

**Executive Summary – Enforcement Matter – Case No. 46665
Flint Hills Resources Port Arthur, LLC
RN100217389
Docket No. 2013-0759-AIR-E**

Order Type:

Findings Agreed Order

Findings Order Justification:

Unauthorized emissions which are excessive emissions events.

Media:

AIR

Small Business:

No

Location(s) Where Violation(s) Occurred:

Flint Hills Resources Port Arthur Facility, 4241 Savannah Avenue, Port Arthur,
Jefferson County

Type of Operation:

Chemical manufacturing plant

Other Significant Matters:

Additional Pending Enforcement Actions: Yes Docket numbers: 2012-1849-AIR-
E, 2013-0966-AIR-E and 2013-1610-AIR-E

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: August 30, 2013

Comments Received: No

Penalty Information

Total Penalty Assessed: \$200,000

Amount Deferred for Expedited Settlement: \$0

Amount Deferred for Financial Inability to Pay: \$0

Total Paid to General Revenue: \$100,000

Total Due to General Revenue: \$0

Payment Plan: N/A

SEP Conditional Offset: \$100,000

Name of SEP: Contribution to a Third Party Pre-Approved SEP, Southeast Texas
Regional Planning Commission – Southeast Texas Regional Air Monitoring
Network Ambient Air Monitoring Station

Compliance History Classifications:

Person/CN - Satisfactory

Site/RN - Satisfactory

Major Source: Yes

Statutory Limit Adjustment: N/A

Applicable Penalty Policy: September 2011

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Flint Hills Resources Port Arthur, LLC
RN100217389
Docket No. 2013-0759-AIR-E**

Investigation Information

Complaint Date(s): N/A
Complaint Information: N/A
Date(s) of Investigation: February 18, 2013
Date(s) of NOE(s): April 2, 2013

Violation Information

Failed to prevent unauthorized emissions. Since this emissions event could have been prevented by better operational practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 101.20(3), 116.715(a), 116.715(c)(7) and 122.143(4), Flexible Permit Nos. 16989 and PSD-TX-794, Special Conditions No. 1, Federal Operating Permit No. O1317, Special Terms and Conditions No. 24, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

N/A

Technical Requirements:

1. The Order will require Respondent to implement and complete a Supplemental Environmental Project (“SEP”). (See SEP Attachment A)
2. The Order will require Respondent to:
 - a. Within 30 days, develop and implement a written policy to support preventing water ingress into cold service exchangers in order to prevent the recurrence of emissions events due to same or similar causes as Incident No. 175270; and
 - b. Within 45 days, submit written certification, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision a.

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

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Contact Information

TCEQ Attorney: N/A

TCEQ Enforcement Coordinator: Nadia Hameed, Enforcement Division,
Enforcement Team 5, MC R-12, (713)767-3629; Candy Garrett, Enforcement Division,
MC 219, (512) 239-1456

TCEQ SEP Coordinator: Stuart Beckley, SEP Coordinator, Enforcement Division,
MC 219, (512) 239-3565

Respondent: Jeff Tilley, Vice President, Flint Hills Resources Port Arthur, LLC, 4241
Savannah Avenue, Port Arthur, Texas 77640

Respondent's Attorney: N/A

Attachment A
Docket Number: 2013-0759-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent: Flint Hills Resources Port Arthur, LLC
Penalty Amount: Two Hundred Thousand Dollars (\$200,000)
SEP Amount: One Hundred Thousand Dollars (\$100,000)
Type of SEP: Contribution to a Third-Party Pre-Approved SEP
Third-Party Recipient: Southeast Texas Regional Planning Commission
- Southeast Texas Regional Air Monitoring
Network Ambient Air Monitoring Station
Location of SEP: Jefferson County

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

1. Project Description

a. Project

Respondent shall contribute the SEP offset amount to the Third-Party Recipient named above. The contribution will be to the **Southeast Texas Regional Planning Commission** to be used for the *Meteorological and Air Monitoring Network* as set forth in an agreement between the Third-Party Recipient and the TCEQ. Specifically, the contribution will be used to operate, maintain, and potentially expand the existing Southeast Texas Regional Air Monitoring Network which includes nine monitoring stations currently at the following locations:

1. Beaumont CAM#2
2. Cove School CAM #C695
3. Mauriceville CAM#642
4. Port Arthur (Motiva) Industrial Site CAM #C628
5. Port Arthur Memorial High School campus CAM #C689
6. Port Neches CAM #136
7. Sabine Pass CAM #C640
8. Southeast Texas Regional Airport CAM #C643
9. West Orange CAM #C9

Flint Hills Resources Port Arthur, LLC
Agreed Order - Attachment A

The pollutants currently monitored at each station are identified in Table 1.1 of the agreement between the Third-Party Recipient and the TCEQ. Additional parameters or monitoring sites may, contingent upon available funding and approval of TCEQ, be added. Operation and maintenance of the ambient air monitoring stations includes canister sampling and gas chromatographs. Ancillary equipment includes sample conditioning systems, meteorological towers, climate controlled equipment shelters, a remote communications system, and electronic data logging capability. Ambient monitoring protocols have been and will continue to conform to applicable TCEQ or U.S. Environmental Protection Agency ("EPA") guidelines.

A TCEQ-approved Quality Assurance Project Plan containing all applicable EPA QA-R5 elements shall be maintained. Analysis of all data collected from these sites will comply with Standard Operating Procedures for the analysis and measurement of Volatile Organic Compounds in Ambient Air. The laboratory data generated by this project will be from a TCEQ accredited laboratory in compliance with state laws and rules regarding use of certified or accredited testing laboratories. For example, the Third-Party Recipient must comply with 30 Texas Administrative Code, Chapter 25, Subchapter A, relating to Environmental Testing Laboratory Accreditation and Certification, as amended.

The SEP Offset Amount will be used to purchase equipment (such as automated canister samplers), hardware, software, and licenses to enable the monitoring, and for the cost of operating, maintaining, and periodically upgrading or adding to these air monitoring stations along with ancillary equipment approved by TCEQ. The data will be validated and sent to TCEQ's Leading Environmental Analysis and Display ("LEADS") system. All costs associated with the collection, transfer, and formatting of these data to be compatible with the LEADS system is the responsibility of the Third-Party Recipient. No portion of the SEP Offset Amount will be used for administrative costs or salaries of the Third-Party Recipient. The Third-Party Recipient may use contractors to perform the monitoring project, subject to special conditions concerning costs.

The project will be administered in accordance with federal, state, and local environmental laws and regulations. Respondent certifies that there is no prior commitment to make this contribution and that it is being performed solely in an effort to settle this enforcement action.

b. Environmental Benefit

Particulate matter, sulfides, nitrogen oxides, volatile organic carbon compounds, and ambient air conditions are measured at the stations and the data are made accessible to TCEQ and the public. Sites may also provide continuous assessment of benzene, 1, 3-butadiene and styrene. This monitoring was not previously covered by existing ambient

Flint Hills Resources Port Arthur, LLC
Agreed Order - Attachment A

air monitoring systems. The data is shared with the TCEQ, industry, and the public at http://www.tceq.state.tx.us/cgi-bin/compliance/monops/site_info.pl.

Continued monitoring in this area of the community will help better understand air quality pollutants and will enable better identification of emission sources. The data will focus on specific chemicals that may raise air quality concerns.

c. Minimum Expenditure

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

2. Performance Schedule

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

Southeast Texas Regional Planning Commission
Bob Dickinson, Director of Transportation & Environmental Resources
Attention: SEP
2210 Eastex Freeway
Beaumont, Texas 77703

3. Records and Reporting

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

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

4. Failure to Fully Perform

If Respondent does not perform its obligations under this SEP in any way, including full payment of the SEP amount and submittal of the required reporting described in No. 3 above, the Executive Director may require immediate payment of all or part of the SEP amount.

Flint Hills Resources Port Arthur, LLC
Agreed Order - Attachment A

The check for any amount due shall be made out to "Texas Commission on Environmental Quality" and mailed to:

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

Respondent shall also mail a copy of the check to the Enforcement Division SEP Coordinator at the address in No. 3 above.

