

Executive Summary – Enforcement Matter – Case No. 60133
W.R. Grace & Co. - Conn.
RN100223379
Docket No. 2020-1569-AIR-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

AIR

Small Business:

No

Location(s) Where Violation(s) Occurred:

Grace Pasadena Catalyst Site, 10001 Chemical Road, Pasadena, Harris County

Type of Operation:

Chemical processing and manufacturing plant

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: October 1, 2021

Comments Received: No

Penalty Information

Total Penalty Assessed: \$90,300

Amount Deferred for Expedited Settlement: \$18,060

Total Paid to General Revenue: \$72,240

Total Due to General Revenue: \$0

Payment Plan: N/A

Compliance History Classifications:

Person/CN - High

Site/RN - Unclassified

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 25, 2020 through November 17, 2020

Date(s) of NOE(s): November 20, 2020

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RN100223379
Docket No. 2020-1569-AIR-E

Violation Information

1. Failed to maintain the net heating value of the gas being combusted at 300 British thermal units per standard cubic foot ("Btu/scf") or greater if the flare is steam-assisted or air-assisted. Specifically, the net heating value of the gas being combusted by the Flare, Emissions Point Number ("EPN") 1, was less than 300 Btu/scf when the net heating value ranged from 0.20 Btu/scf to 299.91 Btu/scf for a total of 8,382 hours on 672 days from July 1, 2016 to December 31, 2019 [30 TEX. ADMIN. CODE §§ 101.20(1), 116.115(c), and 122.143(4), 40 CODE OF FEDERAL REGULATIONS § 60.18(c)(3)(ii), New Source Review Permit No. 19344, Special Conditions No. 4.A, Federal Operating Permit ("FOP") No. O1437, General Terms and Conditions ("GTC") and Special Terms and Conditions Nos. 1.A, 11, and 16, and TEX. HEALTH & SAFETY CODE § 382.085(b)].
2. Failed to report all instances of deviations. Specifically, the deviation reports for the July 1, 2016 through December 31, 2016, January 1, 2017 through June 30, 2017, January 1, 2018 through June 30, 2018, and January 1, 2019 through June 30, 2019 reporting periods did not include the deviation for failing to maintain the net heating value of the gas being combusted at 300 Btu/scf or greater for the Flare [30 TEX. ADMIN. CODE §§ 122.143(4) and 122.145(2)(A), FOP No. O1473, GTC, and TEX. HEALTH & SAFETY CODE § 382.085(b)].
3. Failed to report all instances of deviations. Specifically, the deviation reports for the July 1, 2017 through December 31, 2017 and July 1, 2019 through December 31, 2019 reporting periods did not include the deviation for failing to maintain the net heating value of the gas being combusted at 300 Btu/scf or greater for the Flare [30 TEX. ADMIN. CODE §§ 122.143(4) and 122.145(2)(A), FOP No. O1473, GTC, and TEX. HEALTH & SAFETY CODE § 382.085(b)].
4. Failed to submit a deviation report no later than 30 days after the end of each reporting period. Specifically, the Respondent reported no deviations in the deviation report for the July 1, 2018 through December 31, 2018 reporting period, but the deviation for failing to maintain the net heating value of the gas being combusted at 300 Btu/scf or greater for the Flare should have been reported by January 30, 2019 [30 TEX. ADMIN. CODE §§ 122.143(4) and 122.145(2)(c), FOP No. O1473, GTC, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

The Respondent implemented the following corrective measures:

- a. In order to maintain the net heating value of the gas being combusted at 300 Btu/scf or greater for the Flare, EPN 1:

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- i. By August 20, 2020, installed a new 1.5-inch gas supply line; and
 - ii. By December 9, 2020, replaced the oxygen sensor.
- b. By January 6, 2021, submitted revised deviation reports for the July 1, 2016 through December 31, 2016, January 1, 2017 through June 30, 2017, July 1, 2017 through December 31, 2017, January 1, 2018 through June 30, 2018, July 1, 2018 through December 31, 2018, January 1, 2019 through June 30, 2019, and July 1, 2019 through December 31, 2019 reporting periods to report the deviation for failing to maintain the net heating value of the gas being combusted at 300 Btu/scf or greater for the Flare.

