

**Executive Summary – Enforcement Matter – Case No. 59357**  
**Stolthaven Houston, Inc.**  
**RN100210475**  
**Docket No. 2020-0692-AIR-E**

**Order Type:**

1660 Agreed Order

**Findings Order Justification:**

N/A

**Media:**

AIR

**Small Business:**

No

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

Stolthaven Houston Terminal, 15602 Jacintoport Boulevard, Houston, Harris County

**Type of Operation:**

Bulk liquid storage terminal

**Other Significant Matters:**

Additional Pending Enforcement Actions: Yes, Docket Nos. 2020-1156-AIR-E  
and 2021-0251-AIR-E

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

**Texas Register Publication Date:** March 5, 2021

**Comments Received:** No

***Penalty Information***

**Total Penalty Assessed:** \$17,550

**Amount Deferred for Expedited Settlement:** \$3,510

**Total Paid to General Revenue:** \$7,020

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

Payment Plan: N/A

**Supplemental Environmental Project (“SEP”) Conditional Offset:** \$7,020

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

**Compliance History Classifications:**

Person/CN - Satisfactory

Site/RN - Satisfactory

**Major Source:** Yes

**Statutory Limit Adjustment:** N/A

**Applicable Penalty Policy:** April 2014

***Investigation Information***

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

**Complaint Information:** N/A

**Date(s) of Investigation:** May 4, 2020 through May 8, 2020

**Date(s) of NOE(s):** May 15, 2020

**Executive Summary – Enforcement Matter – Case No. 59357**  
**Stolthaven Houston, Inc.**  
**RN100210475**  
**Docket No. 2020-0692-AIR-E**

***Violation Information***

Failed to store and transfer chemicals according to the scenarios and their associated vapor control requirements. Specifically, the Respondent loaded parcels of 2-Nitropropane from internal floating roof tanks onto marine vessels berthed at Ship Dock Number 3 without using the Marine Loading Flare on February 9, 2019, April 3, 2019, May 9, 2019, May 31, 2019, July 24, 2019, and September 24, 2019, resulting in 121.9 pounds of unauthorized volatile organic compounds emissions [30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), New Source Review Permit No. 41618, Special Conditions No. 6, Federal Operating Permit No. O1060, General Terms and Conditions and Special Terms and Conditions No. 12, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

***Corrective Actions/Technical Requirements***

**Corrective Action(s) Completed:**

By November 7, 2019, the Respondent added the "FLARE" tag to the work orders for all 2-Nitropropane marine loading events and conducted training for the applicable field personnel in order to comply with the storage and transfer of chemicals according to the scenarios and their associated vapor control requirements.

**Technical Requirements:**

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

***Contact Information***

**TCEQ Attorney:** N/A

**TCEQ Enforcement Coordinator:** Danielle Porras, Enforcement Division, Enforcement Team 5, MC R-12, (713) 767-3682; Michael Parrish, Enforcement Division, MC 219, (512) 239-2548

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

**SEP Third-Party Administrator:** Anahuac Independent School District, P.O. Box 638, Anahuac, Texas 77514

**Respondent:** Daniel B. Strydom, General Manager, Stolthaven Houston, Inc., 15602 Jacintoport Boulevard, Houston, Texas 77015

**Respondent's Attorney:** Jennifer Keane, Partner, Baker Botts L.L.P., 98 San Jacinto Blvd., Suite 1500, Austin, Texas 78701



# Penalty Calculation Worksheet (PCW)

Policy Revision 4 (April 2014)

PCW Revision March 26, 2014

<b>DATES</b>	<b>Assigned</b>	19-May-2020	<b>Screening</b>	19-May-2020	<b>EPA Due</b>	
	<b>PCW</b>	24-Nov-2020				

## RESPONDENT/FACILITY INFORMATION

<b>Respondent</b>	Stolthaven Houston, Inc.		
<b>Reg. Ent. Ref. No.</b>	RN100210475		
<b>Facility/Site Region</b>	12-Houston	<b>Major/Minor Source</b>	Major