5. Publicity

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

6. Clean Texas Program

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

7. Other SEPs by TCEQ or Other Agencies

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



Penalty Calculation Worksheet (PCW)

Policy Revision 3 (September 2011)

PCW Revision August 3, 2011

TCEQ

DATES	Assigned	8-Apr-2013
	PCW	13-Jun-2013
	Screening	12-Apr-2013
	EPA Due	15-Nov-2013

RESPONDENT/FACILITY INFORMATION

Respondent	Flint Hills Resources Port Arthur, LLC	
Reg. Ent. Ref. No.	RN100217389	
Facility/Site Region	10-Beaumont	Major/Minor Source Major

CASE INFORMATION

Enf./Case ID No.	46665	No. of Violations	1	
Docket No.	2013-0759-AIR-E	Order Type	Findings	
Media Program(s)	Air	Government/Non-Profit	No	
Multi-Media		Enf. Coordinator	Nadia Hameed	
		EC's Team	Enforcement Team 5	
Admin. Penalty \$ Limit Minimum		\$0	Maximum	\$25,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties) **Subtotal 1** **\$100,000**

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History **100.0%** Enhancement **Subtotals 2, 3, & 7** **\$100,000**

Notes: Enhancement for one NOV with same/similar violations, two NOVs with dissimilar violations, fourteen orders with denial of liability, and four orders without denial of liability. Reduction for five notices of intent to conduct an audit and three 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** **\$0**

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

Total EB Amounts **\$836**
 Approx. Cost of Compliance **\$20,000**
 *Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7 **Final Subtotal** **\$200,000**

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

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

Final Penalty Amount **\$200,000**

STATUTORY LIMIT ADJUSTMENT **Final Assessed Penalty** **\$200,000**

DEFERRAL **0.0%** Reduction **Adjustment** **\$0**

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 **\$200,000**

Screening Date 12-Apr-2013

Docket No. 2013-0759-AIR-E

PCW

Respondent Flint Hills Resources Port Arthur, LLC

Policy Revision 3 (September 2011)

Case ID No. 46665

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN100217389

Media [Statute] Air

Enf. Coordinator Nadia Hameed

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>)	1	5%
	Other written NOVs	2	4%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	14	280%
	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	4	100%
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>)	5	-5%
	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>)	3	-6%

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) 378%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Satisfactory Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

Enhancement for one NOV with same/similar violations, two NOVs with dissimilar violations, fourteen orders with denial of liability, and four orders without denial of liability. Reduction for five notices of intent to conduct an audit and three disclosures of violations.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 378%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 100%

Screening Date 12-Apr-2013

Docket No. 2013-0759-AIR-E

PCW

Respondent Flint Hills Resources Port Arthur, LLC

Policy Revision 3 (September 2011)

Case ID No. 46665

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN100217389

Media [Statute] Air

Enf. Coordinator Nadia Hameed

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code §§ 101.20(3), 116.715(a), 116.715(c)(7) and 122.143(4), Flexible Permit Nos. 16989 and PSD-TX-794, Special Conditions No. 1, Federal Operating Permit No. O1317, Special Terms and Conditions No. 24, and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to prevent unauthorized emissions. Specifically, the Respondent released 2,311.25 pounds ("lbs") of 1,3-Butadiene, 327.51 lbs of benzene, 11,981.00 lbs of butanes, 859.68 lbs of butenes, 102,757.88 lbs of carbon monoxide, 12.51 lbs of ethylbenzene, 143,685.09 lbs of ethylene, 750.37 lbs of isobutane, 1,845.74 lbs of isobutylene, 20,163.77 lbs of nitrogen oxides, 1,860.23 lbs of pentanes, 10,873.51 lbs of propane, 43,944.02 lbs of propylene, 40.78 lbs of toluene and 25.38 lbs of xylene, during an emissions event (Incident No. 175270) that began on November 28, 2012 and lasted 527 hours and 57 minutes. The event occurred during startup of the Light Olefins Unit, when approximately 200 tubes ruptured within heat exchanger 10E-162. Since this emissions event could have been prevented by better operational practices, the Respondent is precluded from asserting an affirmative defense under 30 Tex. Admin. Code § 101.222.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual	X		
Potential			

Percent 100.0%

>>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

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

\$25,000

Violation Events

Number of Violation Events 4 Number of violation days 22

daily	
weekly	X
monthly	
quarterly	
semiannual	
annual	
single event	

mark only one with an x

Violation Base Penalty \$100,000

Four weekly events are 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 \$100,000

Economic Benefit (EB) for this violation

Estimated EB Amount \$836

Statutory Limit Test

Violation Final Penalty Total \$200,000

This violation Final Assessed Penalty (adjusted for limits) \$200,000

Economic Benefit Worksheet

Respondent Flint Hills Resources Port Arthur, LLC

Case ID No. 46665

Reg. Ent. Reference No. RN100217389

Media Air

Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

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

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$20,000	28-Nov-2012	29-Sep-2013	0.84	\$836	n/a	\$836

Notes for DELAYED costs

Estimated cost to implement procedures to prevent recurrence of emissions events due to same or similar causes as Incident No. 175270. The Date Required is the date the emissions event began. The Final Date is the date that corrective actions are expected to be completed.

Avoided Costs

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance

\$20,000

TOTAL

\$836

The TCEQ is committed to accessibility.

To request a more accessible version of this report, please contact the TCEQ Help Desk at (512) 239-4357.



TCEQ Compliance History Report

PUBLISHED Compliance History Report for CN603743030, RN100217389, Rating Year 2012 which includes Compliance History (CH) components from September 1, 2007, through August 31, 2012.

Customer, Respondent, or Owner/Operator:	CN603743030, Flint Hills Resources Port Arthur, LLC	Classification:	SATISFACTORY	Rating:	13.69
Regulated Entity:	RN100217389, FLINT HILLS RESOURCES PORT ARTHUR FACILITY	Classification:	SATISFACTORY	Rating:	29.61
Complexity Points:	28	Repeat Violator:	NO		
CH Group:	05 - Chemical Manufacturing				
Location:	4241 SAVANNAH AVE PORT ARTHUR, TX 77640-3668, JEFFERSON COUNTY				
TCEQ Region:	REGION 10 - BEAUMONT				

ID Number(s):

AIR OPERATING PERMITS ACCOUNT NUMBER JE0135Q
IHW CORRECTIVE ACTION SOLID WASTE REGISTRATION # (SWR) 89230
WASTEWATER EPA ID TX0105287

AIR NEW SOURCE PERMITS ACCOUNT NUMBER JE0135Q
AIR NEW SOURCE PERMITS REGISTRATION 54845
AIR NEW SOURCE PERMITS REGISTRATION 55150
AIR NEW SOURCE PERMITS REGISTRATION 75753
AIR NEW SOURCE PERMITS REGISTRATION 75685
AIR NEW SOURCE PERMITS REGISTRATION 75824
AIR NEW SOURCE PERMITS AFS NUM 4824500082
AIR NEW SOURCE PERMITS REGISTRATION 70504
AIR NEW SOURCE PERMITS REGISTRATION 70256
AIR NEW SOURCE PERMITS REGISTRATION 71484
AIR NEW SOURCE PERMITS REGISTRATION 72282
AIR NEW SOURCE PERMITS REGISTRATION 71742
AIR NEW SOURCE PERMITS REGISTRATION 73136
AIR NEW SOURCE PERMITS REGISTRATION 73618
AIR NEW SOURCE PERMITS REGISTRATION 74779
AIR NEW SOURCE PERMITS REGISTRATION 74299
AIR NEW SOURCE PERMITS REGISTRATION 75259
AIR NEW SOURCE PERMITS REGISTRATION 76405
AIR NEW SOURCE PERMITS PERMIT 79802
AIR NEW SOURCE PERMITS REGISTRATION 80563
AIR NEW SOURCE PERMITS REGISTRATION 81542
AIR NEW SOURCE PERMITS REGISTRATION 70191
AIR NEW SOURCE PERMITS REGISTRATION 83299
AIR NEW SOURCE PERMITS REGISTRATION 52120
AIR NEW SOURCE PERMITS REGISTRATION 89369
AIR NEW SOURCE PERMITS REGISTRATION 91407
AIR NEW SOURCE PERMITS REGISTRATION 91169
AIR NEW SOURCE PERMITS REGISTRATION 92316
AIR NEW SOURCE PERMITS REGISTRATION 91729
AIR NEW SOURCE PERMITS REGISTRATION 93271
AIR NEW SOURCE PERMITS REGISTRATION 92063
AIR NEW SOURCE PERMITS REGISTRATION 92476
AIR NEW SOURCE PERMITS REGISTRATION 93815
AIR NEW SOURCE PERMITS REGISTRATION 93499
AIR NEW SOURCE PERMITS REGISTRATION 95429