Technical Requirements:

N/A

Contact Information

TCEQ Attorney: N/A

TCEQ Enforcement Coordinator: Richard Garza, Enforcement Division, Enforcement Team 4, MC 219, (512) 239-2697; Michael Parrish, Enforcement Division, MC 219, (512) 239-2548

Respondent: Jim Tharp, Site Manager, W.R. Grace & Co. - Conn., 10001 Chemical Road, Pasadena, Texas 77507

Terry Phillips, Plant Manager, W.R. Grace & Co. - Conn., 10001 Chemical Road, Pasadena, Texas 77507

Respondent's Attorney: N/A



Penalty Calculation Worksheet (PCW)

Policy Revision 4 (April 2014)

PCW Revision March 26, 2014

DATES	Assigned	30-Nov-2020	Screening	1-Dec-2020	EPA Due	
	PCW	18-Jun-2021				

RESPONDENT/FACILITY INFORMATION	
Respondent	W.R. Grace & Co. - Conn.
Reg. Ent. Ref. No.	RN100223379
Facility/Site Region	12-Houston
Major/Minor Source	Major

CASE INFORMATION			
Enf./Case ID No.	60133	No. of Violations	4
Docket No.	2020-1569-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Richard Garza
		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	\$70,000
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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	39.0% Adjustment	Subtotals 2, 3, & 7	\$27,300
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Notes: Enhancement for one NOV with same/similar violations, one order containing a denial of liability, and one order without a denial of liability. Reduction for one notice of intent to conduct an audit and high performer classification.

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	-\$7,000
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Economic Benefit	0.0% Enhancement*	Subtotal 6	\$0
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Total EB Amounts: \$9,201
 Estimated Cost of Compliance: \$31,750
 *Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7	Final Subtotal	\$90,300
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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	\$90,300
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$90,300
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DEFERRAL	20.0% Reduction Adjustment	-\$18,060
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Reduces the Final Assessed Penalty by the indicated percentage.

Notes:

Deferral offered for expedited settlement.

PAYABLE PENALTY	\$72,240
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Screening Date 1-Dec-2020

Docket No. 2020-1569-AIR-E

PCW

Respondent W.R. Grace & Co. - Conn.

Policy Revision 4 (April 2014)

Case ID No. 60133

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN100223379

Media Air

Enf. Coordinator Richard Garza

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>)	1	5%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	1	20%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	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>)	1	-1%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	0	0%
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 49%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

High Performer

Adjustment Percentage (Subtotal 7) -10%

>> Compliance History Summary

Compliance History Notes

Enhancement for one NOV with same/similar violations, one order containing a denial of liability, and one order without a denial of liability. Reduction for one notice of intent to conduct an audit and high performer classification.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 39%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 39%

Screening Date 1-Dec-2020

Docket No. 2020-1569-AIR-E

PCW

Respondent W.R. Grace & Co. - Conn.

Policy Revision 4 (April 2014)

Case ID No. 60133

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN100223379

Media Air

Enf. Coordinator Richard Garza

Violation Number 1

Rule Cite(s)

30 Tex. Admin. Code §§ 101.20(1), 116.115(c), and 122.143(4), 40 Code of Federal Regulations § 60.18(c)(3)(ii), New Source Review Permit No. 19344, Special Conditions No. 4.A, Federal Operating Permit ("FOP") No. O1437, General Terms and Conditions ("GTC") and Special Terms and Conditions Nos. 1.A, 11, and 16, and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to maintain the net heating value of the gas being combusted at 300 British thermal units per standard cubic foot ("Btu/scf") or greater if the flare is steam-assisted or air-assisted. Specifically, the net heating value of the gas being combusted by the Flare, Emissions Point Number ("EPN") 1, was less than 300 Btu/scf when the net heating value ranged from 0.20 Btu/scf to 299.91 Btu/scf for a total of 8,382 hours on 672 days from July 1, 2016 to December 31, 2019.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR	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 environmental receptors as a result of the violation.

