

**Executive Summary – Enforcement Matter – Case No. 51050  
Sid Richardson Carbon, LTD.  
RN100222413  
Docket No. 2015-1179-AIR-E**

**Order Type:**

1660 Agreed Order

**Findings Order Justification:**

N/A

**Media:**

AIR

**Small Business:**

No

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

Sid Richardson Carbon Borger Plant, 9455 Farm-to-Market Road 1559, Borger,  
Hutchinson County

**Type of Operation:**

Carbon black 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:** August 12, 2016

**Comments Received:** No

***Penalty Information***

**Total Penalty Assessed:** \$21,000

**Amount Deferred for Expedited Settlement:** \$4,200

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

**Total Paid to General Revenue:** \$16,800

**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:** June 30, 2015 through July 8, 2015

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

**Executive Summary – Enforcement Matter – Case No. 51050**  
**Sid Richardson Carbon, LTD.**  
**RN100222413**  
**Docket No. 2015-1179-AIR-E**

***Violation Information***

Failed to comply with the allowable hourly emissions rate. Specifically, during stack tests conducted on March 10, March 11, and March 12, 2015, the Respondent exceeded the maximum allowable emissions rate of 14.25 pounds per hour ("lbs/hr") for particulate matter less than or equal to 10 microns in diameter ("PM10") for the Plant 1 Dryer Stack, Emission Point Number ("EPN") 121, and the Plant 2 Dryer Stack, EPN 122, by 4.98 lbs/hr and 6.09 lbs/hr, respectively, resulting in the unauthorized release of approximately 37,726.59 pounds of PM10 [30 TEX. ADMIN. CODE §§ 116.115(b)(2)(F) and (c), 122.143(4), and 101.20(3), TEX. HEALTH & SAFETY CODE § 382.085(b), Federal Operating Permit No. O1414, Special Terms and Conditions No. 6, and New Source Review Permit Nos. 1867A and PSDTX1032, Special Conditions No. 1].

***Corrective Actions/Technical Requirements***

**Corrective Action(s) Completed:**

By July 17, 2015, the Respondent conducted stack tests for the Plant 1 and the Plant 2 Dryer Stacks.

**Technical Requirements:**

The Order will require the Respondent to:

- a. Within 30 days, submit written certification to demonstrate compliance with the PM10 hourly emissions rate for the Plant 1 Dryer Stack;
- b. Within 60 days, implement measures and/or procedures to demonstrate compliance with the PM10 hourly emissions rate for the Plant 2 Dryer Stack and/or perform a stack test on the Plant 2 Dryer Stack to determine the PM10 hourly emissions rate;
- c. Within 75 days, submit written certification to demonstrate compliance with b.;
- d. If a stack test is performed on the Plant 2 Dryer Stack, then within 180 days, submit written certification to demonstrate compliance with the PM10 hourly emissions rate for the Plant 2 Dryer Stack or submit an administratively complete permit amendment application to increase the PM10 hourly emissions rate for the Plant 2 Dryer Stack;
- e. If a permit amendment application is submitted, then respond completely and adequately, as determined by the TCEQ, to all requests for information concerning the permit amendment application within 30 days after the date of such requests, or by any other deadline specified in writing; and

**Executive Summary – Enforcement Matter – Case No. 51050**  
**Sid Richardson Carbon, LTD.**  
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**Docket No. 2015-1179-AIR-E**

f. If a permit amendment application is submitted, then within 360 days, submit written certification that either authorization to increase the PM10 hourly emissions rate for the Plant 2 Dryer Stack has been obtained or that operation has ceased until such time that appropriate authorization is obtained.

***Litigation Information***

**Date Petition(s) Filed:** N/A

**Date Answer(s) Filed:** N/A

**SOAH Referral Date:** N/A

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

**Settlement Date:** N/A

***Contact Information***

**TCEQ Attorney:** N/A

**TCEQ Enforcement Coordinator:** Shelby Orme, Enforcement Division,  
Enforcement Team 5, MC 149, (512) 239-4575; Michael Parrish, Enforcement Division,  
MC 219, (512) 239-2548

