

EXECUTIVE SUMMARY – ENFORCEMENT MATTER – CASE No. 44502
Chevron Phillips Chemical Company LP
RN100209857
Docket No. 2012-1441-AIR-E

Order Type:

Findings Agreed Order

Findings Order Justification:

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

Media:

AIR

Small Business:

Yes

Location(s) Where Violation(s) Occurred:

2001 Gulfway Drive, Port Arthur, Jefferson County

Type of Operation:

petrochemical manufacturing plant

Other Significant Matters:

Additional Pending Enforcement Actions:	2013-0312-AIR-E
Past-Due Penalties:	None
Past-Due Fees:	None
Other:	None
Interested Third-Parties:	None

Texas Register Publication Date: March 12, 2013

Comments Received: None

Penalty Information

Total Penalty Assessed: \$100,000

Total Paid to General Revenue: \$50,000

Total Due to General Revenue: \$0

SEP Conditional Offset: \$50,000

Name of SEP: *Meteorological and Air Monitoring Network* (\$25,000)
West Port Arthur Home Energy Efficiency (\$25,000)

Compliance History Classifications:

Person/CN – Average
Site/RN – Average

Major Source: Yes

Statutory Limit Adjustment: None

Applicable Penalty Policy: September 2011

Investigation Information

Complaint Date(s): N/A
Date(s) of Investigation: April 3, 2012 through April 23, 2012
Date(s) of NOV(s): August 10, 2011; June 8, 2012
Date(s) of NOE(s): June 29, 2012

Violation Information

Failed to prevent unauthorized emissions (Incident No. 166760 - emissions event that began on April 3, 2012, and lasted for 199 hours; from EPN E-24-Flare: 100 percent opacity, release of 42,668 pounds ("lbs") of carbon monoxide ("CO"), 0.42 lb of sulfur dioxide, 7,095 lbs of nitrogen oxides, 0.00447 lb of hydrogen sulfide, 38,060 lbs of volatile organic compounds ("VOCs") that included 1,287 lbs of hazardous air pollutants; from EPN PRO-1544: 2,853 lbs of VOCs and 8 lbs of CO) [TEX. HEALTH & SAFETY CODE § 382.085(b); 30 TEX. ADMIN. CODE §§ 111.111(a)(4)(A), 116.115(b)(2)(F) and (c), and 122.143(4); Federal Operating Permit No. O1235, General Terms and Conditions and Special Terms and Conditions Nos. 1 and 22; and New Source Review Permit Nos. 21101 and PSDTX1248, Special Conditions Nos. 8 and 14].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

None

Technical Requirements:

1. Within 30 days, implement measures and /or procedures to prevent recurrence of emissions events due to same or similar causes as Incident No. 166760;
2. Within 45 days, submit written certification to demonstrate compliance.

Litigation Information

Date Petition(s) Filed: December 18, 2012
Date Answer(s) Filed: January 4, 2013
SOAH Referral Date: February 6, 2013
Hearing Date(s):
Preliminary Hearing: March 21, 2013 (scheduled)
Evidentiary Hearing: N/A
Settlement Date: March 7, 2013

Contact Information

TCEQ Attorneys: Anna M. Treadwell, Litigation Division, (512) 239-3400
Lena Roberts, Litigation Division, (512) 239-3400
Garrett Arthur, Public Interest Counsel, (512) 239-6363
TCEQ SEP Coordinator: Sharon Blue, Litigation Division, (512) 239-2223
TCEQ Enforcement Coordinator: Amancio Gutierrez, Enforcement Division, (512) 239-3921
TCEQ Regional Contact: Kathryn Saucedo, Beaumont Regional Office, (409) 898-3838
Respondent Contact: Casey Stark, Environmental Lead, Chevron Phillips Chemical Company LP, P.O. Box 1547, Port Arthur, Texas 77641
Respondent's Attorney: Madeleine Kadas, Beveridge & Diamond, P.C., 98 San Jacinto Boulevard, Suite 1420, Austin, Texas 78701

Attachment A
Docket Number: 2012-1441-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	Chevron Phillips Chemical Company LP
Penalty Amount:	One Hundred Thousand Dollars (\$100,000)

SEP Offset Amount:	Twenty-Five Thousand Dollars (\$25,000)
Type of SEP:	Contribution to a Pre-Approved Third-Party Recipient
Third-Party Recipient:	Southeast Texas Regional Planning Commission
Project 1 Name:	<i>Meteorological and Air Monitoring Network</i>
Location of SEP:	Jefferson County

SEP Offset Amount:	Twenty-Five Thousand Dollars (\$25,000)
Type of SEP:	Contribution to a Pre-Approved Third-Party Recipient
Third-Party Recipient:	Southeast Texas Regional Planning Commission
Project 2 Name:	<i>West Port Arthur Home Energy Efficiency Program</i>
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 Offset Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project Descriptions

A. Projects

Project 1 Name: Meteorological and Air Monitoring Network

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** for the *Meteorological and Air Monitoring Network* project. The contribution will be used in accordance with the Supplemental Environmental Project Agreement between the Third-Party Recipient and the TCEQ (the “Project”). Specifically, the SEP Offset Amount 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.

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 guidelines. The SEP will be done in accordance with all federal, state, and local environmental laws and regulations.

All dollars contributed will be used solely for the direct cost of the Project and no portion will be spent on administrative costs.

Respondent's signature affixed to this Agreed Order certifies that Respondent has no prior commitment to make this contribution and that it is being contributed solely in an effort to settle this enforcement action. Respondent shall not profit in any manner from this SEP.

Project 2 Name: West Port Arthur Energy Efficiency Program

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** for the *West Port Arthur Home Energy Efficiency Program* project. The contribution will be used in accordance with the Supplemental Environmental Project Agreement between the Third-Party Recipient and the TCEQ (the "Project"). Specifically, the SEP Offset Amount will be used to assist low-income residents in the West Port Arthur area by 1) conducting home energy audits; 2) weatherizing homes to improve energy efficiency; and 3) repairing or replacing heating/cooling systems and major appliances with new, energy-efficient equipment. Weatherizing homes may include costs of caulking openings as well as insulating walls, floors, and attics in homes. Any heating/cooling systems or major appliances that are replaced must be scrapped and must not be reused in any way. The Third-Party Recipient shall use consistent and reliable criteria for determining the low-income status of residents assisted with SEP Offset Amount. The SEP will be performed in accordance with all federal, state, and local environmental laws and regulations.

All dollars contributed will be used solely for the direct cost of the Project and no portion will be spent on administrative costs.

Respondent's signature affixed to this Agreed Order certifies that it has no prior commitment to make this contribution and that it is being contributed solely in an effort to settle this enforcement action.

B. Environmental Benefit

Project 1 Meteorological and Air Monitoring Network

Particulate matter (PM), sulfides (SO, SO₂), oxides of nitrogen (NO_x), volatile organic carbon (VOC) 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 air monitoring systems.

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.

Project 2 West Port Arthur Energy Efficiency Program

Implementation of this project will reduce residential fuel and electricity usage for heating and cooling. These reductions, in turn, will reduce emissions of particulate matter (PM), volatile organic carbon compounds (VOC), and nitrogen oxides (NO_x) associated with the combustion of fuel and generation of electricity.

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 Offset Amount to the Third-Party Recipient. Respondent shall make the check payable to **Southeast Texas Regional Planning Commission SEP** and shall mail the contribution with a copy of the Agreed Order to:

Southeast Texas Regional Planning Commission
Attention: Bob Dickinson
2210 Eastex Freeway
Beaumont, Texas 77703

3. Records and Reporting

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

Texas Commission on Environmental Quality
Litigation Division
Attention: SEP Coordinator, MC 175
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If Respondent does not perform its obligations under this Attachment A, including full expenditure of the SEP Offset Amount and submittal of the required reporting described in Sections 2 and 3 above, the Executive Director ("ED") may require immediate payment of all or part of the SEP Offset Amount.

