

Executive Summary – Enforcement Matter – Case No. 44081
Gulf Chemical & Metallurgical Corporation
RN100210129
Docket No. 2012-0922-AIR-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

AIR

Small Business:

No

Location(s) Where Violation(s) Occurred:

Gulf Chemical and Metallurgical Freeport, 302 Midway Road, Freeport, Brazoria County

Type of Operation:

Catalyst recovery plant

Other Significant Matters:

Additional Pending Enforcement Actions: Yes, Docket No. 2011-0987-IHW-E, Docket

No. 2012-1993-PWS-E

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: December 14, 2012

Comments Received: No

Penalty Information

Total Penalty Assessed: \$28,362

Amount Deferred for Expedited Settlement: \$5,672

Amount Deferred for Financial Inability to Pay: \$0

Total Paid to General Revenue: \$22,690

Total Due to General Revenue: \$0

Payment Plan: N/A

SEP Conditional Offset: \$0

Name of SEP: N/A

Compliance History Classifications:

Person/CN - Average

Site/RN - Poor

Major Source: Yes

Statutory Limit Adjustment: \$23,100

Applicable Penalty Policy: September 2002 and September 2011

Executive Summary – Enforcement Matter – Case No. 44081
Gulf Chemical & Metallurgical Corporation
RN100210129
Docket No. 2012-0922-AIR-E

Investigation Information

Complaint Date(s): N/A

Complaint Information: N/A

Date(s) of Investigation: September 21, 2011

Date(s) of NOE(s): December 14, 2011

Violation Information

1. Failed to prevent unauthorized emissions. Specifically, unauthorized emissions of 2,442.06 pounds of ammonia were released from the secondary scrubber, Emission Point Number 006, during an emissions event (Incident No. 158718) that began on August 30, 2011 and lasted 28 hours and 37 minutes. Since this event could have been avoided by better operational practices and it was not properly reported, Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), New Source Review Permit No. 1157C, Special Conditions No. 1, Federal Operating Permit ("FOP") No. O1337, Special Terms and Conditions No. 8, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

2. Failed to submit the initial notification of an emissions event within 24 hours after discovery of the event. Specifically, Incident No. 158718 was discovered on August 30, 2011 at 6:00 a.m., but was not reported until August 31, 2011 at 7:31 p.m. [30 TEX. ADMIN. CODE §§ 101.201(a)(1) and 122.143(4), FOP No. O1337, Special Terms and Conditions No. 2, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

3. Failed to submit the final record of a reportable emissions event (Incident No. 158718) no later than two weeks after the end of the event. Specifically, a final record was not submitted [30 TEX. ADMIN. CODE §§ 101.201(c) and 122.143(4), FOP No. O1337, Special Terms and Conditions No. 2, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

N/A

Technical Requirements:

The Order will require Respondent to:

a. Within 30 days:

i. Implement measures and/or procedures to prevent the recurrence of emissions events due to the same causes as those that caused Incident No. 158718; and

Executive Summary – Enforcement Matter – Case No. 44081
Gulf Chemical & Metallurgical Corporation
RN100210129
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- ii. Implement procedures designed to ensure timely submittal of emissions events notifications and final reports.

- b. Within 45 days, submit written certification demonstrating 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

Contact Information

TCEQ Attorney: N/A
TCEQ Enforcement Coordinator: Heather Podlipny, Enforcement Division, Enforcement Team 4, MC 149, (512) 239-2603; Debra Barber, Enforcement Division, MC 219, (512) 239-0412
TCEQ SEP Coordinator: N/A
Respondent: Robert Stephen, Senior Executive Vice President of Operations, Gulf Chemical & Metallurgical Corporation, 302 Midway Road, Freeport, Texas 77541
Richard Funesti, Director of Safety, Security and Sustainable Development, Gulf Chemical & Metallurgical Corporation, 302 Midway Road, Freeport, Texas 77541
Respondent's Attorney: N/A



Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

TCEQ

DATES	Assigned	19-Dec-2011	Screening	30-Apr-2012	EPA Due	N/A
	PCW	26-Jun-2012				

RESPONDENT/FACILITY INFORMATION	
Respondent	Gulf Chemical & Metallurgical Corporation
Reg. Ent. Ref. No.	RN100210129
Facility/Site Region	12-Houston
Major/Minor Source	Major

CASE INFORMATION			
Enf./Case ID No.	44081	No. of Violations	2
Docket No.	2012-0922-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Trina Grieco
		EC's Team	Enforcement Team 4
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$10,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$5,100
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ADJUSTMENTS (+/-) TO SUBTOTAL 1		
Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.		
Compliance History	762.0% Enhancement	Subtotals 2, 3, & 7
		\$38,862

Notes: Enhancement for five NOV's with same/similar violations, 39 NOV's with dissimilar violations, three orders with denial of liability, one order without denial of liability, 11 criminal convictions, and repeat violator status. Reduction for one Notice of Audit letter submitted.

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

Good Faith Effort to Comply Total Adjustments	Subtotal 5	\$0
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Economic Benefit	0.0% Enhancement*	Subtotal 6	\$0
Total EB Amounts	\$126	*Capped at the Total EB \$ Amount	
Approx. Cost of Compliance	\$2,000		

SUM OF SUBTOTALS 1-7	Final Subtotal	\$43,962
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OTHER FACTORS AS JUSTICE MAY REQUIRE	0.0%	Adjustment	\$0
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Notes:

Final Penalty Amount	\$43,962
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$20,862
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DEFERRAL	20.0% Reduction	Adjustment	-\$4,172
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Notes: Deferral offered for expedited settlement.