## CASE INFORMATION

<b>Enf./Case ID No.</b>	59357	<b>No. of Violations</b>	1
<b>Docket No.</b>	2020-0692-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>	Danielle Porras
		<b>EC's Team</b>	Enforcement Team 5

<b>Admin. Penalty \$ Limit Minimum</b>	\$0	<b>Maximum</b>	\$25,000
--	-----	----------------	----------

## Penalty Calculation Section

### TOTAL BASE PENALTY (Sum of violation base penalties)

**Subtotal 1** \$11,250

### ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

**Compliance History** **81.0%** Adjustment **Subtotals 2, 3, & 7** \$9,112

Notes Enhancement for one NOV with same/similar violations, three NOVs with dissimilar violations, one order containing a denial of liability, and two orders without a denial of liability.

**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** -\$2,812

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

Total EB Amounts \$371  
Estimated Cost of Compliance \$10,000  
\*Capped at the Total EB \$ Amount

### SUM OF SUBTOTALS 1-7

**Final Subtotal** \$17,550

### OTHER FACTORS AS JUSTICE MAY REQUIRE

**0.0%** Adjustment \$0

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes

**Final Penalty Amount** \$17,550

### STATUTORY LIMIT ADJUSTMENT

**Final Assessed Penalty** \$17,550

### DEFERRAL

**20.0%** Reduction Adjustment -\$3,510

Reduces the Final Assessed Penalty by the indicated percentage.

Notes

Deferral offered for expedited settlement.

### PAYABLE PENALTY

\$14,040

Screening Date 19-May-2020

Docket No. 2020-0692-AIR-E

PCW

Respondent Stolthaven Houston, Inc.

Policy Revision 4 (April 2014)

Case ID No. 59357

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN100210475

Media Air

Enf. Coordinator Danielle Porras

## Compliance History Worksheet

## &gt;&gt; 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> )	1	5%
	Other written NOVs	3	6%
Orders	Any agreed final enforcement orders containing a denial of liability ( <i>number of orders meeting criteria</i> )	1	20%
	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> )	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%
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) 81%

## &gt;&gt; Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

## &gt;&gt; Compliance History Person Classification (Subtotal 7)

Satisfactory Performer

Adjustment Percentage (Subtotal 7) 0%

## &gt;&gt; Compliance History Summary

## Compliance History Notes

Enhancement for one NOV with same/similar violations, three NOVs with dissimilar violations, one order containing a denial of liability, and two orders without a denial of liability.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, &amp; 7) 81%

## &gt;&gt; Final Compliance History Adjustment

Final Adjustment Percentage \*capped at 100% 81%



**Screening Date** 19-May-2020  
**Respondent** Stolthaven Houston, Inc.  
**Case ID No.** 59357  
**Reg. Ent. Reference No.** RN100210475  
**Media** Air  
**Enf. Coordinator** Danielle Porras  
**Violation Number** 1

**Docket No.** 2020-0692-AIR-E

**PCW**

Policy Revision 4 (April 2014)

PCW Revision March 26, 2014

**Rule Cite(s)**

30 Tex. Admin. Code §§ 116.115(c) and 122.143(4), New Source Review Permit No. 41618, Special Conditions No. 6, Federal Operating Permit No. O1060, General Terms and Conditions and Special Terms and Conditions No. 12, and Tex. Health & Safety Code § 382.085(b)

**Violation Description**

Failed to store and transfer chemicals according to the scenarios and their associated vapor control requirements. Specifically, the Respondent loaded parcels of 2-Nitropropane from internal floating roof tanks onto marine vessels berthed at Ship Dock Number 3 without using the Marine Loading Flare on February 9, 2019, April 3, 2019, May 9, 2019, May 31, 2019, July 24, 2019, and September 24, 2019, resulting in 121.9 pounds of unauthorized volatile organic compounds emissions.

