's Clean Cities/Clean
Vehicles Program

Location of SEP: Texas Air Quality Control Region 216 – Houston-
Galveston

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

1. Project Description

A. Project

The Respondent shall contribute the SEP offset amount to the Third-Party Recipient named above. The contribution will be to **Houston-Galveston AERCO** for the **Clean Cities/Clean Vehicles Program** as set forth in an agreement between the Third-Party Recipient and the TCEQ. SEP monies will be used to aid local school districts and area transit agencies in reaching local match requirements mandated by the Federal Highway Administration's ("FHWA") Congestion Mitigation/Air Quality Funding program. SEP monies will be disbursed to school districts and transit agencies in need of funding assistance in the Houston-Galveston non-attainment area. Those SEP monies will be used exclusively by the school districts and transit agencies as supplements to meet the local match requirements of the EPA. SEP monies will be used to pay for the cost of replacing older diesel buses with alternative fueled or clean diesel buses. The old buses will be permanently retired and only sold for scrap. The schools and transit agencies will also use the SEP monies to retrofit more buses to reduce emissions. Houston-Galveston AERCO will send the TCEQ verification in the form of paid invoices and other documentation to show that the retrofits were completed. Retrofit technologies include particulate matter traps, diesel particulate matter filters, NOx reduction catalyst technology in combination with diesel particulate filters, and other emission control technologies that are developed and approved by EPA or the California Air Resources Board.

The Respondent certifies that there is no prior commitment to do this project and that it is being performed solely in an effort to settle this enforcement action.



B. Environmental Benefit

This SEP will provide a discernible environmental benefit by reducing particulate emissions of 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 amount to the Third-Party Recipient and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP amount to the Third-Party Recipient. The Respondent shall mail the contribution, with a copy of the Agreed Order, to:

Houston-Galveston Area Council
Houston-Galveston AERCO
P.O. Box 22777
Houston, Texas 77227-2777

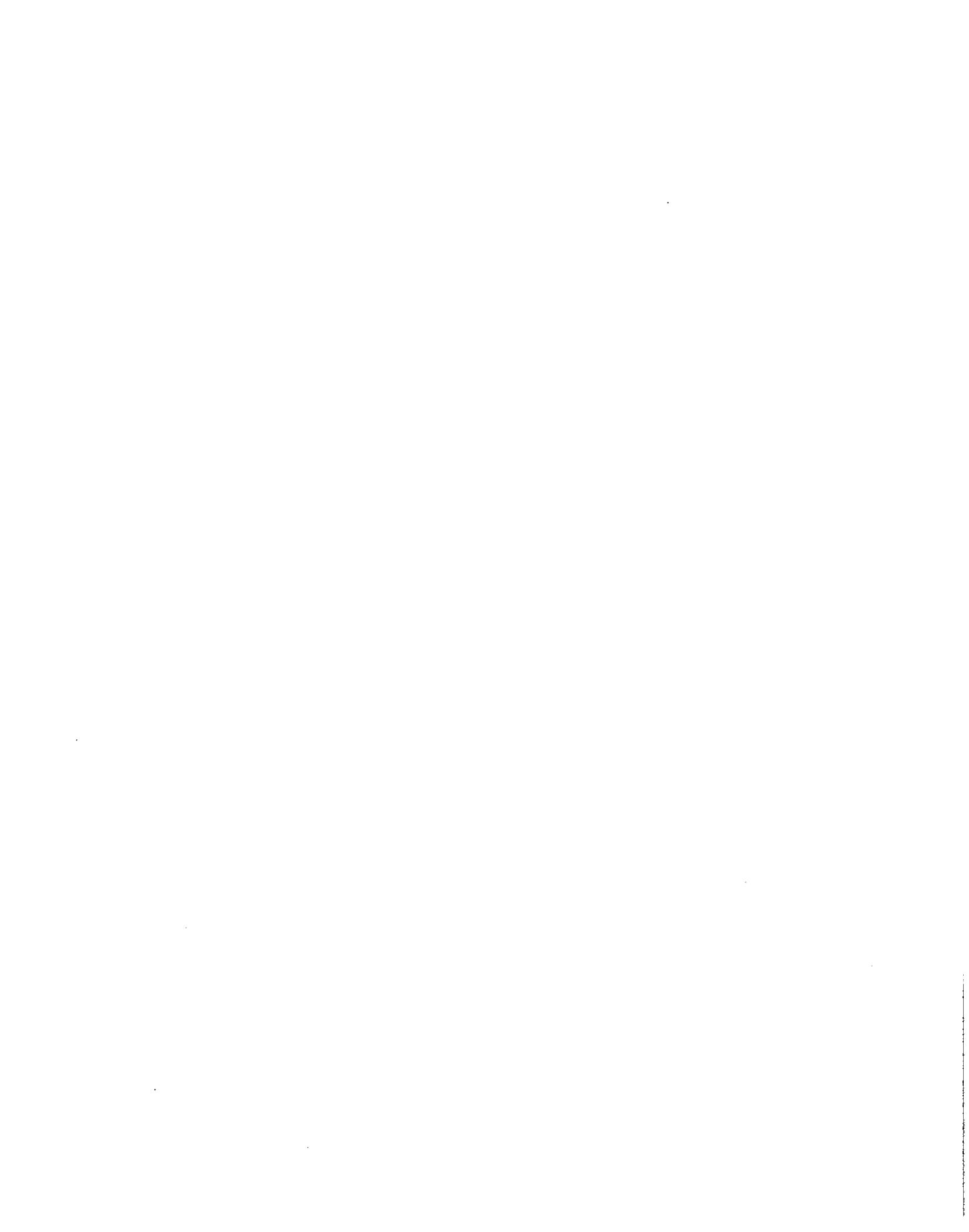
3. Records and Reporting

Concurrent with the payment of the SEP amount, the Respondent shall provide the Enforcement Division SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP amount to the Third-Party Recipient. The Respondent shall mail a copy of the check and transmittal letter to:

Enforcement Division
Attention: SEP Coordinator, MC 219
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If the Respondent does not perform its obligations under this SEP in any way, including full payment of the SEP amount and submittal of the required reporting described in Section 3 above, the Executive Director may require immediate payment of all or part of the SEP amount.



