

**Executive Summary – Enforcement Matter – Case No. 60207**  
**Chevron Phillips Chemical Company LP**  
**RN100209857**  
**Docket No. 2021-0090-AIR-E**

**Order Type:**

1660 Agreed Order

**Findings Order Justification:**

N/A

**Media:**

AIR

**Small Business:**

No

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

Chevron Phillips Chemical Port Arthur Facility, 2001 South Gulfway Drive, Port Arthur, Jefferson County

**Type of Operation:**

Chemical manufacturing plant

**Other Significant Matters:**

Additional Pending Enforcement Actions: Yes, Docket Nos. 2019-1138-AIR-E and 2020-1181-AIR-E

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

**Texas Register Publication Date:** July 9, 2021

**Comments Received:** No

***Penalty Information***

**Total Penalty Assessed:** \$14,625

**Amount Deferred for Expedited Settlement:** \$2,925

**Total Paid to General Revenue:** \$5,850

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

Payment Plan: N/A

**Supplemental Environmental Project (“SEP”) Conditional Offset:** \$5,850

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

**Compliance History Classifications:**

Person/CN - Satisfactory

Site/RN - Satisfactory

**Major Source:** Yes

**Statutory Limit Adjustment:** N/A

**Applicable Penalty Policy:** April 2014

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**Docket No. 2021-0090-AIR-E**

***Investigation Information***

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

**Complaint Information:** N/A

**Date(s) of Investigation:** October 20, 2020

**Date(s) of NOE(s):** December 11, 2020

***Violation Information***

Failed to prevent unauthorized emissions. Specifically, the Respondent released 17,231.08 pounds of volatile organic compounds from the Maintenance, Startup, and Shutdown Flare 24, Emissions Point Number MSS1544FLR, during an emissions event (Incident No. 341686) that occurred on September 2, 2020 and lasted 17 minutes. The emissions event occurred due to a failed fuel pilot gas regulator that caused a loss of the flare flame, 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 §§ 101.20(1) and (3), 116.115(c), and 122.143(4), 40 CODE OF FEDERAL REGULATIONS § 60.18(c)(2), New Source Review Permit Nos. 21101 and PSDTX1248, Special Conditions No. 1, Federal Operating Permit No. O1235, General Terms and Conditions and Special Terms and Conditions Nos. 1.A and 23, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

***Corrective Actions/Technical Requirements***

**Corrective Action(s) Completed:**

The Respondent implemented the following corrective measures:

- a. By September 28, 2020, replaced the fuel pilot gas regulator; and
- b. By January 28, 2021, reinforced the importance of accurate and complete electronic Shift Operations Management System ("eSOMS") rounds and adjusted the timing of eSOMS rounds to be consistent with other flare yard activities.

**Technical Requirements:**

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

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- a. Within 30 days, implement additional measures and/or procedures designed to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 341686; and
- b. Within 45 days, submit written certification to demonstrate compliance with 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

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

**SEP Third-Party Administrator:** Houston-Galveston Area Council-AERCO, P.O. Box 22777, Houston, Texas 77227-2777

**Respondent:** Andrew Woods, Plant Manager, Chevron Phillips Chemical Company LP, P.O. Box 1547, Port Arthur, Texas 77614-1547

**Respondent's Attorney:** N/A



# Penalty Calculation Worksheet (PCW)

Policy Revision 4 (April 2014)

PCW Revision March 26, 2014

<b>DATES</b>	<b>Assigned</b>	15-Dec-2020	<b>Screening</b>	23-Dec-2020	<b>EPA Due</b>	
	<b>PCW</b>	5-Mar-2021				

## RESPONDENT/FACILITY INFORMATION

<b>Respondent</b>	Chevron Phillips Chemical Company LP				
<b>Reg. Ent. Ref. No.</b>	RN100209857				
<b>Facility/Site Region</b>	10-Beaumont		<b>Major/Minor Source</b>	Major	

## CASE INFORMATION

<b>Enf./Case ID No.</b>	60207	<b>No. of Violations</b>	1
<b>Docket No.</b>	2021-0090-AIR-E	<b>Order Type</b>	1660
<b>Media Program(s)</b>	Air	<b>Government/Non-Profit</b>	No
<b>Multi-Media</b>		<b>Enf. Coordinator</b>	Richard Garza
		<b>EC's Team</b>	Enforcement Team 4
<b>Admin. Penalty \$ Limit Minimum</b>	\$0	<b>Maximum</b>	\$25,000

## Penalty Calculation Section

<b>TOTAL BASE PENALTY (Sum of violation base penalties)</b>	<b>Subtotal 1</b>	\$7,500
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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.

<b>Compliance History</b>	95.0%	<b>Adjustment</b>	<b>Subtotals 2, 3, &amp; 7</b>	\$7,125
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Notes: Enhancement for one NOV with same/similar violations and five orders containing a denial of liability. Reduction for four notices of intent to conduct an audit and three disclosures of violations.