PAYABLE PENALTY	\$16,690
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Screening Date 30-Apr-2012

Docket No. 2012-0922-AIR-E

PCW

Respondent Gulf Chemical & Metallurgical Corporation

Policy Revision 2 (September 2002)

Case ID No. 44081

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100210129

Media [Statute] Air

Enf. Coordinator Trina Grieco

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>)	5	25%
	Other written NOVs	39	78%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	3	60%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	1	25%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgements or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	11	550%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were submitted</i>)	1	-1%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	0	0%

Please Enter Yes or No

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

Adjustment Percentage (Subtotal 2) 737%

>> Repeat Violator (Subtotal 3)

Yes

Adjustment Percentage (Subtotal 3) 25%

>> Compliance History Person Classification (Subtotal 7)

Average Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

Enhancement for five NOVs with same/similar violations, 39 NOVs with dissimilar violations, three orders with denial of liability, one order without denial of liability, 11 criminal convictions, and repeat violator status. Reduction for one Notice of Audit letter submitted.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 762%

Screening Date 30-Apr-2012

Docket No. 2012-0922-AIR-E

PCW

Respondent Gulf Chemical & Metallurgical Corporation

Policy Revision 2 (September 2002)

Case ID No. 44081

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100210129

Media [Statute] Air

Enf. Coordinator Trina Grieco

Violation Number 1

Rule Cite(s)

30 Tex. Admin. Code §§ 116.115(c) and 122.143(4), New Source Review Permit No. 1157C, Special Conditions No. 1, Federal Operating Permit ("FOP") No. O1337, Special Terms and Conditions No. 8, and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to prevent unauthorized emissions. Specifically, unauthorized emissions of 2,442.06 pounds of ammonia were released from the secondary scrubber, Emission Point Number 006, during an emissions event (Incident No. 158718) that began on August 30, 2011 and lasted 28 hours and 37 minutes. Since this event could have been avoided by better operational practices and it was not properly reported, the Respondent is precluded from asserting an affirmative defense under 30 Tex. Admin. Code § 101.222.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual		X	
Potential			

Percent 50%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes

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

Adjustment \$5,000

\$5,000

Violation Events

Number of Violation Events 1

2 Number of violation days

daily	
weekly	
monthly	X
quarterly	
semiannual	
annual	
single event	

mark only one with an x

Violation Base Penalty \$5,000

One monthly event is recommended.

Good Faith Efforts to Comply

0.0% Reduction

\$0

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

Notes

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

Violation Subtotal \$5,000

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$94

Violation Final Penalty Total \$43,100

This violation Final Assessed Penalty (adjusted for limits) \$20,000

Economic Benefit Worksheet

Respondent Gulf Chemical & Metallurgical Corporation

Case ID No. 44081

Reg. Ent. Reference No. RN100210129

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
<small>No commas or \$</small>							

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
Permits Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$1,500	30-Aug-2011	1-Dec-2012	1.26	\$94	n/a	\$94

Notes for DELAYED costs

Estimated costs to implement measures designed to prevent potential hydrogen probe malfunctions. The Date Required is the date of the event. The Final Date is the date corrective actions are projected 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

\$1,500

TOTAL

\$94

Screening Date 30-Apr-2012

Docket No. 2012-0922-AIR-E

PCW

Respondent Gulf Chemical & Metallurgical Corporation

Policy Revision 2 (September 2002)

Case ID No. 44081

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100210129

Media [Statute] Air

Enf. Coordinator Trina Grieco

Violation Number 2

Rule Cite(s)

30 Tex. Admin. Code §§ 101.201(a)(1) and 122.143(4), FOP No. O1337, Special Terms and Conditions No. 2, and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to submit the initial notification of an emissions event within 24 hours after discovery of the event. Specifically, Incident No. 158718 was discovered on August 30, 2011 at 6:00 a.m., but was not reported until August 31, 2011 at 7:31 p.m.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor
			X

Percent 1%

Matrix Notes

Less than 30% of the rule requirements were not met.

Adjustment \$9,900

\$100

Violation Events

Number of Violation Events 1

1 Number of violation days

mark only one with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	X

Violation Base Penalty \$100

One single event is recommended.

Good Faith Efforts to Comply

0.0% Reduction

\$0

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

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

Violation Subtotal \$100

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$31

Violation Final Penalty Total \$862

This violation Final Assessed Penalty (adjusted for limits) \$862

Economic Benefit Worksheet

Respondent Gulf Chemical & Metallurgical Corporation

Case ID No. 44081

Reg. Ent. Reference No. RN100210129

Media Air

Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

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

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)	\$500	31-Aug-2011	1-Dec-2012	1.25	\$31	n/a	\$31

Notes for DELAYED costs

Estimated costs to implement measures designed to ensure that emissions events are properly reported. The Date Required is 24 hours after discovery of the event. The Final Date is the date corrective actions are projected 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

\$500

TOTAL

\$31



Penalty Calculation Worksheet (PCW)

Policy Revision 3 (September 2011)

PCW Revision August 3, 2011

TCEQ

DATES	Assigned	19-Dec-2011	Screening	30-Apr-2012	EPA Due	N/A
	PCW	26-Jun-2012				

RESPONDENT/FACILITY INFORMATION	
Respondent	Gulf Chemical & Metallurgical Corporation
Reg. Ent. Ref. No.	RN100210129
Facility/Site Region	12-Houston
Major/Minor Source	Major

CASE INFORMATION			
Enf./Case ID No.	44081	No. of Violations	1
Docket No.	2012-0922-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Trina Grieco
		EC's Team	Enforcement Team 4
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$25,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$3,750
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ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History	100.0% Enhancement	Subtotals 2, 3, & 7	\$3,750
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Notes: Enhancement for five NOV's with same/similar violations, 39 NOV's with dissimilar violations, three orders with denial of liability, one order without denial of liability, 11 criminal convictions, and repeat violator status. Reduction for one Notice of Audit letter submitted.

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

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

SUM OF SUBTOTALS 1-7	Final Subtotal	\$7,500
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OTHER FACTORS AS JUSTICE MAY REQUIRE	0.0%	Adjustment	\$0
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes

Final Penalty Amount	\$7,500
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$7,500
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DEFERRAL	20.0% Reduction	Adjustment	-\$1,500
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Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes

Deferral offered for expedited settlement.

