

Executive Summary – Enforcement Matter – Case No. 51112

Phillips 66 Company

RN101619179

Docket No. 2015-1243-AIR-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

AIR

Small Business:

No

Location(s) Where Violation(s) Occurred:

Sweeny Refinery, 8189 Old Farm-to-Market Road 524, Old Ocean, Brazoria County

Type of Operation:

Refinery

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: January 29, 2016

Comments Received: No

Penalty Information

Total Penalty Assessed: \$14,250

Amount Deferred for Expedited Settlement: \$2,850

Amount Deferred for Financial Inability to Pay: \$0

Total Paid to General Revenue: \$5,700

Total Due to General Revenue: \$0

Payment Plan: N/A

Supplemental Environmental Project ("SEP") Conditional Offset: \$5,700

Name of SEP: Texas Congress of Parents and Teachers (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 27, 2015 through May 11, 2015

Date(s) of NOE(s): July 28, 2015

Executive Summary – Enforcement Matter – Case No. 51112

Phillips 66 Company

RN101619179

Docket No. 2015-1243-AIR-E

Violation Information

Failed to prevent unauthorized emissions. Specifically, during an emissions event (Incident No. 213019) that occurred on April 11, 2015 and lasted two hours and 53 minutes, the Respondent released 16,349.51 pounds ("lbs") of volatile organic compounds ("VOC"), 7,345.72 lbs of carbon monoxide ("CO"), 1,719.65 lbs of sulfur dioxide ("SO₂"), 1,016.54 lbs of nitrogen oxides ("NO_x"), and 130.97 lbs of hydrogen sulfide from the Vacuum Unit Flare, Emission Point Number ("EPN") 29-61-1; 3.94 lbs of VOC, 47.45 lbs of CO, 0.97 lb of SO₂, and 18.88 lbs of NO_x from the Expansion High-Pressure Flare, EPN 56-61-16; and 8.93 lbs of SO₂ from the Expansion Low-Pressure Flare, EPN 56-61-17. The event occurred when two wires within the controller for the Wet Gas Compressor became disconnected, which caused the Wet Gas Compressor to trip and the subsequent flaring. Since it could not be determined that this event could not have been avoided through better design, operation, or maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(c), and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), New Source Review Permit Nos. 5920A and PSDTX103M4, Special Conditions No. 1, and Federal Operating Permit No. O1626, Special Terms and Conditions No. 19].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

On August 21, 2015, the Respondent updated the preventative maintenance work order instructions to include checking the wiring connections in the controller's cabinet for the Wet Gas Compressor to ensure they are tight in order to prevent a recurrence of emissions events due to the same or similar cause as Incident No. 213019.

Technical Requirements:

The Order will require the Respondent to implement and complete a SEP (see SEP Attachment A).

Litigation Information

Date Petition(s) Filed: N/A

Date Answer(s) Filed: N/A

SOAH Referral Date: N/A

Hearing Date(s): N/A

Settlement Date: N/A

Executive Summary – Enforcement Matter – Case No. 51112
Phillips 66 Company
RN101619179
Docket No. 2015-1243-AIR-E

Contact Information

TCEQ Attorney: N/A

TCEQ Enforcement Coordinator: Rajesh Acharya, Enforcement Division,
Enforcement Team 4, MC 149, (512) 239-0577; Melissa Cordell, Enforcement Division,
MC 219, (512) 239-2483

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

Respondent: W. A. Tempton, Jr., General Manager, Phillips 66 Company, P.O. Box
866, Sweeny, Texas 77480

Respondent's Attorney: N/A

Attachment A
Docket Number: 2015-1243-AIR-E
SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	Phillips 66 Company
Penalty Amount:	Eleven Thousand Four Hundred Dollars (\$11,400)
SEP Offset Amount:	Five Thousand Seven Hundred Dollars (\$5,700)
Type of SEP:	Contribution to a Third-Party Pre-Approved SEP
Third-Party Administrator:	Texas Congress of Parents and Teachers dba Texas PTA
Project Name:	<i>Texas PTA Clean School Bus Replacement Program</i>
Location of SEP:	Texas Air Quality Control Region 216: Houston-Galveston

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

1. Project Description

a. Project

The Respondent shall contribute the SEP Offset Amount to the Third-Party Administrator named above. The contribution will be to the **Texas Congress of Parents and Teachers dba Texas PTA** for the *Texas PTA Clean School Bus Replacement Program*. The contribution will be used in accordance with the SEP between the Third-Party Administrator and the TCEQ (the “Project”). Specifically, the contribution will be used to reduce nitrogen oxides, volatile organic compounds, carbon monoxide, and particulate matter emissions by replacing older diesel buses with newer buses that meet more stringent emission standards. The Third-Party Administrator shall use the SEP Offset Amount for up to 100% of the purchase price of a model year 2010 or newer bus to replace a diesel school bus that is model year 2002 or older. The SEP will be done in accordance with all federal, state, and local environmental laws and regulations.

