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EXECUTIVE SUMMARY - ENFORCEMENT MATTER
DOCKET NO.: 2011-0120-UIC-E TCEQ ID: RN100219393 CASE NO.: 41022
RESPONDENT NAME: AKZO NOBEL SURFACE CHEMISTRY 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 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 checked="" type="checkbox"/> UNDERGROUND INJECTION CONTROL | <input type="checkbox"/> DRY CLEANER REGISTRATION |
| <p>SITE WHERE VIOLATION(S) OCCURRED: AKZO NOBEL SURFACE CHEMISTRY, 15200 Almeda Road, Houston, Fort Bend and Harris Counties</p> <p>TYPE OF OPERATION: Chemical manufacturing facility</p> <p>SMALL BUSINESS: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>OTHER SIGNIFICANT MATTERS: There are no complaints. There are two additional pending enforcement actions regarding this facility location, Docket Nos. 2011-0451-AIR-E and 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 May 9, 2011. No comments were received.</p> <p>CONTACTS AND MAILING LIST: TCEQ Attorney/SEP Coordinator: None TCEQ Enforcement Coordinator: Mr. Wallace Myers, Enforcement Division, Enforcement Team 7, MC 128, (512) 239-6580; Ms. Laurie Eaves, Enforcement Division, MC 219, (512) 239-4495 Respondent: Mr. John Huffman, Plant Manager, AKZO NOBEL SURFACE CHEMISTRY LLC, 15200 Almeda Road, Houston, Texas 77053 Mr. Sergio Sepulveda, Senior Environmental Engineer, 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: October 13, 2010</p> <p>Date of NOV/NOE Relating to this Case: December 16, 2010 (NOE)</p> <p>Background Facts: This was a routine investigation.</p> <p>WATER</p> <p>Failed to conduct quarterly calibrations of underground injection control ("UIC") well monitoring equipment. Specifically, calibration of the monitoring equipment was not conducted for the fourth quarter of 2008 and third quarter of 2010 for well WDW-111 and the fourth quarter of 2008 for well WDW-139 [30 TEX. ADMIN. CODE § 331.63(g) and Class I Underground Injection Permit Nos. WDW-111 and WDW-139, Section XI.E.2.].</p> | <p>Total Assessed: \$7,162</p> <p>Total Deferred: \$1,432 <input checked="" type="checkbox"/> Expedited Settlement <input type="checkbox"/> Financial Inability to Pay</p> <p>SEP Conditional Offset: \$0</p> <p>Total Paid to General Revenue: \$5,730</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>Corrective Actions Taken:</p> <p>The Executive Director recognizes that the Respondent has conducted the required equipment calibrations and implemented procedures to ensure that Facility personnel perform the required quarterly calibrations for all UIC wells at the Facility on November 23, 2010.</p> |

Additional ID No(s): UIC Permits WDW-111 and WDW-139



Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

TCEQ

| | | | | | | |
|--------------|-----------------|-------------|------------------|-------------|----------------|--|
| DATES | Assigned | 20-Dec-2010 | Screening | 22-Dec-2010 | EPA Due | |
| | PCW | 12-Jan-2011 | | | | |

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. | 41022 | No. of Violations | 1 | |
| Docket No. | 2011-0120-UIC-E | Order Type | 1660 | |
| Media Program(s) | Underground Injection Control | Government/Non-Profit | No | |
| Multi-Media | | Enf. Coordinator | Wallace Myers | |
| | | EC's Team | Enforcement Team 7 | |
| Admin. Penalty \$ | Limit Minimum | \$0 | Maximum | \$10,000 |

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties) **Subtotal 1** **\$7,500**

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History **19.0%** Enhancement **Subtotals 2, 3, & 7** **\$1,425**

Notes: Enhancement for ten NOV's with dissimilar violations; reduction for one Notice of Intent.

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** **\$1,875**

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

Total EB Amounts **\$113**
 Approx. Cost of Compliance **\$199**
 *Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7 **Final Subtotal** **\$7,050**

OTHER FACTORS AS JUSTICE MAY REQUIRE **1.6%** **Adjustment** **\$112**

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes: Enhancement to capture the avoided cost of compliance associated with the violation.

Final Penalty Amount **\$7,162**

STATUTORY LIMIT ADJUSTMENT **Final Assessed Penalty** **\$7,162**

DEFERRAL **20.0%** Reduction **Adjustment** **-\$1,432**

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

Notes: Deferral offered for expedited settlement.