PAYABLE PENALTY	\$6,000
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Screening Date 30-Apr-2012

Docket No. 2012-0922-AIR-E

PCW

Respondent Gulf Chemical & Metallurgical Corporation

Policy Revision 3 (September 2011)

Case ID No. 44081

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN100210129

Media [Statute] Air

Enf. Coordinator Trina Grieco

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>)	5	25%
	Other written NOVs	39	78%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	3	60%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	1	25%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgements or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	11	550%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were submitted</i>)	1	-1%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	0	0%
<i>Please Enter Yes or No</i>			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 737%

>> **Repeat Violator (Subtotal 3)**

Adjustment Percentage (Subtotal 3) 25%

>> **Compliance History Person Classification (Subtotal 7)**

Adjustment Percentage (Subtotal 7) 0%

>> **Compliance History Summary**

Compliance History Notes

Enhancement for five NOVs with same/similar violations, 39 NOVs with dissimilar violations, three orders with denial of liability, one order without denial of liability, 11 criminal convictions, and repeat violator status. Reduction for one Notice of Audit letter submitted.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 762%

>> **Final Compliance History Adjustment**

Final Adjustment Percentage *capped at 100% 100%

Screening Date 30-Apr-2012

Docket No. 2012-0922-AIR-E

PCW

Respondent Gulf Chemical & Metallurgical Corporation

Policy Revision 3 (September 2011)

Case ID No. 44081

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN100210129

Media [Statute] Air

Enf. Coordinator Trina Grieco

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code §§ 101.201(c) and 122.143(4), Federal Operating Permit No. 01337, Special Terms and Conditions No. 2, and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to submit the final record of a reportable emissions event (Incident No. 158718) no later than two weeks after the end of the event. Specifically, a final record was not submitted.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm			Percent
	Major	Moderate	Minor	
Actual				0.0%
Potential				

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
	X			15.0%

Matrix Notes

100% of the rule requirements were not met.

Adjustment \$21,250

\$3,750

Violation Events

Number of Violation Events 1 Number of violation days 229

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	X

mark only one with an x

Violation Base Penalty \$3,750

One single event is recommended.

Good Faith Efforts to Comply

0.0% Reduction

\$0

	Reduction	
	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 \$3,750

Economic Benefit (EB) for this violation

Estimated EB Amount \$0

Statutory Limit Test

Violation Final Penalty Total \$7,500

This violation Final Assessed Penalty (adjusted for limits) \$7,500

Economic Benefit Worksheet

Respondent Gulf Chemical & Metallurgical Corporation

Case ID No. 44081

Reg. Ent. Reference No. RN100210129

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
<small>No commas or \$</small>							

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)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

The Economic Benefit ("EB") for this Violation is included in the EB for Violation 2 in the accompanying Penalty Calculation Worksheet.

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

\$0

TOTAL

\$0

Compliance History Report

Customer/Respondent/Owner-Operator: CN600124598 Gulf Chemical & Metallurgical Corporation Classification: AVERAGE Rating: 38.88
Regulated Entity: RN100210129 GULF CHEMICAL AND METALLURGICAL FREEPORT Classification: POOR Site Rating: 74.76

ID Number(s):	AIR OPERATING PERMITS	ACCOUNT NUMBER	BL0029V
	AIR OPERATING PERMITS	PERMIT	1337
	POLLUTION PREVENTION PLANNING	ID NUMBER	P03244
	AIR NEW SOURCE PERMITS	REGISTRATION	12161
	AIR NEW SOURCE PERMITS	REGISTRATION	12539
	AIR NEW SOURCE PERMITS	REGISTRATION	12540
	AIR NEW SOURCE PERMITS	PERMIT	19793
	AIR NEW SOURCE PERMITS	REGISTRATION	25593
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	BL0029V
	AIR NEW SOURCE PERMITS	PERMIT	9803
	AIR NEW SOURCE PERMITS	PERMIT	1157C
	AIR NEW SOURCE PERMITS	PERMIT	7723
	AIR NEW SOURCE PERMITS	REGISTRATION	11990
	AIR NEW SOURCE PERMITS	REGISTRATION	12094
	AIR NEW SOURCE PERMITS	AFS NUM	4803900032
	AIR NEW SOURCE PERMITS	REGISTRATION	73793
	AIR NEW SOURCE PERMITS	REGISTRATION	74664
	AIR NEW SOURCE PERMITS	REGISTRATION	79434
	AIR NEW SOURCE PERMITS	REGISTRATION	80922
	AIR NEW SOURCE PERMITS	REGISTRATION	83327
	AIR NEW SOURCE PERMITS	REGISTRATION	86946
	AIR NEW SOURCE PERMITS	EPA ID	PSDTX1276
	WASTEWATER	PERMIT	WQ0001861000
	WASTEWATER	EPA ID	TX0034738
	PETROLEUM STORAGE TANK REGISTRATION	REGISTRATION	1565
	INDUSTRIAL AND HAZARDOUS WASTE INDUSTRIAL AND HAZARDOUS WASTE	EPA ID SOLID WASTE REGISTRATION # (SWR)	TXD074195678 30952
	INDUSTRIAL AND HAZARDOUS WASTE	PERMIT	50204
	IHW CORRECTIVE ACTION	SOLID WASTE REGISTRATION # (SWR)	30952
	AIR EMISSIONS INVENTORY	ACCOUNT NUMBER	BL0029V

Location: 302 MIDWAY RD, FREEPORT, TX, 77541

TCEQ Region: REGION 12 - HOUSTON

Date Compliance History Prepared: April 11, 2012

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: April 11, 2007 to April 11, 2012

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

Name: Trina Grieco Phone: (210) 403-4006

Site Compliance History Components

1. Has the site been in existence and/or operation for the full five year compliance period? YES
2. Has there been a (known) change in ownership/operator of the site during the compliance period? NO
3. If YES, who is the current owner/operator? N/A
4. If YES, who was/were the prior owner(s)/operator(s)? N/A
5. If YES, when did the change(s) in owner or operator occur? N/A
6. Rating Date: 9/1/2011 Repeat Violator: YES

Components (Multimedia) for the Site :

- A. Final Enforcement Orders, court judgments, and consent decrees of the State of Texas and the federal government.

