

Executive Summary – Enforcement Matter – Case No. 43121

Exxon Mobil Corporation

RN102488517

Docket No. 2011-2280-AIR-E

Order Type:

Findings Agreed Order

Findings Order Justification:

People or environmental receptors have been exposed to pollutants which exceed levels that are protective.

Media:

AIR

Small Business:

No

Location(s) Where Violation(s) Occurred:

King Ranch Gas Plant, 7.5 miles north of Premont on Highway 281, then 3.2 miles east, Kleberg County

Type of Operation:

Gas processing and storage plant

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: April 27, 2012

Comments Received: No

Penalty Information

Total Penalty Assessed: \$10,154

Amount Deferred for Expedited Settlement: \$0

Amount Deferred for Financial Inability to Pay: \$0

Total Paid to General Revenue: \$10,154

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: \$2,900

Applicable Penalty Policy: September 2002

**Executive Summary – Enforcement Matter – Case No. 43121
Exxon Mobil Corporation
RN102488517
Docket No. 2011-2280-AIR-E**

Investigation Information

Complaint Date(s): N/A

Complaint Information: N/A

Date(s) of Investigation: September 16, 2011

Date(s) of NOE(s): December 5, 2011

Violation Information

1. Failed to prevent unauthorized emissions during an event that occurred on June 20, 2011 (Incident No. 157334). The TCEQ has determined that the emissions event could have been avoided by better operating practices, and that the emissions event notification was not submitted timely, so Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE § 116.115(b)(2)(F) and (c), TEX. HEALTH & SAFETY CODE § 382.085(b), and New Source Review Permit No. 73319, Special Conditions No. 1].

2. Failed to report an emissions event within 24 hours of discovery [30 TEX. ADMIN. CODE § 101.201(a)(1) and TEX. HEALTH & SAFETY CODE § 382.085(b)].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

Respondent has implemented the following corrective measures at the Plant:

- a. On September 12, 2011, the 50# Flash Tank process parameters were placed on the Distributed Control System (“DCS”) Group 60, and the interim directive which stipulates appropriate conditions for hydrocarbon transfer to Tank 22 were also set in place;
- b. On September 12, 2011 through September 14, 2011, training sessions were conducted for operations personnel;
- c. On September 23, 2011, the creation of an Integrity Critical procedure was completed and approved; and
- d. On September 28, 2011, the 50# Flash Tank process alarms, now labeled Critical Operating Parameter (“COP”) alarms were placed in the DCS. The 50# Flash Tank's new COP alarms are now set for three parameters: pressure, level and flow.

Technical Requirements:

The Order will require Respondent to:

- a. Within 30 days, implement improvements to the recordkeeping system to ensure that emissions events reports are submitted in a timely manner; and

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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

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: Andrew Barry, Operations Manager, Exxon Mobil Corporation, P.O. Box
4358, CORP-MI-3041, Houston, Texas 77210-4358
Todd Griffith, Regulatory Compliance Supervisor, Exxon Mobil Corporation, P.O. Box
4358, CORP-MI-3041, Houston, Texas 77210-4358
Respondent's Attorney: N/A



Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

TCEQ DATES	Assigned	5-Dec-2011	Screening	12-Dec-2011	EPA Due	28-Aug-2012
	PCW	12-Dec-2011				

RESPONDENT/FACILITY INFORMATION			
Respondent	Exxon Mobil Corporation		
Reg. Ent. Ref. No.	RN102488517		
Facility/Site Region	14-Corpus Christi	Major/Minor Source	Major

CASE INFORMATION			
Enf./Case ID No.	43121	No. of Violations	2
Docket No.	2011-2280-AIR-E	Order Type	Findings
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	\$10,100
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ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History	54.0% Enhancement	Subtotals 2, 3, & 7	\$5,454
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Notes: Enhancement for two agreed orders with denial of liability, two NOV's with same/similar violations, and two NOV's with dissimilar violations.

Culpability	No	0.0% Enhancement	Subtotal 4	\$0
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Notes: The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply Total Adjustments	Subtotal 5	\$2,500
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Economic Benefit	0.0% Enhancement*	Subtotal 6	\$0
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Total EB Amounts: \$149
 Approx. Cost of Compliance: \$10,250
 *Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7	Final Subtotal	\$13,054
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OTHER FACTORS AS JUSTICE MAY REQUIRE	0.0%	Adjustment	\$0
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

Final Penalty Amount	\$13,054
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$10,154
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DEFERRAL	0.0% Reduction	Adjustment	\$0
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Reduces the Final Assessed Penalty by the indicted percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes:

No deferral is recommended for Findings Orders.