Adjustment \$21,250

\$3,750

Violation Events

Number of Violation Events 17 Number of violation days 672

daily	
weekly	
monthly	
quarterly	X
semiannual	
annual	
single event	

Violation Base Penalty \$63,750

Seventeen quarterly events are recommended for the instances of non-compliance that occurred from July 1, 2016 to December 31, 2019.

Good Faith Efforts to Comply

10.0%

Reduction \$6,375

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

Notes The Respondent achieved compliance by December 9, 2020, after the Notice of Enforcement ("NOE") dated November 20, 2020.

Violation Subtotal \$57,375

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$8,907

Violation Final Penalty Total \$82,238

This violation Final Assessed Penalty (adjusted for limits) \$82,238

Economic Benefit Worksheet

Respondent W.R. Grace & Co. - Conn.
Case ID No. 60133
Reg. Ent. Reference No. RN100223379
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	\$10,000	1-Jul-2016	9-Dec-2020	4.44	\$148	\$2,963	\$3,111
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction	\$20,000	1-Jul-2016	20-Aug-2020	4.14	\$276	\$5,520	\$5,796
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)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated costs to install a new 1.5-inch gas supply line (\$20,000) and to replace the oxygen sensor (\$10,000) in order to maintain the net heating value of the gas being combusted at 300 Btu/scf or greater for the Flare, EPN 1. 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 \$30,000

TOTAL \$8,907

Screening Date 1-Dec-2020
Respondent W.R. Grace & Co. - Conn.
Case ID No. 60133
Reg. Ent. Reference No. RN100223379
Media Air
Enf. Coordinator Richard Garza

Docket No. 2020-1569-AIR-E

PCW

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

Violation Number 2

Rule Cite(s) 30 Tex. Admin. Code §§ 122.143(4) and 122.145(2)(A), FOP No. O1473, GTC, and Tex. Health & Safety Code § 382.085(b)

Violation Description
 Failed to report all instances of deviations. Specifically, the deviation reports for the July 1, 2016 through December 31, 2016, January 1, 2017 through June 30, 2017, January 1, 2018 through June 30, 2018, and January 1, 2019 through June 30, 2019 reporting periods did not include the deviation for failing to maintain the net heating value of the gas being combusted at 300 Btu/scf or greater for the Flare.

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	1.0%
Less than 30% of the rule requirement was not met.					

Adjustment \$24,750

\$250

Violation Events

Number of Violation Events 4 1437 Number of violation days

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$1,000

Four single events are recommended.

Good Faith Efforts to Comply

10.0% Reduction \$100

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

Notes
 The Respondent achieved compliance on January 6, 2021, after the NOE dated November 20, 2020.

Violation Subtotal \$900

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$197 **Violation Final Penalty Total** \$1,290

This violation Final Assessed Penalty (adjusted for limits) \$1,290

Economic Benefit Worksheet

Respondent W.R. Grace & Co. - Conn.
Case ID No. 60133
Reg. Ent. Reference No. RN100223379
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				0.00	\$0	n/a	\$0
Other (as needed)	\$1,000	30-Jan-2017	6-Jan-2021	3.94	\$197	n/a	\$197

Notes for DELAYED costs

Estimated costs to submit revised deviation reports (\$250 per report * four reports) for the July 1, 2016 through December 31, 2016, January 1, 2017 through June 30, 2017, January 1, 2018 through June 30, 2018, and January 1, 2019 through June 30, 2019 reporting periods to report the deviation for failing to maintain the net heating value of the gas being combusted at 300 Btu/scf or greater for the Flare. The Date Required is the first date the deviation should have been reported 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

