

Executive Summary – Enforcement Matter – Case No. 59882

INEOS USA LLC

RN100229905

Docket No. 2020-1257-AIR-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

AIR

Small Business:

No

Location(s) Where Violation(s) Occurred:

INEOS Polyethylene La Porte Plant, 1230 Independence Parkway South, La Porte, Harris County

Type of Operation:

Chemical manufacturing plant

Other Significant Matters:

Additional Pending Enforcement Actions: Yes, Docket Nos. 2021-0298-AIR-E and 2021-0589-AIR-E

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: September 30, 2022

Comments Received: No

Penalty Information

Total Penalty Assessed: \$162,225

Amount Deferred for Expedited Settlement: \$32,445

Total Paid to General Revenue: \$64,890

Total Due to General Revenue: \$0

Payment Plan: N/A

Supplemental Environmental Project (“SEP”) Conditional Offset: \$64,890

Name of SEP: Houston Regional Monitoring Corporation (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: October 29, 2019 through August 24, 2020 and February 7, 2020 through February 27, 2020

Date(s) of NOE(s): October 6, 2020

Executive Summary – Enforcement Matter – Case No. 59882

INEOS USA LLC

RN100229905

Docket No. 2020-1257-AIR-E

Violation Information

1. Failed to comply with the maximum allowable emissions rate ("MAER"). Specifically, the Respondent exceeded the volatile organic compounds ("VOC") MAER of 0.63 pound per hour from April 19, 2018 through October 31, 2019 for Cooling Tower CT2A, Emissions Point Number ("EPN") PE-CT2A, resulting in approximately 49,728.94 pounds ("lbs") of unauthorized VOC emissions [30 TEX. ADMIN. CODE §§ 116.115(b)(2)(F) and (c) and 122.143(4), New Source Review ("NSR") Permit No. 49823, Special Conditions ("SC") No. 1, Federal Operating Permit ("FOP") No. O1439, General Terms and Conditions ("GTC") and Special Terms and Conditions ("STC") No. 13, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

2. Failed to obtain authorization prior to constructing or modifying a source of air contaminants. Specifically, the Respondent constructed and operated 8 process vents for Vessels H-11, H-16, H-19, H-21, F-560, V-2036, V-5027, and V-2037 from February 11, 2018 to September 18, 2020 prior to obtaining the proper authorization [30 TEX. ADMIN. CODE §§ 116.110(a) and 122.143(4), FOP No. O1439, GTC, and TEX. HEALTH & SAFETY CODE §§ 382.0518(a) and 382.085(b)].

3. Failed to operate the flare with a flame present at all times and failed to prevent unauthorized emissions. Specifically, the Respondent released 3,018.6 lbs of VOC and 432.5 lbs of ethylene from the Polyethylene Flare, EPN PE-FLARE, during an emissions event (Incident No. 285530) that occurred on June 2, 2018 and lasted one hour and 23 minutes. The emissions event occurred when a nitrogen-rich stream was inadvertently introduced into the pilot gas stream that caused the loss of the flare pilot flame, resulting in the release to the atmosphere. Since the emissions event was not caused by a sudden breakdown of equipment or process beyond the control of the owner or operator and could have been avoided by better design and/or better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 101.20(1), 115.722(d), 116.115(c), and 122.143(4), 40 CODE OF FEDERAL REGULATIONS § 60.18(c)(2), NSR Permit No. 49823, SC Nos. 2 and 3.B, FOP No. O1439, GTC and STC Nos. 1.A and 13, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

The Respondent implemented the following corrective measures:

a. By replacing the leaking heat exchanger during the October 2019 turnaround in order to comply with the VOC hourly MAER for Cooling Tower CT2A, EPN PE-CT2A, by October 31, 2019.

b. In order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 285530:

Executive Summary – Enforcement Matter – Case No. 59882

INEOS USA LLC

RN100229905

Docket No. 2020-1257-AIR-E

- i. By reestablishing the pilot flame for the Polyethylene Flare by June 2, 2018; and
 - ii. By implementing piping configuration changes to ensure that the Polyethylene Flare is operated with a flame present at all times by October 22, 2020.
- c. By obtaining Permit by Rule Registration No. 164349 that authorized the process vents for Vessels H-11, H-16, H-19, H-21, F-560, V-2036, V-5027, and V-2037 by March 11, 2021.