PAYABLE PENALTY **\$5,730**

Screening Date 22-Dec-2010

Docket No. 2011-0120-UIC-E

PCW

Respondent AKZO NOBEL SURFACE CHEMISTRY LLC

Policy Revision 2 (September 2002)

Case ID No. 41022

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100219393

Media [Statute] Underground Injection Control

Enf. Coordinator Wallace Myers

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

| Component | Number of... | Enter Number Here | Adjust. |
|-------------------------------|--|-------------------|---------|
| NOVs | Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action (<i>number of NOVs meeting criteria</i>) | 0 | 0% |
| | Other written NOVs | 10 | 20% |
| Orders | Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>) | 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 (<i>number of judgements or consent decrees meeting criteria</i>) | 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 (<i>number of counts</i>) | 0 | 0% |
| Emissions | Chronic excessive emissions events (<i>number of events</i>) | 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 (<i>number of audits for which notices were submitted</i>) | 1 | -1% |
| | Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>) | 0 | 0% |
| <i>Please Enter Yes or No</i> | | | |
| 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) 19%

>> 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

Enhancement for ten NOVs with dissimilar violations; reduction for one Notice of Intent.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 19%

Screening Date 22-Dec-2010

Docket No. 2011-0120-UIC-E

PCW

Respondent AKZO NOBEL SURFACE CHEMISTRY LLC

Policy Revision 2 (September 2002)

Case ID No. 41022

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100219393

Media [Statute] Underground Injection Control

Enf. Coordinator Wallace Myers

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code § 331.63(g) and Class I Underground Injection Permit Nos. WDW-111 and WDW-139, Section XI.E.2.

Violation Description Failed to conduct quarterly calibrations of underground injection control ("UIC") well monitoring equipment. Specifically, calibration of the monitoring equipment was not conducted for the fourth quarter of 2008 and third quarter of 2010 for well WDW-111 and the fourth quarter of 2008 for well WDW-139.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

| Release | Harm | | | Percent |
|-----------|-------|----------|-------|---------|
| | Major | Moderate | Minor | |
| Actual | | | | 25% |
| Potential | | x | | |

>> Programmatic Matrix

| Falsification | Harm | | | Percent |
|---------------|-------|----------|-------|---------|
| | Major | Moderate | Minor | |
| | | | | 0% |

Matrix Notes: Human health or the environment will or could be 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 3 Number of violation days 3

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

Violation Base Penalty \$7,500

Three single events are recommended based on documentation of the violation during the October 13, 2010 investigation.

Good Faith Efforts to Comply

25.0% Reduction

\$1,875

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

Notes: The Respondent came into compliance on November 23, 2010, prior to the NOE issued December 16, 2010.

Violation Subtotal \$5,625

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$113

Violation Final Penalty Total \$7,237

This violation Final Assessed Penalty (adjusted for limits) \$7,237

Economic Benefit Worksheet

Respondent AKZO NOBEL SURFACE CHEMISTRY LLC
Case ID No. 41022
Req. Ent. Reference No. RN100219393
Media Underground Injection Control
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) | \$100 | 13-Oct-2010 | 23-Nov-2010 | 0.11 | \$0 | \$1 | \$1 |
| 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) | | | | 0.00 | \$0 | n/a | \$0 |

Notes for DELAYED costs

Estimated cost to implement procedures to ensure that Facility personnel perform the required quarterly equipment calibrations for all UIC wells at the Facility. The Date Required is the date of the investigation and the Final Date is the date of compliance.

Avoided Costs

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

| | | | | | | | |
|-------------------------------|------|-------------|-------------|------|------|------|-------|
| Disposal | | | | 0.00 | \$0 | \$0 | \$0 |
| Personnel | | | | 0.00 | \$0 | \$0 | \$0 |
| Inspection/Reporting/Sampling | | | | 0.00 | \$0 | \$0 | \$0 |
| Supplies/equipment | | | | 0.00 | \$0 | \$0 | \$0 |
| Financial Assurance [2] | | | | 0.00 | \$0 | \$0 | \$0 |
| ONE-TIME avoided costs [3] | \$99 | 31-Dec-2008 | 30-Sep-2010 | 2.67 | \$13 | \$99 | \$112 |
| Other (as needed) | | | | 0.00 | \$0 | \$0 | \$0 |

Notes for AVOIDED costs

Estimated avoided cost to conduct quarterly calibrations of UIC well monitoring equipment and submit the report to the TCEQ (\$33 per well). The Date Required is the end of the fourth quarter of 2008 and the Final Date is the end of the third quarter of 2010.

