

**Executive Summary – Enforcement Matter – Case No. 48166**  
**Equistar Chemicals, LP**  
**RN100210319**  
**Docket No. 2014-0115-AIR-E**

**Order Type:**

1660 Agreed Order

**Findings Order Justification:**

N/A

**Media:**

AIR

**Small Business:**

No

**Location(s) Where Violation(s) Occurred:**

Equistar Chemicals La Porte Complex, 1515 Miller Cut Off Road, La Porte, Harris County

**Type of Operation:**

Chemical manufacturing plant

**Other Significant Matters:**

Additional Pending Enforcement Actions: Yes, Docket No. 2013-2193-AIR-E

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

**Texas Register Publication Date:** May 30, 2014

**Comments Received:** No

***Penalty Information***

**Total Penalty Assessed:** \$15,000

**Amount Deferred for Expedited Settlement:** \$3,000

**Amount Deferred for Financial Inability to Pay:** \$0

**Total Paid to General Revenue:** \$6,000

**Total Due to General Revenue:** \$0

Payment Plan: N/A

**SEP Conditional Offset:** \$6,000

Name of SEP: Houston Regional Monitoring Corporation

**Compliance History Classifications:**

Person/CN - Satisfactory

Site/RN - Satisfactory

**Major Source:** Yes

**Statutory Limit Adjustment:** N/A

**Applicable Penalty Policy:** September 2011

**Executive Summary – Enforcement Matter – Case No. 48166  
Equistar Chemicals, LP  
RN100210319  
Docket No. 2014-0115-AIR-E**

***Investigation Information***

**Complaint Date(s):** N/A  
**Complaint Information:** N/A  
**Date(s) of Investigation:** November 18, 2013  
**Date(s) of NOE(s):** January 8, 2014

***Violation Information***

Failed to prevent unauthorized emissions. Specifically, the Respondent released 21 pounds ("lbs") of carbon monoxide, 27 lbs of ethylene, and 3 lbs of nitrogen oxides from the AB3 Flare, Emission Point Number ("EPN") L3Flare, and released 78 lbs of propylene and 5,650 lbs of ethylene from the AB3 Reactor Vents, EPN L3RXVent, during an avoidable emissions event (Incident No. 189365) that began on October 10, 2013 and lasted for 12 minutes. The event occurred when the AB3 Unit reactor experienced a decomposition, causing the emergency reactor vents to open to the atmosphere for approximately 20 seconds until emissions were routed to the flare. The unit was subsequently shut down. Since the emissions event could have been avoided by better operational practices, the Respondent is precluded from asserting the affirmative defense under 30 TEX. ADMIN. CODE § 101.222. [30 TEX. ADMIN. CODE §§ 115.722(c)(1), 116.115(a), and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), Federal Operating Permit No. 01606, Special Terms & Conditions No. 15, and New Source Review Permit No. 4477, Special Conditions No. 1]

***Corrective Actions/Technical Requirements***

**Corrective Action(s) Completed:**

N/A

**Technical Requirements:**

1. The Order will require Respondent to implement and complete a Supplemental Environmental Project ("SEP"). (See SEP Attachment A)
2. The Order will require the Respondent to:
  - a. Within 30 days, implement measures and/or procedures to prevent recurrence of emissions events due to same or similar causes as Incident No. 189365; and
  - 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

**Executive Summary – Enforcement Matter – Case No. 48166**  
**Equistar Chemicals, LP**  
**RN100210319**  
**Docket No. 2014-0115-AIR-E**

***Contact Information***

**TCEQ Attorney:** N/A

**TCEQ Enforcement Coordinator:** Amancio R. Gutierrez, Enforcement Division, Enforcement Team 5, MC 149, (512) 239-3921; Candy Garrett, Enforcement Division, MC 219, (512) 239-1456

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

**Respondent:** Michael Wagner, Environmental Engineer, Equistar Chemicals, LP, 1515 Miller Cut Off Road, La Porte, Texas 77571

Tim M. Westby, Site Manager, Equistar Chemicals, LP, 1515 Miller Cut Off Road, La Porte, Texas 77571

**Respondent's Attorney:** N/A



**Attachment A**  
**Docket Number: 2014-0115-AIR-E**  
**SUPPLEMENTAL ENVIRONMENTAL PROJECT**

<b>Respondent:</b>	<b>Equistar Chemicals, LP</b>
<b>Penalty Amount:</b>	<b>Twelve Thousand Dollars (\$12,000)</b>
<b>SEP Offset Amount:</b>	<b>Six Thousand Dollars (\$6,000)</b>
<b>Type of SEP:</b>	<b>Contribution to a Third-Party Pre-Approved SEP</b>
<b>Third-Party Administrator:</b>	<b>Houston Regional Monitoring Corporation</b>
<b>Project Name:</b>	<b><i>Houston Area Air Monitoring Project</i></b>
<b>Location of SEP:</b>	<b>Harris County</b>

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

**1. Project Description**

a. Project

The Respondent shall contribute the SEP Offset Amount to the Third-Party Administrator named above. The contribution will be to the **Houston Regional Monitoring Corporation** for the *Houston Area Air Monitoring Project* SEP. The contribution will be used in accordance with the SEP between the Third-Party Administrator and the TCEQ (the “Project”). Specifically, the SEP Offset Amount will be used to operate a network of ambient air monitoring stations that continuously measure and record concentrations of ambient air pollutants. This network includes the Houston Regional Monitor (“HRM”) 617 Wallisville Road site, the HRM 615 Lynchburg Ferry site, and the HRM 3 Haden Road site. The Third-Party Administrator shall use the SEP Offset Amount to report data from these three existing sites in the Houston Regional Monitoring Corporation ambient air quality monitoring network in the Houston-Galveston Air Quality Control Region No. 216. 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 implementing the Project, including but not limited to supplies, materials, and equipment. Any portion of this contribution that is not spent on the specifically identified SEP may, at the discretion of the Executive Director (“ED”), be applied to another pre-approved SEP.

