

**Executive Summary – Enforcement Matter – Case No. 50739
Texas Molecular Limited Partnership
RN100209568
Docket No. 2015-0958-AIR-E**

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

AIR

Small Business:

No

Location(s) Where Violation(s) Occurred:

TM Deer Park Services, 2525 Independence Road, Deer Park, Harris County

Type of Operation:

Waste disposal and chemical processing plant

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: September 25, 2015

Comments Received: No

Penalty Information

Total Penalty Assessed: \$28,613

Amount Deferred for Expedited Settlement: \$5,722

Amount Deferred for Financial Inability to Pay: \$0

Total Paid to General Revenue: \$11,446

Total Due to General Revenue: \$0

Payment Plan: N/A

Supplemental Environmental Project ("SEP") Conditional Offset: \$11,445

Name of SEP: Houston-Galveston Area Council-AERCO (Third-Party Pre-Approved)

Compliance History Classifications:

Person/CN - Satisfactory

Site/RN - Satisfactory

Major Source: Yes

Statutory Limit Adjustment: N/A

Applicable Penalty Policy: April 2014

Investigation Information

Complaint Date(s): N/A

Complaint Information: N/A

Date(s) of Investigation: April 2, 2015 through April 9, 2015

Date(s) of NOE(s): May 29, 2015

Executive Summary – Enforcement Matter – Case No. 50739
Texas Molecular Limited Partnership
RN100209568
Docket No. 2015-0958-AIR-E

Violation Information

1. Failed to report all instances of deviations. Specifically, the deviation report for the December 22, 2013 through June 21, 2014 reporting period did not include deviations for the failure to prevent operation between 6:00 a.m. and noon for the Emergency Generator Emission Point Number ("EPN") ENG2, on June 2, 2014 and the Emergency Fire Pump Engine, EPN GENG1, on March 28, 2014 and April 22, 2014. Also, the deviation report for the June 22, 2014 through December 21, 2014 reporting period did not include deviations for the failure to submit a semi-annual compliance report for 40 CODE OF FEDERAL REGULATIONS ("CFR") Part 60 Subpart VV for the January 1, 2014 through June 30, 2014 reporting period and the failure to submit a semi-annual compliance report for 40 CFR Part 60 Subpart NNN for the January 1, 2014 through June 30, 2014 reporting period [30 TEX. ADMIN. CODE §§ 122.143(4) and 122.145(2)(A), TEX. HEALTH & SAFETY CODE § 382.085(b), and Federal Operating Permit ("FOP") No. O1603, General Terms and Conditions].
2. Failed to obtain a revision to a FOP. Specifically, the Respondent did not obtain a revision for FOP No. O1603 to include 30 TEX. ADMIN. CODE ch. 115 as an applicable requirement for the Process Vents, Process Identification Number ("PIN") GRPDSTBU2 [30 TEX. ADMIN. CODE § 122.210(a) and TEX. HEALTH & SAFETY CODE § 382.085(b)].
3. Failed to obtain a revision to a FOP. Specifically, the Respondent did not obtain a revision for FOP No. O1603 to authorize the Emergency Generator, EPN ENG2 [30 TEX. ADMIN. CODE §§ 122.121 and 122.210(a) and TEX. HEALTH & SAFETY CODE §§ 382.054 and 382.085(b)].
4. Failed to prevent the operation of engines for testing and maintenance during the restricted hours of operation. Specifically, the Respondent operated the Emergency Fire Pump Engine, EPN GENG1, on March 28, 2014 and April 22, 2014 and Emergency Generator, EPN ENG2, on June 2, 2014 while performing maintenance during the hours of 6 a.m. and noon [30 TEX. ADMIN. CODE §§ 117.310(f) and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), and FOP No. O1603, Special Terms and Conditions No. 1A].

Executive Summary – Enforcement Matter – Case No. 50739
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Docket No. 2015-0958-AIR-E

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

The Respondent has implemented the following corrective measures:

- a. On February 10, 2015, submitted a revised deviation report for the June 22, 2014 through December 21, 2014 reporting period that included deviations for the failure to submit a semi-annual compliance report for 40 CFR Part 60 Subpart VV for the January 1, 2014 through June 30 2014 reporting period and for the failure to submit a semi-annual compliance report for 40 CFR Part 60 Subpart NNN for the January 1, 2014 through June 30, 2014 reporting period;
- b. By May 6, 2015, trained staff on the restricted hours of operation in association with preventative maintenance and testing of emergency engines;
- c. On June 5, 2015, submitted a revised deviation report for the December 22, 2013 through June 21, 2014 reporting period that included deviations for the failure to prevent operation between 6:00 a.m. and noon for the Emergency Fire Pump Engine, EPN GENG1, on March 28, 2014 and April 22, 2014 and the Emergency Generator, EPN ENG2, on June 2, 2014; and
- d. By June 8, 2015, submitted a permit application to revise FOP No. O1603 for the Process Vents, PIN GRPDSTBU2, and to authorize the Emergency Generator, EPN ENG2.