\$1,000

TOTAL

\$197

Screening Date 1-Dec-2020
Respondent W.R. Grace & Co. - Conn.
Case ID No. 60133
Reg. Ent. Reference No. RN100223379
Media Air
Enf. Coordinator Richard Garza

Docket No. 2020-1569-AIR-E

PCW

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

Violation Number 3

Rule Cite(s) 30 Tex. Admin. Code §§ 122.143(4) and 122.145(2)(A), FOP No. O1473, GTC, and Tex. Health & Safety Code § 382.085(b)

Violation Description
 Failed to report all instances of deviations. Specifically, the deviation reports for the July 1, 2017 through December 31, 2017 and July 1, 2019 through December 31, 2019 reporting periods did not include the deviation for failing to maintain the net heating value of the gas being combusted at 300 Btu/scf or greater for the Flare.

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		7.0%
Greater than 30% but less than 70% of the rule requirement was not met.					

Adjustment \$23,250

\$1,750

Violation Events

Number of Violation Events 2 1072 Number of violation days

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$3,500

Two single events are recommended.

Good Faith Efforts to Comply

10.0% Reduction \$350

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

Notes The Respondent achieved compliance on January 6, 2021, after the NOE dated November 20, 2020.

Violation Subtotal \$3,150

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$73

Violation Final Penalty Total \$4,515

This violation Final Assessed Penalty (adjusted for limits) \$4,515

Economic Benefit Worksheet

Respondent W.R. Grace & Co. - Conn.
Case ID No. 60133
Reg. Ent. Reference No. RN100223379
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				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)	\$500	30-Jan-2018	6-Jan-2021	2.94	\$73	n/a	\$73

Notes for DELAYED costs

Estimated costs to submit revised deviation reports (\$250 per report * two reports) for the July 1, 2017 through December 31, 2017 and July 1, 2019 through December 31, 2019 reporting periods to report the deviation for failing to maintain the net heating value of the gas being combusted at 300 Btu/scf or greater for the Flare. The Date Required is the first date the deviation should have been reported 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

\$500

TOTAL

\$73

Screening Date 1-Dec-2020
Respondent W.R. Grace & Co. - Conn.
Case ID No. 60133
Reg. Ent. Reference No. RN100223379
Media Air
Enf. Coordinator Richard Garza

Docket No. 2020-1569-AIR-E

PCW

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

Violation Number 4

Rule Cite(s) 30 Tex. Admin. Code §§ 122.143(4) and 122.145(2)(c), FOP No. 01473, GTC, and Tex. Health & Safety Code § 382.085(b)

Violation Description
 Failed to submit a deviation report no later than 30 days after the end of each reporting period. Specifically, the Respondent reported no deviations in the deviation report for the July 1, 2018 through December 31, 2018 reporting period, but the deviation for failing to maintain the net heating value of the gas being combusted at 300 Btu/scf or greater for the Flare should have been reported by January 30, 2019.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual				0.0%
	Potential				

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor	Percent
			x		7.0%

Matrix Notes
 Greater than 30% but less than 70% of the rule requirement was not met.

Adjustment \$23,250

\$1,750

Violation Events

Number of Violation Events 1 707 Number of violation days

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$1,750

One single event is recommended.

Good Faith Efforts to Comply

10.0%

Reduction \$175

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

Extraordinary	
Ordinary	x
N/A	

Notes
 The Respondent achieved compliance on January 6, 2021, after the NOE dated November 20, 2020.