**TCEQ SEP Coordinator:** N/A

**Respondent:** Riaz Bismilla, Vice President of Production, Sid Richardson Carbon,  
LTD., 9455 Farm-to-Market Road 1559, P.O. Drawer 118, Borger, Texas 79907  
Robert Kennedy, Plant Manager, Sid Richardson Carbon, LTD., 9455 Farm-to-Market  
Road 1559, P.O. Drawer 118, Borger, Texas 79907

**Respondent's Attorney:** N/A





# Penalty Calculation Worksheet (PCW)

Policy Revision 4 (April 2014)

PCW Revision March 26, 2014

**TCEQ**  
**DATES**

<b>Assigned PCW</b>	13-Jul-2015	<b>Screening</b>	30-Jul-2015	<b>EPA Due</b>	6-Jan-2016
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## RESPONDENT/FACILITY INFORMATION

<b>Respondent</b>	Sid Richardson Carbon, LTD.	
<b>Reg. Ent. Ref. No.</b>	RN100222413	
<b>Facility/Site Region</b>	1-Amarillo	<b>Major/Minor Source</b> Major

## CASE INFORMATION

<b>Enf./Case ID No.</b>	51050	<b>No. of Violations</b>	1
<b>Docket No.</b>	2015-1179-AIR-E	<b>Order Type</b>	1660
<b>Media Program(s)</b>	Air	<b>Government/Non-Profit</b>	No
<b>Multi-Media</b>		<b>Enf. Coordinator</b>	Amancio R. Gutierrez
		<b>EC's Team</b>	Enforcement Team 5

**Admin. Penalty \$ Limit Minimum**  **Maximum**

## 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

**Culpability**   Enhancement **Subtotal 4**

Notes

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

**Economic Benefit**  Enhancement\* **Subtotal 6**

Total EB Amounts	<input type="text" value="\$482"/>
Estimated Cost of Compliance	<input type="text" value="\$10,000"/>

\*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

**PAYABLE PENALTY**

Screening Date 30-Jul-2015

Docket No. 2015-1179-AIR-E

PCW

Respondent Sid Richardson Carbon, LTD.

Policy Revision 4 (April 2014)

Case ID No. 51050

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN100222413

Media [Statute] Air

Enf. Coordinator Amancio R. Gutierrez

### Compliance History Worksheet

#### >> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action ( <i>number of NOVs meeting criteria</i> )	0	0%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability ( <i>number of orders meeting criteria</i> )	2	40%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government ( <i>number of judgments or consent decrees meeting criteria</i> )	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government ( <i>number of counts</i> )	0	0%
Emissions	Chronic excessive emissions events ( <i>number of events</i> )	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which notices were submitted</i> )	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which violations were disclosed</i> )	0	0%

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)

#### >> Repeat Violator (Subtotal 3)

Adjustment Percentage (Subtotal 3)

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

Adjustment Percentage (Subtotal 7)

#### >> Compliance History Summary

Compliance History Notes

Enhancement for two orders with denial of liability.

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

#### >> Final Compliance History Adjustment

Final Adjustment Percentage \*capped at 100%

Screening Date 30-Jul-2015

Docket No. 2015-1179-AIR-E

PCW

Respondent Sid Richardson Carbon, LTD.

Policy Revision 4 (April 2014)

Case ID No. 51050

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN100222413

Media [Statute] Air

Enf. Coordinator Amancio R. Gutierrez

Violation Number 1

Rule Cite(s)

30 Tex. Admin. Code §§ 116.115(b)(2)(F) and (c), 122.143(4), and 101.20(3), Tex. Health & Safety Code § 382.085(b), Federal Operating Permit No. O1414, Special Terms and Conditions No. 6, and New Source Review ("NSR") Permit Nos. 1867A and PSDTX1032, Special Conditions No. 1

Violation Description

Failed to comply with the allowable hourly emissions rate. Specifically, during stack tests conducted on March 10, March 11, and March 12, 2015, the Respondent exceeded the maximum allowable emissions rate of 14.25 pounds per hour ("lbs/hr") for particulate matter less than or equal to 10 microns in diameter ("PM10") for the Plant 1 Dryer Stack, Emission Point Number ("EPN") 121, and the Plant 2 Dryer Stack, EPN 122, by 4.98 lbs/hr and 6.09 lbs/hr, respectively, resulting in the unauthorized release of approximately 37,726.59 pounds of PM10.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			X
Potential			

Percent 15.0%

>> Programmatic Matrix

Falsification	Harm		
	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

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

Adjustment \$21,250

\$3,750

Violation Events

Number of Violation Events 4

142 Number of violation days

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

Violation Base Penalty \$15,000

Four quarterly events are recommended from the March 10, 2015 stack test to the July 30, 2015 screening date (two events per EPN).