Technical Requirements:

1. The Order will require the Respondent to implement and complete a SEP (see SEP Attachment A).
2. The Order will also require the Respondent to:
 - a. Respond completely and adequately, as determined by the TCEQ, to all requests for information concerning the permit revision application for FOP No. O1603 within 30 days after the date of such requests, or by any other deadline specified in writing; and
 - b. Within 180 days, submit written certification that the revision for FOP No. O1603 has been obtained or that operation has ceased until such time that appropriate authorization is obtained.

Executive Summary – Enforcement Matter – Case No. 50739
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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: 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: Christina Perez, Environmental Health & Safety Manager, Texas Molecular Limited Partnership, P.O. Box 1914, Deer Park, Texas 77536
Donna L. Ratliff, Environmental Vice President, Texas Molecular Limited Partnership, P.O. Box 1914, Deer Park, Texas 77536
Respondent's Attorney: N/A

Attachment A

Docket Number: 2015-0958-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	Texas Molecular Limited Partnership
Penalty Amount:	Twenty-Two Thousand Eight Hundred Ninety-One Dollars (\$22,891)
SEP Offset Amount:	Eleven Thousand Four Hundred Forty-Five Dollars (\$11,445)
Type of SEP:	Contribution to a Third-Party Pre-Approved SEP
Third-Party Administrator:	Houston-Galveston Area Council-AERCO
Project Name:	<i>Clean Vehicles Partnership Project</i>
Location of SEP: Angelina, Austin, Brazoria, Chambers, Colorado, Fort Bend, Galveston, Hardin, Harris, Houston, Jasper, Jefferson, Liberty, Matagorda, Montgomery, Nacogdoches, Newton, Orange, Polk, Sabine, San Augustine, San Jacinto, Trinity, Tyler, Walker, Waller, and Wharton Counties	

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 offset is equal to the SEP Offset Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project 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-Galveston Area Council-AERCO** for the *Clean Vehicles Partnership Project*. 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 to replace old, higher emission buses that do not meet 2010 Environmental Protection Agency ("EPA") emissions standards ("Old Buses") with new, lower emission buses that meet the most recent EPA emissions standards ("New Buses") or to retrofit or convert Old Buses with emissions reducing equipment. The Third-Party Administrator shall allocate the SEP Offset Amount to public entities such as school districts, local governments, and public transit authorities ("SEP Administrators") that apply for replacement, retrofit, or conversion of buses.

Texas Molecular Limited Partnership
Agreed Order - Attachment A

The SEP Offset Amount may also be used for retrofit or conversion technology that brings an Old Bus up to current EPA emissions standards. New Buses may be alternative-fueled. The SEP Offset Amount may be used for up to 100% of the replacement, conversion, or retrofit cost. The SEP Offset Amount will be used only for purchase of New Buses or conversion or retrofit equipment and contract labor for installation of equipment. The SEP Offset Amount will not be used for financing such a purchase through a lease-purchase or similar agreement.

Retrofitting means reducing exhaust emissions to current standards by installing devices that are verified or certified by the EPA or the California Air Resources Board as proven retrofit technologies. Converting means replacing an engine system with an alternative fuel engine system to bring the Old Bus within the current EPA emissions standards. Buses to be replaced, retrofitted, or converted must be in regular use (driven at least five hundred miles per year for at least the past two years) by the SEP Administrator and must not already be scheduled for replacement in the following twenty-four months. All replaced buses must be fully decommissioned. The Third-Party Administrator shall provide proof of decommissioning to TCEQ for each replaced vehicle by submitting a copy of the TCEQ SEP Vehicle Replacement Disposition Form. The SEP will be done in accordance with all federal, state, and local environmental laws and regulations.

All dollars contributed will be used solely for the direct cost of 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 the Respondent 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 directly benefit air quality by reducing harmful exhaust emissions that contribute to the formation of ozone and may cause or exacerbate a number of respiratory diseases, including asthma. For example, by replacing a 1989 diesel bus with a 2010 ultra-low emission model, passengers' exposure to nitrogen oxides may be reduced by 98 percent; volatile organic compounds by 93 percent; carbon dioxide by 83 percent; and particulate matter by 99 percent. In addition, by encouraging less bus idling, this SEP contributes to public awareness of air pollution and air quality.

