

Executive Summary – Enforcement Matter – Case No. 42185

Arkema Inc.

RN100216373

Docket No. 2011-1353-AIR-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

AIR

Small Business:

No

Location(s) Where Violation(s) Occurred:

Arkema Beaumont Plant, 2810 Gulf States Road in Beaumont, Jefferson County

Type of Operation:

Chemical plant

Other Significant Matters:

Additional Pending Enforcement Actions: Yes, Docket No. 2010-1235-AIR-E

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: November 4, 2011

Comments Received: No

Penalty Information

Total Penalty Assessed: \$10,000

Amount Deferred for Expedited Settlement: \$2,000

Amount Deferred for Financial Inability to Pay: \$0

Total Paid to General Revenue: \$8,000

Total Due to General Revenue: \$0

Payment Plan: N/A

SEP Conditional Offset: \$0

Name of SEP: N/A

Compliance History Classifications:

Person/CN - Average

Site/RN - Average

Major Source: Yes

Statutory Limit Adjustment: \$1,650

Applicable Penalty Policy: September 2002

Executive Summary – Enforcement Matter – Case No. 42185

Arkema Inc.

RN100216373

Docket No. 2011-1353-AIR-E

Investigation Information

Complaint Date(s): N/A

Complaint Information: N/A

Date(s) of Investigation: June 20, 2011

Date(s) of NOE(s): July 20, 2011

Violation Information

Failed to prevent unauthorized emissions. Specifically, unauthorized emissions of 77 pounds ("lbs") of hydrogen sulfide, 7,259 lbs of sulfur dioxide, 13.8 lbs of carbon monoxide, and 1.61 lbs of nitrogen oxides were released from the dryer inlet valve (106A), due to the improper re-installation of the valve's guide pin resulting in an explosion and fire (Incident No. 154043) that began on May 2, 2011, and lasted for 58 minutes. The event also resulted in 35% opacity. Since this event could have been avoided by better maintenance and/or operational practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 116.115(c), 101.20(3), and 122.143(4), Air Permit Nos. 865A and PSD-TX-1016M1, Special Conditions No. 2, Federal Operating Permit No. O1636, Special Terms and Conditions No. 15, and General Terms and Conditions, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

N/A

Technical Requirements:

The Order will require the Respondent to:

- a. Within 30 days, implement measures designed to prevent unauthorized emission due to the same cause as Incident No. 154043; and
- b. Within 45 days, submit written certification demonstrating compliance.

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

Executive Summary – Enforcement Matter – Case No. 42185
Arkema Inc.
RN100216373
Docket No. 2011-1353-AIR-E

Contact Information

TCEQ Attorney: N/A

TCEQ Enforcement Coordinator: Raymond Marlow, P.G., Enforcement Division,
Enforcement Team 5, MC R-10, (409) 899-8785; Debra Barber, Enforcement Division,
MC 219, (512) 239-0412.

TCEQ SEP Coordinator: N/A

Respondent: Wendal R. Turley, Plant Manager, Arkema Inc., P.O. Box 1427,
Beaumont, Texas 77704

Respondent's Attorney: N/A



Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision October 30, 2009

TCEQ

DATES	Assigned	20-Jul-2011	Screening	2-Aug-2011	EPA Due	15-Apr-2012
	PCW	15-Aug-2011				

RESPONDENT/FACILITY INFORMATION	
Respondent	Arkema Inc.
Reg. Ent. Ref. No.	RN100216373
Facility/Site Region	10-Beaumont
Major/Minor Source	Major

CASE INFORMATION				
Enf./Case ID No.	42185	No. of Violations	1	
Docket No.	2011-1353-AIR-E	Order Type	1660	
Media Program(s)	Air	Government/Non-Profit	No	
Multi-Media		Enf. Coordinator	Raymond Marlow, P.G.	
		EC's Team	Enforcement Team 5	
Admin. Penalty \$	Limit Minimum	\$0	Maximum	\$10,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties) **Subtotal 1** **\$5,000**

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History **133.0%** Enhancement **Subtotals 2, 3, & 7** **\$6,650**

Notes
Enhancement for seven NOVs with same/similar violations, eight NOVs with dissimilar violations, three orders with denial of liability and one order without denial of liability. Reduction for one notice of intended audit and one disclosure of violations.