Akzo Nobel Surface Chemistry LLC
Agreed Order - Attachment A

The check for any amount due shall be made out to "Texas Commission on Environmental Quality" and mailed to:

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

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

5. Publicity

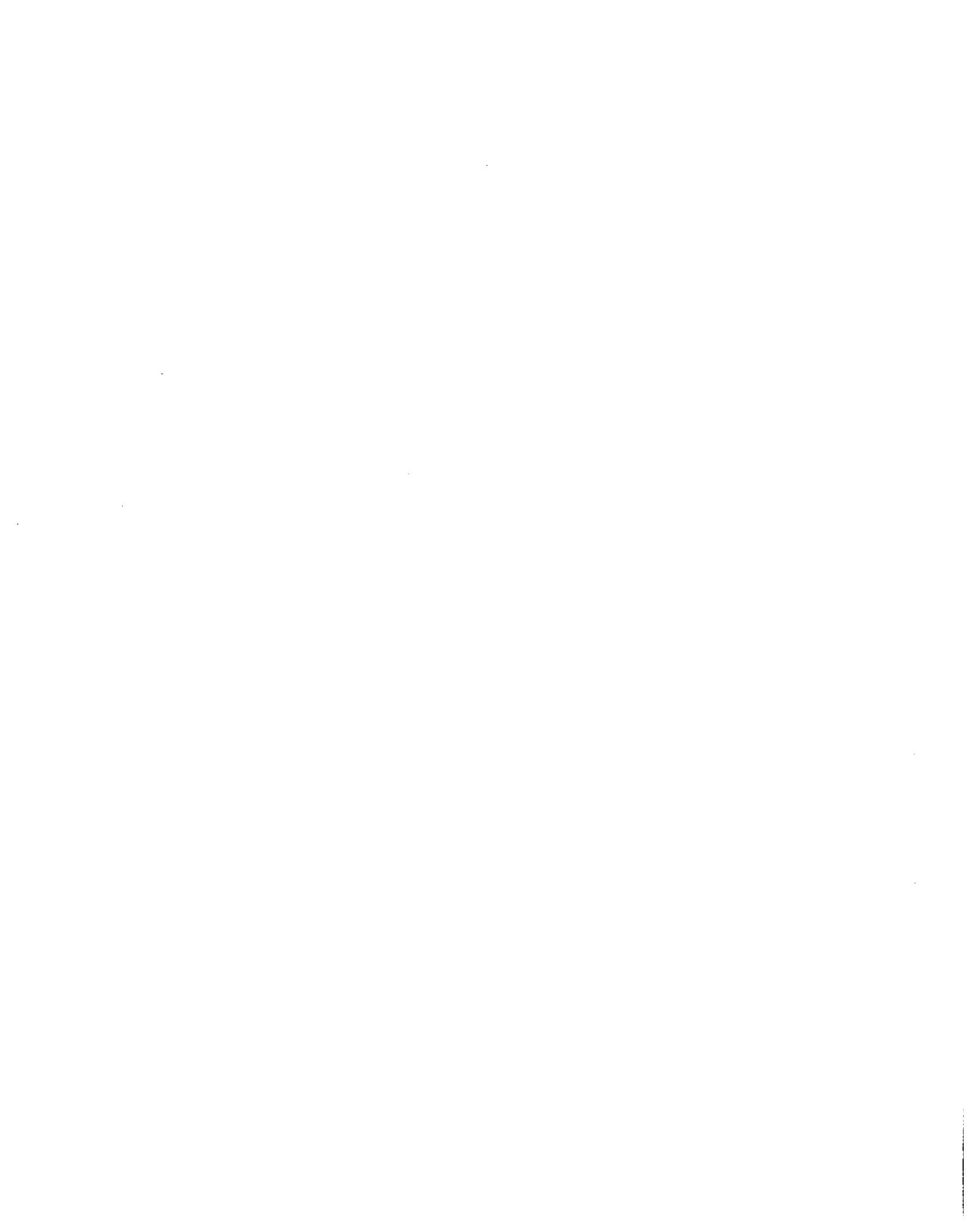
Any public statements concerning this SEP made by or on behalf of the Respondent must include a clear statement that the project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.

6. Clean Texas Program

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

7. Other SEPs by TCEQ or Other Agencies

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





Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

TCEQ

DATES	Assigned	19-Apr-2010	Screening	4-May-2010	EPA Due	
	PCW	18-Aug-2010				

RESPONDENT/FACILITY INFORMATION

Respondent	Akzo Nobel Surface Chemistry LLC		
Reg. Ent. Ref. No.	RN100219393		
Facility/Site Region	12-Houston	Major/Minor Source	Major

CASE INFORMATION

Enf./Case ID No.	39643	No. of Violations	2
Docket No.	2010-0738-AIR-E	Order Type	Findings
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Kirk Schoppe
		EC's Team	Enforcement Team 4
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$10,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties) **Subtotal 1** **\$12,000**

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History **Enhancement** **Subtotals 2, 3, & 7** **\$3,960**

Notes

Culpability **Enhancement** **Subtotal 4** **\$0**

Notes

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

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

Total EB Amounts	\$637
Approx. Cost of Compliance	\$5,750

*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7 **Final Subtotal** **\$15,960**

