

Executive Summary – Enforcement Matter – Case No. 42533
Chevron Phillips Chemical Company LP
RN102320850
Docket No. 2011-1683-AIR-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

AIR

Small Business:

No

Location(s) Where Violation(s) Occurred:

Philtex Ryton Plant, located on a private road, two miles north-east of the intersection of State Highway Spurs 119 and 245, Borger, Hutchinson County

Type of Operation:

Organic chemical manufacturing plant

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: January 6, 2012

Comments Received: No

Penalty Information

Total Penalty Assessed: \$18,876

Amount Deferred for Expedited Settlement: \$3,775

Amount Deferred for Financial Inability to Pay: \$0

Total Paid to General Revenue: \$15,101

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: N/A

Applicable Penalty Policy: September 2002

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RN102320850
Docket No. 2011-1683-AIR-E

Investigation Information

Complaint Date(s): N/A

Complaint Information: N/A

Date(s) of Investigation: August 26 – August 31, 2011 and Septemeber 2, 2011

Date(s) of NOE(s): September 1 and 6, 2011

Violation Information

1. Failed to submit an initial notification for Incident No. 153829 not later than 24 hours after the discovery of an emissions event that began on April 26, 2011 at 3:30 p.m., as documented during an investigation conducted on September 2, 2011. Specifically, the initial notification was due by 3:30 p.m. on April 27, 2011 but was not submitted until April 27, 2011 at 6:54 p.m., over 24 hours after the incident was discovered [30 TEX. ADMIN. CODE § 101.201(a)(1)(B) and TEX. HEALTH & SAFETY CODE § 382.085(b)].

2. Failed to prevent unauthorized emissions during an event that began on April 26, 2011 (Incident No. 153829), as documented during an investigation conducted on September 2, 2011. Specifically, the Respondent released 6,307.61 pounds of volatile organic compounds from the Triangle Basin, a wastewater surface impoundment, during the 17 hour and 30 minute event. The event occurred when rainfall overwhelmed the wastewater system phase separator, causing a hydrocarbon spill into, and an evaporative air release from, the Triangle Basin. Because the initial notification for the event was not submitted timely, the demonstrations in 30 TEX. ADMIN. CODE § 101.222 necessary to present an affirmative defense were not met [30 TEX. ADMIN. CODE § 116.715(a), TEX. HEALTH & SAFETY CODE § 382.085(b), and Flexible Permit No. 21918, Special Conditions No. 1].

3. Failed to submit a permit compliance certification (PCC) within 30 days from the end of the certification period, as documented during an investigation conducted on August 26, 2011 to August 31, 2011. Specifically, the Respondent did not submit the PCC for FOP No. O2165 for the August 1, 2009 through July 31, 2010 reporting period until August 29, 2011 [30 TEX. ADMIN. CODE § 122.146(2), TEX. HEALTH & SAFETY CODE § 382.085(b), and Federal Operating Permit No. O2165, General Terms and Conditions].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

The Executive Director recognizes that, on September 14, 2011, the Respondent reassigned the Planner Compliance task to the environmental team leader to address the late submittal of the permit compliance certification.

Technical Requirements:

The order will require the Respondent to:

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- a. Within 30 days,
 - i. Implement improvements to training procedures for the recordkeeping system to ensure emissions events are timely reported; and
 - ii. Update and implement training and operating procedures to prevent a recurrence of emissions events due to similar causes as Incident No. 153829.
- 2. 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

Contact Information

TCEQ Attorney: N/A
TCEQ Enforcement Coordinator: Heather Podlipny, Enforcement Division, Enforcement Team 4, MC 149, (512) 239-2603; Debra Barber, Enforcement Division, MC 219, (512) 239-0412.
TCEQ SEP Coordinator: N/A
Respondent: Douglas Digman, Borger Plant Manager, Philtex Plant, Chevron Phillips Chemical Company LP, P.O. Box 968, Borger, TX 79008-0968
Respondent's Attorney: N/A



Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

TCEQ

DATES	Assigned	6-Sep-2011	Screening	12-Sep-2011	EPA Due	27-May-2012
	PCW	9-Nov-2011				

RESPONDENT/FACILITY INFORMATION			
Respondent	Chevron Phillips Chemical Company LP		
Reg. Ent. Ref. No.	RN102320850		
Facility/Site Region	1-Amarillo	Major/Minor Source	Major

CASE INFORMATION			
Enf./Case ID No.	42533	No. of Violations	3
Docket No.	2011-1683-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Heather Podlipny
		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** **\$7,600**

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History **251.0%** Enhancement **Subtotals 2, 3, & 7** **\$19,076**

Notes: Enhancement for ten agreed orders with denial of liability, nine NOVs with same/similar violations, and seven NOVs with dissimilar violations. Reduction for four Notices of Intent to conduct audits and two Disclosures 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** **\$250**

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

Total EB Amounts \$90
 Approx. Cost of Compliance \$2,000
 *Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7 **Final Subtotal** **\$26,426**

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

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes

Final Penalty Amount **\$26,426**

STATUTORY LIMIT ADJUSTMENT **Final Assessed Penalty** **\$18,876**

DEFERRAL **20.0%** Reduction **Adjustment** **-\$3,775**

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

Notes

Deferral offered for expedited settlement.

