

Executive Summary – Enforcement Matter – Case No. 48415
Equistar Chemicals, LP
RN 100542281
Docket No. 2014-0395-AIR-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

AIR

Small Business:

No

Location(s) Where Violation(s) Occurred:

Channelview Complex, located at 8280 Sheldon Road, Channelview, Harris County

Type of Operation:

Chemical manufacturing plant

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: July 4, 2014

Comments Received: No

Penalty Information

Total Penalty Assessed: \$19,688

Amount Deferred for Expedited Settlement: \$3,937

Amount Deferred for Financial Inability to Pay: \$0

Total Paid to General Revenue: \$7,876

Total Due to General Revenue: \$0

Payment Plan: N/A

SEP Conditional Offset: \$7,875

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. 48415
Equistar Chemicals, LP
RN 100542281
Docket No. 2014-0395-AIR-E

Investigation Information

Complaint Date(s): N/A

Complaint Information: N/A

Date(s) of Investigation: December 19, 2013 and February 11, 2014

Date(s) of NOE(s): March 7, 2014 and March 14, 2014

Violation Information

1. Failed to prevent unauthorized emissions. Specifically, the Respondent released 2,937.65 pounds ("lbs") of ammonia from Emissions Point Number ("EPN") EHTF7001 in the Methanol Unit during an emissions event (Incident No. 190747) that began on November 13, 2013 and lasted 114 hours. The emissions event was caused when the ammonia flow meter failed to provide the right flow indication and the data acquisition systems for the emissions monitoring failed to properly link up to the operating control system. The failure allowed more ammonia injections to the Selective Catalyst Reduction System resulting in ammonia emissions. Since this emissions event could have been avoided by better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(c), and 122.143(4), New Source Review ("NSR") Permit Nos. 8125, PSDTX1280, and N144, Special Conditions ("SC") No. 1, Federal Operating Permit ("FOP") No. O1426, Special Terms and Conditions ("STC") No. 28, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

2. Failed to prevent unauthorized emissions. Specifically, the Respondent released 10,031 lbs of ethylene, 145 lbs of other volatile organic compounds, 1,154 lbs of nitrogen oxides, and 8,193 lbs of carbon monoxide from the OP-2 Flare (EPN 48E01) during an emissions event (Incident No. 191065) that began on November 19, 2013 and lasted 33 hours and 45 minutes. The emissions event was caused by water contamination from a steam valve to the regenerator header leaking into the bottom bed of the acetylene converter. The water contamination led to low activity or breakthrough on the acetylene converter which caused flaring of the off-specification ethylene stream. Since this emissions event could have been avoided by better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(c), and 122.143(4), NSR Permit Nos. 2933, PSDTX1270, and N140, SC No. 1, FOP No. O1426, STC No. 28, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

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Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

The Respondent has implemented the following corrective measures:

- a. On December 19, 2013, verified all calculations and readings from the Continuous Emissions Monitoring System including communication with the Distributed Control System (“DCS”) and historian were correct, established appropriate alarms for Operations to utilize, and verified that the ammonia meter was calibrated and communicating with the DCS, in order to prevent a recurrence of emissions events due to the same cause as Incident No. 190747; and
- b. On January 6, 2014, issued a revision to the operations procedure, OP2-0806, “Acetylene Converter Switching and Regeneration” Regeneration Section, Step 23 to ensure the regenerator header stays dry so moisture is not pushed into the converter bed while cooling and hydrocarbon freeing, in order to prevent a recurrence of emissions events due to the same cause as Incident No. 191065.

Technical Requirements:

The Order will require the Respondent to implement and complete a Supplemental Environmental Project ("SEP"). (See SEP Attachment A)

Litigation Information

Date Petition(s) Filed: N/A
Date Answer(s) Filed: N/A
SOAH Referral Date: N/A
Hearing Date(s): N/A
Settlement Date: N/A

Contact Information

TCEQ Attorney: N/A
TCEQ Enforcement Coordinator: Raime Hayes-Falero, Enforcement Division, Enforcement Team 5, MC R-12, (713) 767-3553; Candy Garrett, Enforcement Division, MC 219, (512) 239-1456
TCEQ SEP Coordinator: Stuart Beckley, SEP Coordinator, Enforcement Division, MC 219, (512) 239-3565
Respondent: Rex Buzbee, Environmental Specialist, Equistar Chemicals, LP, 8280 Sheldon Road, Channelview, Texas 77530
Mr. Courtney Ruth, Site Manager, Equistar Chemicals, LP, 8280 Sheldon Road, Channelview, Texas 77530
Respondent's Attorney: N/A

Attachment A
Docket Number: 2014-0395-AIR-E
SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	Equistar Chemicals, LP
Penalty Amount:	Fifteen Thousand Seven Hundred Fifty-One Dollars (\$15,751)
SEP Offset Amount:	Seven Thousand Eight Hundred Seventy-Five Dollars (\$7,875)
Type of SEP:	Contribution to a Third-Party Pre-Approved SEP
Third-Party Administrator:	Houston Regional Monitoring Corporation
Project Name:	<i>Houston Area Air Monitoring Project</i>
Location of SEP:	Harris County

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-hour 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 PCW: 10-Mar-2014
PCW: 12-Mar-2014
Screening: 11-Mar-2014
EPA Due: 10-Jan-2015

RESPONDENT/FACILITY INFORMATION

Respondent: Equistar Chemicals, LP
Reg. Ent. Ref. No.: RN100542281
Facility/Site Region: 12-Houston
Major/Minor Source: Major

CASE INFORMATION

Enf./Case ID No.: 48415
Docket No.: 2014-0395-AIR-E
Media Program(s): Air
Multi-Media:
No. of Violations: 2
Order Type: 1660
Government/Non-Profit: No
Enf. Coordinator: Raime Hayes-Falero
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: \$11,250

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: \$11,250

Notes: Enhancement for one NOV with same or similar violations, seven agreed orders with denial of liability, and two agreed orders without denial of liability. Reduction for three notices of intent to conduct an audit and three disclosures of violations.

