

TCEQ Interoffice Memorandum

To: Mary Smith, General Counsel

Thru: *MH* Megan Hamilton, Acting Assistant Deputy Director
Enforcement Division

From: *MP* Michael Parrish, Agenda Special Assistant
Enforcement Division

Date: January 9, 2026

Subject: **Backup Revision**
January 14, 2026, Commission Agenda
Item No. 6 – Natgasoline LLC
Docket No. 2021-0337-AIR-E

Enclosed please find the following:

Agreed Order:

- Page 1, Section I. Jurisdiction and Stipulations, Paragraph 4 – Correct the reference to the Attachments to the Order from “Attachment A” to “Attachments A, B, and C.”
- Page 7, Section IV. Ordering Provisions, Paragraph 2 – Correct the reference to the Attachments to the Order from “Attachment A” to “Attachments A, B, and C.”

Please do not hesitate to call Michael Parrish at (512) 239-2548 if you have any questions regarding this matter.

cc: Garrett Arthur, Public Interest Counsel
Melissa Schmidt, Public Interest Counsel
Gill Valls, Office of General Counsel
Katherine McKenzie, Agenda Coordinator, Litigation Division
Amy Settemeyer, Deputy Director, Enforcement Division
Megan Hamilton, Acting Assistant Deputy Director, Enforcement Division
Michael Parrish, Agenda Special Assistant, Enforcement Division
Johnny Bowers, Manager, Air Section, Enforcement Division
Caleb Martin, Team Leader, Air Section, Enforcement Division
Mackenzie Mehlmann, Enforcement Coordinator, Air Section, Enforcement Division

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
NATGASOLINE LLC
RN106586795

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BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY

AGREED ORDER DOCKET NO. 2021-0337-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 Natgasoline LLC (the "Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent together stipulate that:

1. The Respondent owns and operates a chemical manufacturing plant located at 2366 Sulphur Plant Road in Beaumont, 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 \$830,574 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent paid \$401,439 of the penalty and \$27,697 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, \$401,438 of the penalty shall be conditionally offset by the Respondent's timely and satisfactory completion of a Supplemental Environmental Project ("SEP") as defined in the attached SEP Agreement ("**Attachments A, B, and C**", 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

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: Natgasoline LLC, Docket No. 2021-0337-AIR-E" to:

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

2. The Respondent shall implement and complete the SEP as set forth in Section I, Paragraph No. 4. The amount of \$401,438 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 **Attachments A, B, and C**. 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 at the Plant:
 - a. Within 15 days after the effective date of this Order, submit a notification to the Air Section Manager at the address in Ordering Provision No. 3.i. to schedule a pretest meeting prior to conducting stack sampling for CO₂ for the Steam Methane Reformer and Auxiliary Boiler and prior to conducting stack sampling for the MeOH Water Scrubber 1.
 - b. Within 30 days after the effective date of this Order:
 - i. Implement measures and/or procedures designed to comply with the VOC annual MAER for the MeOH Cooling Tower, EPN T-06001, and/or submit an administratively complete permit amendment application for NSR Permit Nos. 107764 and PSDTX1340 to increase the VOC annual MAER for the MeOH Cooling Tower, EPN T-06001, in accordance with 30 TEX. ADMIN. CODE § 116.111, to:

Air Permits Division, MC 163
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
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BEFORE THE
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1. The Respondent owns and operates a chemical manufacturing plant located at 2366 Sulphur Plant Road in Beaumont, 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 \$830,574 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent paid \$401,439 of the penalty and \$27,697 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, \$401,438 of the penalty shall be conditionally offset by the Respondent's timely and satisfactory completion of a Supplemental Environmental Project ("SEP") as defined in the attached SEP Agreement ("Attachments A, B, and C", 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

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: Natgasoline LLC, Docket No. 2021-0337-AIR-E" to:

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

2. The Respondent shall implement and complete the SEP as set forth in Section I, Paragraph No. 4. The amount of \$401,438 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 Attachments A, B, and C. 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 at the Plant:
 - a. Within 15 days after the effective date of this Order, submit a notification to the Air Section Manager at the address in Ordering Provision No. 3.i. to schedule a pretest meeting prior to conducting stack sampling for CO₂ for the Steam Methane Reformer and Auxiliary Boiler and prior to conducting stack sampling for the MeOH Water Scrubber 1.
 - b. Within 30 days after the effective date of this Order:
 - i. Implement measures and/or procedures designed to comply with the VOC annual MAER for the MeOH Cooling Tower, EPN T-06001, and/or submit an administratively complete permit amendment application for NSR Permit Nos. 107764 and PSDTX1340 to increase the VOC annual MAER for the MeOH Cooling Tower, EPN T-06001, in accordance with 30 TEX. ADMIN. CODE § 116.111, to:

Air Permits Division, MC 163
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

Executive Summary – Enforcement Matter – Case No. 60501

Natgasoline LLC

RN106586795

Docket No. 2021-0337-AIR-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

AIR

Small Business:

No

Location(s) Where Violation(s) Occurred:

Beaumont Gas to Gasoline Plant, 2366 Sulphur Plant Road, Beaumont, Jefferson County

Type of Operation:

Chemical manufacturing plant

Other Significant Matters:

Additional Pending Enforcement Actions: Yes, Docket Nos. 2022-1242-AIR-E, 2025-0480-AIR-E, and 2025-1271-AIR-E

Past-Due Penalties: No

Past-Due Fees: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: July 26, 2024

Comments Received: No

Penalty Information

Total Penalty Assessed: \$830,574

Amount Deferred for Expedited Settlement: \$27,697

Total Paid to General Revenue: \$401,439

Total Due to General Revenue: \$0

Payment Plan: N/A

Supplemental Environmental Project (“SEP”) Conditional Offset: \$133,814

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

Supplemental Environmental Project (“SEP”) Conditional Offset: \$133,812

Name of SEP: Texas Congress of Parents and Teachers dba Texas PTA (Third-Party Pre-Approved)

Supplemental Environmental Project (“SEP”) Conditional Offset: \$133,812

Name of SEP: Texas Natural Gas Foundation (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 and January 2021

