

**Executive Summary – Enforcement Matter – Case No. 50399**  
**Equistar Chemicals, LP**  
**RN100210319**  
**Docket No. 2015-0592-AIR-E**

**Order Type:**

Findings Agreed Order

**Findings Order Justification:**

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

**Media:**

AIR

**Small Business:**

No

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

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

**Type of Operation:**

Chemical manufacturing plant

**Other Significant Matters:**

Additional Pending Enforcement Actions: Yes, Docket No.: 2015-1204-AIR-E

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

**Texas Register Publication Date:** January 15, 2016

**Comments Received:** No

***Penalty Information***

**Total Penalty Assessed:** \$50,563

**Amount Deferred for Expedited Settlement:** \$0

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

**Total Paid to General Revenue:** \$25,282

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

Payment Plan: N/A

**Supplemental Environmental Project ("SEP") Conditional Offset:** \$25,281

Name of SEP: Barbers Hill Independent School District (Third-Party Pre-Approved)

**Compliance History Classifications:**

Person/CN - Satisfactory

Site/RN - Satisfactory

**Major Source:** Yes

**Statutory Limit Adjustment:** \$25,000

**Applicable Penalty Policy:** April 2014

**Executive Summary – Enforcement Matter – Case No. 50399**  
**Equistar Chemicals, LP**  
**RN100210319**  
**Docket No. 2015-0592-AIR-E**

***Investigation Information***

**Complaint Date(s):** N/A

**Complaint Information:** N/A

**Date(s) of Investigation:** January 29, 2015 through February 11, 2015 and March 10, 2015 through March 24, 2015

**Date(s) of NOE(s):** March 24, 2015 and May 6, 2015

***Violation Information***

1. Failed to monitor a relief valve within 24 hours after venting to the atmosphere [30 TEX. ADMIN. CODE §§ 115.354(4), 115.781(e), and 122.143(4), Federal Operating Permit ("FOP") No. O1606, Special Terms and Conditions ("STC") No. 1A, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

2. Failed to obtain proper authorization prior to modifications to existing permitted facilities [30 TEX. ADMIN. CODE §§ 116.110(b) and 122.143(4), FOP No. O1606, General Terms and Conditions, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

3. Failed to prevent unauthorized emissions. Since this emissions event could have been prevented through better operation and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 115.722(c)(1), 116.115(c), and 122.143(4), FOP No. O1606, STC No. 18, New Source Review ("NSR") Permit No. 4477, Special Conditions No. 1, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

***Corrective Actions/Technical Requirements***

**Corrective Action(s) Completed:**

The Respondent has implemented the following corrective measures:

a. On July 25, 2013, submitted a permit amendment application for NSR Permit No. 19109 to authorize the Q1 vent modifications and emissions; and

b. On March 3, 2014, dispatched a technician to monitor the relief valve on the Fuel Gas Dry Drum and educated personnel of the 24-hour relief valve monitoring requirement.

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**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. Within 30 days, remove and rebuild the actuator to original specifications in order to prevent a recurrence of an emissions event due to the same cause as Incident No. 207992;
  - b. Respond completely and adequately, as determined by the TCEQ, to all requests for information concerning the permit amendment for NSR Permit No. 19109 within 30 days after the date of such requests, or by any other deadline specified in writing;
  - c. Within 45 days, submit written certification to demonstrate compliance with a.; and
  - d. Within 180 days, submit written certification that either a permit amendment has been obtained or that operation has ceased until such time that appropriate authorization is obtained.

***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) 767-3567; Melissa Cordell, Enforcement Division, MC 219, (512) 239-2483  
**TCEQ SEP Coordinator:** Stuart Beckley, SEP Coordinator, Enforcement Division, MC 219, (512) 239-3565  
**Respondent:** Dale Friedrichs, Site Manager, Equistar Chemicals, LP, P.O. Drawer D, Deer Park, Texas 77536  
Joseph C. Wolf, Complex Manager, Equistar Chemicals, LP, P.O. Drawer D, Deer Park, Texas 77536  
**Respondent's Attorney:** N/A



**Attachment A**  
**Docket Number: 2015-0592-AIR-E**  
**SUPPLEMENTAL ENVIRONMENTAL PROJECT**

<b>Respondent:</b>	<b>Equistar Chemicals, LP</b>
<b>Penalty Amount:</b>	<b>Fifty Thousand Five Hundred Sixty-Three Dollars (\$50,563)</b>
<b>SEP Offset Amount:</b>	<b>Twenty-Five Thousand Two Hundred Eighty-One Dollars (\$25,281)</b>
<b>Type of SEP:</b>	<b>Contribution to a Third-Party Pre-Approved SEP</b>
<b>Third-Party Administrator:</b>	<b>Barbers Hill Independent School District</b>
<b>Project Name:</b>	<b><i>Energy Efficiency Building Upgrade/Retrofit Project</i></b>
<b>Location of SEP:</b>	<b>Chambers County</b>

The Texas Commission on Environmental Quality (“TCEQ”) agrees to offset a portion of the administrative penalty amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project (“SEP”). The 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 **Barbers Hill Independent School District** for the *Energy Efficiency Building Upgrade/Retrofit 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 pay a contractor to install and monitor sub-meters. The contractor's work will include installing revenue grade electric sub-meters in the line feed of certain facilities; installing revenue grade current transformers; incorporating all engineering, software, and graphics to accomplish effective monitoring of the status of this equipment; and a one-year warranty including parts and labor for the new sub-meters. In addition to sub-metering, the Third-Party Administrator shall use the SEP Offset Amount to pay its contractor to monitor, calibrate, and repair existing meters and to complete energy efficiency upgrades and/or retrofits based on needs identified in energy audits. 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 able to be 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

The Project will result in reduced energy consumption by school district buildings and will contribute to the overall reduction of greenhouse gases. The sub-metering is expected to reduce energy consumption up to eight percent. The Project will reduce fuel and electricity usage for heating and cooling and day-to-day operations. These reductions will reduce emission of particulate matter, volatile organic carbon compounds, nitrogen oxides, and other pollutants associated with the combustion of fuel and generation of electricity. It will also contribute to a reduction in peak loads on the State electric power grid.