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: Amanda Diaz, Enforcement Division, Enforcement Team 2, MC R-12, (713) 422-8912; 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: Houston Regional Monitoring Corporation, Amandes Amandes PLLC, 1414 West Clay Street, Houston, Texas 77019

Respondent: Robert Bradshaw, Site Manager, INEOS USA LLC, 1230 Independence Parkway South, La Porte, Texas 77571

Respondent's Attorney: N/A



Penalty Calculation Worksheet (PCW)

Policy Revision 4 (April 2014)

PCW Revision March 26, 2014

DATES	Assigned	8-Sep-2020	Screening	18-Sep-2020	EPA Due	27-Feb-2021
	PCW	25-Jul-2022				

RESPONDENT/FACILITY INFORMATION	
Respondent	INEOS USA LLC
Reg. Ent. Ref. No.	RN100229905
Facility/Site Region	12-Houston
Major/Minor Source	Major

CASE INFORMATION				
Enf./Case ID No.	59882	No. of Violations	3	
Docket No.	2020-1257-AIR-E	Order Type	1660	
Media Program(s)	Air	Government/Non-Profit	No	
Multi-Media		Enf. Coordinator	Amanda Diaz	
		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	\$90,000
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ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History	99.0%	Adjustment	Subtotals 2, 3, & 7	\$89,100
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Notes: Enhancement for two NOVs with the same or similar violations, two NOVs with dissimilar violations, three agreed orders containing a denial of liability, and one agreed order without a denial of liability.

Culpability	No	0.0%	Enhancement	Subtotal 4	\$0
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Notes: The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply Total Adjustments	Subtotal 5	-\$16,875
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Economic Benefit	0.0%	Enhancement*	Subtotal 6	\$0
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Total EB Amounts: \$11,077
 Estimated Cost of Compliance: \$121,956
 *Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7	Final Subtotal	\$162,225
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OTHER FACTORS AS JUSTICE MAY REQUIRE	0.0%	Adjustment	\$0
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

Final Penalty Amount	\$162,225
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$162,225
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DEFERRAL	20.0%	Reduction	Adjustment	-\$32,445
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Reduces the Final Assessed Penalty by the indicated percentage.

Notes:

Deferral offered for expedited settlement.

PAYABLE PENALTY	\$129,780
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Screening Date 18-Sep-2020
Respondent INEOS USA LLC
Case ID No. 59882
Reg. Ent. Reference No. RN100229905
Media Air
Enf. Coordinator Amanda Diaz

Docket No. 2020-1257-AIR-E

PCW

Policy Revision 4 (April 2014)
 PCW Revision March 26, 2014

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>)	3	60%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	1	25%
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) 99%

>> 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 the same or similar violations, two NOVs with dissimilar violations, three agreed orders containing a denial of liability, and one agreed order without a denial of liability.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 99%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 99%

Screening Date 18-Sep-2020
Respondent INEOS USA LLC
Case ID No. 59882
Reg. Ent. Reference No. RN100229905
Media Air
Enf. Coordinator Amanda Diaz

Docket No. 2020-1257-AIR-E

PCW

Policy Revision 4 (April 2014)
PCW Revision March 26, 2014

Violation Number 1

Rule Cite(s)
 30 Tex. Admin. Code §§ 116.115(b)(2)(F) and (c) and 122.143(4), New Source Review ("NSR") Permit No. 49823, Special Conditions ("SC") No. 1, Federal Operating Permit ("FOP") No. O1439, General Terms and Conditions ("GTC") and Special Terms and Conditions ("STC") No. 13, and Tex. Health & Safety Code § 382.085(b)

Violation Description
 Failed to comply with the maximum allowable emissions rate ("MAER"). Specifically, the Respondent exceeded the volatile organic compounds ("VOC") MAER of 0.63 pound per hour from April 19, 2018 through October 31, 2019 for Cooling Tower CT2A, Emissions Point Number ("EPN") PE-CT2A, resulting in approximately 49,728.94 pounds ("lbs") of unauthorized VOC emissions.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
Actual			x		30.0%
Potential					

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor	Percent
					0.0%

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

Adjustment \$17,500

\$7,500

Violation Events

Number of Violation Events 7 560 Number of violation days

daily	
weekly	
monthly	
quarterly	x
semiannual	
annual	
single event	

Violation Base Penalty \$52,500

Seven quarterly events are recommended for the period of non-compliance from April 19, 2018 through October 31, 2019.

