

Executive Summary – Enforcement Matter – Case No. 40962

Lanxess Corporation

RN100825363

Docket No. 2011-0038-AIR-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

AIR

Small Business:

No

Location(s) Where Violation(s) Occurred:

Lanxess Orange Plant, 4647 Farm-to-Market Road 1006, West Orange, Orange County

Type of Operation:

Synthetic rubber production facility

Other Significant Matters:

Additional Pending Enforcement Actions: Yes, Docket Nos. 2010-0224-IWD-E and 2011-0312-AIR-E

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: May 13, 2011

Comments Received: No

Penalty Information

Total Penalty Assessed: \$8,260

Amount Deferred for Expedited Settlement: \$1,652

Amount Deferred for Financial Inability to Pay: \$0

Total Paid to General Revenue: \$3,304

Total Due to General Revenue: \$0

Payment Plan: N/A

SEP Conditional Offset: \$3,304

Name of SEP: City of Orange Municipal Building Energy Efficiency Project

Compliance History Classifications:

Person/CN - Average

Site/RN - Average

Major Source: Yes

Statutory Limit Adjustment: N/A

Applicable Penalty Policy: September 2002

Executive Summary – Enforcement Matter – Case No. 40962

Lanxess Corporation

RN100825363

Docket No. 2011-0038-AIR-E

Investigation Information

Complaint Date(s): N/A

Complaint Information: N/A

Date(s) of Investigation: November 1, 2010

Date(s) of NOE(s): November 29, 2010

Violation Information

1. Failed to maintain a minimum of 95% volatile organic compound (“VOC”) removal efficiency for the wastewater steam stripper. Specifically, between March 4, 2010 and March 11, 2010 the VOC control efficiency ranged between 83.9% and 90.9% [30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(c) and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), Federal Operating Permit No. O-2281, General Terms and Conditions and Special Terms and Conditions No. 11, and New Source Review Permit Nos. 22508 and PSDTX874, Special Conditions No. 6].

2. Failed to maintain a minimum heat content of 300 British thermal units/standard cubic foot (“Btu/scf”) for Flare 1. Specifically, the Respondent's heat content for the Flare 1 was recorded at 247 Btu/scf on November 12, 2009 [30 TEX. ADMIN. CODE §§ 113.100 and 122.143(4), 40 CODE OF FEDERAL REGULATIONS § 63.11(b)(6)(ii), TEX. HEALTH & SAFETY CODE § 382.085(b), and Federal Operating Permit No. O-01391, General Terms and Conditions and Special Terms and Conditions No. 1].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Plant:

- a. On March 12, 2010, the VOC removal efficiency of the wastewater steam stripper returned to compliance; and
- b. By September 30, 2010, a 4-inch natural gas line was installed to Flare 1 to help ensure the minimum 300 Btu/sct can be maintained at all times, and monitoring and alarms for Flare 1 were improved.

Technical Requirements:

The Order will require the Respondent to implement and complete a Supplemental Environmental Project (SEP). (See SEP Attachment A)

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Docket No. 2011-0038-AIR-E

Litigation Information

Date Petition(s) Filed: N/A

Date Answer(s) Filed: N/A

SOAH Referral Date: N/A

Hearing Date(s): N/A

Settlement Date: N/A

Contact Information

TCEQ Attorney: N/A

TCEQ Enforcement Coordinator: Gena Hawkins, Enforcement Division,
Enforcement Team 4, MC 149, (512) 239-2583; Laurie Eaves, Enforcement Division,
MC 219, (512) 239-4495

TCEQ SEP Coordinator: Phillip Hampsten, SEP Coordinator, Enforcement Division,
MC 219, (512) 239-6732

Respondent: Clifford Wenzel, Environmental Superintendent, Lanxess Corporation,
4647 Farm-to-Market Road 1006, West Orange, Texas 77630;

Markus Linke, V.P., Orange Site Manager, Lanxess Corporation, 4647 Farm-to-Market
Road 1006, West Orange, Texas 77630

Respondent's Attorney: N/A

Attachment A
Docket Number: 2011-0038-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	Lanxess Corporation
Penalty Amount:	Six Thousand Six Hundred Eight Dollars (\$6,608)
SEP Offset Amount:	Three Thousand Three Hundred Four Dollars (\$3,304)
Type of SEP:	Pre-approved
Third-Party Recipient:	<i>City of Orange Municipal Building Energy Efficiency Project</i>
Location of SEP:	Orange County

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

1. Project Description

A. Project

Respondent shall contribute the SEP Offset Amount to the Third-Party Recipient named above. The contribution will be used by the **City of Orange Municipal Building Energy Efficiency Project** as set forth in an agreement between the Third-Party Recipient and the TCEQ. Specifically, the SEP Offset Amount will be used to perform energy efficiency upgrades on public buildings and infrastructure. The SEP Offset Amount may only be used for: (1) the cost of conducting energy efficiency audits; (2) the incremental cost for construction or implementation of energy-efficiency upgrades (versus the cost of non-energy efficiency upgrades); (3) the incremental cost of purchase of equipment or appliances that are more energy-efficient (versus the cost of purchasing non-energy efficient equipment or appliances); or (4) other direct costs authorized in advance by TCEQ. The SEP Offset Amount may only be used for the direct cost of performing this project and no portion will be spent on administrative costs. For items 2, 3, and 4 above, Performing Party shall submit a budget and proposals for expenditure to TCEQ for written approval prior to the use of SEP Funds.

