

**Executive Summary – Enforcement Matter – Case No. 50815
Chevron Phillips Chemical Company LP
RN100825249
Docket No. 2015-1059-AIR-E**

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

AIR

Small Business:

No

Location(s) Where Violation(s) Occurred:

Chevron Phillips Chemical Sweeny Complex, 21441 Loop 419, Sweeny, Brazoria County

Type of Operation:

Chemical manufacturing plant

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: January 29, 2016

Comments Received: No

Penalty Information

Total Penalty Assessed: \$11,550

Amount Deferred for Expedited Settlement: \$2,310

Amount Deferred for Financial Inability to Pay: \$0

Total Paid to General Revenue: \$9,240

Total Due to General Revenue: \$0

Payment Plan: N/A

Supplemental Environmental Project ("SEP") Conditional Offset: \$0

Name of SEP: N/A

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: March 30, 2015 through April 13, 2015

Date(s) of NOE(s): July 10, 2015

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Chevron Phillips Chemical Company LP
RN100825249
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Violation Information

Failed to prevent unauthorized emissions. Specifically, the Respondent released 17,142.9 pounds ("lbs") of volatile organic compounds, including 12,020.8 lbs of ethylene, 1,922.2 lbs of propylene, 401.5 lbs of 1,3-butadiene, 230.8 lbs of benzene, and 66.97 lbs of butene isomers which are highly reactive volatile organic compounds, from Unit 24 High-Pressure Flare and Unit 24 Low-Pressure Flare, Emission Point Numbers 56-61-14 and 56-61-20, respectively, in addition to 5,603.7 lbs of carbon monoxide and 2,755.5 lbs of nitrogen oxides to the atmosphere, during an avoidable emissions event (Incident No. 211408) that began on March 16, 2015 and lasted 4 hours. The emissions event occurred due to an unexpected shut down of the steam superheater. Since the emissions event could have been avoided by better operational 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), Federal Operating Permit No. O2151, Special Terms and Conditions No. 25, and New Source Review Permit Nos. 22690 and PSDTX751M1, Special Conditions No. 1].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

On March 16, 2015, the Respondent retrained operator(s) on proper operating practices and procedures to prevent a recurrence of emissions events due to the same causes as Incident No. 211408.

Technical Requirements:

N/A

Litigation Information

Date Petition(s) Filed: N/A

Date Answer(s) Filed: N/A

SOAH Referral Date: N/A

Hearing Date(s): N/A

Settlement Date: N/A

Contact Information

TCEQ Attorney: N/A

TCEQ Enforcement Coordinator: Jennifer Nguyen, Enforcement Division, Enforcement Team 5, MC 149, (512) 239-6160; Melissa Cordell, Enforcement Division, MC 219, (512) 239-2483

TCEQ SEP Coordinator: N/A

Respondent: Wayne McDowell, Plant Manager, Chevron Phillips Chemical Company LP, P.O. Box 1000, Sweeny, Texas 77480

Respondent's Attorney: N/A



Penalty Calculation Worksheet (PCW)

Policy Revision 4 (April 2014)

PCW Revision March 26, 2014

TCEQ

DATES	Assigned	13-Jul-2015	Screening	15-Jul-2015	EPA Due	
	PCW	18-Nov-2015				

RESPONDENT/FACILITY INFORMATION	
Respondent	Chevron Phillips Chemical Company LP
Reg. Ent. Ref. No.	RN100825249
Facility/Site Region	12-Houston
Major/Minor Source	Major

CASE INFORMATION			
Enf./Case ID No.	50815	No. of Violations	1
Docket No.	2015-1059-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Jennifer Nguyen
		EC's Team	Enforcement Team 5
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$25,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties) **Subtotal 1**

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

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

Notes: Enhancement for four NOVs with same or similar violations, two NOVs with dissimilar violations, and three orders with denial of liability. Reduction for three notices of intent to conduct an audit and one disclosure of violations.

Culpability Enhancement **Subtotal 4**

Notes: The Respondent does not meet the culpability criteria.

