

Executive Summary – Enforcement Matter – Case No. 59932

Lion Elastomers LLC

RN100224799

Docket No. 2020-1313-AIR-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

AIR

Small Business:

No

Location(s) Where Violation(s) Occurred:

Lion Elastomers, 1615 Main Street, Port Neches, Jefferson County

Type of Operation:

Styrene-butadiene rubber manufacturing plant

Other Significant Matters:

Additional Pending Enforcement Actions: Yes, Docket Nos. 2021-0186-AIR-E,
and 2021-0875-AIR-E

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: July 30, 2021

Comments Received: No

Penalty Information

Total Penalty Assessed: \$29,250

Amount Deferred for Expedited Settlement: \$5,850

Total Paid to General Revenue: \$23,400

Total Due to General Revenue: \$0

Payment Plan: N/A

Compliance History Classifications:

Person/CN - Satisfactory

Site/RN - Satisfactory

Major Source: Yes

Statutory Limit Adjustment: N/A

Applicable Penalty Policy: April 2014

Investigation Information

Complaint Date(s): N/A

Complaint Information: N/A

Date(s) of Investigation: August 5, 2020 and August 10, 2020

Date(s) of NOE(s): September 30, 2020 and October 8, 2020

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Lion Elastomers LLC
RN100224799
Docket No. 2020-1313-AIR-E

Violation Information

1. Failed to prevent unauthorized emissions. Specifically, the Respondent released 1,538.23 pounds ("lbs") of volatile organic compounds ("VOC") as fugitive emissions, during an emissions event (Incident No. 334711) that occurred on April 28, 2020 and lasted two minutes. The emissions event occurred due to inadequate threat engagement of a connector that caused a screwed flange attached to a two-inch valve to fail while the valve was being turned, resulting in the release to the atmosphere. Since the emissions event was not caused by a sudden unavoidable 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 §§ 116.115(c) and 122.143(4), New Source Review ("NSR") Permit No. 9908, Special Conditions ("SC") No. 1, Federal Operating Permit ("FOP") No. O1224, General Terms and Conditions ("GTC") and Special Terms and Conditions ("STC") No. 14, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

2. Failed to maintain records containing the information and data sufficient to demonstrate compliance with the permit. Specifically, the Respondent did not maintain records demonstrating that the minimum heating value for the combined assist natural gas and waste stream to the Plant Flare is maintained equal to or greater than 300 British thermal units per standard cubic foot ("Btu/scf") [30 TEX. ADMIN. CODE §§ 101.20(1) and (2), 116.115(b)(2)(E)(i) and (c), and 122.143(4); 40 CODE OF FEDERAL REGULATIONS §§ 60.18(c)(3)(ii) and 63.11(b)(6)(ii); NSR Permit No. 9908, SC Nos. 16.A and 16.D; FOP No. O1224, GTC and STC Nos. 1.A and 14; and TEX. HEALTH & SAFETY CODE § 382.085(b)].

3. Failed to comply with the maximum allowable emissions rate ("MAER"). Specifically, the Respondent exceeded the VOC MAER of 1.69 tons per year based on a 12-month rolling period for the 12-month periods ending February 2019 and December 2019 for the South Cooling Tower, Emissions Point Number ("EPN") SOUTH-CT, resulting in 3.00 tons of unauthorized VOC emissions [30 TEX. ADMIN. CODE §§ 116.115(b)(2)(F) and (c) and 122.143(4), NSR Permit No. 9908, SC No. 1, FOP No. O1224, GTC and STC No. 14, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

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Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

The Respondent implemented the following measures in order to comply with the VOC annual MAER for the South Cooling Tower, EPN SOUTH-CT:

- a. On January 3, 2020, obtained an amendment for NSR Permit No. 9908 that increased the VOC annual MAER for the South Cooling Tower, EPN SOUTH-CT.
- b. By February 29, 2020, began monthly monitoring with an air stripping system and developed an emissions rate compliance tool.
- c. By December 18, 2020, began weekly monitoring to proactively identify any hydrocarbon leaks.

Technical Requirements:

The Order will require the Respondent to:

- a. Within 30 days, implement measures and/or procedures designed to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 334711;
- b. Within 45 days, submit written certification to demonstrate compliance with a.;
- c. By January 3, 2022, begin maintaining records to demonstrate that the net heating value for the combined assist natural gas and waste stream to the Plant Flare is maintained equal to or greater than 300 Btu/scf or install a continuous flow monitor that provides a record of the vent stream flow to the Plant Flare and demonstrates a continuous stream of assist natural gas is provided during times when the flare is in operation at a rate of one standard cubic foot of assist gas for every 2.4 standard cubic feet of waste gas in order to assure that the net heating value of gas combusted is greater than or equal to 300 Btu/scf; and
- d. By January 18, 2022, submit written certification to demonstrate compliance with c.