All dollars contributed will be used solely for the direct cost of the Project, including but not limited to supplies, materials, and equipment. Any portion of this contribution that is not spent on the specifically identified SEP may, at the discretion of the Executive Director (“ED”), be applied to another pre-approved SEP.

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

b. Environmental Benefit

This SEP will directly benefit air quality by reducing harmful exhaust emissions which contribute to the formation of ozone and may cause or exacerbate a number of respiratory diseases, including asthma. In addition, by encouraging less school bus idling, this SEP contributes to public awareness of environmental matters.

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 **Texas Congress of Parents and Teachers SEP** and shall mail the contribution with a copy of the Agreed Order to the following address.

Texas PTA
408 West 11th Street
Austin, Texas 78701

3. Records and Reporting

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

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 the following address.

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

5. Publicity

Any public statements concerning this SEP made by or on behalf of the Respondent, must include a clear statement that **the Project was performed as part of the settlement of an enforcement action brought by the TCEQ**. Such statements include advertising, public relations, and/or 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 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 PCW	3-Aug-2015	Screening	13-Aug-2015	EPA Due	
		4-Nov-2015				

RESPONDENT/FACILITY INFORMATION	
Respondent	Phillips 66 Company
Reg. Ent. Ref. No.	RN101619179
Facility/Site Region	12-Houston
Major/Minor Source	Major

CASE INFORMATION			
Enf./Case ID No.	51112	No. of Violations	1
Docket No.	2015-1243-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Rachel Bekowies
		EC's Team	Enforcement Team 4
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$25,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties) **Subtotal 1** **\$7,500**

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** **\$7,500**

Notes: Enhancement for six NOVs with same/similar violations, three NOVs with dissimilar violations, five orders containing a denial of liability, and three orders without a denial of liability. Reduction for 13 Notices of Intent to conduct an audit and three Disclosures of Violations.

Culpability **No** **0.0%** Enhancement **Subtotal 4** **\$0**

Notes: The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply Total Adjustments **Subtotal 5** **-\$750**

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

Total EB Amounts	\$36	*Capped at the Total EB \$ Amount
Estimated Cost of Compliance	\$2,000	

SUM OF SUBTOTALS 1-7 **Final Subtotal** **\$14,250**

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

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

Final Penalty Amount **\$14,250**

STATUTORY LIMIT ADJUSTMENT **Final Assessed Penalty** **\$14,250**

DEFERRAL **20.0%** Reduction **Adjustment** **-\$2,850**

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 **\$11,400**

Screening Date 13-Aug-2015

Docket No. 2015-1243-AIR-E

PCW

Respondent Phillips 66 Company

Policy Revision 4 (April 2014)

Case ID No. 51112

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN101619179

Media [Statute] Air

Enf. Coordinator Rachel Bekowies

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>)	6	30%
	Other written NOVs	3	6%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	5	100%
	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	3	75%
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>)	13	-13%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	3	-6%
<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) 192%

>> **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 six NOVs with same/similar violations, three NOVs with dissimilar violations, five orders containing a denial of liability, and three orders without a denial of liability. Reduction for 13 Notices of Intent to conduct an audit and three Disclosures of Violations.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 192%

>> **Final Compliance History Adjustment**

Final Adjustment Percentage *capped at 100% 100%

Screening Date 13-Aug-2015

Docket No. 2015-1243-AIR-E

PCW

Respondent Phillips 66 Company

Policy Revision 4 (April 2014)

Case ID No. 51112

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN101619179

Media [Statute] Air

Enf. Coordinator Rachel Bekowies

Violation Number 1

Rule Cite(s)

30 Tex. Admin. Code §§ 101.20(3), 116.115(c), and 122.143(4), Tex. Health & Safety Code § 382.085(b), New Source Review Permit Nos. 5920A and PSDTX103M4, Special Conditions No. 1, and Federal Operating Permit No. O1626, Special Terms and Conditions No. 19

Violation Description

Failed to prevent unauthorized emissions. Specifically, during an emissions event (Incident No. 213019) that occurred on April 11, 2015 and lasted two hours and 53 minutes, the Respondent released 16,349.51 pounds ("lbs") of volatile organic compounds ("VOC"), 7,345.72 lbs of carbon monoxide ("CO"), 1,719.65 lbs of sulfur dioxide ("SO2"), 1,016.54 lbs of nitrogen oxides ("NOx"), and 130.97 lbs of hydrogen sulfide from the Vacuum Unit Flare, Emission Point Number ("EPN") 29-61-1; 3.94 lbs of VOC, 47.45 lbs of CO, 0.97 lb of SO2, and 18.88 lbs of NOx from the Expansion High-Pressure Flare, EPN 56-61-16; and 8.93 lbs of SO2 from the Expansion Low-Pressure Flare, EPN 56-61-17. The event occurred when two wires within the controller for the Wet Gas Compressor became disconnected, which caused the Wet Gas Compressor to trip and the subsequent flaring. Since it could not be determined that this event could not have been avoided through better design, operation, or 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 30.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

Based on the Air Quality Analysis of the dispersion modeling provided by the Respondent, human health or the environment has been exposed to significant amounts of pollutants that did not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$17,500

\$7,500

Violation Events

Number of Violation Events 1

1 Number of violation days

daily	
weekly	
monthly	x
quarterly	
semiannual	
annual	
single event	

mark only one with an x

Violation Base Penalty \$7,500

One monthly event is recommended.