Effective Date: 10/04/2007

ADMINORDER 2004-1389-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.110(a)
5C THC Chapter 382, SubChapter A 382.0518(a)
5C THC Chapter 382, SubChapter D 382.085(b)

Description: Conducting surface coating and dry abrasive cleaning activities at the Plant without authorization for the resultant emissions.

Classification: Major

Citation: 30 TAC Chapter 122, SubChapter B 122.121
30 TAC Chapter 122, SubChapter B 122.142(b)(2)
5C THC Chapter 382, SubChapter A 382.054
5C THC Chapter 382, SubChapter D 382.085(b)

Description: Operating the following emission points and failing to include them in Title V Permit No. O-01337, issued on March 8, 2001: Pond # 2, Pond # 3, Feed Pad Area, Containment Building 1, Containment Building 2, Cooling Tower # 68-14A, Cooling Tower # 68-14B, Cooling Tower # 68-34A, and Cooling Tower # 68-34B

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.116(a)(1)
5C THC Chapter 382, SubChapter D 382.085(b)

Rqmt Prov: 1157C, General Condition No. 1 PA

Description: Failing to operate within the representations of NSR Air Permit No. 1157C. Specifically, GCMC no longer uses sulfur dioxide, a compound represented in the permit, in the process of the recovery of molybdenic trioxide. There has been a change from the use of this compound to another compound not represented in the permit

Classification: Moderate

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

Rqmt Prov: 1157C, General Condition No. 8 PA

Description: Failing to operate within the permit limits for EPN 006 and EPN 007. Specifically, TCEQ NSR Air Permit No. 1157C authorizes 0.63 tons per year (tpy) of carbon monoxide (CO) from EPN 006 and less than 0.01 tpy of hydrochloric acid (HCl) from EPN 007. GCMC reported CO emissions of 0.9628 tpy, 0.7401 tpy, and 0.8511 tpy, for the years 2003, 2002, and 2001, respectively, from EPN006; and HCl emissions of 0.2536 tpy, 0.1375 tpy, and 0.4350 tpy, for the years 2003, 2002, and 2001, respectively

Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.146(5)(C)
30 TAC Chapter 122, SubChapter B 122.146(5)(D)
5C THC Chapter 382, SubChapter D 382.085(b)

Description: Failing to submit, in the compliance certifications dated March 14, 2003, and March 4, 2004, the deviations for 12 violations that occurred during the annual compliance certification periods of March 7, 2003 to March 2, 2004 and March 8, 2002 to March 7, 2003.

Classification: Major

Citation: 30 TAC Chapter 116, SubChapter B 116.110(a)
5C THC Chapter 382, SubChapter A 382.0518(a)
5C THC Chapter 382, SubChapter D 382.085(b)

Description: Allowing the unauthorized emissions from fugitive emissions from Areas 2, 3, 4, 5, 6, 7, and 12; and EPNs Feed Pad Area. Ponds 2, 3, and 4, Tailings Area, Cooling Towers 21-20, 68-34A, 68-34B, 13-36, 68-14A, and 68-14B, 16-8 (organic slope), 24-23 (AM Storage), and 39-01A; and OWS-3 TANK as documented on June 29, 2004, and July 8, 2004.

Classification: Major
Citation: 30 TAC Chapter 116, SubChapter B 116.110(a)
5C THC Chapter 382, SubChapter A 382.0518(a)

Description: Allowing unauthorized emissions.

Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.10(b)(2)
5C THC Chapter 382, SubChapter D 382.085(b)

Description: Failing to submit accurate emissions information in the Emissions Inventory Questionnaire for the year 2003.

Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(1)
30 TAC Chapter 116, SubChapter B 116.116(a)(1)
5C THC Chapter 382, SubChapter D 382.085(b)

Rqmt Prov: 1157C, General Condition No. 1 PA

Description: Failing to operate as represented in the permits.

Classification: Major
Citation: 30 TAC Chapter 116, SubChapter B 116.110(a)
5C THC Chapter 382, SubChapter A 382.0518(a)
5C THC Chapter 382, SubChapter D 382.085(b)

Description: Installing low NOx burners in Roaster # 3 and Roaster # 4 without authorization.

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

Rqmt Prov: 19793, Special Condition No. 5 PA

Description: Failing to operate the scrubber for the electric arc furnace at the proper pH.

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

Rqmt Prov: 1157C, Special Condition No.2 PA

Description: Failing to operate the ammonia scrubber, EPN 006, at the proper pH.

Effective Date: 01/28/2008 ADMINORDER 2006-0583-AIR-E

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

Rqmt Prov: Special Condition 1 PERMIT

Description: Failed to comply with permitted emissions limits.

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

Rqmt Prov: Special Condition 1 PERMIT

Description: Failed to comply with permitted emissions limits.

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

Rqmt Prov: Special Condition 1 PERMIT

Description: Failed to comply with permitted emissions limits.

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

Rqmt Prov: Special Condition 7E PERMIT

Description: Failed to submit a timely report.

Effective Date: 06/05/2008 ADMINORDER 2007-1520-AIR-E

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

Rqmt Prov: #19793, Special Condition 1 PERMIT

Description: Failed to comply with the allowable emission limit of 0.32 pounds per hour ("lbs/hr") for volatile organic compounds ("VOCs").