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 check payable to **Houston-Galveston Area Council-AERCO SEP** and shall mail the contribution with a copy of the Agreed Order to:

Houston-Galveston Area Council-AERCO
P.O. Box 22777
Houston, Texas 77227-2777

3. Records and Reporting

Concurrent with the payment of the SEP Offset Amount, Respondent shall provide the Enforcement SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Offset Amount 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 Molecular Limited Partnership
Agreed Order - Attachment A

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

5. Publicity

Any public statements concerning this SEP and/or project, made by or on behalf of 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. Recognition

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 Attachment A and in the attached 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 4 (April 2014)

PCW Revision March 26, 2014

TCEQ

DATES	Assigned	8-Jun-2015	Screening	25-Jun-2015	EPA Due	
	PCW	25-Jun-2015				

RESPONDENT/FACILITY INFORMATION	
Respondent	Texas Molecular Limited Partnership
Reg. Ent. Ref. No.	RN100209568
Facility/Site Region	12-Houston
Major/Minor Source	Major

CASE INFORMATION			
Enf./Case ID No.	50739	No. of Violations	3
Docket No.	2015-0958-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	\$22,500
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ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History	43.0% Enhancement	Subtotals 2, 3, & 7	\$9,675
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Notes: Enhancement for one NOV with same/similar violations and two orders containing a denial of liability. Reduction for one disclosure of violations.

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

Good Faith Effort to Comply Total Adjustments	Subtotal 5	-\$3,562
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Economic Benefit	0.0% Enhancement*	Subtotal 6	\$0
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Total EB Amounts	\$509
Estimated Cost of Compliance	\$12,500

*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7	Final Subtotal	\$28,613
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OTHER FACTORS AS JUSTICE MAY REQUIRE	0.0%	Adjustment	\$0
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

Final Penalty Amount	\$28,613
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$28,613
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DEFERRAL	20.0% Reduction	Adjustment	-\$5,722
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Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes: Deferral offered for expedited settlement.

PAYABLE PENALTY	\$22,891
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Screening Date 25-Jun-2015

Docket No. 2015-0958-AIR-E

PCW

Respondent Texas Molecular Limited Partnership

Policy Revision 4 (April 2014)

Case ID No. 50739

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN100209568

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	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	2	40%
	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 judgments 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>)	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	1	-2%
<i>Please Enter Yes or No</i>			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 43%

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

No

Adjustment Percentage (Subtotal 3) 0%

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

Satisfactory Performer

Adjustment Percentage (Subtotal 7) 0%

>> **Compliance History Summary**

Compliance History Notes

Enhancement for one NOV with same/similar violations and two orders containing a denial of liability. Reduction for one disclosure of violations.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 43%

>> **Final Compliance History Adjustment**

Final Adjustment Percentage *capped at 100% 43%

Screening Date 25-Jun-2015

Docket No. 2015-0958-AIR-E

PCW

Respondent Texas Molecular Limited Partnership

Policy Revision 4 (April 2014)

Case ID No. 50739

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN100209568

Media [Statute] Air

Enf. Coordinator Amancio R. Gutierrez

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code §§ 122.143(4) and 122.145(2)(A), Tex. Health & Safety Code § 382.085(b), and Federal Operating Permit ("FOP") No. O1603, General Terms and Conditions

Violation Description Failed to report all instances of deviations. Specifically, the deviation report for the December 22, 2013 through June 21, 2014 reporting period did not include deviations for the failure to prevent operation between 6:00 a.m. and noon for the Emergency Generator, Emission Point Number ("EPN") ENG2, on June 2, 2014 and the Emergency Fire Pump Engine, EPN GENG1, on March 28, 2014 and April 22, 2014. Also, the deviation report for the June 22, 2014 through December 21, 2014 reporting period did not include deviations for the failure to submit a semi-annual compliance report for 40 Code of Federal Regulations ("CFR") Part 60 Subpart VV for the January 1, 2014 through June 30, 2014 reporting period and the failure to submit a semi-annual compliance report for 40 CFR Part 60 Subpart NNN for the January 1, 2014 through June 30, 2014 reporting period.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual				0.0%
	Potential				

>> Programmatic Matrix

Falsification	Harm			Percent
	Major	Moderate	Minor	
	x			15.0%

Matrix Notes 100% of the rule requirement was not met.

Adjustment \$21,250

\$3,750

Violation Events

Number of Violation Events 2 319 Number of violation days

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

Violation Base Penalty \$7,500

Two single events are recommended, one for each incomplete deviation report.

Good Faith Efforts to Comply

10.0%

Reduction \$750

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

Notes The Respondent completed corrective measures on June 5, 2015, after the May 29, 2015 Notice of Enforcement ("NOE").