AIR OPERATING PERMITS PERMIT 1317
WASTEWATER PERMIT WQ0003057000

AIR NEW SOURCE PERMITS PERMIT 16989
AIR NEW SOURCE PERMITS REGISTRATION 54780
AIR NEW SOURCE PERMITS REGISTRATION 55149
AIR NEW SOURCE PERMITS REGISTRATION 55148
AIR NEW SOURCE PERMITS REGISTRATION 76098
AIR NEW SOURCE PERMITS REGISTRATION 76342
AIR NEW SOURCE PERMITS REGISTRATION 56739
AIR NEW SOURCE PERMITS REGISTRATION 70435
AIR NEW SOURCE PERMITS REGISTRATION 70231
AIR NEW SOURCE PERMITS REGISTRATION 70780
AIR NEW SOURCE PERMITS REGISTRATION 71465
AIR NEW SOURCE PERMITS REGISTRATION 72235
AIR NEW SOURCE PERMITS REGISTRATION 72541
AIR NEW SOURCE PERMITS REGISTRATION 73892
AIR NEW SOURCE PERMITS REGISTRATION 73988
AIR NEW SOURCE PERMITS REGISTRATION 75061
AIR NEW SOURCE PERMITS REGISTRATION 74850
AIR NEW SOURCE PERMITS REGISTRATION 75258
AIR NEW SOURCE PERMITS REGISTRATION 76648
AIR NEW SOURCE PERMITS REGISTRATION 80894
AIR NEW SOURCE PERMITS REGISTRATION 81224
AIR NEW SOURCE PERMITS REGISTRATION 56574
AIR NEW SOURCE PERMITS REGISTRATION 48586
AIR NEW SOURCE PERMITS REGISTRATION 52327
AIR NEW SOURCE PERMITS REGISTRATION 90818
AIR NEW SOURCE PERMITS REGISTRATION 84551
AIR NEW SOURCE PERMITS REGISTRATION 86625
AIR NEW SOURCE PERMITS REGISTRATION 92300
AIR NEW SOURCE PERMITS REGISTRATION 85841
AIR NEW SOURCE PERMITS REGISTRATION 92251
AIR NEW SOURCE PERMITS REGISTRATION 91594
AIR NEW SOURCE PERMITS REGISTRATION 92475
AIR NEW SOURCE PERMITS REGISTRATION 91783
AIR NEW SOURCE PERMITS EPA PERMIT PSDTX794
AIR NEW SOURCE PERMITS REGISTRATION 94277
AIR NEW SOURCE PERMITS REGISTRATION 95248

AIR NEW SOURCE PERMITS REGISTRATION 95830
AIR NEW SOURCE PERMITS REGISTRATION 96570
AIR NEW SOURCE PERMITS REGISTRATION 96324
AIR NEW SOURCE PERMITS REGISTRATION 97234
AIR NEW SOURCE PERMITS REGISTRATION 100267
AIR NEW SOURCE PERMITS REGISTRATION 96727
AIR NEW SOURCE PERMITS REGISTRATION 98730
AIR NEW SOURCE PERMITS REGISTRATION 101847
AIR NEW SOURCE PERMITS REGISTRATION 104357
AIR NEW SOURCE PERMITS REGISTRATION 108278
AIR NEW SOURCE PERMITS REGISTRATION 105729
PUBLIC WATER SYSTEM/SUPPLY REGISTRATION
 1230093
INDUSTRIAL AND HAZARDOUS WASTE EPA ID
 TXR000080142
AIR EMISSIONS INVENTORY ACCOUNT NUMBER JE0135Q

AIR NEW SOURCE PERMITS REGISTRATION 96494
AIR NEW SOURCE PERMITS REGISTRATION 99153
AIR NEW SOURCE PERMITS REGISTRATION 99531
AIR NEW SOURCE PERMITS REGISTRATION 98948
AIR NEW SOURCE PERMITS REGISTRATION 98147
AIR NEW SOURCE PERMITS REGISTRATION 98734
AIR NEW SOURCE PERMITS REGISTRATION 101659
AIR NEW SOURCE PERMITS REGISTRATION 101648
AIR NEW SOURCE PERMITS REGISTRATION 103598
AIR NEW SOURCE PERMITS REGISTRATION 106804
AIR NEW SOURCE PERMITS REGISTRATION 109241
INDUSTRIAL AND HAZARDOUS WASTE PERMIT 50399

INDUSTRIAL AND HAZARDOUS WASTE SOLID WASTE
 REGISTRATION # (SWR) 89230
POLLUTION PREVENTION PLANNING ID NUMBER
 P00678

UNDERGROUND INJECTION CONTROL PERMIT
 5X2500122

Compliance History Period: September 01, 2007 to August 31, 2012 **Rating Year:** 2012 **Rating Date:** 09/01/2012

Date Compliance History Report Prepared: April 26, 2013

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: April 11, 2008 to April 11, 2013

TCEQ Staff Member to Contact for Additional Information Regarding This Compliance History.

Name: Nadia Hameed

Phone: (713) 767-3629

Site and Owner/Operator History:

- | | | |
|--|-----|----|
| 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 | NO |
| 3) If YES for #2, who is the current owner/operator? | N/A | |
| 4) If YES for #2, who was/were the prior owner(s)/operator(s)? | N/A | |
| 5) If YES , when did the change(s) in owner or operator occur? | N/A | |

Components (Multimedia) for the Site Are Listed in Sections A - J

A.Final Orders, court judgments, and consent decrees:

- 1 Effective Date: 05/22/2008 ADMINORDER 2006-1775-MLM-E (Findings Order-Agreed Order Without Denial)
 Classification: Moderate
 Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
 30 TAC Chapter 116, SubChapter G 116.715(a)
 30 TAC Chapter 116, SubChapter G 116.715(c)(7)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THC Chapter 382, SubChapter D 382.085(b)
 Rqmt Prov:16989/PSD-TX-794, Special Condition 1 PERMIT
 O-01317, General Terms and Conditions OP
 O-01317, Special Condition 16 OP

 Description: Failure to maintain an emission rate below the allowable emission limit.
 Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.110(a)
 5C THC Chapter 382, SubChapter D 382.085(b)

 Description: Failure to prevent the release of unauthorized emissions to the atmosphere during an unplanned shutdown activity.
 Classification: Moderate
 Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
 30 TAC Chapter 116, SubChapter G 116.715(a)
 30 TAC Chapter 116, SubChapter G 116.715(c)(7)

30 TAC Chapter 122, SubChapter B 122.143(4)
Rqmt Prov:16989/PSD-TX-794, Special Condition 1 PERMIT
O-01317, General Terms and Conditions OP
O-01317, Special Condition 16 OP

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

2 Effective Date: 11/17/2008 ADMINORDER 2008-0568-AIR-E (1660 Order-Agreed Order With Denial)

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)
30 TAC Chapter 116, SubChapter G 116.715(c)(7)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)

Rqmt Prov:16989 Special Condition 1 PERMIT
FOP-O-01317 Special Condition 16 OP

Description: Failed to prevent the failure of the governor valve and subsequent shutdown of the Light Olefins Unit ("LOU") Ethylene Compressor and flaring of process gases on Nove. During the emissions event lasting 13 hours and 20 minutes, the total unauthorized emissions from the LOU flare were 3,747.2 pounds ("lbs") of carbon monoxide ("CO"), 2,732.85 lbs of volatile organic compounds ("VOC"), and 518.81 lbs of nitrogen oxides ("NOx").

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)
30 TAC Chapter 116, SubChapter G 116.715(c)(7)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)

Rqmt Prov:16989 Special Condition 1 PERMIT
FOP-O-01317 Special Condition 16 OP

Description: Failed to prevent a contractor from inadvertently closing the air supply valve to the hydrogen feed valve, resulting in loss of hydrogen flow to the acetylene reactors, resulting in the automatic diversion of the ethylene tower feed from the de-ethanizer overhead to the LOU flare on November 30, 2007. During the emissions event lasting seven hours, the total unauthorized emissions from the LOU flare were 7,176.86 lbs of VOC, 6,521.22 lbs of CO, and 902.88 lbs NOx.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)
30 TAC Chapter 116, SubChapter G 116.715(c)(7)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)

Rqmt Prov:16989/PSD-TX-794 Special Condition 1 PERMIT
FOP-O-01317 Special Condition 16 OP

Description: Failed to prevent excess emissions from Tank 33752 on November 19, 2007, when hydrocarbon streams which were at a cool temperature were introduced into the tank which was at an elevated temperature. During the emissions event which lasted 30 minutes, 186.79 lbs of benzene and 151.69 lbs of other VOCs were released. Because these emissions could have been foreseen and avoided by good operating practices, the demonstrations for an affirmative defense could not be met.

3 Effective Date: 01/30/2009 ADMINORDER 2008-1066-AIR-E (1660 Order-Agreed Order With Denial)

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
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)

Rqmt Prov:16989/PSD-TX-794 Special Condition 1 PERMIT
FOP-O-01317 Special Condition 16 OP

Description: Failure to maintain emissions below the allowable emission limit. The December 28, 2007, emissions event resulted due to the shutdown of the Ethylene Refrigeration Compressor, which was initiated by a false high speed indication, during a thunderstorm. According to the internal investigation report submitted by FHR, the design of the Ethylene Refrigeration Compressor was not to the required specifications, and the high speed indication wiring was grounded at both ends.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
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)

Rqmt Prov:16989/PSD-TX-794 Special Condition 1 PERMIT

FOP-O-01317 Special Condition 16 OP

Description: Failure to maintain emissions below the allowable emission limit. The January 18, 2008, emissions event resulted when a contractor failed to follow facility procedure while off-loading the vacuum truck into the GHU sump.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
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)

Rqmt Prov:16989/PSD-TX-794 Special Condition 1 PERMIT
FOP-O-01317 Special Condition 16 OP

Description: Failure to maintain emissions below the allowable emission limit. The February 27, 2008, emissions event resulted when the converter board operator failed to immediately respond to the drop in pressure to pressure control valve 395.