Violation Subtotal \$1,575

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$24

Violation Final Penalty Total \$2,258

This violation Final Assessed Penalty (adjusted for limits) \$2,258

Economic Benefit Worksheet

Respondent W.R. Grace & Co. - Conn.
Case ID No. 60133
Reg. Ent. Reference No. RN100223379
Media Air
Violation No. 4

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)	\$250	30-Jan-2019	6-Jan-2021	1.94	\$24	n/a	\$24

Notes for DELAYED costs

Estimated costs to submit a revised deviation report for the July 1, 2018 through December 31, 2018 reporting period to report the deviation for failing to maintain the net heating value of the gas being combusted at 300 Btu/scf or greater for the Flare, EPN 1. The Date Required is the date the deviation should have been reported 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 \$250

TOTAL \$24



Compliance History Report

Compliance History Report for CN600311252, RN100223379, Rating Year 2020 which includes Compliance History (CH) components from September 1, 2015, through August 31, 2020.

Customer, Respondent, or Owner/Operator:	CN600311252, W.R. Grace & Co. - Conn.	Classification: HIGH	Rating: 0.00
Regulated Entity:	RN100223379, GRACE PASADENA CATALYST SITE	Classification: UNCLASSIFIED	Rating: -----
Complexity Points:	11	Repeat Violator: NO	
CH Group:	05 - Chemical Manufacturing		
Location:	10001 CHEMICAL RD, PASADENA, HARRIS COUNTY, TEXAS 77507-1607		
TCEQ Region:	REGION 12 - HOUSTON		

ID Number(s):

- | | |
|--|---|
| AIR OPERATING PERMITS ACCOUNT NUMBER HG0052U | AIR OPERATING PERMITS PERMIT 1473 |
| AIR NEW SOURCE PERMITS PERMIT 19344 | AIR NEW SOURCE PERMITS PERMIT 21140 |
| AIR NEW SOURCE PERMITS REGISTRATION 28569 | AIR NEW SOURCE PERMITS REGISTRATION 27874 |
| AIR NEW SOURCE PERMITS REGISTRATION 30552 | AIR NEW SOURCE PERMITS REGISTRATION 34118 |
| AIR NEW SOURCE PERMITS REGISTRATION 45084 | AIR NEW SOURCE PERMITS REGISTRATION 145723 |
| AIR NEW SOURCE PERMITS ACCOUNT NUMBER HG0052U | AIR NEW SOURCE PERMITS AFS NUM 4820100369 |
| AIR NEW SOURCE PERMITS REGISTRATION 73934 | AIR NEW SOURCE PERMITS REGISTRATION 76623 |
| AIR NEW SOURCE PERMITS PERMIT 83818 | AIR NEW SOURCE PERMITS REGISTRATION 136133 |
| AIR NEW SOURCE PERMITS REGISTRATION 107274 | AIR NEW SOURCE PERMITS REGISTRATION 131983 |
| AIR NEW SOURCE PERMITS REGISTRATION 154046 | AIR NEW SOURCE PERMITS REGISTRATION 148235 |
| AIR NEW SOURCE PERMITS REGISTRATION 148661 | AIR NEW SOURCE PERMITS REGISTRATION 151083 |
| AIR NEW SOURCE PERMITS REGISTRATION 150529 | AIR NEW SOURCE PERMITS REGISTRATION 151812 |
| AIR NEW SOURCE PERMITS REGISTRATION 150216 | AIR NEW SOURCE PERMITS REGISTRATION 158818 |
| AIR NEW SOURCE PERMITS REGISTRATION 159877 | AIR NEW SOURCE PERMITS REGISTRATION 155622 |
| STORMWATER PERMIT TXR05CT56 | AIR EMISSIONS INVENTORY ACCOUNT NUMBER HG0052U |

POLLUTION PREVENTION PLANNING ID NUMBER P00111 **INDUSTRIAL AND HAZARDOUS WASTE** EPA ID TXD077874634

INDUSTRIAL AND HAZARDOUS WASTE SOLID WASTE REGISTRATION # (SWR) 31081

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

Date Compliance History Report Prepared: June 18, 2021

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: June 18, 2016 to June 18, 2021