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter F 116.615(2)
5C THC Chapter 382, SubChapter D 382.085(b)
Rqmt Prov: General Conditions PERMIT
Description: Failed to comply with the allowable emission limit of 0.51 lbs/hr for particulate matter ("PM").
Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter F 116.615(2)
5C THC Chapter 382, SubChapter D 382.085(b)
Rqmt Prov: General Conditions PERMIT
Description: Failed to comply with the allowable emission limit of 0.51 lbs/hr for particulate matter ("PM").
Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter F 116.615(6)
5C THC Chapter 382, SubChapter D 382.085(b)
Rqmt Prov: 36867 PERMIT
Description: Failed to demonstrate removal efficiency of the Electric Arc Furnace East Scrubber Stacks (EPN 012).
Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter F 116.615(6)
5C THC Chapter 382, SubChapter D 382.085(b)
Rqmt Prov: 36867 PERMIT
Description: Failed to demonstrate removal efficiency of the Electric Arc Furnace West Scrubber Stacks (EPN 013).

Effective Date: 06/19/2008

ADMINORDER 2007-1631-IHW-E

Classification: Major
Citation: 30 TAC Chapter 335, SubChapter A 335.2(b)
Description: Gulf Chemical and Metallurgical failed to prevent the shipment and delivery of hazardous waste to the Seabreeze landfill. Seabreeze landfill is not authorized to receive and dispose of hazardous waste.

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

Conviction Date: 5/28/2010 12:00:00AM

Type of Action: COURTORDER

Classification: Major

Rqmt Prov:

Citation: 2A TWC Chapter 7, SubChapter A 7.145

Description: CR FY10-016 No. D1-DC-10-900138 In The 167th District Court of Travis County, Texas. On May 28, 2010, Gulf Chemical & Metallurgical Corp. pleaded guilty to 11 counts of intention discharging wastewater in violation of TWC 7.145. The charges resulted from Gulf Chemical & Metallurgical Corp. intentionally discharging wastewater which exceeded their permit limits.

Classification: Major

Rqmt Prov:

Citation: 2A TWC Chapter 7, SubChapter A 7.145

Description: CR FY10-016 No. D1-DC-10-900138 In The 167th District Court of Travis County, Texas On May 28, 2010, Gulf Chemical & Metallurgical Corp. pleaded guilty to 11 counts of intention discharging wastewater in violation of TWC 7.145.

The charges resulted from Gulf Chemical & Metallurgical Corp. intentionally discharging wastewater which exceeded their permit limits.

Violation 2 of 11

Classification: Major

Rqmt Prov:

Citation: 2A TWC Chapter 7, SubChapter A 7.145

Description: CR FY10-016 No. D1-DC-10-900138 In The 167th District Court of Travis County, Texas Count 3 of 11.

On May 28, 2010, Gulf Chemical & Metallurgical Corp. pleaded guilty to 11 counts of intention discharging wastewater in violation of TWC 7.145.

The charges resulted from Gulf Chemical & Metallurgical Corp. intentionally discharging wastewater which exceeded their permit limits.

Classification: Major

Rqmt Prov:

Citation: 2A TWC Chapter 7, SubChapter A 7.145

Description: CR FY10-016 No. D1-DC-10-900138 In The 167th District Court of Travis County, Texas. Count 4 of 11.

On May 28, 2010, Gulf Chemical & Metallurgical Corp. pleaded guilty to 11 counts of intention discharging wastewater in violation of TWC 7.145.

The charges resulted from Gulf Chemical & Metallurgical Corp. intentionally discharging wastewater which exceeded their permit limits.

Classification: Major

Rqmt Prov:

Citation: 2A TWC Chapter 7, SubChapter A 7.145

Description: CR FY10-016 No. D1-DC-10-900138 In The 167th District Court of Travis County, Texas Count 5 of 11.

On May 28, 2010, Gulf Chemical & Metallurgical Corp. pleaded guilty to 11 counts of intention discharging wastewater in violation of TWC 7.145.

The charges resulted from Gulf Chemical & Metallurgical Corp. intentionally discharging wastewater which exceeded their permit limits.

Classification: Major

Rqmt Prov:

Citation: 2A TWC Chapter 7, SubChapter A 7.145

Description: CR FY10-016 No. D1-DC-10-900138 In The 167th District Court of Travis County, Texas Count 6 of 11.

On May 28, 2010, Gulf Chemical & Metallurgical Corp. pleaded guilty to 11 counts of intention discharging wastewater in violation of TWC 7.145.

The charges resulted from Gulf Chemical & Metallurgical Corp. intentionally discharging wastewater which exceeded their permit limits.

Classification: Major

Rqmt Prov:

Citation: 2A TWC Chapter 7, SubChapter A 7.145

Description: CR FY10-016 No. D1-DC-10-900138 In The 167th District Court of Travis County, Texas. Count 7 of 11.

On May 28, 2010, Gulf Chemical & Metallurgical Corp. pleaded guilty to 11 counts of intention discharging wastewater in violation of TWC 7.145.

The charges resulted from Gulf Chemical & Metallurgical Corp. intentionally discharging wastewater which exceeded their permit limits.

Classification: Major

Rqmt Prov:

Citation: 2A TWC Chapter 7, SubChapter A 7.145

Description: CR FY10-016 No. D1-DC-10-900138 In The 167th District Court of Travis County, Texas. Count 8 of 11.

On May 28, 2010, Gulf Chemical & Metallurgical Corp. pleaded guilty to 11 counts of intention discharging wastewater in violation of TWC 7.145.

The charges resulted from Gulf Chemical & Metallurgical Corp. intentionally discharging wastewater which exceeded their permit limits.

Classification: Major

Rqmt Prov:

Citation: 2A TWC Chapter 7, SubChapter A 7.145

Description: CR FY10-016 No. D1-DC-10-900138 In The 167th District Court of Travis County, Texas Count 9 of 11.

On May 28, 2010, Gulf Chemical & Metallurgical Corp. pleaded guilty to 11 counts of intention discharging wastewater in violation of TWC 7.145.