4 Effective Date: 03/12/2009 ADMINORDER 2008-1269-AIR-E (1660 Order-Agreed Order With Denial)

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)
30 TAC Chapter 116, SubChapter G 116.715(c)(7)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)

Rqmt Prov:1317, General Terms and Conditions OP
1317, Special Condition 16 OP
16989/PSD-TX-794, Special Condition 1 PERMIT

Description: Failed to prevent unauthorized emissions.

5 Effective Date: 08/23/2009 ADMINORDER 2009-0121-AIR-E (1660 Order-Agreed Order With Denial)

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
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)

Rqmt Prov:Special Condition 1 PERMIT
Special Condition 16 OP

Description: Failure to maintain emissions below the allowable emission limit. The emissions event incident 109860 was caused when a wrong procedure was used during valve selection.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
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)

Rqmt Prov:Special Condition 1 PERMIT
Special Condition 16 OP

Description: Failure to maintain emissions below the allowable emission limit. The June 28, 2008, emissions event was caused when placing the "F" furnace on-line. A lack of sufficient excess total hydrogen feed to the ethylene reactors caused a high concentration of acetylene to the Ethylene Tower Feed.

6 Effective Date: 12/18/2009 ADMINORDER 2009-0916-AIR-E (Findings Order-Agreed Order Without Denial)

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
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)

Rqmt Prov:16989/PSD-TX-794 Special Condition 1 OP
O-01317 Special Condition 16 PERMIT

Description: Failed to prevent unauthorized emissions during Incident No. 122769, in violation of Air Permit No. 16989, Special Condition No. 1, Air Permit No. O-01317, Special Condition No. 16, 30 TEX. ADMIN. CODE §§ 101.20(3), 116.715(a), and 122.143(4), and TEX. HEALTH & SAFETY CODE § 382.085(b).

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
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)

Rqmt Prov:16989/PSD-TX-794, Special Condition 1 OP
O-01317, Special Condition 16 PERMIT

Description: Failed to prevent unauthorized emissions during Incident No. 121878, in violation of Air Permit No. 16989, Special Condition No. 1, Air Permit No. O-01317, Special Condition No. 16, 30 TEX. ADMIN. CODE §§ 101.20(3), 116.715(a), and 122.143(4), and TEX. HEALTH & SAFETY CODE § 382.085(b).

7 Effective Date: 02/22/2010 ADMINORDER 2009-1335-AIR-E (1660 Order-Agreed Order With Denial)

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
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)

Rqmt Prov:16989/PSD-TX-794, Special Condition 1 PERMIT
O-01317, Special Condition 16 OP

Description: Failure to prevent the release of unauthorized emissions to the atmosphere.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)

Rqmt Prov:O-01317 Special Condition 2F OP

Description: Failure to submit an emission event within 24 hours after discovery of an emission event.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
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)

Rqmt Prov:16989/PSD-TX-794, Special Condition 1 OP
O-01317, Special Condition 16 PERMIT

Description: Failure to prevent the release of unauthorized emissions to the atmosphere.

8 Effective Date: 06/26/2010 ADMINORDER 2009-1676-AIR-E (1660 Order-Agreed Order With Denial)

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
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)

Rqmt Prov:16989/PSD-TX-794, Special Condition 1 PERMIT
O-01317, Special Condition 16 OP

Description: Failure to maintain emissions below the allowable emission limit.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
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)

Rqmt Prov:16989/PSD-TX-794 Special Condition 1 OP
O-01317, Special Condition 16 PERMIT

Description: Failure to maintain emissions below the allowable emission limit.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
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)

Rqmt Prov:16989/PSD-TX-794, Special Condition 1 OP
O-01317, Special Condition 16 PERMIT

Description: Failure to prevent the release of unauthorized emissions to the atmosphere.

Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)

Rqmt Prov:16989/PSD-TX-794, General Terms & Condit OP
O-01317, Special Condition 2F PERMIT

Description: Failure to submit initial notification for an emissions event within 24 hours of discovery. Specifically, Incident No. 127182 occurred on July 17, 2009, and was not reported until July 23, 2009.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
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)

Rqmt Prov:16989/PSD-TX-794, Special Condition 1 PERMIT
O-01317, Special Condition 16 OP

Description: Failure to prevent the release of unauthorized emissions to the atmosphere.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
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)

Rqmt Prov:16989/PSD-TX-794 Special Condition 1 PERMIT
O-01317 Special Condition 22 OP

Description: Failure to prevent the release of unauthorized emissions to the atmosphere.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
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)

Rqmt Prov:16989/ PSD-TX-794, Special Condition 1 PERMIT
O-01317, Special Condition 16 OP

Description: Failure to maintain emissions below the allowable emission limit.

9 Effective Date: 07/11/2010 ADMINORDER 2009-1999-AIR-E (1660 Order-Agreed Order With Denial)

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
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)

Rqmt Prov:16989/PSD-TX-794 Special Condition 1 PERMIT
O-01317 Special Condition 22 OP

Description: Failed to prevent unauthorized emissions during Incident No. 128951.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
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)

Rqmt Prov:16989/PSD-TX-794 Special Condition PERMIT
O-01317 Special Condition 22 OP

Description: Failed to prevent unauthorized emissions during Incident No. 129338.

10 Effective Date: 08/30/2010 ADMINORDER 2010-0309-AIR-E (Findings Order-Agreed Order Without Denial)

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
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)

Rqmt Prov:16989/PSD-TX-794 Special Condition 1 PERMIT
FOP O-01317, Special Condition 16 OP

Description: The Respondent failed to prevent unauthorized emissions during Incident No. 130668.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
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)

Rqmt Prov:FOP O-01317, Special Condition 16 PERMIT
Permit 16989/PSD-TX-794, SC 1 OP

Description: The Respondent failed to prevent unauthorized emissions during Incident No. 130566.

11 Effective Date: 02/05/2011 ADMINORDER 2010-0854-AIR-E (Findings Order-Agreed Order Without Denial)

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
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)

Rqmt Prov:16989/PSD-TX-794, Special Condition 1 PERMIT
FOP-O-01317, Special Condition No. 22 OP

Description: The Respondent failed to prevent unauthorized emissions during Incident No. 134373.

Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 101, SubChapter F 101.201(a)(1)(B)
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)

Rqmt Prov:O-01317, Special Condition 2F OP

Description: the Respondent failed to report Incident No. 134373 within 24 hours after discovery.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
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)

Rqmt Prov:16989/PSD-TX-794 Special Condition 1 PERMIT
O-01317 Special Condition No. 22 OP

Description: The Respondent failed to prevent unauthorized emissions during Incident No. 134219.

12 Effective Date: 02/20/2011 ADMINORDER 2010-1099-AIR-E (1660 Order-Agreed Order With Denial)

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
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)

Rqmt Prov:16989/PSD-TX-794 Special Condition 1 PERMIT
O-01317 Special Condition 16 OP

Description: Failed to prevent unauthorized emissions. Specifically, the Respondent released 20.98 lbs of CO, 3,898.22 lbs of VOC and 0.56 lbs of hydrogen sulfide from the Spent Caustic Degassing Drum during an avoidable emissions event (Incident No. 134917) that began on January 23, 2010 and lasted 19 hours and 18 minutes. The event was caused by the failure of a level controller that led to a complete loss of liquid in the drum. The loss of liquid caused a pathway that allowed process vapors to flow to Flo

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
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)

Rqmt Prov:16989/PSD-TX-794 Special Condition 1 PERMIT
O-01317 Special Condition 16 OP

Description: Failed to prevent unauthorized emissions. Specifically, the Respondent released 704.76 lbs of CO, 917.79 lbs of VOC and 97.58 lbs of NOx from the LOU Flare during an avoidable emissions event (Incident No. 136904) that began on March 8, 2010 and lasted 50 hours and 29 minutes. The event was caused by the failure to completely close the drain valve on the Second Stage Compressor Cracked Gas Drip Leg after draining the drip leg, leading to emissions being vented to the atmosphere through the flare

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
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)

Rqmt Prov:16989/PSD-TX-794 Special Condition 1 PERMIT
O-01317 Special Condition 16 OP

Description: Failed to prevent unauthorized emissions. Specifically, the Respondent released 295.60 pounds ("lbs") of

carbon monoxide ("CO"), 347.77 lbs of volatile organic compounds ("VOC") and 40.93 lbs of nitrogen oxide ("NOx") from the Light Olefins Unit ("LOU") Flare during an avoidable emissions event (Incident No. 136126) that began on February 21, 2010 and lasted seven hours and 30 minutes. The event was caused by the degradation of insulation on high voltage electrical lines leading to the shutdown