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

<b>Good Faith Effort to Comply Total Adjustments</b>	<b>Subtotal 5</b>	\$0
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<b>Economic Benefit</b>	0.0%	<b>Enhancement*</b>	<b>Subtotal 6</b>	\$0
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Total EB Amounts	\$712
Estimated Cost of Compliance	\$31,500

\*Capped at the Total EB \$ Amount

<b>SUM OF SUBTOTALS 1-7</b>	<b>Final Subtotal</b>	\$14,625
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<b>OTHER FACTORS AS JUSTICE MAY REQUIRE</b>	0.0%	<b>Adjustment</b>	\$0
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

<b>Final Penalty Amount</b>	\$14,625
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<b>STATUTORY LIMIT ADJUSTMENT</b>	<b>Final Assessed Penalty</b>	\$14,625
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<b>DEFERRAL</b>	20.0%	<b>Reduction</b>	<b>Adjustment</b>	-\$2,925
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Reduces the Final Assessed Penalty by the indicated percentage.

Notes:

Deferral offered for expedited settlement.

<b>PAYABLE PENALTY</b>	\$11,700
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<b>Screening Date</b>	23-Dec-2020	<b>Docket No.</b>	2021-0090-AIR-E	<b>PCW</b>
<b>Respondent</b>	Chevron Phillips Chemical Company LP			<i>Policy Revision 4 (April 2014)</i>
<b>Case ID No.</b>	60207			<i>PCW Revision March 26, 2014</i>
<b>Reg. Ent. Reference No.</b>	RN100209857			
<b>Media</b>	Air			
<b>Enf. Coordinator</b>	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> )	5	100%
	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	0	0%
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> )	4	-4%
	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> )	3	-6%
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)** 95%

### >> 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 one NOV with same/similar violations and five orders containing a denial of liability. Reduction for four notices of intent to conduct an audit and three disclosures of violations.

**Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7)** 95%

### >> Final Compliance History Adjustment

**Final Adjustment Percentage \*capped at 100%** 95%

<b>Screening Date</b>	23-Dec-2020	<b>Docket No.</b>	2021-0090-AIR-E	<b>PCW</b>
<b>Respondent</b>	Chevron Phillips Chemical Company LP			Policy Revision 4 (April 2014)
<b>Case ID No.</b>	60207			PCW Revision March 26, 2014
<b>Reg. Ent. Reference No.</b>	RN100209857			
<b>Media</b>	Air			
<b>Enf. Coordinator</b>	Richard Garza			
<b>Violation Number</b>	1			
<b>Rule Cite(s)</b>	30 Tex. Admin. Code §§ 101.20(1) and (3), 116.115(c), and 122.143(4), 40 Code of Federal Regulations § 60.18(c)(2), New Source Review Permit Nos. 21101 and PSDTX1248, Special Conditions No. 1, Federal Operating Permit No. O1235, General Terms and Conditions and Special Terms and Conditions Nos. 1.A and 23, and Tex. Health & Safety Code § 382.085(b)			
<b>Violation Description</b>	<p>Failed to prevent unauthorized emissions. Specifically, the Respondent released 17,231.08 pounds of volatile organic compounds from the Maintenance, Startup, and Shutdown Flare 24, Emissions Point Number MSS1544FLR, during an emissions event (Incident No. 341686) that occurred on September 2, 2020 and lasted 17 minutes. The emissions event occurred due to a failed fuel pilot gas regulator that caused a loss of the flare flame, 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.</p>			
		<b>Base Penalty</b>	\$25,000	
<b>&gt;&gt; Environmental, Property and Human Health Matrix</b>				
<b>OR</b>	<b>Harm</b>			
	<b>Release</b>	Major	Moderate	Minor
	Actual	x		
	Potential			
		<b>Percent</b>	30.0%	
<b>&gt;&gt;Programmatic Matrix</b>				
	Falsification	Major	Moderate	Minor
	<b>Percent</b>	0.0%		
Matrix Notes	Human health or the environment has been exposed to significant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of the violation.			
	<b>Adjustment</b>	\$17,500		
		\$7,500		
<b>Violation Events</b>				
	Number of Violation Events	1	1	Number of violation days
	daily			
	weekly			
	monthly	x		
	quarterly			
	semiannual			
	annual			
	single event			
	<b>Violation Base Penalty</b>	\$7,500		
	One monthly event is recommended.			
<b>Good Faith Efforts to Comply</b>		0.0%	<b>Reduction</b>	\$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.		
	<b>Violation Subtotal</b>	\$7,500		
<b>Economic Benefit (EB) for this violation</b>		<b>Statutory Limit Test</b>		
	<b>Estimated EB Amount</b>	\$712	<b>Violation Final Penalty Total</b>	\$14,625
	<b>This violation Final Assessed Penalty (adjusted for limits)</b>			\$14,625

# Economic Benefit Worksheet

**Respondent** Chevron Phillips Chemical Company LP  
**Case ID No.** 60207  
**Reg. Ent. Reference No.** RN100209857  
**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	\$20,000	2-Sep-2020	28-Sep-2020	0.07	\$5	\$95	\$100
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	\$1,500	2-Sep-2020	28-Jan-2021	0.41	\$30	n/a	\$30
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$10,000	2-Sep-2020	1-Nov-2021	1.16	\$582	n/a	\$582

### Notes for DELAYED costs

Estimated costs to replace the fuel pilot gas regulator (\$20,000), reinforce the importance of accurate and complete electronic Shift Operations Management System ("eSOMS") rounds and adjust the timing of eSOMS rounds to be consistent with other flare yard activities (\$1,500), and implement additional measures and/or procedures designed to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 341686 (\$10,000). The Dates Required are the date the emissions event occurred and the Final Dates are the dates of compliance and 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

\$31,500

**TOTAL**

\$712

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# Compliance History Report

Compliance History Report for CN600303614, RN100209857, Rating Year 2020 which includes Compliance History (CH) components from September 1, 2015, through August 31, 2020.