Executive Summary – Enforcement Matter – Case No. 60501
Natgasoline LLC
RN106586795
Docket No. 2021-0337-AIR-E

Investigation Information

Complaint Date(s): N/A

Complaint Information: N/A

Date(s) of Investigation: November 2, 2020 through November 3, 2020, January 11, 2021, and January 4, 2022 through January 10, 2022

Date(s) of NOE(s): January 29, 2021, March 22, 2021, and February 28, 2022

Violation Information

1. Failed to include a signed certification of accuracy and completeness. Specifically, the signed certification of accuracy and completeness, Form OP-CRO1, was not included with the deviation report for the February 21, 2020 through August 20, 2020 reporting period [30 TEX. ADMIN. CODE §§ 122.143(4) and (15) and 122.165(a)(7), Federal Operating Permit ("FOP") No. O3963, General Terms and Conditions ("GTC"), and TEX. HEALTH & SAFETY CODE § 382.085(b)].

2. Failed to certify compliance with the terms and conditions of the permit for at least each 12-month period following initial permit issuance and failed to submit a permit compliance certificate ("PCC") within 30 days of any certification period. Specifically, the PCC that was submitted for the August 21, 2019 through August 20, 2020 certification period included Parts 2 and 3, but was missing Part 1 [30 TEX. ADMIN. CODE §§ 122.143(4) and 122.146(1) and (2), FOP No. O3963, GTC and Standard Terms and Conditions ("STC") No. 19, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

3. Failed to conduct stack sampling no later than 180 days after initial start-up. Specifically, the Steam Methane Reformer was installed on June 25, 2018 and the stack sampling for the Steam Methane Reformer was required to be conducted by December 22, 2018, but was not performed until December 4, 2019 [30 TEX. ADMIN. CODE §§ 101.20(2) and (3), 113.1130, 116.115(c), and 122.143(4), 40 CODE OF FEDERAL REGULATIONS ("CFR") §§ 63.7510(f) and 63.7520(a), New Source Review ("NSR") Permit Nos. 107764 and PSDTX1340, Special Conditions ("SC") Nos. 5.E and 25.C, NSR Permit No. GHGPSDTX54, SC No. III.B.2, FOP No. O3963, GTC and STC Nos. 1.A and 16.A, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

4. Failed to conduct stack sampling no later than 180 days after initial start-up. Specifically, the Auxiliary Boiler was installed on June 25, 2018 and the stack sampling for the Auxiliary Boiler was required to be performed by December 22, 2018, but was not conducted until December 3, 2019 [30 TEX. ADMIN. CODE §§ 101.20(1), (2), and (3), 113.1130, 116.115(c), and 122.143(4), 40 CFR §§ 60.8(a), 60.46b(d) and (e), 63.7510(f), and 63.7520(a), NSR Permit Nos. 107764 and PSDTX1340, SC Nos. 3.A, 5.E, and 25.C, NSR Permit No. GHGPSDTX54, SC No. III.B.2, FOP No. O3963, GTC and STC Nos. 1.A and 16.A, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

Executive Summary – Enforcement Matter – Case No. 60501

Natgasoline LLC

RN106586795

Docket No. 2021-0337-AIR-E

5. Failed to conduct stack sampling no later than 180 days after initial start-up. Specifically, the Methanol Water Scrubber 1 was installed on June 25, 2018 and the stack sampling for the Methanol Water Scrubber 1 was required to be conducted by December 22, 2018, but was not conducted [30 TEX. ADMIN. CODE §§ 101.20(2) and (3), 113.100, 113.120, 116.115(c), and 122.143(4), 40 CFR §§ 63.7(a)(2), 63.116(c), and 63.120(d)(1)(ii), NSR Permit Nos. 107764 and PSDTX1340, SC Nos. 5.B, 25.B(2), and 25.C, FOP No. O3963, GTC and STC Nos. 1.A and 16.A, and TEX. HEALTH & SAFETY CODE § 382.085(b)].
6. Failed to comply with the maximum allowable emissions rate ("MAER"). Specifically, the Respondent exceeded the volatile organic compounds ("VOC") MAER of 3.30 tons per year ("tpy") based on a 12-month rolling period for the 12-month periods ending from September 2019 through October 2020 for the MeOH Cooling Tower, Emissions Point Number ("EPN") T-06001, resulting in 7.35 tons of unauthorized VOC emissions [30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(b)(2)(F) and (c), and 122.143(4), NSR Permit Nos. 107764 and PSDTX1340, SC No. 1, FOP No. O3963, GTC and STC No. 16.A, and TEX. HEALTH & SAFETY CODE § 382.085(b)].
7. Failed to comply with the MAER. Specifically, the Respondent exceeded the VOC MAER of 7.24 pounds per hour ("lbs/hr") by 33.78 pounds ("lbs") for one hour on November 4, 2019, by 8.31 lbs for one hour on December 11, 2019, by 2.95 lbs for one hour on June 15, 2020, and by 2.91 lbs for one hour on June 26, 2020 for MeOH Water Scrubber 1, EPN D-04001, resulting in the unauthorized release of 47.95 lbs of VOC emissions [30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(b)(2)(F) and (c), and 122.143(4), NSR Permit Nos. 107764 and PSDTX1340, SC No. 1, FOP No. O3963, GTC and STC No. 16.A, and TEX. HEALTH & SAFETY CODE § 382.085(b)].
8. Failed to maintain the net heating value of the gas being combusted at 200 Btu/scf or greater if the flare is non-assisted. Specifically, the net heating value of the gas being combusted by the MeOH Flare ranged from 0.08 Btu/scf to 119.01 Btu/scf for a total of 132 hours from January 1, 2019 to February 1, 2019 [30 TEX. ADMIN. CODE §§ 101.20(1), (2), and (3), 113.100, 113.120, 115.126(1)(B), 116.115(c), and 122.143(4), 40 CFR §§ 60.18(b) and (c)(3)(ii), 63.11(b)(6)(ii), and 63.113(a)(1)(i), NSR Permit Nos. 107764 and PSDTX1340, SC No. 14.A, FOP No. O3963, GTC and STC Nos. 1.A and 16.A, and TEX. HEALTH & SAFETY CODE § 382.085(b)].
9. Failed to comply with the maximum exit velocity for non-assisted flares. Specifically, the exit velocity of the Methanol Flare exceeded the maximum exit velocity by a range from 0.98 feet per second to 24.37 feet per second for a total of 53 hours from January 11, 2019 to January 19, 2019 [30 TEX. ADMIN. CODE §§ 101.20(1), (2), and (3), 113.100, 113.120, 115.126(1)(B), 116.115(c), and 122.143(4), 40 CFR §§ 60.18(b) and (c)(4)(iii), 63.11(b)(7)(iii), and 63.113(a)(1)(i), NSR Permit Nos. 107764 and PSDTX1340, SC No. 14.A, FOP No. O3963, GTC and STC Nos. 1.A and 16.A, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