Good Faith Efforts to Comply

10.0%

Reduction \$750

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

Notes

The Respondent completed corrective action on August 21, 2015, after the July 28, 2015 Notice of Enforcement.

Violation Subtotal \$6,750

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$36

Violation Final Penalty Total \$14,250

This violation Final Assessed Penalty (adjusted for limits) \$14,250

Economic Benefit Worksheet

Respondent Phillips 66 Company
Case ID No. 51112
Reg. Ent. Reference No. RN101619179
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)	\$2,000	11-Apr-2015	21-Aug-2015	0.36	\$36	n/a	\$36

Notes for DELAYED costs

Estimated cost to update the preventative maintenance work order instructions to include checking the wiring connections in the controller's cabinet for the Wet Gas Compressor to ensure they are tight. The Date Required is the date of the emissions event. 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

\$2,000

TOTAL

\$36

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 CN604065912, RN101619179, Rating Year 2014 which includes Compliance History (CH) components from September 1, 2009, through August 31, 2014.

Customer, Respondent, or Owner/Operator: CN604065912, Phillips 66 Company **Classification:** SATISFACTORY **Rating:** 8.80

Regulated Entity: RN101619179, SWEENEY REFINERY **Classification:** SATISFACTORY **Rating:** 4.48

Complexity Points: 48 **Repeat Violator:** NO

CH Group: 02 - Oil and Petroleum Refineries

Location: 8189 OLD FM 524 OLD OCEAN, TX 77463, BRAZORIA COUNTY

TCEQ Region: REGION 12 - HOUSTON

ID Number(s):

AIR NEW SOURCE PERMITS REGISTRATION 72035	AIR NEW SOURCE PERMITS REGISTRATION 72036
AIR NEW SOURCE PERMITS REGISTRATION 10779	AIR NEW SOURCE PERMITS REGISTRATION 12344
AIR NEW SOURCE PERMITS REGISTRATION 12993	AIR NEW SOURCE PERMITS REGISTRATION 13744
AIR NEW SOURCE PERMITS REGISTRATION 13929	AIR NEW SOURCE PERMITS REGISTRATION 13978
AIR NEW SOURCE PERMITS PERMIT 1486A	AIR NEW SOURCE PERMITS PERMIT 5689A
AIR NEW SOURCE PERMITS PERMIT 5920A	AIR NEW SOURCE PERMITS PERMIT 7467A
AIR NEW SOURCE PERMITS PERMIT 7754A	AIR NEW SOURCE PERMITS PERMIT 18142
AIR NEW SOURCE PERMITS PERMIT 21265	AIR NEW SOURCE PERMITS PERMIT 22086
AIR NEW SOURCE PERMITS REGISTRATION 24161	AIR NEW SOURCE PERMITS REGISTRATION 24717
AIR NEW SOURCE PERMITS REGISTRATION 26533	AIR NEW SOURCE PERMITS REGISTRATION 25434
AIR NEW SOURCE PERMITS PERMIT 30513	AIR NEW SOURCE PERMITS REGISTRATION 33153
AIR NEW SOURCE PERMITS REGISTRATION 35506	AIR NEW SOURCE PERMITS REGISTRATION 35780
AIR NEW SOURCE PERMITS REGISTRATION 39026	AIR NEW SOURCE PERMITS REGISTRATION 43038
AIR NEW SOURCE PERMITS ACCOUNT NUMBER BL0042G	AIR NEW SOURCE PERMITS REGISTRATION 55489
AIR NEW SOURCE PERMITS REGISTRATION 75616	AIR NEW SOURCE PERMITS REGISTRATION 75905
AIR NEW SOURCE PERMITS REGISTRATION 75713	AIR NEW SOURCE PERMITS AFS NUM 4803900010
AIR NEW SOURCE PERMITS PERMIT 49140	AIR NEW SOURCE PERMITS REGISTRATION 54666
AIR NEW SOURCE PERMITS REGISTRATION 74130	AIR NEW SOURCE PERMITS EPA PERMIT PSDTX103M1
AIR NEW SOURCE PERMITS EPA PERMIT PSDTX103M2	AIR NEW SOURCE PERMITS REGISTRATION 76731
AIR NEW SOURCE PERMITS EPA PERMIT PSDTX103M3	AIR NEW SOURCE PERMITS REGISTRATION 77648
AIR NEW SOURCE PERMITS REGISTRATION 77153	AIR NEW SOURCE PERMITS REGISTRATION 77156
AIR NEW SOURCE PERMITS REGISTRATION 77157	AIR NEW SOURCE PERMITS REGISTRATION 77152
AIR NEW SOURCE PERMITS REGISTRATION 77154	AIR NEW SOURCE PERMITS REGISTRATION 78566
AIR NEW SOURCE PERMITS PERMIT 80806	AIR NEW SOURCE PERMITS REGISTRATION 81104
AIR NEW SOURCE PERMITS REGISTRATION 82689	AIR NEW SOURCE PERMITS REGISTRATION 82601
AIR NEW SOURCE PERMITS EPA PERMIT PSDTX103M4	AIR NEW SOURCE PERMITS REGISTRATION 95086
AIR NEW SOURCE PERMITS REGISTRATION 25389	AIR NEW SOURCE PERMITS REGISTRATION 111670
AIR NEW SOURCE PERMITS PERMIT 118699	AIR NEW SOURCE PERMITS REGISTRATION 114522
AIR NEW SOURCE PERMITS REGISTRATION 109145	AIR NEW SOURCE PERMITS REGISTRATION 111673
AIR NEW SOURCE PERMITS EPA PERMIT PSDTX751	AIR NEW SOURCE PERMITS REGISTRATION 118459
AIR NEW SOURCE PERMITS REGISTRATION 117901	AIR NEW SOURCE PERMITS REGISTRATION 119729
AIR NEW SOURCE PERMITS REGISTRATION 124739	AIR NEW SOURCE PERMITS REGISTRATION 116241
AIR NEW SOURCE PERMITS EPA PERMIT PSDTX103M5	AIR NEW SOURCE PERMITS REGISTRATION 111676
AIR NEW SOURCE PERMITS REGISTRATION 123719	AIR NEW SOURCE PERMITS REGISTRATION 106776
AIR NEW SOURCE PERMITS PERMIT 126181	AIR NEW SOURCE PERMITS EPA PERMIT N212
AIR NEW SOURCE PERMITS REGISTRATION 119815	AIR QUALITY NON PERMITTED ACCOUNT NUMBER BL0042G
AIR OPERATING PERMITS PERMIT 1626	AIR OPERATING PERMITS ACCOUNT NUMBER BL0042G
AIR OPERATING PERMITS PERMIT O3781	WASTEWATER EPA ID TX0007536