The charges resulted from Gulf Chemical & Metallurgical Corp. intentionally discharging wastewater which exceeded their permit limits.

Classification: Major

Rqmt Prov:

Citation: 2A TWC Chapter 7, SubChapter A 7.145

Description: CR FY10-016 No. D1-DC-10-900138 In The 167th District Court of Travis County, Texas Count 10 of 11.

On May 28, 2010, Gulf Chemical & Metallurgical Corp. pleaded guilty to 11 counts of intention discharging wastewater in violation of TWC 7.145.

The charges resulted from Gulf Chemical & Metallurgical Corp. intentionally discharging wastewater which exceeded their permit limits.

Classification: Major

Rqmt Prov:

Citation: 2A TWC Chapter 7, SubChapter A 7.145

Description: CR FY10-016 No. D1-DC-10-900138 In The 167th District Court of Travis County, Texas Count 11 of 11.

On May 28, 2010, Gulf Chemical & Metallurgical Corp. pleaded guilty to 11 counts of intention discharging wastewater in violation of TWC 7.145.

The charges resulted from Gulf Chemical & Metallurgical Corp. intentionally discharging wastewater which exceeded their permit limits.

C. Chronic excessive emissions events.

N/A

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

1	09/12/2007	(565966)
2	08/31/2007	(567030)
3	08/21/2007	(572032)
4	04/16/2007	(580012)
5	05/14/2007	(580015)
6	06/26/2007	(580018)
7	07/18/2007	(580021)
8	09/19/2007	(607990)
9	10/17/2007	(607991)
10	04/25/2008	(616941)
11	11/04/2008	(618766)
12	08/28/2008	(680061)
13	07/08/2008	(684136)
14	07/21/2008	(687068)
15	07/30/2008	(687578)
16	09/09/2008	(702236)
17	02/22/2008	(728829)
18	03/18/2008	(728830)
19	04/21/2008	(728831)
20	05/21/2008	(728832)
21	06/23/2008	(728833)
22	07/18/2008	(728834)
23	08/15/2007	(728835)
24	08/22/2008	(728836)
25	09/22/2008	(728837)
26	10/23/2008	(728838)
27	11/19/2007	(728839)
28	11/24/2008	(728840)
29	01/08/2008	(728841)
30	12/22/2008	(728842)
31	01/18/2008	(728843)
32	01/23/2009	(728844)
33	08/08/2008	(735444)
34	04/02/2009	(737976)
35	04/02/2009	(740890)
36	11/17/2009	(747448)
37	02/17/2009	(751974)
38	03/28/2011	(760265)
39	08/04/2009	(762805)
40	07/29/2009	(763722)
41	03/19/2009	(769730)
42	04/15/2009	(769731)
43	10/30/2009	(777209)
44	12/11/2009	(784606)
45	04/06/2010	(795256)
46	05/28/2010	(801277)
47	05/14/2010	(802131)

48	02/10/2010	(808691)
49	05/21/2009	(808692)
50	06/23/2009	(808693)
51	07/15/2009	(808694)
52	08/24/2009	(808695)
53	10/19/2009	(808696)
54	10/21/2009	(808697)
55	11/23/2009	(808698)
56	12/17/2009	(808699)
57	01/21/2010	(808700)
58	03/22/2010	(832348)
59	04/19/2010	(832349)
60	05/21/2010	(832350)
61	06/21/2010	(846720)
62	05/28/2010	(848781)
63	07/22/2010	(861251)
64	08/20/2010	(867389)
65	11/24/2010	(872667)
66	12/17/2010	(872669)
67	05/20/2011	(872763)
68	09/17/2010	(874418)
69	10/22/2010	(881999)
70	03/20/2011	(884768)
71	02/16/2011	(893360)
72	03/03/2011	(893524)
73	11/22/2010	(896799)
74	12/20/2010	(896800)
75	04/05/2011	(897343)
76	02/22/2011	(899327)
77	03/07/2011	(900351)
78	01/18/2011	(902770)
79	04/29/2011	(906809)
80	04/07/2011	(907228)
81	02/17/2011	(909603)
82	03/18/2011	(916826)
83	05/20/2011	(920890)
84	06/09/2011	(924001)
85	04/18/2011	(926440)
86	08/30/2011	(935206)
87	07/07/2011	(936735)
88	05/13/2011	(938539)
89	06/17/2011	(945908)
90	09/28/2010	(950690)
91	07/13/2011	(953166)
92	12/14/2011	(956665)
93	08/15/2011	(959807)
94	09/12/2011	(965848)
95	11/15/2011	(968214)
96	02/13/2012	(969738)
97	10/20/2011	(971892)

98 02/01/2012 (974557)
99 11/21/2011 (978055)
100 12/20/2011 (984827)
101 01/20/2012 (991117)

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

Date: 07/31/2007 (728835) CN600124598
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter

Date: 08/21/2007 (572032) CN600124598
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THC Chapter 382, SubChapter D 382.085(b)
FOP O-01377 SC 8 OP
NSR 1157C SC 5 PA

Description: Failed to maintain the pH of scrubber 35-01 (EPN 007) below 8.0 as required by NSR Permit 1157C (FOP O-01337; NSR 1157C).

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THC Chapter 382, SubChapter D 382.085(b)
FOP O-01337 SC 8 OP
NSR 19793 SC 6 PA

Description: Failed to maintain pH on scrubber 68-03 above 8.0 as required by NSR 19793 (FOP O-01337; NSR 19793).

Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 122, SubChapter B 122.165(a)(7)
5C THC Chapter 382, SubChapter D 382.085(b)
Description: Failed to certify deviation report with Form OP-CRO1 (FOP O-01337).

Date: 09/30/2007 (607991) CN600124598
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter

Date: 11/30/2007 (728841) CN600124598
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter

Date: 04/25/2008 (616941) CN600124598
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
5C THSC Chapter 382 382.085(b)
9803 PERMIT

Description: Failure to meet the Carbon Monoxide allowable emission limit in NSR Permit #9803.