PAYABLE PENALTY **\$15,101**

Screening Date 12-Sep-2011

Docket No. 2011-1683-AIR-E

PCW

Respondent Chevron Phillips Chemical Company LP

Policy Revision 2 (September 2002)

Case ID No. 42533

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN102320850

Media [Statute] Air

Enf. Coordinator Heather Podlipny

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>)	9	45%
	Other written NOVs	7	14%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	10	200%
	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>)	4	-4%
	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>)	2	-4%
<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) 251%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Average Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

Enhancement for ten agreed orders with denial of liability, nine NOVs with same/similar violations, and seven NOVs with dissimilar violations. Reduction for four Notices of Intent to conduct audits and two Disclosures of Violations.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 251%

Screening Date 12-Sep-2011

Docket No. 2011-1683-AIR-E

PCW

Respondent Chevron Phillips Chemical Company LP

Policy Revision 2 (September 2002)

Case ID No. 42533

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN102320850

Media [Statute] Air

Enf. Coordinator Heather Podlipny

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code § 101.201(a)(1)(B) and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to submit an initial notification for Incident No. 153829 not later than 24 hours after the discovery of an emissions event that began on April 26, 2011 at 3:30 p.m. Specifically, the initial notification was due by 3:30 p.m. on April 27, 2011 but was not submitted until April 27, 2011 at 6:54 p.m., over 24 hours after the incident was discovered.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm			Percent
	Major	Moderate	Minor	
Actual				0%
Potential				

>> Programmatic Matrix

Falsification	Harm			Percent
	Major	Moderate	Minor	
			x	1%

Matrix Notes Less than 30% of the rule requirement was not met.

Adjustment \$9,900

\$100

Violation Events

Number of Violation Events 1 Number of violation days 1

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

Violation Base Penalty \$100

One single event is recommended based on the untimely submission of the initial notification for the emissions event.

Good Faith Efforts to Comply

0.0% Reduction

\$0

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

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

Violation Subtotal \$100

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$11

Violation Final Penalty Total \$351

This violation Final Assessed Penalty (adjusted for limits) \$351

Economic Benefit Worksheet

Respondent Chevron Phillips Chemical Company LP
Case ID No. 42533
Reg. Ent. Reference No. RN102320850
Media Air
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

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

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System	\$250	27-Apr-2011	12-Mar-2012	0.88	\$11	n/a	\$11
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost for improving the training procedures for the recordkeeping/reporting system for timely submittals of emissions event reports. The Date Required is the date the report was due and the Final Date is the estimated 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

\$250

TOTAL

\$11

Screening Date 12-Sep-2011

Docket No. 2011-1683-AIR-E

PCW

Respondent Chevron Phillips Chemical Company LP

Policy Revision 2 (September 2002)

Case ID No. 42533

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN102320850

Media [Statute] Air

Enf. Coordinator Heather Podlipny

Violation Number 2

Rule Cite(s) 30 Tex. Admin. Code § 116.715(a), Tex. Health & Safety Code § 382.085(b), and Flexible Permit No. 21918, Special Conditions No. 1

Violation Description

Failed to prevent unauthorized emissions during an event that began on April 26, 2011 (Incident No. 153829). Specifically, the Respondent released 6,307.61 pounds of volatile organic compounds from the Triangle Basin, a wastewater surface impoundment, during the 17 hour and 30 minute event. The event occurred when rainfall overwhelmed the wastewater system phase separator, causing a hydrocarbon spill into, and an evaporative air release from, the Triangle Basin. Because the initial notification for the event was not submitted timely, the demonstrations in 30 Tex. Admin. Code § 101.222 necessary to present an affirmative defense were not met.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual		x	
Potential			

Percent 50%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

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

1 Number of violation days

daily	
weekly	
monthly	
quarterly	x
semiannual	
annual	
single event	

mark only one with an x

Violation Base Penalty \$5,000

One monthly event is recommended.

Good Faith Efforts to Comply

0.0% Reduction

\$0

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

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

Violation Subtotal \$5,000

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$66

Violation Final Penalty Total \$17,550

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

Economic Benefit Worksheet

Respondent Chevron Phillips Chemical Company LP
Case ID No. 42533
Reg. Ent. Reference No. RN102320850
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)	\$1,500	26-Apr-2011	12-Mar-2012	0.88	\$66	n/a	\$66

Notes for DELAYED costs

Estimated costs to update and implement training and operating procedures to prevent another occurrence of this type of emissions event. The Date Required is the date the emissions event began and the Final Date is the estimated 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

\$1,500

TOTAL

\$66

Screening Date 12-Sep-2011

Docket No. 2011-1683-AIR-E

PCW

Respondent Chevron Phillips Chemical Company LP

Policy Revision 2 (September 2002)

Case ID No. 42533

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN102320850

Media [Statute] Air

Enf. Coordinator Heather Podlipny

Violation Number 3

Rule Cite(s)

30 Tex. Admin. Code § 122.146(2), Tex. Health & Safety Code § 382.085(b), and Federal Operating Permit ("FOP") No. O2165, General Terms and Conditions

Violation Description

Failed to submit a permit compliance certification ("PCC") within 30 days from the end of the certification period. Specifically, the Respondent did not submit the PCC for FOP No. O2165 for the August 1, 2009 through July 31, 2010 reporting period until August 29, 2011.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor
	x		

Percent 25%

Matrix Notes

100% of the rule requirement was not met.

Adjustment \$7,500

\$2,500

Violation Events

Number of Violation Events 1

363 Number of violation days

mark only one with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$2,500

One single event is recommended.

Good Faith Efforts to Comply

10.0% Reduction

\$250

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

Notes

The Respondent returned to compliance on September 14, 2011, and the NOE is dated September 1, 2011.