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

Economic Benefit Enhancement* **Subtotal 6**

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

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

OTHER FACTORS AS JUSTICE MAY REQUIRE **Adjustment**

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes

Final Penalty Amount

STATUTORY LIMIT ADJUSTMENT **Final Assessed Penalty**

DEFERRAL Reduction **Adjustment**

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

Notes

Deferral offered for expedited settlement.

PAYABLE PENALTY

Screening Date 15-Jul-2015

Docket No. 2015-1059-AIR-E

PCW

Respondent Chevron Phillips Chemical Company LP

Policy Revision 4 (April 2014)

Case ID No. 50815

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN100825249

Media [Statute] Air

Enf. Coordinator Jennifer Nguyen

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>)	4	20%
	Other written NOVs	2	4%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	3	60%
	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>)	3	-3%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	1	-2%

Please Enter Yes or No

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

Adjustment Percentage (Subtotal 2) 79%

>> 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 four NOVs with same or similar violations, two NOVs with dissimilar violations, and three orders with denial of liability. Reduction for three notices of intent to conduct an audit and one disclosure of violations.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 79%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 79%

Screening Date 15-Jul-2015

Docket No. 2015-1059-AIR-E

PCW

Respondent Chevron Phillips Chemical Company LP

Policy Revision 4 (April 2014)

Case ID No. 50815

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN100825249

Media [Statute] Air

Enf. Coordinator Jennifer Nguyen

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), Federal Operating Permit No. O2151, Special Terms and Conditions No. 25, and New Source Review Permit Nos. 22690 and PSDTX751M1, Special Conditions No. 1

Violation Description

Failed to prevent unauthorized emissions. Specifically, the Respondent released 17,142.9 pounds ("lbs") of volatile organic compounds, including 12,020.8 lbs of ethylene, 1,922.2 lbs of propylene, 401.5 lbs of 1,3-butadiene, 230.8 lbs of benzene, and 66.97 lbs of butene isomers which are highly reactive volatile organic compounds, from Unit 24 High-Pressure Flare and Unit 24 Low-Pressure Flare, Emission Point Numbers 56-61-14 and 56-61-20, respectively, in addition to 5,603.7 lbs of carbon monoxide and 2,755.5 lbs of nitrogen oxides to the atmosphere, during an avoidable emissions event (Incident No. 211408) that began on March 16, 2015 and lasted 4 hours. The emissions event occurred due to an unexpected shut down of the steam superheater. Since the emissions event could have been avoided by better operational 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 that was submitted by the Respondent, human health or the environment has been exposed to significant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$17,500

\$7,500

Violation Events

Number of Violation Events 1 Number of violation days 1

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

25.0%

Reduction \$1,875

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

Notes

The Respondent completed corrective measures on March 16, 2015, before the July 10, 2015 Notice of Enforcement.

Violation Subtotal \$5,625

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$0

Violation Final Penalty Total \$11,550

This violation Final Assessed Penalty (adjusted for limits) \$11,550

Economic Benefit Worksheet

Respondent Chevron Phillips Chemical Company LP

Case ID No. 50815

Reg. Ent. Reference No. RN100825249

Media Air

Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

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

Delayed Costs

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling	\$1,500	16-Mar-2015	16-Mar-2015	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 retrain operator(s) on proper practices and procedures to prevent a recurrence of emissions events due to the same causes as Incident No. 211408. The Date Required is the date the emissions event began. The Final Date is the date that corrective measures were completed.

Avoided Costs

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance \$1,500

TOTAL \$0

The TCEQ is committed to accessibility.

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TCEQ Compliance History Report

PUBLISHED Compliance History Report for CN600303614, RN100825249, Rating Year 2014 which includes Compliance History (CH) components from September 1, 2009, through August 31, 2014.