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Lion Elastomers LLC
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Contact Information

TCEQ Attorney: N/A

TCEQ Enforcement Coordinator: Toni Red, Enforcement Division, Enforcement Team 4, MC 219, (512) 239-1704; Michael Parrish, Enforcement Division, MC 219, (512) 239-2548

Respondent: Tony Wisenbaker, Plant Manager, Lion Elastomers LLC, 1615 Main Street, Port Neches, Texas 77651

Respondent's Attorney: N/A



Penalty Calculation Worksheet (PCW)

Policy Revision 4 (April 2014)

PCW Revision September 1, 2019

| | | | | | | |
|--------------|-----------------|------------|------------------|-------------|----------------|--|
| DATES | Assigned | 5-Oct-2020 | Screening | 13-Oct-2020 | EPA Due | |
| | PCW | 3-May-2021 | | | | |

| | |
|--|---------------------|
| RESPONDENT/FACILITY INFORMATION | |
| Respondent | Lion Elastomers LLC |
| Reg. Ent. Ref. No. | RN100224799 |
| Facility/Site Region | 10-Beaumont |
| Major/Minor Source | Major |

| | | | |
|--|-----------------|------------------------------|--------------------|
| CASE INFORMATION | | | |
| Enf./Case ID No. | 59932 | No. of Violations | 3 |
| Docket No. | 2020-1313-AIR-E | Order Type | 1660 |
| Media Program(s) | Air | Government/Non-Profit | No |
| Multi-Media | | Enf. Coordinator | Toni Red |
| | | 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 | \$15,000 |
|---|-------------------|-----------------|

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

| | | | | |
|---------------------------|---------------|------------|--------------------------------|-----------------|
| Compliance History | 100.0% | Adjustment | Subtotals 2, 3, & 7 | \$15,000 |
|---------------------------|---------------|------------|--------------------------------|-----------------|

Notes: Enhancement for two NOVs with the same or similar violations, one NOV with dissimilar violations, nine orders containing a denial of liability, and one agreed order 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 | -\$750 |
|--|-------------------|---------------|

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

Total EB Amounts: \$2,032
 Estimated Cost of Compliance: \$31,756
 *Capped at the Total EB \$ Amount

| | | |
|-----------------------------|-----------------------|-----------------|
| SUM OF SUBTOTALS 1-7 | Final Subtotal | \$29,250 |
|-----------------------------|-----------------------|-----------------|

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

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

| | |
|-----------------------------|-----------------|
| Final Penalty Amount | \$29,250 |
|-----------------------------|-----------------|

| | | |
|-----------------------------------|-------------------------------|-----------------|
| STATUTORY LIMIT ADJUSTMENT | Final Assessed Penalty | \$29,250 |
|-----------------------------------|-------------------------------|-----------------|

| | | | | |
|-----------------|--------------|-----------|-------------------|-----------------|
| DEFERRAL | 20.0% | Reduction | Adjustment | -\$5,850 |
|-----------------|--------------|-----------|-------------------|-----------------|

Reduces the Final Assessed Penalty by the indicated percentage.

Notes:

Deferral offered for expedited settlement.

| | |
|------------------------|-----------------|
| PAYABLE PENALTY | \$23,400 |
|------------------------|-----------------|

Screening Date 13-Oct-2020

Docket No. 2020-1313-AIR-E

PCW

Respondent Lion Elastomers LLC

Policy Revision 4 (April 2014)

Case ID No. 59932

PCW Revision September 1, 2019

Reg. Ent. Reference No. RN100224799

Media Air

Enf. Coordinator Toni Red

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 | 1 | 2% |
| Orders | Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>) | 9 | 180% |
| | 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) 217%

>> 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, one NOV with dissimilar violations, nine orders containing a denial of liability, and one agreed order without a denial of liability.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 217%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 100%

Screening Date 13-Oct-2020

Docket No. 2020-1313-AIR-E

PCW

Respondent Lion Elastomers LLC

Policy Revision 4 (April 2014)

Case ID No. 59932

PCW Revision September 1, 2019

Reg. Ent. Reference No. RN100224799

Media Air

Enf. Coordinator Toni Red

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code §§ 116.115(c) and 122.143(4), New Source Review Permit ("NSR") No. 9908, Special Conditions ("SC") No. 1, Federal Operating Permit ("FOP") No. O1224, General Terms and Conditions ("GTC") and Special Terms and Conditions ("STC") No. 14, and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to prevent unauthorized emissions. Specifically, the Respondent released 1,538.23 pounds ("lbs") of volatile organic compounds ("VOC") as fugitive emissions, during an emissions event (Incident No. 334711) that occurred on April 28, 2020 and lasted two minutes. The emissions event occurred due to inadequate thread engagement of a connector that caused a screwed flange attached to a two-inch valve to fail while the valve was being turned, resulting in the release to the atmosphere. Since the emissions event was not caused by a sudden unavoidable 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 \$25,000

>> Environmental, Property and Human Health Matrix

Table with columns: Release (Actual, Potential), Harm (Major, Moderate, Minor), and Percent (15.0%). Includes 'OR' label.

>> Programmatic Matrix

Table with columns: Falsification, Major, Moderate, Minor, and 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 the environmental receptors as a result of this violation.

Adjustment \$21,250

\$3,750

Violation Events

Number of Violation Events 1 Number of violation days 1

Table with frequency options: daily, weekly, monthly, quarterly (marked with 'x'), semiannual, annual, single event.