Culpability No 0.0% Enhancement Subtotal 4: \$0

Notes: The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply Total Adjustments Subtotal 5: -\$2,812

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

Total EB Amounts: \$58
Approx. Cost of Compliance: \$10,000
*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7 Final Subtotal: \$19,688

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

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

Final Penalty Amount: \$19,688

STATUTORY LIMIT ADJUSTMENT Final Assessed Penalty: \$19,688

DEFERRAL 20.0% Reduction Adjustment: -\$3,937

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 \$15,751

Screening Date 11-Mar-2014

Docket No. 2014-0395-AIR-E

PCW

Respondent Equistar Chemicals, LP

Policy Revision 3 (September 2011)

Case ID No. 48415

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN100542281

Media [Statute] Air

Enf. Coordinator Raime Hayes-Falero

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	0	0%
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	2	50%
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>)	3	-3%
	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) 186%

>> 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, seven agreed orders with denial of liability, and two agreed orders without denial of liability. Reduction for three notices of intent to conduct an audit and three disclosures of violations.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 186%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 100%

Screening Date 11-Mar-2014
 Respondent Equistar Chemicals, LP
 Case ID No. 48415

Docket No. 2014-0395-AIR-E

PCW

Policy Revision 3 (September 2011)
 PCW Revision August 3, 2011

Reg. Ent. Reference No. RN100542281
 Media [Statute] Air
 Enf. Coordinator Raime Hayes-Falero
 Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code §§ 101.20(3), 116.115(c), and 122.143(4), New Source Review ("NSR") Permit Nos. 8125, PSDTX1280, and N144, Special Conditions ("SC") No. 1, Federal Operating Permit ("FOP") No. O1426, Special Terms and Conditions ("STC") No. 28, and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to prevent unauthorized emissions. Specifically, the Respondent released 2,937.65 pounds ("lbs") of ammonia from Emissions Point Number ("EPN") EHTF7001 in the Methanol Unit during an emissions event (Incident No. 190747) that began on November 13, 2013 and lasted 114 hours. The emissions event was caused when the ammonia flow meter failed to provide the right flow indication and the data acquisition systems for the emissions monitoring failed to properly link up to the operating control system. The failure allowed more ammonia injections to the Selective Catalyst Reduction System resulting in ammonia emissions. Since this emissions event could have been avoided by better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 Tex. Admin. Code § 101.222.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

Release	Harm			Percent
	Major	Moderate	Minor	
Actual			x	15.0%
Potential				

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
				0.0%

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

Adjustment \$21,250
 \$3,750

Violation Events

Number of Violation Events 1 5 Number of violation days

mark only one with an x	daily		Violation Base Penalty \$3,750
	weekly		
	monthly		
	quarterly	x	
	semiannual		
	annual		
single event			

One quarterly event is recommended.

Good Faith Efforts to Comply

25.0% Reduction \$937

Before NOV NOV to EDRP/Settlement Offer

Extraordinary	
Ordinary	x
N/A	(mark with x)

Notes The Respondent completed corrective actions December 19, 2013 prior to the March 7, 2014 NOE.

Violation Subtotal \$2,813

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$25 Violation Final Penalty Total \$6,563

This violation Final Assessed Penalty (adjusted for limits) \$6,563

Economic Benefit Worksheet

Respondent Equistar Chemicals, LP
Case ID No. 48415
Reg. Ent. Reference No. RN100542281
Media Air
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

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

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$5,000	13-Nov-2013	19-Dec-2013	0.10	\$25	n/a	\$25

Notes for DELAYED costs

Estimated cost to verify all calculations and readings from the Continuous Emissions Monitoring System including communication with the Distributed Control System ("DCS") and historian are correct, establish appropriate alarms for Operations to utilize, and verify that the ammonia meter is calibrated and communicating with the DCS, in order to prevent a recurrence of emissions events due to the same cause as Incident No. 190747. The Date Required is the date the emissions event began and the Final Date is the date corrective actions were completed.

Avoided Costs

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance

\$5,000

TOTAL

\$25

Screening Date 11-Mar-2014
 Respondent Equistar Chemicals, LP
 Case ID No. 48415

Docket No. 2014-0395-AIR-E

PCW

Policy Revision 3 (September 2011)
 PCW Revision August 3, 2011

Reg. Ent. Reference No. RN100542281
 Media [Statute] Air
 Enf. Coordinator Raime Hayes-Falero

Violation Number

Rule Cite(s) 30 Tex. Admin. Code §§ 101.20(3), 116.115(c), and 122.143(4), NSR Permit Nos. 2933, PSDTX1270, and N140, SC No. 1, FOP No. O1426, STC No. 28, and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to prevent unauthorized emissions. Specifically, the Respondent released 10,031 lbs of ethylene, 145 lbs of other volatile organic compounds, 1,154 lbs of nitrogen oxides, and 8,193 lbs of carbon monoxide from the OP-2 Flare (EPN 48E01) during an emissions event (Incident No. 191065) that began on November 19, 2013 and lasted 33 hours and 45 minutes. The emissions event was caused by water contamination from a steam valve to the regenerator header leaking into the bottom bed of the acetylene converter. The water contamination led to low activity or breakthrough on the acetylene converter which caused flaring of the off-specification ethylene stream. Since this emissions event could have been avoided by better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 Tex. Admin Code § 101.222.

Base Penalty

>> Environmental, Property and Human Health Matrix

Release	Harm			Percent
	Major	Moderate	Minor	
Actual	<input type="text"/>	<input checked="" type="text" value="x"/>	<input type="text"/>	<input type="text" value="30.0%"/>
Potential	<input type="text"/>	<input type="text"/>	<input type="text"/>	

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="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

Violation Events

Number of Violation Events Number of violation days

mark only one with an x	daily	<input type="text"/>
	weekly	<input type="text"/>
	monthly	<input checked="" type="text" value="x"/>
	quarterly	<input type="text"/>
	semiannual	<input type="text"/>
	annual	<input type="text"/>
	single event	<input type="text"/>

Violation Base Penalty

Good Faith Efforts to Comply

Reduction

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary	<input type="text"/>	<input type="text"/>
Ordinary	<input checked="" type="text" value="x"/>	<input type="text"/>
N/A	<input type="text"/>	(mark with x)

Notes

Violation Subtotal

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount Violation Final Penalty Total

This violation Final Assessed Penalty (adjusted for limits)

Economic Benefit Worksheet

Respondent Equistar Chemicals, LP
Case ID No. 48415
Reg. Ent. Reference No. RN100542281
Media Air
Violation No. 2

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)	\$5,000	19-Nov-2013	6-Jan-2014	0.13	\$33	n/a	\$33

Notes for DELAYED costs

Estimated cost to issue a revision to the operations procedure, OP2-0806, "Acetylene Converter Switching and Regeneration" Regeneration Section, Step 23 to ensure the regenerator header stays dry so moisture is not pushed into the converter bed while cooling and hydrocarbon freeing, in order to prevent a recurrence of emissions events due to the same cause as Incident No. 191065. The Date Required is the date the emissions event began and the Final Date is the date corrective actions were completed.