Customer, Respondent, or Owner/Operator:	CN600303614, Chevron Phillips Chemical Company LP	Classification:	SATISFACTORY	Rating:	4.74
Regulated Entity:	RN100825249, CHEVRON PHILLIPS CHEMICAL SWEENEY COMPLEX	Classification:	SATISFACTORY	Rating:	6.65
Complexity Points:	25	Repeat Violator:	NO		
CH Group:	05 - Chemical Manufacturing				
Location:	21441 LOOP 419 SWEENEY, TX 77480-1426, BRAZORIA COUNTY				
TCEQ Region:	REGION 12 - HOUSTON				

ID Number(s):

AIR OPERATING PERMITS ACCOUNT NUMBER BL0758C	AIR OPERATING PERMITS PERMIT 2151
STORMWATER PERMIT TXR15YO35	AIR NEW SOURCE PERMITS AFS NUM 4803900145
AIR NEW SOURCE PERMITS REGISTRATION 102120	AIR NEW SOURCE PERMITS REGISTRATION 102804
AIR NEW SOURCE PERMITS REGISTRATION 75473	AIR NEW SOURCE PERMITS REGISTRATION 75479
AIR NEW SOURCE PERMITS REGISTRATION 75447	AIR NEW SOURCE PERMITS REGISTRATION 90007
AIR NEW SOURCE PERMITS ACCOUNT NUMBER BL0758C	AIR NEW SOURCE PERMITS REGISTRATION 75072
AIR NEW SOURCE PERMITS PERMIT 22690	AIR NEW SOURCE PERMITS REGISTRATION 75059
AIR NEW SOURCE PERMITS REGISTRATION 91843	AIR NEW SOURCE PERMITS REGISTRATION 87245
AIR NEW SOURCE PERMITS REGISTRATION 86119	AIR NEW SOURCE PERMITS REGISTRATION 91367
AIR NEW SOURCE PERMITS REGISTRATION 91254	AIR NEW SOURCE PERMITS REGISTRATION 91802
AIR NEW SOURCE PERMITS REGISTRATION 91428	AIR NEW SOURCE PERMITS REGISTRATION 91596
AIR NEW SOURCE PERMITS REGISTRATION 92244	AIR NEW SOURCE PERMITS REGISTRATION 93150
AIR NEW SOURCE PERMITS REGISTRATION 91587	AIR NEW SOURCE PERMITS REGISTRATION 91786
AIR NEW SOURCE PERMITS REGISTRATION 92506	AIR NEW SOURCE PERMITS REGISTRATION 93203
AIR NEW SOURCE PERMITS REGISTRATION 92369	AIR NEW SOURCE PERMITS REGISTRATION 92153
AIR NEW SOURCE PERMITS REGISTRATION 93525	AIR NEW SOURCE PERMITS REGISTRATION 93932
AIR NEW SOURCE PERMITS REGISTRATION 93703	AIR NEW SOURCE PERMITS REGISTRATION 93760
AIR NEW SOURCE PERMITS REGISTRATION 93521	AIR NEW SOURCE PERMITS REGISTRATION 93579
AIR NEW SOURCE PERMITS REGISTRATION 94107	AIR NEW SOURCE PERMITS REGISTRATION 94603
AIR NEW SOURCE PERMITS REGISTRATION 94426	AIR NEW SOURCE PERMITS REGISTRATION 95206
AIR NEW SOURCE PERMITS REGISTRATION 95424	AIR NEW SOURCE PERMITS REGISTRATION 94984
AIR NEW SOURCE PERMITS REGISTRATION 95262	AIR NEW SOURCE PERMITS REGISTRATION 96292
AIR NEW SOURCE PERMITS REGISTRATION 96174	AIR NEW SOURCE PERMITS REGISTRATION 95586
AIR NEW SOURCE PERMITS REGISTRATION 96522	AIR NEW SOURCE PERMITS REGISTRATION 96864
AIR NEW SOURCE PERMITS REGISTRATION 98596	AIR NEW SOURCE PERMITS REGISTRATION 101139
AIR NEW SOURCE PERMITS REGISTRATION 100859	AIR NEW SOURCE PERMITS REGISTRATION 101206
AIR NEW SOURCE PERMITS REGISTRATION 100154	AIR NEW SOURCE PERMITS REGISTRATION 101513
AIR NEW SOURCE PERMITS REGISTRATION 99552	AIR NEW SOURCE PERMITS REGISTRATION 99665
AIR NEW SOURCE PERMITS REGISTRATION 98475	AIR NEW SOURCE PERMITS REGISTRATION 97722
AIR NEW SOURCE PERMITS REGISTRATION 98797	AIR NEW SOURCE PERMITS REGISTRATION 98667
AIR NEW SOURCE PERMITS REGISTRATION 99994	AIR NEW SOURCE PERMITS REGISTRATION 100369
AIR NEW SOURCE PERMITS REGISTRATION 98776	AIR NEW SOURCE PERMITS REGISTRATION 98023
AIR NEW SOURCE PERMITS REGISTRATION 98467	AIR NEW SOURCE PERMITS REGISTRATION 100941
AIR NEW SOURCE PERMITS REGISTRATION 96654	AIR NEW SOURCE PERMITS REGISTRATION 102338
AIR NEW SOURCE PERMITS REGISTRATION 101901	AIR NEW SOURCE PERMITS PERMIT 103832
AIR NEW SOURCE PERMITS REGISTRATION 101729	AIR NEW SOURCE PERMITS EPA PERMIT N166
AIR NEW SOURCE PERMITS REGISTRATION 103334	AIR NEW SOURCE PERMITS REGISTRATION 104056
AIR NEW SOURCE PERMITS REGISTRATION 107277	AIR NEW SOURCE PERMITS REGISTRATION 106394