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 **Barbers Hill ISD SEP** and shall mail the contribution with a copy of the Agreed Order to:

John Johnson, Consultant  
Carl R. Griffith & Associates, Inc.  
2901 Turtle Creek Drive, Suite 445  
Port Arthur, Texas 77642

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

Concurrent with the payment of the SEP Offset Amount, the 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 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**

<b>DATES</b>	<b>Assigned</b>	30-Mar-2015	<b>Screening</b>	10-Apr-2015	<b>EPA Due</b>	
	<b>PCW</b>	7-Aug-2015				

## RESPONDENT/FACILITY INFORMATION

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

## CASE INFORMATION

<b>Enf./Case ID No.</b>	50399	<b>No. of Violations</b>	3
<b>Docket No.</b>	2015-0592-AIR-E	<b>Order Type</b>	Findings
<b>Media Program(s)</b>	Air	<b>Government/Non-Profit</b>	No
<b>Multi-Media</b>		<b>Enf. Coordinator</b>	Raime Hayes-Falero
		<b>EC's Team</b>	Enforcement Team 4
<b>Admin. Penalty \$ Limit Minimum</b>	\$0	<b>Maximum</b>	\$25,000

## Penalty Calculation Section

**TOTAL BASE PENALTY (Sum of violation base penalties)** **Subtotal 1** **\$38,000**

### 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** **\$38,000**

Notes: Enhancement for ten NOV's with similar violations and 12 orders with denial of liability. Reduction for eight Notices of Intent to conduct an audit and four 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** **-\$437**

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

Total EB Amounts	\$4,613	*Capped at the Total EB \$ Amount
Estimated Cost of Compliance	\$72,838	

**SUM OF SUBTOTALS 1-7** **Final Subtotal** **\$75,563**

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

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes

**Final Penalty Amount** **\$75,563**

**STATUTORY LIMIT ADJUSTMENT** **Final Assessed Penalty** **\$50,563**

**DEFERRAL** **0.0%** Reduction **Adjustment** **\$0**

Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes

No deferral is recommended for Findings Orders.

**PAYABLE PENALTY** **\$50,563**

**Screening Date** 10-Apr-2015

**Docket No.** 2015-0592-AIR-E

**PCW**

**Respondent** Equistar Chemicals, LP

Policy Revision 4 (April 2014)

**Case ID No.** 50399

PCW Revision March 26, 2014

**Reg. Ent. Reference No.** RN100210319

**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> )	10	50%
	Other written NOVs		0%
Orders	Any agreed final enforcement orders containing a denial of liability ( <i>number of orders meeting criteria</i> )	12	240%
	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> )	8	-8%
	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> )	4	-8%
<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)** 274%

>> **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 ten NOVs with similar violations and 12 orders with denial of liability. Reduction for eight Notices of Intent to conduct an audit and four Disclosures of Violations.

**Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7)** 274%

>> **Final Compliance History Adjustment**

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

Screening Date 10-Apr-2015

Docket No. 2015-0592-AIR-E

PCW

Respondent Equistar Chemicals, LP

Policy Revision 4 (April 2014)

Case ID No. 50399

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN100210319

Media [Statute] Air

Enf. Coordinator Raime Hayes-Falero

Violation Number 1

Rule Cite(s)

30 Tex. Admin. Code §§ 115.354(4), 115.781(e), and 122.143(4), Federal Operating Permit ("FOP") No. O1606, Special Terms and Conditions ("STC") No. 1A, and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to monitor a relief valve within 24 hours after venting to the atmosphere. Specifically, the relief valve on the Fuel Gas Dry Drum lifted on February 28, 2014 due to an unexpected shutdown of a boiler and was not monitored until March 3, 2014.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			x

Percent 7.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

Human health or the environment will or could be exposed to insignificant amounts of pollutants that would not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$23,250

\$1,750

Violation Events

Number of Violation Events 1

3 Number of violation days

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

mark only one with an x

Violation Base Penalty \$1,750

One single event is recommended.

Good Faith Efforts to Comply

25.0%

Reduction \$437

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

Extraordinary	
Ordinary	x
N/A	(mark with x)

Notes

The Respondent completed corrective action on March 3, 2014 before the March 24, 2015 Notice of Enforcement ("NOE").

Violation Subtotal \$1,313

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$0

Violation Final Penalty Total \$3,063

This violation Final Assessed Penalty (adjusted for limits) \$3,063

## Economic Benefit Worksheet

**Respondent** Equistar Chemicals, LP  
**Case ID No.** 50399  
**Reg. Ent. Reference No.** RN100210319  
**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)	\$500	28-Feb-2014	3-Mar-2014	0.01	\$0	n/a	\$0

#### Notes for DELAYED costs

Estimated cost to dispatch a technician to monitor the relief valve on the Fuel Gas Dry Drum and educate personnel of the 24-hour relief valve monitoring requirement. The Date Required is the date the violation began 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**

\$0

Screening Date 10-Apr-2015

Docket No. 2015-0592-AIR-E

PCW

Respondent Equistar Chemicals, LP

Policy Revision 4 (April 2014)

Case ID No. 50399

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN100210319

Media [Statute] Air

Enf. Coordinator Raime Hayes-Falero

Violation Number 2

Rule Cite(s) 30 Tex. Admin. Code §§ 116.110(b) and 122.143(4), FOP No. O1606, General Terms and Conditions, and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to obtain proper authorization prior to modifications to existing permitted facilities. Specifically, the Respondent failed to obtain a permit amendment prior to modifying the Q1 Vent System to vent nitrogen to the exterior of a building.

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 3

71 Number of violation days

daily	
weekly	
monthly	X
quarterly	
semiannual	
annual	
single event	

mark only one with an x

Violation Base Penalty \$11,250

Three monthly events are recommended from the January 29, 2015 investigation date to the April 10, 2015 screening date.

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 \$11,250

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$334

Violation Final Penalty Total \$22,500

This violation Final Assessed Penalty (adjusted for limits) \$22,500

## Economic Benefit Worksheet

**Respondent** Equistar Chemicals, LP  
**Case ID No.** 50399  
**Reg. Ent. Reference No.** RN100210319  
**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
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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	\$5,338	29-Jan-2015	30-Apr-2016	1.25	\$334	n/a	\$334
Other (as needed)				0.00	\$0	n/a	\$0

**Notes for DELAYED costs**

Actual cost to obtain a permit amendment to authorize the Q1 vent modifications and emissions. The Date Required is the investigation date and the Final Date is the expected date of compliance.