Violation Base Penalty \$3,750

One quarterly event is recommended.

Good Faith Efforts to Comply

0.0% Reduction \$0

Table for Good Faith Efforts: Extraordinary, Ordinary, N/A (marked with 'x').

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

Violation Subtotal \$3,750

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$714 Violation Final Penalty Total \$7,500

This violation Final Assessed Penalty (adjusted for limits) \$7,500

Economic Benefit Worksheet

Respondent Lion Elastomers LLC
Case ID No. 59932
Reg. Ent. Reference No. RN100224799
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 | 28-Apr-2020 | 1-Oct-2021 | 1.43 | \$714 | n/a | \$714 |

Notes for DELAYED costs

Estimated cost to implement measures and/or procedures designed to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 334711. The Date Required is the date the emissions event occurred and the Final Date is the estimated 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

\$714

Screening Date 13-Oct-2020
Respondent Lion Elastomers LLC
Case ID No. 59932
Reg. Ent. Reference No. RN100224799
Media Air
Enf. Coordinator Toni Red

Docket No. 2020-1313-AIR-E

PCW

Policy Revision 4 (April 2014)
PCW Revision September 1, 2019

Violation Number 2

Rule Cite(s)
 30 Tex. Admin. Code §§ 101.20(1) and (2), 116.115(b)(2)(E)(i) and (c), and 122.143(4), 40 Code of Federal Regulations §§ 60.18(c)(3)(ii) and 63.11(b)(6)(ii), NSR Permit No. 9908, SC Nos. 16.A and 16.D, FOP No. O1224, GTC and STC Nos. 1.A and 14, and Tex. Health & Safety Code § 382.085(b)

Violation Description
 Failed to maintain records containing the information and data sufficient to demonstrate compliance with the permit. Specifically, the Respondent did not maintain records demonstrating that the minimum heating value for the combined assist natural gas and waste stream to the Plant Flare is maintained equal to or greater than 300 British thermal units per standard cubic foot ("Btu/scf").

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

| OR | Release | Harm | | | Percent |
|----|-----------|-------|----------|-------|---------|
| | | Major | Moderate | Minor | |
| | Actual | | | | 0.0% |
| | Potential | | | | |

>> Programmatic Matrix

| Matrix Notes | Falsification | Harm | | | Percent |
|--------------|---------------|-------|----------|-------|---------|
| | | Major | Moderate | Minor | |
| | | x | | | 15.0% |

100% of the rule requirements were not met.

Adjustment \$21,250

\$3,750

Violation Events

Number of Violation Events 1 64 Number of violation days

| | |
|--------------|---|
| daily | |
| weekly | |
| monthly | |
| quarterly | |
| semiannual | |
| annual | |
| single event | x |

Violation Base Penalty \$3,750

One single event is recommended.

Good Faith Efforts to Comply

0.0%

Reduction \$0

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

| | |
|---------------|---|
| Extraordinary | |
| Ordinary | |
| N/A | x |

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

Violation Subtotal \$3,750

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$164

Violation Final Penalty Total \$7,500

This violation Final Assessed Penalty (adjusted for limits) \$7,500

Economic Benefit Worksheet

Respondent Lion Elastomers LLC
Case ID No. 59932
Reg. Ent. Reference No. RN100224799
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 |
|------------------|-----------|---------------|------------|-----|----------------|-------------|-----------|
|------------------|-----------|---------------|------------|-----|----------------|-------------|-----------|

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 | \$1,500 | 29-Oct-2019 | 3-Jan-2022 | 2.18 | \$164 | n/a | \$164 |
| 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) | | | | 0.00 | \$0 | n/a | \$0 |

Notes for DELAYED costs

Estimated cost to begin maintaining records to demonstrate that the minimum heating value for the combined assist natural gas and waste stream to the Plant Flare is maintained equal to or greater than 300 Btu/scf. The Date Required is the initial investigation date and the Final Date is the estimated 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

\$1,500

TOTAL

\$164

Screening Date 13-Oct-2020

Docket No. 2020-1313-AIR-E

PCW

Respondent Lion Elastomers LLC

Policy Revision 4 (April 2014)

Case ID No. 59932

PCW Revision September 1, 2019

Reg. Ent. Reference No. RN100224799

Media Air

Enf. Coordinator Toni Red

Violation Number 3

Rule Cite(s) 30 Tex. Admin. Code §§ 116.115(b)(2)(F) and (c) and 122.143(4), NSR Permit No. 9908, SC No. 1, FOP No. O1224, GTC and STC No. 14, 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 VOC MAER of 1.69 tons per year based on a 12-month rolling period for the 12-month periods ending February 2019 and December 2019 for the South Cooling Tower, Emissions Point Number ("EPN") SOUTH-CT, resulting in 3.00 tons of unauthorized VOC emissions.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

| Release | Harm | | | Percent |
|-----------|-------|----------|-------|---------|
| | Major | Moderate | Minor | |
| Actual | | | x | 15.0% |
| Potential | | | | |

>> 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 the environmental receptors as a result of this violation.