In the event the ED determines that Respondent failed to fully implement and complete the Project, Respondent shall remit payment for all or a portion of the SEP Offset Amount, as determined by the ED, and as set forth in the attached Agreed Order. After receiving notice of failure to complete the SEP, Respondent shall include the docket number of the attached

Agreed Order and a note that the enclosed payment is for the reimbursement of a SEP, shall make the check payable to "Texas Commission on Environmental Quality," and shall mail it to:

Texas Commission on Environmental Quality
Litigation Division
Attention: SEP Coordinator, MC 175
P.O. Box 13087
Austin, Texas 78711-3087

5. Publicity

Any public statements concerning this SEP and/or project, 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 Offset Amount identified in this Attachment A and in the attached Agreed Order has not been, and shall not be, included as a 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	2-Jul-2012	Screening	10-Jul-2012	EPA Due	
	PCW	10-Jul-2012				

RESPONDENT/FACILITY INFORMATION

Respondent	Chevron Phillips Chemical Company LP				
Reg. Ent. Ref. No.	RN100209857				
Facility/Site Region	10-Beaumont	Major/Minor Source	Major		

CASE INFORMATION

Enf./Case ID No.	44502	No. of Violations	1
Docket No.	2012-1441-AIR-E	Order Type	Findings
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Amancio R. Gutierrez
		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	\$50,000
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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	\$50,000
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Notes: Enhancement for two NOVs with same/similar violations, six NOVs with dissimilar violations, seven orders with denial of liability, five orders without denial of liability and repeat violator status. Reduction for four notices of intent to conduct an audit and one disclosure of violations.

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

Good Faith Effort to Comply Total Adjustments	Subtotal 5	\$0
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Economic Benefit	0.0% Enhancement*	Subtotal 6	\$0
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Total EB Amounts: \$38
 Approx. Cost of Compliance: \$1,500
 *Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7	Final Subtotal	\$100,000
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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	\$100,000
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$100,000
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DEFERRAL	0.0%	Reduction	Adjustment	\$0
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Reduces the Final Assessed Penalty by the indicted percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes:

No deferral is recommended for Findings Orders.

PAYABLE PENALTY	\$100,000
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Screening Date 10-Jul-2012

Docket No. 2012-1441-AIR-E

PCW

Respondent Chevron Phillips Chemical Company LP

Policy Revision 3 (September 2011)

Case ID No. 44502

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN100209857

Media [Statute] Air

Enf. Coordinator Amancio R. Gutierrez

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action (<i>number of NOVs meeting criteria</i>)	2	10%
	Other written NOVs	6	12%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	7	140%
	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	5	125%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgements or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were submitted</i>)	4	-4%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	1	-2%
<i>Please Enter Yes or No</i>			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 281%

>> 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 two NOVs with same/similar violations, six NOVs with dissimilar violations, seven orders with denial of liability, five orders without denial of liability and repeat violator status. Reduction for four notices of intent to conduct an audit and one disclosure of violations.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 306%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 100%

Screening Date 10-Jul-2012

Docket No. 2012-1441-AIR-E

PCW

Respondent Chevron Phillips Chemical Company LP

Policy Revision 3 (September 2011)

Case ID No. 44502

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN100209857

Media [Statute] Air

Enf. Coordinator Amancio R. Gutierrez

Violation Number

Rule Cite(s)

30 Tex. Admin. Code §§ 111.111(a)(4)(A), 116.115(b)(2)(F) and (c), and 122.143(4), Tex. Health and Safety Code § 382.085(b), Federal Operating Permit No. O1235, General Terms and Conditions and Special Terms and Conditions Nos. 1 and 22, and New Source Review Permit Nos. 21101 and PSDTX1248, Special Conditions Nos. 8 and 14

Violation Description

Failed to prevent unauthorized emissions. Specifically, the Respondent experienced 100 percent opacity and released 42,668 pounds ("lbs") of carbon monoxide ("CO"), 0.42 lb of sulfur dioxide, 7,095 lbs of nitrogen oxides, 0.00447 lb of hydrogen sulfide, and 38,060 lbs of volatile organic compounds ("VOC") that included 1,287 lbs of hazardous air pollutants from Emission Point Number ("EPN") E-24-Flare and released 2,853 lbs of VOC and 8 lbs of CO from EPN PRO-1544 during an avoidable emissions event (Incident No. 166760) that began on April 3, 2012 and lasted for 199 hours. The event occurred when a compressor shutdown unexpectedly, causing a process upset that resulted in flaring and atmospheric releases via a relief valve and a pinhole in the process manifold. Since the emission event could have been avoided through better design and operational practices, the Respondent is precluded from asserting the affirmative defense under 30 Tex. Admin. Code § 101.222.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OK

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 2

9 Number of violation days

mark only one with an x

daily	
weekly	X
monthly	
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty \$50,000

Two 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 \$50,000

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$38

Violation Final Penalty Total \$100,000

This violation Final Assessed Penalty (adjusted for limits) \$100,000

Economic Benefit Worksheet

Respondent Chevron Phillips Chemical Company LP
Case ID No. 44502
Reg. Ent. Reference No. RN100209857
Media Air
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

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

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$1,500	3-Apr-2012	3-Oct-2012	0.50	\$38	n/a	\$38

Notes for DELAYED costs
 Estimated expense to implement measures to prevent recurrence of emissions events due to same or similar causes as Incident No. 166760. The Date Required is the date of the emissions event, and the Final Date is the expected date of compliance.

Avoided Costs

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance \$1,500

TOTAL \$38

Compliance History Report

Customer/Respondent/Owner-Operator: CN600303614 Chevron Phillips Chemical Company LP Classification: AVERAGE Rating: 5.95
Regulated Entity: RN100209857 CHEVRON PHILLIPS CHEMICAL PORT Classification: AVERAGE Site Rating: 19.55
ARTHUR FACILITY

ID Number(s):	AIR OPERATING PERMITS	ACCOUNT NUMBER	JE0508W
	AIR OPERATING PERMITS	PERMIT	1235
	INDUSTRIAL AND HAZARDOUS WASTE	EPA ID	TXR000004390
	INDUSTRIAL AND HAZARDOUS WASTE	SOLID WASTE REGISTRATION (SWR)#	83963
	AIR NEW SOURCE PERMITS	REGISTRATION	93605
	AIR NEW SOURCE PERMITS	EPA ID	PSDTX1248
	AIR NEW SOURCE PERMITS	REGISTRATION	92053
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	JE0508W
	AIR NEW SOURCE PERMITS	PERMIT	18568
	AIR NEW SOURCE PERMITS	PERMIT	21101
	AIR NEW SOURCE PERMITS	REGISTRATION	24266
	AIR NEW SOURCE PERMITS	PERMIT	32713
	AIR NEW SOURCE PERMITS	REGISTRATION	76323
	AIR NEW SOURCE PERMITS	AFS NUM	4824500162
	AIR NEW SOURCE PERMITS	REGISTRATION	78071
	AIR NEW SOURCE PERMITS	REGISTRATION	77954
	AIR NEW SOURCE PERMITS	REGISTRATION	78021
	AIR NEW SOURCE PERMITS	REGISTRATION	78162
	AIR NEW SOURCE PERMITS	REGISTRATION	78143
	AIR NEW SOURCE PERMITS	REGISTRATION	79446
	AIR NEW SOURCE PERMITS	REGISTRATION	79030
	AIR NEW SOURCE PERMITS	REGISTRATION	80459
	AIR NEW SOURCE PERMITS	REGISTRATION	81329
	AIR NEW SOURCE PERMITS	REGISTRATION	80886
	AIR NEW SOURCE PERMITS	PERMIT	83741
	AIR NEW SOURCE PERMITS	REGISTRATION	94024
	AIR NEW SOURCE PERMITS	REGISTRATION	89947
	AIR NEW SOURCE PERMITS	REGISTRATION	85115
	AIR NEW SOURCE PERMITS	REGISTRATION	90098
	AIR NEW SOURCE PERMITS	REGISTRATION	96468
	AIR NEW SOURCE PERMITS	REGISTRATION	95831
	AIR NEW SOURCE PERMITS	REGISTRATION	85121
	AIR NEW SOURCE PERMITS	REGISTRATION	100121
	AIR NEW SOURCE PERMITS	REGISTRATION	99073
	AIR NEW SOURCE PERMITS	REGISTRATION	101824
	AIR NEW SOURCE PERMITS	REGISTRATION	101908
	AIR NEW SOURCE PERMITS	REGISTRATION	87113
	WATER LICENSING	LICENSE	1230091
	IHW CORRECTIVE ACTION	SOLID WASTE REGISTRATION (SWR)#	83963
	POLLUTION PREVENTION PLANNING	ID NUMBER	P01806
	AIR EMISSIONS INVENTORY	ACCOUNT NUMBER	JE0508W