**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	Major	Moderate	Minor

**Percent** 0.0%

**Matrix Notes**

Human health or the environment has been exposed to insignificant amounts of pollutants which 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** 3

6 **Number of violation days**

daily	
weekly	
monthly	
quarterly	X
semiannual	
annual	
single event	

**Violation Base Penalty** \$11,250

Three quarterly events are recommended for the instances of non-compliance that occurred from February 9, 2019 to September 24, 2019.

**Good Faith Efforts to Comply**

25.0%

**Reduction** \$2,812

Before NOE/NOV NOE/NOV to EDRP/Settlement Offer

Extraordinary	
Ordinary	X
N/A	

**Notes**

The Respondent achieved compliance by November 7, 2019, prior to the Notice of Enforcement dated May 15, 2020.

**Violation Subtotal** \$8,438

**Economic Benefit (EB) for this violation**

**Statutory Limit Test**

**Estimated EB Amount** \$371

**Violation Final Penalty Total** \$17,551

**This violation Final Assessed Penalty (adjusted for limits)** \$17,551

# Economic Benefit Worksheet

**Respondent** Stolthaven Houston, Inc.

**Case ID No.** 59357

**Reg. Ent. Reference No.** RN100210475

**Media** Air

**Violation No.** 1

Percent Interest	Years of Depreciation
5.0	15

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

## 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	9-Feb-2019	7-Nov-2019	0.74	\$371	n/a	\$371

**Notes for DELAYED costs**

Estimated delayed cost to add the "FLARE" tag to the work orders for all 2-Nitropropane marine loading events and to conduct training for the applicable field personnel in order to comply with the storage and transfer of chemicals according to the scenarios and their associated vapor control requirements. The Date Required is the first date of non-compliance and the Final Date is the date of compliance.

## Avoided Costs

### ANNUALIZE 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				0.00	\$0	\$0	\$0
ONE-TIME avoided costs				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

**Notes for AVOIDED costs**

**Approx. Cost of Compliance**

\$10,000

**TOTAL**

\$371



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.



# Compliance History Report

Compliance History Report for CN600124820, RN100210475, Rating Year 2019 which includes Compliance History (CH) components from September 1, 2014, through August 31, 2019.

**Customer, Respondent, or Owner/Operator:** CN600124820, Stolthaven Houston, Inc. **Classification:** SATISFACTORY **Rating:** 9.06