### Avoided Costs

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

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

**Notes for AVOIDED costs**

Approx. Cost of Compliance	\$5,338	<b>TOTAL</b>	\$334
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Screening Date 10-Apr-2015

Docket No. 2015-0592-AIR-E

PCW

Respondent Equistar Chemicals, LP

Policy Revision 4 (April 2014)

Case ID No. 50399

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN100210319

Media [Statute] Air

Enf. Coordinator Raime Hayes-Falero

Violation Number 3

Rule Cite(s) 30 Tex. Admin. Code §§ 115.722(c)(1), 116.115(c) and 122.143(4), FOP No. O1606, STC No. 18, New Source Review Permit No. 4477, Special Conditions No. 1, and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to prevent unauthorized emissions. Specifically, the Respondent released 15,477 pounds ("lbs") of ethylene, 1,549 lbs of polyethylene, and 211 lbs of propylene from the AB3 Fugitives, Emission Point Number ("EPN") L3FUG, and 122.87 lbs of volatile organic compounds, 18.32 lbs of carbon monoxide, and 3.08 lbs of nitrogen oxides from the L3 Flare (EPN L3FLARE) during an emissions event (Incident No. 207992) that occurred on January 1, 2015 and lasted 45 minutes. The emissions event began when the Bafco System experienced a hydraulic failure as a result of a failed hose connection due to prior damage to the actuator bolt hole threads which lead to the improper assembly of the connection. This caused the unit to shut down, which caused the reactor vents to open to the atmosphere. Since this emissions event could have been prevented through better operation 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

OR

Release	Harm		
	Major	Moderate	Minor
Actual	x		
Potential			

Percent 100.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes Human health or the environment has been exposed to pollutants which exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$0

\$25,000

Violation Events

Number of Violation Events 1 Number of violation days 1

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

Violation Base Penalty \$25,000

One daily event is recommended.

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 \$25,000

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$4,279

Violation Final Penalty Total \$50,000

This violation Final Assessed Penalty (adjusted for limits) \$25,000

# Economic Benefit Worksheet

**Respondent** Equistar Chemicals, LP  
**Case ID No.** 50399  
**Reg. Ent. Reference No.** RN100210319  
**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
<small>No commas or \$</small>							

### Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction	\$67,000	1-Jan-2015	30-Nov-2015	0.91	\$204	\$4,075	\$4,279
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to remove and rebuild the actuator to original specifications in order to prevent a recurrence of an emissions event due to the same cause as Incident No. 207992. The Date Required is the date the emissions event occurred 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)**

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

\$67,000

**TOTAL**

\$4,279



# Compliance History Report

**PUBLISHED** Compliance History Report for CN600124705, RN100210319, Rating Year 2014 which includes Compliance History (CH) components from September 1, 2009, through August 31, 2014.

<b>Customer, Respondent, or Owner/Operator:</b>	CN600124705, Equistar Chemicals, LP	<b>Classification:</b> SATISFACTORY	<b>Rating:</b> 4.43
<b>Regulated Entity:</b>	RN100210319, EQUISTAR CHEMICALS LA PORTE COMPLEX	<b>Classification:</b> SATISFACTORY	<b>Rating:</b> 8.98
<b>Complexity Points:</b>	44	<b>Repeat Violator:</b> NO	
<b>CH Group:</b>	05 - Chemical Manufacturing		
<b>Location:</b>	1515 MILLER CUT OFF RD LA PORTE, TX 77571-9810, HARRIS COUNTY		
<b>TCEQ Region:</b>	REGION 12 - HOUSTON		

**ID Number(s):**

- |  |  |
|--|--|
| <ul style="list-style-type: none"> <li>AIR OPERATING PERMITS ACCOUNT NUMBER HG0770G</li> <li>AIR OPERATING PERMITS PERMIT 2223</li> <li>INDUSTRIAL AND HAZARDOUS WASTE SOLID WASTE REGISTRATION # (SWR) 85436</li> <li>POLLUTION PREVENTION PLANNING ID NUMBER P00553</li> <li>WASTEWATER EPA ID TX0119792</li> <li>AIR NEW SOURCE PERMITS PERMIT 19109</li> <li>AIR NEW SOURCE PERMITS PERMIT 5226</li> <li>AIR NEW SOURCE PERMITS PERMIT 18978</li> <li>AIR NEW SOURCE PERMITS REGISTRATION 38605</li> <li>AIR NEW SOURCE PERMITS REGISTRATION 42401</li> <li>AIR NEW SOURCE PERMITS REGISTRATION 45099</li> <li>AIR NEW SOURCE PERMITS ACCOUNT NUMBER HG0770G</li> <li>AIR NEW SOURCE PERMITS EPA PERMIT PSDTX752</li> <li>AIR NEW SOURCE PERMITS REGISTRATION 42349</li> <li>AIR NEW SOURCE PERMITS REGISTRATION 53934</li> <li>AIR NEW SOURCE PERMITS REGISTRATION 76465</li> <li>AIR NEW SOURCE PERMITS REGISTRATION 77716</li> <li>AIR NEW SOURCE PERMITS REGISTRATION 79239</li> <li>AIR NEW SOURCE PERMITS EPA PERMIT PSDTX752M1</li> <li>AIR NEW SOURCE PERMITS REGISTRATION 91251</li> <li>AIR NEW SOURCE PERMITS EPA PERMIT PSDTX752M4</li> <li>AIR NEW SOURCE PERMITS REGISTRATION 102494</li> <li>AIR NEW SOURCE PERMITS REGISTRATION 102470</li> <li>AIR NEW SOURCE PERMITS EPA PERMIT N190</li> <li>AIR NEW SOURCE PERMITS REGISTRATION 127685</li> <li>AIR NEW SOURCE PERMITS REGISTRATION 112634</li> <li>AIR NEW SOURCE PERMITS REGISTRATION 120217</li> <li>AIR NEW SOURCE PERMITS REGISTRATION 134079</li> <li>STORMWATER PERMIT TXR05N516</li> <li>IHW CORRECTIVE ACTION PERMIT 50383</li> </ul> | <ul style="list-style-type: none"> <li>AIR OPERATING PERMITS PERMIT 1606</li> <li>INDUSTRIAL AND HAZARDOUS WASTE EPA ID TXR000025809</li> <li>INDUSTRIAL AND HAZARDOUS WASTE PERMIT 50383</li> <li>WASTEWATER PERMIT WQ0004013000</li> <li>PUBLIC WATER SYSTEM/SUPPLY REGISTRATION 1012680</li> <li>AIR NEW SOURCE PERMITS PERMIT 4477</li> <li>AIR NEW SOURCE PERMITS PERMIT 5836</li> <li>AIR NEW SOURCE PERMITS PERMIT 22043</li> <li>AIR NEW SOURCE PERMITS REGISTRATION 40078</li> <li>AIR NEW SOURCE PERMITS REGISTRATION 43676</li> <li>AIR NEW SOURCE PERMITS REGISTRATION 46127</li> <li>AIR NEW SOURCE PERMITS AFS NUM 4820100055</li> <li>AIR NEW SOURCE PERMITS EPA PERMIT PSDTX818</li> <li>AIR NEW SOURCE PERMITS REGISTRATION 70535</li> <li>AIR NEW SOURCE PERMITS REGISTRATION 53387</li> <li>AIR NEW SOURCE PERMITS EPA PERMIT PSDTX752M3</li> <li>AIR NEW SOURCE PERMITS REGISTRATION 77957</li> <li>AIR NEW SOURCE PERMITS PERMIT 83822</li> <li>AIR NEW SOURCE PERMITS EPA PERMIT PSDTX752M2</li> <li>AIR NEW SOURCE PERMITS REGISTRATION 98146</li> <li>AIR NEW SOURCE PERMITS EPA PERMIT PSDTX752M5</li> <li>AIR NEW SOURCE PERMITS EPA PERMIT N162</li> <li>AIR NEW SOURCE PERMITS REGISTRATION 133377</li> <li>AIR NEW SOURCE PERMITS REGISTRATION 126212</li> <li>AIR NEW SOURCE PERMITS PERMIT 114809</li> <li>AIR NEW SOURCE PERMITS REGISTRATION 118577</li> <li>AIR NEW SOURCE PERMITS EPA PERMIT GHGPSDTX12</li> <li>WATER LICENSING LICENSE 1012680</li> <li>IHW CORRECTIVE ACTION SOLID WASTE REGISTRATION # (SWR) 85436</li> <li>AIR EMISSIONS INVENTORY ACCOUNT NUMBER HG0770G</li> </ul> |
|--|--|