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

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes

Final Penalty Amount **\$15,960**

STATUTORY LIMIT ADJUSTMENT **Final Assessed Penalty** **\$15,960**

DEFERRAL **Reduction** **Adjustment** **\$0**

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

Notes

PAYABLE PENALTY **\$15,960**

Screening Date: 4-May-2010

Docket No.: 2010-0738-AIR-E

PCW

Respondent: Akzo Nobel Surface Chemistry LLC

Policy Revision 2 (September 2002)

Case ID No.: 39643

PCW Revision October 30, 2008

Reg. Ent. Reference No.: RN100219393

Media [Statute]: Air

Enf. Coordinator: Kirk Schoppe

Compliance History Worksheet

>> Compliance History Site: Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written NOVs with same or similar violations as those in the current enforcement action (number of NOVs meeting criteria)	5	25%
	Other written NOVs	4	8%
Orders	Any agreed final enforcement orders containing a denial of liability (number of orders meeting criteria)	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (number of judgements or consent decrees meeting criteria)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (number of counts)	0	0%
Emissions	Chronic excessive emissions events (number of events)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which notices were submitted)	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which violations were disclosed)	0	0%

Please Enter Yes or No

Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 33%

>> 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 was enhanced due to five same or similar NOVs and four dissimilar NOVs.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 33%

Screening Date 4-May-2010

Docket No. 2010-0738-AIR-E

PCW

Respondent Akzo Nobel Surface Chemistry LLC

Policy Revision 2 (September 2002)

Case ID No. 39643

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100219393

Media [Statute] Air

Enf. Coordinator Kirk Schoppe

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code §§ 116.115(c) and 122.143(4) and Tex. Health & Safety Code § 382.085(b), New Source Review Permit No. 9600, Special Condition 14, and Federal Operating Permit No. O-01328, Special Terms and Conditions 9

Violation Description

Failed to maintain the minimum liquid flow rate on Scrubbers V-003, V-004, and V-008, as documented during an investigation conducted on February 22, 2010. Specifically, between September 28, 2008 and August 12, 2009 the liquid flow rate fell below the permitted limits of 200 gallons per minute ("gpm") for V-003 with rates between 116.8 gpm and 193.5 gpm, below 185 gpm for V-004 with a rate of 184.89 gpm, and below 26 gpm for V-008 with rates between 3 and 24.9 gpm.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential		X	

Percent 25%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes

Human health or the environment could have been exposed to significant amounts of pollutants which would not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$7,500

\$2,500

Violation Events

Number of Violation Events 4

318 Number of violation days

daily	
weekly	
monthly	
quarterly	X
semiannual	
annual	
single event	

mark only one with an x

Violation Base Penalty \$10,000

Four quarterly events are recommended based on the violations documented between September 28, 2008 and August 12, 2009.

Good Faith Efforts to Comply

0.0% Reduction

\$0

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

Notes

The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$10,000

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$603

Violation Final Penalty Total \$13,300

This violation Final Assessed Penalty (adjusted for limits) \$13,300

Economic Benefit Worksheet

Respondent: Akzo Nobel Surface Chemistry LLC
Case ID No.: 39643
Reg. Ent. Reference No.: RN100219393
Media: Air
Violation No.: 1

Percent Interest	Years of Depreciation
5.0	15

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

Delayed Costs

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	\$750	28-Sep-2008	15-Jan-2011	2.30	\$86	n/a	\$86
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$4,600	28-Sep-2008	15-Jan-2011	2.30	\$517	n/a	\$517

Notes for DELAYED costs

Estimated cost for additional oversight and management practices designed to ensure that the flow rate is maintained above the permitted minimum flow rates for the scrubbers. The Date Required is based on the first date of noncompliance and the Final Date is the expected date of compliance.

Avoided Costs

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

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

\$5,250

TOTAL

\$603

Screening Date 4-May-2010

Docket No. 2010-0738-AIR-E

PCW

Respondent Akzo Nobel Surface Chemistry LLC

Policy Revision 2 (September 2002)

Case ID No. 39643

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100219393

Media [Statute] Air

Enf. Coordinator Kirk Schoppe

Violation Number 2

Rule Cite(s)

30 Tex. Admin. Code §§ 122.143(4) and 122.145(2)(A); and Tex. Health & Safety Code § 382.085(b), and Federal Operating Permit No. O-01328, General Terms and Conditions

Violation Description

Failed to submit a complete semi-annual deviation report. Specifically, the Respondent did not report 13 deviations during the September 15, 2008 through February 19, 2009 and February 20, 2009 through August 19, 2009 reporting periods, as documented during an investigation conducted on February 22, 2010.

Base Penalty

\$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent

0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor
		X	

Percent

10%

Matrix Notes

30% to 70% of the rule requirement was not met.

Adjustment

\$9,000

\$1,000

Violation Events

Number of Violation Events 2

338 Number of violation days

mark only one with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	X

Violation Base Penalty

\$2,000

Two single events are recommended based on the two reporting periods.

Good Faith Efforts to Comply

0.0% Reduction

\$0

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

Notes

The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal

\$2,000

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$33

Violation Final Penalty Total

\$2,680

This violation Final Assessed Penalty (adjusted for limits)

\$2,680

Economic Benefit Worksheet

Respondent: Akzo Nobel Surface Chemistry LLC
Case ID No.: 39643
Reg. Ent. Reference No.: RN100219393
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
No commas or \$							

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System	\$500	15-Sep-2009	15-Jan-2011	1.33	\$33	n/a	\$33
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 improvements to the Title V reporting system. The date required is the date a complete report should have been submitted. The final date is the expected date of compliance.