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** **\$0**

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

Total EB Amounts **\$198**
Approx. Cost of Compliance **\$5,000**
*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7 **Final Subtotal** **\$11,650**

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

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes

Final Penalty Amount **\$11,650**

STATUTORY LIMIT ADJUSTMENT **Final Assessed Penalty** **\$10,000**

DEFERRAL **20.0%** Reduction **Adjustment** **-\$2,000**

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 **\$8,000**

Screening Date 2-Aug-2011

Docket No. 2011-1353-AIR-E

PCW

Respondent Arkema Inc.

Policy Revision 2 (September 2002)

Case ID No. 42185

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100216373

Media [Statute] Air

Enf. Coordinator Raymond Marlow, P.G.

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>)	7	35%
	Other written NOVs	8	16%
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	1	25%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<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>)	1	-2%
<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) 133%

>> 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 seven NOVs with same/similar violations, eight NOVs with dissimilar violations, three orders with denial of liability and one order without denial of liability. Reduction for one notice of intended audit and one disclosure of violations.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 133%

Screening Date 2-Aug-2011

Docket No. 2011-1353-AIR-E

PCW

Respondent Arkema Inc.

Policy Revision 2 (September 2002)

Case ID No. 42185

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100216373

Media [Statute] Air

Enf. Coordinator Raymond Marlow, P.G.

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code §§ 116.115(c), 101.20(3), and 122.143(4), Air Permit Nos. 865A and PSD-TX-1016M1, Special Conditions No. 2, Federal Operating Permit No. O1636, Special Terms and Conditions No. 15, and General Terms and Conditions, and Tex. Health & Safety Code § 382.085(b).

Violation Description Failed to prevent unauthorized emissions. Specifically, unauthorized emissions of 77 pounds ("lbs") of hydrogen sulfide, 7,259 lbs of sulfur dioxide, 13.8 lbs of carbon monoxide, and 1.61 lbs of nitrogen oxides were released from the dryer inlet valve (106A), due to the improper re-installation of the valve's guide pin resulting in an explosion and fire (Incident No. 154043) that began on May 2, 2011, and lasted for 58 minutes. The event also resulted in 35% opacity. Since this event could have been avoided by better maintenance and/or operational practices, the Respondent is precluded from asserting an affirmative defense under 30 Tex. Admin. Code § 101.222.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

Table with columns: Release (Actual, Potential), Harm (Major, Moderate, Minor), and Percent (50%).

>> Programmatic Matrix

Table with columns: Falsification, Major, Moderate, Minor, and Percent (0%).

Matrix Notes Human health or the environment has been exposed to significant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$5,000

\$5,000

Violation Events

Number of Violation Events 1 Number of violation days 1

Table for frequency: daily, weekly, monthly (marked with x), quarterly, semiannual, annual, single event.

Violation Base Penalty \$5,000

One monthly event is recommended.

Good Faith Efforts to Comply

0.0% Reduction \$0

Table for Good Faith Efforts: Extraordinary, Ordinary, N/A (marked with x), and Notes.

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

Violation Subtotal \$5,000

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$198

Violation Final Penalty Total \$11,650

This violation Final Assessed Penalty (adjusted for limits) \$10,000

Economic Benefit Worksheet

Respondent Arkema Inc.
Case ID No. 42185
Reg. Ent. Reference No. RN100216373
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	\$5,000	2-May-2011	15-Feb-2012	0.79	\$198	n/a	\$198
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated costs to conduct assessment, evaluate recommendations and train plant personnel to repair valves that are under pressure. The date required is the date of the emissions event. The final date is the date corrective actions are expected to be 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

\$5,000

TOTAL

\$198

Compliance History

Customer/Respondent/Owner-Operator: CN600124044 Arkema Inc. Classification: AVERAGE Rating: 2.47
Regulated Entity: RN100216373 ARKEMA BEAUMONT PLANT Classification: AVERAGE Site Rating: 2.65