Executive Summary – Enforcement Matter – Case No. 60501

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Docket No. 2021-0337-AIR-E

10. Failed to comply with the MAERs. Specifically, the Respondent exceeded the carbon monoxide ("CO") MAER of 9.62 tpy based on a 12-month rolling period for the 12-month period ending August 2020 and the CO₂ MAER of 2,571 tpy based on a 12-month rolling period for the 12-month period ending August 2020 for the MeOH Flare, EPN S-10001, resulting in 1.86 tons of unauthorized CO and 14,587.83 tons of unauthorized CO₂ emissions [30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(b)(2)(F) and (c), and 122.143(4), NSR Permit Nos. 107764 and PSDTX1340, SC No. 1, NSR Permit No. GHGPSDTX54, SC No. II.2, FOP No. O3963, GTC and STC No. 16.A, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

11. Failed to prevent unauthorized emissions. Specifically, the Respondent released 5,433.60 lbs of CO, 302.79 lbs of nitrogen oxides ("NO_x"), and 10.01 lbs of sulfur dioxide from the MeOH Flare, EPN S-10001, during an emissions event (Incident No. 346656) that occurred on November 27, 2020 and lasted two hours. The emissions event occurred due to an electrical failure of the Auxiliary Boiler Forced Draft fan that caused the forced draft fan to lose run command feedback and to trip and the Auxiliary Boiler to trip, resulting in flaring. 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(3), 116.115(c), and 122.143(4), NSR Permit Nos. 107764 and PSDTX1340, SC No. 1, FOP No. O3963, GTC and STC No. 16.A, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

12. Failed to report all instances of deviations. Specifically, the deviation report for the August 21, 2020 through February 20, 2021 reporting period did not include the deviation for failing to prevent unauthorized emissions during Incident No. 346656 [30 TEX. ADMIN. CODE §§ 122.143(4) and 122.145(2)(A), FOP No. O3963, GTC, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

13. Failed to comply with the MAERs. Specifically, the Respondent exceeded the NO_x MAER of 15.52 lbs/hr by a range from 3.58 lbs/hr to 23.98 lbs/hr for 21 hours on June 29, 2021 and June 30, 2021, exceeded the ammonia MAER of 5.71 lbs/hr by a range from 0.99 lb/hr to 6.69 lbs/hr for 21 hours on January 5, 2021, January 6, 2021, and July 15, 2021, and exceeded the VOC MAER of 10.16 tpy based on a 12-month rolling period for the 12-month periods ending on May 2021 and June 2021 for the Steam Methane Reformer, EPN B-01001, resulting in 455.08 lbs of unauthorized NO_x, 113.59 lbs of unauthorized NH₃, and 0.08 ton of unauthorized VOC emissions [30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(b)(2)(F) and (c), and 122.143(4), NSR Permit Nos. 107764 and PSDTX1340, SC No. 1, FOP No. O3963, GTC and STC No. 16.A, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

Executive Summary – Enforcement Matter – Case No. 60501

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14. Failed to comply with the MAER. Specifically, the Respondent exceeded the NOx MAER of 9.50 lbs/hr by a range from 0.60 lb/hr to 14.50 lbs/hr for 21 hours on four days from October 31, 2020 to July 28, 2021 for the Auxiliary Boiler, EPN B-14001, resulting in 89.80 lbs of unauthorized NOx emissions [30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(b)(2)(F) and (c), and 122.143(4), NSR Permit Nos. 107764 and PSDTX1340, SC No. 1, FOP No. O3963, GTC and STC No. 16.A, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

15. Failed to comply with the MAERs. Specifically, the Respondent exceeded the NOx MAER of 9.11 tpy based on a 12-month rolling period for the 12-month periods ending from September 2020 through October 2021, exceeded the SO₂ MAER of 0.30 tpy based on a 12-month rolling period for the 12-month periods ending from September 2020 through October 2021, and exceeded the CO MAER of 145.33 tpy based on a 12-month rolling period for the 12-month periods ending from September 2020 through November 2021 for the MeOH Flare Maintenance, Startup, and Shutdown ("MSS"), EPN S-10001 MSS, resulting in 7.77 tons of unauthorized NOx, 0.21 ton of unauthorized SO₂, and 107.16 tons of unauthorized CO emissions [30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(b)(2)(F) and (c), and 122.143(4), NSR Permit Nos. 107764 and PSDTX1340, SC No. 1, FOP No. O3963, GTC and STC No. 16.A, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

16. Failed to comply with the MAER. Specifically, the Respondent exceeded the VOC MAER of 3.3 tpy based on a 12-month rolling period for the 12-month periods ending from November 2020 through July 2021 for the MeOH Cooling Tower, EPN T-06001, resulting in 31.30 tons of unauthorized VOC emissions [30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(b)(2)(F) and (c), and 122.143(4), NSR Permit Nos. 107764 and PSDTX1340, SC No. 1, FOP No. O3963, GTC and STC No. 16.A, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