Avoided Costs

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance

\$500

TOTAL

\$33

Compliance History Report

Customer/Respondent/Owner-Operator: CN601580566 Akzo Nobel Surface Chemistry LLC Classification: AVERAGE Rating: 0.27
 Regulated Entity: RN100219393 AKZO NOBEL SURFACE CHEMISTRY Classification: AVERAGE Site Rating: 0.54

ID Number(s):	AIR OPERATING PERMITS	ACCOUNT NUMBER	FG0042L
	AIR OPERATING PERMITS	PERMIT	1328
	PUBLIC WATER SYSTEM/SUPPLY	REGISTRATION	0790413
	UNDERGROUND INJECTION CONTROL	PERMIT	WDW111
	UNDERGROUND INJECTION CONTROL	PERMIT	WDW139
	UNDERGROUND INJECTION CONTROL	PERMIT	WDW343
	UNDERGROUND INJECTION CONTROL	PERMIT	WDW421
	UNDERGROUND INJECTION CONTROL	PERMIT	WDW420
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	EPA ID	TXD065078826
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION # (SWR)	30300
	AIR NEW SOURCE PERMITS	PERMIT	524
	AIR NEW SOURCE PERMITS	PERMIT	562
	AIR NEW SOURCE PERMITS	PERMIT	563
	AIR NEW SOURCE PERMITS	PERMIT	3847
	AIR NEW SOURCE PERMITS	REGISTRATION	6449
	AIR NEW SOURCE PERMITS	PERMIT	6450
	AIR NEW SOURCE PERMITS	PERMIT	7078
	AIR NEW SOURCE PERMITS	REGISTRATION	8207
	AIR NEW SOURCE PERMITS	REGISTRATION	9001
	AIR NEW SOURCE PERMITS	PERMIT	9536
	AIR NEW SOURCE PERMITS	PERMIT	9600
	AIR NEW SOURCE PERMITS	PERMIT	19449
	AIR NEW SOURCE PERMITS	PERMIT	19803
	AIR NEW SOURCE PERMITS	REGISTRATION	38949
	AIR NEW SOURCE PERMITS	REGISTRATION	40311
	AIR NEW SOURCE PERMITS	REGISTRATION	41732
	AIR NEW SOURCE PERMITS	REGISTRATION	46165
	AIR NEW SOURCE PERMITS	PERMIT	46488
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	FG0042L
	AIR NEW SOURCE PERMITS	PERMIT	56693
	AIR NEW SOURCE PERMITS	PERMIT	56694
	AIR NEW SOURCE PERMITS	PERMIT	56695
	AIR NEW SOURCE PERMITS	PERMIT	56696
	AIR NEW SOURCE PERMITS	PERMIT	56697

AIR NEW SOURCE PERMITS	PERMIT	56698
AIR NEW SOURCE PERMITS	PERMIT	56699
AIR NEW SOURCE PERMITS	PERMIT	56692
AIR NEW SOURCE PERMITS	PERMIT	56691
AIR NEW SOURCE PERMITS	AFS NUM	4815700021
AIR NEW SOURCE PERMITS	REGISTRATION	79386
AIR NEW SOURCE PERMITS	REGISTRATION	78930
AIR NEW SOURCE PERMITS	REGISTRATION	80481
AIR NEW SOURCE PERMITS	REGISTRATION	80490
AIR NEW SOURCE PERMITS	REGISTRATION	81051
AIR NEW SOURCE PERMITS	REGISTRATION	84542
AIR NEW SOURCE PERMITS	REGISTRATION	87729
AIR NEW SOURCE PERMITS	REGISTRATION	91524
STORMWATER	PERMIT	TXR05R455
AIR EMISSIONS INVENTORY	ACCOUNT NUMBER	FG0042L

Location: 15200 ALMEDA RD, HOUSTON, TX, 77053

TCEQ Region: REGION 12 - HOUSTON

Date Compliance History Prepared: April 26, 2010

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: April 26, 2005 to April 26, 2010

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

Name: Kirk Schoppe Phone: (512) 239 - 0489

Site Compliance History Components

1. Has the site been in existence and/or operation for the full five year compliance period? Yes
2. Has there been a (known) change in ownership/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
- 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	05/24/2005	(378755)
N/A	2	06/15/2005 (394967)

3	06/29/2005	(395532)
4	10/21/2005	(434207)
5	10/21/2005	(434214)
6	01/24/2006	(451215)
7	01/24/2006	(451216)
8	04/19/2006	(451106)
9	04/19/2006	(460125)
10	04/19/2006	(460126)
11	04/19/2006	(460127)
12	04/20/2006	(462467)
13	05/21/2006	(465561)
14	07/20/2006	(484804)
15	07/20/2006	(486285)
16	07/20/2006	(486297)
17	07/20/2006	(486301)
18	11/21/2006	(518889)
19	11/21/2006	(518896)
20	03/12/2007	(540378)
21	03/26/2007	(519043)
22	04/12/2007	(542580)
23	04/12/2007	(542588)
24	04/12/2007	(542594)
25	04/25/2007	(555262)
26	04/25/2007	(557780)
27	07/09/2007	(563230)
28	07/24/2007	(565069)
29	08/02/2007	(532533)
30	10/05/2007	(593535)
31	11/19/2007	(608775)
32	11/19/2007	(608778)
33	12/10/2007	(595705)
34	12/17/2007	(599106)
35	12/17/2007	(599107)
36	12/20/2007	(611960)
37	02/26/2008	(613362)
38	02/27/2008	(613212)
39	02/27/2008	(613333)
40	02/28/2008	(618956)
41	03/06/2008	(613879)
42	03/12/2008	(618863)
43	04/02/2008	(637640)
44	04/28/2008	(636789)
45	04/29/2008	(638524)
46	04/29/2008	(638527)
47	04/29/2008	(638528)
48	06/04/2008	(654634)
49	11/25/2008	(708053)
50	11/25/2008	(708054)
51	11/25/2008	(708059)
52	11/25/2008	(708765)
53	02/06/2009	(723302)
54	02/16/2009	(684854)
55	04/06/2009	(737465)
56	04/06/2009	(737466)
57	04/06/2009	(737467)
58	04/29/2009	(741850)
59	04/29/2009	(741852)