<b>Compliance History Period:</b>	September 01, 2009 to August 31, 2014	<b>Rating Year:</b>	2014	<b>Rating Date:</b>	09/01/2014
<b>Date Compliance History Report Prepared:</b>	August 07, 2015				
<b>Agency Decision Requiring Compliance History:</b>	Enforcement				
<b>Component Period Selected:</b>	August 07, 2010 to August 07, 2015				

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

**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: 08/09/2010 ADMINORDER 2009-0154-AIR-E (1660 Order-Agreed Order With Denial)
- Classification: Moderate
- Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
5C THSC Chapter 382 382.085(b)
- Rqmt Prov: Permit #18978, Special Condition, #1 PERMIT
- Description: Failed to prevent unauthorized emissions. Specifically, during Incident No. 101266 on December 12, 2007 the following unauthorized emissions were released from the Elevated Flare over a period of one hour and 15 minutes: 603.7 pounds ("lbs") of ethylene, 893.5 lbs of carbon monoxide ("CO") and 117.7 lbs of nitrogen oxides ("NOx"). Since the emissions event was avoidable, the demonstrations in 30 TEX. ADMIN. CODE § 101.222 necessary to present an affirmative defense were not met.
- Classification: Moderate
- Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
5C THSC Chapter 382 382.085(b)
- Rqmt Prov: Permit #4477, Special Condition #1 PERMIT
- Description: Failed to prevent unauthorized emissions. Specifically, during Incident No. 102875 on January 26, 2008 the following unauthorized emissions were released from the High Pressure Separator Relief Valve over a period of five hours and 33 minutes: 886 lbs of ethylene, 221 lbs of vinyl acetate and 1 lb of propylene. Since the emissions event was avoidable, the demonstrations in 30 TEX. ADMIN. CODE § 101.222 necessary to present an affirmative defense were not met.
- Classification: Moderate
- Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
5C THSC Chapter 382 382.085(b)
- Rqmt Prov: Permit #18978 PERMIT
- Description: Failed to prevent unauthorized emissions. Specifically, during Incident No. 103287 on February 4, 2008 the following unauthorized emissions were released from the Elevated Flare and the Acetylene Recovery Unit ("ARU") Flare over a period of five hours and 30 minutes: 3,461.8 lbs of volatile organic compounds ("VOCs"), 4,502 lbs of CO and 626 lbs of NOx. Since the emissions event was avoidable, the demonstrations in 30 TEX. ADMIN. CODE § 101.222 necessary to present an affirmative defense were not met.
- Classification: Moderate
- Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
5C THSC Chapter 382 382.085(b)
- Rqmt Prov: Permit #4477, Special Condition #1 PERMIT
- Description: Failed to prevent unauthorized emissions. Specifically, during Incident No. 103461 on February 7, 2008 the following unauthorized emissions were released from the AB3 Reactor Vents over a period of one hour and 58 minutes: 3,201.5 lbs of ethylene and 36.3 lbs of propylene. Since the emissions event was avoidable and not properly reported, the demonstrations in 30 TEX. ADMIN. CODE § 101.222 necessary to present an affirmative defense were not met.
- Classification: Minor
- Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)(1)(H)  
5C THSC Chapter 382 382.085(b)
- Description: Failed to properly report Incident No. 103461. Specifically, the permit number for the unit involved in the February 7, 2008 emissions event was not included in the final record submitted for the event.
- Classification: Major
- Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
5C THSC Chapter 382 382.085(b)
- Rqmt Prov: Permit #18978, Special Condition #1 PERMIT
- Description: Failed to prevent unauthorized emissions. Specifically, during Incident No. 103789 on February 15, 2008 the following unauthorized emissions were released from the Elevated Flare and the ARU Flare over a period of 118 hours: 1,713.9 lbs of VOCs, 1,336.1 lbs of CO and 145.5 lbs of NOx. Since the emissions event was avoidable, the demonstrations in 30 TEX. ADMIN. CODE § 101.222 necessary to present an affirmative defense were not met.
- Classification: Moderate