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 \$5,000

TOTAL \$33

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



Compliance History Report

PUBLISHED Compliance History Report for CN600124705, RN100542281, Rating Year 2013 which includes Compliance History (CH) components from September 1, 2008, through August 31, 2013.

Customer, Respondent, or Owner/Operator:	CN600124705, Equistar Chemicals, LP	Classification:	SATISFACTORY	Rating:	9.04
Regulated Entity:	RN100542281, CHANNELVIEW COMPLEX	Classification:	SATISFACTORY	Rating:	11.87
Complexity Points:	56	Repeat Violator:	NO		
CH Group:	05 - Chemical Manufacturing				
Location:	8280 Sheldon Road, CHANNELVIEW, TX, HARRIS COUNTY				
TCEQ Region:	REGION 12 - HOUSTON				

ID Number(s):

AIR OPERATING PERMITS ACCOUNT NUMBER HG0033B
AIR OPERATING PERMITS PERMIT 2174
AIR OPERATING PERMITS PERMIT 2176
AIR OPERATING PERMITS PERMIT 2178
AIR OPERATING PERMITS PERMIT 2179
AIR OPERATING PERMITS PERMIT 2180
AIR OPERATING PERMITS PERMIT 2182
AIR OPERATING PERMITS PERMIT 2184
AIR OPERATING PERMITS PERMIT 3585

AIR OPERATING PERMITS PERMIT 1426
AIR OPERATING PERMITS PERMIT 2175
AIR OPERATING PERMITS PERMIT 2177
AIR OPERATING PERMITS PERMIT 2179
AIR OPERATING PERMITS PERMIT 2181
AIR OPERATING PERMITS PERMIT 2183
AIR OPERATING PERMITS PERMIT 2185
POLLUTION PREVENTION PLANNING ID NUMBER P00405

INDUSTRIAL AND HAZARDOUS WASTE EPA ID
 TXD058275769

INDUSTRIAL AND HAZARDOUS WASTE SOLID WASTE
 REGISTRATION # (SWR) 30030

INDUSTRIAL AND HAZARDOUS WASTE PERMIT 50117

WASTEWATER PERMIT WQ0000391000

WASTEWATER EPA ID TX0003531

AIR NEW SOURCE PERMITS PERMIT 2128
AIR NEW SOURCE PERMITS PERMIT 2936
AIR NEW SOURCE PERMITS PERMIT 3294
AIR NEW SOURCE PERMITS PERMIT 6387
AIR NEW SOURCE PERMITS REGISTRATION 10586
AIR NEW SOURCE PERMITS REGISTRATION 10812
AIR NEW SOURCE PERMITS REGISTRATION 12334
AIR NEW SOURCE PERMITS REGISTRATION 15348
AIR NEW SOURCE PERMITS PERMIT 22779
AIR NEW SOURCE PERMITS PERMIT 24677
AIR NEW SOURCE PERMITS REGISTRATION 30868
AIR NEW SOURCE PERMITS REGISTRATION 32629
AIR NEW SOURCE PERMITS REGISTRATION 34897
AIR NEW SOURCE PERMITS REGISTRATION 47487
AIR NEW SOURCE PERMITS REGISTRATION 50142
AIR NEW SOURCE PERMITS ACCOUNT NUMBER HG0033B
AIR NEW SOURCE PERMITS REGISTRATION 54098
AIR NEW SOURCE PERMITS REGISTRATION 75881
AIR NEW SOURCE PERMITS PERMIT 49120
AIR NEW SOURCE PERMITS REGISTRATION 74110
AIR NEW SOURCE PERMITS REGISTRATION 72946
AIR NEW SOURCE PERMITS REGISTRATION 74563
AIR NEW SOURCE PERMITS REGISTRATION 74944
AIR NEW SOURCE PERMITS REGISTRATION 76778
AIR NEW SOURCE PERMITS REGISTRATION 77318
AIR NEW SOURCE PERMITS REGISTRATION 76693
AIR NEW SOURCE PERMITS REGISTRATION 77631
AIR NEW SOURCE PERMITS REGISTRATION 78343

AIR NEW SOURCE PERMITS PERMIT 1768
AIR NEW SOURCE PERMITS PERMIT 2933
AIR NEW SOURCE PERMITS PERMIT 3130A
AIR NEW SOURCE PERMITS PERMIT 6245
AIR NEW SOURCE PERMITS PERMIT 8125
AIR NEW SOURCE PERMITS REGISTRATION 10700
AIR NEW SOURCE PERMITS REGISTRATION 11735
AIR NEW SOURCE PERMITS REGISTRATION 13849
AIR NEW SOURCE PERMITS REGISTRATION 12341
AIR NEW SOURCE PERMITS REGISTRATION 23079
AIR NEW SOURCE PERMITS PERMIT 24887
AIR NEW SOURCE PERMITS REGISTRATION 32136
AIR NEW SOURCE PERMITS REGISTRATION 33899
AIR NEW SOURCE PERMITS REGISTRATION 42948
AIR NEW SOURCE PERMITS REGISTRATION 50141
AIR NEW SOURCE PERMITS REGISTRATION 50165
AIR NEW SOURCE PERMITS REGISTRATION 52720
AIR NEW SOURCE PERMITS REGISTRATION 76017
AIR NEW SOURCE PERMITS AFS NUM 4820100075
AIR NEW SOURCE PERMITS PERMIT 49130
AIR NEW SOURCE PERMITS REGISTRATION 72948
AIR NEW SOURCE PERMITS REGISTRATION 74051
AIR NEW SOURCE PERMITS REGISTRATION 74181
AIR NEW SOURCE PERMITS REGISTRATION 74949
AIR NEW SOURCE PERMITS REGISTRATION 76791
AIR NEW SOURCE PERMITS REGISTRATION 77640
AIR NEW SOURCE PERMITS REGISTRATION 78128
AIR NEW SOURCE PERMITS REGISTRATION 78278
AIR NEW SOURCE PERMITS REGISTRATION 78191