Violation Subtotal \$6,750

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$22

Violation Final Penalty Total \$9,975

This violation Final Assessed Penalty (adjusted for limits) \$9,975

Economic Benefit Worksheet

Respondent Texas Molecular Limited Partnership
Case ID No. 50739
Reg. Ent. Reference No. RN100209568
Media Air
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

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

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$500	21-Jul-2014	5-Jun-2015	0.87	\$22	n/a	\$22

Notes for DELAYED costs

Estimated cost to submit a revised deviation report for the June 22, 2014 through December 21, 2014 reporting period that included deviations for the failure to submit a semi-annual compliance report for 40 CFR Part 60 Subpart VV for the January 1, 2014 through June 30 2014 reporting period and for the failure to submit a semi-annual compliance report for 40 CFR Part 60 Subpart NNN for the January 1, 2014 through June 30, 2014 reporting period and to submit a revised deviation report for the December 22, 2013 through June 21, 2014 reporting period that included deviations for the failure to prevent operation between 6:00 a.m. and noon for the Emergency Fire Pump Engine, EPN GENG1, on March 28, 2014 and April 22, 2014 and the Emergency Generator, EPN ENG2, on June 2, 2014 (\$250 for each report). The Date Required is the date the first deviation report was due and the Final Date is the date of compliance.

Avoided Costs

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance	\$500	TOTAL	\$22
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Screening Date 25-Jun-2015

Docket No. 2015-0958-AIR-E

PCW

Respondent Texas Molecular Limited Partnership

Policy Revision 4 (April 2014)

Case ID No. 50739

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN100209568

Media [Statute] Air

Enf. Coordinator Amancio R. Gutierrez

Violation Number 2

Rule Cite(s)

30 Tex. Admin. Code §§ 122.121 and 122.210(a) and Tex. Health & Safety Code §§ 382.054 and 382.085(b)

Violation Description

Failed to obtain a revision to a FOP. Specifically, the Respondent did not obtain a revision for FOP No. 01603 to include 30 Tex. Admin. Code ch. 115 as an applicable requirement for the Process Vents, Process Identification Number ("PIN") GRPDSTBU2, and to authorize the Emergency Generator, EPN ENG2.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor
	x		

Percent 15.0%

Matrix Notes

100% of the rule requirement was not met.

Adjustment \$21,250

\$3,750

Violation Events

Number of Violation Events 1

84 Number of violation days

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

mark only one with an x

Violation Base Penalty \$3,750

One single event is recommended for the FOP revision.

Good Faith Efforts to Comply

0.0%

Reduction \$0

Before NOE/NOV NOE/NOV to EDPRP/Settlement Offer

Extraordinary		
Ordinary		
N/A	x	(mark with x)

Notes

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

Violation Subtotal \$3,750

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$377

Violation Final Penalty Total \$5,363

This violation Final Assessed Penalty (adjusted for limits) \$5,363

Economic Benefit Worksheet

Respondent Texas Molecular Limited Partnership
Case ID No. 50739
Reg. Ent. Reference No. RN100209568
Media Air
Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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	\$10,000	2-Apr-2015	2-Jan-2016	0.75	\$377	n/a	\$377
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to obtain a revision for FOP No. O1603 to incorporate the requirements of 30 Tex. Admin. Code ch. 115 for the Process Vents, PIN GRPDSTBU2, and to authorize the Emergency Generator, EPN ENG2. The Date Required is the investigation date 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

\$377

Screening Date 25-Jun-2015

Docket No. 2015-0958-AIR-E

PCW

Respondent Texas Molecular Limited Partnership

Policy Revision 4 (April 2014)

Case ID No. 50739

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN100209568

Media [Statute] Air

Enf. Coordinator Amancio R. Gutierrez

Violation Number 3

Rule Cite(s)

30 Tex. Admin. Code §§ 117.310(f) and 122.143(4), Tex. Health & Safety Code § 382.085(b), and FOP No. O1603, Special Terms and Conditions No. 1A

Violation Description

Failed to prevent the operation of engines for testing or maintenance during the restricted hours of operation. Specifically, the Respondent operated the Emergency Fire Pump Engine, EPN GENG1, on March 28, 2014 and April 22, 2014 and Emergency Generator, EPN ENG2, on June 2, 2014 while performing maintenance during the hours of 6 a.m. and noon.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			x
Potential			

Percent 15.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

Human health or the environment has been exposed to insignificant amounts of pollutants that did 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 3

3 Number of violation days

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

mark only one with an x

Violation Base Penalty \$11,250

Three single events are recommended for the dates the engines were operated.

Good Faith Efforts to Comply

25.0%

Reduction

\$2,812

Before NOE/NOV NOE/NOV to EDPRP/Settlement Offer

Extraordinary	
Ordinary	x
N/A	(mark with x)

Notes

The Respondent completed corrective measures on May 6, 2015, before the May 29, 2015 NOE.