Location: 2001 GULFWAY DR, PORT ARTHUR, TX, 77640
TCEQ Region: REGION 10 - BEAUMONT

Date Compliance History Prepared: July 16, 2012
Agency Decision Requiring Compliance History: Enforcement
Compliance Period: July 16, 2007 to July 16, 2012

TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History
Name: Amancio R. Gutierrez Phone: (512) 239-3921

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: 11/09/2007

ADMINORDER 2007-0404-AIR-E

Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)(B)
5C THC Chapter 382, SubChapter D 382.085(b)

Description: Failure to comply with the reporting requirements found in 30 TAC 101.201.

Classification: Moderate

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

Rqmt Prov: 21101 PERMIT

Description: Failure to comply with an emissions limitation.

Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)(1)(D)
30 TAC Chapter 101, SubChapter F 101.201(b)(1)(H)
5C THC Chapter 382, SubChapter D 382.085(b)

Description: Failure to identify the correct agency established EPN and the correct authorized emissions for Flare 24 (EPN: E-24-Flare) in the Final Report for an emissions event (Incident # 76193) which occurred on May 19, 2006 in the Ethylene Unit 1544.

Effective Date: 07/03/2008

ADMINORDER 2007-1514-AIR-E

Classification: Moderate

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

Rqmt Prov: FOP O-01235, General Terms and Condition OP
FOP O-01235, Special Condition 21 OP
FOP O-01235, Special Condition 21 OP
NSR Permit 21101, Special Condition 8 PERMIT

Description: Failed to comply with the permitted emissions limits.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)(1)(G)
30 TAC Chapter 101, SubChapter F 101.201(b)(1)(H)
5C THC Chapter 382, SubChapter D 382.085(b)

Description: Failed to list the compound descriptive type for an emissions event and to furnish the correct authorized emission limit.

Effective Date: 12/20/2008

ADMINORDER 2006-1598-AIR-E

Classification: Minor

Citation: 30 TAC Chapter 106, SubChapter K 106.261(a)(7)(A)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THC Chapter 382, SubChapter D 382.085(b)

Rqmt Prov: 01235 OP

Description: Failed to limit emissions to the PBR authorizations. Specifically, an analyzer without a flame ionization detector was installed at Ethylene Unit 1544, but its emissions were not registered with the agency.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 101, SubChapter A 101.20(2)
30 TAC Chapter 113, SubChapter C 113.130
30 TAC Chapter 113, SubChapter C 113.520
30 TAC Chapter 115, SubChapter D 115.352(4)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(1)
40 CFR Chapter 61, SubChapter C, PT 61, SubPT J 61.112(a)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.167(a)(1)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT UU 63.1033(b)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT UU 63.1033(b)(1)
5C THC Chapter 382, SubChapter D 382.085(b)

Rqmt Prov: 21101 PERMIT
O1235 OP

Description: Failed to equip each open-ended line with a cap, blind flange, plug, or a second valve. Specifically, during a period from February 23, 2005 through February 9, 2006, 98 components were identified without sealing devices.

Classification: Major

Citation: 30 TAC Chapter 106, SubChapter T 106.452(2)(D)
30 TAC Chapter 106, SubChapter T 106.452(2)(E)
30 TAC Chapter 116, SubChapter B 116.110(a)(4)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THC Chapter 382, SubChapter D 382.085(b)

Rqmt Prov: O1235 OP

Description: Failed to register an outside blast cleaning facility with the TCEQ using Form PI-7 and failure to receive written site approval from the executive director prior to construction. Specifically, a completed PI-7 was not submitted and approved for the DACF prior to construction.

Classification: Minor

Citation: 30 TAC Chapter 106, SubChapter A 106.8(c)(5)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THC Chapter 382, SubChapter D 382.085(b)

Rqmt Prov: O1235 OP

Description: Failed to maintain records required for PBRs. Specifically, fugitive emissions monitoring records, calibration records, abrasive usage records, and operating hours records were not maintained.

Classification: Moderate

Citation: 30 TAC Chapter 117, SubChapter B 117.205(f)(3)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THC Chapter 382, SubChapter D 382.085(b)

Rqmt Prov: O1235 OP

Description: Failed to comply with CO emission limitations at Boiler BA-118. Specifically, the 24-hour rolling average limit of 400 ppmv for CO was exceeded for nine hours on September 16, 2005.

Classification: Moderate

Citation: 30 TAC Chapter 106, SubChapter A 106.1
30 TAC Chapter 106, SubChapter A 106.6(b)
30 TAC Chapter 106, SubChapter A 106.6(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THC Chapter 382, SubChapter D 382.085(b)

Rqmt Prov: O1235 OP
Description: Failed to comply with the maximum emission rates as certified in the application for a Permit by Rule (PBR). Specifically, the 12-month rolling average limits for VOCs were exceeded under three PBRs.
Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 106, SubChapter A 106.6(b)
30 TAC Chapter 106, SubChapter A 106.6(c)
30 TAC Chapter 115, SubChapter D 115.354(2)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(a)
5C THSC Chapter 382, SubChapter D 382.085(b)

Rqmt Prov: O1235 OP
Description: Failed to monitor fugitive components as required by the applicable PBR.

Effective Date: 04/20/2009 ADMINORDER 2008-1584-AIR-E

Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
30 TAC Chapter 116, SubChapter B 116.115(c)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: NSR Permit 21101, Special Condition 8 PERMIT
Description: Failure to maintain emission rates below the allowable emission limits. EIC A,8,c,2,A,ii, MOD 2,D
Classification: Moderate
Citation: 30 TAC Chapter 106, SubChapter A 106.6(b)
30 TAC Chapter 106, SubChapter A 106.6(c)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 116, SubChapter B 116.116(a)(1)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: S.C. No. 9 PERMIT
Description: Failure to operate Temporary Flare 3 as represented in the application for PBR 78162. EIC A2C, MOD 2G

Effective Date: 04/20/2009 ADMINORDER 2006-1028-IHW-E

Classification: Moderate
Citation: 30 TAC Chapter 335, SubChapter A 335.6(b)
30 TAC Chapter 335, SubChapter A 335.6(c)
Description: Failure to immediately provide notice of waste management methods and units.
Classification: Major
Citation: 30 TAC Chapter 335, SubChapter A 335.2(b)
40 CFR Chapter 262, SubChapter I, PT 262, SubPT B 262.20(b)
Description: Failure to ship two hazardous waste streams, 0100102H (D018) and 0010003H (D018, D001) to an approved designated facility.
Classification: Moderate
Citation: 30 TAC Chapter 335, SubChapter C 335.69(a)
40 CFR Chapter 262, SubChapter I, PT 262, SubPT C 262.34(a)
Description: Failure to store hazardous waste (D001 [Perchloric Acid]) on site for less than 90 days.
Classification: Moderate
Citation: 30 TAC Chapter 335, SubChapter C 335.69(d)(1)
30 TAC Chapter 335, SubChapter E 335.112(a)(8)
40 CFR Chapter 262, SubChapter I, PT 262, SubPT C 262.34(a)(1)(i)
40 CFR Chapter 265, SubChapter I, PT 265, SubPT I 265.173(a)
Description: Failure to keep a container of hazardous waste, 0100102H (D018) closed.