Modifications may include but are not limited to weatherization; energy-reduction modifications such as building envelope upgrades (cool roofs, exterior shading, optimized

Lanxess Corporation
Agreed Order – Attachment A

insulation and air sealing); installation of high-efficiency lighting fixtures and occupancy sensors for both lighting and HVAC; high-efficiency demand-controlled ventilation and energy-efficient boilers; more efficient exterior lighting and energy-efficient office equipment; replacing heating, ventilation, and cooling (HVAC) systems with more efficient boilers, motors, and variable-speed drives; reducing energy and maintenance costs by installing centralized energy management systems; lowering electric lighting and cooling loads and boosting productivity through increased use of daylighting; installation of LED traffic lights; and use of renewable energy sources. Performing Party shall quantify the environmental benefit of each project and submit the results of those calculations to TCEQ within 90 days of completion of each project.

The Respondent certifies that it has 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

Implementation of the SEP will provide a discernable environmental benefit by reducing fuel and electricity usage for heating and cooling and other day-to-day operations. These reductions will reduce emissions of particulate matter, volatile organic carbon compounds, nitrogen oxides, and other pollutants associated with the combustion of fuel and generation of electricity.

C. Minimum Expenditure

The Respondent shall contribute at least the SEP Offset Amount to the Third-Party Recipient and comply with all other provisions of this SEP.

2. Performance Schedule

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

City of Orange, Texas
c/o John Johnson, Carl R. Griffith and Associates
2901 Turtle Creek Drive, Suite 445
Port Arthur, Texas 77642-8077

3. Records and Reporting

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

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

4. Failure to Fully Perform

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

In the event of incomplete performance, the Respondent shall submit a check for any remaining amount due made payable to "Texas Commission on Environmental Quality" with the notation "SEP Refund" and the docket number of the case, and shall send it to:

Texas Commission on Environmental Quality
Office of Legal Services
Attention: SEP Coordinator, MC 175
P.O. Box 13088
Austin, Texas 78711-3088

5. Publicity

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

6. Clean Texas Program

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

7. Other SEPs by TCEQ or Other Agencies

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



Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

TCEQ

DATES	Assigned	6-Dec-2010	Screening	3-Jan-2011	EPA Due	
	PCW	4-Mar-2011				

RESPONDENT/FACILITY INFORMATION

Respondent	Lanxess Corporation				
Reg. Ent. Ref. No.	RN100825363				
Facility/Site Region	10-Beaumont	Major/Minor Source	Major		

CASE INFORMATION

Enf./Case ID No.	40962	No. of Violations	2
Docket No.	2011-0038-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Gena Hawkins
		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**

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**

Notes

Culpability Enhancement **Subtotal 4**

Notes

Good Faith Effort to Comply Total Adjustments **Subtotal 5**

Economic Benefit Enhancement* **Subtotal 6**

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

SUM OF SUBTOTALS 1-7 **Final Subtotal**

OTHER FACTORS AS JUSTICE MAY REQUIRE **Adjustment**

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes

Final Penalty Amount

STATUTORY LIMIT ADJUSTMENT **Final Assessed Penalty**

DEFERRAL Reduction **Adjustment**

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

Notes

PAYABLE PENALTY

Screening Date 3-Jan-2011

Docket No. 2011-0038-AIR-E

PCW

Respondent Lanxess Corporation

Policy Revision 2 (September 2002)

Case ID No. 40962

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100825363

Media [Statute] Air

Enf. Coordinator Gena Hawkins

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>)	3	15%
	Other written NOVs	43	86%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	3	60%
	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>)	0	0%
	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) 161%

>> 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 three same/similar NOVs, 43 dissimilar NOVs and three orders with denial of liability.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 161%

Screening Date 3-Jan-2011

Docket No. 2011-0038-AIR-E

PCW

Respondent Lanxess Corporation

Policy Revision 2 (September 2002)

Case ID No. 40962

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100825363

Media [Statute] Air

Enf. Coordinator Gena Hawkins

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code §§ 101.20(3), 116.115(c) and 122.143(4), Tex. Health & Safety Code § 382.085(b), Federal Operating Permit No. O-2281, General Terms and Conditions and Special Terms and Conditions No. 11, and New Source Review Permit Nos. 22508 and PSDTX874, Special Conditions No. 6

Violation Description Failed to maintain a minimum of 95% volatile organic compound ("VOC") removal efficiency for the wastewater steam stripper. Specifically, between March 4, 2010 and March 11, 2010 the VOC control efficiency ranged between 83.9% and 90.0%.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

Release	Harm			Percent
	Major	Moderate	Minor	
Actual			X	25%
Potential				

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
				0%

Matrix Notes

Human health or the environment was exposed to insignificant amounts of pollutants which did not exceed levels protective of human health or environmental receptors as a result of the violation.

Adjustment \$7,500

\$2,500

Violation Events

Number of Violation Events 1 Number of violation days 7

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

Violation Base Penalty \$2,500

One quarterly event is recommended for the period the wastewater steam stripper was operating below the minimum VOC removal efficiency.

Good Faith Efforts to Comply

25.0% Reduction Before NOV NOV to EDPRP/Settlement Offer

\$625

Extraordinary	
Ordinary	X
N/A	(mark with x)

Notes

The Respondent came into compliance on March 12, 2010, and the NOE is dated November 29, 2010.