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

Name: Richard Garza **Phone:** (512) 239-2697

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: 02/14/2018 ADMINORDER 2017-0665-AIR-E (Findings Order-Agreed Order Without Denial)
 Classification: Moderate
 Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)

40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(f)(2)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: Special Condition No. 2B PERMIT

Special Terms and Condition No. 11 OP

Special Terms and Condition No. 1A OP

Description: Failed to operate the flare with a constant pilot flame, in violation of 30 TEX. ADMIN. CODE §§ 101.20(1), 116.115(c), and 122.143(4), 40 CODE OF FEDERAL REGULATIONS § 60.18(f)(2), New Source Review Permit No. 19344, Special Conditions No. 2.B, Federal Operating Permit No. O1473, Special Terms and Conditions Nos. 1.A and 11, and TEX. HEALTH & SAFETY CODE § 382.085(b).

2 Effective Date: 12/04/2018 ADMINORDER 2018-0422-PWS-E (1660 Order-Agreed Order With Denial)

Classification: Moderate

Citation: 30 TAC Chapter 290, SubChapter F 290.117(e)

30 TAC Chapter 290, SubChapter F 290.117(h)

30 TAC Chapter 290, SubChapter F 290.117(i)(3)

Description: LCR WQP MR 2nd 6M2017 - The system failed to monitor for water quality parameters in accordance with TCEQ rules two times during the 2nd 6M2017 monitoring period at entry point location 10001 Chemical Road Pasadena (EP001) and the distribution system.

Classification: Moderate

Citation: 30 TAC Chapter 290, SubChapter F 290.117(g)(2)(A)

Description: LCR SOWT 1st 6M2017 - The system failed to submit the Source Water Treatment Recommendation for alternative treatment including ion exchange, reverse osmosis, lime softening, coagulation/filtration, or none from the end of the six-month monitoring period from 01/01/2017 to 06/30/2017 plus 180 days.

Classification: Moderate

Citation: 30 TAC Chapter 290, SubChapter F 290.117(f)(3)(A)

Description: LCR OCCT 1st 6M2017 - The system failed to submit the Optimal Corrosion Control Treatment (OCCT) Recommendation in accordance with TCEQ rules after exceeding the lead/copper action level during the six-month monitoring period from 01/01/2017 to 06/30/2017 plus six months.

B. Criminal convictions:

N/A

C. Chronic excessive emissions events:

N/A

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

N/A

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: 11/20/2020 (1685014)
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)
Special Condition 5A PERMIT
Special Term & Condition 16 OP
Special Term & Condition 1A OP
Description: Failure to maintain liquid flow rate for the CD Catalyst Unit Scrubber (EPN: 94001-CV).
(Category C4)
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)
Special Condition 5A PERMIT
Special Term & Condition 16 OP
Special Term & Condition 1A OP
Description: Failure to maintain liquid flow rate for the Lynx 1000 Unit Scrubber (EPN: 94001-CV).
(Category 4)

F. Environmental audits:

Notice of Intent Date: 10/14/2016 (1370637)

No DOV Associated

G. Type of environmental management systems (EMSs):

N/A

H. Voluntary on-site compliance assessment dates:

N/A

I. Participation in a voluntary pollution reduction program:

N/A

J. Early compliance:

N/A

Sites Outside of Texas:

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
W.R. GRACE & CO. - CONN.
RN100223379**