AIR NEW SOURCE PERMITS REGISTRATION 78252
 AIR NEW SOURCE PERMITS REGISTRATION 78772
 AIR NEW SOURCE PERMITS REGISTRATION 78819
 AIR NEW SOURCE PERMITS REGISTRATION 78599
 AIR NEW SOURCE PERMITS REGISTRATION 80296
 AIR NEW SOURCE PERMITS REGISTRATION 81543
 AIR NEW SOURCE PERMITS REGISTRATION 82226
 AIR NEW SOURCE PERMITS REGISTRATION 82538
 AIR NEW SOURCE PERMITS REGISTRATION 84091
 AIR NEW SOURCE PERMITS REGISTRATION 84183
 AIR NEW SOURCE PERMITS REGISTRATION 84502
 AIR NEW SOURCE PERMITS REGISTRATION 84818
 AIR NEW SOURCE PERMITS REGISTRATION 95981
 AIR NEW SOURCE PERMITS EPA PERMIT PSDTX1272
 AIR NEW SOURCE PERMITS REGISTRATION 96384
 AIR NEW SOURCE PERMITS REGISTRATION 101438
 AIR NEW SOURCE PERMITS EPA PERMIT PSDTX1270
 AIR NEW SOURCE PERMITS EPA PERMIT N146
 AIR NEW SOURCE PERMITS EPA PERMIT N140
 AIR NEW SOURCE PERMITS REGISTRATION 102688
 AIR NEW SOURCE PERMITS REGISTRATION 102073
 AIR NEW SOURCE PERMITS REGISTRATION 111666
 AIR NEW SOURCE PERMITS REGISTRATION 110688
 AIR NEW SOURCE PERMITS REGISTRATION 107326
 AIR NEW SOURCE PERMITS REGISTRATION 107331
 AIR NEW SOURCE PERMITS REGISTRATION 110674
 AIR NEW SOURCE PERMITS REGISTRATION 107327
 AIR NEW SOURCE PERMITS REGISTRATION 108152
 AIR NEW SOURCE PERMITS REGISTRATION 117343
 PUBLIC WATER SYSTEM/SUPPLY REGISTRATION 1011578

AIR NEW SOURCE PERMITS REGISTRATION 78173
 AIR NEW SOURCE PERMITS REGISTRATION 78381
 AIR NEW SOURCE PERMITS REGISTRATION 79431
 AIR NEW SOURCE PERMITS REGISTRATION 78978
 AIR NEW SOURCE PERMITS REGISTRATION 80597
 AIR NEW SOURCE PERMITS REGISTRATION 81759
 AIR NEW SOURCE PERMITS REGISTRATION 81930
 AIR NEW SOURCE PERMITS REGISTRATION 84079
 AIR NEW SOURCE PERMITS PERMIT 83799
 AIR NEW SOURCE PERMITS REGISTRATION 84715
 AIR NEW SOURCE PERMITS REGISTRATION 84651
 AIR NEW SOURCE PERMITS REGISTRATION 90128
 AIR NEW SOURCE PERMITS EPA PERMIT PSDTX1280
 AIR NEW SOURCE PERMITS REGISTRATION 98647
 AIR NEW SOURCE PERMITS REGISTRATION 99088
 AIR NEW SOURCE PERMITS EPA PERMIT N142
 AIR NEW SOURCE PERMITS PERMIT 99167
 AIR NEW SOURCE PERMITS REGISTRATION 99663
 AIR NEW SOURCE PERMITS EPA PERMIT N144
 AIR NEW SOURCE PERMITS REGISTRATION 101590
 AIR NEW SOURCE PERMITS REGISTRATION 112230
 AIR NEW SOURCE PERMITS REGISTRATION 107332
 AIR NEW SOURCE PERMITS REGISTRATION 107709
 AIR NEW SOURCE PERMITS REGISTRATION 111511
 AIR NEW SOURCE PERMITS REGISTRATION 107330
 AIR NEW SOURCE PERMITS REGISTRATION 107329
 AIR NEW SOURCE PERMITS REGISTRATION 106675
 AIR NEW SOURCE PERMITS REGISTRATION 111473
 UNDERGROUND INJECTION CONTROL PERMIT WDW036
 WATER LICENSING LICENSE 1011578

IHW CORRECTIVE ACTION SOLID WASTE REGISTRATION #
 (SWR) 30030
 STORMWATER PERMIT TXR05BR93

AIR EMISSIONS INVENTORY ACCOUNT NUMBER HG0033B

Compliance History Period: September 01, 2008 to August 31, 2013 **Rating Year:** 2013 **Rating Date:** 09/01/2013
Date Compliance History Report Prepared: March 10, 2014
Agency Decision Requiring Compliance History: Enforcement
Component Period Selected: March 10, 2009 to March 10, 2014

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

Name: Raime-jai Hayes-Falero **Phone:** (713) 767-3553

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 2008-1085-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)

Published Compliance History Report for CN600124705, RN100542281, Rating Year 2013 which includes Compliance History (CH) components from March 10, 2009, through March 10, 2014.

Rqmt Prov: TCEQ Air Permit No. 1768, SC#1 PA

Description: the Respondent failed to prevent the Superheaters A and B flow elements from collecting moisture which caused the Superheaters to trip on November 24, 2007, resulting in the release of 2,383 pounds of volatile organic compounds, 2,461 pounds of carbon monoxide, and 278 pounds of nitrogen oxides from the Olefins Plant 1 over a three hour period. Since the emission event was avoidable, the demonstrations for affirmative defense in 30 TEX. ADMIN CODE § 101.222 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 #1 PERMIT

Description: Failure to prevent leak on the wall of Tank 3112 which resulted in unauthorized emissions.

2 Effective Date: 03/20/2010 ADMINORDER 2008-1474-AIR-E (1660 Order-Agreed Order With Denial)

Classification: Minor

Citation: 30 TAC Chapter 115, SubChapter H 115.782(c)(2)(A)(i)
5C THSC Chapter 382 382.085(b)

Description: Failure to conduct Extra Ordinary Effort repair attempts within 14 days.

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)

Rqmt Prov: FOP O-2174 General Terms and COnditions OP

Description: LB failed to report all instances of deviations on Deviation Reports.