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
5C THSC Chapter 382 382.085(b)
9803 PERMIT

Description: Exceeding the maximum catalyst feed rate to Roasters 3 and 4 (EPNs 001/002) during a stack test on September 26th, 2007.

Date: 08/08/2008 (735444) CN600124598
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
30 TAC Chapter 305, SubChapter F 305.125(17)

Description: NON-RPT VIOS FOR MONIT PER OR PIPE

Date: 08/31/2008 (728837) CN600124598
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter

Date: 09/10/2008 (702236) CN600124598
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
5C THSC Chapter 382 382.085(b)
9803 - S.C. 11B PERMIT
Description: Failure to meet the emission limitations for nickel and vanadium as set forth in
Permit #9803 S.C. 11B

Date: 09/30/2008 (728838) CN600124598
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter

Date: 10/31/2008 (728840) CN600124598
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter

Date: 11/30/2008 (728842) CN600124598
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter

Date: 12/31/2008 (728844) CN600124598
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter

Date: 01/31/2009 (751974) CN600124598
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter

Date: 03/31/2009 (769731) CN600124598
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter

Date: 04/30/2009 (808692) CN600124598
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter

Date: 05/31/2009 (808693) CN600124598
Self Report? YES Classification: Moderate

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

Date: 06/30/2009 (808694) CN600124598
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter

Date: 07/29/2009 (763722) CN600124598
Self Report? NO Classification: Major
Citation: 30 TAC Chapter 305, SubChapter F 305.125(8)
Description: Failure to obtain authorization from the Texas Commission on Environmental Quality (TCEQ) prior to discharging untreated wastewater.
Self Report? NO Classification: Major
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)(1)
Description: Failure to prevent the unauthorized discharge of untreated or partially treated wastewater from the process water ponds 5 and 6.
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
Effluent Limits & Monitoring Req # 1 OP
Description: Failure to maintain compliance with effluent permit limits.
Self Report? NO Classification: Major
Citation: 30 TAC Chapter 305, SubChapter F 305.125(9)
Description: Failure to submit noncompliance notification.

Date: 07/31/2009 (808695) CN600124598
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter

Date: 08/31/2009 (808696) CN600124598
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter

Date: 09/29/2009 (767077) CN600124598
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
Effluent Limits & Monitoring Req. No.1. OP
Description: Failure to maintain compliance with the permit limits for daily average flow.
Self Report? NO Classification: Major
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
Effluent Limits & Monitoring Req. No. 1 OP
Description: Failure to maintain compliance with effluent permit limits for molybdenum (Mo), arsenic (As), nickel (Ni), ammonia nitrogen (NH3-N), total suspended solids (TSS), vanadium (V), and pH.
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 319, SubChapter A 319.11(a)
30 TAC Chapter 319, SubChapter A 319.11(b)
Description: Failure to properly collect effluent sample.
Self Report? NO Classification: Major
Citation: 30 TAC Chapter 319, SubChapter A 319.7(e)
Description: Failure to report the exceedence of vanadium (V) on effluent sample collected on April 24, 2009.
Self Report? NO Classification: Major
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
Monitoring and Reporting Reqs., No. 7(c) OP
Description: Failure to provide noncompliance notification as required by the permit.
Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
Definitions & Std Permit Conditions, #2. OP

Description: Failure to properly collect three part manual composite samples.

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
Monitoring & Reporting Req. 3(a) & (c) OP

Description: Failure to properly analyze and report the values of effluent samples collected on
April 24, 2009 from outfalls 001 and 002.

Self Report? NO Classification: Major

Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
Effluent Limits & Monitoring Req. No. 1. OP

Description: Failure to maintain compliance with effluent permit limits for molybdenum (Mo) and
arsenic (As).

Date: 09/30/2009 (808697) CN600124598

Self Report? YES Classification: Moderate

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

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

Date: 10/31/2009 (808698) CN600124598

Self Report? YES Classification: Moderate

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

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

Date: 11/17/2009 (747448) CN600124598

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
Special Condition 4 PERMIT
Special Term and Condition 8 OP

Description: Failure to maintain the pH to the ammonia scrubber (EPN 006) below 5.0 and
failure to maintain records of pH data for a period of two years [Category B18
violation]

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
Special Condition 5 PERMIT
Special Term and Condition 8 OP

Description: Failure to maintain the pH of the scrubber solution to scrubber 35-01 (EPN 007)
above 8.0 [Category B18 violation]

Date: 12/31/2009 (808700) CN600124598

Self Report? YES Classification: Moderate

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

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

Date: 02/28/2010 (832348) CN600124598

Self Report? YES Classification: Moderate

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

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

Date: 03/31/2010 (832349) CN600124598

Self Report? YES Classification: Moderate

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

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

Date: 04/30/2010 (832350) CN600124598
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)

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

Date: 06/30/2010 (861251) CN600124598
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)

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

Date: 07/31/2010 (867389) CN600124598
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)

30 TAC Chapter 305, SubChapter F 305.125(1)

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

Date: 08/31/2010 (874418) CN600124598
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)

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

Date: 09/30/2010 (881999) CN600124598
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)

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

Date: 10/31/2010 (896799) CN600124598
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)

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

Date: 10/31/2010 (850098) CN600124598
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
SC 7 PERMIT
ST&C 8 OP

Description: Failure to prevent particulate matter emissions from the Electric Arc Furnace (EAF) Building on July 13, 2010 (Category B14).

Date: 11/29/2010 (872667) CN600124598
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(1)(B)
5C THSC Chapter 382 382.085(b)

Description: Gulf Chemical & Metallurgical Freeport (GCMC) failed to prevent excess opacity. Specifically, GCMC failed to prevent excess opacity from Ammonia Scrubber EPN 006.