ID Number(s):	AIR OPERATING PERMITS	ACCOUNT NUMBER	JE0074L
	AIR OPERATING PERMITS	PERMIT	1636
	POLLUTION PREVENTION PLANNING	ID NUMBER	P00210
	INDUSTRIAL AND HAZARDOUS WASTE	EPA ID	TXD074180019
	INDUSTRIAL AND HAZARDOUS WASTE	SOLID WASTE REGISTRATION # (SWR)	30663
	INDUSTRIAL AND HAZARDOUS WASTE	PERMIT	50222
	WASTEWATER	PERMIT	WQ0001872000
	WASTEWATER	EPA ID	TX0052825
	AIR NEW SOURCE PERMITS	REGISTRATION	93367
	AIR NEW SOURCE PERMITS	REGISTRATION	23999
	AIR NEW SOURCE PERMITS	REGISTRATION	28512
	AIR NEW SOURCE PERMITS	REGISTRATION	33720
	AIR NEW SOURCE PERMITS	REGISTRATION	34412
	AIR NEW SOURCE PERMITS	REGISTRATION	39717
	AIR NEW SOURCE PERMITS	REGISTRATION	43853
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	JE0074L
	AIR NEW SOURCE PERMITS	REGISTRATION	22740
	AIR NEW SOURCE PERMITS	PERMIT	865A
	AIR NEW SOURCE PERMITS	AFS NUM	4824500053
	AIR NEW SOURCE PERMITS	EPA ID	PSDTX1016
	AIR NEW SOURCE PERMITS	EPA ID	PSDTX1016M1
	AIR NEW SOURCE PERMITS	REGISTRATION	94721
	IHW CORRECTIVE ACTION	SOLID WASTE REGISTRATION # (SWR)	50222
	IHW CORRECTIVE ACTION	SOLID WASTE REGISTRATION # (SWR)	30663
	IHW CORRECTIVE ACTION	PERMIT	50222
	AIR EMISSIONS INVENTORY	ACCOUNT NUMBER	JE0074L

Location: 2810 GULF STATES RD, BEAUMONT, TX, 77704

TCEQ Region: REGION 10 - BEAUMONT

Date Compliance History Prepared: August 02, 2011

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: August 02, 2006 to August 02, 2011

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

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

Site Compliance History Components

1. Has the site been in existence and/or operation for the full five year compliance period? Yes
2. Has there been a (known) change in ownership/operator of the site during the compliance period? 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.

Effective Date: 08/20/2006 ADMINORDER 2004-1702-AIR-E

Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(2)(D)
30 TAC Chapter 101, SubChapter F 101.201(b)

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

Description: Failure to properly notify the regional office of a reportable emissions event, which occurred on January 15-16, 2003 (TCEQ Incident No. 14327), August 1, 2003 and January 28, 2004.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: 865A/PSD-TX-1016 PERMIT

Description: Failure to maintain an emission rate below the allowable emission limit.

Effective Date: 11/18/2006 ADMINORDER 2006-0614-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
5C THC Chapter 382, SubChapter D 382.085(b)

Rqmt Prov: 865A/PSD-TX-1016 PERMIT

Description: Failure to comply with emissions limits of Sulfur Dioxide from the flare as specified by the MAERT in Permit 865A/PSD-TX-1016.

Effective Date: 08/29/2008 ADMINORDER 2008-0303-AIR-E

Classification: Moderate

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

Rqmt Prov: 865A/PSD-TX-1016, Special Condition 2 PERMIT
O-01636, Special Condition 13 OP

Description: Exceeded the permitted hourly rate of 3,527.58 pounds per hour ("lbs/hr") for sulfur dioxide ("SO₂").

Effective Date: 05/08/2011

ADMINORDER 2010-1810-AIR-E

Classification: Moderate

Citation: 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)

Rqmt Prov: General Terms and Condition OP
Special Condition 11 OP
Special Condition 2 PERMIT

Description: Failed to prevent unauthorized emissions. Since the emissions event could have been avoided by better operational and/or maintenance practices, the demonstrations in 30 TEX. ADMIN. CODE § 101.222 necessary to present an affirmative defense were not met.

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	08/09/2007	(267734)
2	08/31/2006	(462909)
3	09/11/2006	(509523)
4	09/22/2006	(511812)
5	11/09/2006	(512057)
6	11/03/2006	(512485)
7	11/03/2006	(513326)
8	01/17/2007	(534227)
9	02/06/2007	(535382)
10	02/22/2007	(538455)
11	04/20/2007	(542670)
12	05/31/2007	(556659)
13	06/20/2007	(558144)
14	05/06/2007	(558173)
15	07/12/2007	(559942)
16	06/14/2007	(560100)
17	06/14/2007	(560622)
18	09/21/2007	(570573)
19	10/05/2007	(571382)