Adjustment \$21,250

\$3,750

Violation Events

Number of Violation Events 2 59 Number of violation days

| | |
|--------------|---|
| daily | |
| weekly | |
| monthly | |
| quarterly | x |
| semiannual | |
| annual | |
| single event | |

Violation Base Penalty \$7,500

Two quarterly events are recommended for the periods of non-compliance that occurred from February 1, 2019 through February 28, 2019 and December 1, 2019 through December 31, 2019.

Good Faith Efforts to Comply

10.0% Reduction \$750

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

| | | |
|---------------|--|---|
| Extraordinary | | |
| Ordinary | | x |
| N/A | | |

Notes The Respondent achieved compliance by December 18, 2020, after the Notice of Enforcement dated October 8, 2020.

Violation Subtotal \$6,750

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$1,154

Violation Final Penalty Total \$14,250

This violation Final Assessed Penalty (adjusted for limits) \$14,250

Economic Benefit Worksheet

Respondent Lion Elastomers LLC
Case ID No. 59932
Reg. Ent. Reference No. RN100224799
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 |
|------------------|-----------|---------------|------------|-----|----------------|-------------|-----------|
|------------------|-----------|---------------|------------|-----|----------------|-------------|-----------|

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 | \$3,000 | 1-Feb-2019 | 18-Dec-2020 | 1.88 | \$282 | n/a | \$282 |
| Remediation/Disposal | | | | 0.00 | \$0 | n/a | \$0 |
| Permit Costs | \$7,256 | 1-Feb-2019 | 3-Jan-2020 | 0.92 | \$334 | n/a | \$334 |
| Other (as needed) | \$10,000 | 1-Feb-2019 | 29-Feb-2020 | 1.08 | \$538 | n/a | \$538 |

Notes for DELAYED costs

Actual costs to obtain a renewal and amendment for NSR Permit No. 9908 that increased the VOC annual MAER for EPN SOUTH-CT (\$7,256) and estimated costs to begin monthly monitoring with an air stripping system (\$1,500), develop an emissions rate compliance tool (\$10,000), and begin weekly monitoring to proactively identify any hydrocarbon leaks (\$1,500) in order to comply with the VOC annual MAER for EPN SOUTH-CT. The Dates Required are the first date of non-compliance 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

\$20,256

TOTAL

\$1,154

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 CN602296287, RN100224799, Rating Year 2020 which includes Compliance History (CH) components from September 1, 2015, through August 31, 2020.

Customer, Respondent, or Owner/Operator: CN602296287, Lion Elastomers LLC **Classification:** SATISFACTORY **Rating:** 22.41
Regulated Entity: RN100224799, LION ELASTOMERS **Classification:** SATISFACTORY **Rating:** 22.41
Complexity Points: 17 **Repeat Violator:** NO
CH Group: 05 - Chemical Manufacturing
Location: 1615 MAIN STREET IN PORT NECHES, JEFFERSON COUNTY, TX
TCEQ Region: REGION 10 - BEAUMONT

ID Number(s):

| | |
|--|---|
| AIR OPERATING PERMITS ACCOUNT NUMBER JE0017A | AIR OPERATING PERMITS PERMIT 1224 |
| AIR NEW SOURCE PERMITS PERMIT 9908 | AIR NEW SOURCE PERMITS PERMIT 7642 |
| AIR NEW SOURCE PERMITS REGISTRATION 9351A | AIR NEW SOURCE PERMITS PERMIT 4132A |
| AIR NEW SOURCE PERMITS REGISTRATION 11481A | AIR NEW SOURCE PERMITS REGISTRATION 12381A |
| AIR NEW SOURCE PERMITS REGISTRATION 15069A | AIR NEW SOURCE PERMITS REGISTRATION 9100A |
| AIR NEW SOURCE PERMITS REGISTRATION 16309A | AIR NEW SOURCE PERMITS REGISTRATION 16456A |
| AIR NEW SOURCE PERMITS REGISTRATION 33357 | AIR NEW SOURCE PERMITS AFS NUM 4824500034 |
| AIR NEW SOURCE PERMITS ACCOUNT NUMBER JE0017A | AIR NEW SOURCE PERMITS REGISTRATION 70480 |
| AIR NEW SOURCE PERMITS REGISTRATION 71804 | AIR NEW SOURCE PERMITS REGISTRATION 73735 |
| AIR NEW SOURCE PERMITS PERMIT 74010 | AIR NEW SOURCE PERMITS REGISTRATION 82785 |
| AIR NEW SOURCE PERMITS REGISTRATION 93144 | AIR NEW SOURCE PERMITS REGISTRATION 97956 |
| AIR NEW SOURCE PERMITS REGISTRATION 159425 | AIR NEW SOURCE PERMITS REGISTRATION 157017 |
| IHW CORRECTIVE ACTION SOLID WASTE REGISTRATION # (SWR) 30144 | STORMWATER PERMIT TXR05E11 |
| WASTEWATER PERMIT WQ0002487000 | WASTEWATER EPA ID TX0087602 |
| AIR EMISSIONS INVENTORY ACCOUNT NUMBER JE0017A | POLLUTION PREVENTION PLANNING ID NUMBER P00026 |
| INDUSTRIAL AND HAZARDOUS WASTE SOLID WASTE REGISTRATION # (SWR) 30144 | INDUSTRIAL AND HAZARDOUS WASTE EPA ID TXD000789685 |
| TAX RELIEF ID NUMBER 16572 | TAX RELIEF ID NUMBER 17243 |
| TAX RELIEF ID NUMBER 16563 | |