Violation Subtotal \$8,438

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$111

Violation Final Penalty Total \$13,276

This violation Final Assessed Penalty (adjusted for limits) \$13,276

Economic Benefit Worksheet

Respondent Texas Molecular Limited Partnership
Case ID No. 50739
Reg. Ent. Reference No. RN100209568
Media Air
Violation No. 3

Percent Interest	Years of Depreciation
5.0	15

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

Delayed Costs

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	\$2,000	28-Mar-2014	6-May-2015	1.11	\$111	n/a	\$111
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to train staff on the restricted hours of operation in association with preventative maintenance and testing of emergency engines. The Date Required is the first date of non-compliance and the Final Date is the compliance date.

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

\$2,000

TOTAL

\$111

The TCEQ is committed to accessibility.

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



TCEQ Compliance History Report

PUBLISHED Compliance History Report for CN601546807, RN100209568, Rating Year 2014 which includes Compliance History (CH) components from September 1, 2009, through August 31, 2014.

Customer, Respondent, or Owner/Operator: CN601546807, Texas Molecular Limited **Classification:** SATISFACTORY **Rating:** 0.65
Partnership
Regulated Entity: RN100209568, TM DEER PARK **Classification:** SATISFACTORY **Rating:** 0.65
SERVICES
Complexity Points: 36 **Repeat Violator:** NO
CH Group: 11 - Waste Management (Excluding Landfills)
Location: 2525 INDEPENDENCE RD DEER PARK, TX 77536, HARRIS COUNTY
TCEQ Region: REGION 12 - HOUSTON

ID Number(s):

INDUSTRIAL AND HAZARDOUS WASTE SOLID WASTE

REGISTRATION # (SWR) 32299

INDUSTRIAL AND HAZARDOUS WASTE EPA ID

TXD987986734

INDUSTRIAL AND HAZARDOUS WASTE PERMIT 50058

UNDERGROUND INJECTION CONTROL PERMIT WDW249

STORMWATER PERMIT TXR05U029

AIR OPERATING PERMITS PERMIT 1603

AIR OPERATING PERMITS PERMIT 3763

AIR NEW SOURCE PERMITS ACCOUNT NUMBER HG3043A

AIR NEW SOURCE PERMITS PERMIT 22094

AIR NEW SOURCE PERMITS REGISTRATION 34915

AIR NEW SOURCE PERMITS REGISTRATION 71102

AIR NEW SOURCE PERMITS REGISTRATION 123340

AIR NEW SOURCE PERMITS REGISTRATION 111593

AIR EMISSIONS INVENTORY ACCOUNT NUMBER

HG3043A

POLLUTION PREVENTION PLANNING ID NUMBER

P00130

INDUSTRIAL AND HAZARDOUS WASTE EPA ID

TXD000719518

INDUSTRIAL AND HAZARDOUS WASTE SOLID WASTE

REGISTRATION # (SWR) 39264

UNDERGROUND INJECTION CONTROL PERMIT WDW169

UNDERGROUND INJECTION CONTROL PERMIT WDW422

STORMWATER PERMIT TXR05AN83

AIR OPERATING PERMITS ACCOUNT NUMBER HG3043A

WASTEWATER EPA ID TX0115967

AIR NEW SOURCE PERMITS AFS NUM 4820101291

AIR NEW SOURCE PERMITS REGISTRATION 23281

AIR NEW SOURCE PERMITS REGISTRATION 48627

AIR NEW SOURCE PERMITS REGISTRATION 49822

AIR NEW SOURCE PERMITS REGISTRATION 124796

AIR NEW SOURCE PERMITS REGISTRATION 111591

POLLUTION PREVENTION PLANNING ID NUMBER

P00177

MUNICIPAL SOLID WASTE DISPOSAL PERMIT 50058

Compliance History Period: September 01, 2009 to August 31, 2014 **Rating Year:** 2014 **Rating Date:** 09/01/2014

Date Compliance History Report Prepared: July 01, 2015

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: July 01, 2010 to July 01, 2015

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? YES
- 3) If **YES** for #2, who is the current owner/operator?
Texas Molecular Limited Partnership OWNER OPERATOR since 2/24/2003
TM Deer Park Services Limited Partnership OWNER OPERATOR since 1/24/2002
Disposal Systems, Inc. OWNER OPERATOR since 1/1/1800
Trimac Transportation South Inc. OWNER since 11/25/1986
Texas Molecular, L.L.C. OWNER OPERATOR since 9/27/2001
GNI Chemicals Corporation OWNER OPERATOR since 9/21/1993
TM Deer Park Services, Limited Partnership OWNER OPERATOR since 11/19/2010
TM Chemicals Limited Partnership OWNER OPERATOR since 1/1/1800
GNI Technical, Inc. OWNER OPERATOR since 10/12/2001
- 4) If **YES** for #2, who was/were the prior owner(s)/operator(s)?
TM MOLECULAR LLC, OWNER, 1/14/2002 to 12/11/2011
TM MOLECULAR LIMITED PARTNERSHIP, OWNER, 4/23/2004 to 12/11/2011
TM Deer Park Services, L.L.C., OWNER OPERATOR, 2/20/2002 to 11/19/2010
- 5) If **YES**, when did the change(s) in owner or operator occur?
11/19/2010

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

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

See addendum for information regarding federal actions.