**Regulated Entity:** RN100210475, Stolthaven Houston Terminal **Classification:** SATISFACTORY **Rating:** 9.06

**Complexity Points:** 29

**Repeat Violator:** NO

**CH Group:** 14 - Other

**Location:** 15602 Jacintoport Boulevard in Houston, Harris County, Texas

**TCEQ Region:** REGION 12 - HOUSTON

## ID Number(s):

**AIR OPERATING PERMITS** ACCOUNT NUMBER HG1045K

**POLLUTION PREVENTION PLANNING** ID NUMBER P00657

**WASTEWATER** EPA ID TX0091855

**AIR NEW SOURCE PERMITS** ACCOUNT NUMBER HG1045K

**AIR NEW SOURCE PERMITS** PERMIT 80759

**AIR NEW SOURCE PERMITS** REGISTRATION 109361

**AIR NEW SOURCE PERMITS** REGISTRATION 118759

**AIR NEW SOURCE PERMITS** REGISTRATION 111048

**AIR NEW SOURCE PERMITS** REGISTRATION 111050

**AIR NEW SOURCE PERMITS** REGISTRATION 111055

**AIR NEW SOURCE PERMITS** REGISTRATION 138277

**AIR NEW SOURCE PERMITS** REGISTRATION 148217

**AIR NEW SOURCE PERMITS** PERMIT AMOC112

**AIR NEW SOURCE PERMITS** REGISTRATION 158087

**STORMWATER** PERMIT TXR05CV11

**TAX RELIEF** ID NUMBER 19041

**TAX RELIEF** ID NUMBER 20411

**TAX RELIEF** ID NUMBER 20413

**TAX RELIEF** ID NUMBER 19731

**TAX RELIEF** ID NUMBER 19043

**TAX RELIEF** ID NUMBER 16416

**TAX RELIEF** ID NUMBER 19814

**TAX RELIEF** ID NUMBER 19042

**TAX RELIEF** ID NUMBER 21113

**TAX RELIEF** ID NUMBER 21044

**TAX RELIEF** ID NUMBER 21114

**TAX RELIEF** ID NUMBER 19715

**TAX RELIEF** ID NUMBER 19813

**TAX RELIEF** ID NUMBER 21043

**TAX RELIEF** ID NUMBER 23137

**TAX RELIEF** ID NUMBER 23141

**TAX RELIEF** ID NUMBER 23140

**PETROLEUM STORAGE TANK REGISTRATION**

REGISTRATION 56784

**INDUSTRIAL AND HAZARDOUS WASTE** EPA ID

TXD980748461

**INDUSTRIAL AND HAZARDOUS WASTE** OTS REQUEST

40545

**AIR OPERATING PERMITS** PERMIT 1060

**WASTEWATER** PERMIT WQ0003129000

**AIR NEW SOURCE PERMITS** PERMIT 41618

**AIR NEW SOURCE PERMITS** AFS NUM 4820100371

**AIR NEW SOURCE PERMITS** REGISTRATION 101739

**AIR NEW SOURCE PERMITS** REGISTRATION 114937

**AIR NEW SOURCE PERMITS** REGISTRATION 109270

**AIR NEW SOURCE PERMITS** REGISTRATION 131361

**AIR NEW SOURCE PERMITS** REGISTRATION 118916

**AIR NEW SOURCE PERMITS** REGISTRATION 111052

**AIR NEW SOURCE PERMITS** REGISTRATION 150963

**AIR NEW SOURCE PERMITS** REGISTRATION 146423

**AIR NEW SOURCE PERMITS** REGISTRATION 156153

**AIR NEW SOURCE PERMITS** REGISTRATION 160557

**TAX RELIEF** ID NUMBER 19727

**TAX RELIEF** ID NUMBER 18030

**TAX RELIEF** ID NUMBER 20412

**TAX RELIEF** ID NUMBER 17217

**TAX RELIEF** ID NUMBER 19040

**TAX RELIEF** ID NUMBER 17208

**TAX RELIEF** ID NUMBER 16418

**TAX RELIEF** ID NUMBER 19039

**TAX RELIEF** ID NUMBER 17203

**TAX RELIEF** ID NUMBER 19809

**TAX RELIEF** ID NUMBER 21045

**TAX RELIEF** ID NUMBER 19714

**TAX RELIEF** ID NUMBER 18029

**TAX RELIEF** ID NUMBER 18031

**TAX RELIEF** ID NUMBER 16417

**TAX RELIEF** ID NUMBER 23142

**TAX RELIEF** ID NUMBER 23139

**TAX RELIEF** ID NUMBER 23138

**INDUSTRIAL AND HAZARDOUS WASTE** SOLID WASTE

REGISTRATION # (SWR) 83390

**INDUSTRIAL AND HAZARDOUS WASTE** SOLID WASTE

REGISTRATION # (SWR) 33722

**AIR EMISSIONS INVENTORY** ACCOUNT NUMBER

HG1045K

**Compliance History Period:** September 01, 2014 to August 31, 2019 **Rating Year:** 2019 **Rating Date:** 09/01/2019

**Date Compliance History Report Prepared:** May 19, 2020

**Agency Decision Requiring Compliance History:** Enforcement

**Component Period Selected:** May 19, 2015 to May 19, 2020

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

**Name:** Danielle Porras

**Phone:** (713) 767-3682

**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

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

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

- 1 Effective Date: 07/12/2017 ADMINORDER 2016-1332-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: Effluent Limits PERMIT  
Description: Failure to comply with permit effluent limits as documented by a TCEQ record review of self-reported data.  