Compliance History Period: September 01, 2015 to August 31, 2020 **Rating Year:** 2020 **Rating Date:** 09/01/2020

Date Compliance History Report Prepared: January 22, 2021

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: January 22, 2016 to January 22, 2021

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

Name: Toni Red

Phone: (512) 239-1704

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: 02/02/2016 | ADMINORDER 2015-0945-AIR-E (1660 Order-Agreed Order With Denial) |
| | Classification: Moderate | |
| | Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)(B) | |

Rqmt Prov: General Condition 10 PERMIT
Special Terms and Conditions 2(F) OP

Description: Failed to submit the initial notification for a reportable emissions event within 24 hours of discovery. Specifically, Incident No. 210352 was discovered on February 17, 2015 at 12:00 a.m., but was not reported until February 18, 2015 at 5:25 p.m.

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: Special Condition 1 PERMIT
Special Condition 13 OP

Description: Failed to prevent unauthorized emissions. Specifically, the Respondent released 210.64 lbs of 1,3-butadiene from the South Cooling Tower, EPN SOUTH-CT, during an avoidable emissions event (Incident No. 210352) that began on 2/17/15 and lasted 24 hours. The emissions event occurred due to a leaking butadiene condenser. Since the emissions event was reported late and could have been avoided through better operational practices, the Respondent is precluded from asserting an affirmative defense.

2 Effective Date: 07/12/2017 ADMINORDER 2016-1884-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: Special Condition 1 PERMIT
Special Term & Condition 13 OP

Description: Failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§116.115(b)(2)(F) and (c) and 122.143(4), TEX. HEALTH & SAFETY CODE §382.085(b), Federal Operating Permit ("FOP") No. O1224, Special Terms and Conditions ("STC") No. 13, and New Source Review Permit No. 9908, Special Conditions No. 1. Specifically, the Respondent released 19.42 pounds of 1,3-butadiene during an avoidable emissions event (Incident No. 237458) that began on July 11, 2016 and lasted three hours and

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)(B)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: Special Term & Condition 2F OP

Description: Failed to submit an initial notification within 24 hours after discovery of the emissions event, in violation of 30 TEX. ADMIN. CODE §§101.201(a)(1)(B) and 122.143(4), TEX. HEALTH & SAFETY CODE §382.085(b), and FOP No. O1224, and STC No. 2.F. Specifically, the initial notification for Incident No. 237458 was due by July 12, 2016 at 12:00 a.m., but was not submitted until July 12, 2016 at 4:41 p.m.

3 Effective Date: 12/05/2017 ADMINORDER 2017-0178-AIR-E (1660 Order-Agreed Order With 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: General Terms and Conditions OP
Special Condition 13 OP
Special Condition 17 PERMIT

Description: Failure to record investigations of monitored concentrations of 25 parts per billion or greater at the facility's fence line.

4 Effective Date: 06/18/2019 ADMINORDER 2018-0687-AIR-E (1660 Order-Agreed Order With 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: SPECIAL CONDITION 1 PERMIT
SPECIAL CONDITION 13 OP

Description: Failure to prevent unauthorized emissions to the atmosphere during an emissions event that occurred on September 28, 2017 (Incident 268776).

MOD 2D A(12)(i)(6)

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: SPECIAL CONDITION 1 PERMIT
SPECIAL CONDITION 13 OP

Description: Failure to prevent unauthorized emissions to the atmosphere during an emissions event that occurred on January 17, 2018 (Incident 276600).
MOD 2D A(12)(i)(6)

5 Effective Date: 12/18/2019 ADMINORDER 2018-0868-IHW-E (Findings Order-Agreed Order Without Denial)
Classification: Major
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)(1)
30 TAC Chapter 335, SubChapter A 335.4
Description: Caused, suffered, allowed, or permitted the unauthorized disposal of IHW at the Facility.

6 Effective Date: 12/18/2019 ADMINORDER 2018-1693-AIR-E (1660 Order-Agreed Order With Denial)
Classification: Major
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: General Terms and Conditions OP
Special Condition 1 PERMIT
Special Terms and Conditions 13 OP
Description: Failed to prevent unauthorized emissions and nuisance odor conditions. Specifically, the Respondent released 147.6 lbs of styrene and 10.1 lbs of 1,3-butadiene as fugitive emissions during an emissions event (Incident No. 292839) that began on September 22, 2018 and lasted seven hours. The emissions even occurred due to the consumption of the polymerization inhibitor during a delayed turnaround of chemicals in Tank 8 of the Monomer Tank Farm, resulting in a release to the atmosphere.