Classification: Major

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: FOP O-02174 STC 21 OP

NSR 2933 SC 1 PA

Description: Failure to maintain Regenerative Vent R-4360A emissions within the MAERT.

3 Effective Date: 07/11/2010 ADMINORDER 2009-1593-AIR-E (1660 Order-Agreed Order With Denial)

Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.119(b)(6)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: Special Condition (SC) #1A OP

Description: Failed to equip the gauge float wells with bolts or fasteners on the covers of the roof openings of Tanks 3111A, 3111B, and 3113, to ensure that the openings are air tight.

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: SC #1 PERMIT

SC #18 OP

Description: Failed to comply with the hourly emission limit of 1.65 lbs/hr for VOCs and 0.14 lbs/hr for 1,3 butadiene intermittently from January 6, 2009 (the date the bankruptcy petition was filed) to present. Specifically, emissions from Regeneration Vent, EPN 3E05, for Reactors R-309 A, R-309 B, and R-309 C, exceeded permitted limits as documented by the results of sampling conducted for six one-hour samples per reactor on December 11 through 12, 2005 and December 31, 2005 and an update provided on May 2

Classification: Moderate

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

Rqmt Prov: No. 6387, Special Condition #3 PERMIT

Description: Failed to prevent unauthorized emissions. Specifically, the Respondent released 6,876 lbs of VOCs, including 3,414 lbs of HRVOCs, from Vessel D-1217 in the Methyl Tertiary Butyl Ether Unit during an avoidable emissions event (Incident No. 118631) that began January 8, 2009 and lasted one hour and 30 minutes. The emissions were the result of a liquid filled line being isolated on both ends without proper thermal expansion relief and with used gaskets. Since this emissions event could have been

Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter H 115.722(c)(2)
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 and exceeded the 1,200 lbs per hour ("lbs/hr") emission limit for HRVOCs. Specifically, the Respondent released 6,133 lbs of VOCs, including 5,611 lbs of HRVOCs, 5,502 lbs of CO, and 642 lbs of NOx from the OP1 Flare, emission point number ("EPN") 38E01, in the Olefins 1 Unit during an avoidable emissions event (Incident No. 118546) that began January 7, 2009 and lasted three hours and 50 minutes. The emissions were the result of the plugging of a tube in

Classification: Minor

Page 3

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

Page 3 5C THSC Chapter 382 382.085(b)

Description: Failed to report the estimated total quantities for the compounds released during Incident No. 118546 in the final emissions event report. Specifically, the Respondent reported only the amount of contaminants that were over the permitted limit, instead of the total amount of contaminants emitted.

Classification: Moderate

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

5C THSC Chapter 382 382.085(b)

Rqmt Prov: No. 2933, Special Condition #1 PERMIT

Description: Failed to prevent unauthorized emissions. Specifically, the Respondent released 967.37 lbs of carbon monoxide ("CO"), 612 lbs of the highly reactive VOC ("HRVOC") ethylene, and 93.2 lbs of nitrogen oxides ("NOx") during an avoidable emissions event (Incident No. 122734) that began April 13, 2009 and lasted six hours. The deethanizer pressure control valve ("DPCV"), PV-46060, failed to control the tower pressure during an acetylene converter upset and operators were not trained to put the DPCV, P

Classification: Moderate

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

5C THSC Chapter 382 382.085(b)

Rqmt Prov: No. 2128, Special Condition #1 PERMIT

Description: Failed to prevent unauthorized emissions. Specifically, the Respondent released 4,371 pounds ("lbs") of volatile organic compounds ("VOC"), including 1,970 lbs of the Hazardous Air Pollutant ("HAP") 1,3-butadiene from Tank 6 in the East Plant Tank Farm during an avoidable emissions event (Incident No. 125702) that began June 17, 2009 and lasted four minutes. A two inch vent nozzle became plugged resulting in an increase in pressure in Tank 6. The Respondent was unable to detect the rise in press

Classification: Minor

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

5C THSC Chapter 382 382.085(b)

Description: Failed to submit an administratively complete and accurate final report for Incident No. 125702. Specifically, the final report submitted on June 30, 2009 did not include the permit number for the facility that experienced the upset.

4 Effective Date: 08/09/2010 ADMINORDER 2009-0263-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

Rqmt Prov: 1768/SC # 1 PERMIT

Description: Failed to comply with the carbon monoxide ("CO") emission limit of 0.05 pounds per hour ("lbs/hr") and the nitrogen oxide ("NOx") emission limit of 6.1 lbs/hr for the Atlas Copco Air Compressor (EPN OP1EN1), in violation of 30 TEX. ADMIN. CODE § 116.115(c), TEX. HEALTH & SAFETY CODE § 382.085(b) and Permit No. 1768, Special Condition No. 1, as documented during a record review conducted on January 21, 2009. Specifically, a reference method stack test conducted on December 18, 2007 yielded res

Classification: Moderate

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

5C THSC Chapter 382 382.085(b)

Rqmt Prov: TCEQ Permit No. 1768, SC #1 PERMIT

Description: Failed to prevent unauthorized emissions. Specifically, the Respondent released 5,197.3 lbs of VOC, including the following HAPs: 294.3 lbs of 1,3-butadiene, 272.6 lbs of benzene, 122.5 lbs of hexane and 30.4 lbs of toluene and the following HRVOCs: 422.8 lbs of butene, 2,097.5 lbs of ethylene and 1,351.9 lbs of propylene from the C-3501B piping in the Olefins 1 Unit during an avoidable emissions event that began Decemeber 4, 2008 and lasted 12 hours and 45 minutes. The emissions were the result

5 Effective Date: 02/05/2011 ADMINORDER 2010-0243-IHW-E (1660 Order-Agreed Order With Denial)

Classification: Major

Citation: 30 TAC Chapter 335, SubChapter C 335.69(b)

40 CFR Chapter 262, SubChapter I, PT 262, SubPT C 262.34(b)

Description: Failed to prevent the accumulation of hazardous waste for more than 90 days without authorization. Specifically, analytical results dated March 31, 2005 indicated that stormwater in tank nos. TK-2303A, TK-2310A and TK-2310B, exceeded the toxicity characteristic for lead of 5.0 milligrams per liter. These tanks are part of the IPOH Unit which, according to the Respondent, was taken out-of service in the early 1990s. Per 40 CFR § 261.4(c), hazardous waste began accumulating in the tanks on Marc

Classification: Moderate

Citation:

Description: Failed to update the Facility's NOR to accurately reflect waste management activities. Specifically, the following waste management activities needed to be added to the NOR: waste stream for wastewaters generated from the manufacturing process; waste streams for wastes stored in tanks nos. TK-2303A and B, and TK-2310A and B; and tanks nos. TK-2303A and B, and TK-2310A and B as waste management units.