Classification: Major  
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)  
30 TAC Chapter 319, SubChapter A 319.5(b)  
Rqmt Prov: Sampling & Analysis Requirements PERMIT  
Description: Failure to collect and analyze samples for the following DMR(s) at the minimum frequency specified in the permit as documented by a TCEQ record review.
- 2 Effective Date: 09/26/2018 ADMINORDER 2017-1619-AIR-E (Findings Order-Agreed Order Without Denial)  
Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)  
Rqmt Prov: SC 22B PERMIT  
ST&C 12 OP  
Description: The Respondent failed to record the vapor header pressure for the Marine Loading Flare, Emission Point Number ("EPN") MLFR, in violation of 30 TEX. ADMIN. CODE §§116.115(c) and 122.143(4), TEX. HEALTH & SAFETY CODE §382.085(b), Federal Operating Permit No. O1060, General Terms and Conditions and Special Terms and Conditions No. 12, and New Source Review Permit No. 41618, Special Conditions No. 22.B.
- 3 Effective Date: 08/19/2019 ADMINORDER 2018-1345-AIR-E (1660 Order-Agreed Order With Denial)  
Classification: Major  
Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)(B)  
30 TAC Chapter 122, SubChapter B 122.143(3)(A)  
5C THSC Chapter 382 382.085(b)  
Rqmt Prov: Special Term and Condition 2F OP  
Description: Failure to report an emission event. (Category A12i(8)).

**B. Criminal convictions:**

N/A

**C. Chronic excessive emissions events:**

N/A

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

Item 1	May 20, 2015	(1263592)
Item 2	August 20, 2015	(1284414)
Item 3	September 16, 2015	(1291564)
Item 4	November 17, 2015	(1303188)



Item 5	December 17, 2015	(1310177)
Item 6	January 19, 2016	(1286730)
Item 7	February 19, 2016	(1326301)
Item 8	May 18, 2016	(1347017)
Item 9	July 18, 2016	(1360408)
Item 10	August 15, 2016	(1366848)
Item 11	September 16, 2016	(1373542)
Item 12	November 16, 2016	(1385662)
Item 13	December 14, 2016	(1391795)
Item 14	March 10, 2017	(1412400)
Item 15	May 19, 2017	(1426556)
Item 16	July 19, 2017	(1441120)
Item 17	August 07, 2017	(1429188)
Item 18	August 15, 2017	(1444791)
Item 19	September 20, 2017	(1451381)
Item 20	October 19, 2017	(1475811)
Item 21	October 31, 2017	(1447096)
Item 22	November 13, 2017	(1462705)
Item 23	March 08, 2018	(1491672)
Item 24	April 18, 2018	(1494920)
Item 25	May 10, 2018	(1501873)
Item 26	June 07, 2018	(1508985)
Item 27	August 10, 2018	(1521350)
Item 28	August 29, 2018	(1511524)
Item 29	September 17, 2018	(1528532)
Item 30	October 03, 2018	(1513508)
Item 31	November 07, 2018	(1525863)
Item 32	December 10, 2018	(1546465)
Item 33	January 08, 2019	(1563479)
Item 34	February 06, 2019	(1563477)
Item 35	March 11, 2019	(1563478)
Item 36	April 15, 2019	(1573098)
Item 37	June 12, 2019	(1585781)
Item 38	July 09, 2019	(1594446)
Item 39	August 07, 2019	(1600739)
Item 40	September 23, 2019	(1597606)
Item 41	October 14, 2019	(1614524)
Item 42	December 09, 2019	(1627662)
Item 43	January 10, 2020	(1635293)
Item 44	February 06, 2020	(1641908)
Item 45	March 04, 2020	(1648422)

#### **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:	08/22/2019	(1551648)		
	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) FOP Special Term & Condition (ST&C) 12 OP NSR Special Condition (SC) 2E PERMIT			
	Description:	Failure to prevent open-ended lines. (Category C10)			
	Self Report?	NO		Classification:	Minor
	Citation:	30 TAC Chapter 111, SubChapter A 111.111(a)(4)(A)(ii) 30 TAC Chapter 122, SubChapter B 122.143(4) 5C THSC Chapter 382 382.085(b) FOP Special Term & Condition (ST&C) 1A OP			
	Description:	Failure to maintain a daily log of visible emissions from flare (ID: MRW R-4). (Category C3)			
	Self Report?	NO		Classification:	Moderate
	Citation:	30 TAC Chapter 115, SubChapter C 115.212(a)(3)(B) 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)  
FOP Special Term & Condition (ST&C) 12 OP  
FOP Special Term & Condition (ST&C)1A OP  
NSR Special Condition (SC) 12(I) PERMIT  
NSR Special Condition (SC)1 PERMIT