20 11/30/2007 (574100)
21 02/15/2007 (581307)
22 03/20/2007 (581310)
23 05/15/2007 (581315)
24 11/01/2006 (581319)
25 07/17/2007 (581320)
26 08/16/2006 (581322)
27 09/18/2006 (581325)
28 10/12/2006 (581327)
29 11/29/2006 (581329)
30 12/14/2006 (581331)
31 01/19/2007 (581333)
32 10/24/2007 (596018)
33 08/20/2007 (608113)
34 01/14/2008 (610773)
35 02/24/2008 (611295)
36 01/14/2008 (611785)
37 02/06/2008 (612714)
38 04/08/2008 (641062)
39 05/19/2008 (654085)
40 06/18/2008 (654250)
41 02/14/2008 (673603)
42 03/17/2008 (673604)
43 04/23/2007 (673605)
44 06/14/2007 (673606)
45 06/14/2007 (673607)
46 09/18/2007 (673608)
47 10/18/2007 (673609)
48 11/14/2007 (673610)
49 12/13/2007 (673611)
50 01/22/2008 (673612)

51 06/06/2008 (680155)
52 06/19/2008 (681475)
53 05/19/2008 (691873)
54 07/14/2008 (691874)
55 10/24/2008 (701629)
56 10/31/2008 (701997)
57 11/05/2008 (702719)
58 12/04/2008 (708596)
59 08/12/2008 (712871)
60 08/12/2008 (712872)
61 09/08/2008 (712873)
62 10/15/2008 (712874)
63 11/06/2008 (712875)
64 01/12/2009 (729094)
65 03/23/2009 (735778)
66 03/25/2009 (737192)
67 05/07/2009 (737564)
68 07/13/2009 (744612)
69 07/16/2009 (748508)
70 02/05/2009 (752252)
71 03/09/2009 (752253)
72 04/14/2009 (752254)
73 12/16/2008 (752255)
74 08/31/2009 (761781)
75 10/02/2009 (764650)
76 10/02/2009 (764674)
77 10/02/2009 (764694)
78 10/02/2009 (764746)
79 10/02/2009 (764770)
80 05/08/2009 (769932)
81 06/08/2009 (769933)

82 11/02/2009 (780268)
83 02/02/2010 (788000)
84 03/16/2010 (794279)
85 06/11/2010 (794986)
86 05/28/2010 (798116)
87 02/15/2010 (809395)
88 07/14/2009 (809396)
89 08/10/2009 (809397)
90 09/10/2009 (809398)
91 10/12/2009 (809399)
92 01/11/2010 (809400)
93 12/08/2009 (809401)
94 01/11/2010 (809402)
95 06/29/2010 (824622)
96 07/09/2010 (828999)
97 07/12/2010 (829301)
98 03/15/2010 (832559)
99 04/09/2010 (832560)
100 05/12/2010 (832561)
101 08/13/2010 (841281)
102 06/14/2010 (846794)
103 07/13/2010 (861314)
104 10/29/2010 (864012)
105 10/12/2010 (865505)
106 08/17/2010 (867477)
107 09/13/2010 (874490)
108 12/27/2010 (879067)
109 10/11/2010 (882072)
110 11/15/2010 (888540)
111 02/28/2011 (893362)
112 02/08/2011 (894517)

113 04/01/2011 (894678)
 114 04/01/2011 (894695)
 115 12/09/2010 (896885)
 116 04/25/2011 (901449)
 117 01/10/2011 (902835)
 118 02/10/2011 (909680)
 119 03/07/2011 (916899)
 120 04/11/2011 (926739)
 121 07/20/2011 (934348)
 122 05/10/2011 (938615)

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

Date: 09/12/2006 (509523)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
 5C THC Chapter 382, SubChapter D 382.085(b)
 Permit 865A SC2 PERMIT
 Description: Failure to limit the PM emissions from the Sulfox Thermal Oxidizer (EPN: SULFOX-TO) during the stack test conducted on November 30 and December 1, 2005.

Date: 11/10/2006 (512057)
 Self Report? NO Classification: Minor
 Citation: 1636 OP
 30 TAC Chapter 101, SubChapter A 101.20(1)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.7(c)
 5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failure to submit CEMS downtime reports in a timely manner.
 Self Report? NO Classification: Moderate
 Citation: 1636 OP
 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)
 Permit 865A PERMIT
 Description: Failure to maintain a CEMS downtime of less than 5% during the 12-month period of April 1, 2005, through March 31, 2006.