7 Effective Date: 04/27/2020 ADMINORDER 2019-0490-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 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 Terms and Conditions 13 OP
Description: Failure to prevent unauthorized emissions.
Classification: Moderate
Citation: 30 TAC Chapter 122, SubChapter B 122.143(15)
30 TAC Chapter 122, SubChapter B 122.143(4)
30 TAC Chapter 122, SubChapter B 122.165(a)(8)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: General Terms and Conditions OP
Description: Failure to accurately certify the Annual Permit Compliance Certification.

8 Effective Date: 05/25/2020 ADMINORDER 2019-0282-AIR-E (1660 Order-Agreed Order With 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: General Terms and Conditions OP
Special Condition 1 PERMIT
Special Terms and Conditions 13 OP
Description: Failed to prevent unauthorized emissions.
Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter F 101.201(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: General Terms and Conditions OP

Description: Failed to submit a final record for a reportable emissions event no later than two weeks after the end of the emissions event,

- 9 Effective Date: 06/30/2020 ADMINORDER 2019-1771-AIR-E (1660 Order-Agreed Order With 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: Special Condition 1 PERMIT
 Special Terms and Conditions 13 OP
 Description: Failure to prevent unauthorized emissions. The Respondent released 361.6 pounds of VOCs as fugitive emissions, during an emissions event (Incident No. 316522) that occurred on July 21, 2019 and lasted 25 minutes. The emissions event occurred due to a leak caused by external corrosion of the latex transfer piping beneath Reactor 410 in the CB Reactor Unit, resulting in the release to the atmosphere. Since the emissions event could have been prevented by better design and/or better operational and

See addendum for information regarding federal actions.

B. Criminal convictions:

N/A

C. Chronic excessive emissions events:

N/A

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

| | | |
|---------|--------------------|-----------|
| Item 1 | January 27, 2016 | (1316848) |
| Item 2 | March 02, 2016 | (1326205) |
| Item 3 | March 25, 2016 | (1332966) |
| Item 4 | May 31, 2016 | (1331006) |
| Item 5 | September 15, 2016 | (1373448) |
| Item 6 | September 21, 2016 | (1355342) |
| Item 7 | October 05, 2016 | (1379626) |
| Item 8 | November 21, 2016 | (1385573) |
| Item 9 | December 19, 2016 | (1376139) |
| Item 10 | January 20, 2017 | (1398327) |
| Item 11 | February 07, 2017 | (1405230) |
| Item 12 | March 16, 2017 | (1412303) |
| Item 13 | April 12, 2017 | (1418808) |
| Item 14 | May 15, 2017 | (1426466) |
| Item 15 | June 15, 2017 | (1432457) |
| Item 16 | June 26, 2017 | (1421751) |
| Item 17 | July 14, 2017 | (1441022) |
| Item 18 | September 18, 2017 | (1430813) |
| Item 19 | November 20, 2017 | (1462613) |
| Item 20 | December 15, 2017 | (1455818) |
| Item 21 | January 09, 2018 | (1475714) |
| Item 22 | February 20, 2018 | (1487895) |
| Item 23 | March 19, 2018 | (1472560) |
| Item 24 | March 20, 2018 | (1491583) |
| Item 25 | April 17, 2018 | (1494833) |
| Item 26 | April 19, 2018 | (1480034) |
| Item 27 | July 11, 2018 | (1515205) |
| Item 28 | August 07, 2018 | (1521259) |
| Item 29 | August 10, 2018 | (1498909) |
| Item 30 | August 12, 2018 | (1507290) |
| Item 31 | September 13, 2018 | (1528440) |
| Item 32 | September 21, 2018 | (1511845) |
| Item 33 | October 11, 2018 | (1534779) |
| Item 34 | November 16, 2018 | (1542632) |
| Item 35 | December 11, 2018 | (1546375) |
| Item 37 | January 16, 2019 | (1563204) |

| | | |
|---------|--------------------|-----------|
| Item 38 | February 19, 2019 | (1544891) |
| Item 39 | February 20, 2019 | (1563202) |
| Item 41 | March 13, 2019 | (1563203) |
| Item 42 | April 11, 2019 | (1572997) |
| Item 43 | May 08, 2019 | (1585598) |
| Item 45 | June 20, 2019 | (1585599) |
| Item 46 | July 19, 2019 | (1594357) |
| Item 47 | August 16, 2019 | (1600649) |
| Item 48 | August 28, 2019 | (1591224) |
| Item 49 | August 30, 2019 | (1583015) |
| Item 50 | September 20, 2019 | (1607562) |
| Item 52 | January 29, 2020 | (1635203) |
| Item 53 | February 19, 2020 | (1630842) |
| Item 54 | February 20, 2020 | (1641818) |
| Item 55 | March 13, 2020 | (1633017) |
| Item 56 | March 18, 2020 | (1648332) |
| Item 57 | April 17, 2020 | (1654684) |
| Item 58 | April 21, 2020 | (1640051) |
| Item 59 | April 28, 2020 | (1645596) |
| Item 60 | May 01, 2020 | (1646041) |
| Item 61 | May 04, 2020 | (1645698) |
| Item 62 | May 20, 2020 | (1661250) |
| Item 63 | June 12, 2020 | (1667778) |
| Item 64 | July 17, 2020 | (1674724) |
| Item 65 | August 18, 2020 | (1681495) |
| Item 66 | September 15, 2020 | (1688073) |
| Item 67 | September 24, 2020 | (1671553) |
| Item 68 | October 19, 2020 | (1694429) |