PAYABLE PENALTY	\$10,154
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Screening Date 12-Dec-2011

Docket No. 2011-2280-AIR-E

PCW

Respondent Exxon Mobil Corporation

Policy Revision 2 (September 2002)

Case ID No. 43121

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN102488517

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>)	2	10%
	Other written NOVs	2	4%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	2	40%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgements or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were submitted</i>)	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	0	0%

Please Enter Yes or No

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

Adjustment Percentage (Subtotal 2) 54%

>> 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 two agreed orders with denial of liability, two NOVs with same/similar violations, and two NOVs with dissimilar violations.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 54%

Screening Date 12-Dec-2011
Respondent Exxon Mobil Corporation
Case ID No. 43121
Reg. Ent. Reference No. RN102488517
Media [Statute] Air
Enf. Coordinator Heather Podlipny
Violation Number 1

Docket No. 2011-2280-AIR-E

PCW

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

Rule Cite(s)

30 Tex. Admin. Code § 116.115(b)(2)(F) and (c), Tex. Health & Safety Code § 382.085(b), and New Source Review Permit No. 73319, Special Conditions No. 1

Violation Description

Failed to prevent unauthorized emissions during an event that occurred on June 20, 2011 (Incident No. 157334). Specifically, the Respondent released 18,977.46 pounds ("lbs") of volatile organic compounds, including 450 lbs of hazardous air pollutants, to the atmosphere during the seven hour event. The event occurred when a level control valve leading to the 50# Flash Tank failed to close completely due to trapped mechanical debris within the valve assembly. This caused a leak of high pressure vapors into the 50# Flash Tank. Operations personnel drained the 50# Flash Tank to Tank 22 (Emission Point No. VENT22) at an excessive rate, causing damage to Tank 22's roof seals, and resulting in the emissions event. The TCEQ has determined that the emissions event could have been avoided by better operating practices, and that the emissions event notification was not submitted timely, so 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

OR	Release	Harm			Percent
		Major	Moderate	Minor	
Actual		x			100%
Potential					

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor	Percent
					0%

Matrix Notes

Human health or the environment has been exposed to pollutants which exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$0

\$10,000

Violation Events

Number of Violation Events Number of violation days

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

Violation Base Penalty \$10,000

One daily event is recommended.

Good Faith Efforts to Comply

25.0% Reduction

\$2,500

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

Notes: The Respondent returned to compliance on September 28, 2011, and the NOE is dated December 5, 2011.

Violation Subtotal \$7,500

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$137

Violation Final Penalty Total \$12,900

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

Economic Benefit Worksheet

Respondent Exxon Mobil Corporation
Case ID No. 43121
Req. Ent. Reference No. RN102488517
Media Air
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

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

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				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)	\$10,000	20-Jun-2011	28-Sep-2011	0.27	\$137	n/a	\$137

Notes for DELAYED costs

Estimated costs to update and implement training and operating procedures to prevent the recurrence of emissions events. The Date Required is the date of the emissions event 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

\$10,000

TOTAL

\$137

Screening Date 12-Dec-2011

Docket No. 2011-2280-AIR-E

PCW

Respondent Exxon Mobil Corporation

Policy Revision 2 (September 2002)

Case ID No. 43121

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN102488517

Media [Statute] Air

Enf. Coordinator Heather Podlipny

Violation Number 2

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

Violation Description

Failed to report an emissions event within 24 hours of discovery. Specifically, the emissions event for Incident No. 157334 occurred on June 20, 2011 and was discovered on June 26, 2011, however, the Respondent submitted the initial notification of the incident on July 27, 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 1%

Matrix Notes

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

Adjustment \$9,900

\$100

Violation Events

Number of Violation Events 1

30 Number of violation days

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

mark only one with an x

Violation Base Penalty \$100

One single 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 \$100

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$12

Violation Final Penalty Total \$154

This violation Final Assessed Penalty (adjusted for limits) \$154

Economic Benefit Worksheet

Respondent Exxon Mobil Corporation
Case ID No. 43121
Rea. Ent. Reference No. RN102488517
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	\$250	27-Jun-2011	12-Jun-2012	0.96	\$12	n/a	\$12
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 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

\$12

Addendum to Compliance History Federal Enforcement Actions

Reg Entity Name: EXXON/MOBIL

Reg Entity Add: P. O. BOX 4358

Reg Entity No:

Reg Entity City: HOUSTON

RN102488517

Customer Name: Exxon Mobil Corporation

Customer No: CN600123939

EPA Case No: 06-2008-4521

Order Issue Date (yyyymmdd): November 10, 2008

Case Result: Final Order with Penalty

Statute: CWA

Sect of Statute: 311B

Classification: Moderate

Program: Spills

Citation: 40 CFR

Violation Type: Oil Spill Violation Under
CWA/OPA

Cite Sect: 311b

Cite Part: 22

Enforcement Action:

Compliance History

Customer/Respondent/Owner-Operator: CN600123939 Exxon Mobil Corporation Classification: AVERAGE Rating: 2.71
Regulated Entity: RN102488517 KING RANCH GAS PLANT Classification: AVERAGE Site Rating: 6.14

ID Number(s):	AIR OPERATING PERMITS	ACCOUNT NUMBER	KJ0003N
	AIR OPERATING PERMITS	PERMIT	3134
	AIR OPERATING PERMITS	PERMIT	3134
	PUBLIC WATER SYSTEM/SUPPLY	REGISTRATION	1370029
	AIR NEW SOURCE PERMITS	REGISTRATION	23353
	AIR NEW SOURCE PERMITS	REGISTRATION	48907
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	KJ0003N
	AIR NEW SOURCE PERMITS	REGISTRATION	75910
	AIR NEW SOURCE PERMITS	AFS NUM	4827300001
	AIR NEW SOURCE PERMITS	REGISTRATION	72882
	AIR NEW SOURCE PERMITS	REGISTRATION	72454
	AIR NEW SOURCE PERMITS	PERMIT	73016
	AIR NEW SOURCE PERMITS	PERMIT	73319
	AIR NEW SOURCE PERMITS	REGISTRATION	77328
	AIR NEW SOURCE PERMITS	REGISTRATION	82074
	AIR NEW SOURCE PERMITS	REGISTRATION	84624
	WATER LICENSING	LICENSE	1370029
	AIR EMISSIONS INVENTORY	ACCOUNT NUMBER	KJ0003N

Location: 7.5 MILES NORTH OF PREMONT ON HIGHWAY 281, THEN 3.2 MILES EAST, KLEBERG COUNTY
TCEQ Region: REGION 14 - CORPUS CHRISTI

Date Compliance History Prepared: December 12, 2011

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: December 12, 2006 to December 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

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: 02/18/2008

ADMINORDER 2007-1062-AIR-E

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)

Rqmt Prov: 514 STC No. (b)(7)(B) OP
S.C. No. 1 PA

Description: Failure to comply with tons per year (TPY) emission limitations for Boiler Nos. 4 and 5 in the Maximum Allowable Emission Rates Table (MAERT) of NSR Air Permit No. 73319. Specifically, these facilities exceeded the TPY emission limitations for NOx, VOC, and PM10 for Boiler Nos. 4 and 5.

Classification: Minor

Citation: 30 TAC Chapter 122, SubChapter B 122.145(2)(A)
5C THC Chapter 382, SubChapter D 382.085(b)

Description: Failure to include all instances of deviations in the deviation report for the six-month period which began on February 1, 2006 through July 31, 2006. Specifically, the regulated entity (RE) did not report the deviation for exceeding the NSR Air Permit No. 73319 emission rates TPY permit limits for NOx, VOC, and PM10 during the reporting period of August 1, 2005 to January 31, 2006. The RE is in non-compliance with the terms and condition for deviation reporting of GOP No. O-00568.

See addendum for information regarding federal actions.

- B. Any criminal convictions of the state of Texas and the federal government.

N/A

- C. Chronic excessive emissions events.

N/A

- D. The approval dates of investigations. (CCEDS Inv. Track. No.)

1	12/20/2006	(518661)
2	05/30/2007	(560773)
3	02/15/2008	(615766)
4	02/22/2008	(619081)
5	04/25/2008	(636803)
6	08/01/2008	(686661)
7	07/30/2008	(687300)
8	11/26/2008	(708585)
9	12/08/2008	(709347)
10	02/25/2009	(736449)
11	06/02/2009	(742449)
12	07/23/2009	(761851)
13	08/24/2009	(765340)
14	11/04/2009	(775924)
15	10/08/2009	(776755)
16	01/05/2010	(787017)
17	01/26/2010	(789354)
18	02/25/2010	(793571)
19	06/07/2010	(802167)
20	06/08/2010	(825044)
21	07/01/2010	(828824)
22	07/30/2010	(830215)
23	05/23/2011	(915814)
24	12/02/2011	(956631)

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

Date: 08/01/2008 (686661) CN600123939
Self Report? NO Classification: Major
Citation: 30 TAC Chapter 116, SubChapter B 116.110(a)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
Description: Failure to obtain regulatory authority for Storage Tanks Nos. 21, 22 and 23.