WASTEWATER PERMIT WQ0000721000

PETROLEUM STORAGE TANK REGISTRATION
REGISTRATION 83813

AIR EMISSIONS INVENTORY ACCOUNT NUMBER BL0042G

INDUSTRIAL AND HAZARDOUS WASTE SOLID WASTE
REGISTRATION # (SWR) 30048

POLLUTION PREVENTION PLANNING ID NUMBER
P00531

STORMWATER PERMIT TXR05BI93

WASTEWATER PERMIT TXG670203

PETROLEUM STORAGE TANK REGISTRATION

REGISTRATION 20580

USED OIL REGISTRATION C88564

INDUSTRIAL AND HAZARDOUS WASTE EPA ID
TXD048210645

INDUSTRIAL AND HAZARDOUS WASTE PERMIT 50186

STORMWATER PERMIT TXR05BI94

STORMWATER PERMIT TXR15ZA47

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

Date Compliance History Report Prepared: August 12, 2015

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: August 12, 2010 to August 12, 2015

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

Name: Rachel Bekowies

Phone: (512) 239-2608

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: 08/30/2010 ADMINORDER 2010-0284-AIR-E (Findings Order-Agreed Order Without 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 to prevent unauthorized emissions. Since the cause of the event was never clearly defined, the demonstrations for an affirmative defense in 30 Tex. Admin. Code § 101.222 were not met.
- 2 Effective Date: 07/02/2011 ADMINORDER 2010-2001-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 to prevent unauthorized emissions. Specifically, the Respondent released 14,186 pounds ("lbs") of particulate matter, 216 lbs of volatile organic compounds, 147.8 lbs of carbon monoxide, 21.7 lbs of sulfur dioxide, and 20 lbs of nitrogen oxide from the Unit 27 Regenerator Flue Gas Stack, Coker Flare, HP Expansion Flare No. 16, and LP Expansion Flare No. 17 during an avoidable emissions event (Incident No. 144709) that began September 13, 2010 and lasted for 17 hours and 54 minutes. The un
- 3 Effective Date: 03/03/2012 ADMINORDER 2011-1766-AIR-E (Findings Order-Agreed Order Without 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: Permit No. 5920A & PSDTX103M4, SC1 PA
Special Condition No. 1 PERMIT

Special Terms and Conditions No. 19 OP

Description: Failure to prevent unauthorized emissions. ConocoPhillips failed to prevent a power interruption at the refinery during maintenance activities.