Description: Failure to maintain VOC emissions during loading at Rail Rack (EPN: RACK R-1) within the Maximum Allowable Emission Rate (MAER). (Category B13)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
30 TAC Chapter 122, SubChapter B 122.145(2)  
5C THSC Chapter 382 382.085(b)  
FOP General Terms & Conditions OP

Description: Failure to report all deviations in the appropriate time frame. (Category B3)

2 Date: 08/31/2019 (1607654)

Self Report? YES Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)  
30 TAC Chapter 305, SubChapter F 305.125(1)

Description: Failure to meet the limit for one or more permit parameter

3 Date: 10/31/2019 (1620313)

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: 05/12/2020 (1580819)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 327 327.5(c)

Description: Failure to submit written information describing the details of a reportable spill within 30 days of the discovery of the spill.

**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  
STOLTHAVEN HOUSTON, INC.  
RN100210475**

§  
§  
§  
§  
§

**BEFORE THE  
  
TEXAS COMMISSION ON  
  
ENVIRONMENTAL QUALITY**

## **AGREED ORDER DOCKET NO. 2020-0692-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 Stolthaven Houston, Inc. (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, represented by Jennifer Keane of the law firm of Baker Botts L.L.P., together stipulate that:

1. The Respondent owns and operates a bulk liquid storage terminal located at 15602 Jacintoport Boulevard in Houston, Harris County, Texas (the "Site"). The Site consists or consisted of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
2. The Executive Director and the Respondent agree that the TCEQ has jurisdiction to enter this Order pursuant to TEX. WATER CODE §§ 7.002, 7.051, and 7.073, and that the Respondent is subject to TCEQ's jurisdiction. The TCEQ has jurisdiction in this matter pursuant to TEX. WATER CODE § 5.013 because it alleges violations of TEX. HEALTH & SAFETY CODE ch. 382 and the rules of the TCEQ.
3. The occurrence of any violation is in dispute and the entry of this Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
4. An administrative penalty in the amount of \$17,550 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent paid \$7,020 of the penalty and \$3,510 of the penalty is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Order and shall be waived only upon full compliance with all the terms and conditions of this Order. If the Respondent fails to timely and satisfactorily comply with any of the terms or conditions contained in this Order, the Executive Director may demand payment of all or part of the deferred penalty amount.

Pursuant to TEX. WATER CODE § 7.067, \$7,020 of the penalty shall be conditionally offset by the Respondent's timely and satisfactory completion of a Supplemental



Environmental Project ("SEP") as defined in the attached SEP Agreement ("Attachment A", 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 Agreement, as determined by the Executive Director.

5. 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). 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.
6. 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 Order.
7. 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.
8. 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.
9. The Executive Director recognizes that by November 7, 2019, the Respondent added the "FLARE" tag to the work orders for all 2-Nitropropane marine loading events and conducted training for the applicable field personnel in order to comply with the storage and transfer of chemicals according to the scenarios and their associated vapor control requirements.

## II. ALLEGATIONS

During a record review conducted from May 4, 2020 through May 8, 2020, an investigator documented that the Respondent failed to store and transfer chemicals according to the scenarios and their associated vapor control requirements, in violation of 30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), New Source Review Permit No. 41618, Special Conditions No. 6, Federal Operating Permit No. O1060, General Terms and Conditions and Special Terms and Conditions No. 12, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent loaded parcels of 2-Nitropropane from internal floating roof tanks onto marine vessels berthed at Ship Dock Number 3 without using the Marine Loading Flare on February 9, 2019, April 3, 2019, May 9, 2019, May 31, 2019, July 24, 2019, and September 24, 2019, resulting in 121.9 pounds of unauthorized volatile organic compounds emissions.