<b>Customer, Respondent, or Owner/Operator:</b>	CN600303614, Chevron Phillips Chemical Company LP	<b>Classification:</b>	SATISFACTORY	<b>Rating:</b>	6.75
<b>Regulated Entity:</b>	RN100209857, CHEVRON PHILLIPS CHEMICAL PORT ARTHUR FACILITY	<b>Classification:</b>	SATISFACTORY	<b>Rating:</b>	18.20
<b>Complexity Points:</b>	14	<b>Repeat Violator:</b>	NO		
<b>CH Group:</b>	05 - Chemical Manufacturing				
<b>Location:</b>	2001 SOUTH GULFWAY DRIVE, PORT ARTHUR, JEFFERSON COUNTY, TEXAS				
<b>TCEQ Region:</b>	REGION 10 - BEAUMONT				

## ID Number(s):

**AIR OPERATING PERMITS** ACCOUNT NUMBER JE0508W  
**AIR OPERATING PERMITS** PERMIT 2954  
**AIR NEW SOURCE PERMITS** PERMIT 21101  
**AIR NEW SOURCE PERMITS** REGISTRATION 143793  
**AIR NEW SOURCE PERMITS** AFS NUM 4824500162  
**AIR NEW SOURCE PERMITS** REGISTRATION 79030  
**AIR NEW SOURCE PERMITS** REGISTRATION 124617  
**AIR NEW SOURCE PERMITS** REGISTRATION 125904  
**AIR NEW SOURCE PERMITS** REGISTRATION 128964  
**AIR NEW SOURCE PERMITS** PERMIT 103765  
**AIR NEW SOURCE PERMITS** REGISTRATION 137324  
**AIR NEW SOURCE PERMITS** REGISTRATION 153303  
**AIR NEW SOURCE PERMITS** REGISTRATION 154307  
**AIR NEW SOURCE PERMITS** REGISTRATION 163634  
**AIR NEW SOURCE PERMITS** REGISTRATION 146999  
**AIR NEW SOURCE PERMITS** REGISTRATION 146880  
**AIR NEW SOURCE PERMITS** REGISTRATION 147383  
**AIR NEW SOURCE PERMITS** REGISTRATION 150340  
**AIR NEW SOURCE PERMITS** REGISTRATION 156604  
**AIR NEW SOURCE PERMITS** REGISTRATION 161173  
**AIR NEW SOURCE PERMITS** REGISTRATION 158064  
**AIR NEW SOURCE PERMITS** REGISTRATION 161788  
**AIR NEW SOURCE PERMITS** PERMIT AMOC144  
**AIR NEW SOURCE PERMITS** REGISTRATION 154011  
**POLLUTION PREVENTION PLANNING** ID NUMBER P01806  
**INDUSTRIAL AND HAZARDOUS WASTE** SOLID WASTE REGISTRATION # (SWR) 83963  
**TAX RELIEF** ID NUMBER 20827

**AIR OPERATING PERMITS** PERMIT 1235  
**AIR NEW SOURCE PERMITS** ACCOUNT NUMBER JE0508W  
**AIR NEW SOURCE PERMITS** REGISTRATION 145970  
**AIR NEW SOURCE PERMITS** REGISTRATION 153584  
**AIR NEW SOURCE PERMITS** REGISTRATION 78071  
**AIR NEW SOURCE PERMITS** EPA PERMIT PSDTX1248  
**AIR NEW SOURCE PERMITS** REGISTRATION 140930  
**AIR NEW SOURCE PERMITS** REGISTRATION 118411  
**AIR NEW SOURCE PERMITS** REGISTRATION 139584  
**AIR NEW SOURCE PERMITS** REGISTRATION 119833  
**AIR NEW SOURCE PERMITS** REGISTRATION 133835  
**AIR NEW SOURCE PERMITS** REGISTRATION 151137  
**AIR NEW SOURCE PERMITS** REGISTRATION 162560  
**AIR NEW SOURCE PERMITS** REGISTRATION 163633  
**AIR NEW SOURCE PERMITS** REGISTRATION 147642  
**AIR NEW SOURCE PERMITS** REGISTRATION 146331  
**AIR NEW SOURCE PERMITS** REGISTRATION 146148  
**AIR NEW SOURCE PERMITS** REGISTRATION 150960  
**AIR NEW SOURCE PERMITS** REGISTRATION 159750  
**AIR NEW SOURCE PERMITS** REGISTRATION 161438  
**AIR NEW SOURCE PERMITS** REGISTRATION 156197  
**AIR NEW SOURCE PERMITS** REGISTRATION 160775  
**AIR NEW SOURCE PERMITS** REGISTRATION 152163  
**AIR EMISSIONS INVENTORY** ACCOUNT NUMBER JE0508W  
**INDUSTRIAL AND HAZARDOUS WASTE** EPA ID TXR000004390  
**TAX RELIEF** ID NUMBER 20185  
**TAX RELIEF** ID NUMBER 22309