Violation Subtotal \$2,250

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$13

Violation Final Penalty Total \$8,525

This violation Final Assessed Penalty (adjusted for limits) \$8,525

Economic Benefit Worksheet

Respondent Chevron Phillips Chemical Company LP
Case ID No. 42533
Reg. Ent. Reference No. RN102320850
Media Air
Violation No. 3

Percent Interest	Years of Depreciation
5.0	15

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

Delayed Costs

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	\$250	30-Aug-2010	14-Sep-2011	1.04	\$13	n/a	\$13
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost for improving the recordkeeping/reporting system for timely submittals of PCC reports.
 The Date Required is the date the report was due and the Final Date is the date of compliance.

Avoided Costs

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance \$250

TOTAL \$13

Compliance History

Customer/Respondent/Owner-Operator:	CN600303614	Chevron Phillips Chemical Company LP	Classification: AVERAGE	Rating: 3.83
Regulated Entity:	RN102320850	PHILTEX RYTON PLANT	Classification: AVERAGE	Site Rating: 3.28
ID Number(s):	INDUSTRIAL AND HAZARDOUS WASTE	EPA ID		TXD041516709
	INDUSTRIAL AND HAZARDOUS WASTE	SOLID WASTE REGISTRATION # (SWR)		30131
	INDUSTRIAL AND HAZARDOUS WASTE	PERMIT		50254
	INDUSTRIAL AND HAZARDOUS WASTE	PERMIT		50018
	AIR NEW SOURCE PERMITS	REGISTRATION		93727
	AIR NEW SOURCE PERMITS	REGISTRATION		94082
	AIR NEW SOURCE PERMITS	REGISTRATION		91758
	AIR NEW SOURCE PERMITS	REGISTRATION		92077
	AIR NEW SOURCE PERMITS	REGISTRATION		92460
	AIR NEW SOURCE PERMITS	REGISTRATION		92045
	AIR NEW SOURCE PERMITS	REGISTRATION		39927
	AIR NEW SOURCE PERMITS	REGISTRATION		41609
	AIR NEW SOURCE PERMITS	REGISTRATION		45470
	AIR NEW SOURCE PERMITS	REGISTRATION		45708
	AIR NEW SOURCE PERMITS	REGISTRATION		46022
	AIR NEW SOURCE PERMITS	REGISTRATION		46698
	AIR NEW SOURCE PERMITS	REGISTRATION		47618
	AIR NEW SOURCE PERMITS	REGISTRATION		47873
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER		HW0013C
	AIR NEW SOURCE PERMITS	PERMIT		7719A
	AIR NEW SOURCE PERMITS	PERMIT		21918
	AIR NEW SOURCE PERMITS	REGISTRATION		31409
	AIR NEW SOURCE PERMITS	REGISTRATION		70021
	AIR NEW SOURCE PERMITS	AFS NUM		4823300004
	AIR NEW SOURCE PERMITS	REGISTRATION		71299
	AIR NEW SOURCE PERMITS	REGISTRATION		88312
	AIR NEW SOURCE PERMITS	REGISTRATION		54297
	AIR NEW SOURCE PERMITS	REGISTRATION		53267
	AIR NEW SOURCE PERMITS	REGISTRATION		50537
	AIR NEW SOURCE PERMITS	REGISTRATION		72623
	AIR NEW SOURCE PERMITS	REGISTRATION		75050
	AIR NEW SOURCE PERMITS	REGISTRATION		81490
	AIR NEW SOURCE PERMITS	REGISTRATION		94222
	AIR NEW SOURCE PERMITS	REGISTRATION		94226

AIR NEW SOURCE PERMITS	REGISTRATION	84319
AIR NEW SOURCE PERMITS	REGISTRATION	87362
AIR NEW SOURCE PERMITS	REGISTRATION	85444
AIR NEW SOURCE PERMITS	REGISTRATION	95570
AIR NEW SOURCE PERMITS	REGISTRATION	95559
AIR NEW SOURCE PERMITS	REGISTRATION	97948
AIR NEW SOURCE PERMITS	REGISTRATION	96967
AIR NEW SOURCE PERMITS	REGISTRATION	98808
AIR NEW SOURCE PERMITS	REGISTRATION	98809
UNDERGROUND INJECTION CONTROL	PERMIT	WDW381
UNDERGROUND INJECTION CONTROL	PERMIT	WDW067
UNDERGROUND INJECTION CONTROL	PERMIT	WDW068
UNDERGROUND INJECTION CONTROL	PERMIT	WDW219
AIR OPERATING PERMITS	ACCOUNT NUMBER	HW0013C
AIR OPERATING PERMITS	PERMIT	2164
AIR OPERATING PERMITS	PERMIT	2165
AIR OPERATING PERMITS	PERMIT	2166
AIR OPERATING PERMITS	PERMIT	1440
WASTEWATER	PERMIT	WQ0002484000
WASTEWATER	EPA ID	TX0095869
IHW CORRECTIVE ACTION	SOLID WASTE REGISTRATION # (SWR)	30131
POLLUTION PREVENTION PLANNING	ID NUMBER	P01026
AIR EMISSIONS INVENTORY	ACCOUNT NUMBER	HW0013C

Location: LOCATED ON A PRIVATE ROAD, TWO MILES NORTH-EAST OF THE INTERSECTION OF STATE HIGHWAY SPUR 119 AND STATE HIGHWAY SPUR 245

TCEQ Region: REGION 01 - AMARILLO

Date Compliance History Prepared: October 06, 2011

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: September 12, 2006 to September 12, 2011

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

Name: Heather Podlipny Phone: 239 - 2603

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: 9/1/2011 Repeat Violator: NO

Rqmt Prov: Permit No. 7719A PERMIT
Special Terms & Conditions No. 1 OP

Description: failed to maintain the emissions limit within the MAERT, , as documented during an investigation conducted on February 18, 2009. Specifically, during a stack test conducted on January 24, 2008, the Crude NMP Surge Tank Condenser Scrubber (EPN: R-V2) was found to exceed the H2S MAERT limit of 0.1 lbs/hr with a rate of 1.17 lbs/hr.