The 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. The Respondent shall not profit in any manner from this SEP.

b. Environmental Benefit

This SEP will provide TCEQ with near real-time access to high quality, short time resolution volatile organic compound, nitrogen oxide, ozone, and meteorological data sets that can be used to evaluate and track air pollution emission events as they occur, conduct source attribution studies, and to assess potential ambient community exposure to a limited number of hazardous air pollutants. Data from the monitors can be used with data from other monitors to provide critical information that can be used to evaluate the effectiveness of current and proposed emission control strategies aimed at achieving compliance with the 8-hr ozone National Ambient Air Quality Standards. It also provides a key source of information that is essential to furthering our overall understanding of those emission sources that contribute to ambient community exposure to toxic air contaminants. Because the information is available in near real-time, it can be used to provide both agency staff and industry personnel with time critical information to investigate emission events in a timely fashion. Another key benefit is the ability to measure the change in the ambient air concentration of the individual target species and quantify control measure effectiveness. Data from these monitors will be publicly accessible through the TCEQ's website and will be used in evaluating air quality in the area, in ozone forecasts, and ozone warnings. Thus, the public will directly benefit by having access to the data and the forecasting and notification tools which can be used for public awareness.

c. Minimum Expenditure

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

**2. Performance Schedule**

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Offset Amount to the Third-Party Administrator. The Respondent shall make the contribution payable to **Houston Regional Monitoring Corporation SEP** and shall mail the contribution with a copy of the Agreed Order to:

Equistar Chemicals, LP  
Agreed Order - Attachment A

Houston Regional Monitoring Corporation  
c/o Christopher B. Amandes  
Morgan, Lewis, & Bockius, LLP  
1000 Louisiana, Suite 4000  
Houston, Texas 77002

### **3. Records and Reporting**

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

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

### **4. Failure to Fully Perform**

If the 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 ED may require immediate payment of all or part of the SEP Offset Amount.

In the event the ED determines that the Respondent failed to fully implement and complete the Project, the 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, the 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 made by or on behalf of the 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**

The Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, the 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 Agreed Order has not been, and shall not be, included as a SEP for the 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	13-Jan-2014	Screening	22-Jan-2014	EPA Due	
	PCW	22-Jan-2014				

## RESPONDENT/FACILITY INFORMATION

Respondent	Equistar Chemicals, LP		
Reg. Ent. Ref. No.	RN100210319		
Facility/Site Region	12-Houston	Major/Minor Source	Major

## CASE INFORMATION

Enf./Case ID No.	48166	No. of Violations	1
Docket No.	2014-0115-AIR-E	Order Type	1660
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**

### ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

**Compliance History**  Enhancement **Subtotals 2, 3, & 7**

Notes: Enhancement for one NOV with same or similar violations, one NOV with dissimilar violations, and ten orders containing a denial of liability. Reduction for five notices of intent to conduct an audit and three disclosures of violations.

**Culpability**   Enhancement **Subtotal 4**

Notes: The Respondent does not meet the culpability criteria.

**Good Faith Effort to Comply Total Adjustments** **Subtotal 5**

**Economic Benefit**  Enhancement\* **Subtotal 6**

Total EB Amounts   
 Approx. Cost of Compliance   
 \*Capped at the Total EB \$ Amount

**SUM OF SUBTOTALS 1-7** **Final Subtotal**

**OTHER FACTORS AS JUSTICE MAY REQUIRE**  **Adjustment**

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes

**Final Penalty Amount**

**STATUTORY LIMIT ADJUSTMENT** **Final Assessed Penalty**

**DEFERRAL**  Reduction **Adjustment**

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**

Screening Date 22-Jan-2014

Docket No. 2014-0115-AIR-E

PCW

Respondent Equistar Chemicals, LP

Policy Revision 3 (September 2011)

Case ID No. 48166

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN100210319

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> )	1	5%
	Other written NOVs	1	2%
Orders	Any agreed final enforcement orders containing a denial of liability ( <i>number of orders meeting criteria</i> )	10	200%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government ( <i>number of judgements or consent decrees meeting criteria</i> )	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government ( <i>number of counts</i> )	0	0%
Emissions	Chronic excessive emissions events ( <i>number of events</i> )	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which notices were submitted</i> )	5	-5%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which violations were disclosed</i> )	3	-6%

Please Enter Yes or No

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

**Adjustment Percentage (Subtotal 2)** 196%

>> Repeat Violator (Subtotal 3)

No

**Adjustment Percentage (Subtotal 3)** 0%

>> Compliance History Person Classification (Subtotal 7)

Satisfactory Performer

**Adjustment Percentage (Subtotal 7)** 0%

>> Compliance History Summary

**Compliance History Notes**

Enhancement for one NOV with same or similar violations, one NOV with dissimilar violations, and ten orders containing a denial of liability. Reduction for five notices of intent to conduct an audit and three disclosures of violations.

**Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7)** 196%

>> Final Compliance History Adjustment

**Final Adjustment Percentage \*capped at 100%** 100%

Screening Date 22-Jan-2014

Docket No. 2014-0115-AIR-E

PCW

Respondent Equistar Chemicals, LP

Policy Revision 3 (September 2011)

Case ID No. 48166

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN100210319

Media [Statute] Air

Enf. Coordinator Amancio R. Gutierrez

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code §§ 115.722(c)(1), 116.115(a), and 122.143(4), Tex. Health & Safety Code § 382.085(b), Federal Operating Permit No. O1606, Special Terms & Conditions No. 15, and New Source Review Permit No. 4477, Special Conditions No. 1

Violation Description Failed to prevent unauthorized emissions. Specifically, the Respondent released 21 pounds ("lbs") of carbon monoxide, 27 lbs of ethylene, and 3 lbs of nitrogen oxides from the AB3 Flare, Emission Point Number ("EPN") L3Flare, and released 78 lbs of propylene and 5,650 lbs of ethylene from the AB3 Reactor Vents, EPN L3RXVent, during an avoidable emissions event (Incident No. 189365) that began on October 10, 2013 and lasted for 12 minutes. The event occurred when the AB3 Unit reactor experienced a decomposition, causing the emergency reactor vents to open to the atmosphere for approximately 20 seconds until emissions were routed to the flare. The unit was subsequently shut down. Since the emissions event could have been avoided by better 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

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual		X		30.0%
	Potential				

>> Programmatic Matrix

Falsification	Harm			Percent
	Major	Moderate	Minor	
				0.0%

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

Adjustment \$17,500

\$7,500

Violation Events

Number of Violation Events 1 Number of violation days 1

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

Violation Base Penalty \$7,500

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 \$7,500

Economic Benefit (EB) for this violation

Estimated EB Amount \$374

Statutory Limit Test

Violation Final Penalty Total \$15,000

This violation Final Assessed Penalty (adjusted for limits) \$15,000

# Economic Benefit Worksheet

**Respondent** Equistar Chemicals, LP  
**Case ID No.** 48166  
**Reg. Ent. Reference No.** RN100210319  
**Media** Air  
**Violation No.** 1

**Percent Interest** 5.0  
**Years of Depreciation** 15

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

**Delayed Costs**

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$10,000	10-Oct-2013	10-Jul-2014	0.75	\$374	n/a	\$374

Notes for DELAYED costs

Estimated cost to implement measures and/or procedures to prevent recurrence of emissions events due to the same or similar causes as Incident No. 189365. The Date Required is the date the emissions event began and the Final Date is the estimated date of compliance.

**Avoided Costs**

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

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$10,000

**TOTAL**

\$374



# Compliance History Report

**PUBLISHED** Compliance History Report for CN600124705, RN100210319, Rating Year 2013 which includes Compliance History (CH) components from September 1, 2008, through August 31, 2013.

<b>Customer, Respondent, or Owner/Operator:</b>	CN600124705, Equistar Chemicals, LP	<b>Classification:</b> SATISFACTORY	<b>Rating:</b> 9.04
<b>Regulated Entity:</b>	RN100210319, EQUISTAR CHEMICALS LA PORTE COMPLEX	<b>Classification:</b> SATISFACTORY	<b>Rating:</b> 24.47
<b>Complexity Points:</b>	44	<b>Repeat Violator:</b>	NO
<b>CH Group:</b>	05 - Chemical Manufacturing		
<b>Location:</b>	1515 MILLER CUT OFF RD LA PORTE, TX 77571-9810, HARRIS COUNTY		
<b>TCEQ Region:</b>	REGION 12 - HOUSTON		