<b>Compliance History Period:</b>	September 01, 2015 to August 31, 2020	<b>Rating Year:</b>	2020	<b>Rating Date:</b>	09/01/2020
<b>Date Compliance History Report Prepared:</b>	March 05, 2021				
<b>Agency Decision Requiring Compliance History:</b>	Enforcement				
<b>Component Period Selected:</b>	March 05, 2016 to March 05, 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: 06/13/2016 ADMINORDER 2015-1104-AIR-E (1660 Order-Agreed Order With Denial)

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.110(b)  
30 TAC Chapter 116, SubChapter B 116.115(b)  
30 TAC Chapter 116, SubChapter B 116.116(a)(1)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)

Rqmt Prov: General Terms and Conditions OP

SC 14 PERMIT

Special Term and Condition 22 PERMIT

Description: Failed to comply with the representations with regard to construction and operation procedures in an application for a permit. Specifically, Flare 40, EPN F-40-FLARE, is not represented to combust refinery fuel gas in the application for NSR Permit No. 83741, but excess refinery fuel gas was combusted at Flare 40, resulting in the unauthorized release of approximately 21,974.75 pounds ("lbs") of carbon monoxide ("CO"), 4,016.9 lbs of nitrogen oxides ("NOx"), and 9,014.37 lbs of volatile organic.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)  
30 TAC Chapter 116, SubChapter B 116.115(b)(2)(G)  
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 60.13(a)  
5C THSC Chapter 382 382.085(b)

Rqmt Prov: General Terms and Conditions OP

SC 10B PERMIT

SC 10C PERMIT

SC 10D PERMIT

Special Term and Condition 22 OP

Description: Failed to maintain Carbon Adsorption Unit, EPN CA-1, in good working order and operating properly during normal Plant operations. Specifically, the Respondent did not properly maintain and operate the Carbon Adsorption Unit by not properly operating the continuous emission monitoring system, using certified calibration gases, conducting daily and monthly calibrations, properly performing cylinder gas audits, and maintaining the 99% Carbon Adsorption Unit removal efficiency.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)

Rqmt Prov: General Terms and Conditions OP

SC 1 PERMIT

Special Term and Condition 22 OP

Description: Failed to comply with the allowable VOC, NOx, & CO emissions rates for Flare 40 (EPN F-40-Flare). Exceeded the emissions rates of 1.22 tpy of NOx and 6.19 tpy of CO for the 12-month periods ending in Feb. 2014-Dec. 2014 and 1.11 tpy of VOC for the periods ending in Jan. 2014-Dec. 2014. Exceeded the hourly VOC emissions rate of 0.26 lb/hr by an avg of 2.13 lbs/hr, NOx rate of 0.28 lb/hr by an avg of 1.01 lbs/hr, and CO rate of 1.41 lbs/hr by an avg of 5.42 lbs/hr from Jan. 2014-Dec. 2014.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)

Rqmt Prov: General Terms and Conditions OP

SC 8 PERMIT

Special Term and Condition 22 OP

Description: Failed to comply with the allowable VOC, CO, SO2, and PM10 emissions rates for the Secondary Diesel Engine, EPN E-11-1544. Exceeded the annual emissions rates of 0.35 tpy of PM10 and 0.39 tpy of VOC for the 12-month

periods ending in Apr. 2013-Oct. 2013, 0.66 tpy of SO<sub>2</sub> for the 12-month period ending in Apr. 2013, and 2.56 tpy of CO for the 12-month periods ending in Apr. 2013-Nov. 2013 and May 2014-July 2014, resulting in the release of 0.03 ton

VOC, 0.46 ton CO, 0.10 ton SO<sub>2</sub>, and 0.12 ton PM<sub>10</sub>

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)

Rqmt Prov: General Terms and Conditions OP

SC 1 PERMIT

Special Term and Condition 22 OP

Description: Failed to comply with the allowable CO, NO<sub>x</sub>, and VOC emissions rates for the Controlled MSS Emissions from the Cumene Feed Preparation Unit -1740 and PS-508, EPN 1740-MSS. Exceeded the annual emissions rates of 1.50 tpy of CO and 0.21 tpy of NO<sub>x</sub> for the 12-month periods ending in April 2013-May 2014 and Dec. 2014-Jan. 2015 and 2.04 tpy of VOC for the 12-month periods ending in May 2013-April 2014, resulting in the unauthorized release of 4.87 tons of CO, 1.03 tons of NO<sub>x</sub>, and 1.83 tons of VOC.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)

Rqmt Prov: General Terms and Conditions OP

SC 1 PERMIT

Special Term and Condition 22 OP

Description: Failed to comply with the allowable CO, NO<sub>x</sub>, and benzene emissions rates for the Controlled MSS Emissions from Ethylene Unit 1544, EPN 1544-MSS. Specifically, the Respondent exceeded the annual allowable emissions rates, based on a 12-month rolling period, of 102.31 tpy of CO, 14.16 tpy of NO<sub>x</sub>, and 1.87 tpy of benzene for the 12-month periods ending in December 2013 through June 2014, resulting in the unauthorized release of 17.03 tons of CO, 1.39 tons of NO<sub>x</sub>, and 1.09 tons of benzene.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)