B. Criminal convictions:

N/A

C. Chronic excessive emissions events:

N/A

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

Item 1	July 18, 2011	(866195)
Item 2	June 05, 2012	(989405)
Item 3	October 26, 2012	(1027497)
Item 4	April 11, 2014	(1152759)

E. Written notices of violations (NOV) (CEEDS 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: 05/29/2015 (1229854) CN601546807
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.7(c)
 5C THSC Chapter 382 382.085(b)
 FOP Special Term & Condition 6A OP
 Description: Failure to submit 40 CFR 60 VV and NNN semi-annual reports within the required timeframe. Category C3

F. Environmental audits:

Notice of Intent Date: 07/25/2008 (700517)
 Disclosure Date: 07/10/2012
 Viol. Classification: Minor
 Citation: 30 TAC Chapter 101, SubChapter H 101.352(b)
 30 TAC Chapter 101, SubChapter H 101.354(g)
 30 TAC Chapter 117, SubChapter H 117.9200(1)(D)
 Description: As verified by stack testing, the plant exceeded the NOx emission allowances as it is subject to the MEECT program.
 Viol. Classification: Minor
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
 30 TAC Chapter 117, SubChapter D 117.2030(a)
 30 TAC Chapter 117, SubChapter H 117.9200(1)(D)
 30 TAC Chapter 117, SubChapter H 117.9200(1)(F)
 Rqmt Prov: PERMIT SC's
 Description: Failed to adhere to the permitted allowable for CO emissions for the Boiler, Heaters 1, 2, and 3, and also exceeded the NOx emission limit for Heater 1.
 Viol. Classification: Minor
 Citation: 30 TAC Chapter 117, SubChapter D 117.2010(i)
 30 TAC Chapter 117, SubChapter D 117.2030(a)
 30 TAC Chapter 117, SubChapter H 117.9200(1)(D)
 30 TAC Chapter 117, SubChapter H 117.9200(1)(F)
 Description: Failed to adhere to the 400 ppmv emission rate at 3.0% oxygen at the Boiler, and at Heaters 1-3.
 Viol. Classification: Minor
 Citation: 30 TAC Chapter 101, SubChapter A 101.10
 30 TAC Chapter 101, SubChapter A 101.27
 Description: Failed to correctly report its emissions in the emission inventory data.
 Viol. Classification: Minor
 Citation: 30 TAC Chapter 117, SubChapter D 117.2035(a)(1)
 30 TAC Chapter 117, SubChapter H 117.9200(1)(F)
 Description: Failed to calibrate, maintain and operate its totalizing fuel flow meters with an accuracy of plus or minus 5% to individually and continuously measure the gas and liquid fuel usage.
 Viol. Classification: Minor
 Citation: 30 TAC Chapter 117, SubChapter D 117.2045(a)
 30 TAC Chapter 117, SubChapter H 117.9200(1)(F)
 Description: Failed to keep accurate records of the annual fuel usage.

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

Addendum to Compliance History Federal Enforcement Actions

Reg Entity Name: **DISPOSAL SYSTEMS INC**

Reg Entity Add: 2525 BATTLEGROUND RD

Reg Entity City: DEER PARK

Reg Entity No: RN100209568

EPA Case No: **06-2014-0904**

Order Issue Date (yyyymmdd): 20131119

Case Result: Final Order with Penalty

Statute: RCRA

Sect of Statute: 3008A

Classification: Minor

Program: Solid Waste Managemen

Citation:

Violation Type:

Cite Sect:

Cite Part:

Enforcement Action: Administrative Penalty Order With or Without Inj

Reg Entity Name: **TM CHEMICALS LLC**

Reg Entity Add: 2525 BATTLEGROUND RD

Reg Entity City: DEER PARK

Reg Entity No: RN100209568

EPA Case No: **06-2013-0902**

Order Issue Date (yyyymmdd): 20130214

Case Result:

Statute: RCRA

Sect of Statute: 3002

Classification: Minor

Program: Gen Hazardous Waste M

Citation:

Violation Type:

Cite Sect:

Cite Part:

Enforcement Action: Administrative Penalty Order With or Without Inj

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
TEXAS MOLECULAR LIMITED
PARTNERSHIP
RN100209568