Effective Date: 11/27/2009 ADMINORDER 2009-0893-AIR-E

Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)
5C THSC Chapter 382 382.085(b)

Description: Failed to report an emissions event within twenty-four hours after the discovery, as documented during an investigation conducted on April 30, 2009. Specifically, the Respondent had an emissions event on November 4, 2008 that was not reported until November 13, 2008.

Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: 21918 PERMIT

Description: Failed to prevent unauthorized emissions during an event that occurred on November 4, 2008.

Effective Date: 07/11/2010 ADMINORDER 2009-2066-IWD-E

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

Rqmt Prov: Effluent Limits PERMIT

Description: Failure to comply with permit effluent limits for TSS as documented by a TCEQ record review of self-reported data. Specifically, the TSS daily maximum exceeded the permit limit of 100 milligrams per liter ("mg/L") for the monitoring periods ending April 30, 2009 (150 mg/L) and June 30, 2009 (1412 mg/L).

Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
Rqmt Prov: WQ0002484000 PERMIT

Description: Failed to submit noncompliance notifications for effluent violations that exceeded the permitted effluent limit by 40% or more, as documented during a record review conducted on January 27, 2010. Specifically the TSS daily maximum exceeded the permit effluent limit by 40% or more during April 2009 and June 2009, and the TCEQ was not notified.

Effective Date: 08/21/2010 ADMINORDER 2010-0247-AIR-E

Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: 7719A, Special Condition No. 24. B. PERMIT
7719A, Special Condition No. 24. C. PERMIT

Description: Failure to stack test Caustic Scrubber R-V23 for all required air contaminants within 180 days after initial start-up on July 22, 2009. Specifically, stack testing of Caustic Scrubber R-V23 was conducted on October 23, 2009, however, testing for volatile organic compounds ("VOCs") was not conducted.

Effective Date: 10/25/2010 ADMINORDER 2010-0550-UIC-E

Classification: Major
Citation: 30 TAC Chapter 331, SubChapter A 331.6
Rqmt Prov: Class I UIC PERMIT

Description: Failure to prevent the unauthorized injection of a characteristically hazardous waste into a Class 1 non-hazardous injection well, according to permit provision VI.A. On December 23, 2009, the facility injected approximately 1,234 gallons of a hazardous waste characteristic for corrosivity. The

waste stream was generated when cleaning scale from the line that leads to the injection well with dilute aqueous tetrasodium ethylenediaminetetraacetate (EDTA) solution.

Effective Date: 07/02/2011

ADMINORDER 2010-1881-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 113, SubChapter C 113.890

40 CFR Chapter 63, SubChapter C, PT 63, SubPT FFFF 63.2460(a)

5C THSC Chapter 382 382.085(b)

Description: Failure to reduce the outlet organic HAP concentration to equal to or less than 20 ppmv as TOC or total organic HAP.

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	10/03/2006	(513312)
2	10/03/2006	(513315)
3	10/03/2006	(513316)
4	10/03/2006	(514853)
5	10/03/2006	(514870)
6	10/03/2006	(514879)
7	10/16/2006	(515500)
8	10/31/2006	(517537)
9	09/18/2006	(526855)
10	12/15/2006	(534378)
11	12/20/2006	(534635)
12	01/04/2007	(535636)
13	01/31/2007	(538435)
14	02/26/2007	(541686)
15	02/27/2007	(541861)
16	02/27/2007	(541900)
17	03/09/2007	(542559)
18	03/09/2007	(542571)
19	10/06/2006	(550824)
20	11/03/2006	(550825)
21	03/26/2007	(553818)
22	03/26/2007	(553892)
23	03/23/2007	(554148)

24 05/17/2007 (555906)
25 04/11/2007 (556504)
26 04/11/2007 (556514)
27 04/11/2007 (556516)
28 04/13/2007 (556569)
29 04/13/2007 (556570)
30 04/13/2007 (556572)
31 04/30/2007 (556728)
32 06/01/2007 (561465)
33 08/06/2007 (569756)
34 02/09/2007 (587244)
35 03/05/2007 (587245)
36 04/16/2007 (587246)
37 05/03/2007 (587247)
38 06/08/2007 (587248)
39 01/08/2007 (587249)
40 10/03/2007 (594741)
41 09/24/2007 (595445)
42 09/24/2007 (595457)
43 09/24/2007 (595458)
44 01/31/2008 (600338)
45 07/16/2007 (604964)
46 08/08/2007 (604965)
47 09/20/2007 (604966)
48 01/18/2008 (610441)
49 01/04/2008 (610787)
50 01/04/2008 (610798)
51 03/11/2008 (613242)
52 02/12/2008 (617665)
53 03/03/2008 (618691)