AIR NEW SOURCE PERMITS REGISTRATION 109331
AIR NEW SOURCE PERMITS REGISTRATION 118085
AIR NEW SOURCE PERMITS REGISTRATION 126159
AIR NEW SOURCE PERMITS REGISTRATION 113002
AIR NEW SOURCE PERMITS REGISTRATION 130899
AIR NEW SOURCE PERMITS REGISTRATION 116083
AIR NEW SOURCE PERMITS REGISTRATION 118633
AIR NEW SOURCE PERMITS REGISTRATION 113572
AIR NEW SOURCE PERMITS REGISTRATION 106685
AIR NEW SOURCE PERMITS REGISTRATION 123084
AIR NEW SOURCE PERMITS REGISTRATION 120533
AIR NEW SOURCE PERMITS REGISTRATION 105663
AIR NEW SOURCE PERMITS REGISTRATION 107592
AIR NEW SOURCE PERMITS REGISTRATION 106859
AIR NEW SOURCE PERMITS REGISTRATION 131623
AIR NEW SOURCE PERMITS REGISTRATION 114345
AIR NEW SOURCE PERMITS REGISTRATION 110515
AIR NEW SOURCE PERMITS REGISTRATION 117539
AIR NEW SOURCE PERMITS REGISTRATION 105801
AIR NEW SOURCE PERMITS REGISTRATION 107791
AIR NEW SOURCE PERMITS REGISTRATION 112822
AIR NEW SOURCE PERMITS REGISTRATION 105340
AIR NEW SOURCE PERMITS REGISTRATION 108319
AIR EMISSIONS INVENTORY ACCOUNT NUMBER BL0758C

AIR NEW SOURCE PERMITS REGISTRATION 109017
AIR NEW SOURCE PERMITS REGISTRATION 113273
AIR NEW SOURCE PERMITS REGISTRATION 111847
AIR NEW SOURCE PERMITS REGISTRATION 133813
AIR NEW SOURCE PERMITS REGISTRATION 108799
AIR NEW SOURCE PERMITS REGISTRATION 124119
AIR NEW SOURCE PERMITS REGISTRATION 105568
AIR NEW SOURCE PERMITS REGISTRATION 105345
AIR NEW SOURCE PERMITS REGISTRATION 132991
AIR NEW SOURCE PERMITS REGISTRATION 108483
AIR NEW SOURCE PERMITS REGISTRATION 116973
AIR NEW SOURCE PERMITS REGISTRATION 132712
AIR NEW SOURCE PERMITS REGISTRATION 114584
AIR NEW SOURCE PERMITS REGISTRATION 108923
AIR NEW SOURCE PERMITS REGISTRATION 123331
AIR NEW SOURCE PERMITS REGISTRATION 107043
AIR NEW SOURCE PERMITS EPA PERMIT N166M1
AIR NEW SOURCE PERMITS REGISTRATION 115367
AIR NEW SOURCE PERMITS REGISTRATION 106130
AIR NEW SOURCE PERMITS REGISTRATION 133347
AIR NEW SOURCE PERMITS REGISTRATION 119372
AIR NEW SOURCE PERMITS REGISTRATION 105945
AIR NEW SOURCE PERMITS EPA PERMIT PSDTX751M1
INDUSTRIAL AND HAZARDOUS WASTE EPA ID
 TXR000039834
POLLUTION PREVENTION PLANNING ID NUMBER
 P06551
WASTEWATER PERMIT WQ0005147000