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: 08/30/2020 (1658055)
 - Self Report? NO Classification: Minor
 - Citation: MRR, Pg. 6, No. 7(a) PERMIT
 - Description: Failure by the LION to report, in writing, an unauthorized discharge (UD) to the TCEQ Regional Office and Enforcement Division (MC224) within five days after becoming aware of the non-compliance.
 - Self Report? NO Classification: Minor
 - Citation: MRR Pg. 6, No. 7(C) PERMIT
 - Description: Failure by LION to submit a report for effluent violations that deviated from the permitted effluent limitation by more than 40% in writing to the Regional Office and the Enforcement Division (MC 224) within 5 working days of becoming aware of the noncompliance.
 - Self Report? NO Classification: Minor
 - Citation: PC Pg. 7, No. 1 PERMIT
 - Description: Failure by LION to include all analytical results on the discharge monitoring reports (DMRs).
 - Self Report? NO Classification: Minor
 - Citation: OR Pg. 14, No. 2 PERMIT
 - Description: Failure by LION to report a value of zero for the parameter on the Discharge Monitoring Reports (DMR) when the analysis of a listed parameter indicates no detectable levels above the Minimum Analytical Level (MAL) and the test method detection level is as sensitive as the specified MAL.
 - Self Report? NO Classification: Minor
 - Citation: PC No. 2(g), Pg. 8 PERMIT
 - Description: Failure by Lion Elastomers LLC (Lion) to prevent any Unauthorized Discharge (UD) of wastewater into or adjacent to waters of the state.
 - Self Report? NO Classification: Minor
 - Citation: OpR No. 1, Pg. 11 PERMIT
 - Description: Failure by Lion Elastomers LLC (Lion) to properly operate and maintain all units of collection, treatment, and disposal.

- 2 Date: 10/08/2020 (1659729)
 - 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)
General Terms and Conditions OP
Special Condition 1 PERMIT
Special Term and Condition 14 OP

Description: Failure to maintain the annual Volatile Organic Compound (VOC) emissions rate at the South Cooling Tower (Emission Point Number (EPN SOUTH-CT)). EIC Category B18g(1), Moderate (D)

3 Date: 11/20/2020 (1679251)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter D 115.354(3)
30 TAC Chapter 115, SubChapter D 115.356(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)
Special Condition 19(E) PERMIT
Special Condition 19(J) PERMIT
Special Term & Condition 1(A) OP
Special Term & Condition 14(A) OP

Description: Failure to document weekly connector visual, audible, and/or olfactory (AVO) observations on connectors in Volatile Organic Compound (VOC) and 1,3-butadiene service until October 31, 2019.

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter A 101.20(2)
30 TAC Chapter 115, SubChapter D 115.354(11)
30 TAC Chapter 115, SubChapter D 115.354(2)(B)
30 TAC Chapter 115, SubChapter D 115.354(2)(C)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.163(b)(1)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.168(d)(2)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.173(a)(1)
5C THSC Chapter 382 382.085(b)
Special Condition 19(E) PERMIT
Special Condition 19(F) PERMIT
Special Condition 19(G) PERMIT
Special Term & Condition 1(A) OP
Special Term & Condition 14(A) OP

Description: Failure to monitor fugitive components from July 1, 2018 to March 26, 2020.

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter A 101.20(2)
30 TAC Chapter 115, SubChapter D 115.352(4)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.167(a)(2)
5C THSC Chapter 382 382.085(b)
Special Condition 19(E) PERMIT
Special Term & Condition 1(A) OP
Special Term & Condition 14(A) OP

Description: Failure to prevent open-ended lines.

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(4)(A)(ii)
5C THSC Chapter 382 382.085(b)

Description: Failure to document daily flare observations for the backup flare, emission point number (EPN) S-BACKUPFLR from December 1, 2019 to December 11, 2019.

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

Addendum to Compliance History Federal Enforcement Actions

Reg Entity Name: ISP SYNTHETIC ELASTOMERS LP

Reg Entity Add: 1615 MAIN ST

Reg Entity City: PORT NECHES

Reg Entity No: RN100224799

EPA Case No: 06-2016-0912

Order Issue Date (yyyymmdd): 20160331

Case Result: Final Order With Penalty

Statute: RCRA

Sect of Statute: 3002

Classification: Minor

Program: Gen Hazardous Waste M **Citation:** 40 CFR

Violation Type:

Cite Sect: 34(a)(4)

Cite Part: 262.