- 13 Effective Date: 06/20/2011 ADMINORDER 2010-1865-AIR-E (1660 Order-Agreed Order With Denial)
Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
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)
Rqmt Prov:O-01317, Special Terms and Conditions 22 OP
Permit 16989/PSD-TX-794 SC 1 PERMIT
Description: Failed to prevent unauthorized emissions.
Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
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)
Rqmt Prov:16989/PSD-TX-794 Special Condition PERMIT
O-01317, Special Terms and Conditions 22 OP
Description: Failed to prevent unauthorized emissions.
- 14 Effective Date: 08/27/2011 ADMINORDER 2011-0287-AIR-E (1660 Order-Agreed Order With Denial)
Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
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)
Rqmt Prov:16989/PSD-TX-794 Special Condition 1 PERMIT
O-1317, Special Terms & Conditions 22 OP
Description: Failure to maintain emissions below the allowable emission limit.
- 15 Effective Date: 08/27/2011 ADMINORDER 2011-0192-AIR-E (1660 Order-Agreed Order With Denial)
Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)
30 TAC Chapter 116, SubChapter G 116.715(c)(7)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
Rqmt Prov:16989/PSD-TX-794 Special Condition 1 PERMIT
Special Terms & Conditions No. 22 OP
Description: Failure to maintain emissions below the allowable emission limit.
- 16 Effective Date: 04/23/2012 ADMINORDER 2011-1562-AIR-E (1660 Order-Agreed Order With Denial)
Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
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)
Rqmt Prov:FOP O1317, Special Condition 22 OP
NSR Flexible Permit No. 16989, SC 1 PERMIT
Description: Failed to prevent unauthorized emissions.
Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
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)
Rqmt Prov:FOP O1317, ST & C 22 OP
NSR Flexible Permit No. 16989, SC 1 PERMIT

Description: Failed to prevent unauthorized emissions.

17 Effective Date: 06/22/2012 ADMINORDER 2011-2129-AIR-E (1660 Order-Agreed Order With Denial)
Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
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)
Rqmt Prov:1317, Special Condition 22 OP
SC1 PERMIT
Special Condition No. 1 PERMIT
Description: Failure to prevent the release of unauthorized emissions to the atmosphere.

18 Effective Date: 11/11/2012 ADMINORDER 2012-0809-AIR-E (1660 Order-Agreed Order With Denial)
Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
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)
Rqmt Prov:16989/PSD-TX-794 Special Condition 1 PERMIT
Special Condition 22 OP
Description: Failed to prevent unauthorized emissions during an event on December 8, 2011 (Incident No. 162629). Specifically, the Respondent released 295.65 pounds ("lbs") of volatile organic compounds (including 17.29 lbs of 1,3-butadiene), 196.19 lbs of carbon monoxide, and 38.51 lbs of nitrogen oxides of unauthorized emissions from the Light Olefins Unit Flare (Emission Point No. LOUFLARE) during the one hour 35-minute event. The event occurred due to a design flaw within the heat exchanger system.

B. Criminal convictions:

N/A

C. Chronic excessive emissions events:

N/A

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

Item 1	April 14, 2008	(676530)
Item 2	April 23, 2008	(637551)
Item 3	May 08, 2008	(641183)
Item 4	May 13, 2008	(695002)
Item 5	June 06, 2008	(682318)
Item 6	June 16, 2008	(695003)
Item 7	June 27, 2008	(682444)
Item 8	July 14, 2008	(695004)
Item 9	July 16, 2008	(683700)
Item 10	July 31, 2008	(684054)
Item 11	August 02, 2008	(686169)
Item 12	August 18, 2008	(716508)
Item 13	September 04, 2008	(687705)
Item 14	September 08, 2008	(702304)
Item 15	September 10, 2008	(716509)
Item 16	October 09, 2008	(716510)
Item 17	October 31, 2008	(704800)
Item 18	November 11, 2008	(731995)
Item 19	December 10, 2008	(731996)
Item 20	December 15, 2008	(721155)
Item 21	January 14, 2009	(731997)
Item 22	February 03, 2009	(723045)
Item 23	February 04, 2009	(708100)
Item 24	February 06, 2009	(755358)
Item 25	February 20, 2009	(725410)
Item 26	February 25, 2009	(720934)

Item 27	March 03, 2009	(736948)
Item 28	March 19, 2009	(755359)
Item 29	March 23, 2009	(726546)
Item 30	March 25, 2009	(736039)
Item 31	April 09, 2009	(722988)
Item 32	April 20, 2009	(755360)
Item 33	June 04, 2009	(744697)
Item 34	June 18, 2009	(744900)
Item 35	June 19, 2009	(744790)
Item 36	July 30, 2009	(748201)
Item 37	August 19, 2009	(817363)
Item 38	August 28, 2009	(763176)
Item 39	September 17, 2009	(817361)
Item 40	October 05, 2009	(775281)
Item 41	October 13, 2009	(775338)
Item 42	October 26, 2009	(775425)
Item 43	November 05, 2009	(777343)
Item 44	November 09, 2009	(778303)
Item 45	November 11, 2009	(779100)
Item 46	November 24, 2009	(817366)
Item 47	December 01, 2009	(760789)
Item 48	December 14, 2009	(817367)
Item 49	December 23, 2009	(782164)
Item 50	January 21, 2010	(817368)
Item 51	February 01, 2010	(787221)
Item 52	February 19, 2010	(792201)
Item 53	February 22, 2010	(788950)
Item 54	February 23, 2010	(791426)
Item 55	February 25, 2010	(817360)
Item 56	March 22, 2010	(788590)
Item 57	March 25, 2010	(835318)
Item 58	April 23, 2010	(835319)
Item 59	April 26, 2010	(794882)
Item 60	May 02, 2010	(793078)
Item 61	May 19, 2010	(801471)
Item 62	May 25, 2010	(801828)
Item 63	May 30, 2010	(800451)
Item 64	June 02, 2010	(824604)
Item 65	June 22, 2010	(847628)
Item 66	June 23, 2010	(824857)
Item 67	June 24, 2010	(825576)
Item 68	July 22, 2010	(862032)
Item 69	July 28, 2010	(843045)
Item 70	July 30, 2010	(827585)
Item 71	August 25, 2010	(868607)
Item 72	August 31, 2010	(841720)
Item 73	September 16, 2010	(864362)
Item 74	September 19, 2010	(842441)
Item 75	September 20, 2010	(843255)
Item 76	September 23, 2010	(875500)
Item 77	October 21, 2010	(883041)
Item 78	October 22, 2010	(864020)
Item 79	November 12, 2010	(872488)
Item 80	November 23, 2010	(797259)
Item 81	November 30, 2010	(879190)
Item 82	December 20, 2010	(897823)
Item 83	January 03, 2011	(886795)
Item 84	January 13, 2011	(903714)
Item 85	January 21, 2011	(880062)
Item 86	February 01, 2011	(892382)

Item 87	February 03, 2011	(885483)
Item 88	February 12, 2011	(895473)
Item 89	February 23, 2011	(895924)
Item 90	March 21, 2011	(905839)
Item 91	March 23, 2011	(906943)
Item 92	April 21, 2011	(929608)
Item 93	April 22, 2011	(797279)
Item 94	May 12, 2011	(906438)
Item 95	May 24, 2011	(939569)
Item 96	June 16, 2011	(933075)
Item 97	July 19, 2011	(954245)
Item 98	July 20, 2011	(924035)
Item 99	July 22, 2011	(936459)
Item 100	August 09, 2011	(943685)
Item 101	August 17, 2011	(948639)
Item 102	August 22, 2011	(948607)
Item 103	August 28, 2011	(936515)
Item 104	September 21, 2011	(966918)
Item 105	September 22, 2011	(956695)
Item 106	October 12, 2011	(949086)
Item 107	October 19, 2011	(972888)
Item 108	November 14, 2011	(979022)
Item 109	November 29, 2011	(964220)
Item 110	December 16, 2011	(985857)
Item 111	December 21, 2011	(968532)
Item 112	January 11, 2012	(980531)
Item 113	January 17, 2012	(992213)
Item 114	January 20, 2012	(968678)
Item 115	January 24, 2012	(980571)
Item 116	February 15, 2012	(999524)
Item 117	March 21, 2012	(1005065)
Item 118	March 26, 2012	(990071)
Item 119	March 27, 2012	(994174)
Item 120	April 20, 2012	(1011621)
Item 121	April 30, 2012	(996207)
Item 122	May 23, 2012	(1018002)
Item 123	June 05, 2012	(1009225)
Item 124	June 09, 2012	(1002197)
Item 125	June 14, 2012	(1025744)
Item 126	June 25, 2012	(1009271)
Item 127	July 24, 2012	(1033092)
Item 128	August 02, 2012	(1021644)
Item 129	August 07, 2012	(1016272)
Item 130	August 15, 2012	(1039607)
Item 131	September 06, 2012	(1048533)
Item 132	September 12, 2012	(1027401)
Item 133	September 13, 2012	(1028287)
Item 134	September 17, 2012	(1028376)
Item 135	October 05, 2012	(1035442)
Item 136	October 18, 2012	(1037417)
Item 137	October 23, 2012	(1068804)
Item 138	October 31, 2012	(1037558)
Item 139	November 16, 2012	(1068805)
Item 140	November 20, 2012	(1042293)
Item 141	November 30, 2012	(1046513)
Item 142	December 12, 2012	(1046262)
Item 143	December 17, 2012	(1068806)
Item 144	January 14, 2013	(1082412)
Item 145	January 15, 2013	(1053603)
Item 146	February 20, 2013	(1058820)
Item 147	February 21, 2013	(1058848)