- 4 Effective Date: 04/27/2013 ADMINORDER 2012-1975-AIR-E (1660 Order-Agreed Order With Denial)
Classification: Moderate
Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
30 TAC Chapter 122, SubChapter B 122.146(2)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: General Terms and Conditions OP
Description: Failure to submit a permit compliance certification for the period of November 20, 2010 through May 20, 2011 within the required time frame
- 5 Effective Date: 06/03/2013 ADMINORDER 2012-2231-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: Permit 5920A and PSDTX103M4 SC No.1 PA
Special Condition 1 PA
Description: Failure prevent unauthorized emissions during an emissions event. (Category (A8(c)(2)(B))
- 6 Effective Date: 08/03/2013 ADMINORDER 2012-1125-IWD-E (1660 Order-Agreed Order With Denial)
Classification: Minor
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)(1)
30 TAC Chapter 305, SubChapter F 305.125(1)
Rqmt Prov: Effluent Limitations and Monitoring Req PERMIT
Description: Failed to comply with permitted effluent limits.
- 7 Effective Date: 01/25/2014 ADMINORDER 2013-1366-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 to prevent unauthorized emissions during an event that occurred on January 5, 2013 in the 26.2 Hydrogen Purification Unit. Specifically, Respondent released 3,520.4 pounds of sulfur dioxide, 690.4 lbs of volatile organic compounds, 352.8 lbs of carbon monoxide, 50.3 lbs of nitrogen oxide, and 30.3 lbs of hydrogen sulfide during the 8 hour and 29 minute event (Incident No. 177708). The event occurred when a tower upset followed a routine water wash of feed and overhead exchangers that re
- 8 Effective Date: 10/17/2014 ADMINORDER 2013-1942-AIR-E (Findings Order-Agreed Order Without 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 No. 1 PERMIT
Description: Failed to prevent unauthorized emissions during Incident No. 181782. A Refrigeration Compressor tripped and released unauthorized emissions from the Coker Flare (EPN 29-61-1), DEA Stripper Flare (EPN 28.1-61-9), FCC Regenerator Exhaust (EPN 27-.1-36-RE), Unit 28 Incinerator Stack (EPN 28.2-36-2), Expansion Flare (EPN 56-61-16), and Flare 19 (EPN 56-61-19). Project Execution Plan procedures did not include proper sequencing steps for the opening and closing of valves.
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: Failure to prevent unauthorized emissions due to burner pilot flame out. Sub-category: A8. On 10-7-13, in the Sulfur Recovery Unit 28.2, 56,106 pounds of unauthorized SO2 emissions and 607 pounds of unauthorized H2S emissions were released to the atmosphere during the 4 hour event (Incident No. 189207).

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 23, 2010	(866880)
Item 2	September 02, 2010	(843405)
Item 3	September 03, 2010	(843440)
Item 4	September 20, 2010	(873950)
Item 5	October 21, 2010	(881547)
Item 6	October 29, 2010	(872298)
Item 7	December 06, 2010	(880440)
Item 8	December 20, 2010	(888069)
Item 9	February 14, 2011	(891039)
Item 10	February 22, 2011	(909135)
Item 11	March 09, 2011	(877964)
Item 12	March 18, 2011	(916386)
Item 13	April 25, 2011	(906079)
Item 14	May 23, 2011	(938072)
Item 15	June 06, 2011	(915898)
Item 16	June 13, 2011	(919865)
Item 17	June 17, 2011	(924158)
Item 18	June 21, 2011	(921628)
Item 19	July 25, 2011	(952669)
Item 20	August 15, 2011	(959355)
Item 21	August 17, 2011	(943566)
Item 22	August 19, 2011	(923224)
Item 23	September 22, 2011	(965387)
Item 24	December 16, 2011	(971048)
Item 25	January 30, 2012	(984353)
Item 26	February 09, 2012	(974304)
Item 27	March 06, 2012	(987796)
Item 28	March 22, 2012	(983699)
Item 29	April 03, 2012	(987823)
Item 30	May 15, 2012	(1016495)
Item 31	June 13, 2012	(1024218)
Item 32	July 25, 2012	(1009419)
Item 33	October 18, 2012	(1061031)
Item 34	November 06, 2012	(1035703)
Item 35	November 09, 2012	(1034922)
Item 36	November 20, 2012	(1061032)
Item 37	December 10, 2012	(1041118)
Item 38	December 18, 2012	(1061033)
Item 39	January 17, 2013	(1079060)
Item 40	February 20, 2013	(1079059)
Item 41	March 20, 2013	(1089354)
Item 42	April 12, 2013	(1075252)
Item 43	April 17, 2013	(1095747)
Item 44	May 01, 2013	(1077307)
Item 45	May 15, 2013	(1106672)
Item 46	June 07, 2013	(1086856)
Item 47	July 03, 2013	(1088252)
Item 48	July 17, 2013	(1117232)
Item 49	August 21, 2013	(1077319)
Item 50	August 27, 2013	(1098931)
Item 51	September 11, 2013	(1100449)
Item 52	September 27, 2013	(1094844)
Item 53	October 17, 2013	(1135318)