Rqmt Prov: General Terms and Conditions OP

SC 1 PERMIT

Special Term and Condition 22 OP

Description: Failed to comply with the allowable VOC emissions rate for Flare N1, EPN F-N1-Flare. Specifically, the Respondent exceeded the annual allowable emissions rate, based on a 12-month rolling period, of 0.12 tpy of VOC for the 12-month periods ending in January 2014 through January 2015, resulting in the unauthorized release of 0.05 ton of VOC.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)

Rqmt Prov: General Terms and Conditions OP

SC 1 PERMIT

Special Term and Condition 22 OP

Description: Failed to comply with the allowable CO and NO<sub>x</sub> emissions rates for the Controlled MSS Emissions from the Cyclohexane Unit 1741, EPN 1741-MSS. Specifically, the Respondent exceeded the annual allowable emissions rates, based on a 12-month rolling period, of 0.12 tpy CO and 0.02 tpy of NO<sub>x</sub> for the 12-month periods ending in November 2014 through January 2015, resulting in the unauthorized release of 0.09 ton of CO and 0.02 ton of NO<sub>x</sub>.

2 Effective Date: 11/15/2017 ADMINORDER 2017-0335-AIR-E (1660 Order-Agreed Order With Denial)

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 and Condition 2F OP

Description: Failed to submit an initial notification within 24 hours of discovery of an emissions event. Specifically, the initial notification for Incident No. 254080 was due by July 31, 2015 at 3:58 p.m. but was not submitted until March 13, 2017.

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 and Condition 22 OP

Description: Failed to prevent unauthorized emissions. Specifically, the Respondent released 5,563 lbs of VOC, 277 lbs of NOx, and 2,016 lbs of CO from EPN F-40-FLARE during Incident No. 254080 on July 29, 2015. The emissions event occurred when a power loss to a compressor caused overpressuring in three butane tanks, which resulted in flaring. Since this emissions event was not reported properly, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.

3 Effective Date: 12/18/2019 ADMINORDER 2018-1152-AIR-E (1660 Order-Agreed Order With Denial)

Classification: Moderate

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

Rqmt Prov: General Terms and Conditions OP

Special Condition 1 PERMIT

Special Term and Condition 22 OP

Description: Failure to limit Nitrogen Oxide (NOx) and Sulfur Dioxide (SO2) tons per year (tpy) emissions at the Vapor Destruction Unit N1 (Emission Point Number (EPN) F-N1-VDU) below permitted limits.

Classification: Moderate

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

Rqmt Prov: General Terms and Conditions OP

Special Condition 1 PERMIT

Special Term and Condition 22 OP

Description: Failure to limit Nitrogen Oxide (NOx) and Carbon Monoxide (CO) pounds per hour emissions at the Process Flare (EPN E-24-FLARE) below permitted limits.

Classification: Moderate

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

Rqmt Prov: General Terms and Conditions OP

Special Condition 1 PERMIT

Special Term and Condition 22 OP

Description: Failure to maintain an emission rate below the allowable emission limits for Incident 283935. EIC Category A12i(6), MOD (D)

4 Effective Date: 12/21/2020 ADMINORDER 2019-1069-AIR-E (1660 Order-Agreed Order With Denial)

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)

Rqmt Prov: General Terms and Conditions OP

Special Condition 1 PERMIT

Special Term and Condition 23 OP

Description: Failed to comply with the annual maximum allowable emissions rate ("MAER"). Specifically, the Respondent exceeded the volatile organic compounds ("VOC") MAER of 25.11 tons per year based on a 12-month rolling period for the 12-month periods ending from March 2018 through July 2018 for Cooling Tower 137, Emissions Point Number ("EPN") E-137-CT, resulting in 5.14 tons of unauthorized VOC.

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	March 09, 2016	(1315435)
Item 2	July 05, 2016	(1342968)
Item 3	July 26, 2016	(1350030)
Item 4	July 28, 2016	(1345400)
Item 5	August 01, 2016	(1348820)
Item 6	August 02, 2016	(1349959)
Item 7	August 03, 2016	(1343607)
Item 8	August 05, 2016	(1348819)
Item 9	August 09, 2016	(1343665)
Item 10	September 13, 2016	(1355124)
Item 11	September 22, 2016	(1355776)
Item 12	October 06, 2016	(1355144)
Item 13	March 23, 2017	(1400663)
Item 14	April 03, 2017	(262381)
Item 15	May 02, 2017	(1400775)
Item 16	July 20, 2017	(1416488)
Item 17	August 31, 2017	(1436765)
Item 19	October 24, 2017	(1447451)
Item 20	December 04, 2017	(1453807)
Item 21	February 05, 2018	(1453822)
Item 22	February 15, 2018	(1467384)
Item 23	June 22, 2018	(1431062)
Item 24	November 30, 2018	(1531532)
Item 25	December 04, 2018	(1531801)
Item 28	May 31, 2019	(1570173)
Item 29	June 25, 2019	(1576423)
Item 30	November 19, 2019	(1605575)
Item 31	January 24, 2020	(1624303)
Item 32	March 10, 2020	(1632324)
Item 33	May 22, 2020	(1646932)
Item 35	July 28, 2020	(1664547)
Item 36	September 09, 2020	(1669920)
Item 37	September 23, 2020	(1671580)
Item 38	September 24, 2020	(1671562)
Item 39	October 02, 2020	(1671564)
Item 41	January 11, 2021	(1690517)
Item 42	January 20, 2021	(1677684)
Item 43	January 22, 2021	(1672585)
Item 44	January 27, 2021	(1672123)
Item 45	January 29, 2021	(1677768)
Item 46	February 03, 2021	(1671333)
Item 47	February 05, 2021	(1696899)