## ID Number(s):

- |  |   |
|--|---|
| <b>AIR OPERATING PERMITS</b> ACCOUNT NUMBER HG0770G                          | <b>AIR OPERATING PERMITS</b> PERMIT 1606                            |
| <b>AIR OPERATING PERMITS</b> PERMIT 2223                                     | <b>INDUSTRIAL AND HAZARDOUS WASTE</b> EPA ID TXR000025809           |
| <b>INDUSTRIAL AND HAZARDOUS WASTE</b> SOLID WASTE REGISTRATION # (SWR) 85436 | <b>INDUSTRIAL AND HAZARDOUS WASTE</b> PERMIT 50383                  |
| <b>POLLUTION PREVENTION PLANNING</b> ID NUMBER P00553                        | <b>WASTEWATER</b> PERMIT WQ0004013000                               |
| <b>WASTEWATER</b> EPA ID TX0119792   | <b>PUBLIC WATER SYSTEM/SUPPLY</b> REGISTRATION 1012680              |
| <b>AIR NEW SOURCE PERMITS</b> PERMIT 19109                                   | <b>AIR NEW SOURCE PERMITS</b> PERMIT 4477                           |
| <b>AIR NEW SOURCE PERMITS</b> PERMIT 5226                                    | <b>AIR NEW SOURCE PERMITS</b> PERMIT 5836                           |
| <b>AIR NEW SOURCE PERMITS</b> PERMIT 18978                                   | <b>AIR NEW SOURCE PERMITS</b> PERMIT 22043                          |
| <b>AIR NEW SOURCE PERMITS</b> REGISTRATION 38605                             | <b>AIR NEW SOURCE PERMITS</b> REGISTRATION 40078                    |
| <b>AIR NEW SOURCE PERMITS</b> REGISTRATION 42401                             | <b>AIR NEW SOURCE PERMITS</b> REGISTRATION 43676                    |
| <b>AIR NEW SOURCE PERMITS</b> REGISTRATION 45099                             | <b>AIR NEW SOURCE PERMITS</b> REGISTRATION 46127                    |
| <b>AIR NEW SOURCE PERMITS</b> ACCOUNT NUMBER HG0770G                         | <b>AIR NEW SOURCE PERMITS</b> AFS NUM 4820100055                    |
| <b>AIR NEW SOURCE PERMITS</b> EPA PERMIT PSDTX752                            | <b>AIR NEW SOURCE PERMITS</b> EPA PERMIT PSDTX818                   |
| <b>AIR NEW SOURCE PERMITS</b> REGISTRATION 42349                             | <b>AIR NEW SOURCE PERMITS</b> REGISTRATION 70535                    |
| <b>AIR NEW SOURCE PERMITS</b> REGISTRATION 53934                             | <b>AIR NEW SOURCE PERMITS</b> REGISTRATION 53387                    |
| <b>AIR NEW SOURCE PERMITS</b> REGISTRATION 74666                             | <b>AIR NEW SOURCE PERMITS</b> REGISTRATION 76465                    |
| <b>AIR NEW SOURCE PERMITS</b> EPA PERMIT PSDTX752M3                          | <b>AIR NEW SOURCE PERMITS</b> REGISTRATION 77716                    |
| <b>AIR NEW SOURCE PERMITS</b> REGISTRATION 77957                             | <b>AIR NEW SOURCE PERMITS</b> REGISTRATION 79239                    |
| <b>AIR NEW SOURCE PERMITS</b> PERMIT 83822                                   | <b>AIR NEW SOURCE PERMITS</b> EPA PERMIT PSDTX752M1                 |
| <b>AIR NEW SOURCE PERMITS</b> EPA PERMIT PSDTX752M2                          | <b>AIR NEW SOURCE PERMITS</b> REGISTRATION 86948                    |
| <b>AIR NEW SOURCE PERMITS</b> REGISTRATION 91251                             | <b>AIR NEW SOURCE PERMITS</b> REGISTRATION 98146                    |
| <b>AIR NEW SOURCE PERMITS</b> EPA PERMIT PSDTX752M4                          | <b>AIR NEW SOURCE PERMITS</b> EPA PERMIT PSDTX752M5                 |
| <b>AIR NEW SOURCE PERMITS</b> REGISTRATION 102494                            | <b>AIR NEW SOURCE PERMITS</b> EPA PERMIT N162                       |
| <b>AIR NEW SOURCE PERMITS</b> REGISTRATION 102470                            | <b>AIR NEW SOURCE PERMITS</b> EPA PERMIT N190                       |
| <b>AIR NEW SOURCE PERMITS</b> PERMIT 114809                                  | <b>AIR NEW SOURCE PERMITS</b> REGISTRATION 112634                   |
| <b>WATER LICENSING</b> LICENSE 1012680                                       | <b>STORMWATER</b> PERMIT TXR05N516                                  |
| <b>IHW CORRECTIVE ACTION</b> SOLID WASTE REGISTRATION # (SWR) 50383          | <b>IHW CORRECTIVE ACTION</b> SOLID WASTE REGISTRATION # (SWR) 85436 |
| <b>IHW CORRECTIVE ACTION</b> PERMIT 50383                                    | <b>AIR EMISSIONS INVENTORY</b> ACCOUNT NUMBER HG0770G               |

<b>Compliance History Period:</b>	September 01, 2008 to August 31, 2013	<b>Rating Year:</b>	2013	<b>Rating Date:</b>	09/01/2013
<b>Date Compliance History Report Prepared:</b>	January 22, 2014				
<b>Agency Decision Requiring Compliance History:</b>	Enforcement				
<b>Component Period Selected:</b>	January 22, 2009 to January 22, 2014				

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

**Name:** Amancio R. Gutierrez **Phone:** (512) 239-3921

## **Site and Owner/Operator History:**

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

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

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

- 1 Effective Date: 01/28/2010 ADMINORDER 2008-0958-AIR-E (1660 Order-Agreed Order With Denial)
- Classification: Moderate
- Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
5C THSC Chapter 382 382.085(b)
- Rqmt Prov: Special Condition #1 PERMIT
- Description: Failure to prevent failure of the AMOT temperature probe which resulted in unauthorized emissions.
- Classification: Moderate
- Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
5C THSC Chapter 382 382.085(b)
- Rqmt Prov: Special Condition #1 PERMIT
- Description: Failure to prevent a high differential pressure in the Acetylene Absorber that caused acetylene breakthrough in the Absorber and resulted in flaring.
- Classification: Moderate
- Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
5C THSC Chapter 382 382.085(b)
- Rqmt Prov: Special Condition #1 PERMIT
- Description: Failure to prevent failure of the Secondary Compressor's (C4202) thermocouple cable which caused the shut down of the compressor and the reactor vents to open to the atmosphere.
- Classification: Moderate
- Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
5C THSC Chapter 382 382.085(b)
- Rqmt Prov: Special Condition #1 PERMIT
- Description: Failure to prevent unauthorized emissions.
- Classification: Minor
- Citation: 30 TAC Chapter 101, SubChapter F 101.201(f)
- Description: Failure to provide the additional information requested by the TCEQ within the timeframe established by the request.
- Classification: Moderate
- Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
5C THSC Chapter 382 382.085(b)
- Rqmt Prov: Special Condition #1 PERMIT
- Description: Failure to prevent the shutdown of C-4202 Secondary Compressor which resulted in unauthorized emissions.
- 2 Effective Date: 06/18/2010 ADMINORDER 2009-2024-AIR-E (1660 Order-Agreed Order With Denial)
- Classification: Moderate
- Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
5C THSC Chapter 382 382.085(b)
- Rqmt Prov: Special Condition #1 PERMIT
- Description: Failure to prevent unauthorized emissions due to the tripping of the Propylene Refrigeration Compressor.
- Classification: Moderate
- Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
5C THSC Chapter 382 382.085(b)
- Rqmt Prov: Special Condition #1 PERMIT
- Description: Failure to prevent unauthorized emissions due to power failure caused by mechanical vibration of the relay trip contact.
- Classification: Moderate
- Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: Special Condition No. 1 PERMIT

Description: Failure to prevent unauthorized emissions due to communication hardware malfunction.