Effective Date: 06/15/2009 ADMINORDER 2008-1878-AIR-E

Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: FOP O-01235 General Terms and Conditions OP
NSR Permit 21101, Special Condition 8 PERMIT
Special Conditions 2 and 21 OP
Description: Failed to prevent unauthorized emissions during an event that occurred on June 29, 2008.
Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: FOP O-01235 General Terms and Conditions OP
NSR Permit 21101 Special Condition 8 PERMIT
Special Conditions 2 and 21 OP
Description: Failed to prevent unauthorized emissions during an event that occurred on May 22, 2008.
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: Special Terms and Conditions 2 OP
Description: Failed to properly report unauthorized emissions during two events, May 22, 2008 and June 29, 2008.

Effective Date: 09/21/2009**ADMINORDER 2009-0489-AIR-E**

Classification: Minor
 Citation: 30 TAC Chapter 101, SubChapter F 101.211(b)
 5C THSC Chapter 382 382.085(b)
 Description: Failed to properly report Incident No. 105342.
 Classification: Major
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 5C THSC Chapter 382 382.085(b)
 Rqmt Prov: 18568, SC 1 PERMIT
 Description: Failed to prevent unauthorized emissions during Incident No. 105342.

Effective Date: 09/21/2009**ADMINORDER 2009-0389-AIR-E**

Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 5C THSC Chapter 382 382.085(b)
 Rqmt Prov: NSR Permit 21101 Special Condition 8 PERMIT
 Description: Failed to comply with permitted emissions limits. Specifically, during a three hour emissions event on November 24, 2008, an improperly set pressure control valve opened to Flare 24 (Emissions Point Number E-24-FLARE), and the flare released the following unauthorized emissions: 23.07 pounds ("lbs") of nitrogen oxides, 169.27 lbs of carbon monoxide, and 231.17 lbs of volatile organic compounds. Since the Respondent could have prevented the release by better operational oversight, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.

Effective Date: 03/08/2010**ADMINORDER 2009-0221-AIR-E**

Classification: Minor
 Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)(1)(F)
 30 TAC Chapter 101, SubChapter F 101.201(b)(1)(G)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 Rqmt Prov: FOP O-01235 General Terms and Condition OP
 FOP O-01235 Special Condition 2 OP
 Description: Failure to properly report an emission event. EIC C,3 MIN 3,D
 Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 Rqmt Prov: FOP O-01235 General Terms and Conditions OP
 FOP O-01235 Special Condition 21 OP
 NSR Permit 21101 Special Condition 8 PERMIT
 Description: Failure to maintain emission rates below the allowable emission limits. EIC A,8,c,2,A,ii, MOD 2,D
 Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 Rqmt Prov: FOP O-01235 General Terms and Conditions OP
 FOP O-01235 Special Condition 21 OP
 NSR Permit 21101 Special Condition 8 OP
 Description: Failure to maintain emission rates below the allowable emission limits. EIC A,8,c,2,A,ii, MOD 2,D

Effective Date: 07/11/2010**ADMINORDER 2009-2037-AIR-E**

Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 Rqmt Prov: General Condition 8 PERMIT
 General Terms and Conditions OP
 Special Condition 21 OP
 Special Condition 8 PERMIT
 Description: Failed to prevent the unauthorized release of 265.2 pounds ("lbs") of nitrogen oxides ("NOx"), 1,855.3 lbs of carbon monoxide ("CO"), and 1,519.5 lbs of volatile organic compounds ("VOC") from Flare 24 during a six-hour emissions event on July 7, 2009 (Incident No. 126542). The event resulted from the improper regeneration of the hylene Guard Dryer FA-403 desiccant. A manually operated valve on the dryer's inlet line had been left partially open which had impeded the regeneration of the dryer
 Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 Rqmt Prov: FOP O-01235 General Terms and Conditions OP
 FOP O-01235 Special Condition 21 OP
 General Condition 8 PERMIT
 NSR Permit 21101, Special Condition 8 PERMIT
 Description: Failed to prevent the unauthorized release from Flare 24 of 215.08 lbs of VOC, 863.28 lbs of CO, and 202.8 lbs of NOx during the 24-hour event, and 1,704.28 lbs of CO and 420.3 lbs of NOx during the 49-hour event starting on September 9 and October 1, 2009, respectively (Incident Numbers 129206 and 130187). The releases are not considered emissions events because the incidents do not meet the definition of an upset event since they were not caused due to an EIC A,8,c,2,A,ii, MOD 2,D

Effective Date: 08/13/2011

ADMINORDER 2011-0202-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: NSR Permit 21101, Special Condition 8 PERMIT
Special Terms and Conditions No.21 OP

Description: Failed to prevent unauthorized emissions. Since this emissions event could have been avoided by better operational practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.

Effective Date: 04/05/2012

ADMINORDER 2011-1597-AIR-E

Classification: Moderate

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

Rqmt Prov: General Conditions OP
SC 8 PERMIT
STC 21 OP

Description: Failed to prevent unauthorized emissions.

Classification: Moderate

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

Rqmt Prov: GC OP
SC 8 PERMIT
STC 21 OP

Description: Failed to prevent unauthorized emissions.

