

Executive Summary – Enforcement Matter – Case No. 47730
BASF TOTAL Petrochemicals LLC
RN100216977
Docket No. 2016-0765-AIR-E

Order Type:

Findings Agreed Order

Findings Order Justification:

Indifference to legal duty based on violation of a previous order.

Media:

AIR

Small Business:

No

Location(s) Where Violation(s) Occurred:

BASF TOTAL FINA NAFTA Region Olefins Complex, located at Gate 99 on Farm-to-Market Road 366, at the intersection of Farm-to-Market Road 366 and State Highway 73, Port Arthur, Jefferson County

Type of Operation:

Petrochemical plant

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: October 21, 2016

Comments Received: No

Penalty Information

Total Penalty Assessed: \$315,000

Total Paid to General Revenue: \$157,500

Total Due to General Revenue: \$0

Payment Plan: N/A

Supplemental Environmental Project (“SEP”) Conditional Offset: \$78,750

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

SEP Conditional Offset: \$78,750

Name of SEP: Southeast Texas Regional Planning Commission (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

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Docket No. 2016-0765-AIR-E

Investigation Information

Complaint Date(s): N/A
Complaint Information: N/A
Date(s) of Investigation: March 7, 2016
Date(s) of NOE(s): March 23, 2016

Violation Information

Failed to comply with the maximum allowable emissions rates (“MAERs”) [30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(b)(2)(F) and (c), and 122.143(4), TCEQ Order Docket No. 2013-1835-AIR-E, Ordering Provisions No. 3, New Source Review (“NSR”) Permit Nos. 36644, PSDTX903M5, and N007M1, Special Conditions No. 1, Federal Operating Permit No. O2551, Special Terms and Conditions No. 23, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

On September 18, 2015, the Respondent submitted a permit amendment for NSR Permit Nos. 36644, PSDTX903M5, and N007M1 in order to revise the combined volatile organic compounds, carbon monoxide, and nitrogen oxides MAER and the individual volatile organic compounds MAER for the Flare System, Emissions Point Numbers N-15 and N-15A.

Technical Requirements:

1. The Order will require the Respondent to implement and complete two SEPs (see SEP Attachments A and B).
2. The Order will also require the Respondent to:
 - a. Respond completely and adequately, as determined by the TCEQ, to all requests for information concerning the permit amendment application submitted on September 18, 2015 within 30 days after the date of such requests, or by any other deadline specified in writing; and
 - b. Within 180 days, submit written certification as described below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate that either the amendment to NSR Permit Nos. 36644, PSDTX903M5, and N007M1 has been obtained or that operation has ceased until such time that appropriate authorization is obtained.

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Docket No. 2016-0765-AIR-E

Contact Information

TCEQ Attorney: N/A

TCEQ Enforcement Coordinator: David Carney, Enforcement Division,
Enforcement Team 4, MC 149, (512) 239-2583; Michael Parrish, Enforcement Division,
MC 219, (512) 239-2548

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

Respondent: Gregory Masica, Vice President, BASF TOTAL Petrochemicals LLC, P.O.
Box 2506, Port Arthur, Texas 77643

Respondent's Attorney: N/A



Penalty Calculation Worksheet (PCW)

Policy Revision 4 (April 2014)

PCW Revision March 26, 2014

TCEQ

DATES Assigned **PCW** 28-Mar-2016 31-Aug-2016 Screening 29-Apr-2016 EPA Due 18-Sep-2016

RESPONDENT/FACILITY INFORMATION

Respondent BASF TOTAL Petrochemicals LLC
Reg. Ent. Ref. No. RN100216977
Facility/Site Region 10-Beaumont Major/Minor Source Major

CASE INFORMATION

Enf./Case ID No. 47730 No. of Violations 1
Docket No. 2016-0765-AIR-E Order Type Findings
Media Program(s) Air Government/Non-Profit No
Multi-Media Enf. Coordinator David Carney
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 \$157,500

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% Adjustment Subtotals 2, 3, & 7 \$157,500

Notes Enhancement for two NOVs with same/similar violations, two NOVs with dissimilar violations, six agreed orders containing denial of liability, and two agreed orders containing no denial of liability. Reduction for one notice of intent to conduct an audit.

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 \$0

Economic Benefit 0.0% Enhancement* Subtotal 6 \$0

Total EB Amounts \$677
Estimated Cost of Compliance \$5,000
*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7 Final Subtotal \$315,000

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

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes

Final Penalty Amount \$315,000

STATUTORY LIMIT ADJUSTMENT Final Assessed Penalty \$315,000

DEFERRAL 0.0% Reduction Adjustment \$0

Reduces the Final Assessed Penalty by the indicated percentage.

Notes

No deferral is recommended for Findings Orders.