3 Effective Date: 08/09/2010 ADMINORDER 2009-0154-AIR-E (1660 Order-Agreed Order With Denial)

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: Permit #18978, Special Condition, #1 PERMIT

Description: Failed to prevent unauthorized emissions. Specifically, during Incident No. 101266 on December 12, 2007 the following unauthorized emissions were released from the Elevated Flare over a period of one hour and 15 minutes: 603.7 pounds ("lbs") of ethylene, 893.5 lbs of carbon monoxide ("CO") and 117.7 lbs of nitrogen oxides ("NOx"). Since the emissions event was avoidable, the demonstrations in 30 TEX. ADMIN. CODE § 101.222 necessary to present an affirmative defense were not met.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: Permit #4477, Special Condition #1 PERMIT

Description: Failed to prevent unauthorized emissions. Specifically, during Incident No. 102875 on January 26, 2008 the following unauthorized emissions were released from the High Pressure Separator Relief Valve over a period of five hours and 33 minutes: 886 lbs of ethylene, 221 lbs of vinyl acetate and 1 lb of propylene. Since the emissions event was avoidable, the demonstrations in 30 TEX. ADMIN. CODE § 101.222 necessary to present an affirmative defense were not met.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: Permit #18978 PERMIT

Description: Failed to prevent unauthorized emissions. Specifically, during Incident No. 103287 on February 4, 2008 the following unauthorized emissions were released from the Elevated Flare and the Acetylene Recovery Unit ("ARU") Flare over a period of five hours and 30 minutes: 3,461.8 lbs of volatile organic compounds ("VOCs"), 4,502 lbs of CO and 626 lbs of NOx. Since the emissions event was avoidable, the demonstrations in 30 TEX. ADMIN. CODE § 101.222 necessary to present an affirmative defense were not met.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: Permit #4477, Special Condition #1 PERMIT

Description: Failed to prevent unauthorized emissions. Specifically, during Incident No. 103461 on February 7, 2008 the following unauthorized emissions were released from the AB3 Reactor Vents over a period of one hour and 58 minutes: 3,201.5 lbs of ethylene and 36.3 lbs of propylene. Since the emissions event was avoidable and not properly reported, the demonstrations in 30 TEX. ADMIN. CODE § 101.222 necessary to present an affirmative defense were not met.

Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)(1)(H)

5C THSC Chapter 382 382.085(b)

Description: Failed to properly report Incident No. 103461. Specifically, the permit number for the unit involved in the February 7, 2008 emissions event was not included in the final record submitted for the event.

Classification: Major

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: Permit #18978, Special Condition #1 PERMIT

Description: Failed to prevent unauthorized emissions. Specifically, during Incident No. 103789 on February 15, 2008 the following unauthorized emissions were released from the Elevated Flare and the ARU Flare over a period of 118 hours: 1,713.9 lbs of VOCs, 1,336.1 lbs of CO and 145.5 lbs of NOx. Since the emissions event was avoidable, the demonstrations in 30 TEX. ADMIN. CODE § 101.222 necessary to present an affirmative defense were not met.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: Special Condition No. 1 PERMIT

Description: Failed to prevent unauthorized emissions. Specifically, during Incident No. 113155 on August 26, 2008 the following unauthorized emissions were released from L3RXVent over a period of three hours and 23 minutes: 1,211 lbs of VOCs. Since the emissions event was avoidable, the demonstrations in 30 TEX. ADMIN. CODE § 101.222 necessary to present an affirmative defense were not met.

4 Effective Date: 08/21/2010 ADMINORDER 2009-1781-AIR-E (1660 Order-Agreed Order With Denial)

Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter H 115.722(c)(1)

30 TAC Chapter 116, SubChapter B 116.115(c)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: Special Condition #1 PERMIT

Description: Failed to prevent unauthorized emissions. Specifically, the Respondent released 5,369 pounds ("lbs") of the highly reactive volatile organic compound ("HRVOC") ethylene, 89 lbs of the HRVOC propylene, 32 lbs of polymer, 2.2 lbs of carbon monoxide and 0.54 lbs of nitrogen oxide from the AB3 Unit during an avoidable emissions event (Incident No. 126040) that began on June 25, 2009 and lasted one hour and 48 minutes. The event was the result of a Bafco valve failing in the closed position on the Hi