Enforcement Action: Administrative Penalty Order With or Without Inj

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
LION ELASTOMERS LLC
RN100224799**

**§
§
§
§
§**

**BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY**

**AGREED ORDER
DOCKET NO. 2020-1313-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 Lion Elastomers 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 styrene-butadiene rubber manufacturing plant located at 1615 Main Street in Port Neches, Jefferson County, Texas (the "Plant"). The Plant consists or consisted of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
2. 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 \$29,250 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent paid \$23,400 of the penalty and \$5,850 is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Order. The deferred amount shall be waived only upon full compliance with all the terms and conditions contained in this Order. If the Respondent fails to timely and satisfactorily comply with any of the terms or requirements contained in this Order, the Executive Director may demand payment of all or part of the deferred penalty amount.
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 measures in order to comply with the volatile organic compounds ("VOC") annual maximum allowable emissions rate ("MAER") for the South Cooling Tower, Emissions Point Number ("EPN") SOUTH-CT:
 - a. On January 3, 2020, obtained an amendment for New Source Review ("NSR") Permit No. 9908 that increased the VOC annual MAER for the South Cooling Tower, EPN SOUTH-CT.
 - b. By February 29, 2020, began monthly monitoring with an air stripping system and developed an emissions rate compliance tool.
 - c. By December 18, 2020, began weekly monitoring to proactively identify any hydrocarbon leaks.

II. ALLEGATIONS

1. During a record review conducted on August 5, 2020, an investigator documented that the Respondent failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), NSR Permit No. 9908, Special Conditions ("SC") No. 1, Federal Operating Permit ("FOP") No. O1224, General Terms and Conditions ("GTC") and Special Terms and Conditions ("STC") No. 14, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent released 1,538.23 pounds ("lbs") of VOC as fugitive emissions, during an emissions event (Incident No. 334711) that occurred on April 28, 2020 and lasted two minutes. The emissions event occurred due to inadequate threat engagement of a connector that caused a screwed flange attached to a two-inch valve to fail while the valve was being turned, resulting in the release to the atmosphere. Since the emissions event was not caused by a sudden unavoidable 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.

2. During a record review conducted on August 10, 2020, an investigator documented that the Respondent:
 - a. Failed to maintain records containing the information and data sufficient to demonstrate compliance with the permit, in violation of 30 TEX. ADMIN. CODE §§ 101.20(1) and (2), 116.115(b)(2)(E)(i) and (c), and 122.143(4); 40 CODE OF FEDERAL REGULATIONS §§ 60.18(c)(3)(ii) and 63.11(b)(6)(ii); NSR Permit No. 9908, SC Nos. 16.A and 16.D; FOP No. O1224, GTC and STC Nos. 1.A and 14; and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent did not maintain records demonstrating that the minimum heating value for the combined assist natural gas and waste stream to the Plant Flare is maintained equal to or greater than 300 British thermal units per standard cubic foot ("Btu/scf").
 - b. Failed to comply with the MAER, in violation of 30 TEX. ADMIN. CODE §§ 116.115(b)(2)(F) and (c) and 122.143(4), NSR Permit No. 9908, SC No. 1, FOP No. O1224, GTC and STC No. 14, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent exceeded the VOC MAER of 1.69 tons per year based on a 12-month rolling period for the 12-month periods ending February 2019 and December 2019 for the South Cooling Tower, EPN SOUTH-CT, resulting in 3.00 tons of unauthorized VOC 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: Lion Elastomers LLC, Docket No. 2020-1313-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 undertake the following technical requirements:
 - a. Within 30 days after the effective date of this Order, implement measures and/or procedures designed to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 334711.

- b. Within 45 days after the effective date of this Order, submit written certification to demonstrate compliance with Ordering Provision No. 2.a, as described in Ordering Provision No. 2.d.
- c. By January 3, 2022, begin maintaining records to demonstrate that the net heating value for the combined assist natural gas and waste stream to the Plant Flare is maintained equal to or greater than 300 Btu/scf or install a continuous flow monitor that provides a record of the vent stream flow to the Plant Flare and demonstrates a continuous stream of assist natural gas is provided during times when the flare is in operation at a rate of one standard cubic foot of assist gas for every 2.4 standard cubic feet of waste gas in order to assure that the net heating value of gas combusted is greater than or equal to 300 Btu/scf.
- d. By January 18, 2022, submit written certification, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 2.c. The certification shall be signed by the Respondent and shall include the following certification language:

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

The certification shall be submitted to:

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

with a copy to:

Air Section Manager
Beaumont Regional Office
Texas Commission on Environmental Quality
3870 Eastex Freeway
Beaumont, Texas 77703-1830

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. Extension requests shall be sent to the Order Compliance Team at the address listed above.
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



12/01/2021

For the Executive Director

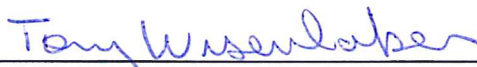
Date

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

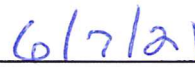
I also understand that failure to comply with the Ordering Provisions, if any, in this Order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions;
- Automatic referral to the Attorney General's Office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.


In addition, any falsification of any compliance documents may result in criminal prosecution.



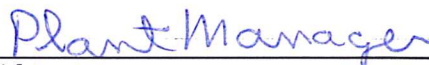
Signature



Date



Name (Printed or typed)
Authorized Representative of
Lion Elastomers LLC



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.