Description: Failure to maintain an accurate list of Leak Detection and Repair (LDAR) components.
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 115, SubChapter D 115.352(2)
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 63.1024(d)(1)
5C THSC Chapter 382 382.085(b)
PSD-TX-794, Special Condition 15(H) PERMIT
Special Terms and Conditions 1(A) OP

Description: Failure to repair components on delay of repair (DOR) during the next shutdown.
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)
30 TAC Chapter 122, SubChapter B 122.143(4)
30 TAC Chapter 122, SubChapter B 122.145(2)(A)
30 TAC Chapter 122, SubChapter B 122.146(5)(D)
5C THSC Chapter 382 382.085(b)
General Terms and Conditions OP
PSD-TX-794, GC H PERMIT

Description: Failure to submit an accurate Title V Semiannual Deviation Report (SDR) and an accurate Permit Compliance Certification (PCC).
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 115, SubChapter B 115.114(a)(1)
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 G 63.120(a)(3)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.120(a)(3)(ii)
5C THSC Chapter 382 382.085(b)
PSD-TX-794, SC 8(D) PERMIT
Special Terms and Conditions 22 OP

Description: Failure to conduct annual visual inspections of Aromatic Unit (AU) Tank 4880 at least once every 12 months.
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 101, SubChapter F 101.201(b)
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)
PSD-TX-794, General Condition 10 PERMIT
Special Terms and Conditions 2(F) OP

Description: Failure to create final records of nonreportable emissions events (EEs) within 14 days from the end of the event.
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 115, SubChapter D 115.352(4)
30 TAC Chapter 116, SubChapter G 116.715(a)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(1)
5C THSC Chapter 382 382.085(b)
PSD-TX-794, Special Condition 14(E) PERMIT
PSD-TX-794, Special Condition 15(E) PERMIT
Special Terms and Conditions 1A OP

Description: Failure to install a cap, blind flange, plug, or a second valve on equipment operating in volatile organic compound (VOC) service.
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
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)
PSD-TX-794, Special Condition 25(C) PERMIT
Special Terms and Conditions 22 OP

Description: Failure to switch the American Petroleum Institute (API) Separator carbon canisters within three hours of volatile organic compound (VOC) breakthrough.
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(c)(3)(ii)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT A 63.11(b)(6)(ii)
5C THSC Chapter 382 382.085(b)
PSD-TX-794, Special Condition 10 PERMIT

Special Terms and Conditions 1(A) OP

Description: Failure to maintain the minimum net heating value of gas being combusted for a flare at or above 300 British thermal units per standard cubic feet (Btu/scf).

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
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)
PSD-TX-794, GC H PERMIT
SC 21 OP

Description: Failure to maintain three hour average combustion zone temperatures for Light Olefins Unit (LOU) Heater #1 of at least 578 degrees Fahrenheit (F).

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
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)
PSD-TX-794, GC H PERMIT
SC 21 OP

Description: Failure to maintain three hour average combustion zone temperatures for Light Olefins Unit (LOU) Heater #2 of at least 502 degrees Fahrenheit (F).

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
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)
PSD-TX-794, GC H PERMIT
SC 21 OP

Description: Failure to maintain three hour average combustion zone temperatures for Light Olefins Unit (LOU) Boiler #8 of at least 1779 degrees Fahrenheit (F).

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.355(h)(1)
40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.355(h)(3)
40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.355(h)(4)
5C THSC Chapter 382 382.085(b)
PSD-TX-794, GC H PERMIT
Special Terms and Conditions 1(A) OP

Description: Failure to conduct appropriate calibrations on the Photoionization Detector (PID) before monitoring carbon canisters.

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 115, SubChapter B 115.144
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)
General Terms and Conditions OP
PSD-TX-794, GC H PERMIT

Description: Failure to conduct appropriate visual inspections on water seals.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 115, SubChapter B 115.136(a)(2)(C)
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)
PSD-TX-794, GC H PERMIT
Special Terms and Conditions 1(A) OP

Description: Failure to monitor the volatile organic compound (VOC) concentration in the exhaust gas of the American Petroleum Institute (API) Separator Carbon Absorption System (CAS) every 15 minutes whenever the CAS is operating.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.354(d)
5C THSC Chapter 382 382.085(b)
General Terms and Conditions OP
PSD-TX-794, GC H PERMIT

Description: Failure to monitor the volatile organic compound (VOC) concentration in the exhaust gas of the Carbon Absorption System (CAS) every day whenever the CAS is operating.

Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
 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 WW 63.1066(b)(1)
 5C THSC Chapter 382 382.085(b)
 General Terms and Conditions OP
 PSD-TX-794, GC H PERMIT
 Description: Failure to submit the required 30 day notice to the Texas Commission on Environmental Quality (TCEQ) before conducting seal gap measurements on an external floating roof (EFR) storage tank.

Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
 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 SS 63.998(d)(1)(ii)(B)
 5C THSC Chapter 382 382.085(b)
 General Terms and Conditions OP
 PSD-TX-794, General Condition 10 PERMIT
 Description: Failure to document the starting date of a car seal bypass.

Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
 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)
 PSD-TX-794, SC 23(B) PERMIT
 Special Terms and Conditions 22 OP
 Description: Failure to report down time for the H Furnace Continuous Emissions Monitoring Systems (CEMS) to the Texas Commission on Environmental Quality (TCEQ) Beaumont Regional Director.

Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
 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)
 PSD-TX-794, General Condition 10 PERMIT
 Special Terms and Conditions 3(B)(iv)(1) OP
 Description: Failure to conduct a quarterly visible emissions observation on Light Olefins Unit (LOU) Boiler 8 during the first quarter of 2012.

Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(4)(A)(ii)
 30 TAC Chapter 116, SubChapter B 116.115(b)(2)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 General Condition 10 PERMIT
 Special Terms and Conditions 1(A) OP
 Description: Failure to maintain a flare log for the Propylene Oxide Vapor Combustor at the Neches River dock.

3 Date: 01/03/2013 (1043103) CN603743030

Self Report? NO Classification: Minor
 Citation: 16989/PSD-TX-794, General Condition 10 PERMIT
 16989/PSD-TX-794, Special Condition 22 PERMIT
 30 TAC Chapter 101, SubChapter A 101.20(3)
 30 TAC Chapter 116, SubChapter G 116.715(a)
 30 TAC Chapter 117, SubChapter B 117.145(c)(1)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 FOP-O-01317, Special Condition 7 OP
 Description: Failure to submit a Relative Accuracy Test Audit (RATA) within 60 days of testing completion.

F. Environmental audits:

Disclosure Date: 04/30/2008
 Viol. Classification: Moderate
 Citation: 30 TAC Chapter 115, SubChapter D 115.352(4)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT UU 63.1033(b)

40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.167(a)

Description: 4 open-ended lines were found without control by cap, plug or blind, or double block valves.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter D 115.352

40 CFR Chapter 63, SubChapter C, PT 63, SubPT UU 63.1019

40 CFR Chapter 63, SubChapter C, PT 63, SubPT UU 63.1025(b)

4F TWC Chapter 63, SubChapter A 63.160(1)

40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.168(b)

Description: 5 valves were found without tags that appear to have been overlooked from the leak detection and repair (LDAR) inventory.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter D 115.352(2)(A)

30 TAC Chapter 115, SubChapter D 115.352(3)

30 TAC Chapter 115, SubChapter D 115.356(2)(E)(i)

30 TAC Chapter 115, SubChapter D 115.356(2)(E)(ii)

40 CFR Chapter 63, SubChapter C, PT 63, SubPT UU 63.1026

40 CFR Chapter 63, SubChapter C, PT 63, SubPT UU 63.1038(b)(7)

Description: 21P-104 was documented as a sensory leaker on December 9, 2007 by operations. The leak was not documented in the LDAR database and delay of repair (DOR) paperwork was not completed (with reason of isolated from service) before the 15-day deadline.

Viol. Classification: Moderate

Citation: 40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.355(c)(1)

Description: Points of generation for commingled waste streams have been grouped for total annual benzene (TAB) reporting purposes. However, flow and determination of benzene quantity should be reported for each point of generation. Also, drain system and closed vent system monitoring needs to be implemented at the initial point of generation, not downstream.