Violation Subtotal \$1,875

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$2

Violation Final Penalty Total \$5,900

This violation Final Assessed Penalty (adjusted for limits) \$5,900

Economic Benefit Worksheet

Respondent Lanxess Corporation
Case ID No. 40962
Reg. Ent. Reference No. RN100825363
Media Air
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

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

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$2,000	4-Mar-2010	12-Mar-2010	0.02	\$2	n/a	\$2

Notes for DELAYED costs

Estimated cost for additional oversight and management practices designed to ensure the VOC removal efficiency of the wastewater steam stripper is maintained at or above 95%. Date Required is the earliest date of noncompliance and 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]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$2,000

TOTAL

\$2

Screening Date 3-Jan-2011
Respondent Lanxess Corporation
Case ID No. 40962
Reg. Ent. Reference No. RN100825363
Media [Statute] Air
Enf. Coordinator Gena Hawkins

Docket No. 2011-0038-AIR-E

PCW

Policy Revision 2 (September 2002)
 PCW Revision October 30, 2008

Violation Number

2

Rule Cite(s)

30 Tex. Admin. Code §§ 113.100 and 122.143(4), 40 Code of Federal Regulations § 63.11(b)(6)(ii), Tex. Health & Safety Code § 382.085(b), and Federal Operating Permit No. O-01391, General Terms and Conditions and Special Terms and Conditions No. 1

Violation Description

Failed to maintain a minimum heat content of 300 British thermal units per standard cubic feet ("Btu/scf") for Flare 1. Specifically, the Respondent's heat content for the Flare 1 was recorded at 247 Btu/scf on November 12, 2009.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

Release	Harm			Percent
	Major	Moderate	Minor	
Actual				10%
Potential			x	

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
				0%

Matrix Notes

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

Adjustment \$9,000

\$1,000

Violation Events

Number of Violation Events Number of violation days

mark only one with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$1,000

One single event is recommended for the date the flare did not meet the minimum Btu/scf.

Good Faith Efforts to Comply

25.0% Reduction

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

Notes: The Respondent came into compliance by September 30, 2010, and the NOE is dated November 29, 2010.

Violation Subtotal \$750

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount

Violation Final Penalty Total

This violation Final Assessed Penalty (adjusted for limits)

Economic Benefit Worksheet

Respondent Lanxess Corporation
Case ID No. 40962
Reg. Ent. Reference No. RN100825363
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				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$3,000	12-Nov-2009	30-Sep-2010	0.88	\$132	n/a	\$132

Notes for DELAYED costs

Estimated cost to implement policies and procedures to ensure maintenance of minimum heat content of Flare 1. The Date Required is the date of the violation. The Final Date is the date corrective actions were completed.

Avoided Costs

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance

\$3,000

TOTAL

\$132

5C THSC Chapter 382.085(b)
 Rqmt Prov: FOP O2282, General Terms and Conditions OP
 FOP O2282, Special Condition 2F OP
 Description: Failed to report Incident No. 111300 within 24 hours after discovery.
 Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382.085(b)
 Rqmt Prov: FOP O-02282, General Terms and Condition OP
 FOP O-02282, Special Condition 11 OP
 Special Condition 1 PERMIT
 Description: Failed to prevent unauthorized emissions during Incident No. 111300.

Effective Date: 08/21/2010 ADMINORDER 2010-0142-AIR-E
 Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382.085(b)
 Rqmt Prov: FOP O-02281 General Terms and Conditions OP
 FOP O-02281, Special Condition 11 OP
 NSR Permit 22508, Special Condition 1 PERMIT
 Description: Failure to maintain emission rates below the allowable emission limits.

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	12/18/2006	(406548)
2	05/09/2006	(453986)
3	03/31/2006	(455894)
4	07/05/2006	(462812)
5	05/16/2006	(465393)
6	02/28/2006	(468184)
7	01/23/2006	(468187)
8	03/28/2006	(498031)
9	04/24/2006	(498032)
10	05/26/2006	(498033)
11	06/26/2006	(498034)
12	07/10/2006	(498035)
13	10/03/2006	(511695)
14	08/21/2006	(520046)
15	07/18/2006	(520047)
16	10/17/2006	(520048)
17	01/04/2007	(533360)
18	02/07/2007	(533954)
19	02/20/2007	(544296)
20	09/22/2006	(544297)
21	11/16/2006	(544298)
22	12/27/2006	(544299)
23	01/19/2007	(544300)
24	05/16/2007	(555261)
25	06/14/2007	(559010)
26	07/03/2007	(566077)
27	07/26/2007	(566591)
28	09/13/2007	(571245)
29	10/05/2007	(571389)
30	03/20/2007	(574965)
31	04/20/2007	(574966)
32	05/18/2007	(574967)
33	06/20/2007	(574968)
34	07/20/2007	(574969)
35	04/09/2007	(593173)
36	12/17/2007	(598701)
37	12/14/2007	(600084)
38	09/20/2007	(607504)
39	10/19/2007	(607505)
40	10/19/2007	(607506)
41	02/19/2008	(614689)
42	11/20/2007	(619411)
43	12/20/2007	(619412)
44	04/08/2008	(640319)
45	08/02/2007	(645509)
46	05/23/2008	(653916)
47	02/21/2008	(671915)
48	03/20/2008	(671916)
49	04/21/2008	(671917)
50	04/21/2008	(671918)
51	08/13/2008	(685498)
52	05/19/2008	(689840)
53	06/20/2008	(689841)
54	11/13/2008	(702023)
55	01/13/2009	(702422)
56	08/20/2008	(710601)
57	04/08/2009	(724981)
58	11/20/2008	(727393)
59	11/20/2008	(727394)
60	11/20/2008	(727395)
61	12/20/2008	(727396)

62 01/20/2009 (727397)
 63 04/21/2009 (739741)
 64 04/21/2009 (739746)
 65 05/11/2009 (740484)
 66 02/20/2009 (750136)
 67 03/19/2009 (750137)
 68 04/20/2009 (750138)
 69 04/20/2009 (750139)
 70 04/23/2009 (758944)
 71 07/13/2009 (760110)
 72 11/23/2009 (764963)
 73 05/20/2009 (768266)
 74 06/15/2009 (768267)
 75 02/04/2010 (779418)
 76 12/16/2009 (781983)
 77 12/22/2009 (782094)
 78 12/28/2009 (786664)
 79 05/20/2010 (796499)
 80 04/09/2010 (796544)
 81 02/19/2010 (804355)
 82 08/20/2009 (804356)
 83 09/18/2009 (804357)
 84 10/29/2009 (804358)
 85 11/19/2009 (804359)
 86 12/17/2009 (804360)
 87 01/20/2010 (804361)
 88 08/02/2010 (826557)
 89 07/30/2010 (828344)
 90 07/31/2010 (829147)
 91 03/19/2010 (830766)
 92 04/20/2010 (830767)
 93 05/19/2010 (830768)
 94 08/13/2010 (844117)
 95 06/17/2010 (846230)
 96 07/20/2010 (860826)
 97 09/22/2010 (865055)
 98 08/20/2010 (866792)
 99 11/12/2010 (870928)
 100 11/29/2010 (872645)
 101 09/20/2010 (873864)
 102 10/20/2010 (881466)