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

N/A

C. Chronic excessive emissions events.

N/A

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

1	06/29/2012	(1001908)	35	02/20/2009	(724927)	69	11/02/2009	(780262)
2	05/08/2012	(1002125)	36	03/10/2009	(725637)	70	11/09/2009	(781276)
3	06/07/2012	(1006747)	37	04/22/2009	(737807)	71	11/16/2009	(781707)
4	08/28/2007	(563168)	38	06/30/2009	(737873)	72	02/05/2010	(787727)
5	10/10/2007	(571849)	39	04/22/2009	(737991)	73	02/08/2010	(788299)
6	10/15/2007	(573350)	40	04/22/2009	(738076)	74	05/02/2010	(796396)
7	10/22/2007	(573439)	41	05/04/2009	(738149)	75	04/23/2010	(798649)
8	10/03/2007	(594932)	42	05/04/2009	(738165)	76	07/31/2010	(829795)
9	04/06/2008	(616137)	43	04/22/2009	(738231)	77	08/21/2010	(829827)
10	03/05/2008	(616484)	44	04/22/2009	(738247)	78	08/21/2010	(829830)
11	06/19/2008	(653603)	45	04/22/2009	(738256)	79	08/16/2010	(841917)
12	06/18/2008	(653647)	46	04/22/2009	(738280)	80	11/03/2010	(871540)
13	06/18/2008	(653652)	47	05/04/2009	(738351)	81	11/15/2010	(873239)
14	06/13/2008	(653659)	48	05/04/2009	(738362)	82	11/23/2010	(877892)
15	06/13/2008	(653679)	49	04/22/2009	(738571)	83	01/19/2011	(880214)
16	06/13/2008	(653682)	50	05/04/2009	(738581)	84	02/12/2011	(891454)
17	06/18/2008	(653689)	51	04/22/2009	(738600)	85	01/28/2011	(892877)
18	06/26/2008	(654341)	52	05/04/2009	(738623)	86	02/18/2011	(899402)
19	08/15/2008	(671234)	53	04/09/2009	(738631)	87	05/12/2011	(906687)
20	05/27/2008	(671309)	54	04/09/2009	(738647)	88	07/20/2011	(923716)
21	08/25/2008	(684503)	55	04/22/2009	(738653)	89	08/12/2011	(923753)
22	08/26/2008	(684779)	56	04/22/2009	(738663)	90	08/12/2011	(923787)
23	07/21/2008	(685979)	57	03/24/2009	(739143)	91	10/28/2011	(943110)
24	02/10/2009	(686371)	58	04/06/2009	(740619)	92	08/10/2011	(943380)
25	08/08/2008	(688599)	59	05/13/2009	(742572)	93	09/12/2011	(951957)
26	11/20/2008	(701001)	60	07/08/2009	(747724)	94	10/25/2011	(959073)
27	11/20/2008	(702196)	61	06/04/2009	(747794)	95	10/25/2011	(962926)
28	04/21/2009	(704057)	62	07/22/2009	(762990)	96	10/25/2011	(963086)
29	12/05/2008	(708622)	63	09/24/2009	(763955)	97	10/31/2011	(963129)
30	01/26/2009	(708989)	64	09/29/2009	(776123)	98	11/29/2011	(968456)
31	01/21/2009	(709592)	65	11/08/2009	(777968)	99	11/29/2011	(968980)
32	01/15/2009	(710264)	66	11/11/2009	(778009)	100	12/28/2011	(975243)
33	01/28/2009	(721275)	67	11/20/2009	(778126)			
34	01/29/2009	(721606)	68	11/20/2009	(779137)			

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

Date: 06/20/2008

(653603)

CN600303614

Self Report? NO

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)

40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(c)(2)
40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.349(a)(2)(iii)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT A 63.11(b)(5)
5C THSC Chapter 382 382.085(b)
FOP O-01235, General Terms and Condition OP
FOP O-01235, Special Condition 1A OP
FOP O-01235, Special Condition 21 OP
NSR Permit 21101, Special Condition 14 PERMIT
NSR Permit 21101, Special Condition 1B PERMIT
NSR Permit 21101, Special Condition 1C PERMIT
NSR Permit 21101, Special Condition 2C PERMIT

Description: Failure to operate Flare 24 with a pilot flame at all times. EIC B,18 MOD 2,G
Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(c)(2)
5C THSC Chapter 382 382.085(b)
FOP O-01235, General Terms and Condition OP
FOP O-01235, Special Condition 1A OP
FOP O-01235, Special Condition 21 OP
NSR Permit 21101, Special Condition 1A PERMIT

Description: Failure to perform the second follow-up monitoring on Tag Number 48604. EIC B,1 MOD 2,A

Date: 08/15/2008 (671234) CN600303614

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)
FOP O-01235 General Terms and Conditions OP
FOP O-01235 Special Condition 21 OP
NSR Permit 18568, Special Condition 10D PERMIT

Description: Failure to calibrate the Hydrocarbon Vapor Recovery Unit (HVRU) prior to loading operations.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 113, SubChapter C 113.130
30 TAC Chapter 115, SubChapter D 115.352(4)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(2)
40 CFR Chapter 61, SubChapter C, PT 61, SubPT V 61.242-6(a)(2)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.167(a)(2)
5C THSC Chapter 382 382.085(b)
FOP O-01235 General Terms and Condition OP
FOP O-01235 Special Condition 1A OP
FOP O-01235 Special Condition 21 OP
NSR Permit 18568 Special Condition 4 PERMIT
NSR Permit 21101 Special Condition 1A PERMIT
NSR Permit 21101 Special Condition 2A PERMIT

Description: Failure to maintain a sealing device on an open ended line. EIC C10 MOD 2D

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter D 115.352(3)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.486(b)(1)
40 CFR Chapter 61, SubChapter C, PT 61, SubPT V 61.246(b)(1)
5C THSC Chapter 382 382.085(b)
FOP O-01235 General Terms and Conditions OP
FOP O-01235 Special Condition 1A OP
FOP O-01235 Special Condition 21 OP
NSR Permit 21101 SC 1A and 2A PERMIT
NSR Permit 21101 Special Condition 17H PERMIT
NSR Permit 21101 Special Condition 19 PERMIT

Description: Failure to tag components on Delay of Repair (DOR). EIC C3 MOD 2B

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter E 115.412(1)(E)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 116, SubChapter B 116.116(a)(1)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
FOP O-01235 General Terms and Conditions OP
FOP O-01235 Special Condition 1A OP
FOP O-01235 Special Condition 20 OP
FOP O-01235 Special Condition 21 OP

Description: Failure to maintain a free-board ratio greater than 0.71 for Degreasers 1 and 2. EIC B18 MOD 2G

Self Report? NO Classification: Moderate

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

FOP O-01235 General Terms and Conditions OP
FOP O-01235 Special Condition 20 OP

Description: Failure to inspect Degreasers 1 and 2 on a monthly basis and to maintain records demonstrating inspection. EIC B1, MOD 2A
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
FOP O-01235 General Terms and Conditions OP
FOP O-01235 Special Condition 2F OP

Description: Failure to create a final record of the non-reportable emission event experienced by the facility on December 6, 2007. EIC B3, MOD 2B
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 106, SubChapter K 106.262(a)(3)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
FOP O-01235 General Terms and Conditions OP
FOP O-01235 Special Condition 22 OP

Description: Failure to provide notification within ten days following the installation or modification of facilities. EIC B4 MOD 2B
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
30 TAC Chapter 122, SubChapter B 122.145(2)(A)
5C THSC Chapter 382 382.085(b)
FOP O-01235 General Terms and Conditions OP

Description: Failure to report deviations on several semi-annual deviation reports. EIC B3 MOD 2G
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
30 TAC Chapter 122, SubChapter B 122.146(1)
30 TAC Chapter 122, SubChapter B 122.146(5)(D)
5C THSC Chapter 382 382.085(b)
FOP O-01235 General Terms and Conditions OP

Description: Failure to accurately certify an Annual Compliance Certification for the periods of February 16, 2005, through February 15, 2006; February 16, 2006, through February 15, 2007; and February 16, 2007, through February 15, 2008. EIC B3 MOD 2G

Date: 01/28/2009 (721275) CN600303614

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 117, SubChapter B 117.145(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
FOP O-01235 General Terms and Conditions OP
FOP O-01235 Special Condition 1A OP

Description: Failure to submit Continuous Emission Monitoring Systems (CEMS) Relative Accuracy Test Audits (RATAs) for Emission Point Numbers (EPNs) E-01A-1544, E-02A-1544, E-03A-1544, E-04A-1544, and E-05A-144, in a timely manner. EIC C, 3 MOD 2, D

Date: 07/01/2009 (737873) CN600303614

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(2)
30 TAC Chapter 113, SubChapter C 113.120
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(c)(2)
40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.349(a)(2)(iii)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT A 63.11(b)(5)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.113(a)(1)(i)
5C THSC Chapter 382 382.085(b)
FOP O-01235 General Terms and Conditions OP
FOP O-01235, Special Condition 1A OP
FOP O-01235, Special Condition 21 OP
NSR Permit 18568, Special Condition 3E PERMIT
NSR Permit 18568, Special Condition 9 PERMIT
NSR Permit 21101, Special Condition 14 PERMIT
NSR Permit 21101, Special Condition 2C PERMIT