PAYABLE PENALTY \$315,000

Screening Date 29-Apr-2016

Docket No. 2016-0765-AIR-E

PCW

Respondent BASF TOTAL Petrochemicals LLC

Policy Revision 4 (April 2014)

Case ID No. 47730

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN100216977

Media [Statute] Air

Enf. Coordinator David Carney

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Number	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>)	2	10%
	Other written NOVs	2	4%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	6	120%
	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	2	50%
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>)	1	-1%
	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%
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) 183%

>> 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 two NOVs with same/similar violations, two NOVs with dissimilar violations, six agreed orders containing denial of liability, and two agreed orders containing no denial of liability. Reduction for one notice of intent to conduct an audit.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 183%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 100%

Screening Date 29-Apr-2016

Docket No. 2016-0765-AIR-E

PCW

Respondent BASF TOTAL Petrochemicals LLC

Policy Revision 4 (April 2014)

Case ID No. 47730

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN100216977

Media [Statute] Air

Enf. Coordinator David Carney

Violation Number 1

Rule Cite(s)

30 Tex. Admin. Code §§ 101.20(3), 116.115(b)(2)(F) and (c), and 122.143(4), TCEQ Order Docket No. 2013-1835-AIR-E, Ordering Provisions No. 3, New Source Review Permit Nos. 36644, PSDTX903M5, and N007M1, Special Conditions No. 1, Federal Operating Permit No. O2551, Special Terms and Conditions No. 23, and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to comply with the maximum allowable emissions rates ("MAER"). Specifically, the combined volatile organic compounds ("VOC"), carbon monoxide ("CO"), and nitrogen oxides ("NOx") MAER of 359.7 tons per year ("tpy") based on a rolling 12-month period was exceeded at the Flare System, Emissions Point Numbers ("EPN") N-15 and N-15A, by an average of 68.25 tpy of combined VOC, CO, and NOx from August 2014 through April 2016, resulting in approximately 119.43 tons of unauthorized combined VOC, CO, and NOx emissions. Additionally, the individual VOC MAER of 203.5 tpy based on a rolling 12-month period was exceeded at the Flare System, EPNs N-15 and N-15A, by an average of 17.84 tpy of VOC from December 2014 through September 2015, November 2015, and February 2016, resulting in approximately 17.84 tons of unauthorized VOC emissions.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Major	Moderate	Minor
Actual		X	
Potential			

Percent 30.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

Human health or the environment has been exposed to significant amounts of pollutants that 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 21

623 Number of violation days

daily	
weekly	
monthly	X
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty \$157,500

Twenty-one monthly events are recommended from the August 15, 2014 effective date to the April 29, 2016 screening date.

Good Faith Efforts to Comply

0.0%

Reduction \$0

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

Extraordinary	
Ordinary	
N/A	X

Notes

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

Violation Subtotal \$157,500

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$677

Violation Final Penalty Total \$315,000

This violation Final Assessed Penalty (adjusted for limits) \$315,000

Economic Benefit Worksheet

Respondent BASF TOTAL Petrochemicals LLC
Case ID No. 47730
Reg. Ent. Reference No. RN100216977
Media Air
Violation No. 1

Percent Interest 5.0
Years of Depreciation 15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs	\$5,000	15-Aug-2014	29-Apr-2017	2.71	\$677	n/a	\$677
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated delayed costs to obtain a permit amendment to revise the combined VOC, CO, and NOx MAER and the individual VOC MAER for the Flare System, EPNs N-15 and N-15A. The Date Required is the effective date of the order 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 \$5,000 TOTAL \$677



Compliance History Report

Compliance History Report for CN604166967, RN100216977, Rating Year 2015 which includes Compliance History (CH) components from September 1, 2010, through August 31, 2015.

Customer, Respondent, or Owner/Operator:	CN604166967, BASF TOTAL Petrochemicals LLC	Classification: SATISFACTORY	Rating: 15.20
Regulated Entity:	RN100216977, BASF TOTAL FINA NAFTA REGION OLEFINS COMPLEX	Classification: SATISFACTORY	Rating: 15.20
Complexity Points:	29	Repeat Violator:	NO
CH Group:	05 - Chemical Manufacturing		
Location:	AT GATE 99 ON FM RD 366 AT INTERSECTION OF FM RD 366 & ST HWY 73, PORT ARTHUR, JEFFERSON COUNTY		
TCEQ Region:	REGION 10 - BEAUMONT		

ID Number(s):