Good Faith Efforts to Comply

0.0%

Reduction \$0

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

Notes

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

Violation Subtotal \$15,000

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$482

Violation Final Penalty Total \$21,000

This violation Final Assessed Penalty (adjusted for limits) \$21,000

# Economic Benefit Worksheet

**Respondent** Sid Richardson Carbon, LTD.  
**Case ID No.** 51050  
**Reg. Ent. Reference No.** RN100222413  
**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
<small>No commas or \$</small>							

**Delayed Costs**

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				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)	\$10,000	10-Mar-2015	25-Feb-2016	0.96	\$482	n/a	\$482

**Notes for DELAYED costs**

Estimated cost to demonstrate compliance with the PM10 allowable hourly emissions rates for the Plant 1 Dryer Stack and the Plant 2 Dryer Stack. The Date Required is the date of the first stack test and the Final Date is the estimated date of compliance.

**Avoided Costs**

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

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

**Notes for AVOIDED costs**

Approx. Cost of Compliance

\$10,000

**TOTAL**

\$482

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 CN600131171, RN100222413, Rating Year 2014 which includes Compliance History (CH) components from September 1, 2009, through August 31, 2014.

<b>Customer, Respondent, or Owner/Operator:</b>	CN600131171, Sid Richardson Carbon, LTD.	<b>Classification:</b>	SATISFACTORY	<b>Rating:</b>	6.93
<b>Regulated Entity:</b>	RN100222413, SID RICHARDSON CARBON BORGER PLANT	<b>Classification:</b>	SATISFACTORY	<b>Rating:</b>	9.27
<b>Complexity Points:</b>	19	<b>Repeat Violator:</b>	NO		
<b>CH Group:</b>	05 - Chemical Manufacturing				
<b>Location:</b>	9455 FM 1559 BORGER, TX 79007, HUTCHINSON COUNTY				
<b>TCEQ Region:</b>	REGION 01 - AMARILLO				

## ID Number(s):

**AIR OPERATING PERMITS** ACCOUNT NUMBER HW0017R  
**INDUSTRIAL AND HAZARDOUS WASTE** SOLID WASTE REGISTRATION # (SWR) 37420  
**WASTEWATER** PERMIT WQ0000812000  
**AIR NEW SOURCE PERMITS** ACCOUNT NUMBER HW0017R  
**AIR NEW SOURCE PERMITS** AFS NUM 4823300002  
**AIR NEW SOURCE PERMITS** REGISTRATION 23162  
**STORMWATER** PERMIT TXR05AH39

**AIR OPERATING PERMITS** PERMIT 1414  
**POLLUTION PREVENTION PLANNING** ID NUMBER P06699  
**WASTEWATER** PERMIT WQG100013  
**AIR NEW SOURCE PERMITS** PERMIT 1867A  
**AIR NEW SOURCE PERMITS** REGISTRATION 45755  
**AIR NEW SOURCE PERMITS** EPA PERMIT PSDTX1032  
**AIR EMISSIONS INVENTORY** ACCOUNT NUMBER HW0017R

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

**Date Compliance History Report Prepared:** July 30, 2015

**Agency Decision Requiring Compliance History:** Enforcement

**Component Period Selected:** July 30, 2010 to July 30, 2015

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

**Name:** Eduardo Heras

**Phone:** (512) 239-2422

## 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: 08/26/2013    ADMINORDER 2012-2164-AIR-E (1660 Order-Agreed Order With Denial)  
Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)(B)  
5C THSC Chapter 382 382.085(b)

Description: Failed to submit an initial notification for Incident No. 168666 no later than 24 hours after the discovery of the emissions event, in violation of 30 TEX. ADMIN. CODE § 101.201(a)(1)(B) and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on September 11, 2012. Specifically, the emissions event occurred on May 19, 2012, but the initial notification was not submitted until May 21, 2012.