- 5 Effective Date: 05/08/2011 ADMINORDER 2010-0591-AIR-E (1660 Order-Agreed Order With Denial)  
Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
5C THSC Chapter 382 382.085(b)  
Rqmt Prov: Special Condition No. 1 PERMIT  
Description: Failure to prevent unauthorized emissions. Equistar failed to maintain an electrical conduit that allowed moisture in the system, causing thermocouple failure triggering an interlock shutdown of AB3 reactor.
- 6 Effective Date: 05/08/2011 ADMINORDER 2010-0328-AIR-E (1660 Order-Agreed Order With Denial)  
Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
5C THSC Chapter 382 382.085(b)  
Rqmt Prov: Special Condition 1 PERMIT  
Description: Failed prevent unauthorized emissions during Incident No. 132744. Specifically, beginning December 2, 2009, rapid header pressure changes in the Process Gas Compressor resulted in the unauthorized release of 870.9 pounds ("lbs") of volatile organic compounds, 456.1 lbs of carbon monoxide, and 45.4 lbs of nitrogen oxides from the Acetylene Recovery Unit Flare [Emission Point Number ("EPN") QE3050B] and the Elevated Flare (EPN QE8050B), over a period of 8.5 hours. Since the emissions  
.....
- 7 Effective Date: 06/20/2011 ADMINORDER 2010-1794-AIR-E (1660 Order-Agreed Order With Denial)  
Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
5C THSC Chapter 382 382.085(b)  
Rqmt Prov: Special Condition #1 PERMIT  
Description: Failure to prevent unauthorized emissions.
- 8 Effective Date: 08/27/2011 ADMINORDER 2011-0198-AIR-E (1660 Order-Agreed Order With Denial)  
Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
5C THSC Chapter 382 382.085(b)  
Rqmt Prov: Permit No. 4477, Special Condition 1 PERMIT  
Description: Failed to prevent unauthorized emissions and to limit HRVOCs to 1,200 lbs per hour when a power loss to the 480V bus in the 13-A substation caused the AB3 Unit to shut down.  
Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
5C THSC Chapter 382 382.085(b)  
Rqmt Prov: Permit 18978 and PSD-TX-752M3, SC 1 PERMIT  
Description: Failed to prevent unauthorized emissions due to the restriction of the dimethylformamide flow to the Acetylene Absorber.
- 9 Effective Date: 06/08/2012 ADMINORDER 2011-1596-AIR-E (1660 Order-Agreed Order With Denial)  
Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter 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)  
5C THSC Chapter 382 382.085(b)  
Rqmt Prov: GTC OP  
SC 1 PERMIT  
ST&C 14 OP  
ST&C 1A 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: General Terms and Conditions OP  
Special Condition 1 PERMIT  
Special Term and Condition 15 OP

Description: Failed to prevent unauthorized emissions.

10 Effective Date: 02/23/2013 ADMINORDER 2012-1127-AIR-E (1660 Order-Agreed Order With Denial)

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)

Rqmt Prov: Special Condition 1 PERMIT  
Special Terms and Conditions No. 14 OP

Description: Failed to prevent unauthorized emissions during an event on March 8, 2012 (Incident No. 165858). Specifically, the Respondent released 34 pounds ("lbs") of 1,3-butadiene, 981 lbs of ethane, 2,142 lbs of ethylene, 4 lbs of benzene, 9 lbs of propane, 41 lbs of propylene, and 77 lbs of other volatile organic compounds from the Decoking Drum (Emission Point No. QE1416F) during the four hour ten minute event. The event occurred due to low steam pressure caused by a faulty pressure indicator.

**B. Criminal convictions:**

N/A

**C. Chronic excessive emissions events:**

N/A

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

Item 1	February 17, 2009	(756293)
Item 2	February 20, 2009	(709495)
Item 3	February 25, 2009	(721083)
Item 4	March 05, 2009	(721082)
Item 5	March 18, 2009	(756294)
Item 6	March 30, 2009	(756296)
Item 7	May 18, 2009	(741225)
Item 8	May 19, 2009	(773263)
Item 9	June 10, 2009	(773264)
Item 10	August 20, 2009	(741169)
Item 11	August 24, 2009	(819936)
Item 12	September 16, 2009	(764661)
Item 13	October 14, 2009	(766458)
Item 14	October 15, 2009	(767716)
Item 15	October 19, 2009	(819938)
Item 16	November 18, 2009	(819939)
Item 17	November 24, 2009	(764738)
Item 18	December 15, 2009	(819940)
Item 19	December 16, 2009	(781594)
Item 20	December 22, 2009	(765553)
Item 21	January 12, 2010	(787343)
Item 22	January 20, 2010	(819941)
Item 23	February 17, 2010	(819935)
Item 24	February 25, 2010	(819937)
Item 25	March 16, 2010	(836233)
Item 26	April 12, 2010	(836234)
Item 27	May 18, 2010	(836235)
Item 28	May 20, 2010	(801432)
Item 29	June 10, 2010	(800711)
Item 30	June 15, 2010	(847919)
Item 31	July 12, 2010	(827614)

Item 32	July 13, 2010	(862337)
Item 33	July 23, 2010	(824428)
Item 34	August 02, 2010	(784773)
Item 35	August 18, 2010	(868952)
Item 36	September 02, 2010	(843399)
Item 37	September 16, 2010	(875804)
Item 38	November 18, 2010	(889776)
Item 39	December 16, 2010	(898142)
Item 40	December 30, 2010	(880157)
Item 41	January 25, 2011	(866458)
Item 42	February 15, 2011	(910923)
Item 43	March 04, 2011	(880826)
Item 44	March 08, 2011	(884606)
Item 45	March 24, 2011	(899963)
Item 46	April 19, 2011	(930707)
Item 47	April 29, 2011	(914084)
Item 48	May 04, 2011	(907711)
Item 49	May 12, 2011	(878115)
Item 50	May 17, 2011	(939903)
Item 51	June 14, 2011	(947315)
Item 52	July 20, 2011	(954576)
Item 53	August 12, 2011	(961156)
Item 54	August 17, 2011	(948440)
Item 55	August 24, 2011	(942570)
Item 56	August 31, 2011	(936303)
Item 57	September 14, 2011	(967252)
Item 58	October 13, 2011	(973210)
Item 59	November 11, 2011	(979346)
Item 60	December 12, 2011	(986179)
Item 61	January 17, 2012	(957313)
Item 62	January 20, 2012	(992546)
Item 63	February 07, 2012	(981603)
Item 64	February 20, 2012	(999852)
Item 65	March 19, 2012	(1005401)
Item 66	April 18, 2012	(1011968)
Item 67	May 18, 2012	(1018357)
Item 68	May 25, 2012	(1006583)
Item 69	May 29, 2012	(1003187)
Item 70	June 19, 2012	(1026062)
Item 71	July 18, 2012	(1033424)
Item 72	July 19, 2012	(1020599)
Item 73	August 15, 2012	(1039947)
Item 74	October 03, 2012	(1035202)
Item 75	October 16, 2012	(1069919)
Item 76	November 19, 2012	(1069920)
Item 77	December 19, 2012	(1069921)
Item 78	January 03, 2013	(1050245)
Item 79	January 16, 2013	(1049583)
Item 80	February 08, 2013	(1056637)
Item 81	February 19, 2013	(1083069)
Item 82	March 18, 2013	(1091282)
Item 83	March 25, 2013	(1074646)
Item 84	April 02, 2013	(1059604)
Item 85	April 08, 2013	(1097612)
Item 86	May 20, 2013	(1108652)
Item 87	June 13, 2013	(1112215)
Item 88	July 18, 2013	(1119165)
Item 89	July 19, 2013	(1131458)
Item 90	August 07, 2013	(1102357)
Item 91	October 17, 2013	(1137204)