Good Faith Efforts to Comply

25.0%

Reduction \$13,125

	Before NOE/NOV	NOE/NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary	x	
N/A		

Notes
 The Respondent completed the corrective actions by October 31, 2019, prior to the Notice of Enforcement ("NOE") dated August 31, 2020.

Violation Subtotal \$39,375

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$7,671

Violation Final Penalty Total \$91,350

This violation Final Assessed Penalty (adjusted for limits) \$91,350

Economic Benefit Worksheet

Respondent INEOS USA LLC
Case ID No. 59882
Reg. Ent. Reference No. RN100229905
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
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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				0.00	\$0	n/a	\$0
Other (as needed)	\$100,000	19-Apr-2018	31-Oct-2019	1.53	\$7,671	n/a	\$7,671

Notes for DELAYED costs

Estimated cost to replace the leaking heat exchanger during the October 2019 turnaround in order to comply with the VOC hourly MAER for Cooling Tower CT2A, EPN PE-CT2A. 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

\$100,000

TOTAL

\$7,671

Screening Date 18-Sep-2020
Respondent INEOS USA LLC
Case ID No. 59882
Reg. Ent. Reference No. RN100229905
Media Air
Enf. Coordinator Amanda Diaz

Docket No. 2020-1257-AIR-E

PCW

Policy Revision 4 (April 2014)
PCW Revision March 26, 2014

Violation Number

Rule Cite(s) 30 Tex. Admin. Code §§ 116.110(a) and 122.143(4), FOP No. O1439, GTC, and Tex. Health & Safety Code §§ 382.0518(a) and 382.085(b)

Violation Description Failed to obtain authorization prior to constructing or modifying a source of air contaminants. Specifically, the Respondent constructed and operated process vents for Vessels H-11, H-16, H-19, H-21, F-560, V-2036, V-2037, and V-5027 prior to obtaining the proper authorization.

Base Penalty

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="0.0%"/>
	Potential	<input type="text"/>	<input type="text"/>	<input type="text"/>	

>> Programmatic Matrix

Matrix Notes	Falsification	Major	Moderate	Minor	Percent
		<input type="text"/>	<input checked="" type="text" value="x"/>	<input type="text"/>	
100% of the rule requirements were not met.					

Adjustment

Violation Events

Number of Violation Events Number of violation days

daily	<input type="text"/>
weekly	<input type="text"/>
monthly	<input type="text"/>
quarterly	<input checked="" type="text" value="x"/>
semiannual	<input type="text"/>
annual	<input type="text"/>
single event	<input type="text"/>

Violation Base Penalty

Nine quarterly events are recommended from the August 21, 2018 non-compliance date to the September 18, 2020 screening date.

Good Faith Efforts to Comply

Reduction

	Before NOE/NOV	NOE/NOV to EDPRP/Settlement Offer
Extraordinary	<input type="text"/>	<input type="text"/>
Ordinary	<input type="text"/>	<input checked="" type="text" value="x"/>
N/A	<input type="text"/>	<input type="text"/>

Notes The Respondent completed the corrective actions on March 11, 2021, after the NOE dated August 31, 2020.

Violation Subtotal

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount

Violation Final Penalty Total

This violation Final Assessed Penalty (adjusted for limits)

Economic Benefit Worksheet

Respondent INEOS USA LLC
Case ID No. 59882
Reg. Ent. Reference No. RN100229905
Media Air
Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Costs Saved	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	\$450	21-Aug-2018	11-Mar-2021	2.56	\$58	n/a	\$58
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Actual cost to submit the registration for Permits by Rule Registration No. 164349 to authorize the process vents for Vessels H-11, H-16, H-19, H-21, F-560, V-2036, V-5027, and V-2037 at the Plant. The Date Required is the initial 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

\$450

TOTAL

\$58

Screening Date 18-Sep-2020
Respondent INEOS USA LLC
Case ID No. 59882
Reg. Ent. Reference No. RN100229905
Media Air
Enf. Coordinator Amanda Diaz

Docket No. 2020-1257-AIR-E

PCW

Policy Revision 4 (April 2014)
PCW Revision March 26, 2014

Violation Number

Rule Cite(s)