AIR OPERATING PERMITS ACCOUNT NUMBER JE0843F

AIR OPERATING PERMITS PERMIT 2629

WASTEWATER PERMIT WQ0004135000

INDUSTRIAL AND HAZARDOUS WASTE EPA ID TXR000039909

AIR NEW SOURCE PERMITS AFS NUM 4824500182

AIR NEW SOURCE PERMITS ACCOUNT NUMBER JE0843F

AIR NEW SOURCE PERMITS PERMIT 41945

AIR NEW SOURCE PERMITS EPA PERMIT N018

AIR NEW SOURCE PERMITS EPA PERMIT N007M1

AIR NEW SOURCE PERMITS EPA PERMIT PSDTX903M2

AIR NEW SOURCE PERMITS REGISTRATION 79052

AIR NEW SOURCE PERMITS REGISTRATION 81912

AIR NEW SOURCE PERMITS REGISTRATION 84227

AIR NEW SOURCE PERMITS REGISTRATION 109112

AIR NEW SOURCE PERMITS EPA PERMIT N018M2

AIR NEW SOURCE PERMITS REGISTRATION 95473

AIR NEW SOURCE PERMITS REGISTRATION 101222

AIR NEW SOURCE PERMITS REGISTRATION 97972

AIR NEW SOURCE PERMITS REGISTRATION 100060

AIR NEW SOURCE PERMITS REGISTRATION 101918

AIR NEW SOURCE PERMITS REGISTRATION 103760

AIR NEW SOURCE PERMITS REGISTRATION 138673

AIR NEW SOURCE PERMITS REGISTRATION 107854

AIR NEW SOURCE PERMITS REGISTRATION 129877

AIR NEW SOURCE PERMITS REGISTRATION 140555

AIR NEW SOURCE PERMITS REGISTRATION 124227

AIR NEW SOURCE PERMITS REGISTRATION 133393

AIR NEW SOURCE PERMITS REGISTRATION 113825

AIR NEW SOURCE PERMITS REGISTRATION 122891

AIR NEW SOURCE PERMITS REGISTRATION 125108

AIR NEW SOURCE PERMITS EPA PERMIT GHGPSDTX3

AIR NEW SOURCE PERMITS REGISTRATION 109102

AIR NEW SOURCE PERMITS REGISTRATION 131427

AIR NEW SOURCE PERMITS REGISTRATION 134998

AIR NEW SOURCE PERMITS REGISTRATION 113001

AIR OPERATING PERMITS PERMIT 2551

POLLUTION PREVENTION PLANNING ID NUMBER P06698

WASTEWATER EPA ID TX0119369

INDUSTRIAL AND HAZARDOUS WASTE SOLID WASTE REGISTRATION # (SWR) 86596

AIR NEW SOURCE PERMITS PERMIT 36644

AIR NEW SOURCE PERMITS EPA PERMIT PSDTX950

AIR NEW SOURCE PERMITS EPA PERMIT N007

AIR NEW SOURCE PERMITS EPA PERMIT PSDTX903

AIR NEW SOURCE PERMITS REGISTRATION 76480

AIR NEW SOURCE PERMITS EPA PERMIT PSDTX903M1

AIR NEW SOURCE PERMITS REGISTRATION 82105

AIR NEW SOURCE PERMITS EPA PERMIT PSDTX903M3

AIR NEW SOURCE PERMITS EPA PERMIT N018M1

AIR NEW SOURCE PERMITS EPA PERMIT PSDTX903M4

AIR NEW SOURCE PERMITS EPA PERMIT PSDTX903M5

AIR NEW SOURCE PERMITS REGISTRATION 96596

AIR NEW SOURCE PERMITS REGISTRATION 97023

AIR NEW SOURCE PERMITS REGISTRATION 100466

AIR NEW SOURCE PERMITS REGISTRATION 100331

AIR NEW SOURCE PERMITS REGISTRATION 103757

AIR NEW SOURCE PERMITS REGISTRATION 107198

AIR NEW SOURCE PERMITS REGISTRATION 118750

AIR NEW SOURCE PERMITS REGISTRATION 118986

AIR NEW SOURCE PERMITS REGISTRATION 120275

AIR NEW SOURCE PERMITS REGISTRATION 120771

AIR NEW SOURCE PERMITS REGISTRATION 110943

AIR NEW SOURCE PERMITS REGISTRATION 137619

AIR NEW SOURCE PERMITS REGISTRATION 119760

AIR NEW SOURCE PERMITS REGISTRATION 136470

AIR NEW SOURCE PERMITS REGISTRATION 126179

AIR NEW SOURCE PERMITS REGISTRATION 109680

AIR NEW SOURCE PERMITS REGISTRATION 114757

AIR NEW SOURCE PERMITS REGISTRATION 107230

AIR NEW SOURCE PERMITS REGISTRATION 111865

AIR EMISSIONS INVENTORY ACCOUNT NUMBER JE0843F

Compliance History Period: September 01, 2010 to August 31, 2015 **Rating Year:** 2015 **Rating Date:** 09/01/2015

Date Compliance History Report Prepared: June 13, 2016

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: June 13, 2011 to June 13, 2016