Viol. Classification: Moderate

Citation: 40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.355(a)

Description: Material sent off-site for recycling has not been included in TAB (candidates include spent carbon and used oil).

Viol. Classification: Moderate

Citation: 40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.355(c)(1)

Description: Prior sampling for determination of benzene content has not included each phase in multi-phase waste streams. (Only water has been analyzed). Similarly, oil streams are not all accounted for as part of TAB.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter C 122.210(a)

Description: The Title V permit has not been updated to reflect the wastewater applicability determinations that the site is currently operating under. For example, Light Olefins Unit (LOU) stripper as in process, Hazardous Organics NESHAP (HON) and Ethylene Maximum Achievable Control Technology (MACT) overlap with NESHAP FF, storage tank changes of service/applicability.

Viol. Classification: Moderate

Citation: 40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.357(d)(7)(i)

Description: Certification statement in quarterly NESHAP FF report does not include affirmation of less than 10 parts per million by weight (ppmw) treatment standard, although the samples reflect less than 10 ppmw.

Viol. Classification: Moderate

Citation: 40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.342(f)(2)

Description: NESHAP FF off-site waste notification is not provided with each waste shipment. It is included in the waste profile which is provided one time in advance of shipment.

Viol. Classification: Moderate

Rqmt Prov: ORDER 40 CFR 63.1096

Description: Ethylene MACT off-site waste notifications have not been completed.

Viol. Classification: Moderate

Citation: 40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.355(a)

Description: Maintenance wash pad is not included in the TAB and may need to be considered as uncontrolled for purposes of 2 megagram (Mg) exemption.

Viol. Classification: Moderate

Citation: 40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.345(a)(1)(i)

Description: No detectable emissions (NDE) monitoring is not conducted for spent carbon supersacks, Frac tanks and vacuum trucks, which are considered containers under Subpart FF.

Viol. Classification: Moderate

Citation: 40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.355(a)

40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.355(b)

40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.357(d)(2)

40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.110(e)

40 CFR Chapter 63, SubChapter C, PT 63, SubPT YY 63.1100(g)

Description: The team is comfortable with site's use of HON control requirements to supersede NESHAP FF controls on equipment receiving HON streams; however, this does not allow grouping of all waste streams (including streams not flowing from HON units) for Point of Generation/Determination and reporting purposes.

Viol. Classification: Minor

Citation: 40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.349(a)(1)(ii)

40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.148(f)

Description: The team observed bypass lines that were not locked or car sealed closed in the closed vent system for the wastewater stripper unit flare knockout drum.

Viol. Classification: Moderate

Citation: 40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.346(a)(1)(i)(A)

40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.349(a)(1)(i)

40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.148(f)

Description: The team observed inconsistency in the field tagging and absence of tags in wastewater drain systems and closed vent systems that made it difficult to verify which regulations govern a stream and that fugitive monitoring has been conducted for each stream as required. For example, spot checks of untagged components near the LOU flare knockout pot drain systems could not be identified in the LDAR Database as having been monitored.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter B 115.132(a)(3)

Description: The roof on the American Petroleum Institute (API) separator has a history of recurring leaks. The roof is vented to a vapor recovery system; however, the leaks that are measured indicate that there are gases from the roof that are not being controlled such that the true partial pressure of the Volatile Organic Compound in those gasses is less than 0.5 psia.

Viol. Classification: Moderate

Citation: 40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.356(g)

40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.110

Description: There are compliance gaps in regulatory applicability because of overlap in regulatory applicability and site practices. Examples include:

-Unsafe to monitor and difficult to monitor provisions do not exist for audio/visual/olfactory (AVO) inspection of closed vent systems.

-Use of instrument monitoring in lieu of visuals for drains is not sufficient to meet all requirements.

Notice of Intent Date: 07/17/2008 (688108)

No DOV Associated

Notice of Intent Date: 08/18/2008 (703367)

No DOV Associated

Notice of Intent Date: 10/05/2010 (870545)

Disclosure Date: 04/08/2011

Viol. Classification: Minor

Citation: 30 TAC Chapter 117, SubChapter G 117.8100(a)(1)

Description: Emission calculations conducted in the data historian do not follow the reference method calculation protocols in 40 CFR 60, Appendix A, Test Method 19 for using monitored diluent concentrations to estimate mass emission rates.

Viol. Classification: Minor

Citation: 30 TAC Chapter 117, SubChapter B 117.123(c)(1)(C)

Description: The emissions total used to demonstrate compliance with the Ch. 117 source cap is not consistent with the regulation. The regulation requires that a fixed measured hourly emission rate be used for units without a CEMS, but the site uses a variable emission rate based on the fuel firing rate to make the demonstration.

Viol. Classification: Minor

Citation: 30 TAC Chapter 117, SubChapter B 117.140(a)

Description: The pilot gas flow tags used in calculating the contribution of pilot gas to the fuel gas firing rate appear not to be functional, and are producing bad data (negative and highly variable flows which appear inaccurate) which are slightly impacting emission calculations.

Viol. Classification: Minor

Citation: 30 TAC Chapter 117, SubChapter B 117.145(d)(3)

Description: CEMS downtime is excluded based on no creaking feed flow instead of no fuel feed flow.

Viol. Classification: Minor

Citation: 30 TAC Chapter 117, SubChapter G 117.8100(a)(1)

Description: Verification that the current analyzers are the same ones that underwent initial certification is not possible because the serial numbers listed in the initial certifications were for each collective CEMS installation and not the analyzers themselves. Records indicating actual analyzer serial numbers were not available to auditors.

Viol. Classification: Minor

Citation: 30 TAC Chapter 117, SubChapter G 117.8100(a)(1)

Description: The CEMS Negative Drift Level is not sufficiently high. The negative drift should be set at greater than 4 times the CD, which for NOx should be > -15 ppm and for CO should be > -80 ppm, based on existing ranges.

Viol. Classification: Minor

Citation: 30 TAC Chapter 117, SubChapter G 117.8100(a)(1)

Description: A test for stratification is required in the initial Certification test to validate the use of three point sampling. After reviewing the initial certification reports, the audit team did not find proof of a test for stratifications for all furnaces.

Viol. Classification: Minor

Citation: 30 TAC Chapter 117, SubChapter G 117.8100(a)(1)

Description: Downtime in the current reporting tools begins in the first hour of any failed QA/QC check. The downtime should begin at the time corresponding to the completion of the daily Calibration Drift check preceding the daily CD check that results in a CD in excess of four times the allowable limit.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 117, SubChapter B 117.154(a)(5)
30 TAC Chapter 117, SubChapter B 117.154(b)(2)(D)

Description: The EPN names are not consistent with the site's permit or emissions inventory, the data substitution method indicated in the final control plan is not allowed by the rule, and not what is used, and not all exempt sources (emergency engines) have been included in the final control plan with documentation of the exemption being claimed.

Notice of Intent Date: 10/14/2010 (877037)

Disclosure Date: 04/19/2011

Viol. Classification: Major

Citation: 2B TWC Chapter 11, SubChapter A 11.121
30 TAC Chapter 297, SubChapter B 297.11

Description: Failure to produce documentaion of the contract or agreement that authorizes PAC to withdraw water from the Drainage District #7 (DD#7) canal for use as 'service water' (water withdrawal would typically require a TCEQ permit & fee payment)

Viol. Classification: Minor

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

Description: Failed to finalize the facility's stormwater pollution prevention plan and failed to implement it at the time of the audit. Specifically, the monthly inspection reports, the annual training and records, and the mangement certification of commitment were missing.

Viol. Classification: Minor

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

Description: Failed to be able to locate the discharge monitoring report from Nov. 2007.

Viol. Classification: Minor

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

Description: Failed to replace the roof after removing to access the pump. Significant material residues were exposed (diesel fuel and oil) from the backup diesel generator pump which could have gone into stormwaterwater Outfall 002.

Viol. Classification: Minor

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

Description: Failed to use good housekeeping at Outfall 002 stormsater discharge swale as the oil absorbent boom needs replacement, and maintenance of the underflow weir were identified as needed at the time of the audit.

Viol. Classification: Minor

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

Description: Best Management Practices were not utilized as follow up with maintenance to check PMs and operational status on Outfall #001's emergency diesel pumps is needed; the shed at Outfall 002 over the pump station was open to rain and oils were noted on the concrete floor of the structure; and the diesel generators for the fire pump by Reseroic 14 were observed to have exposed oils and a sulfuric acid battery.

Notice of Intent Date: 03/22/2011 (914660)

No DOV Associated

G. Type of environmental management systems (EMSs):

N/A

H. Voluntary on-site compliance assessment dates:

N/A

I. Participation in a voluntary pollution reduction program:

N/A

J. Early compliance:

N/A

Sites Outside of Texas:

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
FLINT HILLS RESOURCES PORT
ARTHUR, LLC
RN100217389**

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**BEFORE THE

TEXAS COMMISSION ON

ENVIRONMENTAL QUALITY**

**AGREED ORDER
DOCKET NO. 2013-0759-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 Flint Hills Resources Port Arthur, LLC ("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 chemical manufacturing plant at 4241 Savannah Avenue in Port Arthur, Jefferson County, Texas (the "Plant").