Item 54	November 20, 2013	(1140716)
Item 55	November 26, 2013	(1121405)
Item 56	December 16, 2013	(1123316)
Item 57	December 19, 2013	(1147175)
Item 58	January 20, 2014	(1153244)
Item 59	February 10, 2014	(1138570)
Item 60	February 20, 2014	(1160579)
Item 61	March 19, 2014	(1167224)
Item 62	April 10, 2014	(1159429)
Item 63	April 15, 2014	(1174357)
Item 64	May 20, 2014	(1180545)
Item 65	June 16, 2014	(1164221)
Item 66	June 18, 2014	(1187443)
Item 67	June 23, 2014	(1164220)
Item 68	July 03, 2014	(1164223)
Item 69	July 18, 2014	(1198635)
Item 70	August 20, 2014	(1198636)
Item 71	September 05, 2014	(1186209)
Item 72	September 15, 2014	(1116304)
Item 73	September 18, 2014	(1205848)
Item 74	October 22, 2014	(1196422)
Item 75	October 24, 2014	(1204205)
Item 76	October 29, 2014	(1193419)
Item 77	November 24, 2014	(1197743)
Item 78	December 08, 2014	(1192419)
Item 79	December 17, 2014	(1224291)
Item 80	December 19, 2014	(1205367)
Item 81	January 06, 2015	(1211284)
Item 82	February 20, 2015	(1242329)
Item 83	March 18, 2015	(1248658)
Item 84	April 15, 2015	(1255558)
Item 85	May 13, 2015	(1262268)
Item 86	June 18, 2015	(1269437)
Item 87	July 20, 2015	(1276981)
Item 88	August 04, 2015	(1253267)

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: 09/30/2014 (1212260) CN604065912
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

- 2 Date: 10/03/2014 (1186127) CN604065912
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 due to shorting of stator winding.

- 3 Date: 10/31/2014 (1218512) CN604065912
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

- 4 Date: 12/31/2014 (1230878) CN604065912
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: 01/06/2015 (1197699) CN604065912
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 due to the failure of the bottoms level indicator and the bottoms flow meter.

6 Date: 03/13/2015 (1208735) CN604065912
Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
Special Condition 1 PERMIT
Special Term & Condition 19 OP

Description: Failure to operate a cooling tower (EPN 54-22-11) within the required VOC lbs/hr limit. (CATEGORY C4 VIOLATION)

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
Special Condition 24 PERMIT
Special Term & Condition 19 OP

Description: Failure to operate a cooling tower (EPN 54-22-8) within the required VOC ppm concentration. (CATEGORY C4 VIOLATION)

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
Special Condition 6 PERMIT
Special Term & Condition 19 OP

Description: Failure to operate the combined coker heater furnace within the maximum permitted firing rate. (CATEGORY B18 VIOLATION)

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
Special Condition 6 PERMIT
Special Term & Condition 19 OP

Description: Failure to operate the Unit 9 crude charge heater within the permitted CO concentration of 100 parts per million. (CATEGORY C4 VIOLATION)

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
Special Condition 1 PERMIT
Special Term & Condition 19 OP

Description: Failure to operate the Unit 25 crude charge heater within the permitted hourly limits for CO. (CATEGORY C4 VIOLATION)

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
Special Condition 6 PERMIT
Special Term & Condition 19 OP

Description: Failure to operate the Unit 26 combined heater stack within the required NOx emissions factor. (CATEGORY C4 VIOLATION)

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
Special Condition 7 PERMIT
Special Condition 7A PERMIT
Special Term & Condition 19 OP

Description: Failure to operate the regenerative thermal oxidizer (RTO) as required by Permit 21265. (CATEGORY C4 VIOLATION)

Self Report? NO Classification: Moderate

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 J 60.104(a)(1)

40 CFR Chapter 60, SubChapter C, PT 60, SubPT J 60.104(a)(2)(i)
5C THSC Chapter 382 382.085(b)
Special Condition 1 PERMIT
Special Term & Condition 19 OP

Description: Special Term & Condition 1A OP
Failure to operate miscellaneous refinery sources within the permitted SO2 limits.
(CATEGORY B18 VIOLATION)

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 115, SubChapter D 115.354(2)(C)
30 TAC Chapter 115, SubChapter D 115.356(2)(A)
30 TAC Chapter 115, SubChapter D 115.356(2)(B)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(a)(1)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT AA 63.648(a)
5C THSC Chapter 382 382.085(b)
Special Condition 12F PERMIT
Special Condition 25F PERMIT
Special Condition 7F PERMIT
Special Term & Condition 19 OP
Special Term & Condition 1A OP

Description: Failure to maintain records and perform required Method 21 monitoring to 178
valves in VOC service. (CATEGORY C7 VIOLATION)

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 115, SubChapter D 115.356(2)(A)
30 TAC Chapter 115, SubChapter D 115.356(2)(B)
30 TAC Chapter 115, SubChapter H 115.781(b)(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)
Special Condition 26 PERMIT
Special Term & Condition 19 OP
Special Term & Condition 1A OP

Description: Failure to maintain records and perform required Method 21 monitoring to 597
connectors in VOC service. (CATEGORY C1 VIOLATION)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
30 TAC Chapter 122, SubChapter B 122.146(5)(C)
5C THSC Chapter 382 382.085(b)
General Terms & Conditions OP

Description: Failure to provide required information for each deviation. (CATEGORY B3
VIOLATION)