INDUSTRIAL AND HAZARDOUS WASTE SOLID WASTE
 REGISTRATION # (SWR) 86586
WASTEWATER EPA ID TX0135917
IHW CORRECTIVE ACTION SOLID WASTE REGISTRATION
 # (SWR) 86586

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

Date Compliance History Report Prepared: July 08, 2015

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: July 08, 2010 to July 08, 2015

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

Name: Jennifer Nguyen

Phone: (512) 239-6160

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: 02/20/2011 ADMINORDER 2010-1151-AIR-E (1660 Order-Agreed Order With Denial)
 Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
 5C THSC Chapter 382 382.085(b)
 Rqmt Prov: Special Condition #1 PERMIT
 Description: Failure to prevent unauthorzied emissions due to failure of the steam valve mechanical linkage.

2 Effective Date: 04/18/2011 ADMINORDER 2010-0709-AIR-E (1660 Order-Agreed Order With Denial)
Classification: Moderate
Citation: 30 TAC Chapter 113, SubChapter C 113.560
40 CFR Chapter 63, SubChapter C, PT 63, SubPT YY 63.1110(c)(1)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT YY 63.1110(d)(2)
5C THSC Chapter 382 382.085(b)
Description: Failure to submit, for Unit 12, the Initial Report, required by 63.1110(c). (CATEGORY A8.c.1.G VIOLATION).
violation track no. 389151 was combined into this violation.
Classification: Moderate
Citation: 30 TAC Chapter 113, SubChapter C 113.520
40 CFR Chapter 63, SubChapter C, PT 63, SubPT YY 63.1110(e)(2)
5C THSC Chapter 382 382.085(b)
Description: Failure to submit, for Unit 12, the initial Periodic Report. (CATEGORY A8.c.1.G VIOLATION).
Classification: Moderate
Citation: 30 TAC Chapter 113, SubChapter C 113.560
40 CFR Chapter 63, SubChapter C, PT 63, SubPT YY 63.1111(a)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT YY 63.1111(b)
5C THSC Chapter 382 382.085(b)
Description: Failure to create, for Unit 12, a Startup, Shutdown and Malfunction (SSM) Plan. (CATEGORY A8.c.1.G VIOLATION).
violation track no. 389155 was added to this one
Classification: Moderate
Citation: 30 TAC Chapter 113, SubChapter C 113.550
40 CFR Chapter 63, SubChapter C, PT 63, SubPT XX 63.1086(a)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT XX 63.1089(a)
5C THSC Chapter 382 382.085(b)
Description: Failure to monitor Unit 12 heat exchange systems from November 7, 2006 to December 16, 2009. (CATEGORY A8.c.1.G VIOLATION).
Violation 10 in the pcw for not monitoring the heat exchanger (violation track No. 389156) was combined to include not keeping the heat exchanger monitoring records (violation track No. 389158) for the same unit between 11/07/2006 to 01/01/2010.
Classification: Moderate
Citation: 30 TAC Chapter 113, SubChapter C 113.520
40 CFR Chapter 63, SubChapter C, PT 63, SubPT UU 63.1022(a)
5C THSC Chapter 382 382.085(b)
Description: Failure to identify, for Unit 12, equipment subject to 40 CFR, Subpart YY from November 7, 2006 to November 11, 2009. (CATEGORY A8.c.1.G VIOLATION).
Classification: Moderate
Citation: 30 TAC Chapter 113, SubChapter C 113.500
40 CFR Chapter 63, SubChapter C, PT 63, SubPT SS 63.997(c)(1)
5C THSC Chapter 382 382.085(b)
Description: Failure to perform, for the Unit 12 flare, a flare compliance test or submit flare test waiver request. (CATEGORY A8.c.1.G VIOLATION).
Classification: Moderate
Citation: 30 TAC Chapter 113, SubChapter C 113.890
40 CFR Chapter 63, SubChapter C, PT 63, SubPT FFFF 63.2515(b)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT FFFF 63.2520(a)
5C THSC Chapter 382 382.085(b)
Description: Failure to submit, for Units 10ABC, 10D, and 21, the Initial Notification report in relation to 40 CFR 63, Subpart FFFF applicability. (CATEGORY A8.c.1.G VIOLATION).
violation track no. 389163 was added to this one
Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: Permit No. 22690/PSD-TX-751M1, SC No. 1 PERMIT
Description: Failure to prevent unauthorized emissions due to failure of the Acetylene Reactor inlet valve to open.