2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE §382.003(12).
3. During a record review conducted on February 18, 2013, TCEQ staff documented that the Respondent released 2,311.25 pounds ("lbs") of 1,3-Butadiene, 327.51 lbs of benzene, 11,981.00 lbs of butanes, 859.68 lbs of butenes, 102,757.88 lbs of carbon monoxide, 12.51 lbs of ethylbenzene, 143,685.09 lbs of ethylene, 750.37 lbs of isobutane, 1,845.74 lbs of isobutylene, 20,163.77 lbs of nitrogen oxides, 1,860.23 lbs of pentanes, 10,873.51 lbs of propane, 43,944.02 lbs of propylene, 40.78 lbs of toluene and 25.38 lbs of xylene, during an emissions event (Incident No. 175270) that began on November 28, 2012 and lasted 527 hours and 57 minutes. The emissions event occurred during startup of the Light Olefins Unit when approximately 200 tubes ruptured within heat exchanger 10E-162. The TCEQ determined that the emissions event could have been prevented by better operational practices.
4. The Respondent received notice of the violations on April 4, 2013.

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, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 116.715(a), 116.715(c)(7) and 122.143(4), Flexible Permit Nos. 16989 and PSD-TX-794, Special Conditions No. 1, Federal Operating Permit No. O1317, Special Terms and Conditions No. 24, and TEX. HEALTH & SAFETY CODE § 382.085(b). Since this emissions event could have been prevented by better operational practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.
3. 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.
4. An administrative penalty in the amount of Two Hundred Thousand Dollars (\$200,000) 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 One Hundred Thousand Dollars (\$100,000) of the administrative penalty. One Hundred Thousand Dollars (\$100,000) shall be conditionally offset by the Respondent's completion of a Supplemental Environmental Project ("SEP").

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 Two Hundred Thousand Dollars (\$200,000) as set forth in Section II, Paragraph 4 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: Flint Hills Resources Port Arthur, LLC, Docket No. 2013-0759-AIR-E" to:

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

2. The Respondent shall implement and complete the SEP in accordance with TEX. WATER CODE § 7.067. As set forth in Section II, Paragraph 4 above, One Hundred Thousand Dollars (\$100,000) of the assessed administrative penalty shall be offset with the condition that the Respondent implement the SEP defined in Attachment A, incorporated herein by reference. The Respondent's obligation to pay the conditionally offset portion of the administrative penalty assessed shall be discharged upon final completion of all provisions of the SEP agreement.
3. The Respondent shall undertake the following technical requirements:
 - a. Within 30 days after the effective date of this Agreed Order, develop and implement a written policy to support preventing water ingress into cold service exchangers in order to prevent the recurrence of emissions events due to same or similar causes as Incident No. 175270; 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. 3.a. The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

"I certify under penalty of law that I have personally examined and am familiar with the information submitted and all attached documents, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the submitted information is true, accurate and

complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing violations."

The certification shall be submitted to:

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

with a copy to:

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

4. 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.
5. 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.
6. 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.
7. 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.

8. 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.
9. 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.
10. 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.
11. 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

Jaun Miller
For the Executive Director

10.4.13
Date

I, the undersigned, have read and understand the attached Agreed Order in the matter of Flint Hills Resources Port Arthur, LLC. I am authorized to agree to the attached Agreed Order on behalf of Flint Hills Resources Port Arthur, LLC, 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, Flint Hills Resources Port Arthur, LLC 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.

J. Miller
Signature

7/9/13
Date

Jeff Tilley
Name (Printed or typed)
Authorized Representative of
Flint Hills Resources Port Arthur, LLC

Vice President
Title

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

Attachment A
Docket Number: 2013-0759-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent: Flint Hills Resources Port Arthur, LLC
Penalty Amount: Two Hundred Thousand Dollars (\$200,000)
SEP Amount: One Hundred Thousand Dollars (\$100,000)
Type of SEP: Contribution to a Third-Party Pre-Approved SEP
Third-Party Recipient: Southeast Texas Regional Planning Commission
- Southeast Texas Regional Air Monitoring
Network Ambient Air Monitoring Station
Location of SEP: Jefferson County

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

1. Project Description

a. Project

Respondent shall contribute the SEP offset amount to the Third-Party Recipient named above. The contribution will be to the **Southeast Texas Regional Planning Commission** to be used for the *Meteorological and Air Monitoring Network* as set forth in an agreement between the Third-Party Recipient and the TCEQ. Specifically, the contribution will be used to operate, maintain, and potentially expand the existing Southeast Texas Regional Air Monitoring Network which includes nine monitoring stations currently at the following locations:

1. Beaumont CAM#2
2. Cove School CAM #C695
3. Mauriceville CAM#642
4. Port Arthur (Motiva) Industrial Site CAM #C628
5. Port Arthur Memorial High School campus CAM #C689
6. Port Neches CAM #136
7. Sabine Pass CAM #C640
8. Southeast Texas Regional Airport CAM #C643
9. West Orange CAM #C9

Flint Hills Resources Port Arthur, LLC
Agreed Order - Attachment A

The pollutants currently monitored at each station are identified in Table 1.1 of the agreement between the Third-Party Recipient and the TCEQ. Additional parameters or monitoring sites may, contingent upon available funding and approval of TCEQ, be added. Operation and maintenance of the ambient air monitoring stations includes canister sampling and gas chromatographs. Ancillary equipment includes sample conditioning systems, meteorological towers, climate controlled equipment shelters, a remote communications system, and electronic data logging capability. Ambient monitoring protocols have been and will continue to conform to applicable TCEQ or U.S. Environmental Protection Agency ("EPA") guidelines.

A TCEQ-approved Quality Assurance Project Plan containing all applicable EPA QA-R5 elements shall be maintained. Analysis of all data collected from these sites will comply with Standard Operating Procedures for the analysis and measurement of Volatile Organic Compounds in Ambient Air. The laboratory data generated by this project will be from a TCEQ accredited laboratory in compliance with state laws and rules regarding use of certified or accredited testing laboratories. For example, the Third-Party Recipient must comply with 30 Texas Administrative Code, Chapter 25, Subchapter A, relating to Environmental Testing Laboratory Accreditation and Certification, as amended.

The SEP Offset Amount will be used to purchase equipment (such as automated canister samplers), hardware, software, and licenses to enable the monitoring, and for the cost of operating, maintaining, and periodically upgrading or adding to these air monitoring stations along with ancillary equipment approved by TCEQ. The data will be validated and sent to TCEQ's Leading Environmental Analysis and Display ("LEADS") system. All costs associated with the collection, transfer, and formatting of these data to be compatible with the LEADS system is the responsibility of the Third-Party Recipient. No portion of the SEP Offset Amount will be used for administrative costs or salaries of the Third-Party Recipient. The Third-Party Recipient may use contractors to perform the monitoring project, subject to special conditions concerning costs.

The project will be administered in accordance with federal, state, and local environmental laws and regulations. Respondent certifies that there is no prior commitment to make this contribution and that it is being performed solely in an effort to settle this enforcement action.

b. Environmental Benefit

Particulate matter, sulfides, nitrogen oxides, volatile organic carbon compounds, and ambient air conditions are measured at the stations and the data are made accessible to TCEQ and the public. Sites may also provide continuous assessment of benzene, 1, 3-butadiene and styrene. This monitoring was not previously covered by existing ambient

Flint Hills Resources Port Arthur, LLC
Agreed Order - Attachment A

air monitoring systems. The data is shared with the TCEQ, industry, and the public at http://www.tceq.state.tx.us/cgi-bin/compliance/monops/site_info.pl.

Continued monitoring in this area of the community will help better understand air quality pollutants and will enable better identification of emission sources. The data will focus on specific chemicals that may raise air quality concerns.

c. Minimum Expenditure

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

2. Performance Schedule

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

Southeast Texas Regional Planning Commission
Bob Dickinson, Director of Transportation & Environmental Resources
Attention: SEP
2210 Eastex Freeway
Beaumont, Texas 77703

3. Records and Reporting

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

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

4. Failure to Fully Perform

If Respondent does not perform its obligations under this SEP in any way, including full payment of the SEP amount and submittal of the required reporting described in No. 3 above, the Executive Director may require immediate payment of all or part of the SEP amount.

Flint Hills Resources Port Arthur, LLC
Agreed Order - Attachment A

The check for any amount due shall be made out to "Texas Commission on Environmental Quality" and mailed to:

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

Respondent shall also mail a copy of the check to the Enforcement Division SEP Coordinator at the address in No. 3 above.

5. Publicity

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

6. Clean Texas Program

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

7. Other SEPs by TCEQ or Other Agencies

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