§
§
§
§
§

**BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY**

**AGREED ORDER
DOCKET NO. 2020-1569-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 W.R. Grace & Co. - Conn. (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 processing and manufacturing plant located at 10001 Chemical Road in Pasadena, 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 \$90,300 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent paid \$72,240 of the penalty and \$18,060 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 corrective measures at the Plant:
 - a. In order to maintain the net heating value of the gas being combusted at 300 British thermal units per standard cubic foot ("Btu/scf") or greater for the Flare, Emissions Point Number ("EPN") 1:
 - i. By August 20, 2020, installed a new 1.5-inch gas supply line; and
 - ii. By December 9, 2020, replaced the oxygen sensor.
 - b. By January 6, 2021, submitted revised deviation reports for the July 1, 2016 through December 31, 2016, January 1, 2017 through June 30, 2017, July 1, 2017 through December 31, 2017, January 1, 2018 through June 30, 2018, July 1, 2018 through December 31, 2018, January 1, 2019 through June 30, 2019, and July 1, 2019 through December 31, 2019 reporting periods to report the deviation for failing to maintain the net heating value of the gas being combusted at 300 Btu/scf or greater for the Flare.

II. ALLEGATIONS

During a record review conducted from October 25, 2020 through November 17, 2020, an investigator documented that the Respondent:

1. Failed to maintain the net heating value of the gas being combusted at 300 Btu/scf or greater if the flare is steam-assisted or air-assisted, in violation of 30 TEX. ADMIN. CODE §§ 101.20(1), 116.115(c), and 122.143(4), 40 CODE OF FEDERAL REGULATIONS § 60.18(c)(3)(ii), New Source Review Permit No. 19344, Special Conditions No. 4.A, Federal Operating Permit ("FOP") No. O1437, General Terms and Conditions ("GTC") and Special Terms and Conditions Nos. 1.A, 11, and 16, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the net heating value of the gas being combusted by the Flare, EPN 1, was less than 300 Btu/scf when the net heating value ranged from 0.20 Btu/scf to

299.91 Btu/scf for a total of 8,382 hours on 672 days from July 1, 2016 to December 31, 2019.

2. Failed to report all instances of deviations, in violation of 30 TEX. ADMIN. CODE §§ 122.143(4) and 122.145(2)(A), FOP No. O1473, GTC, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the deviation reports for the July 1, 2016 through December 31, 2016, January 1, 2017 through June 30, 2017, January 1, 2018 through June 30, 2018, and January 1, 2019 through June 30, 2019 reporting periods did not include the deviation for failing to maintain the net heating value of the gas being combusted at 300 Btu/scf or greater for the Flare.
3. Failed to report all instances of deviations, in violation of 30 TEX. ADMIN. CODE §§ 122.143(4) and 122.145(2)(A), FOP No. O1473, GTC, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the deviation reports for the July 1, 2017 through December 31, 2017 and July 1, 2019 through December 31, 2019 reporting periods did not include the deviation for failing to maintain the net heating value of the gas being combusted at 300 Btu/scf or greater for the Flare.
4. Failed to submit a deviation report no later than 30 days after the end of each reporting period, in violation of 30 TEX. ADMIN. CODE §§ 122.143(4) and 122.145(2)(c), FOP No. O1473, GTC, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent reported no deviations in the deviation report for the July 1, 2018 through December 31, 2018 reporting period, but the deviation for failing to maintain the net heating value of the gas being combusted at 300 Btu/scf or greater for the Flare should have been reported by January 30, 2019.

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: W.R. Grace & Co. - Conn., Docket No. 2020-1569-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. All relief not expressly granted in this Order is denied.

3. 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.
4. 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.
5. 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.
6. 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.
7. 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

2/11/2022

For the Executive Director

Date

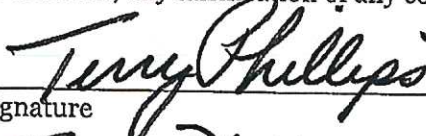
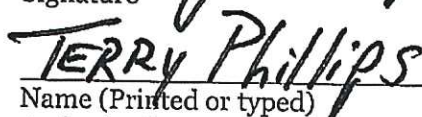
I, the undersigned, have read and understand the attached Order. I am authorized to agree to the attached Order, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

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

8/26/21

Title

PLANT MANAGER

Name (Printed or typed)
Authorized Representative of
W.R. Grace & Co. - Conn.

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.