30 Tex. Admin. Code §§ 101.20(1), 115.722(d), 116.115(c), and 122.143(4), 40 Code of Federal Regulations § 60.18(c)(2), NSR Permit No. 49823, SC Nos. 2 and 3.B, FOP No. O1439, GTC and STC Nos. 1.A and 13, and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to operate the flare with a flame present at all times and failed to prevent unauthorized emissions. Specifically, the Respondent released 3,018.60 lbs of VOC and 432.50 lbs of ethylene from the Polyethylene Flare, EPN PE-FLARE, during an emissions event (Incident No. 285530) that occurred on June 2, 2018 and lasted one hour and 23 minutes. The emissions event occurred when a nitrogen-rich stream was inadvertently introduced into the pilot gas stream that caused the loss of the flare pilot flame, resulting in the release to the atmosphere. Since the emissions event was not caused by a sudden breakdown of equipment or process beyond the control of the owner or operator and could have been avoided by better design and/or better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 Tex. Admin. Code § 101.222.

Base Penalty

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual	<input type="text"/>	<input type="text"/>	<input checked="" type="text" value="x"/>
Potential	<input type="text"/>	<input type="text"/>	<input type="text"/>

Percent

>> Programmatic Matrix

Falsification	Major	Moderate	Minor
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Percent

Matrix Notes

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

Adjustment

Violation Events

Number of Violation Events Number of violation days

daily	<input type="text"/>
weekly	<input type="text"/>
monthly	<input type="text"/>
quarterly	<input checked="" type="text" value="x"/>
semiannual	<input type="text"/>
annual	<input type="text"/>
single event	<input type="text"/>

Violation Base Penalty

Good Faith Efforts to Comply

Reduction

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

Extraordinary	<input type="text"/>	<input type="text"/>
Ordinary	<input type="text"/>	<input checked="" type="text" value="x"/>
N/A	<input type="text"/>	<input type="text"/>

Notes

The Respondent completed the corrective actions by October 22, 2020, after the NOE dated October 6, 2020.

Violation Subtotal

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount

Violation Final Penalty Total

This violation Final Assessed Penalty (adjusted for limits)

Economic Benefit Worksheet

Respondent INEOS USA LLC
Case ID No. 59882
Reg. Ent. Reference No. RN100229905
Media Air
Violation No. 3

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Costs Saved	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	\$20,000	2-Jun-2018	22-Oct-2020	2.39	\$159	\$3,189	\$3,348
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)	\$1,500	2-Jun-2018	2-Jun-2018	0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated costs to reestablish the pilot flame for the Polyethylene Flare (\$1,500) and to implement piping configuration changes to ensure that the Polyethylene Flare is operated with a flame present at all times (\$20,000) in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 285530. The Dates Required are the date the emissions event occurred and the Final Dates are the dates 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

\$21,500

TOTAL

\$3,348

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 CN602817884, RN100229905, Rating Year 2021 which includes Compliance History (CH) components from September 1, 2016, through August 31, 2021.

Customer, Respondent, or Owner/Operator: CN602817884, INEOS USA LLC **Classification:** SATISFACTORY **Rating:** 6.85
Regulated Entity: RN100229905, INEOS POLYETHYLENE NORTH AMERICA LA PORTE PLANT **Classification:** SATISFACTORY **Rating:** 11.03
Complexity Points: 22 **Repeat Violator:** NO
CH Group: 05 - Chemical Manufacturing
Location: 1230 INDEPENDENCE PARKWAY SOUTH, LA PORTE, HARRIS COUNTY, TEXAS
TCEQ Region: REGION 12 - HOUSTON

ID Number(s):

AIR OPERATING PERMITS ACCOUNT NUMBER HG0665E
AIR OPERATING PERMITS PERMIT 3758

AIR NEW SOURCE PERMITS PERMIT 49823
AIR NEW SOURCE PERMITS REGISTRATION 33637
AIR NEW SOURCE PERMITS REGISTRATION 42369
AIR NEW SOURCE PERMITS AFS NUM 4820100004
AIR NEW SOURCE PERMITS REGISTRATION 110990
AIR NEW SOURCE PERMITS REGISTRATION 111012
AIR NEW SOURCE PERMITS REGISTRATION 110997
AIR NEW SOURCE PERMITS REGISTRATION 166822
AIR NEW SOURCE PERMITS REGISTRATION 167326
AIR NEW SOURCE PERMITS REGISTRATION 164778
AIR NEW SOURCE PERMITS REGISTRATION 160743
AIR NEW SOURCE PERMITS REGISTRATION 156179