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 No. 1867A/PSDTX1032 PERMIT

Description: Failure to prevent the release of unauthorized emissions to the atmosphere during an emissions event (which did not meet all affirmative defense criteria)

Classification: Moderate

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

5C THSC Chapter 382 382.085(b)

Description: Failed to identify the individually listed compounds or mixtures of air contaminants released during the emissions event that occurred on August 7, 2012 (Incident No. 171999). Specifically, the final emissions event report failed to include particulate matter with diameters less than 10 micrometers ("PM10"), carbon black, during the event.

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 No. 1867A/PSDTX1032 PERMIT

Description: Failed to prevent unauthorized emissions,(Incident No. 171999). Also, the emissions event resulted in 100% opacity from EPN-2 for twenty minutes and the permit limits the opacity to 15% averaged over a 6-minute period. This emissions event occurred because the Unit 2 Secondary Bag Filter housing was mechanically damaged due to overload and overpressure causing a crack. Since this emission event was report

Classification: Moderate

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

30 TAC Chapter 122, SubChapter B 122.145(2)(A)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: 0-1414 PERMIT

Description: Failed to report completely and adequately all instances of deviations. Specifically, the Respondent failed to include five upset events and the late submittal of a previous semi-annual deviation report on the semi-annual deviation report covering the period of September 20, 2010 through March 19, 2011.

2 Effective Date: 06/12/2015 ADMINORDER 2014-1460-AIR-E (1660 Order-Agreed Order With Denial)

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter F 101.201(c)

30 TAC Chapter 122, SubChapter B 122.143(4)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: SC(2)(F) OP

Description: Failed to submit a final record no later than 14 days after the end of the emissions event

Classification: Moderate

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

30 TAC Chapter 122, SubChapter B 122.143(4)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: SC 1(A) PERMIT

SC 6 OP

Description: Failure to prevent the release of unauthorized emissions to the atmosphere during an emissions event.

**B. Criminal convictions:**

N/A

**C. Chronic excessive emissions events:**

N/A

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

Item 1	October 14, 2010	(866561)
Item 2	October 22, 2010	(871475)
Item 3	February 15, 2011	(894964)
Item 4	May 26, 2011	(921647)
Item 5	May 27, 2011	(922124)
Item 6	July 29, 2011	(943883)
Item 7	August 18, 2011	(948926)
Item 8	September 27, 2011	(956277)
Item 9	October 05, 2011	(958592)
Item 10	October 12, 2011	(958788)
Item 11	November 21, 2011	(968514)

Item 12	December 28, 2011	(976155)
Item 13	December 29, 2011	(975993)
Item 14	April 10, 2012	(996189)
Item 15	April 20, 2012	(997595)
Item 16	June 01, 2012	(1009021)
Item 17	June 07, 2012	(1009759)
Item 18	June 12, 2012	(1011493)
Item 19	June 29, 2012	(1013373)
Item 20	July 03, 2012	(1015008)
Item 21	August 06, 2012	(1022473)
Item 22	September 25, 2012	(1030940)
Item 23	October 08, 2012	(1035975)
Item 24	January 15, 2013	(1053654)
Item 25	February 05, 2013	(1055609)
Item 26	February 08, 2013	(1055247)
Item 27	February 27, 2013	(1058902)
Item 28	March 26, 2013	(1073475)
Item 29	April 01, 2013	(1076958)
Item 30	April 08, 2013	(1077840)
Item 31	April 09, 2013	(1077941)
Item 32	May 31, 2013	(1093852)
Item 33	August 26, 2013	(1077772)
Item 34	November 01, 2013	(1123625)
Item 35	December 30, 2013	(1138926)
Item 36	January 15, 2014	(1143867)
Item 37	January 23, 2014	(1143895)
Item 38	April 03, 2014	(1156903)
Item 39	May 14, 2014	(1165334)
Item 40	May 28, 2014	(1170722)
Item 41	June 12, 2014	(1171568)
Item 42	January 26, 2015	(1221922)
Item 43	May 13, 2015	(1247933)
Item 44	May 27, 2015	(1252754)
Item 45	June 02, 2015	(1252911)
Item 46	June 11, 2015	(1253271)
Item 47	June 29, 2015	(1260629)