Approx. Cost of Compliance

\$199

TOTAL

\$113

Compliance History

Customer/Respondent/Owner-Operator: CN601580566 AKZO NOBEL SURFACE CHEMISTRY LLC Classification: AVERAGE Rating: 0.60
Regulated Entity: RN100219393 AKZO NOBEL SURFACE CHEMISTRY Classification: AVERAGE Site Rating: 1.20

| | | | |
|---------------|--------------------------------|----------------------------------|--------------|
| ID Number(s): | AIR OPERATING PERMITS | ACCOUNT NUMBER | FG0042L |
| | AIR OPERATING PERMITS | PERMIT | 1328 |
| | POLLUTION PREVENTION PLANNING | ID NUMBER | P00932 |
| | 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 |
| | 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 | 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 |
| | INDUSTRIAL AND HAZARDOUS WASTE | EPA ID | TXD065078826 |
| | INDUSTRIAL AND HAZARDOUS WASTE | SOLID WASTE REGISTRATION # (SWR) | 30300 |
| | 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: January 12, 2011

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: December 22, 2005 to December 22, 2010

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

Name: Wallace Myers Phone: 512-239-6580

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: 9/1/2010 Repeat Violator: NO

Components (Multimedia) for the Site :

- A. Final Enforcement Orders, court judgments, 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 | 04/19/2006 | (451106) |
| 2 | 01/24/2006 | (451215) |
| 3 | 01/24/2006 | (451216) |
| 4 | 04/19/2006 | (460125) |
| 5 | 04/19/2006 | (460126) |
| 6 | 04/19/2006 | (460127) |
| 7 | 04/20/2006 | (462467) |
| 8 | 05/21/2006 | (465561) |
| 9 | 07/20/2006 | (484804) |
| 10 | 07/20/2006 | (486285) |
| 11 | 07/20/2006 | (486297) |
| 12 | 07/20/2006 | (486301) |
| 13 | 11/21/2006 | (518889) |
| 14 | 11/21/2006 | (518896) |
| 15 | 03/26/2007 | (519043) |
| 16 | 08/02/2007 | (532533) |
| 17 | 03/12/2007 | (540378) |
| 18 | 04/12/2007 | (542580) |
| 19 | 04/12/2007 | (542588) |
| 20 | 04/12/2007 | (542594) |
| 21 | 04/25/2007 | (555262) |
| 22 | 04/25/2007 | (557780) |
| 23 | 07/09/2007 | (563230) |
| 24 | 07/24/2007 | (565069) |
| 25 | 10/05/2007 | (593535) |
| 26 | 12/10/2007 | (595705) |
| 27 | 12/17/2007 | (599106) |
| 28 | 12/17/2007 | (599107) |
| 29 | 11/19/2007 | (608775) |
| 30 | 11/19/2007 | (608778) |

| | | |
|----|------------|----------|
| 31 | 12/20/2007 | (611960) |
| 32 | 02/27/2008 | (613212) |
| 33 | 02/27/2008 | (613333) |
| 34 | 02/26/2008 | (613362) |
| 35 | 03/06/2008 | (613879) |
| 36 | 03/12/2008 | (618863) |
| 37 | 02/28/2008 | (618956) |
| 38 | 04/28/2008 | (636789) |
| 39 | 04/02/2008 | (637640) |
| 40 | 04/29/2008 | (638524) |
| 41 | 04/29/2008 | (638527) |
| 42 | 04/29/2008 | (638528) |
| 43 | 06/04/2008 | (654634) |
| 44 | 02/16/2009 | (684854) |
| 45 | 11/25/2008 | (708053) |
| 46 | 11/25/2008 | (708054) |
| 47 | 11/25/2008 | (708059) |
| 48 | 11/25/2008 | (708765) |
| 49 | 02/06/2009 | (723302) |
| 50 | 08/25/2009 | (737244) |
| 51 | 04/06/2009 | (737465) |
| 52 | 04/06/2009 | (737466) |
| 53 | 04/06/2009 | (737467) |
| 54 | 05/05/2009 | (738969) |
| 55 | 04/29/2009 | (741850) |
| 56 | 04/29/2009 | (741852) |
| 57 | 04/29/2009 | (741853) |
| 58 | 08/25/2009 | (763141) |
| 59 | 08/26/2009 | (766420) |
| 60 | 08/27/2009 | (766423) |
| 61 | 08/28/2009 | (766424) |
| 62 | 10/08/2009 | (776620) |
| 63 | 04/14/2010 | (784744) |
| 64 | 02/18/2010 | (789374) |
| 65 | 04/22/2010 | (796147) |
| 66 | 04/22/2010 | (796150) |
| 67 | 04/22/2010 | (796151) |
| 68 | 07/08/2010 | (828012) |
| 69 | 07/08/2010 | (828014) |
| 70 | 07/08/2010 | (828016) |
| 71 | 09/29/2010 | (850491) |
| 72 | 11/02/2010 | (864936) |
| 73 | 11/19/2010 | (865202) |
| 74 | 11/02/2010 | (865211) |
| 75 | 09/29/2010 | (865269) |
| 76 | 12/07/2010 | (873407) |
| 77 | 12/16/2010 | (873408) |
| 78 | 12/16/2010 | (873409) |