Description: Failure to ensure Permit 18978 and PSDTX752M3 reflect Volatile Organic Chemicals, and correctly reflect particulate matter and carbon monoxide emissions from the furnace decoking drum (EPNQE1416F).

Notice of Intent Date: 03/18/2010 (798386)

Disclosure Date: 09/17/2010

Viol. Classification: Minor

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

30 TAC Chapter 115, SubChapter H 115.782(b)(2)

40 CFR Chapter 63, SubChapter C, PT 63, SubPT UU 63.1024(a)

Description: Failure to ensure all components are repaired within 15 days of discovery.

Notice of Intent Date: 05/04/2011 (932621)

No DOV Associated

Notice of Intent Date: 08/02/2011 (950144)

No DOV Associated

Notice of Intent Date: 04/04/2012 (1002695)

Disclosure Date: 09/27/2012

Viol. Classification: Moderate

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

Description: Failed to limit the number of difficult to monitor components to 3% in the MRU and Q1 units.

Viol. Classification: Minor

Citation: 40 CFR Chapter 279, SubChapter I, PT 279, SubPT C 279.22(c)(1)

Description: Failed to mark containers storing used oil with the words "Used Oil."

Viol. Classification: Moderate

Citation: 40 CFR Chapter 262, SubChapter I, PT 262, SubPT A 262.11(b)

Description: Failed to determine if F-listed solvent containaminated materials are a hazardous waste.

Viol. Classification: Moderate

Citation: 40 CFR Chapter 265, SubChapter I, PT 265, SubPT I 265.173(a)

Description: Failed to maintain a lid on a satellite accumulation container used for spray can depressurization in the West Maintenance shop and failed to close a tote storing organic peroxide waste.

Viol. Classification: Moderate

Citation: 40 CFR Chapter 262, SubChapter I, PT 262, SubPT C 262.34(c)(2)

Description: Failed to mark the accumulation date on organic peroxide containers in excess of 55 gallons.

Viol. Classification: Moderate

Citation: 40 CFR Chapter 265, SubChapter I, PT 265, SubPT J 265.193(e)(2)(iv)

Description: The lining of the V-3301 and V-3745 secondary containment is cracked.

Viol. Classification: Moderate

Citation: 40 CFR Chapter 265, SubChapter I, PT 265, SubPT J 265.192(a)

Description: Failed to ensure the Professional Engineer assessment for tanks V-3301, V-3745, and V-3740 include ancillary equipment, shows foundation connections, and that pressure controls are adequately designed.

Viol. Classification: Minor

Citation: 40 CFR Chapter 265, SubChapter I, PT 265, SubPT J 265.192(g)

Description: Failed to maintain a written statement attesting that tanks V-3301, V-3745, and V-3740 ancillary equipment were installed as required by 40 CFR § 264.192(b) and (d).

**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  
EQUISTAR CHEMICALS, LP  
RN100210319

§  
§  
§  
§  
§

BEFORE THE  
TEXAS COMMISSION ON  
ENVIRONMENTAL QUALITY

AGREED ORDER  
DOCKET NO. 2014-0115-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 Equistar Chemicals, LP ("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 chemical manufacturing plant at 1515 Miller Cut Off Road in La Porte, Harris 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 January 13, 2014.
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 Fifteen Thousand Dollars (\$15,000) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Six Thousand Dollars (\$6,000) of the administrative penalty and Three Thousand Dollars (\$3,000) 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. Six Thousand Dollars (\$6,000) shall be conditionally offset by the Respondent's completion of a Supplemental Environmental Project ("SEP").

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 failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 115.722(c)(1), 116.115(a), and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), Federal Operating Permit No. O1606, Special Terms & Conditions No. 15, and New Source Review Permit No. 4477, Special Conditions No. 1, as documented during an investigation conducted on November 18, 2013. Specifically, the Respondent released 21 pounds ("lbs") of carbon monoxide, 27 lbs of ethylene, and 3 lbs of nitrogen oxides from the AB3 Flare, Emission Point Number ("EPN") L3Flare, and released 78 lbs of propylene and 5,650 lbs of ethylene from the AB3 Reactor Vents, EPN L3RXVent, during an avoidable emissions event (Incident No. 189365) that began on October 10, 2013 and lasted for 12 minutes. The event occurred when the AB3 Unit reactor experienced a decomposition, causing the emergency reactor vents to open to the atmosphere for approximately 20 seconds until emissions were routed to the flare. The unit was subsequently shut down. Since the emissions event could have been avoided by better operational practices, the Respondent is precluded from asserting the affirmative defense under 30 TEX. ADMIN. CODE § 101.222.