17. Failed to comply with the MAER. Specifically, the Respondent exceeded the VOC MAER of 7.24 lbs/hr by a range from 2.86 lbs/hr to 16.76 lbs/hr for 21 hours on five days from October 22, 2020 to July 28, 2021 for the MeOH Water Scrubber 1, EPN D-04001, resulting in 137.26 lbs of unauthorized VOC emissions [30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(b)(2)(F) and (c), and 122.143(4), NSR Permit Nos. 107764 and PSDTX1340, SC No. 1, FOP No. O3963, GTC and STC No. 16.A, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

18. Failed to comply with the annual throughput. Specifically, the Respondent exceeded the slop methanol annual throughput of 3,441 barrels ("bbls") based on a 12-month rolling period for the 12-month periods ending from January 2020 through September 2021 for the MeOH Slop Tank 3007 [30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(c), and 122.143(4), NSR Permit Nos. 107764 and PSDTX1340, SC No. 12, FOP No. O3963, GTC and STC No. 16.A, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

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Natgasoline LLC
RN106586795
Docket No. 2021-0337-AIR-E

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

The Respondent completed the following corrective measures:

- a. On December 3, 2019, performed stack sampling for CO, NOx, ammonia, and particulate matter with a diameter equal to or less than 2.5 microns for the Auxiliary Boiler;
- b. On December 4, 2019, performed stack sampling for CO, NOx, NH3, and 2.5 microns for the Steam Methane Reformer;
- c. By September 21, 2020, implemented a reporting template and Standard Operating Procedure in order to ensure that the signed certifications of accuracy and completeness, Form OP-CRO1, are included with the deviation reports;
- d. On October 16, 2020, submitted the signed certification of accuracy and completeness, Form OP-CRO1, with the deviation report for the February 21, 2020 through August 20, 2020 reporting period;
- e. On October 16, 2020, submitted a revised PCC for the August 21, 2019 through August 20, 2020 certification period;
- f. By October 31, 2020, implemented an Environmental Management System in order to ensure that the PCCs are submitted in a complete, accurate, and timely manner;
- g. By December 31, 2020, updated the flow rate set point to 13.2 gallons per minute in order to comply with the VOC hourly MAER for the Methanol Water Scrubber 1, EPN D-04001;
- h. By December 31, 2020, revised the capture strategies from fill "static" to overwrite in the relay for the unit, added an input to the binary input-1 to report events in records and communications that can be mapped to a latching light-emitting diode, and tested the local field stop switch and wiring for the forced draft fan in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 346656; and
- i. By May 26, 2021, implemented a low alarm set point of 210 British thermal units per standard cubic foot ("Btu/scf") to allow for increases of supplemental gas flow in order to ensure that the net heating value of the gas being combusted by the MeOH Flare is maintained at 200 Btu/scf or greater.

Executive Summary – Enforcement Matter – Case No. 60501

Natgasoline LLC

RN106586795

Docket No. 2021-0337-AIR-E

Technical Requirements:

1. The Order will require the Respondent to implement and complete three SEPs (see SEP Attachments A, B, and C).
2. The Order will also require the Respondent to:
 - a. Within 15 days, submit a notification to schedule a pretest meeting prior to conducting stack sampling for CO₂ for the Steam Methane Reformer and Auxiliary Boiler and prior to conducting stack sampling for the MeOH Water Scrubber 1.
 - b. Within 30 days:
 - i. Implement measures and/or procedures designed to comply with the VOC annual MAER for the MeOH Cooling Tower, EPN T-06001, and/or submit an administratively complete permit amendment application for NSR Permit Nos. 107764 and PSDTX1340 to increase the VOC annual MAER for the MeOH Cooling Tower, EPN T-06001;
 - ii. Implement measures and/or procedures designed to comply with the CO and/or CO₂ annual MAERs for the MeOH Flare, EPN S-10001, and/or submit an administratively complete permit amendment application for NSR Permit Nos. 107764, PSDTX1340, and GHGPSDTX54 to increase the CO and/or CO₂ annual MAERs for the MeOH Flare, EPN S-10001;
 - iii. Implement measures and/or procedures designed to comply with the maximum exit velocity for the MeOH Flare;
 - iv. Submit a revised deviation report for the August 21, 2020 through February 20, 2021 reporting period to report the deviation for failing to prevent unauthorized emissions during Incident No. 346656;
 - v. Implement measures and/or procedures designed to ensure that all instances of deviations are reported in a timely manner;
 - vi. Implement measures and/or procedures designed to comply with the NO_x and/or NH₃ hourly MAERs and/or the VOC annual MAER for the Steam Methane Reformer, EPN B-01001, and/or submit an administratively complete permit amendment application for NSR Permit Nos. 107764 and PSDTX1340 to increase the NO_x and/or NH₃ hourly MAERs for the Steam Methane Reformer, EPN B-01001;
 - vii. Implement measures and/or procedures designed to comply with the NO_x hourly MAER for the Auxiliary Boiler, EPN B-14001, and/or submit an administratively complete permit amendment application for NSR Permit Nos. 107764 and PSDTX1340 to increase the NO_x hourly MAER for the Auxiliary Boiler, EPN B-14001;

Executive Summary – Enforcement Matter – Case No. 60501

Natgasoline LLC

RN106586795

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viii. Implement measures and/or procedures designed to comply with the NO_x, SO₂, and/or CO annual MAERs for the MeOH Flare MSS, EPN S-10001 MSS, and/or submit an administratively complete permit amendment application for NSR Permit Nos. 107764 and PSDTX1340 to increase the NO_x, SO₂, and/or CO annual MAERs for the MeOH Flare MSS, EPN S-10001 MSS;

ix. Implement measures and/or procedures designed to comply with the VOC hourly MAER for the MeOH Water Scrubber 1, EPN D-04001, and/or submit an administratively complete permit amendment application for NSR Permit Nos. 107764 and PSDTX1340 to increase the VOC hourly MAER for the MeOH Water Scrubber 1, EPN D-04001; and

x. Implement measures and/or procedures designed to comply with the annual throughput for the MeOH Slop Tank, EPN TK-03007, and/or submit an administratively complete permit amendment application for NSR Permit Nos. 107764 and PSDTX1340 to increase the annual throughput for the MeOH Slop Tank, EPN TK-03007.

c. If a permit amendment application has been submitted, respond completely and adequately, as determined by the TCEQ, to all requests for information concerning the permit amendment application for by any deadline specified in writing.

d. Within 45 days, submit written certification to demonstrate compliance with a. and b.

e. Within 60 days, conduct stack sampling for CO₂ for the Steam Methane Reformer and Auxiliary Boiler and conduct stack sampling for the MeOH Water Scrubber 1.

f. Within 75 days, submit written certification to demonstrate compliance with e.

g. Within 120 days, submit copies of the final sampling reports for the Steam Methane Reformer, Auxiliary Boiler, and MeOH Water Scrubber 1.

h. Within 135 days, submit written certification to demonstrate compliance with g.

i. If a permit amendment application has been submitted, within 180 days, submit written certification that either the permit amendment has been obtained or operations have ceased until authorization is obtained.