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

Name: David Carney

Phone: (512) 239-2583

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

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

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

- 1 Effective Date: 07/31/2011 ADMINORDER 2011-0073-AIR-E (1660 Order-Agreed Order With Denial)
Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: 41945, PSD-TX-950, SC 1 PERMIT
O-02629 GTC and SC8 OP
Description: Failed to maintain an emission rate below the MAER for VOC from the Low Pressure Flare (Emission Point Number P-6). Specifically; the Respondent exceeded the rolling 12-month MAER of 2.17 tons for VOC from April 2009 through February 2010, resulting in the unauthorized release of 4.03 tons of VOC.
- 2 Effective Date: 05/25/2012 ADMINORDER 2011-1403-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(b)(2)(F)
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: 36644/PSD-TX-903M3, SC 1 PERMIT
Special Conditions No. 1 PERMIT
Special Terms and Conditions No. 20 OP
Description: Failed to maintain compliance with NOx hourly MAER for Heater H-0900. Specifically, the heater exceeded the NOx MAER of 12.19 pounds per hour ("lb/hr") for a total of 48 hours on November 26 and 27, 2010, and February 17, 2011. The NOx emission rate ranged from 13.99 lb/hr to 19.21 lb/hr.
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: 36644/PSD-TX-903M3, SC30C PERMIT
SC No. 30.C. PERMIT
STC No. 20 OP
Description: Failed to use the correct reference temperature to determine the stack flow concentration based on the measured firing rate and British thermal unit ("Btu") content of the fuel for the following units (and Emission Point Nos.): Ethylene Cracking Furnaces (N-1 through N-9), Supplemental Boiler (N-14), the Cogeneration Trains (N-20A and N-20B), Boilers B-7280 (N-24) and B-7290 (N-24B), and the Thermal Oxidizer (N-19). The Respondent used a temperature of 60EF instead of the standard of 68EF to co
- 3 Effective Date: 04/07/2013 ADMINORDER 2012-1277-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(b)(2)(F)
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: 36644, Special Condition 1 PERMIT

O-02551, Special Condition 20 OP

Description: Failed to maintain compliance with the NOx hourly MAER for Boiler B-7290 (Emission Point No. N-24B). Specifically, Boiler B-7290 exceeded the NOx MAER of 4.25 lbs/hr on May 16, 2011 for four hours and on July 29, 2011 for one hour. The NOx emission rate ranged from 5.05 lbs/hr to 20.36 lbs/hr.

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Effective Date: 08/26/2013 ADMINORDER 2012-1773-IWD-E (Findings Order-Agreed Order Without Denial)

Classification: Major

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)(1)

30 TAC Chapter 305, SubChapter F 305.125(1)

Rqmt Prov: Permit Conditions No. 2.d PERMIT

Description: Failed to prevent the unauthorized discharge of industrial wastewater. During an investigation on May 25, 2012, TCEQ staff documented that approximately 1,190,000 gallons of water containing 785 pounds of free chlorine was discharged from the storm water pond, which is authorized to discharge only non-process area storm water runoff. The discharge went through Outfall No. 001 into Drainage District ("DD") 7 Lateral 1-A to the confluence of DD-7 Lateral 1-A with the DD-7 Atlantic Main Ditch r

5

Effective Date: 08/15/2014 ADMINORDER 2013-1835-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(b)(2)(F)

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: 36644 - SC1 PERMIT

O-02551 - SC24A OP

Description: Failed to comply with the MAER of 17.65 lbs/hr of NOx for Cogeneration Unit 2, EPN N-20B.

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: 36644, SC 14 PERMIT

O-02551, SC24A OP

Description: Failed to maintain the minimum net heating value for the Shielded Flare, EPN N-15A, and the Ground Flare, EPN N-15.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)

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

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: SC1 PERMIT

SC24A OP

Description: Failed to comply with the MAER of 13.60 lbs/hr of NOx for Boiler B-7240, EPN N-14.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)

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

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: SC1 PERMIT

SC24A OP

Description: Failed to comply with the MAER for the Flare System, EPNs N-15 and N-15A

6

Effective Date: 08/22/2014 ADMINORDER 2014-0303-AIR-E (1660 Order-Agreed Order With Denial)

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)

30 TAC Chapter 116, SubChapter B 116.115(c)

30 TAC Chapter 122, SubChapter B 122.143(4)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: Special Condition 1 PA

Special Condition 1 PERMIT

Special Condition 24 A OP

Description: Failed to prevent unauthorized emissions. Specifically, the Respondent released 101.99 pounds ("lbs") of VOC from the Thermal Oxidizer, EPN N-19, during an emissions event (Incident No. 186234) that began on August 1, 2013 and lasted five hours and twenty minutes. The emissions event occurred when the Thermal Oxidizer interlocked due to the introduction of liquid VOC fuel; the interlock caused the fuel gas valve to close automatically but the process streams were routed to the Thermal Oxidizer.

7 Effective Date: 05/07/2015 ADMINORDER 2014-1426-AIR-E (1660 Order-Agreed Order With Denial)

Classification: Moderate

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

Rqmt Prov: SC 1 PERMIT
SC 23 OP

Description: Failed to prevent unauthorized emissions. Specifically, the Respondent released 256.49 pounds of volatile organic compounds from Emissions Point Number F-1, during an emissions event (Incident No. 197978) that occurred on May 7, 2014 and lasted five minutes. The emissions event occurred due to a leak at the suction strainer on the medium gasoline pump from the Charge Gas Compressor 2nd Stage.

8 Effective Date: 03/04/2016 ADMINORDER 2015-1086-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(b)(2)(F)
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: SC 1 PERMIT
SC 14 OP

Description: Failed to comply with the maximum allowable emission rate ("MAER") for the Low-Pressure Flare, EPN P-6. Specifically, the Respondent exceeded the VOC MAER of 2.49 tons per year, based on a rolling 12-month period, for the 12-month periods ending from July 2013 through September 2014, resulting in 0.55 ton of unauthorized VOC.