3 Effective Date: 10/17/2011 ADMINORDER 2011-0506-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 G 116.715(a)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: Special Condition 1 PERMIT

Description: Failed to comply with permitted emissions limits during an emissions event. Specifically, during an emissions event (Incident No. 148387) that occurred on December 10, 2010, and lasted approximately three minutes, the Respondent released 1,183 pounds ("lbs") of ethylene, and 1 lb of carbon monoxide from Ethylene Unit 22 Piping (Emission Point Number 22-0-0). The event occurred due to the level control of the Demethanizer Feed Separator being left open in bypass mode during start-up.....

Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)(B)
5C THSC Chapter 382 382.085(b)

Description: Failed to submit an initial notification not later than 24 hours after the discovery of an emissions event that occurred on December 10, 2010. Specifically, the initial notification for Incident No. 148387 was due by 9:51 p.m. on December 11, 2010, but was not submitted until 3:49 p.m. on December 12, 2010.

B. Criminal convictions:

N/A

C. Chronic excessive emissions events:

N/A

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

Item 1	July 30, 2010	(828180)
Item 2	November 22, 2010	(860239)
Item 3	March 08, 2011	(886037)
Item 4	March 10, 2011	(894864)
Item 5	March 23, 2011	(906920)
Item 6	March 25, 2011	(899759)
Item 7	April 05, 2011	(899288)
Item 8	April 08, 2011	(878122)
Item 9	May 05, 2011	(901242)
Item 10	May 24, 2011	(921461)
Item 11	June 14, 2011	(924156)
Item 12	July 01, 2011	(920559)
Item 13	July 15, 2011	(915092)
Item 14	July 29, 2011	(922569)
Item 15	August 17, 2011	(922564)
Item 16	August 18, 2011	(937708)
Item 17	November 07, 2011	(956598)
Item 18	December 13, 2011	(962491)
Item 19	January 05, 2012	(913297)
Item 20	January 17, 2012	(964993)
Item 21	February 02, 2012	(974308)
Item 22	March 08, 2012	(975519)
Item 23	March 12, 2012	(975512)
Item 24	March 14, 2012	(976896)
Item 25	March 29, 2012	(987152)
Item 26	April 27, 2012	(990400)
Item 27	July 23, 2012	(1009232)
Item 28	July 25, 2012	(1015093)
Item 29	August 10, 2012	(1009697)
Item 30	December 14, 2012	(1031166)
Item 31	January 16, 2013	(1041129)
Item 32	February 28, 2013	(1059626)
Item 33	August 16, 2013	(1085274)
Item 34	August 21, 2013	(1085767)
Item 35	August 27, 2013	(1086860)
Item 36	September 13, 2013	(1098626)
Item 37	September 27, 2013	(1093102)
Item 38	October 07, 2013	(1094843)

Description: Failure to maintain the Flare 14/20 flow meter at least 95% of the time averaged over a calendar year on December 31, 2013 for Flares (EPNs 56-61-14 and 56-61-20). (Category C1 Violation)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
Special Condition No. 1 PERMIT
STC 1A & 16 OP

Description: Failure to maintain the CO hourly permit limit in Furnace 5 (EPN 33-36-5) on January 31, 2014, and for the Propylene Gas Turbine (EPN 22-16-120) on June 10, 2014. (Category C4 Violation)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 117, SubChapter B 117.310(c)(1)(A)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
STC No. 1A OP