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

Rqmt Prov: Special Condition No. 1 PERMIT

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

- 2 Effective Date: 08/21/2010 ADMINORDER 2009-1781-AIR-E (1660 Order-Agreed Order With Denial)  
Classification: Moderate  
Citation: 30 TAC Chapter 115, SubChapter H 115.722(c)(1)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
5C THSC Chapter 382 382.085(b)  
Rqmt Prov: Special Condition #1 PERMIT  
Description: Failed to prevent unauthorized emissions. Specifically, the Respondent released 5,369 pounds ("lbs") of the highly reactive volatile organic compound ("HRVOC") ethylene, 89 lbs of the HRVOC propylene, 32 lbs of polymer, 2.2 lbs of carbon monoxide and 0.54 lbs of nitrogen oxide from the AB3 Unit during an avoidable emissions event (Incident No. 126040) that began on June 25, 2009 and lasted one hour and 48 minutes. The event was the result of a Bafco valve failing in the closed position on the Hi
- 3 Effective Date: 05/08/2011 ADMINORDER 2010-0591-AIR-E (1660 Order-Agreed Order With Denial)  
Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
5C THSC Chapter 382 382.085(b)  
Rqmt Prov: Special Condition No. 1 PERMIT  
Description: Failure to prevent unauthorized emissions. Equistar failed to maintain an electrical conduit that allowed moisture in the system, causing thermocouple failure triggering an interlock shutdown of AB3 reactor.
- 4 Effective Date: 05/08/2011 ADMINORDER 2010-0328-AIR-E (1660 Order-Agreed Order With Denial)  
Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
5C THSC Chapter 382 382.085(b)  
Rqmt Prov: Special Condition 1 PERMIT  
Description: Failed prevent unauthorized emissions during Incident No. 132744. Specifically, beginning December 2, 2009, rapid header pressure changes in the Process Gas Compressor resulted in the unauthorized release of 870.9 pounds ("lbs") of volatile organic compounds, 456.1 lbs of carbon monoxide, and 45.4 lbs of nitrogen oxides from the Acetylene Recovery Unit Flare [Emission Point Number ("EPN") QE3050B] and the Elevated Flare (EPN QE8050B), over a period of 8.5 hours. Since the emissions  
.....
- 5 Effective Date: 06/20/2011 ADMINORDER 2010-1794-AIR-E (1660 Order-Agreed Order With Denial)  
Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
5C THSC Chapter 382 382.085(b)  
Rqmt Prov: Special Condition #1 PERMIT  
Description: Failure to prevent unauthorized emissions.
- 6 Effective Date: 08/27/2011 ADMINORDER 2011-0198-AIR-E (1660 Order-Agreed Order With Denial)  
Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
5C THSC Chapter 382 382.085(b)  
Rqmt Prov: Permit No. 4477, Special Condition 1 PERMIT  
Description: Failed to prevent unauthorized emissions and to limit HRVOCs to 1,200 lbs per hour when a power loss to the 480V bus in the 13-A substation caused the AB3 Unit to shut down.  
Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
5C THSC Chapter 382 382.085(b)  
Rqmt Prov: Permit 18978 and PSD-TX-752M3, SC 1 PERMIT  
Description: Failed to prevent unauthorized emissions due to the restriction of the dimethylformamide flow to the Acetylene Absorber.
- 7 Effective Date: 06/08/2012 ADMINORDER 2011-1596-AIR-E (1660 Order-Agreed Order With Denial)  
Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(c)(2)  
5C THSC Chapter 382 382.085(b)  
Rqmt Prov: GTC OP  
SC 1 PERMIT  
ST&C 14 OP  
ST&C 1A OP

Description: Failed to prevent unauthorized emissions.  
Classification: Moderate

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

Rqmt Prov: General Terms and Conditions OP  
Special Condition 1 PERMIT  
Special Term and Condition 15 OP

Description: Failed to prevent unauthorized emissions.

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

Classification: Moderate

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

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

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

9 Effective Date: 05/24/2014 ADMINORDER 2013-1988-AIR-E (1660 Order-Agreed Order With 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: Special Condition 1 PERMIT

Description: Failure to prevent unauthorized emissions during an emissions event. Category A12.i.(6)

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 O2223 STC No. 15 OP  
Special Condition 1 PERMIT

Description: Failure to prevent unauthorized emissions during an emissions event.

10 Effective Date: 08/15/2014 ADMINORDER 2013-2193-AIR-E (1660 Order-Agreed Order With 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: NSR SC No. 1 PERMIT  
ST&C No. 15 OP

Description: Failed to prevent unauthorized emissions. Specifically, the Respondent released 6,708.14 pounds ("lbs") of ethylene, 90 lbs of propylene, 10.18 lbs of carbon monoxide, and 1.61 lbs of nitrogen oxides from reactor vents and the L3 Flare in the AB3 Unit during an emissions event (Incident No. 186866) that started on August 15, 2013 and lasted 55 minutes. The emissions event occurred when a breaker tripped and power was lost to the AB3 Unit.

11 Effective Date: 10/05/2014 ADMINORDER 2014-0115-AIR-E (1660 Order-Agreed Order With Denial)

Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter H 115.722(c)(1)  
30 TAC Chapter 116, SubChapter B 116.115(a)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)

Rqmt Prov: Special Condition 1 PERMIT  
Special Terms and Conditions 15 OP

Description: Failure to prevent unauthorized emissions.

12 Effective Date: 07/19/2015 ADMINORDER 2014-1876-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: SC 1 PERMIT

Description: Failure to prevent unauthorized emissions. Specifically, the Respondent released 1,609.36 pounds ("lbs") of volatile organic compounds ("VOC"), 657.47 lbs of carbon monoxide, and 126.40 lbs of nitrogen oxides from the Acetylene Recovery Unit Flare ("ARU Flare"), Emissions Point No. ("EPN") QE3050B, and 300.06 lbs of VOC from the Elevated Flare, EPN QE8050B, during an emissions event (Incident No. 204704) that began on October 6, 2014 and lasted for 60 hours and five minutes.