54 03/03/2008 (618707)
55 03/03/2008 (618712)
56 10/16/2007 (626933)
57 11/20/2007 (626934)
58 12/07/2007 (626935)
59 04/07/2008 (641601)
60 04/17/2008 (646530)
61 04/29/2008 (653798)
62 05/13/2008 (657400)
63 05/30/2008 (671606)
64 02/15/2008 (676033)
65 03/17/2008 (676034)
66 01/16/2008 (676035)
67 05/30/2008 (680205)
68 05/31/2008 (680219)
69 05/30/2008 (681736)
70 04/10/2008 (694409)
71 05/14/2008 (694410)
72 07/14/2008 (694411)
73 09/04/2008 (700758)
74 09/30/2008 (702026)
75 09/30/2008 (702027)
76 10/06/2008 (702239)
77 10/20/2008 (702286)
78 09/30/2008 (702481)
79 09/29/2008 (702980)
80 09/29/2008 (702990)
81 09/29/2008 (702995)
82 10/22/2008 (706153)
83 10/22/2008 (706189)

84 10/22/2008 (706211)
85 11/18/2008 (708165)
86 03/03/2009 (709311)
87 02/18/2009 (709614)
88 12/08/2008 (709727)
89 06/16/2008 (715805)
90 08/11/2008 (715806)
91 09/08/2008 (715807)
92 06/03/2009 (721715)
93 01/16/2009 (723360)
94 01/16/2009 (723370)
95 01/16/2009 (723381)
96 03/02/2009 (723467)
97 02/02/2009 (723517)
98 01/29/2009 (724335)
99 01/29/2009 (724397)
100 01/29/2009 (724493)
101 10/21/2008 (731482)
102 11/24/2008 (731483)
103 12/22/2008 (731484)
104 02/19/2009 (735565)
105 06/19/2009 (736345)
106 04/21/2009 (743029)
107 05/25/2009 (746209)
108 07/15/2009 (747284)
109 06/17/2009 (749820)
110 02/19/2009 (754812)
111 01/14/2009 (754813)
112 06/23/2009 (759508)
113 07/14/2009 (761743)

114 09/03/2009 (767941)
115 04/17/2009 (772004)
116 04/17/2009 (772005)
117 05/22/2009 (772006)
118 09/28/2009 (776899)
119 12/10/2009 (777685)
120 11/19/2009 (782156)
121 11/13/2009 (782323)
122 11/24/2009 (783230)
123 11/24/2009 (783234)
124 11/24/2009 (783241)
125 12/21/2009 (785373)
126 12/17/2009 (785922)
127 12/21/2009 (786006)
128 01/26/2010 (788732)
129 01/29/2010 (790317)
130 02/02/2010 (790385)
131 05/19/2010 (791211)
132 02/25/2010 (792707)
133 02/25/2010 (792708)
134 02/25/2010 (792709)
135 03/30/2010 (795750)
136 03/30/2010 (795757)
137 03/23/2010 (795970)
138 05/24/2010 (802214)
139 02/18/2010 (816080)
140 06/22/2009 (816081)
141 07/23/2009 (816082)
142 08/20/2009 (816083)
143 09/15/2009 (816084)
144 10/23/2009 (816085)

145 11/16/2009 (816086)
146 12/11/2009 (816087)
147 01/22/2010 (816088)
148 07/26/2010 (830471)
149 03/19/2010 (834838)
150 04/19/2010 (834839)
151 05/17/2010 (834840)
152 07/29/2010 (843176)
153 07/29/2010 (843243)
154 07/29/2010 (843249)
155 08/17/2010 (844569)
156 08/18/2010 (844583)
157 08/23/2011 (846023)
158 06/21/2010 (847474)
159 09/08/2010 (860250)
160 07/21/2010 (861894)
161 09/27/2010 (865244)
162 09/27/2010 (865247)
163 09/27/2010 (865248)
164 08/18/2010 (868398)
165 11/12/2010 (872187)
166 09/20/2010 (875320)
167 12/01/2010 (877511)
168 10/18/2010 (882884)
169 11/12/2010 (889276)
170 12/13/2010 (897663)
171 03/04/2011 (901492)
172 03/04/2011 (901493)
173 03/04/2011 (901495)
174 01/14/2011 (903549)

175 02/03/2011 (910452)
 176 03/04/2011 (917686)
 177 06/08/2011 (920335)
 178 04/07/2011 (929011)
 179 06/24/2011 (935307)
 180 05/16/2011 (939387)
 181 08/04/2011 (943755)
 182 08/04/2011 (943757)
 183 09/02/2011 (943911)
 184 06/03/2011 (946805)
 185 08/15/2011 (948928)
 186 08/31/2011 (950788)
 187 08/31/2011 (951516)
 188 07/22/2011 (954062)

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

Date: 12/20/2006 (534635) CN600303614
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 106, SubChapter T 106.454(3)(B)
 Description: failure to keep cold solvent cleaner lid closed
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 106, SubChapter T 106.454(1)(E)
 Description: failure to label cold solvent cleaner
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
 Description: failure to test mercaptan loading dock scrubber every five years
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
 Description: failure to include sulfur compounds in 2005 annual flare test for FL-2
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 122, SubChapter B 122.145(2)
 Description: failure to include deviation in deviation report

Date: 01/31/2008 (600338) CN600303614
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
 Description: failure to place a fresh canister as the new polishing canister within 4 hours of breakthrough
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.163(c)(2)
 Description: failure to make first attempt to repair a pump within 5 days
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.168(f)(2)
 Description: failure to make first attempt to repair three valves within 5 days
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)