60 04/29/2009 (741853)
 61 05/05/2009 (738969)
 62 08/25/2009 (737244)
 63 08/25/2009 (763141)
 64 08/26/2009 (766420)
 65 08/27/2009 (766423)
 66 08/28/2009 (766424)
 67 10/08/2009 (776620)
 68 02/18/2010 (789374)
 69 04/14/2010 (784744)
 70 04/22/2010 (796147)
 71 04/22/2010 (796150)
 72 04/22/2010 (796151)

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

Date: 06/15/2005 (394967) CN601580566
 Self Report? NO Classification: Major
 Citation: 30 TAC Chapter 290, SubChapter D 290.45(a)
 30 TAC Chapter 290, SubChapter D 290.45(d)(2)(A)(ii)
 Description: Failure to meet this Agency's Minimum Water System Capacity Requirements of a pressure tank capacity of 220 gallons.
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 290, SubChapter D 290.42(e)(2)
 Description: Failure to provide a point of application on the well discharge line ahead of the ground storage reservoir.
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 290, SubChapter D 290.39(i)
 Description: Failure to submit to the executive director for review and approval any addenda or change orders which may involve a health hazard or relocation of facilities.
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 290, SubChapter D 290.42(e)(5)
 Description: Failure to properly house the hypochlorination equipment.
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 290, SubChapter D 290.41(c)(3)(M)
 Description: Failure to provide a suitable sampling tap on the well discharge.
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 290, SubChapter D 290.42(b)(2)(A)
 Description: Failure to provide drinking water within the maximum permissible levels for manganese.

Date: 02/21/2006 (451106) CN601580566
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 331, SubChapter D 331.65(b)(1)
 30 TAC Chapter 331, SubChapter D 331.67(a)(1)
 WDW-111, PP X PERMIT
 Description: Self reporting showed errors.
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 331, SubChapter D 331.65(b)(1)
 30 TAC Chapter 331, SubChapter D 331.67(a)(4)
 PP X PERMIT
 Description: Alarm records were not being maintained.

Date: 02/22/2006 (460125) CN601580566
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 331, SubChapter D 331.65(b)(1)
 30 TAC Chapter 331, SubChapter D 331.67(a)(2)
 PP X PERMIT
 Description: Self-reporting errors were noted.

Date: 08/02/2007 (532533)

CN601580566

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THC Chapter 382, SubChapter D 382.085(b)
9600, Special Condition 14 PERMIT
O-01328, SC 9.A. OP

Description: Failure to maintain the minimum scrubbing fluid flow rate on the following scrubbers: V-004 (04/15/2005-05/08/2005); V-003 (09/25/2005); and V-008 (01/01-02-2006; 02/06-13/2006; 08/01/2006-09/19/2006) which constitutes a violation of permit no. 9600, SC 14.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THC Chapter 382, SubChapter D 382.085(b)
9600, Special Condition 15 PERMIT
O-01328, SC 9.A. OP

Description: Failure to keep the exit temperature of the condenser associated with V-500 below 110 degrees Fahrenheit on January 4, 2006, from 3:15 a.m. to 3:45 a.m. This constitutes a violation of permit no. 9600, SC 15.

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)
O-01328, General Terms and Conditions OP

Description: Failure to submit all instances of deviation.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter B 115.112(a)(1)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THC Chapter 382, SubChapter D 382.085(b)
O-01328, SC 1.A. OP

Description: Failure to conduct bottom loading of butylamine (vapor pressure 7.65 psia).

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 117, SubChapter B 117.345(f)(6)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THC Chapter 382, SubChapter D 382.085(b)
O-01328, 5.D. OP

Description: Failure to maintain records of the hours of operation for the diesel engines that operate the pit wastewater emergency pump and the emergency air compressor.

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 117, SubChapter B 117.345(f)(10)(A)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THC Chapter 382, SubChapter D 382.085(b)
O-01328, SC 5.E. OP

Description: Failure to maintain records for each time the emergency diesel engines were fired including dates of operation.

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 117, SubChapter B 117.345(f)(10)(B)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THC Chapter 382, SubChapter D 382.085(b)
O-01328, SC 5.E. OP

Description: Failure to maintain records for each time the emergency diesel engines were fired including the start and end times of operation.

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 117, SubChapter B 117.345(f)(10)(C)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THC Chapter 382, SubChapter D 382.085(b)
O-01328, SC 5.E. OP

Description: Failure to maintain records for each time the emergency diesel engines were fired including the identification of the engine.

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 117, SubChapter B 117.345(f)(10)(D)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THC Chapter 382, SubChapter D 382.085(b)

O-01328, SC 5.E. OP

Description: Failure to maintain records for each time the emergency diesel engines were fired including the total hours of operation for each month and for the most recent 12 months.

Date: 04/14/2008 (654634) CN601580566
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 290, SubChapter D 290.46(f)(4)(C)
Description: Failure to provide monthly operating reports.
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 290, SubChapter D 290.45(f)(3)
Description: Failure to submit a copy of the purchase water contract.
Self Report? NO Classification: Major
Citation: 30 TAC Chapter 290, SubChapter D 290.39(e)
30 TAC Chapter 290, SubChapter D 290.39(h)(1)
Description: Failure to submit plans for ground storage tank, service pumps, or pressure tanks for review.

Date: 04/28/2008 (636789) CN601580566
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
30 TAC Chapter 122, SubChapter B 122.146(2)
5C THSC Chapter 382 382.085(b)
O-01328, GENERAL TERMS AND CONDITIONS OP
Description: Failure to submit permit compliance certification no later than 30 days after the end of the reporting period
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
30 TAC Chapter 122, SubChapter B 122.145(2)(C)
5C THSC Chapter 382 382.085(b)
O-01328, GENERAL TERMS AND CONDITIONS OP
Description: Failure to submit the deviation reports no later than 30 days after the end of the reporting period

Date: 08/25/2009 (737244) CN601580566
Self Report? NO Classification: Minor
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)
SC 14 PERMIT
ST&C 9 OP
Description: Failure to meet the minimum scrubbing fluid flow rate for Scrubber V-008.
(Category C1)
Self Report? NO Classification: Minor
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)
SC 8C PERMIT
ST&C 9 OP
Description: Failure to meet the minimum scrubbing fluid flow rate for Scrubber A-100.