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

Date: 05/09/2006 (453986) CN602665556
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 335, SubChapter C 335.69(d)(1)
 40 CFR Chapter 262, SubChapter I, PT 262, SubPT C 262.34(c)(1)(i)
 40 CFR Chapter 265, SubChapter I, PT 265, SubPT I 265.173(a)
 Description: Failure to keep a container of hazardous waste closed in a satellite accumulation area (SAA).
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 335, SubChapter A 335.9(a)(1)(G)
 Description: Failure to document the location of a satellite accumulation area (SAA).
 Date: 06/30/2006 (498035) CN602665556
 Self Report? YES Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 TWC Chapter 26 26.121(a)
 Description: Failure to meet the limit for one or more permit parameter
 Date: 07/06/2006 (462812) CN602665556
 Self Report? NO Classification: Moderate
 Citation: 18072 SC4 PA
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THC Chapter 382, SubChapter D 382.085(b)
 O-02279 SC8 OP
 Description: Failure to limit the flow rate through carbon adsorption units D-1521V, D-12221V, and D-1221BV.
 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)
 9794 SC 7 PA
 O-02281 SC 11 OP
 Description: Failure to operate the steam stripper with no less than 95 percent efficiency.
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 115, SubChapter B 115.132(a)(1)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THC Chapter 382, SubChapter D 382.085(b)
 O-02282 SC 10 OP
 Description: Failure to operate the water separator without emissions to the atmosphere.
 Failure to operate the water separator without emissions to the atmosphere.
 Date: 10/31/2006 (544298) CN602665556
 Self Report? YES Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 TWC Chapter 26 26.121(a)
 Description: Failure to meet the limit for one or more permit parameter

Date: 02/08/2007 (533954) CN602665556
 Self Report? NO Classification: Moderate
 Citation: 18072 Special Condition 7B PERMIT
 19663 Special Condition 6 PERMIT
 22508/PSD-TX-874, Special Condition 8B PERMIT
 30 TAC Chapter 101, SubChapter A 101.20(1)
 30 TAC Chapter 101, SubChapter A 101.20(3)
 30 TAC Chapter 113, SubChapter C 113.100
 30 TAC Chapter 113, SubChapter C 113.260
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(c)(1)
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT A 63.11(b)(5)
 5C THC Chapter 382, SubChapter A 382.085(b)
 O-01391, Special Condition 1A OP
 O-01391, Special Condition 1D OP
 O-01391, Special Condition 7A OP
 Description: Failure to maintain a constant pilot flame for the facility common flare, Emission Point
 Number (EPN) FLARE 1.

Date: 04/09/2007 (593173) CN602665556
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 30 TAC Chapter 305, SubChapter F 305.125(17)
 Description: NON-RPT VIOS FOR MONIT PER OR PIPE
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 30 TAC Chapter 305, SubChapter F 305.125(17)
 Description: NON-RPT VIOS FOR MONIT PER OR PIPE

Date 05/31/2007 (574968) CN602665556
 Self Report? YES Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 TWC Chapter 26 26.121(a)
 Description: Failure to meet the limit for one or more permit parameter

Date 07/03/2007 (566077) CN602665556
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 335, SubChapter C 335.69(a)(1)(B)
 30 TAC Chapter 335, SubChapter E 335.112(a)(9)
 40 CFR Chapter 262, SubChapter I, PT 262, SubPT C 262.34(a)(1)(ii)
 40 CFR Chapter 265, SubChapter I, PT 265, SubPT J 265.193(e)(1)(iii)
 Description: Failure to maintain the liner in the secondary containment.

Date 07/31/2007 (520047) CN602665556
 Self Report? YES Classification: Moderate
 Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
 30 TAC Chapter 305, SubChapter F 305.125(1)
 Description: Failure to meet the limit for one or more permit parameter

Date 08/02/2007 (645509) CN602665556
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 290, SubChapter F 290.109(f)(2)
 Description: BACT - NONACUTE MCL (5% OR >1)

Date 08/31/2007 (607504) CN602665556
 Self Report? YES Classification: Moderate
 Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
 30 TAC Chapter 305, SubChapter F 305.125(1)
 Description: Failure to meet the limit for one or more permit parameter

Date 09/30/2007 (607505) CN602665556
 Self Report? YES Classification: Moderate
 Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
 30 TAC Chapter 305, SubChapter F 305.125(1)
 Description: Failure to meet the limit for one or more permit parameter

Date 11/30/2007 (619412) CN602665556
 Self Report? YES Classification: Moderate
 Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
 30 TAC Chapter 305, SubChapter F 305.125(1)
 Description: Failure to meet the limit for one or more permit parameter

Date 12/17/2007 (600084) CN602665556
 Self Report? NO Classification: Moderate
 Citation: 18072, Special Condition 4 PERMIT
 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)
 O-02279, Special Condition 8 OP
 Description: Failure to maintain an hourly flow rate through carbon adsorption units below allowable limits.