Self Report? NO Classification: Moderate
 Citation: 1636 OP
 30 TAC Chapter 101, SubChapter A 101.20(1)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.7(d)(2)
 5C THC Chapter 382, SubChapter D 382.085(b)
 Description: Failure to submit excess emission reports for the last 3 quarters of 2005 and the first quarter of 2006.

Date: 01/18/2007 (534227)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
 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)
 865A and PSD-TX-1016 PERMIT
 O-01636 OP

Description: Failure to limit carbon monoxide (CO) emissions from the thermal oxidizer (EPN: SULFOX-TO) to the authorized limit found in Permit 865A/PSD-TX-1016.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
 30 TAC Chapter 115, SubChapter B 115.114(a)(4)
 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)
 865A and PSD-TX-1016 PERMIT
 O-01636 OP

Description: Failure to inspect secondary seal on external floating roof tank every 6 months.
 B1 Moderate 2E

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
 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)
 865A and PSD-TX-1016 PERMIT
 OP O-01636 OP

Description: Failure to conduct second quarter H2S sampling event.

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)
 865A/PSD-TX-1016 PERMIT
 O-01636 OP

Description: Failure to provide acceptable annual fuel supplier certification of sulfur content for natural gas.

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 THC Chapter 382, SubChapter D 382.085(b)
 O-01636 OP
 O-01636, General Terms and Conditions OP

Description: Failure to submit the Annual Permit Compliance Certification for OP O-01636 within 30 days of the certification 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 THC Chapter 382, SubChapter D 382.085(b)
 OP O-01636 OP
 OP O-01636, General Terms and Conditions OP

Description: Failure to submit the Semiannual Deviation Report within for OP O-01636 within 30 days of the certification period.

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)
 865A/PSD-TX-1016 PERMIT
 O-01636 OP

Description: Failure to limit the firing rate of the thermal oxidizer (EPN: SULFOX-TO) to the authorized limit found in Permit 865A/PSD-TX-1016.
 30 TAC Chapter 122.143 (4)
 5C THC Chapter 382.085(b)

Permit 865A/PSD-TX-1016

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 106, SubChapter T 106.454(3)(B)(ii)
 30 TAC Chapter 115, SubChapter E 115.412(1)(A)
 30 TAC Chapter 116, SubChapter B 116.110(a)(4)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THC Chapter 382, SubChapter D 382.085(b)
 O-01636 OP

Description: Failure to close the parts washer cover when parts were not being handled.

Date: 02/28/2007 (581310) CN600124044

Self Report? YES Classification: Moderate

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

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

Date: 06/21/2007 (558144)

Self Report? NO Classification: Moderate

Citation: 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 THC Chapter 382, SubChapter D 382.085(b)
865A/PSD-TX-1016 Special Condition 2 PERMIT
FOP O-01636 General Terms and Conditions OP
FOP O-01636 Special Condition 13A OP

Description: Failure to limit the PM emissions from the Sulfox Thermal Oxidizer (EPN: SULFOX-TO) during the stack test conducted on August 16 through 17, 2006.
EIC B(18) MOD 2(D)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
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)
865A/PSD-TX1016, Special Condition 19F PERMIT
FOP O-01636 General Terms and Conditions OP
FOP O-01636 Special Condition 13A OP

Description: Failure to submit copies of the final sampling report of the SULFOXTO for the test dates of August 16 and 17, 2007, to the TCEQ within 30 days after sampling was completed. EIC B(3) MOD2(B)

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 THC Chapter 382, SubChapter D 382.085(b)
FOP O-01636 General Terms and Conditions OP

Description: Failure to report two deviations in the semi-annual deviation report for the period of April 26, 2006, through October 25, 2006. EIC B(3) MOD 2(B)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
30 TAC Chapter 122, SubChapter B 122.146(1)
30 TAC Chapter 122, SubChapter B 122.146(5)(D)
5C THC Chapter 382, SubChapter D 382.085(b)
FOP O-01636 General Terms and Conditions OP

Description: Failure to accurately certify an Annual Compliance Certification for the period of October 24, 2005, through October 25, 2006. EIC B(3) MOD 2(D)

Date: 07/13/2007 (559942) CN600124044

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THC Chapter 382, SubChapter A 382.085(b)
865A/PSD-TX-1016 PERMIT
O-01636 PERMIT

Description: Failure to limit Hydrogen Sulfide and Carbon Disulfide emissions from Tank 402 (EPN: T402) to the authorized limit found in Permit 865A/ PSD-TX-1016. On April 16, 2007, 483.00 pounds of Hydrogen Sulfide and 1,712.00 pounds of Carbon Disulfide were released from T-402.