Date: 05/20/2009 (742449) CN600123939
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)(1)(G)
5C THSC Chapter 382 382.085(b)
Description: Failure to provide in the final report a complete list of all compounds or mixtures of air contaminants associated with the emissions event STEERS Incident 121518. Specifically, Exxon Mobil Corporation - King Ranch Gas Plant failed to provide in the final report the release of 104.287 pounds of volatile organic compounds.

Date: 11/04/2009 (775924) CN600123939
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 290, SubChapter D 290.41(c)(3)(K)
Description: Failure to properly screen the well casing vent with 16-mesh or finer corrosion-resistant screening material.
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 290, SubChapter D 290.46(s)(2)(C)(i)
Description: Failure to verify the accuracy of manual disinfectant analyzer at least once every 30 days using chlorine solutions of known concentrations.

Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 290, SubChapter D 290.46(f)(3)(B)(v)
30 TAC Chapter 290, SubChapter D 290.46(s)(1)

Description: Failure to calibrate the flow measuring device once every three years.

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 290, SubChapter D 290.46(m)(4)

Description: Failure to maintain all water treatment units, storage and pressure maintenance facilities, distribution system lines, and related appurtenances in a watertight condition.

Self Report? NO Classification: Major
Citation: 30 TAC Chapter 290, SubChapter D 290.44(h)(1)(A)

Description: Failure, by the regulated entity, to prohibit water connections to a residence or establishment where an actual or potential contamination or system hazard exists without an air gap or an approved backflow prevention assembly.

Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 290, SubChapter D 290.44(a)(4)

Description: Failure to bury the exposed water transmission lines and distribution lines located at the facility.

Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 290, SubChapter D 290.42(e)(2)

Description: Failure to provide the disinfection application point prior to the water storage tanks.

Date: 05/25/2011 (915814) CN600123939
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(1)(B)
30 TAC Chapter 111, SubChapter A 111.111(a)(1)(C)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
FOP No. O-03134, STC No. 3(B)(4)(iv)(1) OP

Description: Failure to conduct visible emissions observations and record observations quarterly. Specifically, the operation record that the LoCat Vent was observed and whether or not visible emissions occurred was not completed as required. The visible emissions observations were not conducted by Exxon Mobil Corporation at the LoCat Vent for the period of September 14, 2009 through March 8, 2011.

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)
FOP No. 3134 GTC OP

Description: Failure to include all instances of deviations for Federal Operating Permit (FOP) No. O-03134 in the semi-annual deviation reports dated February 22, 2010, August 26, 2010, and February 28, 2011.

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
30 TAC Chapter 122, SubChapter B 122.146(5)(D)
5C THSC Chapter 382 382.085(b)
FOP No. O-0313 STC No. 11 OP

Description: Failure to include or reference in the Federal Operating Permit (FOP) No. O-03134 Permit Compliance Certification the identification of all other terms and conditions of the permit for which compliance was not achieved. Specifically, by failing to report all instances of deviations in the Permit Compliance Certification, the Exxon Mobil Corporation failed to certify accurate reports.

F. Environmental audits.

N/A

G. Type of environmental management systems (EMSs).

N/A

H. Voluntary on-site compliance assessment dates.

N/A

I. Participation in a voluntary pollution reduction program.

N/A

J. Early compliance.

N/A

Sites Outside of Texas

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN	§	BEFORE THE
ENFORCEMENT ACTION	§	
CONCERNING	§	TEXAS COMMISSION ON
EXXON MOBIL CORPORATION	§	
RN102488517	§	ENVIRONMENTAL QUALITY

AGREED ORDER DOCKET NO. 2011-2280-AIR-E

At its _____ agenda, the Texas Commission on Environmental Quality (“the Commission” or “TCEQ”) considered this agreement of the parties, resolving an enforcement action regarding Exxon Mobil Corporation (“the Respondent”) under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent presented this agreement to the Commission.

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

It is further understood and agreed that this Order represents the complete and fully-integrated settlement of the parties. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable. The duties and responsibilities imposed by this Agreed Order are binding upon the Respondent.

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

I. FINDINGS OF FACT

1. The Respondent owns and operates a gas processing and storage plant located 7.5 miles north of Premont on Highway 281, then 3.2 miles east, Kleberg County, Texas (the “Plant”).