Executive Summary – Enforcement Matter – Case No. 60501
Natgasoline LLC
RN106586795
Docket No. 2021-0337-AIR-E

Contact Information

TCEQ Attorney: N/A

TCEQ Enforcement Coordinator: Mackenzie Mehlmann, Enforcement Division, Enforcement Team 2, MC 219, (512) 239-2572; Michael Parrish, Enforcement Division, MC 219, (512) 239-2548

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

SEP Third-Party Administrator: Houston-Galveston Area Council-AERCO, 3555 Timmons Lane, Suite 120, Houston, Texas 77027

SEP Third-Party Administrator: Texas PTA, 408 West 11th Street, Austin, Texas 78701

SEP Third-Party Administrator: Texas Natural Gas Foundation, 2315 Newfield Lane, Austin, Texas 78703

Respondent: Larry Richard, Plant Manager, Natgasoline LLC, P.O. Box 20339, Beaumont, Texas 77720

Respondent's Attorney: N/A



Penalty Calculation Worksheet (PCW)

Policy Revision 4 (April 2014)

PCW Revision March 26, 2014

DATES	Assigned	2-Feb-2021	Screening	9-Feb-2021	EPA Due	18-Sep-2021
	PCW	31-May-2024				

RESPONDENT/FACILITY INFORMATION	
Respondent	Natgasoline LLC
Reg. Ent. Ref. No.	RN106586795 (PCW No. 1 of 2)
Facility/Site Region	10-Beaumont
Major/Minor Source	Major

CASE INFORMATION			
Enf./Case ID No.	60501	No. of Violations	11
Docket No.	2021-0337-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Mackenzie Mehlmann
		EC's Team	Enforcement Team 2
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$25,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$82,500
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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.

Compliance History	74.0% Adjustment	Subtotals 2, 3, & 7	\$61,050
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Notes: Enhancement for two NOVs with same or similar violations, four NOVs with dissimilar violations, and three orders containing a denial of liability. Reduction for two notices of intent to conduct an audit and one disclosure of violations.

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	-\$5,061
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Economic Benefit	0.0% Enhancement*	Subtotal 6	\$0
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Total EB Amounts: \$14,759
 Estimated Cost of Compliance: \$86,500
 *Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7	Final Subtotal	\$138,489
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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	\$138,489
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$138,489
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DEFERRAL	20.0% Reduction	Adjustment	-\$27,697
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Reduces the Final Assessed Penalty by the indicated percentage.

Notes:

Deferral offered for expedited settlement.

PAYABLE PENALTY	\$110,792
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Screening Date 9-Feb-2021

Docket No. 2021-0337-AIR-E

PCW

Respondent Natgasoline LLC

Policy Revision 4 (April 2014)

Case ID No. 60501

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN106586795 (PCW No. 1 of 2)

Media Air

Enf. Coordinator Mackenzie Mehlmann

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Number	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action (<i>number of NOVs meeting criteria</i>)	2	10%
	Other written NOVs	4	8%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	3	60%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	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>)	2	-2%
	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>)	1	-2%
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) 74%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Satisfactory Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

Enhancement for two NOVs with same or similar violations, four NOVs with dissimilar violations, and three orders containing a denial of liability. Reduction for two notices of intent to conduct an audit and one disclosure of violations.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 74%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 74%

Screening Date 9-Feb-2021

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PCW

Respondent Natgasoline LLC

Policy Revision 4 (April 2014)

Case ID No. 60501

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN106586795 (PCW No. 1 of 2)

Media Air

Enf. Coordinator Mackenzie Mehlmann

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code §§ 122.143(4) and (15) and 122.165(a)(7), Federal Operating Permit ("FOP") No. O3963, General Terms and Conditions ("GTC"), and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to include a signed certification of accuracy and completeness. Specifically, the signed certification of accuracy and completeness, Form OP-CRO1, was not included with the deviation report for the February 21, 2020 through August 20, 2020 reporting period.

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	Major	Moderate	Minor	Percent
			x		
100% of the rule requirements were not met.					

Adjustment \$21,250

\$3,750

Violation Events

Number of Violation Events 1 Number of violation days 27

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$3,750

One single event is recommended.

Good Faith Efforts to Comply

25.0% Reduction \$937

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

Notes The Respondent completed the corrective measures on October 16, 2020, prior to the Notice of Enforcement ("NOE") dated March 22, 2021.