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 VV 60.482-6(a)(1)
5C THSC Chapter 382 382.085(b)
Special Condition 12E PERMIT
Special Condition 25E PERMIT
Special Term & Condition 19 OP
Special Term & Condition 1A OP

Description: Failure to maintain open-ended lines with a cap, plug, or other sealing device.
(CATEGORY C10 VIOLATION)

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.346(a)(3)
5C THSC Chapter 382 382.085(b)
Special Term & Condition 1A OP

Description: Failure to bolt and completely seal the main lift station manway within 15 days.
(CATEGORY C4 VIOLATION)

7 Date: 05/06/2015 (1208736) CN604065912

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 117, SubChapter B 117.303(a)(6)(D)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
Special Term & Condition 1A OP

Description: Failure to comply with the 52 hour limit for the operation of emergency engines.
(CATEGORY C1 VIOLATION)

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)

30 TAC Chapter 122, SubChapter B 122.145(2)(A)
5C THSC Chapter 382 382.085(b)
General Terms & Conditions OP

Description: Failure to include all deviations in the deviation reports. (CATEGORY C3 VIOLATION)

8 Date: 05/12/2015 (1240331) CN604065912
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 due to high concentration of light hydrocarbons in the waste water treatment system.

9 Date: 06/10/2015 (1241069) CN604065912
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 due entrained water in the gas oil feed to Unit 3 FCC.

F. Environmental audits:

Notice of Intent Date: 09/07/2010 (858408)

Disclosure Date: 06/17/2011

Viol. Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter H 115.782(b)(1)

Description: Failure to repair HRVOC>10,000-ppm within 7- calendar days.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter D 115.352(4)

Description: Failure in having 6x open-ended lines.

Viol. Classification: Moderate

Rqmt Prov: PERMIT SC 6H

Description: Failure to perform 5-day first attempt and 15-day final repair.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter D 115.354(11)

30 TAC Chapter 115, SubChapter D 115.354(2)

Description: Failure to monitor within 30 days of hydrocarbon service and perform subsequent quarterly monitoring of light liquid and gas/vapor components.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter H 115.782

30 TAC Chapter 115, SubChapter H 115.782(c)

Description: Failure to perform emissions calculations and extraordinary attempts for HRVOC components placed on Delay of Repair(DOR).

Notice of Intent Date: 07/08/2011 (941850)

Disclosure Date: 12/16/2011

Viol. Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter D 115.354(11)

30 TAC Chapter 115, SubChapter D 115.354(2)

30 TAC Chapter 116, SubChapter B 116.115(c)

Rqmt Prov: PERMIT NSR Permit 21265 SC 2

PERMIT S.C. 12

PERMIT S.C. 25

Description: Failure to conduct monitoring within 30 days of hydrocarbon service and failure to perform subsequent quarterly monitoring of light liquid and gas/vapor components (Approximately 0.01% error rate). Additionally, failure to correctly designate components for monitoring and failure to perform subsequent quarterly monitoring of light liquid and gas/vapor components (Approximately 0.01% and 1.8%error rate). According to Permit 590A SC 25, Permit 30513 SC 12, and Permit 21265 SC 2

Notice of Intent Date: 12/06/2011 (989451)

No DOV Associated

Notice of Intent Date: 05/22/2012 (1014066)

No DOV Associated

Notice of Intent Date: 07/25/2012 (1027881)

Disclosure Date: 12/18/2012

Viol. Classification: Moderate

Citation:

30 TAC Chapter 116, SubChapter B 116.111(a)

Rqmt Prov: PERMIT NSR Permit No. 5689A

Description: Failed to correctly calculate tank ambient temperatures. The permit dated 01-04-1996 contained an emission limit of 24.20 tpy VOC. The subsequent renewal in 2005 incorrectly calculated these tanks with an average ambient temperature of 69.81 °F, whereas these tanks are heated: Tank Nos. 68TK237; 68-95-237; 68TK238; 68-95-238; 68TK239; 68-95-239.

Notice of Intent Date: 05/28/2013 (1099034)

No DOV Associated

Notice of Intent Date: 05/28/2013 (1179106)

No DOV Associated

Notice of Intent Date: 05/20/2014 (1177913)

No DOV Associated

Notice of Intent Date: 06/24/2014 (1178784)

No DOV Associated

Notice of Intent Date: 06/25/2014 (1179196)

No DOV Associated

Notice of Intent Date: 09/26/2014 (1197588)

No DOV Associated

Notice of Intent Date: 04/20/2015 (1247146)

No DOV Associated

Notice of Intent Date: 04/23/2015 (1252151)

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
PHILLIPS 66 COMPANY
RN101619179**

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

**AGREED ORDER
DOCKET NO. 2015-1243-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 Phillips 66 Company ("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 refinery located at 8189 Old Farm-to-Market Road 524 in Old Ocean, Brazoria 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 August 2, 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 Fourteen Thousand Two Hundred Fifty Dollars (\$14,250) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Five Thousand Seven Hundred Dollars (\$5,700) of the administrative penalty and Two Thousand Eight Hundred Fifty