Description: Failure to operate Flare 24, Flare 3, and Flare 17 with a pilot flame at all times. EIC B,18, MOD 2,D
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(2)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.346(a)(2)
5C THSC Chapter 382 382.085(b)
FOP O-01235 General Terms and Conditions OP
FOP O-01235, Special Condition 1A OP
FOP O-01235, Special Condition 21 OP
NSR Permit 18568, Special Condition 3E PERMIT
NSR Permit 21101, Special Condition 2C PERMIT

Description: Failure to conduct third quarter visual inspections of individual drain systems. EIC B,1, MOD 2,A

Date: 07/08/2009 (747724) CN600303614

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 117, SubChapter G 117.8100(a)(1)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
FOP O-01235 General Terms and Conditions OP
FOP O-01235 Special Condition 21 OP
NSR Permit 21101 Special Condition 23B PERMIT

Description: Failure to perform the first quarter CGA of the CEMS for Ethylene Furnaces BA115, BA116, BA117, and BA118. EIC B,1, MOD 2,A

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter B 115.126(1)(B)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(f)(2)
40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.349(a)(2)(iii)
5C THSC Chapter 382 382.085(b)
FOP O-01235 General Terms and Conditions OP
FOP O-01235 Special Condition 21 OP
NSR Permit 21101 Special Condition 5 PERMIT

Description: Failure to monitor the presence of a pilot flame. EIC B,1 MOD 2,A

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter D 115.352(2)(C)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-2(a)(1)
5C THSC Chapter 382 382.085(b)
FOP O-01235 General Terms and Conditions OP
FOP O-01235 Special Condition 21 OP
NSR Permit 21101 Special Condition 1A PERMIT

Description: Failure to perform monthly monitoring of pumps 7163, 7175, and 7195. EIC B,1, MOD 2,A

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter D 115.352(4)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(2)
40 CFR Chapter 61, SubChapter C, PT 61, SubPT V 61.242-6(a)(2)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.167(a)(2)
5C THSC Chapter 382 382.085(b)
FOP O-01235 General Terms and Conditions OP
FOP O-01235 Special Condition 21 OP
NSR Permit 21101 Special Condition 1 PERMIT
NSR Permit 21101 Special Condition 2 PERMIT
NSR Permit 21101 Special Condition 2C PERMIT

Description: Failure to maintain a sealing device on an open-ended. EIC C,10 MOD 2,D

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
FOP O-01235 General Terms and Conditions OP
FOP O-01235 Special Condition 2F OP

Description: Failure to create a final record of the non-reportable emission event experienced by Ineos Phenol on May 31, 2008. EIC C,3, MOD 2,B

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)
FOP O-01235 General Terms and Conditions OP
FOP O-01235 Special Condition 21 OP
NSR Permit 32713 Special Condition 12 PERMIT

Description: Failure to calculate the 12-month rolling emissions on a monthly basis from Group 1 sources and compare them to the Emission CAP of NSR Permit 32713. EIC B,1 MOD 2,A

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
FOP O-01235 General Terms and Conditions OP
FOP O-01235 Special Condition 1A OP
FOP O-01235 Special Condition 20 OP

Description: Failure to inspect Degreasers 1 and 2 on a monthly basis and to maintain records demonstrating inspection. EIC B,1, MOD 2,A

Date: 08/23/2010 (829827) CN600303614

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
FOP O-01235, General Terms and Condition OP

Description: Failure to perform quarterly visible emission observations of all stationary vents.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
 30 TAC Chapter 101, SubChapter A 101.20(2)
 30 TAC Chapter 113, SubChapter C 113.130
 30 TAC Chapter 115, SubChapter D 115.352(4)
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(2)
 40 CFR Chapter 61, SubChapter C, PT 61, SubPT V 61.242-6(a)(2)
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.167(a)(2)
 5C THSC Chapter 382 382.085(b)
 FOP O-01235, General Terms and Condition OP
 FOP O-01235, Special Condition 1A OP
 FOP O-01235, Special Condition 21 OP
 NSR Permit 18568, Special Condition 11E PERMIT
 NSR Permit 18568, Special Condition 4 PERMIT
 NSR Permit 21101, Special Condition 17E PERMIT
 NSR Permit 21101, Special Condition 1A PERMIT
 NSR Permit 21101, Special Condition 2A PERMIT

Description: Failure to maintain a sealing device on an open ended line.
 Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter D 115.356(3)(C)
 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)
 NSR Permit 18568, Special Condition 11A PERMIT

Description: Failure to maintain records identifying those components that are exempt from monitoring and inspection requirements.
 Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 106, SubChapter K 106.261(a)(7)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 FOP O-01235, General Terms and Condition OP
 FOP O-01235, Special Condition 22 OP

Description: Failure to submit Permit By Rule (PBR) notification for an increase in emissions from new fugitive emissions components added as part of a pump station construction.
 Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 113, SubChapter C 113.100
 30 TAC Chapter 113, SubChapter C 113.1090
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT A 63.9(h)(2)(ii)
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT ZZZZ 63.6645(h)
 5C THSC Chapter 382 382.085(b)
 FOP O-01235, General Terms and Condition OP
 FOP O-01235, Special Condition 12F OP
 FOP O-01235, Special Condition 3B(iv)(1) OP

Description: Failure to submit initial notification of compliance status regarding a new emergency use stationary reciprocating internal combustion engine (RICE).
 Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 113, SubChapter C 113.110
 30 TAC Chapter 113, SubChapter C 113.550
 30 TAC Chapter 113, SubChapter C 113.560
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT F 63.104(b)
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT XX 63.1086(a)
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT YY 63.1103(e)(3)
 5C THSC Chapter 382 382.085(b)
 FOP O-01235, General Terms and Condition OP
 FOP O-01235, Special Condition 1A OP
 FOP O-01235, Special Condition 21 OP
 NSR Permit 18568, Special Condition 4 PERMIT
 NSR Permit 21101, Special Condition 2 PERMIT

Description: Failure to monitor the cooling water of the heat exchange systems to detect leaks of total Hazardous Air Pollutants (HAPs), total Volatile Organic Compounds (VOCs), or other representative substances that would indicate the presence of a leak in the heat exchange system. B19g1
 Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 FOP O-01235, General Terms and Condition OP
 FOP O-01235, Special Condition 20 OP

Description: Failure to maintain records demonstrating monthly inspections on Degreasers 1 and 2.
 Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(c)(3)(ii)
 5C THSC Chapter 382 382.085(b)

FOP O-01235, General Terms and Condition OP
 FOP O-01235, Special Condition 1A OP
 FOP O-01235, Special Condition 21 OP
 NSR Permit 21101, Special Condition 14 PERMIT
Description: Failure to maintain the net heating value of the waste gas vented to the flare above 300 British Thermal Units per standard cubic feet (BTU/scf) during the regeneration of the catalyst of the Acetylene Converter.

Self Report? NO **Classification:** Minor

Citation: 30 TAC Chapter 113, SubChapter C 113.130
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.163(b)(1)
 5C THSC Chapter 382 382.085(b)
 FOP O-01235, General Terms and Condition OP
 FOP O-01235, Special Condition 1A OP
 FOP O-01235, Special Condition 21 OP
 NSR Permit 18568, Special Condition 4 PERMIT

Description: Failure to perform monthly leak detection monitoring on Pump J-29 for the months of November and December 2009.

Self Report? NO **Classification:** Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
 30 TAC Chapter 122, SubChapter B 122.145(2)(A)
 5C THSC Chapter 382 382.085(b)
 FOP O-01235, General Terms and Condition OP

Description: Failure to report deviations on several semi-annual deviation reports.

Self Report? NO **Classification:** Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
 30 TAC Chapter 122, SubChapter B 122.146(1)
 30 TAC Chapter 122, SubChapter B 122.146(5)(D)
 5C THSC Chapter 382 382.085(b)
 FOP O-01235, General Terms and Condition OP

Description: Failure to accurately certify compliance with the terms and conditions of permit FOP O-01235.