(Category C1)
Self Report? NO Classification: Minor
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)
Special Provision 3 PERMIT
ST&C 9 OP
Description: Failure to meet the minimum scrubbing solution pH for Scrubber A-200C.
(Category C1)
Self Report? NO Classification: Minor
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)

SC 7B PERMIT
ST&C 9 OP

Description: Failure to meet the minimum scrubbing fluid flow rate for Scrubber Z-4000.
(Category C1 violation)

Self Report? NO Classification: Minor
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)
SC 7B PERMIT
ST&C 9 OP

Description: Failure to meet the maximum scrubber exhaust temperature for Scrubber K-200.
(Category C1 violation)

Self Report? NO Classification: Minor
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)
SC 7C PERMIT
ST&C 9 OP

Description: Failure to meet the maximum scrubber exhaust temperature for K-300. (Category C1 violation)

Self Report? NO Classification: Minor
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)
SC 4 PERMIT
ST&C 9 OP

Description: Failure to meet the minimum scrubbing fluid flow rate for Scrubber K-600
(Category C1 violation)

Self Report? NO Classification: Minor
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)
SC 14 PERMIT
SC&T 9 OP

Description: Failure to meet the minimum scrubbing fluid flow rate for Scrubber V-003.
(Category C1 violation)

Self Report? NO Classification: Minor
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)
SC 14 PERMIT
ST&C 9 OP

Description: Failure to meet the minimum scrubbing fluid flow rate for Scrubber V-004.
(Category C1 violation)

Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 117, SubChapter D 117.2003(a)(2)(H)(I)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
ST&C 6B OP

Description: Failure to operate East Fire Pump #1 and West Fire Pump #2 less than the exemption amount stated in 30 TAC 117.2003(a)(2)(H)(I). (Category C4 violation)

Date: 10/06/2009 (776620)

CN601580566

Self Report? NO Classification: Minor
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)
SC 14 PERMIT
ST&C 9 OP

Description: Failure to meet the minimum scrubbing fluid flow rate for Scrubber V-008.
(Category C1)

Self Report? NO Classification: Minor
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)
 SC 8C PERMIT
 ST&C 9 OP

Description: Failure to meet the minimum scrubbing fluid flow rate for Scrubber A-100.
 (Category C1)

Self Report? NO Classification: Minor
 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)
 Special Provision 3 PERMIT
 ST&C 9 OP

Description: Failure to meet the minimum scrubbing solution pH for Scrubber A-200C.
 (Category C1)

Self Report? NO Classification: Minor
 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)
 SC 7B PERMIT
 ST&C 9 OP

Description: Failure to meet the minimum scrubbing fluid flow rate for Scrubber Z-4000.
 (Category C1 violation)

Self Report? NO Classification: Minor
 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)
 SC 7B PERMIT
 ST&C 9 OP

Description: Failure to meet the maximum scrubber exhaust temperature for Scrubber K-200.
 (Category C1 violation)

Self Report? NO Classification: Minor
 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)
 SC 7C PERMIT
 ST&C 9 OP

Description: Failure to meet the maximum scrubber exhaust temperature for K-300. (Category
 C1 violation)

Self Report? NO Classification: Minor
 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)
 SC 4 PERMIT
 ST&C 9 OP

Description: Failure to meet the minimum scrubbing fluid flow rate for Scrubber K-600
 (Category C1 violation)

Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 117, SubChapter D 117.2003(a)(2)(H)(i)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 ST&C 6B OP

Description: Failure to operate East Fire Pump #1 and West Fire Pump #2 less than the
 exemption amount stated in 30 TAC 117.2003(a)(2)(H)(i). (Category C4 violation)

Date: 04/15/2010 (784744) CN601580566

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 Special Condition 7B PERMIT
 Special Term and Condition 9 OP

Description: Failure to maintain scrubber exhaust temperatures for K-200 and K-300.
 (category C4 violation)

Self Report? NO Classification: Minor

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)
 Special Condition 3 PERMIT
 Special Term and Condition 9 OP

Description: Failure to maintain the minimum scrubber fluid NaOH concentration for scrubber R-400A. (category C4 violation)

Self Report? NO Classification: Minor

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)
 Special Condition 4 PERMIT
 Special Term and Condition 9 OP

Description: Failure to maintain the minimum scrubber fluid pH on scrubber K-600. (category C4 violation)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 117, SubChapter B 117.300(3)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 Special Term and Condition 5 OP

Description: Failure to operate emergency diesel pumps and air compressors according to 30 TAC 117 Subchapter B requirements. (category C4 violation)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter B 115.126(4)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 Special Term and Condition 1A OP

Description: Failure to maintain records for exempted vents. (category C3 violation)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 117, SubChapter B 117.345(f)(10)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 Special Term and Condition 5E OP

Description: Failure to record the hours of operation of the emergency diesel engines during testing and maintenance (category B3 violation)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 Special Condition 4 PERMIT
 Special Term and Condition 9 OP

Description: Failure to demonstrate a 99% destruction efficiency for the K-400B scrubber system. (category B3 violation)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 Special Condition 12A PERMIT
 Special Term and Condition 9 OP

Description: Failure to demonstrate a 99.95% destruction efficiency for propylene oxide on scrubber V-004. (Category B18 violation)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 Special Condition 13 PERMIT
 Special Term and Condition 9 OP