B. Criminal convictions:

N/A

C. Chronic excessive emissions events:

N/A

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

Item 1	June 16, 2011	(947291)
Item 2	July 19, 2011	(921694)
Item 3	August 18, 2011	(961135)
Item 4	September 12, 2011	(951981)
Item 5	September 15, 2011	(967227)
Item 6	October 12, 2011	(973190)
Item 7	October 13, 2011	(949970)
Item 8	December 08, 2011	(986157)
Item 9	February 28, 2012	(983111)
Item 10	March 19, 2012	(1005374)
Item 11	April 19, 2012	(1011947)
Item 12	May 16, 2012	(1002244)
Item 13	June 07, 2012	(1018318)
Item 14	July 20, 2012	(1033403)
Item 15	August 16, 2012	(1039924)
Item 16	September 18, 2012	(1031377)
Item 17	September 20, 2012	(1048871)
Item 18	October 17, 2012	(1035687)
Item 19	October 18, 2012	(1069846)
Item 20	October 29, 2012	(1034663)
Item 21	November 09, 2012	(1069847)

Item 22	November 20, 2012	(1044058)
Item 23	November 30, 2012	(1043017)
Item 24	December 11, 2012	(1069848)
Item 25	January 04, 2013	(1051857)
Item 26	January 16, 2013	(1083023)
Item 27	February 05, 2013	(1043769)
Item 28	February 12, 2013	(1083022)
Item 29	March 14, 2013	(1091256)
Item 30	April 26, 2013	(1097589)
Item 31	May 07, 2013	(1074674)
Item 32	May 10, 2013	(1108629)
Item 33	May 13, 2013	(1088762)
Item 34	June 17, 2013	(1112191)
Item 35	July 01, 2013	(1099043)
Item 36	July 12, 2013	(1119140)
Item 37	August 15, 2013	(1126897)
Item 38	October 16, 2013	(1137180)
Item 39	October 21, 2013	(1124326)
Item 40	December 18, 2013	(1149024)
Item 41	January 13, 2014	(1155111)
Item 42	February 03, 2014	(1144480)
Item 43	February 06, 2014	(1145006)
Item 44	March 19, 2014	(1169045)
Item 45	May 19, 2014	(1182466)
Item 46	May 27, 2014	(1166067)
Item 47	July 15, 2014	(1201322)
Item 48	August 22, 2014	(1190425)
Item 49	September 15, 2014	(1086701)
Item 50	September 16, 2014	(1196081)
Item 51	October 20, 2014	(1214067)
Item 52	November 18, 2014	(1220301)
Item 53	December 18, 2014	(1226128)
Item 54	February 10, 2015	(1244110)
Item 55	March 17, 2015	(1250493)
Item 56	April 14, 2015	(1257396)
Item 57	May 04, 2015	(1247918)
Item 58	May 18, 2015	(1264155)
Item 59	May 29, 2015	(1248203)
Item 60	June 04, 2015	(1254649)
Item 61	July 09, 2015	(1261660)
Item 62	July 30, 2015	(1267885)
Item 63	August 18, 2015	(1285008)
Item 64	August 24, 2015	(1239072)
Item 65	September 08, 2015	(1274790)
Item 66	September 17, 2015	(1292095)
Item 67	September 29, 2015	(1272836)
Item 68	October 07, 2015	(1298272)
Item 69	November 19, 2015	(1303714)
Item 70	December 17, 2015	(1310706)
Item 71	December 29, 2015	(1300726)
Item 72	January 13, 2016	(1317479)
Item 73	March 28, 2016	(1321886)
Item 74	April 05, 2016	(1312611)
Item 75	April 06, 2016	(1322723)
Item 76	June 07, 2016	(1330419)

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: 07/10/2015 (1258843)

Compliance History Report for CN604166967, RN100216977, Rating Year 2015 which includes Compliance History (CH) components from June 13, 2011, through June 13, 2016.

Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
 30 TAC Chapter 122, SubChapter B 122.145(2)(A)
 30 TAC Chapter 122, SubChapter B 122.146(5)(D)
 5C THSC Chapter 382 382.085
 General Terms and Conditions OP
 Special Condition 17 OP
 Description: Failure to report all instances of deviations.

Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
 30 TAC Chapter 115, SubChapter D 115.352(2)
 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(d)(1)
 5C THSC Chapter 382 382.085(b)
 SC 14 OP
 SC 1A OP
 SC 2D PERMIT
 SC 9H PERMIT
 Description: Failure to complete repair of a leaking component within 15 days.

2

Date: 07/29/2015 (1260914)

Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
 30 TAC Chapter 122, SubChapter B 122.145(2)(A)
 30 TAC Chapter 122, SubChapter B 122.146(5)(C)
 5C THSC Chapter 382 382.085(b)
 General Terms and Conditions OP
 Description: Failure to report deviations and accurately certify compliance in Annual Compliance Certification in a Semiannual Deviation Report.

Self Report? NO Classification: Moderate
 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)
 SC 24A OP
 SC 4B PERMIT
 SC 9E PERMIT
 Description: Failure to prevent open ended lines.

Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 SC 24A OP
 SC 30 PERMIT
 Description: Failure to maintain CEMS data as required by SC 30 of Permit 36644.

Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 SC 1 PERMIT
 SC 24A OP
 Description: Failure to operate Cogeneration Unit 2 within permitted lbs/hr limits.

Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 SC 16A PERMIT
 SC 24A OP
 Description: Failure to operate Cogeneration Unit 2 within permitted ppmvd limits.

Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 SC 21 PERMIT
 SC 24A OP
 Description: Failure to operate Heater 0500 and Heater 6101 within permitted lb/MMBtu and MMBtu/hr limits.

Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 SC 20 PERMIT
 SC 24A OP
 Description: Failure to operate the Carbon Adsorption System according to Special Condition 20 of Permit 36644.
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 SC 22 OP
 Description: Failure to comply with SC 22 of Permit O-02551 requiring a difference of not greater than 40 Degrees Fahrenheit between the thermocouples before and after the combustion chamber of the Thermal Oxidizer.
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 SC 19 PERMIT
 SC 24A OP
 Description: Failure to maintain the TO no less than 1800 degrees.
 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 A 60.18(c)(1)
 5C THSC Chapter 382 382.085(b)
 SC 14D PERMIT
 SC 1A OP
 SC 24A OP
 Description: Failure to prevent a smoking flare.
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 SC 14B PERMIT
 SC 24A OP
 Description: Failure to maintain minimum BTU/scf feed at the Ground Flare.
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 113, SubChapter C 113.120
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.138(d)
 5C THSC Chapter 382 382.085(b)
 SC 24A OP
 SC 6E PERMIT
 Description: Failure to comply with steam stripper requirements as required by SC 6E of Permit 36644.
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 SC 10 PERMIT
 SC 24A OP
 SC 9E PERMIT
 SC 9F PERMIT
 Description: Failure to conduct fugitive monitoring of 462 components in VOC service.
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.110(a)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 General Terms and Conditions OP
 Description: Failure to permit/authorize approximately 221 fugitive components in VOC service.
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 SC 1 PERMIT
 SC 24A OP
 Description: Failure to operate Heater 0900 and Heater 1000 within permitted NH3 lb/hr limits.
 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)
SC 24A OP
SC 53B(3) PERMIT
Description: Failure to maintain records of the VOC exhaust concentration from MSS Vacuum truck activities performed on September 15, 16, 20 and 23, 2014.

3 Date: 01/31/2016 (1326836)
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: 02/29/2016 (1333614)
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter

F. Environmental audits:

Notice of Intent Date: 03/07/2016 (1319006)
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
BASF TOTAL PETROCHEMICALS
LLC
RN100216977**

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§
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§

**BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY**

AGREED ORDER DOCKET NO. 2016-0765-AIR-E

On _____, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding BASF TOTAL Petrochemicals LLC (the "Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent presented this Order to the Commission.

The Respondent understands that it has certain procedural rights at certain points in the enforcement process, including the right to formal notice of violations, notice of an evidentiary hearing, the right to an evidentiary hearing, and a right to appeal. By entering into this Order, the Respondent agrees to waive all notice and procedural rights.

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

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

I. FINDINGS OF FACT

1. The Respondent owns and operates a petrochemical plant located at Gate 99 on Farm-to-Market Road 366, at the intersection of Farm-to-Market Road 366 and State Highway 73 in Port Arthur, Jefferson County, Texas (the "Plant"). The Plant consists or consisted of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
2. During a record review conducted on March 7, 2016, an investigator documented that the combined volatile organic compounds ("VOC"), carbon monoxide ("CO"), and nitrogen oxides ("NOx") maximum allowable emissions rate ("MAER") of 359.7 tons per year ("tpy") based on a rolling 12-month period was exceeded at the Flare System, Emissions Point Numbers ("EPNs") N-15 and N-15A, by an average of 68.25 tpy of combined VOC, CO, and NOx from August 2014 through April 2016, resulting in approximately 119.43 tons of unauthorized combined VOC, CO, and NOx emissions. Additionally, the individual VOC MAER of 203.5 tpy based on a rolling 12-month period was exceeded at the Flare System, EPNs N-15 and N-15A, by an average of 17.84 tpy of

VOC from December 2014 through September 2015, November 2015, and February 2016, resulting in approximately 17.84 tons of unauthorized VOC emissions.

3. The Executive Director recognizes that on September 18, 2015, the Respondent submitted a permit amendment for New Source Review ("NSR") Permit Nos. 36644, PSDTX903M5, and N007M1 in order to revise the combined VOC, CO, and NO_x MAER and the individual VOC MAER for the Flare System, EPNs N-15 and N-15A.