Dollars (\$2,850) 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. Five Thousand Seven Hundred Dollars (\$5,700) 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 on August 21, 2015, the Respondent updated the preventative maintenance work order instructions to include checking the wiring connections in the controller's cabinet for the Wet Gas Compressor to ensure they are tight in order to prevent a recurrence of emissions events due to the same or similar cause as Incident No. 213019.
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 failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(c), and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), New Source Review Permit Nos. 5920A and PSDTX103M4, Special Conditions No. 1, and Federal Operating Permit No. O1626, Special Terms and Conditions No. 19, as documented during a record review conducted from April 27, 2015 through May 11, 2015. Specifically, during an emissions event (Incident No. 213019) that occurred on April 11, 2015 and lasted two hours and 53 minutes, the Respondent released 16,349.51 pounds ("lbs") of volatile organic compounds ("VOC"), 7,345.72 lbs of carbon monoxide ("CO"), 1,719.65 lbs of sulfur dioxide ("SO₂"), 1,016.54 lbs of nitrogen oxides ("NO_x"), and 130.97 lbs of hydrogen sulfide from the Vacuum Unit Flare, Emission Point Number ("EPN") 29-61-1; 3.94 lbs of VOC, 47.45 lbs of CO, 0.97 lb of SO₂, and 18.88 lbs of NO_x from the Expansion High-Pressure Flare, EPN 56-61-16; and 8.93 lbs of SO₂ from the Expansion Low-Pressure Flare, EPN 56-61-17. The event occurred when two wires within the controller for the

Wet Gas Compressor became disconnected, which caused the Wet Gas Compressor to trip and the subsequent flaring. Since it could not be determined that this event could not have been avoided through better design, operation, or maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.

III. DENIALS

The Respondent generally denies each allegation in Section II ("Allegations").

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that the Respondent pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Phillips 66 Company, Docket No. 2015-1243-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, Five Thousand Seven Hundred Dollars (\$5,700) 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 provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Plant operations referenced in this Agreed Order.
4. If the Respondent fails to comply with any of the Ordering Provisions in this Agreed Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, the Respondent's failure to comply is not a violation of this Agreed Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.

5. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
6. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
7. This Agreed Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Agreed Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Agreed Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms "electronic transmission", "owner", "person", "writing", and "written" shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.
8. 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

For the Executive Director

3/25/16

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

12/1/2015

Date

W. A. TEMPTON, JR

Name (Printed or typed)
Authorized Representative of
Phillips 66 Company

GM-SWIFT REFINERY

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: 2015-1243-AIR-E
SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	Phillips 66 Company
Penalty Amount:	Eleven Thousand Four Hundred Dollars (\$11,400)
SEP Offset Amount:	Five Thousand Seven Hundred Dollars (\$5,700)
Type of SEP:	Contribution to a Third-Party Pre-Approved SEP
Third-Party Administrator:	Texas Congress of Parents and Teachers dba Texas PTA
Project Name:	<i>Texas PTA Clean School Bus Replacement Program</i>
Location of SEP:	Texas Air Quality Control Region 216: Houston-Galveston

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

1. Project Description

a. Project

The Respondent shall contribute the SEP Offset Amount to the Third-Party Administrator named above. The contribution will be to the **Texas Congress of Parents and Teachers dba Texas PTA** for the *Texas PTA Clean School Bus Replacement Program*. The contribution will be used in accordance with the SEP between the Third-Party Administrator and the TCEQ (the “Project”). Specifically, the contribution will be used to reduce nitrogen oxides, volatile organic compounds, carbon monoxide, and particulate matter emissions by replacing older diesel buses with newer buses that meet more stringent emission standards. The Third-Party Administrator shall use the SEP Offset Amount for up to 100% of the purchase price of a model year 2010 or newer bus to replace a diesel school bus that is model year 2002 or older. The SEP will be done in accordance with all federal, state, and local environmental laws and regulations.

All dollars contributed will be used solely for the direct cost of the Project, including but not limited to supplies, materials, and equipment. Any portion of this contribution that is not spent on the specifically identified SEP may, at the discretion of the Executive Director (“ED”), be applied to another pre-approved SEP.

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

b. Environmental Benefit

This SEP will directly benefit air quality by reducing harmful exhaust emissions which contribute to the formation of ozone and may cause or exacerbate a number of respiratory diseases, including asthma. In addition, by encouraging less school bus idling, this SEP contributes to public awareness of environmental matters.

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 **Texas Congress of Parents and Teachers SEP** and shall mail the contribution with a copy of the Agreed Order to the following address.

Texas PTA
408 West 11th Street
Austin, Texas 78701

3. Records and Reporting

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

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 the following address.

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

5. Publicity

Any public statements concerning this SEP made by or on behalf of the Respondent, must include a clear statement that **the Project was performed as part of the settlement of an enforcement action brought by the TCEQ**. Such statements include advertising, public relations, and/or 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 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.