Date: 02/20/2008 (611295) CN600124044

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)
30 TAC Chapter 122, SubChapter B 122.145(2)(C)
5C THSC Chapter 382 382.085(b)
O-01636 OP

Description: Failure to report all instances of deviations.
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
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)
865A/PSD-TX-1016 PERMIT
O-01636 OP

Description: Failure to limit carbon monoxide (CO) emissions from the thermal oxidizer (EPN: SULFOX-TO) to the authorized limit found in Permit 865A/PSD-TX-1016.
Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
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)
865A/PSD-TX-1016 PERMIT
O-01636 OP

Description: Failure to maintain a production rate below the allowable limit.
Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
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)
865A/PSD-TX-1016 PERMIT
O-01636 OP

Description: Failure to maintain the Oxygen (O2) concentration above 5 percent in SULFOX-TO as required by the permit.
Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 122, SubChapter B 122.132(e)(4)(C)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)

Description: Failure to submit the third quarter 2007 SULFOX-TO progress report as required by the provisions of the Compliance Schedule.

Date: 10/31/2008 (712875) CN600124044
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: 11/05/2008 (702719) CN600124044
Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 305, SubChapter F 305.125(5)
OpR 1 PERMIT

Description: Failure by Arkema, Inc. to properly maintain units of conveyance.
Self Report? NO Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(c)
PC 2g PERMIT

Description: Failure by Arkema, Inc. to prevent unauthorized discharge.

Date: 11/18/2008 (708596)
Self Report? NO Classification: Moderate

Citation: 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, SubChapter D 382.085(b)
865A/PSD-TX-1016 Special Condition 2 PERMIT
FOP O-01636 General Terms and Conditions OP
FOP O-01636 Special Condition 13A OP

Description: Failure to limit the PM emissions from the Sulfox Thermal Oxidizer (EPN:

SULFOX-TO) during the stack test conducted on August 16 through 17, 2006.
EIC B(18) MOD 2(D)

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
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)
865A/PSD-TX1016, Special Condition 19F PERMIT
FOP O-01636 General Terms and Conditions OP
FOP O-01636 Special Condition 13A OP
Description: Failure to submit copies of the final sampling report of the SULFOXTO for the test dates of August 16 and 17, 2007, to the TCEQ within 30 days after sampling was completed. EIC B(3) MOD2(B)

Date: 07/13/2009 (744612) CN600124044

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 OP
Special Condition 23 PERMIT
Description: Failure to maintain the oxygen level above 2% from the thermal oxidizer, Emission Point Number (EPN) SULFOX-TO. EIC B, 18.

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 OP
Special Condition 15E PERMIT

Description: Failure to seal several open-ended lines with a cap, plug, or blind flange. EIC C, 10.

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 115, SubChapter B 115.114(a)(4)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
General Terms and Conditions OP

Description: Failure to visually inspect external floating roof tanks once every six months. EIC B, 3.

Date: 02/02/2010 (788000) CN600124044

Self Report? NO Classification: Minor
Citation: MRR PERMIT

Description: Failure by Arkema, Inc. to include all monitoring results in the calculation and reporting of the values submitted on the approved self-report form.

Self Report? NO Classification: Minor
Citation: PC PERMIT

Description: Failure by Arkema, Inc. to properly complete the discharge monitoring report.

Date: 07/09/2010 (828999) CN600124044

Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 115, SubChapter D 115.352(4)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(1)
5C THSC Chapter 382 382.085(b)
General Terms and Conditions OP
Special Condition 13 OP
Special Condition 15E PERMIT

Description: Failure to seal several open ended lines with a cap, plug, or blind flange.

EIC C10
MIN A

Self Report? NO Classification: Moderate

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

Description: Failure to maintain records of the daily flare observations.

EIC B1
MOD 2E

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
30 TAC Chapter 122, SubChapter B 122.144(1)(G)
5C THSC Chapter 382 382.085(b)
General Terms and Conditions OP
Special Condition 10 PERMIT
Special Condition 13 OP

Description: Failure to continuously monitor the flare pilot flame.