II. CONCLUSIONS OF LAW

1. As evidenced by Finding of Fact No. 1, the Respondent is subject to the jurisdiction of the TCEQ pursuant to TEX. HEALTH & SAFETY CODE ch. 382 and the rules of the TCEQ.
2. As evidenced by Finding of Fact No. 2, the Respondent failed to comply with the MAERs, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(b)(2)(F) and (c), and 122.143(4), TCEQ Order Docket No. 2013-1835-AIR-E, Ordering Provisions No. 3, NSR Permit Nos. 36644, PSDTX903M5, and N007M1, Special Conditions No. 1, Federal Operating Permit No. 02551, Special Terms and Conditions No. 23, and TEX. HEALTH & SAFETY CODE § 382.085(b).
3. Pursuant to TEX. WATER CODE § 7.051, the TCEQ has the authority to assess an administrative penalty against the Respondent for violations of state statutes within the TCEQ's jurisdiction, for violations of rules adopted under such statutes, or for violations of orders or permits issued under such statutes.
4. An administrative penalty in the amount of \$315,000 is justified by the facts recited in this Order, and considered in light of the factors set forth in TEX. WATER CODE § 7.053. The Respondent paid \$157,500 of the penalty. Pursuant to TEX. WATER CODE § 7.067, \$157,500 of the penalty shall be conditionally offset by the Respondent's timely and satisfactory completion of two Supplemental Environmental Projects ("SEPs") as defined in the attached SEP Agreements ("Attachment A" and "Attachment B", incorporated herein by reference). The Respondent's obligation to pay the conditionally offset portion of the penalty shall be discharged upon full compliance with all the terms and conditions of this Order, which includes the timely and satisfactory completion of all provisions of the SEP Agreements, as determined by the Executive Director.

III. ORDERING PROVISIONS

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

1. The Respondent is assessed a penalty as set forth in Conclusion of Law No. 4 for violations of state statutes and rules of the TCEQ. The payment of this penalty and the Respondent's compliance with all the requirements set forth in this Order resolve only the matters set forth by this Order in this action. The Commission shall not be constrained in any manner from requiring corrective actions or penalties for violations that are not raised here. Penalty payments shall be made payable to "TCEQ" and shall be

sent with the notation "Re: BASF TOTAL Petrochemicals LLC, Docket No. 2016-0765-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 the SEPs as set forth in Section II, Paragraph 4. The amount of \$157,500 of the assessed penalty is conditionally offset based on the Respondent's implementation and completion of the SEPs pursuant to the terms of the SEP Agreements, as defined in Attachments A and B. Penalty payments for any portion of the SEPs deemed by the Executive Director as not complete shall be paid within 30 days after the date the Executive Director demands payment.
3. The Respondent shall undertake the following technical requirements:
 - a. Respond completely and adequately, as determined by the TCEQ, to all requests for information concerning the permit amendment application submitted on September 18, 2015 within 30 days after the date of such requests, or by any other deadline specified in writing; and
 - b. Within 180 days after the effective date of this Order, submit written certification as described below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate that either the amendment to NSR Permit Nos. 36644, PSDTX903M5, and No07M1 has been obtained or that operation has ceased until such time that appropriate authorization is obtained. The certification shall be signed by the Respondent and shall 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
Beaumont Regional Office
Texas Commission on Environmental Quality
3870 Eastex Freeway
Beaumont, Texas 77703-1892

4. All relief not expressly granted in this Order is denied.
5. The duties and provisions imposed by this Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of this Order to personnel who maintain day-to-day control over the Plant operations referenced in this Order.
6. If the Respondent fails to comply with any of the Ordering Provisions in this 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 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.
7. The Executive Director may grant an extension of any deadline in this Order or in any plan, report, or other document submitted pursuant to this 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. Extension requests shall be sent to the Order Compliance Team at the address listed above.
8. 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 in this Order.
9. This Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Order, whichever is later.
10. This 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 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.
11. This Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this 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 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.

12. 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



12/2/16

For the Executive Director

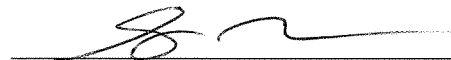
Date

I, the undersigned, have read and understand the attached Order. I am authorized to agree to the attached Order, 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

2-20-16

Date

Gregory Masica

Name (Printed or typed)

Vice President Port Arthur

Title

Authorized Representative of
BASF TOTAL Petrochemicals LLC

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

☐ If mailing address has changed, please check this box and provide the new address below:

Attachment A
Docket Number: 2016-0765-AIR-E
SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	BASF TOTAL Petrochemicals LLC
Payable Penalty Amount:	\$315,000
SEP Offset Amount:	\$78,750
Type of SEP:	Contribution to a Third-Party Pre-Approved SEP
Third-Party Administrator:	Houston-Galveston Area Council-AERCO
Project Name:	<i>Clean Vehicles Partnership Project</i>
<u>Location of SEP:</u> Angelina, Austin, Brazoria, Chambers, Colorado, Fort Bend, Galveston, Hardin, Harris, Houston, Jasper, Jefferson, Liberty, Matagorda, Montgomery, Nacogdoches, Newton, Orange, Polk, Sabine, San Augustine, San Jacinto, Trinity, Tyler, Walker, Waller, and Wharton Counties	

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

1. Project Description

a. Project

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

The SEP Offset Amount may also be used for retrofit or conversion technology that brings an Old Bus up to current EPA emissions standards. New Buses may be alternative-fueled. The SEP Offset Amount may be used for up to 100% of the replacement, conversion, or retrofit cost. The SEP Offset Amount will be used only for purchase of New Buses or conversion or retrofit equipment and contract labor for

BASF TOTAL Petrochemicals LLC
Agreed Order - Attachment A

installation of equipment. The SEP Offset Amount will not be used for financing such a purchase through a lease-purchase or similar agreement.