### 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: Equistar Chemicals, LP, Docket No. 2014-0115-AIR-E" to:

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

2. The Respondent shall implement and complete a SEP in accordance with TEX. WATER CODE § 7.067. As set forth in Section I, Paragraph 6 above, Six Thousand Dollars (\$6,000) of the assessed administrative penalty shall be offset with the condition that the SEP defined in Attachment A, incorporated herein by reference, is implemented by the Respondent. The Respondent's obligation to pay the conditionally offset portion of the administrative penalty assessed shall be discharged upon final completion of all provisions of the SEP agreement.
3. 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, implement measures and/or procedures to prevent recurrence of emissions events due to same or similar causes as Incident No. 189365; and
  - b. Within 45 days after the effective date of this Agreed Order, submit written certification as described below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 3.a. The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

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

The certification shall be submitted to:

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

with a copy to:

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

4. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Plant operations referenced in this Agreed Order.
5. If the Respondent fails to comply with any of the Ordering Provisions in this Agreed Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, the Respondent's failure to comply is not a violation of this Agreed Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
6. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
7. 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.
8. 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.

9. 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

Pamela Moran J  
For the Executive Director

8/11/14  
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.

J. M. Westby  
Signature

4/23/14  
Date

Tim M Westby  
Name (Printed or typed)  
Authorized Representative of  
Equistar Chemicals, LP

Site Manager  
Title

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

## Attachment A

Docket Number: 2014-0115-AIR-E

### SUPPLEMENTAL ENVIRONMENTAL PROJECT

<b>Respondent:</b>	<b>Equistar Chemicals, LP</b>
<b>Penalty Amount:</b>	<b>Twelve Thousand Dollars (\$12,000)</b>
<b>SEP Offset Amount:</b>	<b>Six Thousand Dollars (\$6,000)</b>
<b>Type of SEP:</b>	<b>Contribution to a Third-Party Pre-Approved SEP</b>
<b>Third-Party Administrator:</b>	<b>Houston Regional Monitoring Corporation</b>
<b>Project Name:</b>	<b><i>Houston Area Air Monitoring Project</i></b>
<b>Location of SEP:</b>	<b>Harris County</b>

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

#### 1. Project Description

##### a. Project

The Respondent shall contribute the SEP Offset Amount to the Third-Party Administrator named above. The contribution will be to the **Houston Regional Monitoring Corporation** for the *Houston Area Air Monitoring Project* SEP. The contribution will be used in accordance with the SEP between the Third-Party Administrator and the TCEQ (the "Project"). Specifically, the SEP Offset Amount will be used to operate a network of ambient air monitoring stations that continuously measure and record concentrations of ambient air pollutants. This network includes the Houston Regional Monitor ("HRM") 617 Wallisville Road site, the HRM 615 Lynchburg Ferry site, and the HRM 3 Haden Road site. The Third-Party Administrator shall use the SEP Offset Amount to report data from these three existing sites in the Houston Regional Monitoring Corporation ambient air quality monitoring network in the Houston-Galveston Air Quality Control Region No. 216. 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 implementing the Project, including but not limited to supplies, materials, and equipment. Any portion of this contribution that is not spent on the specifically identified SEP may, at the discretion of the Executive Director ("ED"), be applied to another pre-approved SEP.

The 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. The Respondent shall not profit in any manner from this SEP.

b. Environmental Benefit

This SEP will provide TCEQ with near real-time access to high quality, short time resolution volatile organic compound, nitrogen oxide, ozone, and meteorological data sets that can be used to evaluate and track air pollution emission events as they occur, conduct source attribution studies, and to assess potential ambient community exposure to a limited number of hazardous air pollutants. Data from the monitors can be used with data from other monitors to provide critical information that can be used to evaluate the effectiveness of current and proposed emission control strategies aimed at achieving compliance with the 8-hr ozone National Ambient Air Quality Standards. It also provides a key source of information that is essential to furthering our overall understanding of those emission sources that contribute to ambient community exposure to toxic air contaminants. Because the information is available in near real-time, it can be used to provide both agency staff and industry personnel with time critical information to investigate emission events in a timely fashion. Another key benefit is the ability to measure the change in the ambient air concentration of the individual target species and quantify control measure effectiveness. Data from these monitors will be publicly accessible through the TCEQ's website and will be used in evaluating air quality in the area, in ozone forecasts, and ozone warnings. Thus, the public will directly benefit by having access to the data and the forecasting and notification tools which can be used for public awareness.

c. Minimum Expenditure

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

**2. Performance Schedule**

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Offset Amount to the Third-Party Administrator. The Respondent shall make the contribution payable to **Houston Regional Monitoring Corporation SEP** and shall mail the contribution with a copy of the Agreed Order to:

Equistar Chemicals, LP  
Agreed Order - Attachment A

Houston Regional Monitoring Corporation  
c/o Christopher B. Amandes  
Morgan, Lewis, & Bockius, LLP  
1000 Louisiana, Suite 4000  
Houston, Texas 77002

### **3. Records and Reporting**

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

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

### **4. Failure to Fully Perform**

If the 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 ED may require immediate payment of all or part of the SEP Offset Amount.

In the event the ED determines that the Respondent failed to fully implement and complete the Project, the 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, the 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 made by or on behalf of the 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**

The Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, the 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 Agreed Order has not been, and shall not be, included as a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.