PETROLEUM STORAGE TANK REGISTRATION
REGISTRATION 57482

WASTEWATER EPA ID TX0006033

POLLUTION PREVENTION PLANNING ID NUMBER
P00633

INDUSTRIAL AND HAZARDOUS WASTE EPA ID
TXD980625958

TAX RELIEF ID NUMBER 20444

AIR OPERATING PERMITS PERMIT 1439
PUBLIC WATER SYSTEM/SUPPLY REGISTRATION
1011097
AIR NEW SOURCE PERMITS REGISTRATION 28146
AIR NEW SOURCE PERMITS REGISTRATION 41293
AIR NEW SOURCE PERMITS ACCOUNT NUMBER HG0665E
AIR NEW SOURCE PERMITS PERMIT 106824
AIR NEW SOURCE PERMITS REGISTRATION 111004
AIR NEW SOURCE PERMITS REGISTRATION 110971
AIR NEW SOURCE PERMITS REGISTRATION 164349
AIR NEW SOURCE PERMITS REGISTRATION 168529
AIR NEW SOURCE PERMITS REGISTRATION 164776
AIR NEW SOURCE PERMITS REGISTRATION 153914
AIR NEW SOURCE PERMITS REGISTRATION 160744
AIR NEW SOURCE PERMITS REGISTRATION 156176
WASTEWATER PERMIT WQ0000544000

AIR EMISSIONS INVENTORY ACCOUNT NUMBER
HG0665E
INDUSTRIAL AND HAZARDOUS WASTE SOLID WASTE
REGISTRATION # (SWR) 30704
TAX RELIEF ID NUMBER 20448

TAX RELIEF ID NUMBER 20438

Compliance History Period: September 01, 2016 to August 31, 2021 **Rating Year:** 2021 **Rating Date:** 09/01/2021

Date Compliance History Report Prepared: April 10, 2022

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: April 08, 2017 to April 08, 2022

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

Name: Amanda Diaz

Phone: (713) 422-8912

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: 08/22/2018 ADMINORDER 2017-0736-AIR-E (Findings Order-Agreed Order Without Denial)
Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
Classification: Moderate
30 TAC Chapter 115, SubChapter D 115.352(2)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-9(a)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: Special Term & Condition 1A OP
Description: Failure to repair delay of repair components during a scheduled unit shutdown (CATEGORY B19.g.7 Violation)
- 2 Effective Date: 04/26/2019 ADMINORDER 2018-0400-AIR-E (1660 Order-Agreed Order With Denial)
Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.110(a)
5C THSC Chapter 382 382.0518(a)
5C THSC Chapter 382 382.085(b)
Description: Failure to identify NSR authorization or regulatory compliance documentation for four small atmospheric process vents. (Category B9)
- 3 Effective Date: 05/12/2020 ADMINORDER 2019-0975-AIR-E (1660 Order-Agreed Order With Denial)
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)
Rqmt Prov: FOP, Special Term & Condition 13 OP
NSR, Special Condition 2 PERMIT
Description: Failure to maintain vents (EPNs: PE-FCM2DRY and PE-FCM2STG) VOC emissions within Maximum Allowable Emission Rates (MAERT) limit. [Category A8, GC 2]
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)
Rqmt Prov: FOP, Special Term & Condition 13 OP
NSR, Special Condition 2 PERMIT
Description: Failure to maintain process vents (EPNs: PE-FCM3DRY and PE-FCM3STG) VOC emissions within Maximum Allowable Emission Rates (MAERT) limit. [Category A8, GC 2]
- 4 Effective Date: 08/25/2021 ADMINORDER 2020-1179-AIR-E (1660 Order-Agreed Order With Denial)
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)
Rqmt Prov: General Terms and Conditions OP
Special Condition 1 PERMIT
Special Term and Condition 9 PERMIT
Description: Failed to comply with the MAERs. Specifically, the Respondent exceeded the NOx MAER of 12.66 tons per year ("tpy"), the CO MAER of 65.21 tpy, and the VOC MAER of 71.10 tpy, each based on a 12-month rolling period, for the 12-month periods ending from July 2018 through April 2019 for the Polyethylene Flare (Routine Operation), EPN PE-FLARE2, resulting in the unauthorized release of 3.73 tons of NOx emissions, 19.65 tons of CO emissions, and 18.17 tons of VOC emissions.