Classification: Moderate

Citation: 30 TAC Chapter 335, SubChapter A 335.4
30 TAC Chapter 335, SubChapter A 335.8(b)
40 CFR Chapter 265, SubChapter I, PT 265, SubPT J 265.197

Description: Failed to prevent the unauthorized discharge of industrial solid waste adjacent to waters in the state and to perform closure of waste management facilities from which an unauthorized discharge has occurred, in violation of 30 TEX. ADMIN. CODE §§ 335.4 and 335.8(b) and 40 CFR § 265.197, as documented during an investigation conducted on August 3, 2009. Specifically, the investigator observed liquid leaking onto a concrete pad which served as secondary containment for tank nos. TK-2303A and B an

- 6 Effective Date: 05/08/2011 ADMINORDER 2010-0335-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: No. 2933, Special Condition #1 PERMIT
Description: Failure to prevent unauthorized emissions; specifically, Equistar failed to maintain the butene flow and the Motor Operated Valve feed to the reactor.
- 7 Effective Date: 06/22/2012 ADMINORDER 2011-1947-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: No. 2128, Special Condition No. 1 PERMIT
Description: Failed to prevent unauthorized emissions during an event that began on June 25, 2011 (Incident No. 156229). Specifically, the Respondent released 298 pounds ("lbs") of butenes and 161 lbs of butadienes from the C4 Recovery Unit Reactor R-309C during the 18 hour event. The event occurred when a flammable mixture ignited inside the Thermal Oxidizer Blower BL-03001.
Classification: Minor
Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)(B)
5C THSC Chapter 382 382.085(b)
Description: Failed to submit an initial notification for Incident No. 156229 not later than 24 hours after the discovery of an emissions event that began on June 25, 2011 at 10:20 p.m. Specifically, the initial notification was due by 10:20 p.m. on June 26, 2011 but was not submitted until June 28, 2011 at 6:27 p.m., over 24 hours after the incident was discovered.
- 8 Effective Date: 11/30/2012 ADMINORDER 2012-0665-AIR-E (Findings Order-Agreed Order Without Denial)
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: FOP O1426, STC 28 OP
Permit 1768, Special Conditions 1 PERMIT
Description: Failed to prevent unauthorized emissions. Since this emissions event was not caused by a sudden loss of steam and the Respondent did not have a backup steam supply, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.
- 9 Effective Date: 05/02/2013 ADMINORDER 2012-2074-AIR-E (Findings Order-Agreed Order Without 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 during an emissions event.

B. Criminal convictions:

N/A

C. Chronic excessive emissions events:

N/A

30 TAC Chapter 335, SubChapter A 335.6(c)

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

Item 1	March 23, 2009	(750126)
Item 2	April 06, 2009	(738472)
Item 3	April 09, 2009	(738272)
Item 4	April 13, 2009	(738348)
Item 5	April 30, 2009	(740883)
Item 6	May 04, 2009	(741949)
Item 7	May 14, 2009	(742317)
Item 8	May 15, 2009	(742826)
Item 9	June 22, 2009	(804328)
Item 10	June 24, 2009	(744476)
Item 11	June 29, 2009	(744624)
Item 12	July 02, 2009	(744588)
Item 13	July 06, 2009	(745792)
Item 14	July 08, 2009	(745749)
Item 15	July 14, 2009	(746327)
Item 16	July 15, 2009	(746896)
Item 17	July 16, 2009	(748500)
Item 18	July 17, 2009	(748489)
Item 19	July 20, 2009	(804329)
Item 20	July 21, 2009	(741126)
Item 21	August 10, 2009	(749006)
Item 22	August 12, 2009	(763679)
Item 23	August 13, 2009	(763750)
Item 24	September 02, 2009	(749680)
Item 25	September 04, 2009	(760698)
Item 26	September 18, 2009	(763300)
Item 27	September 28, 2009	(760699)
Item 28	September 29, 2009	(763519)
Item 29	October 06, 2009	(765952)
Item 30	October 08, 2009	(766727)
Item 31	October 09, 2009	(749624)
Item 32	October 15, 2009	(764037)
Item 33	October 22, 2009	(804332)
Item 34	November 19, 2009	(782624)
Item 35	November 23, 2009	(804333)
Item 36	November 30, 2009	(778813)
Item 37	December 21, 2009	(804334)
Item 38	January 04, 2010	(786397)
Item 39	January 05, 2010	(778225)
Item 40	January 22, 2010	(804335)
Item 41	January 24, 2010	(909040)
Item 42	January 28, 2010	(784795)
Item 43	February 17, 2010	(785207)
Item 44	February 22, 2010	(804327)
Item 45	February 23, 2010	(790158)
Item 46	February 24, 2010	(789730)
Item 47	February 25, 2010	(790175)
Item 48	March 17, 2010	(785834)
Item 49	March 18, 2010	(830757)
Item 50	April 16, 2010	(792540)
Item 51	April 19, 2010	(792541)
Item 52	April 21, 2010	(830758)
Item 53	April 23, 2010	(681746)
Item 54	April 27, 2010	(797582)
Item 55	May 06, 2010	(794255)
Item 56	May 12, 2010	(797500)
Item 57	May 20, 2010	(802381)
Item 58	May 24, 2010	(830759)
Item 59	May 25, 2010	(802405)