**B. Criminal convictions:**

N/A

**C. Chronic excessive emissions events:**

N/A

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

Item 1	August 18, 2010	(868952)
Item 2	September 02, 2010	(843399)
Item 3	September 16, 2010	(875804)
Item 4	November 18, 2010	(889776)
Item 5	December 16, 2010	(898142)
Item 6	December 30, 2010	(880157)
Item 7	January 25, 2011	(866458)
Item 8	February 15, 2011	(910923)
Item 9	March 04, 2011	(880826)
Item 10	March 08, 2011	(884606)
Item 11	March 24, 2011	(899963)
Item 12	April 19, 2011	(930707)
Item 13	April 29, 2011	(914084)
Item 14	May 04, 2011	(907711)
Item 15	May 12, 2011	(878115)
Item 16	May 17, 2011	(939903)
Item 17	June 14, 2011	(947315)
Item 18	July 20, 2011	(954576)
Item 19	August 12, 2011	(961156)
Item 20	August 17, 2011	(948440)
Item 21	August 24, 2011	(942570)
Item 22	August 31, 2011	(936303)
Item 23	September 14, 2011	(967252)
Item 24	October 13, 2011	(973210)
Item 25	November 11, 2011	(979346)
Item 26	December 12, 2011	(986179)
Item 27	January 17, 2012	(957313)
Item 28	January 20, 2012	(992546)
Item 29	February 07, 2012	(981603)
Item 30	February 20, 2012	(999852)
Item 31	March 19, 2012	(1005401)
Item 32	April 18, 2012	(1011968)
Item 33	May 18, 2012	(1018357)
Item 34	May 25, 2012	(1006583)

Item 35	May 29, 2012	(1003187)
Item 36	June 19, 2012	(1026062)
Item 37	July 18, 2012	(1033424)
Item 38	July 19, 2012	(1020599)
Item 39	August 15, 2012	(1039947)
Item 40	October 03, 2012	(1035202)
Item 41	October 16, 2012	(1069919)
Item 42	November 19, 2012	(1069920)
Item 43	December 19, 2012	(1069921)
Item 44	January 03, 2013	(1050245)
Item 45	January 16, 2013	(1049583)
Item 46	February 08, 2013	(1056637)
Item 47	February 19, 2013	(1083069)
Item 48	March 18, 2013	(1091282)
Item 49	March 25, 2013	(1074646)
Item 50	April 02, 2013	(1059604)
Item 51	April 08, 2013	(1097612)
Item 52	May 20, 2013	(1108652)
Item 53	June 13, 2013	(1112215)
Item 54	July 18, 2013	(1119165)
Item 55	July 19, 2013	(1131458)
Item 56	August 07, 2013	(1102357)
Item 57	October 17, 2013	(1137204)
Item 58	November 20, 2013	(1142624)
Item 59	December 03, 2013	(1124440)
Item 60	December 19, 2013	(1149048)
Item 61	January 07, 2014	(1122500)
Item 62	January 09, 2014	(1155134)
Item 63	February 19, 2014	(1162443)
Item 64	March 20, 2014	(1169068)
Item 65	April 15, 2014	(1176255)
Item 66	May 07, 2014	(1164952)
Item 67	May 20, 2014	(1182492)
Item 68	June 18, 2014	(1189373)
Item 69	July 09, 2014	(1179972)
Item 70	July 11, 2014	(1201352)
Item 71	August 11, 2014	(1201353)
Item 72	August 18, 2014	(1178997)
Item 73	September 15, 2014	(1077111)
Item 74	September 29, 2014	(1197192)
Item 75	September 30, 2014	(1207684)
Item 76	October 08, 2014	(1214091)
Item 77	November 05, 2014	(1205126)
Item 78	November 20, 2014	(1220325)
Item 79	January 26, 2015	(1221478)
Item 80	February 27, 2015	(1228597)
Item 81	April 13, 2015	(1228994)
Item 82	April 17, 2015	(1217191)
Item 83	April 20, 2015	(1257421)

**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: 10/07/2014 (1193205) CN600124705  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
5C THSC Chapter 382 382.085(b)  
New Source Review Permit 18978, SC 1 PERMIT  
Description: Failure to meet the demonstration criteria for an affirmative defense for unauthorized emissions during an emissions event. (Category B13 Violation)

2 Date: 11/30/2014 (1226152) CN600124705  
Self Report? YES Classification: Moderate  
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)  
30 TAC Chapter 305, SubChapter F 305.125(1)  
Description: Failure to meet the limit for one or more permit parameter

3 Date: 12/29/2014 (1215846) CN600124705  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)  
EL&MR PERMIT  
Description: Failed to maintain compliance with the permitted effluent limits.

4 Date: 12/31/2014 (1233237) CN600124705  
Self Report? YES Classification: Moderate  
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)  
30 TAC Chapter 305, SubChapter F 305.125(1)  
Description: Failure to meet the limit for one or more permit parameter

5 Date: 01/31/2015 (1244134) CN600124705  
Self Report? YES Classification: Moderate  
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)  
30 TAC Chapter 305, SubChapter F 305.125(1)  
Description: Failure to meet the limit for one or more permit parameter

6 Date: 02/06/2015 (1210920) CN600124705  
Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 115, SubChapter H 115.722(d)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(c)(3)(ii)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT A 63.11(b)(6)(ii)  
5C THSC Chapter 382 382.085(b)  
SC 11A PERMIT  
STC 1A and 18 OP  
Description: Failed to operate a flare in HRVOC service with a net heating value of 300 Btu/scf (C4).  
Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 115, SubChapter H 115.782(b)(1)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)  
STC 1A OP  
Description: Failed to make first attempt to repair a leaking plug in HRVOC service within one business day (C4).  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)  
SC 3B PERMIT  
STC 1A and 18 OP  
Description: Failed to operate two boilers within the permitted limits for the CO emissions (C4).  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)  
SC 2B PERMIT  
STC 1A and 18 OP  
Description: Failed to operate a boiler within the permitted limits for the NOx emissions (C4).

7 Date: 02/20/2015 (1227182) CN600124705  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
5C THSC Chapter 382 382.085(b)  
Special Condition 1 PERMIT  
Description: Failure to prevent unauthorized emissions during an emissions event. Category B13

8 Date: 02/28/2015 (1250519) CN600124705  
Self Report? YES Classification: Moderate

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

9 Date: 03/24/2015 (1211133) CN600124705  
Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 115, SubChapter D 115.352(4)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VVa 60.482-6a(a)(1)  
5C THSC Chapter 382 382.085(b)  
Special Condition 9E PERMIT  
ST&C 1(A) OP  
ST&C 18 OP

Description: Failure to seal or plug an open ended line.  
Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(c)(3)(ii)  
5C THSC Chapter 382 382.085(b)  
Special Condition 11(D)(1) PERMIT  
ST&C 1(A) OP  
ST&C 18 OP

Description: Failure of flare L3FLARE to maintain the minimum heating value of 300 BTU/scf.