B. Criminal convictions:

N/A

C. Chronic excessive emissions events:

N/A

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

Item 1	April 18, 2017	(1417630)
Item 2	May 24, 2017	(1410803)
Item 3	June 19, 2017	(1431222)
Item 4	July 10, 2017	(1417147)
Item 5	July 14, 2017	(1422244)
Item 6	July 19, 2017	(1439831)
Item 7	August 14, 2017	(1443519)
Item 8	August 24, 2017	(1474531)
Item 9	September 13, 2017	(1450146)
Item 10	October 17, 2017	(1455966)
Item 11	November 20, 2017	(1461447)
Item 12	December 14, 2017	(1467826)
Item 13	February 19, 2018	(1486757)
Item 14	April 20, 2018	(1493671)
Item 15	May 16, 2018	(1500589)
Item 16	June 08, 2018	(1481822)
Item 17	June 12, 2018	(1507706)
Item 18	July 17, 2018	(1514023)
Item 19	August 16, 2018	(1520085)
Item 20	September 17, 2018	(1527250)
Item 21	October 04, 2018	(1506534)
Item 22	October 17, 2018	(1533608)
Item 23	November 15, 2018	(1541443)
Item 24	December 19, 2018	(1545227)
Item 25	January 17, 2019	(1559656)
Item 26	March 19, 2019	(1559655)
Item 27	April 16, 2019	(1571824)
Item 28	May 20, 2019	(1583257)
Item 29	July 18, 2019	(1593137)
Item 30	September 20, 2019	(1606388)
Item 31	October 17, 2019	(1613234)
Item 32	November 14, 2019	(1619048)
Item 33	December 10, 2019	(1626400)
Item 34	January 17, 2020	(1634041)
Item 35	February 13, 2020	(1640660)
Item 36	February 19, 2020	(1624538)
Item 37	March 19, 2020	(1647180)
Item 38	April 16, 2020	(1653516)
Item 39	May 13, 2020	(1660103)
Item 40	June 18, 2020	(1666607)
Item 41	July 16, 2020	(1673564)
Item 42	August 20, 2020	(1680339)
Item 43	August 27, 2020	(1633655)
Item 44	October 15, 2020	(1693255)
Item 45	November 19, 2020	(1712455)
Item 46	December 17, 2020	(1712456)
Item 47	January 18, 2021	(1712457)
Item 48	February 22, 2021	(1725510)
Item 49	March 15, 2021	(1725511)
Item 50	April 16, 2021	(1725512)
Item 51	July 20, 2021	(1751704)
Item 52	August 20, 2021	(1757168)
Item 53	August 24, 2021	(1751418)
Item 54	September 20, 2021	(1766248)
Item 55	October 18, 2021	(1776711)
Item 56	November 29, 2021	(1783620)
Item 57	December 14, 2021	(1790646)
Item 58	January 17, 2022	(1798440)

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: 04/16/2021 (1692130)
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)
FOP, ST&C 9 OP
NSR, SC 6 PERMIT
NSR, SC 7 PERMIT
Description: Failure to calculate the hourly average emissions of volatile organic compounds (VOC) per the calculation method listed in the permit. (Category B18.g.1 violation)
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
NSR, SC 18D(1) PERMIT
Description: Failure to conduct degassing of pump, Facility ID (FIN): P3006/3007, per permit requirements. (Category B13 violation).
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 117, SubChapter B 117.345(f)(10)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
FOP, ST&C 1A OP
Description: Failure to maintain records of engine operation during maintenance and testing for engine EPN: EMENG. (Category C3 violation)
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 101, SubChapter A 101.24(b)
30 TAC Chapter 101, SubChapter A 101.27(b)
5C THSC Chapter 382 382.085(b)
Description: Failure to return the air emissions basis form by the required due date. (Category B3 violation)
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)
5C THSC Chapter 382 382.085(b)
FOP, GT&Cs OP
Description: Failure to report all instances of deviations for the period of April 21, 2019 through October 20, 2019. (Category B3 violation)
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)
5C THSC Chapter 382 382.085(b)
FOP, GT&Cs OP
Description: Failure to report all instances of deviations for the period of October 21, 2019 through April 20, 2020. (Category B3 violation)
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
FOP, ST&C 9 OP
NSR, SC 1 PERMIT
Description: Failure to prevent unauthorized short-term (lbs/hr) and long-term (tpy) volatile organic compound (VOC) emissions from waste drums containing process liquid waste (Category B13 violation).
- 2 Date: 04/30/2021 (1740062)
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: 05/31/2021 (1747578)
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

Date: 02/28/2022 (1757064)

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 115, SubChapter D 115.352(4)
 30 TAC Chapter 115, SubChapter H 115.783(5)
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(1)
 5C THSC Chapter 382 382.085(b)
 Special Condition 11(E) PERMIT
 Special Terms & Conditions 1A & 13 OP

Description: Failure to prevent open ended lines (OELs) (Category C10).