Violation Subtotal \$2,813

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$1 Violation Final Penalty Total \$5,588

This violation Final Assessed Penalty (adjusted for limits) \$5,588

Economic Benefit Worksheet

Respondent Natgasoline LLC
Case ID No. 60501
Reg. Ent. Reference No. RN106586795 (PCW No. 1 of 2)
Media Air
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

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

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling	\$1,500	19-Sep-2020	21-Sep-2020	0.01	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$250	19-Sep-2020	16-Oct-2020	0.07	\$1	n/a	\$1

Notes for DELAYED costs

Estimated costs to submit the signed certification of accuracy and completeness, Form OP-CRO1, with the deviation report for the February 21, 2020 through August 20, 2020 reporting period (\$250) and to implement a reporting template and Standard Operating Procedure in order to ensure that the signed certifications of accuracy and completeness, Form OP-CRO1, are included with the deviation reports (\$1,500). The Dates Required are the date the deviation report was due 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

\$1,750

TOTAL

\$1

Screening Date 9-Feb-2021

Docket No. 2021-0337-AIR-E

PCW

Respondent Natgasoline LLC

Policy Revision 4 (April 2014)

Case ID No. 60501

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN106586795 (PCW No. 1 of 2)

Media Air

Enf. Coordinator Mackenzie Mehlmann

Violation Number 2

Rule Cite(s) 30 Tex. Admin. Code §§ 122.143(4) and 122.146(1) and (2), FOP No. 03963, GTC and Standard Terms and Conditions ("STC") No. 19, and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to certify compliance with the terms and conditions of the permit for at least each 12-month period following initial permit issuance and failed to submit a permit compliance certification ("PCC") within 30 days of any certification period. Specifically, the PCC that was submitted for the August 21, 2019 through August 20, 2020 certification period included Parts 2 and 3, but was missing Part 1.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0.0%

>> Programmatic Matrix

Falsification	Harm		
	Major	Moderate	Minor
	x		

Percent 15.0%

Matrix Notes 100% of the rule requirement was not met.

Adjustment \$21,250

\$3,750

Violation Events

Number of Violation Events 1 42 Number of violation days

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$3,750

One single event is recommended.

Good Faith Efforts to Comply

25.0%

Reduction \$937

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

Extraordinary	
Ordinary	x
N/A	

Notes The Respondent completed the corrective measures by October 31, 2020, prior to the NOE dated March 22, 2021.

Violation Subtotal \$2,813

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$10

Violation Final Penalty Total \$5,588

This violation Final Assessed Penalty (adjusted for limits) \$5,588

Economic Benefit Worksheet

Respondent Natgasoline LLC
Case ID No. 60501
Reg. Ent. Reference No. RN106586795 (PCW No. 1 of 2)
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	\$1,500	19-Sep-2020	31-Oct-2020	0.12	\$9	n/a	\$9
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$250	19-Sep-2020	16-Oct-2020	0.07	\$1	n/a	\$1

Notes for DELAYED costs

Estimated costs to submit a revised PCC for the August 21, 2019 through August 20, 2020 certification period (\$250) and to implement an Environmental Management System in order to ensure that the PCCs are submitted in a complete, accurate, and timely manner (\$1,500). The Dates Required are the date the PCC was due and the Final Dates are the date the revised PCC was submitted and 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

\$1,750

TOTAL

\$10

Screening Date 9-Feb-2021

Docket No. 2021-0337-AIR-E

PCW

Respondent Natgasoline LLC

Policy Revision 4 (April 2014)

Case ID No. 60501

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN106586795 (PCW No. 1 of 2)

Media Air

Enf. Coordinator Mackenzie Mehlmann

Violation Number 3

Rule Cite(s) 30 Tex. Admin. Code §§ 101.20(2) and (3), 113.1130, 116.115(c), and 122.143(4), 40 Code of Federal Regulations ("CFR") §§ 63.7510(f) and 63.7520(a), New Source Review ("NSR") Permit Nos. 107764 and PSDTX1340, Special Conditions ("SC") Nos. 5.E and 25.C, NSR Permit No. GHGPSDTX54, SC No. III.B.2, FOP No. O3963, GTC and STC Nos. 1.A and 16.A, and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to conduct stack sampling no later than 180 days after initial start-up. Specifically, the Steam Methane Reformer was installed on June 25, 2018 and the stack sampling for the Steam Methane Reformer was required to be conducted by December 22, 2018, but was not performed until December 4, 2019.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

Table with columns: Release (Actual, Potential), Harm (Major, Moderate, Minor), Percent (15.0%).

>> Programmatic Matrix

Table with columns: Falsification, Major, Moderate, Minor, Percent (0.0%).

Matrix Notes Human health or the environment will or could be exposed to significant amounts of pollutants that would 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 1 851 Number of violation days

Table with columns: Frequency (daily, weekly, monthly, quarterly, semiannual, annual, single event), Count (x).

Violation Base Penalty \$3,750

One single event is recommended.

Good Faith Efforts to Comply

0.0%

Reduction \$0

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

Table with columns: Effort Level (Extraordinary, Ordinary, N/A), Count (x).

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

Violation Subtotal \$3,750

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$2,692

Violation Final Penalty Total \$6,525

This violation Final Assessed Penalty (adjusted for limits) \$6,525

Economic Benefit Worksheet

Respondent Natgasoline LLC
Case ID No. 60501
Reg. Ent. Reference No. RN106586795 (PCW No. 1 of 2)
Media Air
Violation No. 3

Percent Interest	Years of Depreciation
5.0	15

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

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Other (as needed)	\$8,000	22-Dec-2018	4-Dec-2019	0.95	\$380	n/a	\$380
Other (as needed)	\$8,000	22-Dec-2018	1-Oct-2024	5.78	\$2,312	n/a	\$2,312

Notes for DELAYED costs

Estimated costs to conduct stack sampling for carbon monoxide ("CO"), nitrogen oxides ("NOx"), ammonia ("NH3"), and particulate matter with a diameter equal to or less than 2.5 microns ("PM2.5") for the Steam Methane Reformer and to conduct stack sampling for carbon dioxide ("CO2") for the Steam Methane Reformer. The Dates Required are the date the stack sampling was due and the Final Dates are the date the CO, NOx, NH3, and PM2.5 stack sampling was conducted and the estimated date of compliance for the CO2 stack sampling.

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

\$16,000

TOTAL

\$2,692

Screening Date 9-Feb-2021

Docket No. 2021-0337-AIR-E

PCW

Respondent Natgasoline LLC

Policy Revision 4 (April 2014)

Case ID No. 60501

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN106586795 (PCW No. 1 of 2)

Media Air

Enf. Coordinator Mackenzie Mehlmann

Violation Number 4

Rule Cite(s) 30 Tex. Admin. Code §§ 101.20(1), (2), and (3), 113.1130, 116.115(c), and 122.143(4), 40 CFR §§ 60.8(a), 60.46b(d) and (e), 63.7510(f), and 63.7520(a), NSR Permit Nos. 107764 and PSDTX1340, SC Nos. 3.A, 5.E, and 25.C, NSR Permit No. GHGPSDTX54, SC No. III.B.2, FOP No. O3963, GTC and STC Nos. 1.A and 16.A, and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to conduct stack sampling no later than 180 days after initial start-up. Specifically, the Auxiliary Boiler was installed on June 25, 2018 and the stack sampling for the Auxiliary Boiler was required to be performed by December 22, 2018, but was not conducted until December 3, 2019.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

Table with columns: Release (Actual, Potential), Harm (Major, Moderate, Minor), Percent (15.0%).