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

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

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

b. Environmental Benefit

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

c. Minimum Expenditure

The Respondent shall contribute at least the SEP Offset Amount to the Third-Party Administrator and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Offset Amount to the Third-Party Administrator. The Respondent shall make the check payable to **Houston-Galveston Area Council-AERCO SEP** and shall mail the contribution with a copy of the Agreed Order to:

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

3. Records and Reporting

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

Texas Commission on Environmental Quality
Enforcement Division
Attention: SEP Coordinator, MC 219
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If the Respondent does not perform its obligations under this Attachment A, including full expenditure of the SEP Offset Amount and submittal of the required reporting described in Sections 2 and 3 above, the ED may require immediate payment of all or part of the SEP Offset Amount.

In the event the ED determines that the Respondent failed to fully implement and complete the Project, the Respondent shall remit payment for all or a portion of the SEP Offset Amount, as determined by the ED, and as set forth in the attached Agreed Order. After receiving notice of failure to complete the SEP, the Respondent shall include the docket number of the attached Agreed Order and a note that the enclosed payment is for the reimbursement of a SEP; shall make the check payable to "Texas Commission on Environmental Quality"; and shall mail it to:

BASF TOTAL Petrochemicals LLC
Agreed Order - Attachment A

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

5. Publicity

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

6. Recognition

The Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP Offset Amount identified in this Attachment A and in the attached Agreed Order has not been, and shall not be, included as a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.

Attachment B
Docket Number: 2016-0765-AIR-E
SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	BASF TOTAL Petrochemicals LLC
Payable Penalty Amount:	\$315,000
SEP Offset Amount:	\$78,750
Type of SEP:	Contribution to a Third-Party Pre-Approved SEP
Third-Party Administrator:	Southeast Texas Regional Planning Commission
Project Name:	<i>West Port Arthur Home Energy Efficiency Program - Lighthouse Program</i>
Location of SEP:	Jefferson County

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

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 **Southeast Texas Regional Planning Commission** for the *West Port Arthur Home Energy Efficiency Program - Lighthouse Program* Project. The contribution will be used in accordance with the SEP between the Third-Party Administrator and the TCEQ (the "Project"). Specifically, the SEP Offset Amount will be used to hire a contractor to conduct initial inspections of eligible applicants' homes. The inspections will determine whether the home is in a condition suitable for weatherization and energy efficiency upgrades. Upgrades will not be completed at homes that need new roofs or significant foundation work. The contractor shall also determine what weatherization and energy efficiency upgrades are necessary and appropriate for the home and write a work plan. This contractor shall also conduct the final inspection of the home after the work is completed.

The Third-Party Administrator will conduct eligibility determinations to verify that participants own their homes and qualify as low-income. The Third-Party Administrator will also prepare all contracts with contractors and homeowners; coordinate between the contractors and the homeowners to answer questions; ensure that work is done timely and properly; and arrange for any necessary repairs to new equipment under the 12-

month warranty period after work is completed. The SEP will be done in accordance with all federal, state, and local environmental laws and regulations.

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

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

b. Environmental Benefit

Implementation of this Project will benefit air by reducing residential fuel and electricity usage for heating and cooling. These reductions, in turn, will reduce emissions of particulate matter, volatile organic compounds, and the nitrogen oxides associated with the combustion of fuel and the generation of electricity. Past energy audits have shown a 12-30% reduction in energy usages after completion of the weatherization and energy upgrades.

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 **Southeast Texas Regional Planning Commission SEP** and shall mail the contribution with a copy of the Agreed Order to:

Southeast Texas Regional Planning Commission
Attention: Pamela Lewis, Program Manager
2210 Eastex Freeway
Beaumont, Texas 77703

3. Records and Reporting

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

Texas Commission on Environmental Quality
Enforcement Division
Attention: SEP Coordinator, MC 219
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If the Respondent does not perform its obligations under this Attachment B, including full expenditure of the SEP Offset Amount and submittal of the required reporting described in Sections 2 and 3 above, the ED may require immediate payment of all or part of the SEP Offset Amount.

In the event the ED determines that the Respondent failed to fully implement and complete the Project, the Respondent shall remit payment for all or a portion of the SEP Offset Amount, as determined by the ED, and as set forth in the attached Agreed Order. After receiving notice of failure to complete the SEP, the Respondent shall include the docket number of the attached Agreed Order and a note that the enclosed payment is for the reimbursement of a SEP; shall make the check payable to "Texas Commission on Environmental Quality"; and shall mail it to:

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

5. Publicity

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

6. Recognition

The Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP Offset Amount identified in this Attachment B and in the attached Agreed Order has not been, and shall not be, included as a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.