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 115, SubChapter D 115.352(2)
 30 TAC Chapter 115, SubChapter H 115.782(b)(1)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(d)(2)
 5C THSC Chapter 382 382.085(b)
 Special Term & Condition 1A OP

Description: Failure to perform the first repair attempt in the required timeframe (Category C1).

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 115, SubChapter H 115.725(d)(4)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 Special Term & Condition 1A OP

Description: Failure to perform HRVOC sampling during analyzer downtime on the Polyethylene Flare (EPN: PE-FLARE) (Category C1).

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(c)(3)(ii)
 5C THSC Chapter 382 382.085(b)
 Special Term & Condition 1A OP

Description: Failure to maintain the minimum net heating value for the Polyethylene Flare (EPN: PE-Flare) (Category C4).

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 Special Condition 14 PERMIT
 Special Term & Condition 13 OP

Description: Failure to conduct twice monthly sample of the PE flare and pellet handling system (EPNs: PE-CM10DRY; PE-CM10STG; and PE-CM10FV) (Category C1).

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 115, SubChapter H 115.782(a)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 Special Term & Condition 1A OP

Description: Failure to maintain tags on leaking components (Category C1).

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 Special Condition 2 PERMIT
 Special Term & Condition 13 OP

Description: Failure to prevent exceedance of the MAERT for EPN: PE-HRSG23 (Category B13).

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(4)(A)
 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)
 Special Term & Condition 1A OP

Description: Failure to prevent visible emissions from the Polyethylene Flare (EPN: PE-Flare) (Category C4).

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
INEOS USA LLC
RN100229905

§
§
§
§
§

BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY

AGREED ORDER DOCKET NO. 2020-1257-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 INEOS USA 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 together stipulate that:

1. The Respondent owns and operates a chemical manufacturing plant located at 1230 Independence Parkway South in La Porte, Harris 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. 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 \$162,225 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent paid \$64,890 of the penalty and \$32,445 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 and 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, \$64,890 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 the Respondent implemented the following corrective measures at the Plant:
 - a. By replacing the leaking heat exchanger during the October 2019 turnaround in order to comply with the volatile organic compounds ("VOC") hourly maximum allowable emissions rate ("MAER") for Cooling Tower CT2A, Emissions Point Number ("EPN") PE-CT2A, by October 31, 2019.
 - b. In order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 285530:
 - i. By reestablishing the pilot flame for the Polyethylene Flare by June 2, 2018; and
 - ii. By implementing piping configuration changes to ensure that the Polyethylene Flare is operated with a flame present at all times by October 22, 2020.
 - c. By submitting the registration for Permits by Rule Registration No. 164349 to authorize the process vents for Vessels H-11, H-16, H-19, H-21, F-560, V-2036, V-2037, and V-5027 by March 11, 2021.
 - d. By obtaining Permits by Rule Registration No. 164349 on March 30, 2021.

II. ALLEGATIONS

1. During a record review for the Plant conducted from October 29, 2019 through August 24, 2020, an investigator documented that the Respondent:
 - a. Failed to comply with the MAER, in violation of 30 TEX. ADMIN. CODE §§ 116.115(b)(2)(F) and (c) and 122.143(4), New Source Review ("NSR") Permit No. 49823, Special Conditions ("SC") No. 1, Federal Operating Permit ("FOP") No. 01439, General Terms and Conditions ("GTC") and Special Terms and Conditions

("STC") No. 13, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent exceeded the VOC MAER of 0.63 pound per hour from April 19, 2018 through October 31, 2019 for Cooling Tower CT2A, EPN PE-CT2A, resulting in approximately 49,728.94 pounds ("lbs") of unauthorized VOC emissions.