10 Date: 04/30/2015 (1264180) CN600124705  
Self Report? YES Classification: Moderate

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

#### F. Environmental audits:

Disclosure Date: 03/23/2011

Viol. Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(G)

Rqmt Prov: PERMIT S.C. 9

Description: Failure to achieve a 96% removal efficiency of particulate matter for the Furnace Decoking Drum.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)

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

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

Disclosure Date: 09/17/2010

Viol. Classification: Minor

Citation: 30 TAC Chapter 115, SubChapter D 115.352(2)  
30 TAC Chapter 115, SubChapter H 115.782(b)(2)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT UU 63.1024(a)

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

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

No DOV Associated

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

No DOV Associated

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

Disclosure Date: 09/27/2012

Viol. Classification: Moderate

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

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

Viol. Classification: Minor

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

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

Viol. Classification: Moderate

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

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

Viol. Classification: Moderate

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

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

Viol. Classification: Moderate

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

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

Viol. Classification: Moderate

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

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

Viol. Classification: Moderate

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

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

Viol. Classification: Minor

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

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

Notice of Intent Date: 05/01/2014 (1166640)

No DOV Associated

Notice of Intent Date: 05/29/2014 (1174157)

No DOV Associated

Notice of Intent Date: 08/12/2014 (1195990)

Disclosure Date: 10/07/2014

Viol. Classification: Minor

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

30 TAC Chapter 116, SubChapter B 116.115(c)

40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(c)

40 CFR Chapter 63, SubChapter C, PT 63, SubPT A 63.11(b)

Rqmt Prov: PERMIT NSR 83822, SC 11.D.1.

Description: While depressuring vent to the flare for maintenance shutdown, failed to operate the flare with a minimum temperature of 300 BTU/scf.

Notice of Intent Date: 03/26/2015 (1241964)

No DOV Associated

**G. Type of environmental management systems (EMSs):**

N/A

**H. Voluntary on-site compliance assessment dates:**

N/A

**I. Participation in a voluntary pollution reduction program:**

N/A

**J. Early compliance:**

N/A

**Sites Outside of Texas:**

N/A



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN  
ENFORCEMENT ACTION  
CONCERNING  
EQUISTAR CHEMICALS, LP  
RN100210319**

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

**AGREED ORDER  
DOCKET NO. 2015-0592-AIR-E**

At its \_\_\_\_\_ agenda, 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 presented this agreement to the Commission.

The Respondent understands that it has certain procedural rights at certain points in the enforcement process, including, but not limited to, the right to formal notice of violations, notice of an evidentiary hearing, the right to an evidentiary hearing, and a right to appeal. By entering into this Agreed Order, the Respondent agrees to waive all notice and procedural rights.

It is further understood and agreed that this Order represents the complete and fully-integrated settlement of the parties. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable. The duties and responsibilities imposed by this Agreed Order are binding upon the Respondent.

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

**I. FINDINGS OF FACT**

1. The Respondent owns and operates a chemical manufacturing plant located at 1515 Miller Cut Off Road in La Porte, Harris County, Texas (the "Plant").

2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
3. During an investigation conducted from January 29 to February 11, 2015, TCEQ staff documented that the Respondent failed to monitor a relief valve within 24 hours after venting to the atmosphere. Specifically, the relief valve on the Fuel Gas Dry Drum lifted on February 28, 2014 due to an unexpected shutdown of a boiler and was not monitored until March 3, 2014.
4. During an investigation conducted from January 29 to February 11, 2015, TCEQ staff documented that the Respondent failed to obtain proper authorization prior to modification of existing permitted facilities. Specifically, the Respondent failed to obtain a permit amendment prior to modifying the Q1 Vent System to vent nitrogen to the exterior of a building.
5. During an investigation conducted from March 10 to March 24, 2015, TCEQ staff documented that the Respondent failed to prevent unauthorized emissions. Specifically, the Respondent released 15,477 pounds ("lbs") of ethylene, 1,549 lbs of polyethylene, and 211 lbs of propylene from the AB3 Fugitives, Emission Point Number ("EPN") L3FUG, and 122.87 lbs of volatile organic compounds, 18.32 lbs of carbon monoxide, and 3.08 lbs of nitrogen oxides from the L3 Flare (EPN L3FLARE) during an emissions event (Incident No. 207992) that occurred on January 1, 2015 and lasted 45 minutes. The emissions event began when the Bafco System experienced a hydraulic failure as a result of a failed hose connection due to prior damage to the actuator bolt hole threads which lead to the improper assembly of the connection. This caused the unit to shut down, which caused the reactor vents to open to the atmosphere. TCEQ staff determined that this emissions event could have been prevented through better operation and maintenance practices.
6. The Respondent received notices of the violations on March 27, 2015 and May 9, 2015.
7. The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Plant:
  - a. On July 25, 2013, submitted a permit amendment application for New Source Review ("NSR") Permit No. 19109 to authorize the Q1 vent modifications and emissions; and
  - b. On March 3, 2014, dispatched a technician to monitor the relief valve on the Fuel Gas Dry Drum and educated personnel of the 24-hour relief valve monitoring requirement.