>> Programmatic Matrix

Table with columns: Falsification, Major, Moderate, Minor, Percent (0.0%).

Matrix Notes Human health or the environment will or could be exposed to significant amounts of pollutants that would 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 1 851 Number of violation days

Table with columns: Frequency (daily, weekly, monthly, quarterly, semiannual, annual, single event), Count (x).

Violation Base Penalty \$3,750

One single event is recommended.

Good Faith Efforts to Comply

0.0% Reduction \$0

Table with columns: Effort (Extraordinary, Ordinary, N/A), Count (x).

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

Violation Subtotal \$3,750

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$2,691 Violation Final Penalty Total \$6,525

This violation Final Assessed Penalty (adjusted for limits) \$6,525

Economic Benefit Worksheet

Respondent Natgasoline LLC
Case ID No. 60501
Reg. Ent. Reference No. RN106586795 (PCW No. 1 of 2)
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
------------------	-----------	---------------	------------	-----	----------------	-------------	-----------

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
Other (as needed)	\$8,000	22-Dec-2018	3-Dec-2019	0.95	\$379	n/a	\$379
Other (as needed)	\$8,000	22-Dec-2018	1-Oct-2024	5.78	\$2,312	n/a	\$2,312

Notes for DELAYED costs

Estimated costs to conduct stack sampling for CO, NOx, NH3, and PM2.5 for the Auxiliary Boiler, and to conduct stack sampling for CO2 for the Auxiliary Boiler. The Dates Required are the date the stack sampling was due and the Final Dates are the date the CO, NOx, NH3, and PM2.5 stack sampling was conducted and the estimated date of compliance for the CO2 stack sampling.

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

\$16,000

TOTAL

\$2,691

Screening Date 9-Feb-2021

Docket No. 2021-0337-AIR-E

PCW

Respondent Natgasoline LLC

Policy Revision 4 (April 2014)

Case ID No. 60501

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN106586795 (PCW No. 1 of 2)

Media Air

Enf. Coordinator Mackenzie Mehlmann

Violation Number 5

Rule Cite(s)

30 Tex. Admin. Code §§ 101.20(2) and (3), 113.100, 113.120, 116.115(c), and 122.143(4), 40 CFR §§ 63.7(a)(2), 63.116(c), and 63.120(d)(1)(ii), NSR Permit Nos. 107764 and PSDTX1340, SC Nos. 5.B, 25.B(2), and 25.C, FOP No. O3963, GTC and STC Nos. 1.A and 16.A, and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to conduct stack sampling no later than 180 days after initial start-up. Specifically, the Methanol ("MeOH") Water Scrubber 1 was installed on June 25, 2018 and the stack sampling for the MeOH Water Scrubber 1 was required to be conducted by December 22, 2018, but was not conducted.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm			Percent
	Major	Moderate	Minor	
Actual				15.0%
Potential		x		

>> Programmatic Matrix

Falsification	Harm			Percent
	Major	Moderate	Minor	
				0.0%

Matrix Notes

Human health or the environment will or could be exposed to significant amounts of pollutants that would 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 1 851 Number of violation days

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$3,750

One single event is recommended.

Good Faith Efforts to Comply

0.0% Reduction \$0

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

Extraordinary		
Ordinary		
N/A	x	

Notes

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

Violation Subtotal \$3,750

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$2,312

Violation Final Penalty Total \$6,525

This violation Final Assessed Penalty (adjusted for limits) \$6,525

Economic Benefit Worksheet

Respondent Natgasoline LLC
Case ID No. 60501
Reg. Ent. Reference No. RN106586795 (PCW No. 1 of 2)
Media Air
Violation No. 5

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)	\$8,000	22-Dec-2018	1-Oct-2024	5.78	\$2,312	n/a	\$2,312

Notes for DELAYED costs

Estimated cost to conduct stack sampling for the MeOH Water Scrubber 1. The Date Required is the date the stack sampling was due and the Final Date is the estimated date of compliance.

Avoided Costs

ANNUALIZE avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance				0.00	\$0	\$0	\$0
ONE-TIME avoided costs				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$8,000

TOTAL

\$2,312

Screening Date 9-Feb-2021

Docket No. 2021-0337-AIR-E

PCW

Respondent Natgasoline LLC

Policy Revision 4 (April 2014)

Case ID No. 60501

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN106586795 (PCW No. 1 of 2)

Media Air

Enf. Coordinator Mackenzie Mehlmann

Violation Number 6

Rule Cite(s) 30 Tex. Admin. Code §§ 101.20(3), 116.115(b)(2)(F) and (c), and 122.143(4), NSR Permit Nos. 107764 and PSDTX1340, SC No. 1, FOP No. O3963, GTC and STC No. 16.A, and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to comply with the maximum allowable emissions rate ("MAER"). Specifically, the Respondent exceeded the VOC MAER of 3.30 tons per year ("tpy") based on a 12-month rolling period for the 12-month periods ending from September 2019 through October 2020 for the MeOH Cooling Tower, Emissions Point Number ("EPN") T-06001, resulting in 7.35 tons of unauthorized VOC emissions.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

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

>>> Programmatic Matrix

Matrix Notes	Falsification	Major	Moderate	Minor	Percent

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

Adjustment \$17,500

\$7,500

Violation Events

Number of Violation Events 5 426 Number of violation days

daily	
weekly	
monthly	
quarterly	x
semiannual	
annual	
single event	

Violation Base Penalty \$37,500

Five quarterly events are recommended for the period of non-compliance from September 1, 2019 through October 31, 2020.