Self Report? NO Classification: Moderate
 Citation: 18072, Special Condition 1 PERMIT
 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 O-02279, Special Condition 8 OP
 Description: Failure to maintain an emission rate below the allowable emission limits.
 Date 02/20/2008 (614689) CN602665556
 Self Report? NO Classification: Moderate
 Citation: 22508 and PSD-TX-874, Special Condon 1 PERMIT
 30 TAC Chapter 101, SubChapter A 101.20(3)
 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 O-02281, Special Condition 11 OP
 Description: Failure to maintain an emission rate below the allowable emission limits. B13 Mod
 Date 04/30/2008 (689840) CN602665556
 Self Report? YES Classification: Moderate
 Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
 30 TAC Chapter 305, SubChapter F 305.125(1)
 Description: Failure to meet the limit for one or more permit parameter
 Date 05/31/2008 (689841) CN602665556
 Self Report? YES Classification: Moderate
 Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
 30 TAC Chapter 305, SubChapter F 305.125(1)
 Description: Failure to meet the limit for one or more permit parameter
 Date 06/30/2008 (671918) CN602665556
 Self Report? YES Classification: Moderate
 Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
 30 TAC Chapter 305, SubChapter F 305.125(1)
 Description: Failure to meet the limit for one or more permit parameter
 Date 07/31/2008 (710601) CN602665556
 Self Report? YES Classification: Moderate
 Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
 30 TAC Chapter 305, SubChapter F 305.125(1)
 Description: Failure to meet the limit for one or more permit parameter
 Date 08/13/2008 (685498) CN602665556
 Self Report? NO Classification: Minor
 Citation: WQ0001167-000 OT Pg 12, No 3 PERMIT
 Description: Failure by Lanxess to discharge effluent compliant with the permit limitations for chlorine residual.
 Self Report? NO Classification: Moderate
 Citation: WQ0001167-000 OpR Pg 9, No 1 PERMIT
 Description: Failure by Lanxess to ensure that all systems of collection, treatment, and disposal are properly operated and maintained.
 Self Report? NO Classification: Minor
 Citation: WQ0001167-000 M&RR Pg 5, No3c PERMIT
 Description: Failure by Lanxess to maintain complete records of monitoring activities.
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 319, SubChapter A 319.5(b)
 WQ0001167-000 CBR Pg 14, No 1e PERMIT
 Description: Failure by Lanxess to comply with the permit required bio-monitoring sampling frequency.
 Self Report? NO Classification: Moderate
 Citation: WQ0001167-000 EL&MR Pg 2, No 1 PERMIT
 Description: Failure by Lanxess to discharge effluent compliant with permit limitations for Biochemical Oxygen Demand (BOD).
 Self Report? NO Classification: Moderate
 Citation: WQ0001167-000 OpR Pg 9, No 1 PERMIT
 Description: Failure by Lanxess Corporation to ensure that all systems of collection, treatment, and disposal are properly operated and maintained.
 Self Report? NO Classification: Minor
 Citation: WQ0001167-000 OpR Pg 9, No 1 PERMIT
 Description: Failure by Lanxess to ensure that all systems of collection, treatment, and disposal are properly operated and maintained.
 Self Report? NO Classification: Minor
 Citation: WQ0001167-000 M&RR Pg 5, No 3b PERMIT
 Description: Failure by Lanxess to maintain the required records and have them available for review during the investigation.

Self Report?	NO	Classification:	Minor
Citation:	30 TAC Chapter 305, SubChapter F 305.125 WQ0001167-000 M&RR Pg 5, No 3b PERMIT		
Description:	Failure by Lanxess to maintain the required records and have them available for review during the investigation.		
Date	08/31/2008 (727393)	CN602665556	
Self Report?	YES	Classification:	Moderate
Citation:	2D TWC Chapter 26, SubChapter A 26.121(a) 30 TAC Chapter 305, SubChapter F 305.125(1)		
Description:	Failure to meet the limit for one or more permit parameter		
Date	01/31/2009 (750136)	CN602665556	
Self Report?	YES	Classification:	Moderate
Citation:	2D TWC Chapter 26, SubChapter A 26.121(a) 30 TAC Chapter 305, SubChapter F 305.125(1)		
Description:	Failure to meet the limit for one or more permit parameter		
Date	03/31/2009 (750138)	CN602665556	
Self Report?	YES	Classification:	Moderate
Citation:	2D TWC Chapter 26, SubChapter A 26.121(a) 30 TAC Chapter 305, SubChapter F 305.125(1)		
Description:	Failure to meet the limit for one or more permit parameter		
Date	04/21/2009 (739746)	CN602665556	
Self Report?	NO	Classification:	Moderate
Citation:	30 TAC Chapter 113, SubChapter C 113.130 30 TAC Chapter 116, SubChapter B 116.115(c) 30 TAC Chapter 122, SubChapter B 122.143(4) 40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.167(a)(1) 5C THSC Chapter 382 382.085(b) FOP 0-02279, Special Condition 8 OP FOP 2279, 2280, 2281, 2282 General Terms OP FOP O-02282, Special Condition 11 OP FOP O-02282, Special Condition 9 OP FOPs O-02281 and O-02280, Special Cond 9 OP NSR 18072, Special Condition 16E PERMIT NSR 19663, Special Condition 10E PERMIT NSR 22508, Special Condition 11E PERMIT		
Description:	Failure to operate an open-ended valve or line with a cap, blind flange, plug, or second valve as reported in the deviation reports for FOPs O-02279, O-02280, O-02281, O-02282 covering the reporting period of July 1, 2007, through December 31, 2008. C10		
Self Report?	NO	Classification:	Moderate
Citation:	30 TAC Chapter 115, SubChapter B 115.122(a)(1) 30 TAC Chapter 122, SubChapter B 122.143(4) 5C THSC Chapter 382 382.085(b) FOP O-02282 General Terms and Conditions OP FOP O-02282, Special Condition 1A OP		
Description:	Failure to properly control a vent gas stream at a stationary vent.		
Self Report?	NO	Classification:	Moderate
Citation:	30 TAC Chapter 122, SubChapter B 122.145(2)(A) 5C THSC Chapter 382 382.085(b)		
Description:	Failure to provide notification of deviations.		
Self Report?	NO	Classification:	Moderate
Citation:	30 TAC Chapter 122, SubChapter B 122.146(1) 30 TAC Chapter 122, SubChapter B 122.146(5)(C) 5C THSC Chapter 382 382.085(b)		
Description:	Failure to accurately certify an Annual Compliance Certification (ACC) report.		
Self Report?	NO	Classification:	Moderate
Citation:	30 TAC Chapter 115, SubChapter B 115.132(a)(1) 30 TAC Chapter 122, SubChapter B 122.143(4) 5C THSC Chapter 382 382.085(b) FOP 0-02280, Special Condition 13 OP FOP O-02280 General Terms and Conditions OP		
Description:	Failure to maintain a vapor tight seal on the water separator.		
Date	04/23/2009 (758944)	CN602665556	
Self Report?	NO	Classification:	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) 30 TAC Chapter 305, SubChapter F 305.125(17)		
Description:	NON-RPT VIOS FOR MONIT PER OR PIPE		
Date	04/30/2009 (768266)	CN602665556	
Self Report?	YES	Classification:	Moderate
Citation:	2D TWC Chapter 26, SubChapter A 26.121(a)		