Item 60	June 10, 2010	(798920)
Item 61	June 14, 2010	(824353)
Item 62	June 21, 2010	(846227)
Item 63	June 23, 2010	(794135)
Item 64	June 25, 2010	(827423)
Item 65	July 02, 2010	(826702)
Item 66	July 06, 2010	(827613)
Item 67	July 09, 2010	(826626)
Item 68	July 13, 2010	(866787)
Item 69	August 18, 2010	(784890)
Item 70	August 23, 2010	(866788)
Item 71	September 22, 2010	(873861)
Item 72	October 20, 2010	(858119)
Item 73	November 01, 2010	(860444)
Item 74	November 04, 2010	(872083)
Item 75	November 09, 2010	(870286)
Item 76	November 10, 2010	(871859)
Item 77	November 17, 2010	(871855)
Item 78	November 22, 2010	(896192)
Item 79	December 21, 2010	(881274)
Item 80	December 22, 2010	(881304)
Item 81	December 23, 2010	(880895)
Item 82	December 28, 2010	(885540)
Item 83	January 31, 2011	(891772)
Item 84	February 14, 2011	(893281)
Item 85	February 22, 2011	(909039)
Item 86	February 25, 2011	(877630)
Item 87	February 28, 2011	(891833)
Item 88	March 04, 2011	(901180)
Item 89	March 07, 2011	(899772)
Item 90	March 21, 2011	(916302)
Item 91	March 22, 2011	(900059)
Item 92	March 28, 2011	(893267)
Item 93	April 25, 2011	(924740)
Item 94	May 03, 2011	(899771)
Item 95	May 23, 2011	(937983)
Item 96	June 03, 2011	(899773)
Item 97	June 22, 2011	(945307)
Item 98	June 30, 2011	(900964)
Item 99	July 21, 2011	(952582)
Item 100	August 12, 2011	(944288)
Item 101	August 15, 2011	(932879)
Item 102	August 16, 2011	(944665)
Item 103	August 22, 2011	(936294)
Item 104	August 29, 2011	(949925)
Item 105	September 22, 2011	(965293)
Item 106	October 13, 2011	(933447)
Item 107	October 24, 2011	(971336)
Item 108	October 25, 2011	(899774)
Item 109	November 21, 2011	(977494)
Item 110	December 28, 2011	(984261)
Item 111	January 05, 2012	(976382)
Item 112	January 09, 2012	(976471)
Item 113	January 10, 2012	(976450)
Item 114	January 23, 2012	(980967)
Item 115	January 24, 2012	(980997)
Item 116	January 30, 2012	(970661)
Item 117	February 06, 2012	(980998)
Item 118	February 09, 2012	(982246)
Item 119	February 17, 2012	(987727)

Item 120	February 21, 2012	(1010010)
Item 121	March 22, 2012	(1003446)
Item 122	April 03, 2012	(988061)
Item 123	April 04, 2012	(988484)
Item 124	May 15, 2012	(1003028)
Item 125	May 17, 2012	(1003069)
Item 126	May 21, 2012	(1016406)
Item 127	May 22, 2012	(1003188)
Item 128	June 22, 2012	(1024127)
Item 129	July 23, 2012	(1031522)
Item 130	August 02, 2012	(1021638)
Item 131	August 22, 2012	(1037897)
Item 132	September 24, 2012	(1046622)
Item 133	October 03, 2012	(989233)
Item 134	October 15, 2012	(1031069)
Item 135	October 16, 2012	(1031415)
Item 136	October 17, 2012	(1030945)
Item 137	October 22, 2012	(1060735)
Item 138	October 31, 2012	(997644)
Item 139	November 26, 2012	(1060736)
Item 140	November 28, 2012	(1030859)
Item 141	December 11, 2012	(1050789)
Item 142	December 27, 2012	(1060737)
Item 143	January 11, 2013	(1049738)
Item 144	January 14, 2013	(1049739)
Item 145	January 17, 2013	(1078881)
Item 146	February 19, 2013	(1078880)
Item 147	February 26, 2013	(1057969)
Item 148	February 28, 2013	(1053124)
Item 149	March 19, 2013	(1089264)
Item 150	April 02, 2013	(1056214)
Item 151	April 18, 2013	(1095658)
Item 152	May 20, 2013	(1106583)
Item 153	May 24, 2013	(1093716)
Item 154	June 18, 2013	(1098745)
Item 155	June 19, 2013	(1095086)
Item 156	June 20, 2013	(1110259)
Item 157	June 24, 2013	(1095173)
Item 158	June 26, 2013	(1094578)
Item 159	July 03, 2013	(1100272)
Item 160	July 18, 2013	(1117142)
Item 161	August 07, 2013	(1058100)
Item 162	August 08, 2013	(1089151)
Item 163	August 20, 2013	(1124898)
Item 164	September 03, 2013	(1102964)
Item 165	September 19, 2013	(1129500)
Item 166	October 17, 2013	(1114564)
Item 167	October 21, 2013	(1105244)
Item 168	October 28, 2013	(1115820)
Item 169	November 20, 2013	(1140629)
Item 170	December 19, 2013	(1147086)
Item 171	January 08, 2014	(1138687)
Item 172	January 09, 2014	(1132894)
Item 173	January 15, 2014	(1134060)
Item 174	January 20, 2014	(1153156)
Item 175	February 13, 2014	(1116236)

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

A notice of violation represents a written allegation of a violation of a specific regulatory requirement from the commission to a regulated entity. A notice of violation is not a final enforcement action, nor proof that a violation has actually occurred.

1 Date: 02/21/2014 (1144970)
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
5C THSC Chapter 382 382.085(b)
Permit 1768, Special Condition 1 PERMIT
Description: Failure to meet the demonstration criteria for an affirmative defense for unauthorized emissions during an emissions event.

F. Environmental audits:

Disclosure Date: 04/07/2009
Viol. Classification: Moderate
Citation: 30 TAC Chapter 106, SubChapter A 106.13
30 TAC Chapter 115, SubChapter B 115.142
40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.342
40 CFR Chapter 63, SubChapter C, PT 63, SubPT F 63.102
40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.110
Rqmt Prov: PERMIT NSR Permit 1768
PERMIT NSR Permit 2933
Description: Exceeded the authorized emission rates through sampling of streams at the following: Blasting Yard Sump (EPN ECUSUBLAST), Olefins 1 Decoke Pot (EPN 34E08), Olefins 2 Decoke Pot (EPN 44E08).
Viol. Classification: Moderate
Citation: 30 TAC Chapter 115, SubChapter B 115.142
40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.342
40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.110
Description: Wastewater streams that required control were inadvertently routed through open conveyance systems due to failed check valves.
Viol. Classification: Moderate
Citation: 40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.342
Description: Exceeded the uncontrolled benzene allowance for 40 CFR 61 Subpart FF.