2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
3. During a record review from September 16, 2011 through October 18, 2011, TCEQ staff documented that the Respondent failed to prevent unauthorized emissions during an event that occurred on June 20, 2011 (Incident No. 157334). Specifically, the Respondent released 18,977.46 pounds ("lbs") of volatile organic compounds, including 450 lbs of hazardous air pollutants, to the atmosphere during the seven hour event. The event occurred when a level control valve leading to the 50# Flash Tank failed to close completely due to trapped mechanical debris within the valve assembly. This caused a leak of high pressure vapors into the 50# Flash Tank. Operations personnel drained the 50# Flash Tank to Tank 22 (Emission Point No. VENT22) at an excessive rate, causing damage to Tank 22's roof seals, and resulting in the emissions event. The TCEQ has determined that the emissions event could have been avoided by better operating practices, and that the emissions event notification was not submitted timely, so the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.
4. During a record review from September 16, 2011 through October 18, 2011, TCEQ staff documented that the Respondent failed to report an emissions event within 24 hours of discovery. Specifically, the emissions event for Incident No. 157334 occurred on June 20, 2011 and was discovered on June 26, 2011, however, the Respondent submitted the initial notification of the incident on July 27, 2011.
5. The Respondent received notice of the violations on December 9, 2011.
6. The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Plant:
 - a. On September 12, 2011, the 50# Flash Tank process parameters were placed on the Distributed Control System ("DCS") Group 60, and the interim directive which stipulates appropriate conditions for hydrocarbon transfer to Tank 22 were also set in place;
 - b. On September 12, 2011 through September 14, 2011, training sessions were conducted for operations personnel;
 - c. On September 23, 2011, the creation of an Integrity Critical procedure was completed and approved; and
 - d. On September 28, 2011, the 50# Flash Tank process alarms, now labeled Critical Operating Parameter ("COP") alarms were placed in the DCS. The 50# Flash Tank's new COP alarms are now set for three parameters: pressure, level and flow.

II. CONCLUSIONS OF LAW

1. The Respondent is subject to the jurisdiction of the TCEQ pursuant to TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7 and the rules of the Commission.
2. As evidenced by Findings of Fact No. 3, the Respondent failed to prevent unauthorized emissions during an event that occurred on June 20, 2011 (Incident No. 157334), in violation of 30 TEX. ADMIN. CODE § 116.115(b)(2)(F) and (c), TEX. HEALTH & SAFETY CODE § 382.085(b), and New Source Review Permit No. 73319, Special Conditions No. 1. The TCEQ has determined that the emissions event could have been avoided by better operating practices, and that the emissions event notification was not submitted timely, so the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.
3. As evidenced by Findings of Fact No. 4, the Respondent failed to report an emissions event within 24 hours of discovery, in violation of 30 TEX. ADMIN. CODE § 101.201(a)(1) and TEX. HEALTH & SAFETY CODE § 382.085(b).
4. Pursuant to TEX. WATER CODE § 7.051, the Commission has the authority to assess an administrative penalty against the Respondent for violations of the Texas Water Code and the Texas Health and Safety Code within the Commission's jurisdiction; for violations of rules adopted under such statutes; or for violations of orders or permits issued under such statutes.
5. An administrative penalty in the amount of Ten Thousand One Hundred Fifty-Four Dollars (\$10,154) is justified by the facts recited in this Agreed Order, and considered in light of the factors set forth in TEX. WATER CODE § 7.053. The Respondent has paid the Ten Thousand One Hundred Fifty-Four Dollar (\$10,154) administrative penalty.

III. ORDERING PROVISIONS

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

1. The Respondent is assessed an administrative penalty in the amount of Ten Thousand One Hundred Fifty-Four Dollars (\$10,154) as set forth in Section II, Paragraph 5 above, for violations of TCEQ rules and state statutes. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order completely resolve the violations set forth by this Agreed Order in this action. However, the Commission shall not be constrained in any manner from requiring corrective actions or penalties for other violations that are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Exxon Mobil Corporation, Docket No. 2011-2280-AIR-E" to:

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

2. The Respondent shall undertake the following technical requirements:
- a. Within 30 days after the effective date of this Agreed Order, implement improvements to the recordkeeping system to ensure that emissions events reports are submitted in a timely manner; 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 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
Corpus Christi Regional Office
Texas Commission on Environmental Quality
6300 Ocean Drive, Suite 1200
Corpus Christi, Texas 78412-5503

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. The Executive Director may refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings without notice to the Respondent if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
7. 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.
8. 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.
9. 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.

10. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties. By law, the effective date of this Agreed Order is the third day after the mailing date, as provided by 30 TEX. ADMIN. CODE § 70.10(b) and TEX. GOV'T CODE § 2001.142.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

Ronald J. Garcia, Jr.
For the Executive Director

5/16/12
Date

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

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

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

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

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

ALB
Signature

2/14/12
Date

ANDREW BARRY
Name (Printed or typed)
Authorized Representative of
Exxon Mobil Corporation

OPERATIONS MANAGER
Title

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