**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:	08/18/2020	(1664126)	
	Self Report?	NO		Classification: Moderate
	Citation:	30 TAC Chapter 101, SubChapter A 101.20(3) 30 TAC Chapter 116, SubChapter B 116.115(c) 30 TAC Chapter 122, SubChapter B 122.143(4) 5C THSC Chapter 382 382.085(b) General Terms and Conditions OP Special Condition 33H PERMIT Special Term and Condition 23 OP		
	Description:	Failure to maintain the minimum pressure during vacuum bed regeneration at the HVRU (Emission Point Number (EPN) CA-1). EIC Category: B18(g)(1); MOD (G)		
	Self Report?	NO		Classification: Moderate

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

General Terms and Conditions OP  
Special Condition 34B PERMIT  
Special Term and Condition 23 OP

Description: Failure to record Hydrogen Sulfide (H<sub>2</sub>S) Continuous Emission Monitoring System (CEMS) calibration for Cracking Furnace BA-115. EIC Category: B17; MOD (G)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 106, SubChapter K 106.262(a)(3)  
30 TAC Chapter 116, SubChapter B 116.110(a)(4)  
30 TAC Chapter 116, SubChapter B 116.115(b)(2)(H)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)  
General Condition 10 PERMIT  
General Terms and Conditions OP  
Special Term and Condition 23 OP

Description: Failure to obtain authorization for emissions within 10 days of adding a fugitive component. EIC Category: B17; MOD (G)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)  
General Terms and Conditions OP  
Special Condition 12 PERMIT  
Special Term and Condition 22 OP  
Special Term and Condition 23 OP

Description: Failure to record visual emission observations. EIC Category: B17; MOD (G)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)  
General Terms and Conditions OP  
Special Condition 1 PERMIT  
Special Term and Condition 23 OP

Description: Failure to limit Benzene Maintenance, Startup, Shutdown (MSS) pounds per hour emissions at Process Flare 40 (EPN MSSAROMFLR). EIC Category: B18(g)(1); MOD (D)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)  
General Terms and Conditions OP  
Special Condition 1 PERMIT  
Special Term and Condition 23 OP

Description: Failure to limit annual Volatile Organic Compound (VOC) tons per year (tpy) emissions at Process Flare 24 (EPN E-24-FLARE). EIC Category B18g.(1), Moderate (D)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)  
30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter B 116.115(b)(2)(H)  
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 60.8(d)  
5C THSC Chapter 382 382.085(b)  
General Terms and Conditions OP  
Special Condition 9E PERMIT  
Special Term and Condition 23 OP  
Special Term and Condition 8B OP

Description: Failure to notify the TCEQ Regional Office at least 30 days prior to the Relative Accuracy Test Audit (RATA) for the Fuel Drums of the Boiler and Fuel Gas Drums. EIC Category B3, Moderate (B)

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 5 PERMIT

Description: Special Term and Condition 23 OP  
Failure to limit Nitrogen Oxide (NOx) lbs/MMBtu emissions during startup at Boiler No. 2 (Emission Point Number (EPN) B6200) and Boiler No. 3 (EPN B6300). EIC Category: B18g(1); MOD (D)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)  
General Terms and Conditions OP  
Special Condition 1 PERMIT  
Special Term and Condition 23 OP

Description: Failure to limit annual Volatile Organic Compound (VOC) tons per year (tpy) emissions at the Cooling Tower (EPN E-137CT). EIC Category B18g.(1), Moderate(D)

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)  
30 TAC Chapter 101, SubChapter A 101.20(2)  
30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 113, SubChapter C 113.130  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-2(a)(1)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.163(b)(1)  
40 CFR Part 61, Subpart V 61.242-2(a)(1)  
5C THSC Chapter 382 382.085(b)  
General Terms and Conditions OP  
Special Condition 3B PERMIT  
Special Condition 4B PERMIT  
Special Condition 5C PERMIT  
Special Term and Condition 23 OP

Description: Failure to conduct monthly monitoring of pumps in Volatile Organic Compound (VOC) service at the Cyclohexane Unit, Cumene Feed Preparation Unit, Pump Station 508, and the Hydrocarbon Vapor Recovery Unit (HVRU). EIC Category: C10; Minor (D)

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)  
General Terms and Conditions OP  
Special Term and Condition 31A OP