30 TAC Chapter 305, SubChapter F 305.125(1)
 Description: Failure to meet the limit for one or more permit parameter
 Date 05/31/2009 (768267) CN602665556
 Self Report? YES Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
 30 TAC Chapter 305, SubChapter F 305.125(1)
 Description: Failure to meet the limit for one or more permit parameter
 Date 06/30/2009 (750139) CN602665556
 Self Report? YES Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
 30 TAC Chapter 305, SubChapter F 305.125(1)
 Description: Failure to meet the limit for one or more permit parameter
 Date 07/31/2009 (804356) CN602665556
 Self Report? YES Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
 30 TAC Chapter 305, SubChapter F 305.125(1)
 Description: Failure to meet the limit for one or more permit parameter
 Date 08/31/2009 (804357) CN602665556
 Self Report? YES Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
 30 TAC Chapter 305, SubChapter F 305.125(1)
 Description: Failure to meet the limit for one or more permit parameter
 Date 09/30/2009 (804358) CN602665556
 Self Report? YES Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
 30 TAC Chapter 305, SubChapter F 305.125(1)
 Description: Failure to meet the limit for one or more permit parameter
 Date 10/31/2009 (804359) CN602665556
 Self Report? YES Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
 30 TAC Chapter 305, SubChapter F 305.125(1)
 Description: Failure to meet the limit for one or more permit parameter
 Date 11/30/2009 (804360) CN602665556
 Self Report? YES Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
 30 TAC Chapter 305, SubChapter F 305.125(1)
 Description: Failure to meet the limit for one or more permit parameter
 Date 12/17/2009 (781983) CN602665556
 Self Report? NO Classification: Moderate

Citation: WQ0001167-000 EL&MR Pg 2, No 1 PERMIT
 Description: Failure by Lanxess to discharge effluent compliant with permit limitations for Biochemical Oxygen Demand (BOD).
 Self Report? NO Classification: Moderate

Citation: WQ0001167-000 OpR Pg 9, No 1 PERMIT
 Description: Failure by Lanxess Corporation to ensure that all systems of collection, treatment, and disposal are properly operated and maintained.
 Self Report? NO Classification: Minor

Citation: OpR PERMIT
 Description: Failure by Lanxess Corporation to properly operate and maintain units of treatment and collection.
 Self Report? NO Classification: Moderate

Citation: MRR PERMIT
 Description: Failure by Lanxess Corporation to maintain records of monitoring activities.
 Self Report? NO Classification: Minor

Citation: MRR PERMIT
 Description: Failure by Lanxess Corporation to maintain records for three years from the date of the records.
 Self Report? NO Classification: Minor

Citation: MRR PERMIT
 Description: Failure by Lanxess Corporation to comply with procedures specified in 30 TAC 319.11 - 319.12.
 Self Report? NO Classification: Moderate

Citation: MRR PERMIT
 Description: Failure by Lanxess Corporation to report all effluent violations that deviate from the permitted limitation by more than 40%.
 Self Report? NO Classification: Minor

Citation: MRR PERMIT

Description: Failure by Lanxess Corporation to properly record monitoring activities.
Self Report? NO Classification: Minor

Citation: MRR PERMIT
Description: Failure by Lanxess Corporation to comply with procedures specified in 30 TAC 319.11 - 319.12.
Self Report? NO Classification: Moderate

Citation: ELMR PERMIT
Description: Failure by Lanxess Corporation to comply with the effluent limitations and monitoring requirements for total phenols, toluene, cyclohexane, total mercury, and total zinc.

Date 12/31/2009 (804361) CN602665556
Self Report? YES Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter

Date 01/31/2010 (804355) CN602665556
Self Report? YES Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter

Date 02/28/2010 (830766) CN602665556
Self Report? YES Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter

Date 03/31/2010 (830767) CN602665556
Self Report? YES Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter

Date 04/12/2010 (796544) CN602665556
Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 113, SubChapter C 113.100
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT A 63.11(b)(6)(ii)
5C THSC Chapter 382 382.085(b)
General Terms and Conditions OP
Special Condition 8 OP
Special Condition 8A PERMIT
Description: Failure to maintain the flare with a minimum heating value of 300 British thermal units per standard cubic foot (btu/scf).
Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 113, SubChapter C 113.100
30 TAC Chapter 113, SubChapter C 113.890
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT A 63.10(b)(2)(x)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT FFFF 63.2525(a)
5C THSC Chapter 382 382.085(b)
General Terms and Conditions OP
Special Condition 15C PERMIT
Special Condition 3 PERMIT
Special Condition 8 OP
Description: Failure to record the daily drift checks on each CEMS.
Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 113, SubChapter C 113.890
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT FFFF 63.2450
5C THSC Chapter 382 382.085(b)
General Terms and Conditions OP
Special Condition 15D PERMIT
Special Condition 3 PERMIT
Special Condition 8 OP
Description: Failure to conduct a quarterly CGA for each of the four CEMS. According to 40 CFR 60 Appendix F Procedure 5.1.2, a CGA must be completed 3 out of 4 quarters.
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)
General Terms and Conditions OP
Special Condition 18G PERMIT