## II. CONCLUSIONS OF LAW

1. The Respondent is subject to the jurisdiction of the TCEQ pursuant to TEX. HEALTH & SAFETY CODE ch. 382, TEX. WATER CODE ch. 7, and the rules of the Commission.
2. As evidenced by Findings of Fact No. 3, the Respondent failed to monitor a relief valve within 24 hours after venting to the atmosphere, in violation of 30 TEX. ADMIN. CODE §§ 115.354(4), 115.781(e), and 122.143(4), Federal Operating Permit ("FOP") No. O1606, Special Terms and Conditions ("STC") No. 1A, and TEX. HEALTH & SAFETY CODE § 382.085(b).
3. As evidenced by Findings of Fact No. 4, the Respondent failed to obtain proper authorization prior to modifications to existing permitted facilities, in violation of 30 TEX. ADMIN. CODE §§ 116.110(b) and 122.143(4), FOP No. O1606, General Terms and Conditions, and TEX. HEALTH & SAFETY CODE § 382.085(b).
4. As evidenced by Findings of Fact No. 5, the Respondent failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 115.722(c)(1), 116.115(c), and 122.143(4), FOP No. O1606, STC No. 18, NSR Permit No. 4477, Special Conditions No. 1, and TEX. HEALTH & SAFETY CODE § 382.085(b). Since this emissions event could have been prevented through better operation and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.
5. Pursuant to TEX. WATER CODE § 7.051, the Commission has the authority to assess an administrative penalty against the Respondent for violations of the Texas Water Code and the Texas Health and Safety Code within the Commission's jurisdiction; for violations of rules adopted under such statutes; or for violations of orders or permits issued under such statutes.
6. An administrative penalty in the amount of Fifty Thousand Five Hundred Sixty-Three Dollars (\$50,563) is justified by the facts recited in this Agreed Order, and considered in light of the factors set forth in TEX. WATER CODE § 7.053. The Respondent has paid Twenty-Five Thousand Two Hundred Eighty-Two Dollars (\$25,282) of the administrative penalty and Twenty-Five Thousand Two Hundred Eighty-One Dollars (\$25,281) shall be conditionally offset by the Respondent's completion of a Supplemental Environmental Project ("SEP").

### III. ORDERING PROVISIONS

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

1. The Respondent is assessed an administrative penalty in the amount of Fifty Thousand Five Hundred Sixty-Three Dollars (\$50,563) as set forth in Section II, Paragraph 6 above, for violations of TCEQ rules and state statutes. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order completely resolve the violations set forth by this Agreed Order in this action. However, the Commission shall not be constrained in any manner from requiring corrective actions or penalties for other violations that 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. 2015-0592-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 II, Paragraph 6 above, Twenty-Five Thousand Two Hundred Eighty-One Dollars (\$25,281) 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. The Respondent shall undertake the following technical requirements:
  - a. Within 30 days of the effective date of this Agreed Order, remove and rebuild the actuator to original specifications in order to prevent a recurrence of an emissions event due to the same cause as Incident No. 207992;
  - b. Respond completely and adequately, as determined by the TCEQ, to all requests for information concerning the permit amendment for NSR Permit No. 19109 within 30 days after the date of such requests, or by any other deadline specified in writing;
  - c. Within 45 days after the effective date of this Agreed Order, submit written certification as described in Ordering Provision No. 2.e. below to demonstrate compliance with Ordering Provision No. 3.a.;

- d. Within 180 days after the effective date of this Agreed Order, submit written certification as described in Ordering Provision No. 3.e. below that either a permit amendment has been obtained or that operation has ceased until such time that appropriate authorization is obtained; and
- e. The certifications required by Ordering Provision Nos. 3.c. and 3.d. shall be accompanied by detailed supporting documentation including photographs, receipts, and/or other records, and 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. The Executive Director may refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings without notice to the Respondent if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
8. 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.
9. 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.
10. 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.
11. 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

\_\_\_\_\_  
Date

Ramon Manrique J  
For the Executive Director

2/18/16  
Date

I, the undersigned, have read and understand the attached Agreed Order in the matter of Equistar Chemicals, LP. I am authorized to agree to the attached Agreed Order on behalf of Equistar Chemicals, LP, and do agree to the specified terms and conditions. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I understand that by entering into this Agreed Order, Equistar Chemicals, LP waives certain procedural rights, including, but not limited to, the right to formal notice of violations addressed by this Agreed Order, notice of an evidentiary hearing, the right to an evidentiary hearing, and the right to appeal. I agree to the terms of the Agreed Order in lieu of an evidentiary hearing. This Agreed Order constitutes full and final adjudication by the Commission of the violations set forth in this Agreed Order.

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.

Dale Friedrichs  
Signature

11/30/2015  
Date

Dale Friedrichs  
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 III, Paragraph 1 of this Agreed Order.



**Attachment A**  
**Docket Number: 2015-0592-AIR-E**  
**SUPPLEMENTAL ENVIRONMENTAL PROJECT**

<b>Respondent:</b>	<b>Equistar Chemicals, LP</b>
<b>Penalty Amount:</b>	<b>Fifty Thousand Five Hundred Sixty-Three Dollars (\$50,563)</b>
<b>SEP Offset Amount:</b>	<b>Twenty-Five Thousand Two Hundred Eighty-One Dollars (\$25,281)</b>
<b>Type of SEP:</b>	<b>Contribution to a Third-Party Pre-Approved SEP</b>
<b>Third-Party Administrator:</b>	<b>Barbers Hill Independent School District</b>
<b>Project Name:</b>	<b><i>Energy Efficiency Building Upgrade/Retrofit Project</i></b>
<b>Location of SEP:</b>	<b>Chambers County</b>

The Texas Commission on Environmental Quality (“TCEQ”) agrees to offset a portion of the administrative penalty amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project (“SEP”). The 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 **Barbers Hill Independent School District** for the *Energy Efficiency Building Upgrade/Retrofit 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 pay a contractor to install and monitor sub-meters. The contractor’s work will include installing revenue grade electric sub-meters in the line feed of certain facilities; installing revenue grade current transformers; incorporating all engineering, software, and graphics to accomplish effective monitoring of the status of this equipment; and a one-year warranty including parts and labor for the new sub-meters. In addition to sub-metering, the Third-Party Administrator shall use the SEP Offset Amount to pay its contractor to monitor, calibrate, and repair existing meters and to complete energy efficiency upgrades and/or retrofits based on needs identified in energy audits. 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 able to be 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

The Project will result in reduced energy consumption by school district buildings and will contribute to the overall reduction of greenhouse gases. The sub-metering is expected to reduce energy consumption up to eight percent. The Project will reduce fuel and electricity usage for heating and cooling and day-to-day operations. These reductions will reduce emission of particulate matter, volatile organic carbon compounds, nitrogen oxides, and other pollutants associated with the combustion of fuel and generation of electricity. It will also contribute to a reduction in peak loads on the State electric power grid.

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 **Barbers Hill ISD SEP** and shall mail the contribution with a copy of the Agreed Order to:

John Johnson, Consultant  
Carl R. Griffith & Associates, Inc.  
2901 Turtle Creek Drive, Suite 445  
Port Arthur, Texas 77642

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

Concurrent with the payment of the SEP Offset Amount, the 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 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.