Description: Failure to maintain the V-004 scrubber stack above 100 degrees Fahrenheit. (category B3 violation)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 Special Condition 6B PERMIT
 Special Condition 7B PERMIT
 Special Condition 7C PERMIT

Special Condition 7D PERMIT
 Special Condition 7E PERMIT
 Special Term and Condition 9 OP
 Description: Failure to maintain adequate temperature data for condensers Z4000 and Z5000.
 (category B3 violation)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.13(a)
 5C THSC Chapter 382 382.085(b)
 Special Condition 14B(1) PERMIT
 Special Term and Condition 7F OP
 Special Term and Condition 9 OP
 Description: Failure to perform CEMS quality assurance according to 40 CFR 60 Appendix F.
 (category B1 violation)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 Special Condition 14F PERMIT
 Special Term and Condition 9 OP
 Description: Failure to maintain the CEMS for scrubber V-004. (category B18 violation)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 Special Condition 7C PERMIT
 Special Condition 7D PERMIT
 Special Condition 7E PERMIT
 Special Term and Condition 9 OP
 Description: Failure to calibrate temperature monitoring devices. (category B3 violation)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 Special Condition 7C PERMIT
 Special Term and Condition 9 OP
 Description: Failure to maintain the liquid flow rate of scrubber A100D above 45 gpm.
 (category B18 violation)

- F. Environmental audits.
N/A
- G. Type of environmental management systems (EMSs).
N/A
- H. Voluntary on-site compliance assessment dates.
N/A
- I. Participation in a voluntary pollution reduction program.
N/A
- J. Early compliance.
N/A

Sites Outside of Texas
N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
AKZO NOBEL SURFACE
CHEMISTRY LLC
RN100219393**

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§

**BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY**

**AGREED ORDER
DOCKET NO. 2010-0738-AIR-E**

At its _____ agenda, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Akzo Nobel Surface Chemistry 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 presented this agreement to the Commission.

The Respondent understands that it has certain procedural rights at certain points in the enforcement process, including, but not limited to, the right to formal notice of violations, notice of an evidentiary hearing, the right to an evidentiary hearing, and a right to appeal. By entering into this Agreed Order, the Respondent agrees to waive all notice and procedural rights.

It is further understood and agreed that this Order represents the complete and fully-integrated settlement of the parties. 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. The duties and responsibilities imposed by this Agreed Order are binding upon the Respondent.

The Commission makes the following Findings of Fact and Conclusions of Law:

I. FINDINGS OF FACT

1. The Respondent owns and operates a chemical plant at 15200 Almeda Road in Houston, Fort Bend County, Texas (the "Plant").

2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
3. During an investigation on February 22, 2010, TCEQ staff documented that the Respondent failed to maintain the minimum liquid flow rate on Scrubbers V-003, V-004, and V-008. Specifically, between September 28, 2008 and August 12, 2009 the liquid flow rate fell below the permitted limits of 200 gallons per minute ("gpm") for V-003 with rates between 116.8 gpm and 193.5 gpm, below 185 gpm for V-004 with a rate of 184.89 gpm, and below 26 gpm for V-008 with rates between 3 and 24.9 gpm.
4. During an investigation on February 22, 2010, TCEQ staff documented that the Respondent failed to submit a complete semi-annual deviation report. Specifically, the Respondent did not report 13 deviations during the September 15, 2008 through February 19, 2009 and February 20, 2009 through August 19, 2009 reporting periods.
5. The Respondent received notice of the violations on April 20, 2010.

II. CONCLUSIONS OF LAW

1. The Respondent is subject to the jurisdiction of the TCEQ pursuant to TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7 and the rules of the Commission.
2. As evidenced by Findings of Fact No. 3, the Respondent failed to maintain the minimum liquid flow rate on the scrubbers, in violation of 30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4) and TEX. HEALTH & SAFETY CODE § 382.085(b), New Source Review Permit No. 9600, Special Condition 14, and Federal Operating Permit No. O-01328, Special Terms and Conditions 9.
3. As evidenced by Findings of Fact No. 4, the Respondent failed to submit a complete semi-annual deviation report, in violation of 30 TEX. ADMIN. CODE §§ 122.143(4) and 122.145(2)(A) and TEX. HEALTH & SAFETY CODE § 382.085(b), and Federal Operating Permit No. O-01328, General Terms and Conditions.
4. Pursuant to TEX. WATER CODE § 7.051, the Commission has the authority to assess an administrative penalty against the Respondent for violations of the Texas Water Code and the Texas Health and Safety Code within the Commission's jurisdiction; for violations of rules adopted under such statutes; or for violations of orders or permits issued under such statutes.
5. An administrative penalty in the amount of Fifteen Thousand Nine Hundred Sixty Dollars (\$15,960) is justified by the facts recited in this Agreed Order, and considered in light of the factors set forth in TEX. WATER CODE § 7.053. The Respondent has paid Seven Thousand Nine Hundred Eighty Dollars (\$7,980) of the administrative penalty. Seven Thousand Nine Hundred Eighty Dollars (\$7,980) shall be conditionally offset by the Respondent's completion of a Supplemental Environmental Project ("SEP").