40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(d)(2)

Description: failure to make first attempt to repair one valve within 5 days
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)

Description: failure to continuously monitor H2S Flare (FL-1) for SO2
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)

Description: failure to monitor various components as required by the applicable fugitive monitoring program
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-2(a)(1)

Description: failure to conduct monthly fugitive monitoring for one pump
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(a)

Description: failure to conduct monthly fugitive monitoring for various valves
 Self Report? NO Classification: Minor
 Citation: 40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.123(i)(1)

Description: failure to keep records of the certifications from owners or operators of facilities that reload or clean railcars
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.168(f)(1)

Description: failure to repair a leak no later than 15 days after detection
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)

Description: failure to vent ethyl mercaptan vapors through carbon-bed during container cleaning process
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
 40 CFR Part 63, Subpart H 63.167

Description: failure to prevent open-ended valves or lines
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 122, SubChapter B 122.145(2)

Description: failure to report all instances of deviations on deviation reports

Date: 02/12/2008 (617665) CN600303614

Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 331, SubChapter D 331.64(d)(2)
 Description: Failure to conduct a temperature log once every five years as required in 30 TAC 331.64(d)(2).

Date: 03/11/2008 (613242) CN600303614

Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter G 116.715(c)(7)
 5C THSC Chapter 382 382.085(b)

Description: Failure to prevent the release of unauthorized emissions to the atmosphere during an emissions event (which did not meet all affirmative defense criteria)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)(B)
 Description: Failure to submit initial notification within 24 hours of discovery of an emissions event

Date: 05/31/2008 (715805) CN600303614

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: 02/02/2009 (723517) CN600303614
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
Effluent limitations and Monitoring PERMIT
Description: Failure to meet permit effluent limitations for Total suspended Solids (TSS) during
a discharge at outfall 001.
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
Effluent Limitations and Monitoring PERMIT
Description: Failure to collect samples and analyze for Total Dissolved Solids (TDS) as permit
required at outfall 003 (when discharging) and to correctly report the analysis
results on the monthly Discharge Monitoring Reports.

Date: 02/20/2009 (735565) CN600303614
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
5C THSC Chapter 382 382.085(b)
Description: Failure to prevent unauthorized emissions. The release of unauthorized
emissions occurred during an emissions event (which did not meet all affirmative
defense criteria).

Date: 03/03/2009 (709311) CN600303614
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
Permit No. 7719A PERMIT
Description: failure to record finding of daily inspection of Dryer A and Dryer B filter vents for
visible particulate emissions
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
Permit No. 7719A PERMIT
Description: failure to record the Crude NMP Condenser Scrubber liquid circulation rate at
least once an hour
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
30 TAC Chapter 116, SubChapter B 116.115(c)
Description: failure to comply with VOC hourly emission limit for R-V2
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
Permit No. 7719A PERMIT
Description: failure of R-V2 to comply with the maximum temperature limit for outlet gas
stream
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
Permit No. 7719A PERMIT
Description: failure to maintain required caustic charge for R-V8
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 122, SubChapter B 122.145(2)
Description: failure to include all instances of deviations on previous deviation reports
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
30 TAC Chapter 116, SubChapter B 116.115(c)
Permit No. 7719A PERMIT
Description: failure to obtain authorization for H2S emissions from several facilities

Date: 04/30/2009 (772006) CN600303614
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: 06/23/2009 (759508) CN600303614
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 327 327.3(b)

Description: Failure to report a spill or discharge meeting a reportable quantity (RQ) to the agency no later than 24 hours after the discovery of the spill or discharge. The facility was notified, by the rancher who leases the property from ConocoPhillips, on April 20, 2009 of the release and did not notify the TCEQ until April 23, 2009.

Date: 06/30/2009 (816082) CN600303614
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: 07/14/2009 (761743) CN600303614
Self Report? NO Classification: Moderate
Citation: 21918 PERMIT
30 TAC Chapter 116, SubChapter B 116.115(c)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(c)(3)(ii)
5C THSC Chapter 382 382.085(b)

Description: Failure to meet the minimum net heating value of 300 Btu/scf for the gas being combusted in a flare during a flare performance test.

Date: 08/17/2010 (844569) CN600303614
Self Report? NO Classification: Moderate
Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.7
40 CFR Chapter 60, SubChapter C, PT 60, SubPT Dc 60.48c(a)
5C THSC Chapter 382 382.085(b)

Description: failure to submit NSPS Dc notification for EPN H-10

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
5C THSC Chapter 382 382.085(b)
Special Condition 7A of Permit No. 7719A PERMIT

Description: failure to record visible emissions walkthrough at A-Dryer vent and B-Dryer vent

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
5C THSC Chapter 382 382.085(b)
Special Condition 23A of Permit No. 7719 PERMIT

Description: failure to record H2S and VOC walkthroughs at F-R1

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
5C THSC Chapter 382 382.085(b)
Special Condition 23B of Permit No. 7719 PERMIT

Description: failure to isolate, contain, and/or repair fugitive leaks within one hour of detection

Self Report? NO Classification: Moderate

Citation: 40 CFR Chapter 63, SubChapter C, PT 63, SubPT F 63.104(b)(1)
5C THSC Chapter 382 382.085(b)

Description: failure to monitor cooling tower for Rytan Quench area exchanger leaks in July and August 2009

Date: 08/18/2010 (844583) CN600303614
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter G 116.715(c)(7)
5C THSC Chapter 382 382.085(b)
Permit No. 21918 SC 1 PERMIT