§
§
§
§
§
§

BEFORE THE

TEXAS COMMISSION ON

ENVIRONMENTAL QUALITY

AGREED ORDER
DOCKET NO. 2015-0958-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 Texas Molecular Limited Partnership ("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 waste disposal and chemical processing plant located at 2525 Independence Road in Deer Park, 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 June 3, 2015.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
6. An administrative penalty in the amount of Twenty-Eight Thousand Six Hundred Thirteen Dollars (\$28,613) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Eleven Thousand Four

Hundred Forty-Six Dollars (\$11,446) of the administrative penalty and Five Thousand Seven Hundred Twenty-Two Dollars (\$5,722) 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. Eleven Thousand Four Hundred Forty-Five Dollars (\$11,445) 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 February 10, 2015, submitted a revised deviation report for the June 22, 2014 through December 21, 2014 reporting period that included deviations for the failure to submit a semi-annual compliance report for 40 CODE OF FEDERAL REGULATIONS ("CFR") Part 60 Subpart VV for the January 1, 2014 through June 30 2014 reporting period and for the failure to submit a semi-annual compliance report for 40 CFR Part 60 Subpart NNN for the January 1, 2014 through June 30, 2014 reporting period;
 - b. By May 6, 2015, trained staff on the restricted hours of operation in association with preventative maintenance and testing of emergency engines;
 - c. On June 5, 2015, submitted a revised deviation report for the December 22, 2013 through June 21, 2014 reporting period that included deviations for the failure to prevent operation between 6:00 a.m. and noon for the Emergency Fire Pump Engine, Emission Point Number ("EPN") GENG1, on March 28, 2014 and April 22, 2014 and the Emergency Generator, EPN ENG2, on June 2, 2014; and
 - d. By June 8, 2015, submitted a permit application to revise Federal Operating Permit ("FOP") No. O1603 to incorporate the requirements of 30 TEX. ADMIN. CODE ch. 115 for the Process Vents, Process Identification Number ("PIN") GRPDSTBU2, and to authorize the Emergency Generator, EPN ENG2.
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 report all instances of deviations, in violation of 30 TEX. ADMIN. CODE §§ 122.143(4) and 122.145(2)(A), TEX. HEALTH & SAFETY CODE § 382.085(b), and FOP No. O1603, General Terms and Conditions, as documented during an investigation conducted from April 2 through 9, 2015. Specifically, the deviation report for the December 22, 2013 through June 21, 2014 reporting period did not include deviations for the failure to prevent operation between 6:00 a.m. and noon for the Emergency Generator, EPN ENG2, on June 2, 2014 and the Emergency Fire Pump Engine, EPN GENG1, on March 28, 2014 and April 22, 2014. Also, the deviation report for the June 22, 2014 through December 21, 2014 reporting period did not include deviations for the failure to submit a semi-annual compliance report for 40 CFR Part 60 Subpart VV for the January 1, 2014 through June 30, 2014 reporting period and the failure to submit a semi-annual compliance report for 40 CFR Part 60 Subpart NNN for the January 1, 2014 through June 30, 2014 reporting period.
2. Failed to obtain a revision to a FOP, in violation of 30 TEX. ADMIN. CODE § 122.210(a) and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from April 2 through 9, 2015. Specifically, the Respondent did not obtain a revision for FOP No. O1603 to include 30 TEX. ADMIN. CODE ch. 115 as an applicable requirement for the Process Vents, PIN GRPDSTBU2.
3. Failed to obtain a revision to a FOP, in violation of 30 TEX. ADMIN. CODE §§ 122.121 and 122.210(a) and TEX. HEALTH & SAFETY CODE §§ 382.054 and 382.085(b), as documented during an investigation conducted from April 2 through 9, 2015. Specifically, the Respondent did not obtain a revision for FOP No. O1603 to authorize the Emergency Generator, EPN ENG2.
4. Failed to prevent the operation of engines for testing and maintenance during the restricted hours of operation, in violation of 30 TEX. ADMIN. CODE §§ 117.310(f) and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), and FOP No. O1603, Special Terms and Conditions No. 1A, as documented during an investigation conducted from April 2 through 9, 2015. Specifically, the Respondent operated the Emergency Fire Pump Engine, EPN GENG1, on March 28, 2014 and April 22, 2014 and Emergency Generator, EPN ENG2, on June 2, 2014 while performing maintenance during the hours of 6 a.m. and noon.