Description: Failure to maintain Ozone Depleting Substance (ODS) records associated with leak detection and verification testing for the Engineered Packaged System (EPS) Chiller. EIC Category: C3; Minor (C)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(H)  
30 TAC Chapter 117, SubChapter B 117.110(c)(1)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)  
General Terms and Conditions OP  
Special Terms and Conditions 1A OP

Description: Failure to limit Carbon Monoxide parts per million emissions at the Economizer (Emission Point Number (EPN) E-01A-1544). EIC Category: B18g(1); MOD (D)

Self Report? NO Classification: Moderate

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

Description: Failure to report all instances of deviations. EIC Category B3, Moderate (B)

## F. Environmental audits:

Notice of Intent Date: 08/03/2017 (1435008)

Disclosure Date: 01/12/2018

Viol. Classification: Moderate

Citation: 40 CFR Chapter 63, SubChapter C, PT 63, SubPT YY 63.1111(a)

Rqmt Prov: OP SC 22

Description: Failure to include Tanks 2194 and 2195 in the Ethylene MACT Startup, Shutdown and Malfunction Plan.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

Rqmt Prov: OP SC 22

PERMIT SC 37

Description: Failure to revalidate estimated emissions from inherently low emitting activities on an annual basis.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.10

Rqmt Prov: OP SC (2)(E)

Description: Failure to include ILEA emissions in the Annual Emissions Inventory.

Notice of Intent Date: 06/29/2018 (1504338)

Disclosure Date: 01/17/2019

Viol. Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

Rqmt Prov: OP SC No. 1.A. & 23

PERMIT SC Nos. 17.E. & 17.F.

Description: Failure to maintain records of emissions and throughput for the miscellaneous small tank group (E-TNK-1544 EU-1544 Miscellaneous Storage Tanks).

Viol. Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

Rqmt Prov: OP SC No. 1.A. and 23

PERMIT SC No. 21

Description: Failure to perform calibrations and document records on the Vapor Destruction Unit's flow meter and temperature monitor.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter D 115.354(11)

40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(a)(2)

40 CFR Chapter 60, SubChapter C, PT 60, SubPT DDD 60.562-2

Description: Failure to perform Method 21 monitoring of four valves, two pressure relief valves, and two connectors for Tank 2195 after being placed into VOC service.

Notice of Intent Date: 02/13/2020 (1638440)

Disclosure Date: 01/27/2021

Viol. Classification: Moderate

Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-2(a)(1)

Description: Failure to meet monitoring requirements for 200 components because they were not properly identified in the LDAR database.

Viol. Classification: Moderate

Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.486(a)(2)

Description: Failure to meet recordkeeping requirements for 200 components because they were not properly identified in the LDAR database.

Notice of Intent Date: 09/04/2020 (1677329)

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:**

**J. Early compliance:**

N/A

**Sites Outside of Texas:**

N/A

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## *Addendum to Compliance History Federal Enforcement Actions*

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**Reg Entity Name:** CHEVRON PHILLIPS CHEMICAL PORT AR

**Reg Entity Add:** WEST OF PORT ARTHUR TEXAS ON STATE HWY

**Reg Entity City:** PORT ARTHUR

**Reg Entity No:** RN100209857

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**EPA Case No:** 06-2020-3321

**Order Issue Date (yyyymmdd):** 20200326

**Case Result:** Chevron Phillips-Port Arthu

**Statute:** CAA

**Sect of Statute:** 112[R][1]

**Classification:** Moderate

**Program:** Risk Management Progra

**Citation:** 40 CFR

**Violation Type:** Mechanical Integrity

**Cite Sect:**

**Cite Part:** 68

**Enforcement Action:** Administrative Penalty Order With or Without Inj

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# TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN  
ENFORCEMENT ACTION  
CONCERNING  
CHEVRON PHILLIPS CHEMICAL  
COMPANY LP  
RN100209857**

**§  
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§**

**BEFORE THE  
  
TEXAS COMMISSION ON  
  
ENVIRONMENTAL QUALITY**

## **AGREED ORDER DOCKET NO. 2021-0090-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 Chevron Phillips Chemical Company LP (the "Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent together stipulate that:

1. The Respondent owns and operates a chemical manufacturing plant located at 2001 South Gulfway Drive in Port Arthur, Jefferson County, Texas (the "Plant"). The Plant consists or consisted of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
2. 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 \$14,625 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent paid \$5,850 of the penalty and \$2,925 of the penalty is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Order and shall be waived only upon full compliance with all the terms and conditions of this Order. If the Respondent fails to timely and satisfactorily comply with any of the terms and conditions contained in this Order, the Executive Director may demand payment of all or part of the deferred penalty amount.

Pursuant to TEX. WATER CODE § 7.067, \$5,850 of the penalty shall be conditionally offset by the Respondent's timely and satisfactory completion of the Supplemental Environmental Project ("SEP") as defined in the attached SEP Agreement ("Attachment A"), incorporated herein by reference). The Respondent's obligation to pay the conditionally offset portion of the penalty shall be discharged upon full compliance with all the terms and conditions of this Order, which includes the timely and satisfactory completion of all provisions of the SEP Agreement, as determined by the Executive Director.