Special Condition 8 OP
 Description: Failure to maintain the scrubber solution at or above a pH of 7.
 Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter B 115.132(a)(1)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 General Terms and Conditions OP
 Special Condition 1A OP

Description: Failure to maintain a vapor tight seal on the water separator.
 Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 113, SubChapter C 113.130
 30 TAC Chapter 115, SubChapter D 115.352(2)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.168(f)(2)
 5C THSC Chapter 382 382.085(b)
 General Terms and Conditions OP
 Special Condition 1A OP

Description: Failure to make a first attempt to repair a leaking component within five days of discovery.
 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)
 General Terms and Conditions OP
 Special Condition 11 OP
 Special Condition 6 PERMIT

Description: Failure to maintain the outlet stream of the steam stripper with a process treatment of 95% efficiency or a VOC concentration of less than 35 ppm.
 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)
 General Terms and Conditions OP
 Special Condition 11 OP
 Special Condition 6 PERMIT

Description: Failure to conduct monthly monitoring of the process wastewater.
 Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(4)(A)(ii)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 General Terms and Conditions OP
 Special Condition 1A OP

Description: Failure to make a daily notation in the flare operation log that the flare was observed including the time of day and whether or not the flare was smoking.
 Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 113, SubChapter C 113.100
 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT A 63.11(b)(6)(ii)
 5C THSC Chapter 382 382.085(b)
 General Terms and Conditions OP
 Special Condition 1A OP

Description: Failure to maintain the flare with a minimum heating value of 300 British thermal units per standard cubic foot (btu/scf).
 Self Report? NO Classification: Moderate

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

Description: Failure to provide notification of deviations.
 Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
 30 TAC Chapter 122, SubChapter B 122.146(1)
 5C THSC Chapter 382 382.085(b)
 General Terms and Conditions OP

Description: Failure to accurately certify an Annual Compliance Certification (ACC) report.

Date 04/30/2010 (830768) CN602665556
 Self Report? YES Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
 30 TAC Chapter 305, SubChapter F 305.125(1)

Description: Failure to meet the limit for one or more permit parameter

Date 05/31/2010 (846230) CN602665556
 Self Report? YES Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter
Date 06/30/2010 (860826) CN602665556
Self Report? YES Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter
Date 07/31/2010 (866792) CN602665556
Self Report? YES Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter
Date 08/31/2010 (873864) CN602665556
Self Report? YES Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter
Date 09/30/2010 (881466) CN602665556
Self Report? YES Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter
Date 11/29/2010 (872645) CN602665556
Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 113, SubChapter C 113.100
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT A 63.8(c)(6)
5C THSC Chapter 382 382.085(b)
General Terms and Conditions OP
Special Condition 15C PERMIT
Special Condition 3 PERMIT
Special Condition 8 OP
Description: Failure to perform daily drift checks of the continuous emission monitoring systems (CEMS).
Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 113, SubChapter C 113.890
30 TAC Chapter 115, SubChapter D 115.352(4)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT FFFF 63.2480(a)
5C THSC Chapter 382 382.085(b)
General Terms and Conditions OP
Special Condition 10E PERMIT
Special Condition 12 OP
Special Condition 19E PERMIT
Special Condition 3 PERMIT
Special Condition 8 OP
Description: Failure to equip open-ended lines (OELs) with a second valve, a blind flange, or a tightly-fitting plug or cap.

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
LANXESS CORPORATION
RN100825363**

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

**AGREED ORDER
DOCKET NO. 2011-0038-AIR-E**

I. JURISDICTION AND STIPULATIONS

At its _____ agenda, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Lanxess Corporation ("the Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent appear before the Commission and together stipulate that:

1. The Respondent owns and operates a synthetic rubber production facility at 4647 Farm-to-Market Road 1006 in West Orange, Orange County, Texas (the "Plant").
2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
3. The Commission and the Respondent agree that the Commission has jurisdiction to enter this Agreed Order, and that the Respondent is subject to the Commission's jurisdiction.
4. The Respondent received notice of the violations alleged in Section II ("Allegations") on or about December 4, 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 Eight Thousand Two Hundred Sixty Dollars (\$8,260) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Three Thousand Three Hundred Four Dollars (\$3,304) of the administrative penalty and One Thousand Six Hundred Fifty-Two Dollars (\$1,652) 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. Three Thousand Three Hundred Four Dollars (\$3,304) shall be conditionally offset by the Respondent's completion of a Supplemental Environmental Project ("SEP").
7. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
8. The Executive Director of the TCEQ and the Respondent have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.
9. The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Plant:
 - a. On March 12, 2010, the volatile organic compound ("VOC") removal efficiency of the wastewater steam stripper returned to compliance; and
 - b. By September 30, 2010, a 4-inch natural gas line was installed to Flare 1 to help ensure the minimum 300 British thermal units per standard cubic feet ("Btu/scf") can be maintained at all times, and monitoring and alarms for Flare 1 were improved.
10. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
11. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.

12. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

II. ALLEGATIONS

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

1. Failed to maintain a minimum of 95% VOC removal efficiency for the wastewater steam stripper, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(c) and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), Federal Operating Permit No. O-2281, General Terms and Conditions and Special Terms and Conditions No. 11, and New Source Review Permit Nos. 22508 and PSDTX874, Special Conditions No. 6, as documented during an investigation on November 1, 2010. Specifically, between March 4, 2010 and March 11, 2010 the VOC control efficiency ranged between 83.9% and 90.9%.
2. Failed to maintain a minimum heat content of 300 Btu/scf for Flare 1, in violation of 30 TEX. ADMIN. CODE §§ 113.100 and 122.143(4), 40 CODE OF FEDERAL REGULATIONS § 63.11(b)(6)(ii), TEX. HEALTH & SAFETY CODE § 382.085(b), and Federal Operating Permit No. O-01391, General Terms and Conditions and Special Terms and Conditions No. 1, as documented during an investigation on November 1, 2010. Specifically, the Respondent's heat content for the Flare 1 was recorded at 247 Btu/scf on November 12, 2009.

III. DENIALS

The Respondent generally denies each allegation in Section II ("Allegations").

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that the Respondent pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Lanxess Corporation, Docket No. 2011-0038-AIR-E" to:

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

2. The Respondent shall implement and complete a SEP in accordance with TEX. WATER CODE § 7.067. As set forth in Section I, Paragraph 6 above, Three Thousand Three Hundred Four Dollars (\$3,304) of the assessed administrative penalty shall be offset with the condition that the Respondent implement the SEP defined in Attachment A, incorporated herein by reference. The Respondent's obligation to pay the conditionally offset portion of the administrative penalty assessed shall be discharged upon final completion of all provisions of the SEP agreement.
3. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Plant operations referenced in this Agreed Order.
4. If the Respondent fails to comply with any of the Ordering Provisions in this Agreed Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, the Respondent's failure to comply is not a violation of this Agreed Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
5. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
6. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.

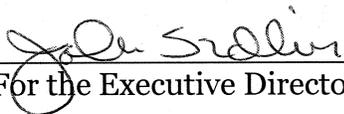
7. This Agreed Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Agreed Order may be copied, scanned, digitized, converted to electronic portable document format (“pdf”), or otherwise reproduced and may be transmitted by 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.

8. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to the Respondent, or three days after the date on which the Commission mails notice of the Order to the Respondent, whichever is earlier. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission



For the Executive Director

6/2/2011

Date

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

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

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

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



Signature

4/6/2011

Date

Markus Linke, V.P.

Name (Printed or typed)
Authorized Representative of
Lanxess Corporation

Orange Site Manager

Title

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

Attachment A
Docket Number: 2011-0038-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent: Lanxess Corporation

Penalty Amount: Six Thousand Six Hundred Eight Dollars
(\$6,608)

SEP Offset Amount: Three Thousand Three Hundred Four Dollars
(\$3,304)

Type of SEP: Pre-approved

Third-Party Recipient: *City of Orange Municipal Building Energy Efficiency Project*

Location of SEP: Orange County

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

1. Project Description

A. Project

Respondent shall contribute the SEP Offset Amount to the Third-Party Recipient named above. The contribution will be used by the **City of Orange Municipal Building Energy Efficiency Project** as set forth in an agreement between the Third-Party Recipient and the TCEQ. Specifically, the SEP Offset Amount will be used to perform energy efficiency upgrades on public buildings and infrastructure. The SEP Offset Amount may only be used for: (1) the cost of conducting energy efficiency audits; (2) the incremental cost for construction or implementation of energy-efficiency upgrades (versus the cost of non-energy efficiency upgrades); (3) the incremental cost of purchase of equipment or appliances that are more energy-efficient (versus the cost of purchasing non-energy efficient equipment or appliances); or (4) other direct costs authorized in advance by TCEQ. The SEP Offset Amount may only be used for the direct cost of performing this project and no portion will be spent on administrative costs. For items 2, 3, and 4 above, Performing Party shall submit a budget and proposals for expenditure to TCEQ for written approval prior to the use of SEP Funds.

Modifications may include but are not limited to weatherization; energy-reduction modifications such as building envelope upgrades (cool roofs, exterior shading, optimized

Lanxess Corporation
Agreed Order – Attachment A

insulation and air sealing); installation of high-efficiency lighting fixtures and occupancy sensors for both lighting and HVAC; high-efficiency demand-controlled ventilation and energy-efficient boilers; more efficient exterior lighting and energy-efficient office equipment; replacing heating, ventilation, and cooling (HVAC) systems with more efficient boilers, motors, and variable-speed drives; reducing energy and maintenance costs by installing centralized energy management systems; lowering electric lighting and cooling loads and boosting productivity through increased use of daylighting; installation of LED traffic lights; and use of renewable energy sources. Performing Party shall quantify the environmental benefit of each project and submit the results of those calculations to TCEQ within 90 days of completion of each project.

The Respondent certifies that it has 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

Implementation of the SEP will provide a discernable environmental benefit by reducing fuel and electricity usage for heating and cooling and other day-to-day operations. These reductions will reduce emissions of particulate matter, volatile organic carbon compounds, nitrogen oxides, and other pollutants associated with the combustion of fuel and generation of electricity.

C. Minimum Expenditure

The Respondent shall contribute at least the SEP Offset Amount to the Third-Party Recipient and comply with all other provisions of this SEP.

2. Performance Schedule

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

City of Orange, Texas
c/o John Johnson, Carl R. Griffith and Associates
2901 Turtle Creek Drive, Suite 445
Port Arthur, Texas 77642-8077

3. Records and Reporting

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

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

4. Failure to Fully Perform

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

In the event of incomplete performance, the Respondent shall submit a check for any remaining amount due made payable to "Texas Commission on Environmental Quality" with the notation "SEP Refund" and the docket number of the case, and shall send it to:

Texas Commission on Environmental Quality
Office of Legal Services
Attention: SEP Coordinator, MC 175
P.O. Box 13088
Austin, Texas 78711-3088

5. Publicity

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

6. Clean Texas Program

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

7. Other SEPs by TCEQ or Other Agencies

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