Notice of Intent Date: 09/11/2009 (777743)
No DOV Associated

Notice of Intent Date: 04/06/2010 (800681)
Disclosure Date: 09/13/2010
Viol. Classification: Moderate
Citation: 30 TAC Chapter 115, SubChapter D 115.352(1)
30 TAC Chapter 115, SubChapter H 115.782(b)
Description: Failure to repair six out of 105 components within the time periods required.
Viol. Classification: Moderate
Citation: 30 TAC Chapter 115, SubChapter D 115.354(5)
30 TAC Chapter 115, SubChapter H 115.782(a)
Description: Failure to ensure all leaking components are tagged. Specifically, 5 out of approximately 150 components were not tagged.
Viol. Classification: Moderate
Citation: 30 TAC Chapter 115, SubChapter D 115.356(2)(D)
30 TAC Chapter 115, SubChapter H 115.786(d)
Description: Failure to ensure all calibration information is accurately recorded.

Notice of Intent Date: 10/04/2012 (1043419)
Disclosure Date: 01/29/2013
Viol. Classification: Minor
Citation: 30 TAC Chapter 115, SubChapter D 115.352(2)
30 TAC Chapter 116, SubChapter B 116.115(c)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.163(c)(1)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.163(e)(6)(iii)
Rqmt Prov: PERMIT NSR Permit No. 2936, SC 8.I.
PERMIT NSR Permit No. 49130, SC 5.I.
PERMIT NSR Permit No. 6245, SC 7I
Description: Failed to repair three out of 87 pumps within 15 days after discovery of a leak (one was due for repair on May 3, 2012, one was due for repair on October 5, 2012, and one was due for repair on December 17, 2012).

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
RN100542281**

**§ BEFORE THE
§
§ TEXAS COMMISSION ON
§
§ ENVIRONMENTAL QUALITY**

**AGREED ORDER
DOCKET NO. 2014-0395-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 located at 8280 Sheldon Road in Channelview, 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 notices of the violations alleged in Section II ("Allegations") on or about March 12 and March 19, 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 Nineteen Thousand Six Hundred Eighty-Eight Dollars (\$19,688) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Seven Thousand Eight Hundred Seventy-Six Dollars (\$7,876) of the administrative penalty and Three

Thousand Nine Hundred Thirty-Seven Dollars (\$3,937) 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. Seven Thousand Eight Hundred Seventy-Five Dollars (\$7,875) 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 recognizes that the Respondent has implemented the following corrective measures at the Plant:
 - a. On December 19, 2013, verified all calculations and readings from the Continuous Emissions Monitoring System including communication with the Distributed Control System ("DCS") and historian were correct, established appropriate alarms for Operations to utilize, and verified that the ammonia meter was calibrated and communicating with the DCS, in order to prevent a recurrence of emissions events due to the same cause as Incident No. 190747; and
 - b. On January 6, 2014, issued a revision to the operations procedure, OP2-0806, "Acetylene Converter Switching and Regeneration" Regeneration Section, Step 23 to ensure the regenerator header stays dry so moisture is not pushed into the converter bed while cooling and hydrocarbon freeing, in order to prevent a recurrence of emissions events due to the same cause as Incident No. 191065.
10. 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.
11. 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.
12. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

II. ALLEGATIONS

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

1. Failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(c), and 122.143(4), New Source Review ("NSR") Permit Nos. 8125, PSDTX1280, and N144, Special Conditions ("SC") No. 1, Federal Operating Permit

("FOP") No. O1426, Special Terms and Conditions ("STC") No. 28, and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review conducted on December 19, 2013. Specifically, the Respondent released 2,937.65 pounds ("lbs") of ammonia from Emissions Point Number ("EPN") EHTF7001 in the Methanol Unit during an emissions event (Incident No. 190747) that began on November 13, 2013 and lasted 114 hours. The emissions event was caused when the ammonia flow meter failed to provide the right flow indication and the data acquisition systems for the emissions monitoring failed to properly link up to the operating control system. The failure allowed more ammonia injections to the Selective Catalyst Reduction System resulting in ammonia emissions. Since this emissions event could have been avoided by better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.

2. Failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(c), and 122.143(4), NSR Permit Nos. 2933, PSDTX1270, and N140, SC No. 1, FOP No. O1426, STC No. 28, and TEX. HEALTH & SAFETY CODE § 382.085(b) as documented during a record review conducted on February 11, 2014. Specifically, the Respondent released 10,031 lbs of ethylene, 145 lbs of other volatile organic compounds, 1,154 lbs of nitrogen oxides, and 8,193 lbs of carbon monoxide from the OP-2 Flare (EPN 48E01) during an emissions event (Incident No. 191065) that began on November 19, 2013 and lasted 33 hours and 45 minutes. The emissions event was caused by water contamination from a steam valve to the regenerator header leaking into the bottom bed of the acetylene converter. The water contamination led to low activity or breakthrough on the acetylene converter which caused flaring of the off-specification ethylene stream. Since this emissions event could have been avoided by better operational and maintenance practices, the Respondent is precluded from asserting an 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. 2014-0395-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, Seven Thousand Eight Hundred Seventy-Five Dollars (\$7,875) of the assessed administrative penalty shall be offset with the condition that the Respondent implement the SEP defined in Attachment A, incorporated herein by reference. The Respondent's obligation to pay the conditionally offset portion of the administrative penalty assessed shall be discharged upon final completion of all provisions of the SEP agreement.
3. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Plant operations referenced in this Agreed Order.
4. If the Respondent fails to comply with any of the Ordering Provisions in this Agreed Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, the Respondent's failure to comply is not a violation of this Agreed Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
5. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
6. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
7. This Agreed Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Agreed Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Agreed Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms "electronic transmission", "owner", "person", "writing", and "written" shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.

8. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to the Respondent, or three days after the date on which the Commission mails notice of the Order to the Respondent, whichever is earlier.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

Pamela Manning
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.

Courtney Ruth
Signature

6-4-14
Date

Mr. Courtney Ruth
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: 2014-0395-AIR-E
SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	Equistar Chemicals, LP
Penalty Amount:	Fifteen Thousand Seven Hundred Fifty-One Dollars (\$15,751)
SEP Offset Amount:	Seven Thousand Eight Hundred Seventy-Five Dollars (\$7,875)
Type of SEP:	Contribution to a Third-Party Pre-Approved SEP
Third-Party Administrator:	Houston Regional Monitoring Corporation
Project Name:	<i>Houston Area Air Monitoring Project</i>
Location of SEP:	Harris County

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-hour 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.