Description: Failure to maintain the carbon monoxide (CO) in-stack concentration in Cracking Furnace (EPN 22-36-8) below 400 parts per million volume (ppmv) on June 11, 2014. (Category C4 Violation)

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 106, SubChapter A 106.6(b)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
STC No. 1A OP

Description: Failure to comply with the permit representation regarding the operating hour limits of air compressor (33AIRCOMP3) on August 22, 2014 and air compressor (33AIRCOMP4) on September 10, 2014. (Category C4 Violation)

6 Date: 04/24/2015 (1245842) CN600303614

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 elevated level of water vapor in the cracked gas stream going into the De-ethanizer Tower T-205.

F. Environmental audits:

Notice of Intent Date: 11/10/2010 (881390)
No DOV Associated

Notice of Intent Date: 10/05/2011 (963751)
Disclosure Date: 04/03/2012
Viol. Classification: Moderate

Citation: 40 CFR Chapter 63, SubChapter C, PT 63, SubPT UU 63.1024(f)

Description: Failed to maintain leak repair records for dual mechanical seal pumps that are connected by a closed-vent system to a control device (flare). Specifically, plant records indicate that Sweeny Complex failed to maintain leak repair records for 71 pump seal leaks to flare between March 6, 2006 and October 31, 2011.

Viol. Classification: Minor
Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
Rqmt Prov: OP FOP No. O2151, SC 3(B)(iii)

Description: Failed to perform quarterly visible observation during daylight hours for the third quarter of 2009 and the first and third quarters of 2010.

Viol. Classification: Minor
Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
Rqmt Prov: OP FOP No. O2151, SC 3(B)(iii)

Description: Failed to perform quarterly visible observation for air compressor engine for the fourth quarter of 2010.

Notice of Intent Date: 10/10/2013 (1143529)
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
CHEVRON PHILLIPS CHEMICAL
COMPANY LP
RN100825249

§
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§
§
§
§

BEFORE THE

TEXAS COMMISSION ON

ENVIRONMENTAL QUALITY

AGREED ORDER
DOCKET NO. 2015-1059-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 Chevron Phillips Chemical Company LP ("Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent together stipulate that:

1. The Respondent owns and operates a chemical manufacturing plant located at 21441 Loop 419 in Sweeny, 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 July 15, 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 Eleven Thousand Five Hundred Fifty Dollars (\$11,550) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Nine Thousand Two Hundred Forty Dollars

(\$9,240) of the administrative penalty and Two Thousand Three Hundred Ten Dollars (\$2,310) 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.

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 March 16, 2015, the Respondent retrained operator(s) on proper operating practices and procedures to prevent a recurrence of emissions events due to the same causes as Incident No. 211408.
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), Federal Operating Permit No. O2151, Special Terms and Conditions No. 25, and New Source Review Permit Nos. 22690 and PSDTX751M1, Special Conditions No. 1, as documented during a record review conducted from March 30, 2015 through April 13, 2015. Specifically, the Respondent released 17,142.9 pounds ("lbs") of volatile organic compounds, including 12,020.8 lbs of ethylene, 1,922.2 lbs of propylene, 401.5 lbs of 1,3-butadiene, 230.8 lbs of benzene, and 66.97 lbs of butene isomers which are highly reactive volatile organic compounds, from Unit 24 High-Pressure Flare and Unit 24 Low-Pressure Flare, Emission Point Numbers 56-61-14 and 56-61-20, respectively, in addition to 5,603.7 lbs of carbon monoxide and 2,755.5 lbs of nitrogen oxides to the atmosphere, during an avoidable emissions event (Incident No. 211408) that began on March 16, 2015 and lasted 4 hours. The emissions event occurred due to an unexpected shut down of the steam superheater. Since the emissions event could have been avoided by better operational 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: Chevron Phillips Chemical Company LP, Docket No. 2015-1059-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 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.
3. 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.
4. 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.

5. 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

Barbara Rawie J

For the Executive Director

4/8/16

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.

Wayne McDowell

Signature

12/4/15

Date

Wayne McDowell

Name (Printed or typed)
Authorized Representative of
Chevron Phillips Chemical Company LP

Plant manager

Title

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