**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.

N/A

**F. Environmental audits:**

N/A

**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  
SID RICHARDSON CARBON, LTD.  
RN100222413

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

AGREED ORDER  
DOCKET NO. 2015-1179-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 Sid Richardson Carbon, LTD. ("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 carbon black manufacturing plant located at 9455 Farm-to-Market Road 1559 in Borger, Hutchinson 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 Twenty-One Thousand Dollars (\$21,000) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Sixteen Thousand Eight Hundred Dollars (\$16,800) of the administrative penalty and Four Thousand Two Hundred Dollars

- (\$4,200) 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 by July 17, 2015, the Respondent conducted stack tests for the Plant 1 and the Plant 2 Dryer Stacks.
  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 comply with the allowable hourly emissions rate, in violation of 30 TEX. ADMIN. CODE §§ 116.115(b)(2)(F) and (c), 122.143(4), and 101.20(3), TEX. HEALTH & SAFETY CODE § 382.085(b), Federal Operating Permit No. O1414, Special Terms and Conditions No. 6, and New Source Review ("NSR") Permit Nos. 1867A and PSDTX1032, Special Conditions No. 1, as documented during a record review conducted from June 30, 2015 through July 8, 2015. Specifically, during stack tests conducted on March 10, March 11, and March 12, 2015, the Respondent exceeded the maximum allowable emissions rate of 14.25 pounds per hour ("lbs/hr") for particulate matter less than or equal to 10 microns in diameter ("PM10") for the Plant 1 Dryer Stack, Emission Point Number ("EPN") 121, and the Plant 2 Dryer Stack, EPN 122, by 4.98 lbs/hr and 6.09 lbs/hr, respectively, resulting in the unauthorized release of approximately 37,726.59 pounds of PM10.

## 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: Sid Richardson Carbon, LTD., Docket No. 2015-1179-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. It is further ordered that the Respondent shall undertake the following technical requirements:
  - a. Within 30 days after the effective date of this Agreed Order, submit written certification as described in Ordering Provision No. 2.f below to demonstrate compliance with the PM10 hourly emissions rate for the Plant 1 Dryer Stack;
  - b. Within 60 days after the effective date of this Agreed Order, implement measures and/or procedures to demonstrate compliance with the PM10 hourly emissions rate for the Plant 2 Dryer Stack and/or perform a stack test on the Plant 2 Dryer Stack to determine the PM10 hourly emissions rate;
  - c. Within 75 days after the effective date of this Agreed Order, submit written certification as described in Ordering Provision No. 2.f below to demonstrate compliance with Ordering Provision No. 2.b;
  - d. If a stack test is performed on the Plant 2 Dryer Stack, then within 180 days after the effective date of this Agreed Order, submit written certification as described in Ordering Provision No. 2.f below to demonstrate compliance with the PM10 hourly emissions rate for the Plant 2 Dryer Stack or submit an administratively complete permit amendment application to increase the PM10 hourly emissions rate for the Plant 2 Dryer Stack, in accordance with 30 TEX. ADMIN. CODE § 116.111, to:

Air Permits Division, MC 163  
Texas Commission on Environmental Quality  
P.O. Box 13087  
Austin, Texas 78711-3087

- e. If a permit amendment application is submitted, then respond completely and adequately, as determined by the TCEQ, to all requests for information concerning the permit amendment application within 30 days after the date of such requests, or by any other deadline specified in writing; and
- f. If a permit amendment application is submitted, then within 360 days after the effective date of this Agreed Order, submit written certification that either authorization to increase the PM10 hourly emissions rate for the Plant 2 Dryer Stack has been obtained or that operation has ceased until such time that appropriate authorization is obtained. The certification shall include detailed supporting documentation including photographs, receipts, and/or other records and be notarized by a State of Texas Notary Public and include the following certification language:

"I certify under penalty of law that I have personally examined and am familiar with the information submitted and all attached documents, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing violations."

The certification shall be submitted to:

Order Compliance Team  
Enforcement Division, MC 149A  
Texas Commission on Environmental Quality  
P.O. Box 13087  
Austin, Texas 78711-3087

with a copy to:

Air Section Manager  
Amarillo Regional Office  
Texas Commission on Environmental Quality  
3918 Canyon Drive  
Amarillo, Texas 79109-4933

- 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

Ronald Manning  
For the Executive Director

10/3/16  
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.

R. Bismilla  
Signature

7/7/16  
Date

Riaz Bismilla  
Name (Printed or typed)  
Authorized Representative of  
Sid Richardson Carbon, LTD.

VP Production  
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.