Date: **08/10/2011** (943380) **CN600303614**

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)
 FOP O-01235, Special Condition 21 OP
 NSR Permit 21101, Special Condition 12 PERMIT

Description: Failure to operate a cracking furnace without visible emissions exceeding five minutes during a two-hour period.

Self Report? NO **Classification:** Moderate

Citation: 30 TAC Chapter 115, SubChapter D 115.352(4)
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 FOP O-01235, Special Condition 21 OP
 NSR Permit 21101, Special Condition 17E PERMIT
 NSR Permit 21101, Special Condition 18E PERMIT

Description: Failure to maintain a sealing device on an open ended line.

Date: **06/08/2012** (1006747) **CN600303614**

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 21 OP
 Special Conditions 11 & 12 PERMIT
 Special Conditions 17 & 18 PERMIT
 Special Conditions 8 & 9 PERMIT

Description: Failure to identify, monitor, and maintain records on connectors and valves in Volatile Organic Compound (VOC) service.

Self Report? NO **Classification:** Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
 30 TAC Chapter 115, SubChapter D 115.352(4)
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(2)
 5C THSC Chapter 382 382.085(a)
 Special Condition 11E PERMIT
 Special Condition 18E PERMIT
 Special Condition 1A PERMIT
 Special Condition 21 OP

Description: Failure to maintain a sealing device on an open-ended line.

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 21 OP
 Special Condition 4 PERMIT

Description: Failure to maintain thirty-day rolling average for Carbon Monoxide emissions below permitted conditions.

Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
 30 TAC Chapter 122, SubChapter B 122.145(2)(A)
 5C THSC Chapter 382 382.085(b)
 General Terms and Conditions OP

Description: Failure to report deviations on several semi-annual deviation reports.
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
 30 TAC Chapter 122, SubChapter B 122.146(1)
 30 TAC Chapter 122, SubChapter B 122.146(5)(D)
 5C THSC Chapter 382 382.085(b)
 General Terms and Conditions OP

Description: Failure to accurately certify compliance with the terms and conditions of permit FOP O-01235.
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
 30 TAC Chapter 115, SubChapter D 115.352(2)
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(d)(1)
 5C THSC Chapter 382 382.085(b)
 Special Condition 18I PERMIT
 Special Condition 1A PERMIT
 Special Condition 21 OP

Description: Failure to repair a leaking component in VOC service within fifteen (15) days after discovering the leak.

F. Environmental audits.

Notice of Intent Date: 08/30/2007(595568)
 No DOV Associated

Notice of Intent Date: 02/16/2009(739498)
 Disclosure Date: 08/06/2009
 Viol. Classification: Minor
 Citation: 40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.356(h)
 Description: Failure to ensure that emissions tests of all vacuum trucks used of Benzene Waste Operations NESHAP operations always included background level measurements.

Notice of Intent Date: 02/22/2010(797583)
 No DOV Associated

Notice of Intent Date: 02/06/2012(997413)
 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

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TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
CHEVRON PHILLIPS CHEMICAL
COMPANY LP;
RN100209857**

§
§
§
§
§
§

**BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY**

AGREED ORDER

DOCKET NO. 2012-1441-AIR-E

At its _____ agenda meeting, the Texas Commission on Environmental Quality ("Commission" or "TCEQ") considered this agreement of the parties (the "Agreed Order"), resolving an enforcement action regarding Chevron Phillips Chemical Company LP ("Respondent") under the authority of TEX. WATER CODE ch. 7 and TEX. HEALTH & SAFETY CODE ch. 382. The Executive Director of the TCEQ, represented by the Litigation Division, and Respondent, represented by Madeleine Kadas of the law firm Beveridge & Diamond, P.C., presented this Agreed Order to the Commission.

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, Respondent agrees to waive all notice and procedural rights.

It is further understood and agreed that this Agreed Order represents the complete and fully-integrated agreement 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 Respondent.

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

FINDINGS OF FACT

1. Respondent owns and operates a petrochemical manufacturing plant located at 2001 Gulfway Drive in Port Arthur, Jefferson County, Texas (the "Plant"). The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
2. During an investigation conducted on April 3, 2012 through April 23, 2012, a TCEQ Beaumont Regional Office investigator documented that Respondent failed to prevent unauthorized emissions. Specifically, Respondent experienced 100 percent opacity and released 42,668 pounds ("lbs") of carbon monoxide ("CO"), 0.42 lb of sulfur dioxide, 7,095 lbs of nitrogen oxides, 0.00447 lb of hydrogen sulfide, and 38,060 lbs of volatile organic compounds ("VOC") that included 1,287 lbs of hazardous air pollutants from Emission Point Number ("EPN") E-24-Flare and released 2,853 lbs of VOC and 8 lbs of CO from EPN PRO-1544 during an avoidable emissions event (Incident No. 166760) that began on April 3, 2012 and lasted for 199 hours. The event occurred when a compressor shutdown unexpectedly, causing a process upset that resulted in flaring and atmospheric releases via a relief valve and a pinhole in the process manifold. The TCEQ determined

that this emissions event could have been avoided through better design and operational practices.

3. Respondent received notice of the violation on or about July 4, 2012.

CONCLUSIONS OF LAW

1. As evidenced by Finding of Fact No. 1, Respondent is subject to the jurisdiction of the TCEQ pursuant to TEX. HEALTH & SAFETY CODE ch. 382 and the rules of the Commission.
2. As evidenced by Finding of Fact No. 2, Respondent failed to prevent unauthorized emissions, in violation of TEX. HEALTH & SAFETY CODE § 382.085(b), 30 TEX. ADMIN. CODE §§ 111.111(a)(4)(A), 116.115(b)(2)(F) and (c), and 122.143(4), Federal Operating Permit No. O1235, General Terms and Conditions and Special Terms and Conditions Nos. 1 and 22, and New Source Review Permit Nos. 21101 and PSDTX1248, Special Conditions Nos. 8 and 14. Since this emissions event could have been avoided through better design and operational practices, Respondent is precluded from asserting the 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 Respondent for violations of state statutes 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 one hundred thousand dollars (\$100,000.00) 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. Respondent paid fifty thousand dollars (\$50,000.00) of the administrative penalty. Pursuant to TEX. WATER CODE § 7.067, fifty thousand dollars (\$50,000.00) of the administrative penalty shall be conditionally offset by Respondent's timely and satisfactory completion of a Supplemental Environmental Project ("SEP") as defined in the SEP Agreement ("Attachment A" - incorporated herein by reference). Respondent's obligation to pay the conditionally offset portion of the administrative penalty assessed by this Agreed Order shall be discharged upon full compliance with all the terms and conditions of this Agreed Order, which includes timely and satisfactory completion of all provisions of the SEP Agreement, as determined by the Executive Director.

If Respondent fails to timely and satisfactorily comply with any requirement contained in this Agreed Order, including the SEP Agreement and any payment schedule, the Executive Director may, at his option, accelerate the maturity of the remaining installments, in which event the conditionally offset portion of the administrative penalty shall become immediately due and payable without demand or notice. The acceleration of any remaining balance constitutes the failure by Respondent to timely and satisfactorily comply with all the terms of this Agreed Order, and the Executive Director may require Respondent to pay all or part of the conditionally offset administrative penalty.

ORDERING PROVISIONS

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

1. Respondent is assessed an administrative penalty as set forth in Conclusion of Law No. 4, above, for violations of state statutes and rules of the TCEQ. The payment of this administrative penalty and Respondent's compliance with all the terms and conditions set forth in this Agreed Order resolve only the matters set forth by this Agreed Order in this action. The Commission shall not be constrained in any manner from considering or requiring corrective actions or penalties for violations which are not raised here.