### **III. DENIALS**

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

### **IV. ORDERING PROVISIONS**

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

1. The Respondent is assessed a penalty as set forth in Section I, Paragraph No. 4. The payment of this penalty and the Respondent's compliance with all of the requirements set forth in this 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. Penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Stolthaven Houston, Inc., Docket No. 2020-0692-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 an SEP as set forth in Section I, Paragraph No. 4. The amount of \$7,020 of the assessed penalty is conditionally offset based on the Respondent's implementation and completion of the SEP pursuant to the terms of the SEP Agreement, as defined in Attachment A. Penalty payments for any portion of the SEP deemed by the Executive Director as not complete shall be paid within 30 days after the date the Executive Director demands payment.
3. All relief not expressly granted in this Order is denied.
4. 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 Site operations referenced in this Order.
5. 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.
6. 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.

7. 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.
8. 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.
9. 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



For the Executive Director

Date

07/07/2021

Date

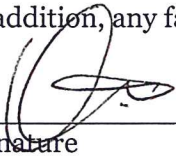
I, the undersigned, have read and understand the attached Order. I am authorized to agree to the attached Order, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

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



**Daniel B. Strydom**

Name (Printed or typed)  
Authorized Representative of  
Stolthaven Houston, Inc.

Date

**January 27, 2021**

**General Manager**

Title

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



**Attachment A**  
**Docket Number: 2020-0692-AIR-E**  
**SUPPLEMENTAL ENVIRONMENTAL PROJECT**

<b>Respondent:</b>	<b>Stolthaven Houston, Inc.</b>
<b>Payable Penalty Amount:</b>	<b>\$14,040</b>
<b>SEP Offset Amount:</b>	<b>\$7,020</b>
<b>Type of SEP:</b>	<b>Contribution to a Third-Party Pre-Approved SEP</b>
<b>Third-Party Administrator:</b>	<b>Anahuac Independent School District</b>
<b>Project Name:</b>	<b><i>Clean School Bus Project</i></b>
<b>Location of SEP:</b>	<b>Texas Air Quality Control Region 216, Houston - Galveston</b>

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

**1. Project Description**

**a. Project**

The Respondent shall contribute the SEP Offset Amount to the Third-Party Administrator named above. The contribution will be to the **Anahuac Independent School District** for the *Clean School Bus 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 purchase a lower-emission school bus that is model year 2010 or newer (“Replacement Bus”) to replace a bus that is model year 1995 (“Older Bus”), thus removing the Older Bus from the roads. The Third-Party Administrator shall ensure that the Replacement Bus has an engine that meets 2010 EPA Standards. The Third-Party Administrator certifies that the Older Bus is currently in use, driven on a regular route on a weekly basis for at least the past two years. The Third-Party Administrator shall own and operate the Replacement Bus for at least five years following the date of purchase. 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 to settle this enforcement action. The Respondent shall not profit from this SEP.

b. Environmental Benefit

The SEP will benefit air quality by reducing harmful exhaust emissions from an older school bus. Older school bus engines emit larger amounts of nitrogen oxides and particulate matter, as well as other harmful pollutants such as volatile organic compounds and carbon monoxide than new buses. These pollutants contribute to the formation of ozone and may cause or exacerbate a number of respiratory diseases, including asthma, especially in children. The Project will reduce these emissions by replacing a model year 1995 school bus with a new, lower-emission bus.

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 **Anahuac Independent School District SEP** and shall mail the contribution with a copy of the Agreed Order to:

Anahuac Independent School District  
Attention: Business Manager  
P.O. Box 638  
Anahuac, Texas 77514

**3. Records and Reporting**

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

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

#### **4. Failure to Fully Perform**

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

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

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

#### **5. Publicity**

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

#### **6. Recognition**

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

#### **7. Other SEPs by TCEQ or Other Agencies**

The SEP Offset Amount identified in this Attachment A and in the 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.