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: Texas Molecular Limited Partnership, Docket No. 2015-0958-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, Eleven Thousand Four Hundred Forty-Five Dollars (\$11,445) 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 assessed administrative penalty 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. Respond completely and adequately, as determined by the TCEQ, to all requests for information concerning the permit revision application for FOP No. O1603 within 30 days after the date of such requests, or by any other deadline specified in writing; and
 - b. Within 180 days after the effective date of this Agreed Order, submit written certification as described below that the revision for FOP No. O1603 has been obtained or that operation has ceased until such time that appropriate authorization is obtained. 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. Pursuant to 30 TEX. ADMIN. CODE § 70.10(b) and TEX. GOV'T CODE § 2001.142, the effective date of this Order is the date it is signed by the Commission. A copy of this fully executed Order shall be provided to each of the parties.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

Ramon Martinez
For the Executive Director

10/30/15
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.

[Signature]
Signature

8-20-15
Date

DONDA L. RATLIFF
Name (Printed or typed)
Authorized Representative of
Texas Molecular Limited Partnership

EVP
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: 2015-0958-AIR-E
SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	Texas Molecular Limited Partnership
Penalty Amount:	Twenty-Two Thousand Eight Hundred Ninety-One Dollars (\$22,891)
SEP Offset Amount:	Eleven Thousand Four Hundred Forty-Five Dollars (\$11,445)
Type of SEP:	Contribution to a Third-Party Pre-Approved SEP
Third-Party Administrator:	Houston-Galveston Area Council-AERCO
Project Name:	<i>Clean Vehicles Partnership Project</i>
Location of SEP: Angelina, Austin, Brazoria, Chambers, Colorado, Fort Bend, Galveston, Hardin, Harris, Houston, Jasper, Jefferson, Liberty, Matagorda, Montgomery, Nacogdoches, Newton, Orange, Polk, Sabine, San Augustine, San Jacinto, Trinity, Tyler, Walker, Waller, and Wharton Counties	

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 offset is equal to the SEP Offset Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project 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-Galveston Area Council-AERCO** for the *Clean Vehicles Partnership Project*. 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 to replace old, higher emission buses that do not meet 2010 Environmental Protection Agency (“EPA”) emissions standards (“Old Buses”) with new, lower emission buses that meet the most recent EPA emissions standards (“New Buses”) or to retrofit or convert Old Buses with emissions reducing equipment. The Third-Party Administrator shall allocate the SEP Offset Amount to public entities such as school districts, local governments, and public transit authorities (“SEP Administrators”) that apply for replacement, retrofit, or conversion of buses.

Texas Molecular Limited Partnership
Agreed Order - Attachment A

The SEP Offset Amount may also be used for retrofit or conversion technology that brings an Old Bus up to current EPA emissions standards. New Buses may be alternative-fueled. The SEP Offset Amount may be used for up to 100% of the replacement, conversion, or retrofit cost. The SEP Offset Amount will be used only for purchase of New Buses or conversion or retrofit equipment and contract labor for installation of equipment. The SEP Offset Amount will not be used for financing such a purchase through a lease-purchase or similar agreement.

Retrofitting means reducing exhaust emissions to current standards by installing devices that are verified or certified by the EPA or the California Air Resources Board as proven retrofit technologies. Converting means replacing an engine system with an alternative fuel engine system to bring the Old Bus within the current EPA emissions standards. Buses to be replaced, retrofitted, or converted must be in regular use (driven at least five hundred miles per year for at least the past two years) by the SEP Administrator and must not already be scheduled for replacement in the following twenty-four months. All replaced buses must be fully decommissioned. The Third-Party Administrator shall provide proof of decommissioning to TCEQ for each replaced vehicle by submitting a copy of the TCEQ SEP Vehicle Replacement Disposition Form. The SEP will be done in accordance with all federal, state, and local environmental laws and regulations.

All dollars contributed will be used solely for the direct cost of 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 the Respondent 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 directly benefit air quality by reducing harmful exhaust emissions that contribute to the formation of ozone and may cause or exacerbate a number of respiratory diseases, including asthma. For example, by replacing a 1989 diesel bus with a 2010 ultra-low emission model, passengers' exposure to nitrogen oxides may be reduced by 98 percent; volatile organic compounds by 93 percent; carbon dioxide by 83 percent; and particulate matter by 99 percent. In addition, by encouraging less bus idling, this SEP contributes to public awareness of air pollution and air quality.

Texas Molecular Limited Partnership
Agreed Order - Attachment A

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 check payable to **Houston-Galveston Area Council-AERCO SEP** and shall mail the contribution with a copy of the Agreed Order to:

Houston-Galveston Area Council-AERCO
P.O. Box 22777
Houston, Texas 77227-2777

3. Records and Reporting

Concurrent with the payment of the SEP Offset Amount, Respondent shall provide the Enforcement SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Offset Amount 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 Molecular Limited Partnership
Agreed Order - Attachment A

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

5. Publicity

Any public statements concerning this SEP and/or project, made by or on behalf of 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. Recognition

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 Attachment A and in the attached 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.