EIC B3
MOD 2B

Self Report? NO Classification: Moderate

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

Description: Failure to report all instances of deviations.

B3
MOD 2G

Self Report? NO Classification: Moderate

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

Description: Failure to accurately certify an Annual Compliance Certification (ACC) for the period of October 25, 2008, through October 26, 2009.

EIC B3
MOD 2G

Date: 02/28/2011 (893362) CN600124044

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
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 13 OP
Special Condition 23 PERMIT

Description: Failure to maintain the oxygen level above 2% from the Thermal Oxidizer (EPN Sulfox TO).

Date: 04/26/2011 (901449)

Self Report? NO Classification: Moderate

Citation: 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)
General Terms and Condition OP
Special Condition 15 OP
Special Condition 2 PERMIT

Description: Failure to maintain an emission rate below the allowable emission limit. B19g1

F. Environmental audits.

Notice of Intent Date: 05/11/2009 (746989)
Disclosure Date: 06/08/2009

Viol. Classification: Moderate

Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(1)(B)

Description: Failure to maintain quarterly visible observation records for the following: EPN SULFOX-INH, EPN X426A, EPN X426B, EPN H401, EPN H501, EPN H402, EPN H502, EPN H202, EPN H2202

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
ARKEMA INC.
RN100216373**

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

**AGREED ORDER
DOCKET NO. 2011-1353-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 Arkema Inc. ("the Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent appear before the Commission and together stipulate that:

1. The Respondent owns and operates a chemical plant at 2810 Gulf States Road in Beaumont, Jefferson County, Texas (the "Plant").
2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
3. The Commission and the Respondent agree that the Commission has jurisdiction to enter this Agreed Order, and that the Respondent is subject to the Commission's jurisdiction.
4. The Respondent received notice of the violations alleged in Section II ("Allegations") on or about July 25, 2011.
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 Ten Thousand Dollars (\$10,000) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Eight Thousand Dollars (\$8,000) of the administrative penalty

and Two Thousand Dollars (\$2,000) 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 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.
10. 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.
11. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

II. ALLEGATIONS

As owner and operator of the Plant, the Respondent is alleged to have failed to prevent unauthorized emissions in violation of 30 TEX. ADMIN. CODE §§ 116.115(c), 101.20(3), and 122.143(4), Air Permit Nos. 865A and PSD-TX-1016M1, Special Conditions No. 2, Federal Operating Permit No. O1636, Special Terms and Conditions No. 15, and General Terms and Conditions, and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review conducted on June 20, 2011. Specifically, unauthorized emissions of 77 pounds ("lbs") of hydrogen sulfide, 7,259 lbs of sulfur dioxide, 13.8 lbs of carbon monoxide, and 1.61 lbs of nitrogen oxides were released from the dryer inlet valve (106A), due to the improper re-installation of the valve's guide pin resulting in an explosion and fire (Incident No. 154043) that began on May 2, 2011, and lasted for 58 minutes. The event also resulted in 35% opacity. Since this event could have been avoided by better maintenance and/or operational practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.

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: Arkema Inc., Docket No. 2011-1353-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. It is further ordered that the Respondent shall undertake the following technical requirements:
 - a. Within 30 days after the effective date of this Agreed Order, implement measures designed to prevent unauthorized emissions due to the same cause as Incident No. 154043; and
 - b. Within 45 days after the effective date of this Agreed Order, submit written certification to demonstrate compliance with Ordering Provision No. 2.a. The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

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

The certification shall be submitted to:

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

with a copy to:

Air Section, Manager
Beaumont Regional Office
Texas Commission on Environmental Quality
3870 Eastex Freeway
Beaumont, Texas 77703-1892

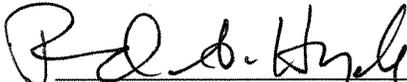
3. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Plant operations referenced in this Agreed Order.
4. If the Respondent fails to comply with any 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

11/9/11

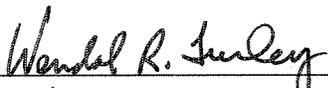
Date

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

9-14-2011

Date

Wendal R. Tuley

Name (Printed or typed)
Authorized Representative of
Arkema Inc.

Plant Manager

Title

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