III. ORDERING PROVISIONS

NOW, THEREFORE, THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY ORDERS that:

1. The Respondent is assessed an administrative penalty in the amount of Fifteen Thousand Nine Hundred Sixty Dollars (\$15,960) as set forth in Section II, Paragraph 5 above, for violations of TCEQ rules and state statutes. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order completely resolve the violations set forth by this Agreed Order in this action. However, the Commission shall not be constrained in any manner from requiring corrective actions or penalties for other violations that are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Akzo Nobel Surface Chemistry LLC, Docket No. 2010-0738-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 II, Paragraph 5 above, Seven Thousand Nine Hundred Eighty Dollars (\$7,980) of the assessed administrative penalty shall be offset with the condition that the Respondent implements the SEP defined in Attachment A, incorporated herein by reference. The Respondent's obligation to pay the conditionally offset portion of the administrative penalty assessed shall be discharged upon final completion of all provisions of the SEP agreement.
3. The Respondent shall undertake the following technical requirements:
 - a. Within 30 days after the effective date of this Agreed Order, implement improvements to training, design, operation, or maintenance procedures to help maintain the minimum liquid flow rate on Scrubbers V-003, V-004, and V-008;
 - b. Within 30 days after the effective date of this Agreed Order, implement a plan to help ensure the timely and complete submittal of semi-annual deviation reports; and
 - c. Within 45 days after the effective date of this Agreed Order, submit written certification as described below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision Nos. 3.a. and 3.b. The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

"I certify under penalty of law that I have personally examined and am familiar with the information submitted and all attached documents, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing violations."

The certification shall be submitted to:

Order Compliance Team
Enforcement Division, MC 149A
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

with a copy to:

Air Section, Manager
Houston Regional Office
Texas Commission on Environmental Quality
5425 Polk Avenue, Suite H
Houston, Texas 77023-1486

4. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Plant operations referenced in this Agreed Order.
5. If the Respondent fails to comply with any of the Ordering Provisions in this Agreed Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, the Respondent's failure to comply is not a violation of this Agreed Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
6. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
7. The Executive Director may refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings without notice to the

Respondent if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.

8. 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.
9. 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.
10. This Agreed Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Agreed Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Agreed Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms "electronic transmission", "owner", "person", "writing", and "written" shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.
11. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties. By law, the effective date of this Agreed Order is the third day after the mailing date, as provided by 30 TEX. ADMIN. CODE § 70.10(b) and TEX. GOV'T CODE § 2001.142.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

John Szolter
For the Executive Director

Date 10/29/2010

I, the undersigned, have read and understand the attached Agreed Order in the matter of Akzo Nobel Surface Chemistry LLC. I am authorized to agree to the attached Agreed Order on behalf of Akzo Nobel Surface Chemistry LLC, and do agree to the specified terms and conditions. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I understand that by entering into this Agreed Order, Akzo Nobel Surface Chemistry LLC waives certain procedural rights, including, but not limited to, the right to formal notice of violations addressed by this Agreed Order, notice of an evidentiary hearing, the right to an evidentiary hearing, and the right to appeal. I agree to the terms of the Agreed Order in lieu of an evidentiary hearing. This Agreed Order constitutes full and final adjudication by the Commission of the violations set forth in this Agreed Order.

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.

CH Barr
Signature

September 28, 2010
Date

CLIFFORD H BARR
Name (Printed or typed)
Authorized Representative of
Akzo Nobel Surface Chemistry LLC

SITE DIRECTOR
Title

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

Attachment A
Docket Number: 2010-0738-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent: Akzo Nobel Surface Chemistry LLC

Payable Penalty Amount: Fifteen Thousand Nine Hundred Sixty Dollars
(\$15,960)

SEP Amount: Seven Thousand Nine Hundred Eighty Dollars
(\$7,980)

Type of SEP: Pre-approved

Third-Party Recipient: Houston-Galveston AERCO's Clean Cities/Clean
Vehicles Program

Location of SEP: Texas Air Quality Control Region 216 – Houston-
Galveston

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

1. Project Description

A. Project

The Respondent shall contribute the SEP offset amount to the Third-Party Recipient named above. The contribution will be to **Houston-Galveston AERCO** for the **Clean Cities/Clean Vehicles Program** as set forth in an agreement between the Third-Party Recipient and the TCEQ. SEP monies will be used to aid local school districts and area transit agencies in reaching local match requirements mandated by the Federal Highway Administration's ("FHWA") Congestion Mitigation/Air Quality Funding program. SEP monies will be disbursed to school districts and transit agencies in need of funding assistance in the Houston-Galveston non-attainment area. Those SEP monies will be used exclusively by the school districts and transit agencies as supplements to meet the local match requirements of the EPA. SEP monies will be used to pay for the cost of replacing older diesel buses with alternative fueled or clean diesel buses. The old buses will be permanently retired and only sold for scrap. The schools and transit agencies will also use the SEP monies to retrofit more buses to reduce emissions. Houston-Galveston AERCO will send the TCEQ verification in the form of paid invoices and other documentation to show that the retrofits were completed. Retrofit technologies include particulate matter traps, diesel particulate matter filters, NOx reduction catalyst technology in combination with diesel particulate filters, and other emission control technologies that are developed and approved by EPA or the California Air Resources Board.

The Respondent certifies that there is no prior commitment to do this project and that it is being performed solely in an effort to settle this enforcement action.

B. Environmental Benefit

This SEP will provide a discernible environmental benefit by reducing particulate emissions of 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 amount to the Third-Party Recipient and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP amount to the Third-Party Recipient. The Respondent shall mail the contribution, with a copy of the Agreed Order, to:

Houston-Galveston Area Council
Houston-Galveston AERCO
P.O. Box 22777
Houston, Texas 77227-2777

3. Records and Reporting

Concurrent with the payment of the SEP amount, the Respondent shall provide the Enforcement Division SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP amount to the Third-Party Recipient. The Respondent shall mail a copy of the check and transmittal letter to:

Enforcement Division
Attention: SEP Coordinator, MC 219
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If the Respondent does not perform its obligations under this SEP in any way, including full payment of the SEP amount and submittal of the required reporting described in Section 3 above, the Executive Director may require immediate payment of all or part of the SEP amount.

Akzo Nobel Surface Chemistry LLC
Agreed Order - Attachment A

The check for any amount due shall be made out to "Texas Commission on Environmental Quality" and mailed to:

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

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

5. Publicity

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

6. Clean Texas Program

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

7. Other SEPs by TCEQ or Other Agencies

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