79 12/14/2010 (873410)
 80 12/08/2010 (879966)
 81 12/08/2010 (879973)
 82 12/14/2010 (884508)

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

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

Description: ST&C 9 OP
 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: The Respondent is alleged to have failed to operate the K-400B scrubber system with no less than a 99 percent efficiency in the removal of carbon compounds captured by the collection system.

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)

Page 8 of 10

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)

violation)
 Date 08/18/2010 (850491) 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 11/30/2010 (873407) CN601580566
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 335, SubChapter A 335.4
 TWC Chapter 26 26.121
 Description: General prohibition and unauthorized discharge
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 335, SubChapter C 335.62
 40 CFR Chapter 262, SubChapter I, PT 262, SubPT A 262.11
 Description: Hazardous waste determination and waste classification

F. Environmental audits.

Notice of Intent Date: 04/23/2010 (826009)
 No DOV Associated

G. Type of environmental management systems (EMSs).

N/A

H. Voluntary on-site compliance assessment dates.

N/A

I. Participation in a voluntary pollution reduction program.

N/A

J. Early compliance.

N/A

Sites Outside of Texas

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



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

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**BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY**

AGREED ORDER DOCKET NO. 2011-0120-UIC-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 AKZO NOBEL SURFACE CHEMISTRY LLC ("the Respondent") under the authority of TEX. WATER CODE chs. 7 and 27. 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 facility at 15200 Alameda Road in Houston, Fort Bend and Harris Counties, Texas (the "Facility").
2. The Respondent is utilizing injection wells as that term is defined in TEX. WATER CODE § 27.002(11).
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 December 21, 2010.
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 Seven Thousand One Hundred Sixty-Two Dollars (\$7,162) is assessed by the Commission in settlement of the violations alleged in

Section II ("Allegations"). The Respondent has paid Five Thousand Seven Hundred Thirty Dollars (\$5,730) of the administrative penalty and One Thousand Four Hundred Thirty-Two Dollars (\$1,432) is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If the Respondent fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require the Respondent to pay all or part of the deferred penalty.

7. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
8. The Executive Director of the TCEQ and the Respondent have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.
9. The Executive Director recognizes that the Respondent has conducted the required equipment calibrations and implemented procedures to ensure that Facility personnel perform the required quarterly calibrations for all underground injection control ("UIC") wells at the Facility on November 23, 2010.
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 Facility, the Respondent is alleged to have failed to conduct quarterly calibrations of UIC well monitoring equipment, in violation of 30 TEX. ADMIN. CODE § 331.63(g) and Class I Underground Injection Permit Nos. WDW-111 and WDW-139, Section XI.E.2., as documented during an investigation conducted on October 13, 2010. Specifically, calibration of the monitoring equipment was not conducted for the fourth quarter of 2008 and third quarter of 2010 for well WDW-111 and the fourth quarter of 2008 for well WDW-139.

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: AKZO NOBEL SURFACE CHEMISTRY LLC, Docket No. 2011-0120-UIC-E" to:

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

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

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission



For the Executive Director

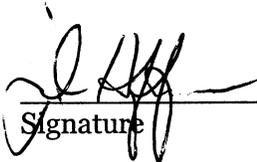
Date 4/27/2011

I, the undersigned, have read and understand the attached Agreed Order. I am authorized to agree to the attached Agreed Order on behalf of the entity indicated below my signature, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I also understand that failure to comply with the Ordering Provisions, if any, in this order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions;
- Automatic referral to the Attorney General's Office of any future enforcement actions;
- and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.



Signature

Date 2/28/2011

JOHN HOFFMAN - PLANT MANAGER
Name (Printed or typed)
Authorized Representative of
AKZO NOBEL SURFACE CHEMISTRY LLC

Title PLANT MANAGER

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