2. Respondent shall implement and complete a SEP as set forth in Conclusion of Law No. 4, above. The amount of fifty thousand dollars (\$50,000.00) of the assessed administrative penalty is conditionally offset based on the condition that Respondent implement and complete a SEP pursuant to the terms and conditions contained in the SEP Agreement, as defined in Attachment A. Respondent's obligation to pay the conditionally offset portion of the assessed administrative penalty shall be discharged upon full, final, and satisfactory completion of all provisions of the SEP Agreement, as determined by the Executive Director. Administrative penalty payments for any portion of the SEP deemed by the Executive Director as not complete shall be paid within 30 days after the date the Executive Director demands payment.
3. Respondent shall undertake the following technical requirements:
 - a. Within 30 days after the effective date of this Agreed Order, Respondent shall implement measures and/or procedures to prevent recurrence of emissions events due to same or similar causes as Incident No. 166760;
 - b. Within 45 days after the effective date of this Agreed Order, Respondent shall submit written certification to demonstrate compliance with Ordering Provision No. 3.a. The certification shall be accompanied by detailed supporting documentation, including photographs, receipts, and/or other records, shall be notarized by a State of Texas Notary Public, and shall 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 fine and imprisonment for knowing violations."

Respondent shall submit the written certification and supporting documentation necessary to demonstrate compliance with these Ordering Provisions to:

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

and:

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

4. All relief not expressly granted in this Agreed Order is denied.
5. The provisions of this Agreed Order shall apply to and be binding upon Respondent. Respondent is ordered to give notice of this Agreed Order to personnel who maintain day-to-day control over the Plant operations referenced in this Agreed Order.
6. If 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, Respondent's failure to comply is not a violation of this Agreed Order. Respondent shall have the burden of establishing to the Executive

- Director's satisfaction that such an event has occurred. Respondent shall notify the Executive Director within seven days after Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
7. 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 Respondent shall be made in writing to the Executive Director. Extensions are not effective until Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
 8. This Agreed Order, issued by the Commission, shall not be admissible against Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
 9. 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 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. 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.
 12. Pursuant to 30 TEX. ADMIN. CODE § 70.10(b) and TEX. GOV'T CODE § 2001.142, the effective date of this Agreed Order is the date of hand delivery of this Agreed Order to Respondent, or three days after the date on which the Commission mails notice of this Agreed Order to Respondent, whichever is earlier. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission



For the Executive Director

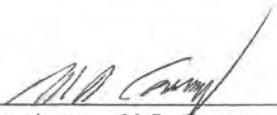
May 3, 2013
Date

I, the undersigned, have read and understand the attached Agreed Order. I represent that I am authorized to agree to the attached Agreed Order on behalf of Chevron Phillips Chemical Company LP, 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 in this Agreed 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;
- 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, I understand that any falsification of any compliance documents may result in criminal prosecution.



Signature - M.I. Conway, Plant Manager
Chevron Phillips Chemical Company LP

7 March 2013
Date

Attachment A
Docket Number: 2012-1441-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	Chevron Phillips Chemical Company LP
Penalty Amount:	One Hundred Thousand Dollars (\$100,000)

SEP Offset Amount:	Twenty-Five Thousand Dollars (\$25,000)
Type of SEP:	Contribution to a Pre-Approved Third-Party Recipient
Third-Party Recipient:	Southeast Texas Regional Planning Commission
Project 1 Name:	<i>Meteorological and Air Monitoring Network</i>
Location of SEP:	Jefferson County

SEP Offset Amount:	Twenty-Five Thousand Dollars (\$25,000)
Type of SEP:	Contribution to a Pre-Approved Third-Party Recipient
Third-Party Recipient:	Southeast Texas Regional Planning Commission
Project 2 Name:	<i>West Port Arthur Home Energy Efficiency Program</i>
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 Offset Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project Descriptions

A. Projects

Project 1 Name: Meteorological and Air Monitoring Network

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** for the *Meteorological and Air Monitoring Network* project. The contribution will be used in accordance with the Supplemental Environmental Project Agreement between the Third-Party Recipient and the TCEQ (the “Project”). Specifically, the SEP Offset Amount 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.

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 guidelines. The SEP will be done in accordance with all federal, state, and local environmental laws and regulations.

All dollars contributed will be used solely for the direct cost of the Project and no portion will be spent on administrative costs.

Respondent's signature affixed to this Agreed Order certifies that Respondent has no prior commitment to make this contribution and that it is being contributed solely in an effort to settle this enforcement action. Respondent shall not profit in any manner from this SEP.

Project 2 Name: West Port Arthur Energy Efficiency Program

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** for the *West Port Arthur Home Energy Efficiency Program* project. The contribution will be used in accordance with the Supplemental Environmental Project Agreement between the Third-Party Recipient and the TCEQ (the "Project"). Specifically, the SEP Offset Amount will be used to assist low-income residents in the West Port Arthur area by 1) conducting home energy audits; 2) weatherizing homes to improve energy efficiency; and 3) repairing or replacing heating/cooling systems and major appliances with new, energy-efficient equipment. Weatherizing homes may include costs of caulking openings as well as insulating walls, floors, and attics in homes. Any heating/cooling systems or major appliances that are replaced must be scrapped and must not be reused in any way. The Third-Party Recipient shall use consistent and reliable criteria for determining the low-income status of residents assisted with SEP Offset Amount. The SEP will be performed in accordance with all federal, state, and local environmental laws and regulations.

All dollars contributed will be used solely for the direct cost of the Project and no portion will be spent on administrative costs.

Respondent's signature affixed to this Agreed Order certifies that it has no prior commitment to make this contribution and that it is being contributed solely in an effort to settle this enforcement action.

B. Environmental Benefit

Project 1 Meteorological and Air Monitoring Network

Particulate matter (PM), sulfides (SO, SO₂), oxides of nitrogen (NO_x), volatile organic carbon (VOC) 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 air monitoring systems.

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.

Project 2 West Port Arthur Energy Efficiency Program

Implementation of this project will reduce residential fuel and electricity usage for heating and cooling. These reductions, in turn, will reduce emissions of particulate matter (PM), volatile organic carbon compounds (VOC), and nitrogen oxides (NO_x) associated with the combustion of fuel and generation of electricity.

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 Offset Amount to the Third-Party Recipient. Respondent shall make the check payable to **Southeast Texas Regional Planning Commission SEP** and shall mail the contribution with a copy of the Agreed Order to:

Southeast Texas Regional Planning Commission
Attention: Bob Dickinson
2210 Eastex Freeway
Beaumont, Texas 77703

3. Records and Reporting

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

Texas Commission on Environmental Quality
Litigation Division
Attention: SEP Coordinator, MC 175
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If Respondent does not perform its obligations under this Attachment A, including full expenditure of the SEP Offset Amount and submittal of the required reporting described in Sections 2 and 3 above, the Executive Director ("ED") may require immediate payment of all or part of the SEP Offset Amount.

In the event the ED determines that Respondent failed to fully implement and complete the Project, Respondent shall remit payment for all or a portion of the SEP Offset Amount, as determined by the ED, and as set forth in the attached Agreed Order. After receiving notice of failure to complete the SEP, Respondent shall include the docket number of the attached

Agreed Order and a note that the enclosed payment is for the reimbursement of a SEP, shall make the check payable to "Texas Commission on Environmental Quality," and shall mail it to:

Texas Commission on Environmental Quality
Litigation Division
Attention: SEP Coordinator, MC 175
P.O. Box 13087
Austin, Texas 78711-3087

5. Publicity

Any public statements concerning this SEP and/or project, 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 Offset Amount identified in this Attachment A and in the attached Agreed Order has not been, and shall not be, included as a SEP for Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.