5. The Executive Director and the Respondent agree on a settlement of the matters alleged in this enforcement action, subject to final approval in accordance with 30 TEX. ADMIN. CODE § 70.10(a). Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
6. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Order.
7. This Order represents the complete and fully-integrated agreement of the parties. The provisions of this Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Order unenforceable, the remaining provisions shall be valid and enforceable.
8. This Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Order, whichever is later.
9. The Executive Director recognizes that the Respondent implemented the following corrective measures at the Plant.
  - a. By September 28, 2020, replaced the fuel pilot gas regulator.
  - b. By January 28, 2021, reinforced the importance of accurate and complete electronic Shift Operations Management System ("eSOMS") rounds and adjusted the timing of eSOMS rounds to be consistent with other flare yard activities.

## II. ALLEGATIONS

During a record review conducted on October 20, 2020, an investigator documented that the Respondent failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 101.20(1) and (3), 116.115(c), and 122.143(4), 40 CODE OF FEDERAL REGULATIONS § 60.18(c)(2), New Source Review Permit Nos. 21101 and PSDTX1248, Special Conditions No. 1, Federal Operating Permit No. O1235, General Terms and Conditions and Special Terms and Conditions Nos. 1.A and 23, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent released 17,231.08 pounds of volatile organic compounds from the Maintenance, Startup, and Shutdown Flare 24, Emissions Point Number MSS1544FLR, during an emissions event (Incident No. 341686) that occurred on September 2, 2020 and lasted 17 minutes. The emissions event occurred due to a failed fuel pilot gas regulator that caused a loss of the flare flame, 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

## 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: Chevron Phillips Chemical Company LP, Docket No. 2021-0090-AIR-E" to:

Financial Administration Division, Revenue Operations Section  
Attention: Cashier's Office, MC 214  
Texas Commission on Environmental Quality  
P.O. Box 13088  
Austin, Texas 78711-3088

2. The Respondent shall implement and complete an SEP as set forth in Section I, Paragraph No. 4. The amount of \$5,850 of the assessed penalty is conditionally offset based on the Respondent's implementation and completion of the SEP pursuant to the terms of the SEP Agreement, as defined in Attachment A. Penalty payments for any portion of the SEP deemed by the Executive Director as not complete shall be paid within 30 days after the date the Executive Director demands payment.
3. The Respondent shall undertake the following technical requirements:

- a. Within 30 days after the effective date of this Order, implement additional measures and/or procedures designed to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 341686.
- b. Within 45 days after the effective date of this Order, submit written certification, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 3.a. 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


4. All relief not expressly granted in this Order is denied.
5. The duties and provisions imposed by this Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of this Order to personnel who maintain day-to-day control over the Plant operations referenced in this Order.
6. If the Respondent fails to comply with any of the Ordering Provisions in this Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, the Respondent's failure to comply is not a violation of this Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.

7. The Executive Director may grant an extension of any deadline in this Order or in any plan, report, or other document submitted pursuant to this Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director. Extension requests shall be sent to the Order Compliance Team at the address listed above.
8. 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.
9. 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.
10. The effective date of this Order is the date it is signed by the Commission. A copy of this fully executed Order shall be provided to each of the parties.

## SIGNATURE PAGE

### TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission



For the Executive Director

Date

12/13/2021

Date

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

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

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

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

Signature

ANDREW WOODS

Name (Printed or typed)  
Authorized Representative of  
Chevron Phillips Chemical Company LP

Date

6/3/2021

Title

PLANT MANAGER

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

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

**Attachment A**  
**Docket Number: 2021-0090-AIR-E**  
**SUPPLEMENTAL ENVIRONMENTAL PROJECT**

<b>Respondent:</b>	<b>Chevron Phillips Chemical Company LP</b>
<b>Payable Penalty Amount:</b>	<b>\$11,700</b>
<b>SEP Offset Amount:</b>	<b>\$5,850</b>
<b>Type of SEP:</b>	<b>Contribution to a Third-Party Pre-Approved SEP</b>
<b>Third-Party Administrator:</b>	<b>Houston-Galveston Area Council-AERCO</b>
<b>Project Name:</b>	<b><i>Clean Vehicles Partnership Project</i></b>
<b>Location of SEP: Angelina, Austin, Brazoria, Chambers, Colorado, Fort Bend, Galveston, Hardin, Harris, Houston, Jasper, Jefferson, Liberty, Matagorda, Montgomery, Nacogdoches, Newton, Orange, Polk, Sabine, San Augustine, San Jacinto, Trinity, Tyler, Walker, Waller, and Wharton Counties</b>	

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

**1. Project Description**

**a. Project**

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

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

Chevron Phillips Chemical Company LP  
Agreed Order - Attachment A

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

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

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

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

b. Environmental Benefit

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

c. Minimum Expenditure

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



## **2. Performance Schedule**

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

Houston-Galveston Area Council-AERCO  
Attn: Air Quality Program Manager  
P.O. Box 22777  
Houston, Texas 77227-2777

## **3. Records and Reporting**

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

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

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

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

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

Chevron Phillips Chemical Company LP  
Agreed Order - Attachment A

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

**5. Publicity**

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

**6. Recognition**

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

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

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