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)
5C THSC Chapter 382 382.085(b)

Description: Gulf Chemical & Metallurgical Freeport (GCMC) failed to submit an initial notification within 24 hours from the discovery of the excess opacity event.

Date: 11/30/2010 (896800) CN600124598
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter

Date: 12/31/2010 (902770) CN600124598
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter

Date: 01/31/2011 (909603) CN600124598
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter

Date: 02/28/2011 (916826) CN600124598
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter

Date: 08/30/2011 (935206) CN600124598
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
Special Condition 1 PERMIT
Special Term & Condition 8 OP
Description: Failure to prevent unauthorized emissions. Specifically, GCMC failed to prevent
teh recirculation pump from tripping which resulted in unauthorized emissions.
(Category B13 Violation)

Date: 10/31/2011 (978055) CN600124598
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter

Date: 12/31/2011 (991117) CN600124598
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter

Date: 02/03/2012 (974557) CN600124598
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
Special Condition 13A PERMIT
Special Term and Condition 8 OP
Description: Failure to accurately measure the total feed rate to the electric arc furnace.
[Category B3 violation]

Date: 02/13/2012 (969738) CN600124598
Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 319, SubChapter A 319.7(c)

Description: Failed to accurately complete the discharge monitoring reports (DMRs).

F. Environmental audits.

Notice of Intent Date: 09/28/2009 (783116)

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
GULF CHEMICAL &
METALLURGICAL
CORPORATION
RN100210129**

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**BEFORE THE

TEXAS COMMISSION ON

ENVIRONMENTAL QUALITY**

**AGREED ORDER
DOCKET NO. 2012-0922-AIR-E**

I. JURISDICTION AND STIPULATIONS

On _____, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Gulf Chemical & Metallurgical Corporation ("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 together stipulate that:

1. The Respondent owns and operates a catalyst recovery plant at 302 Midway Road in Freeport, Brazoria County, Texas (the "Plant").
2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
3. The Executive Director and the Respondent agree that the Commission has jurisdiction to enter this Agreed Order, and that the Respondent is subject to the Commission's jurisdiction.
4. The Respondent received notice of the violations alleged in Section II ("Allegations") on or about December 19, 2011.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
6. An administrative penalty in the amount of Twenty-Eight Thousand Three Hundred Sixty-Two Dollars (\$28,362) is assessed by the Commission in settlement of the

violations alleged in Section II ("Allegations"). The Respondent has paid Twenty-Two Thousand Six Hundred Ninety Dollars (\$22,690) of the administrative penalty and Five Thousand Six Hundred Seventy-Two Dollars (\$5,672) is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If the Respondent fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require the Respondent to pay all or part of the deferred penalty.

7. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
8. The Executive Director and the Respondent agree on a settlement of the matters alleged in this enforcement action, subject to final approval in accordance with 30 TEX. ADMIN. CODE § 70.10(a).
9. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
10. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
11. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

II. ALLEGATIONS

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

1. Failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), New Source Review Permit No. 1157C, Special Conditions No. 1, Federal Operating Permit ("FOP") No. O1337, Special Terms and Conditions No. 8, and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review conducted on September 21, 2011. Specifically, unauthorized emissions of 2,442.06 pounds of ammonia were released from the secondary scrubber, Emission Point Number 006, during an emissions event (Incident No. 158718) that began on August 30, 2011 and lasted 28 hours and 37 minutes. Since this event could have been avoided by better operational practices and it was not properly reported, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.
2. Failed to submit the initial notification of an emissions event within 24 hours after discovery of the event, in violation of 30 TEX. ADMIN. CODE §§ 101.201(a)(1) and 122.143(4), FOP No. O1337, Special Terms and Conditions No. 2, and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review conducted on

September 21, 2011. Specifically, Incident No. 158718 was discovered on August 30, 2011 at 6:00 a.m., but was not reported until August 31, 2011 at 7:31 p.m.

3. Failed to submit the final record of a reportable emissions event (Incident No. 158718) no later than two weeks after the end of the event, in violation of 30 TEX. ADMIN. CODE §§ 101.201(c) and 122.143(4), FOP No. O1337, Special Terms and Conditions No. 2, and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review conducted on September 21, 2011. Specifically, a final record was not submitted.

III. DENIALS

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

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that the Respondent pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Gulf Chemical & Metallurgical Corporation, Docket No. 2012-0922-AIR-E" to:

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

2. It is further ordered that the Respondent shall undertake the following technical requirements:
 - a. Within 30 days after the effective date of this Agreed Order:
 - i. Implement measures and/or procedures to prevent the recurrence of emissions events due to the same causes as those that caused Incident No. 158718; and
 - ii. Implement procedures designed to ensure timely submittal of emissions events notifications and final reports.
 - b. Within 45 days after the effective date of this Agreed Order, submit written certification as described below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance

with Ordering Provision No. 2.a. The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

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

The certification shall be submitted to:

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

with a copy to:

Air Section Manager
Houston Regional Office
Texas Commission on Environmental Quality
5425 Polk Avenue, Suite H
Houston, Texas 77023-1486

3. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Plant operations referenced in this Agreed Order.
4. If the Respondent fails to comply with any of the Ordering Provisions in this Agreed Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, the Respondent's failure to comply is not a violation of this Agreed Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
5. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.

6. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
7. This Agreed Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Agreed Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Agreed Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms "electronic transmission", "owner", "person", "writing", and "written" shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.
8. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to the Respondent, or three days after the date on which the Commission mails notice of the Order to the Respondent, whichever is earlier.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

Tom Sewin Jr
For the Executive Director

2/7/13
Date

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

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

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

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

Robert Stephan
Signature

24/SEPT/2012
Date

Robert Stephan
Name (Printed or typed)
Authorized Representative of
Gulf Chemical & Metallurgical Corporation

Senior Executive Vice President - Operations
Title

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