- b. Failed to obtain authorization prior to constructing or modifying a source of air contaminants, in violation of 30 TEX. ADMIN. CODE §§ 116.110(a) and 122.143(4), FOP No. O1439, GTC, and TEX. HEALTH & SAFETY CODE §§ 382.0518(a) and 382.085(b). Specifically, the Respondent constructed and operated process vents for Vessels H-11, H-16, H-19, H-21, F-560, V-2036, V-2037, and V-5027 prior to obtaining the proper authorization.
2. During a record review for the Plant conducted from February 7, 2020 through February 27, 2020, an investigator documented that the Respondent failed to operate the flare with a flame present at all times and failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 101.20(1), 115.722(d), 116.115(c), and 122.143(4), 40 CODE OF FEDERAL REGULATIONS § 60.18(c)(2), NSR Permit No. 49823, SC Nos. 2 and 3.B, FOP No. O1439, GTC and STC Nos. 1.A and 13, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent released 3,018.60 lbs of VOC and 432.50 lbs of ethylene from the Polyethylene Flare, EPN PE-FLARE, during an emissions event (Incident No. 285530) that occurred on June 2, 2018 and lasted one hour and 23 minutes. The emissions event occurred when a nitrogen-rich stream was inadvertently introduced into the pilot gas stream that caused the loss of the flare pilot flame, resulting in the release to the atmosphere. Since the emissions event was not caused by a sudden breakdown of equipment or process beyond the control of the owner or operator and could have been avoided by better design and/or better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.

III. DENIALS

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

IV. ORDERING PROVISIONS

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: INEOS USA LLC, Docket No. 2020-1257-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 SEP as set forth in Section I, Paragraph No. 4. The amount of \$64,890 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 Plant 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

Date



For the Executive Director

12/5/2022


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 OAG 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 OAG 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



Date

Robert J. Bradshaw

Name (Printed or typed)
Authorized Representative of
INEOS USA LLC

Site Manager

Title

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

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

Attachment A
Docket Number: 2020-1257-AIR-E
SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	INEOS USA LLC
Payable Penalty Amount:	\$129,780
SEP Offset Amount:	\$64,890
Type of SEP:	Contribution to a Third-Party Pre-Approved SEP
Third-Party Administrator:	Houston Regional Monitoring Corporation
Project Name:	<i>Houston Area Air Monitoring Project</i>
Location of SEP:	Harris 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 SEP Offset Amount is set forth above and such offset is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project Description

a. Project

The Respondent shall contribute the SEP Offset Amount to the Third-Party Administrator named above. The contribution will be to the **Houston Regional Monitoring Corporation** for the *Houston Area Air Monitoring Project* SEP. 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 operate a network of ambient air monitoring stations that continuously measure and record concentrations of ambient air pollutants. This network includes the Houston Regional Monitor (“HRM”) 617 Wallisville Road site, the HRM 615 Lynchburg Ferry site, and the HRM 3 Haden Road site. The Third-Party Administrator shall use the SEP Offset Amount to report data from these three existing sites in the Houston Regional Monitoring Corporation ambient air quality monitoring network in the Houston-Galveston Air Quality Control Region No. 216. The SEP will be performed 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 it 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 in any manner from this SEP.

b. Environmental Benefit

This SEP will provide TCEQ with near real-time access to high quality, short time resolution volatile organic compound, nitrogen oxide, ozone, and meteorological data sets that can be used to evaluate and track air pollution emission events as they occur, conduct source attribution studies, and to assess potential ambient community exposure to a limited number

of hazardous air pollutants. Data from the monitors can be used with data from other monitors to provide critical information that can be used to evaluate the effectiveness of current and proposed emission control strategies aimed at achieving compliance with the 8-hour ozone National Ambient Air Quality Standards. It also provides a key source of information that is essential to furthering our overall understanding of those emission sources that contribute to ambient community exposure to toxic air contaminants. Because the information is available in near real-time, it can be used to provide both agency staff and industry personnel with time critical information to investigate emission events in a timely fashion. Another key benefit is the ability to measure the change in the ambient air concentration of the individual target species and quantify control measure effectiveness. Data from these monitors will be publicly accessible through the TCEQ's website and will be used in evaluating air quality in the area, in ozone forecasts, and ozone warnings. Thus, the public will directly benefit by having access to the data and the forecasting and notification tools which can be used for public awareness.

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 contribution payable to **Houston Regional Monitoring Corporation SEP** and shall mail the contribution with a copy of the Agreed Order to:

Houston Regional Monitoring Corporation
c/o Christopher B. Amandes
Amandes PLLC
1414 West Clay Street
Houston, Texas 77019

3. Records and Reporting

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

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

INEOS USA LLC
Docket No. 2020-1257-AIR-E
Agreed Order - Attachment A

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 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 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.