Description: failure to represent sulfolene emissions from shipping vans and waste luggers

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT UU 63.1026(b)(1)
5C THSC Chapter 382 382.085(b)
Special Condition 9G of Permit No. 21918 PERMIT

Description: failure to monitor pump

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
5C THSC Chapter 382 382.085(b)

Special Condition 9F of Permit No. 21918 PERMIT

Description: failure to monitor various components
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
5C THSC Chapter 382 382.085(b)
Special Condition 9I of Permit No. 21918 PERMIT

Description: failure to execute 15-day repair on B-battery Corken Compressor
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
5C THSC Chapter 382 382.085(b)
Special Condition 15A of Permit No. 2191 PERMIT

Description: failure to route various emissions to control device
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
30 TAC Chapter 116, SubChapter G 116.715(c)(7)
5C THSC Chapter 382 382.085(b)
Special Conditions 1 and 31 of Permit No PERMIT

Description: failure to follow submerged loading practices
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter G 116.715(c)(2)
5C THSC Chapter 382 382.085(b)
Permit No. 21918 PERMIT

Description: failure to submit construction start-up notification
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
5C THSC Chapter 382 382.085(b)
Special Condition 19A of Permit No. 2191 PERMIT

Description: failure to notify agency of stack sampling
Self Report? NO Classification: Moderate
Citation: 40 CFR Chapter 63, SubChapter C, PT 63, SubPT UU 63.1033(b)
5C THSC Chapter 382 382.085(b)

Description: failure to prevent open-ended lines
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT UU 63.1025(b)
5C THSC Chapter 382 382.085(b)
Special Condition 9F of Permit No. 21918 PERMIT

Description: failure to monitor various components
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 122, SubChapter B 122.145(2)
5C THSC Chapter 382 382.085(b)

Description: failure to include all instances of deviations on deviation reports

Date: 09/01/2011 (951516) CN600303614

Description: failure to monitor various components
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
5C THSC Chapter 382 382.085(b)
Permit No. 21918 SC 22A PERMIT

Description: failure to sample the series of carbon canisters in the correct location
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
FOP O-02164 STC 14 OP

Description: failure to monitor some components (valves and pumps) under Leak Detection and Repair (LDAR) program
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 122, SubChapter B 122.145(2)
5C THSC Chapter 382 382.085(b)

Description: failure to include all instances of deviations on previous deviation reports
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT UU 63.1033(b)
5C THSC Chapter 382 382.085(b)
FOP O-02164 STC 1A OP

Description: failure to equip each open-ended valve or line with a cap, blind flange, plug, or second valve
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT UU 63.1025(b)
5C THSC Chapter 382 382.085(b)
FOP O-02164 STC 1(A) OP

Description: failure to monitor some valves under LDAR program
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT UU 63.1025(b)
5C THSC Chapter 382 382.085(b)
Permit 21918 SC 9F PERMIT

Description: failure to monitor a valve under LDAR program
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT UU 63.1026(b)
5C THSC Chapter 382 382.085(b)
FOP O-02164 STC 1(A) and 14 OP

Description: failure to monitor a pump under LDAR program
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
5C THSC Chapter 382 382.085(b)
Permit 21918 SC 45A PERMIT

Description: failure to maintain H-2 CPU Dutch oven daily fuel usage records
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
FOP O-02164 STC 3A OP

Description: failure to complete visible emissions observations on MeSH area transload skid compressor engine
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT UU 63.1025(b)
5C THSC Chapter 382 382.085(b)
FOP O-02164 STC 1(A) and 14 OP

Description: failure to monitor various components under LDAR program
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT UU 63.1025(d)
5C THSC Chapter 382 382.085(b)
FOP O-02164 STC 1(A) OP

Description: failure to complete final repair and re-monitor valve leak within 15 days after leak was found
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
FOP O-02164 STC 14 OP

Description: failure to connect carbon canisters in series for Unit 5 oil/water separator

Date: 09/01/2011 (950788) CN600303614
Self Report? NO Classification: Moderate
Citation: 40 CFR Chapter 63, SubChapter C, PT 63, SubPT FFFF 63.2490(a)
5C THSC Chapter 382 382.085(b)

Description: failure to implement correct cooling water monitoring method in Unit F-CT3
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 122, SubChapter B 122.145(2)
5C THSC Chapter 382 382.085(b)

Description: failure to include all instances of deviations on previous deviation reports
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
O-02165 OP

Description: failure to complete 1 quarterly visible emissions observation at the Pellet Cyclone Blower Vent
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 O-02165 OP

Description: failure to complete 1 annual visible emissions observation at the Pellet Cyclone Blower Vent
 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)
 O-02165; Permit No. 7719A OP

Description: failure to maintain maximum temperature at flash plant NMP scrubber
 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)
 O-02165 OP

Description: failure to maintain minimum liquid flow rate through the quench plant caustic scrubber
 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)
 O-02165 OP

Description: failure to maintain minimum scrubber NMP flow rate
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT F 63.104(a)
 5C THSC Chapter 382 382.085(b)
 O-02165 OP

Description: failure to monitor RYTON cooling tower as required
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT FFFF 63.2460(c)(3)
 5C THSC Chapter 382 382.085(b)
 O-02165 OP

Description: failure to maintain minimum NMP flow to Wash Column
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)
 5C THSC Chapter 382 382.085(b)

Description: failure to complete a final record of an emissions event within 2 weeks

F. Environmental audits.

Notice of Intent Date: 03/09/2009 (740234)

Disclosure Date: 08/25/2009

Viol. Classification: Moderate

Citation: 40 CFR Chapter 262, SubChapter I, PT 262, SubPT B 262.20(a)(1)
 40 CFR Chapter 268, SubChapter I, PT 268, SubPT A 268.7(a)(2)
 40 CFR Chapter 268, SubChapter I, PT 268, SubPT A 268.7(a)(8)
 30 TAC Chapter 335, SubChapter O 335.431

Description: Failure to ensure that each EPA Uniform Hazardous Waste Manifest and Land Disposal Restriction (LDR) document was properly completed and maintained in the facility files.

Notice of Intent Date: 07/09/2009 (763435)

Disclosure Date: 12/03/2009

Viol. Classification: Moderate

Citation: 30 TAC Chapter 305, SubChapter F 305.125(11)(C)

Description: Failure to ensure that each wastewater sample event was documented properly to include all of the prescribed elements.

Notice of Intent Date: 03/08/2011 (906581)

No DOV Associated

Notice of Intent Date: 05/26/2011 (932661)

No DOV Associated

G. Type of environmental management systems (EMSs).

N/A

H. Voluntary on-site compliance assessment dates.

N/A

I. Participation in a voluntary pollution reduction program.

N/A

J. Early compliance.

N/A

Sites Outside of Texas

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN	§	BEFORE THE
ENFORCEMENT ACTION	§	
CONCERNING	§	TEXAS COMMISSION ON
CHEVRON PHILLIPS CHEMICAL	§	
COMPANY LP	§	
RN102320850	§	ENVIRONMENTAL QUALITY

AGREED ORDER
DOCKET NO. 2011-1683-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 Chevron Phillips Chemical Company LP ("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 an organic chemical manufacturing plant on a private road, two miles north-east of the intersection of State Highway Spur 119 and State Highway Spur 245 in Hutchinson 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 notices of the violations alleged in Section II ("Allegations") on or about September 5, 2011 and September 11, 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 Eighteen Thousand Eight Hundred Seventy-Six Dollars (\$18,876) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Fifteen Thousand One Hundred One Dollars (\$15,101) of the administrative penalty and Three Thousand Seven Hundred Seventy-Five Dollars (\$3,775) is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If the Respondent fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require the Respondent to pay all or part of the deferred penalty.
7. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
8. The Executive Director of the TCEQ and the Respondent have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.
9. The Executive Director recognizes that, on September 14, 2011, the Respondent reassigned the Planner Compliance task to the environmental team leader to address the late submittal of the permit compliance certification ("PCC") for the August 1, 2009 through July 31, 2010 reporting period. The COMPASS Compliance Information Reporting System will now send notices to the team leader for upcoming and overdue tasks to better maintain compliance with environmental reporting requirements.
10. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
11. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
12. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

II. ALLEGATIONS

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

1. Failed to submit an initial notification for Incident No. 153829 not later than 24 hours after the discovery of an emissions event that began on April 26, 2011 at 3:30 p.m., in violation of 30 TEX. ADMIN. CODE § 101.201(a)(1)(B) and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on September 2, 2011. Specifically, the initial notification was due by 3:30 p.m. on April 27, 2011 but was not submitted until April 27, 2011 at 6:54 p.m., over 24 hours after the incident was discovered.

2. Failed to prevent unauthorized emissions during an event that began on April 26, 2011 (Incident No. 153829), in violation of 30 TEX. ADMIN. CODE § 116.715(a), TEX. HEALTH & SAFETY CODE § 382.085(b), and Flexible Permit No. 21918, Special Conditions No. 1, as documented during an investigation conducted on September 2, 2011. Specifically, the Respondent released 6,307.61 pounds of volatile organic compounds from the Triangle Basin, a wastewater surface impoundment, during the 17 hour and 30 minute event. The event occurred when rainfall overwhelmed the wastewater system phase separator, causing a hydrocarbon spill into, and an evaporative air release from, the Triangle Basin. Because the initial notification for the event was not submitted timely, the demonstrations in 30 TEX. ADMIN. CODE § 101.222 necessary to present an affirmative defense were not met.
3. Failed to submit a PCC within 30 days from the end of the certification period, in violation of 30 TEX. ADMIN. CODE § 122.146(2), TEX. HEALTH & SAFETY CODE § 382.085(b), and Federal Operating Permit ("FOP") No. O2165, General Terms and Conditions, as documented during an investigation conducted on August 26, 2011 to August 31, 2011. Specifically, the Respondent did not submit the PCC for FOP No. O2165 for the August 1, 2009 through July 31, 2010 reporting period until August 29, 2011.

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: Chevron Phillips Chemical Company LP, Docket No. 2011-1683-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:
 - i. Implement improvements to training procedures for the recordkeeping system to ensure emissions events are timely reported;

- ii. Update and implement training and operating procedures to prevent a recurrence of emissions events due to similar causes as Incident No. 153829; and
- b. Within 45 days after the effective date of this Agreed Order, submit written certification as described below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision Nos. 2.a.i. and 2.a.ii. 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
Amarillo Regional Office
Texas Commission on Environmental Quality
3918 Canyon Drive
Amarillo, Texas 79109-4933

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

2/3/12

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

28 Nov 2011

Date

DOUGLAS DIGMAN

Name (Printed or typed)
Authorized Representative of
Chevron Phillips Chemical Company LP

ROBERT TUNNEY 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.