Good Faith Efforts to Comply

0.0% Reduction \$0

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

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

Violation Subtotal \$37,500

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$2,293 Violation Final Penalty Total \$65,250

This violation Final Assessed Penalty (adjusted for limits) \$65,250

Economic Benefit Worksheet

Respondent Natgasoline LLC
Case ID No. 60501
Reg. Ent. Reference No. RN106586795 (PCW No. 1 of 2)
Media Air
Violation No. 6

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)	\$10,000	1-Sep-2019	1-Apr-2024	4.59	\$2,293	n/a	\$2,293

Notes for DELAYED costs

Estimated cost to implement measures and/or procedures designed to comply with the VOC annual MAER for the MeOH Cooling Tower, EPN T-06001. The Date Required is the first date of non-compliance and the Final Date is the estimated date of compliance.

Avoided Costs

ANNUALIZE avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance				0.00	\$0	\$0	\$0
ONE-TIME avoided costs				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$10,000

TOTAL

\$2,293

Screening Date 9-Feb-2021

Docket No. 2021-0337-AIR-E

PCW

Respondent Natgasoline LLC

Policy Revision 4 (April 2014)

Case ID No. 60501

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN106586795 (PCW No. 1 of 2)

Media Air

Enf. Coordinator Mackenzie Mehlmann

Violation Number 7

Rule Cite(s) 30 Tex. Admin. Code §§ 101.20(3), 116.115(b)(2)(F) and (c), and 122.143(4), NSR Permit Nos. 107764 and PSDTX1340, SC No. 1, FOP No. 03963, GTC and STC No. 16.A, and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to comply with the MAER. Specifically, the Respondent exceeded the VOC MAER of 7.24 pounds per hour ("lbs/hr") by 33.78 pounds ("lbs") for one hour on November 4, 2019, by 8.31 lbs for one hour on December 11, 2019, by 2.95 lbs for one hour on June 15, 2020, and by 2.91 lbs for one hour on June 26, 2020 for MeOH Water Scrubber 1, EPN D-04001, resulting in the unauthorized release of 47.95 lbs of VOC emissions.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
		Actual			
Potential					

>> Programmatic Matrix

Matrix Notes	Falsification	Major	Moderate	Minor	Percent

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

Adjustment \$21,250

\$3,750

Violation Events

Number of Violation Events 2 4 Number of violation days

daily				Violation Base Penalty \$7,500
weekly				
monthly				
quarterly			x	
semiannual				
annual				
single event				

Two quarterly events are recommended for the instances of non-compliance that occurred from November 4, 2019 to December 11, 2019 and from June 15, 2020 to June 26, 2020.

Good Faith Efforts to Comply

25.0% Reduction \$1,875

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

The Respondent completed the corrective measures by December 31, 2020, prior to the NOE dated March 22, 2021.

Violation Subtotal \$5,625

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$87

Violation Final Penalty Total \$11,175

This violation Final Assessed Penalty (adjusted for limits) \$11,175

Economic Benefit Worksheet

Respondent Natgasoline LLC
Case ID No. 60501
Reg. Ent. Reference No. RN106586795 (PCW No. 1 of 2)
Media Air
Violation No. 7

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)	\$1,500	4-Nov-2019	31-Dec-2020	1.16	\$87	n/a	\$87

Notes for DELAYED costs

Estimated cost to update the flow rate set point to 13.2 gallons per minute in order to comply with the VOC hourly MAER for the MeOH Water Scrubber 1, EPN D-04001. The Date Required is the first date of non-compliance and the Final Date is the date of compliance.

Avoided Costs

ANNUALIZE avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance				0.00	\$0	\$0	\$0
ONE-TIME avoided costs				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$1,500

TOTAL

\$87

Screening Date 9-Feb-2021

Docket No. 2021-0337-AIR-E

PCW

Respondent Natgasoline LLC

Policy Revision 4 (April 2014)

Case ID No. 60501

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN106586795 (PCW No. 1 of 2)

Media Air

Enf. Coordinator Mackenzie Mehlmann

Violation Number 8

Rule Cite(s) 30 Tex. Admin. Code §§ 101.20(1), (2), and (3), 113.100, 113.120, 115.126(1)(B), 116.115(c), and 122.143(4), 40 CFR §§ 60.18(b) and (c)(3)(ii), 63.11(b)(6)(ii), and 63.113(a)(1)(i), NSR Permit Nos. 107764 and PSDTX1340, SC No. 14.A, FOP No. O3963, GTC and STC Nos. 1.A and 16.A, and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to maintain the net heating value of the gas being combusted at 200 British thermal units per standard cubic foot ("Btu/scf") or greater if the flare is non-assisted. Specifically, the net heating value of the gas being combusted by the MeOH Flare ranged from 0.08 Btu/scf to 119.01 Btu/scf for a total of 132 hours from January 1, 2019 to February 1, 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

Matrix Notes	Falsification	Major	Moderate	Minor	Percent

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

Adjustment \$21,250

\$3,750

Violation Events

Number of Violation Events 1 32 Number of violation days

daily	
weekly	
monthly	
quarterly	x
semiannual	
annual	
single event	

Violation Base Penalty \$3,750

One quarterly event is recommended for the instances of non-compliance that occurred from January 1, 2019 to February 1, 2019.

Good Faith Efforts to Comply

10.0% Reduction \$375

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

Notes The Respondent completed the corrective measures by May 26, 2021, after the NOE dated March 22, 2021.

Violation Subtotal \$3,375

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$180 Violation Final Penalty Total \$6,150

This violation Final Assessed Penalty (adjusted for limits) \$6,150

Economic Benefit Worksheet

Respondent Natgasoline LLC
Case ID No. 60501
Reg. Ent. Reference No. RN106586795 (PCW No. 1 of 2)
Media Air
Violation No. 8

Percent Interest	Years of Depreciation
5.0	15

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

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$1,500	1-Jan-2019	26-May-2021	2.40	\$180	n/a	\$180

Notes for DELAYED costs

Estimated cost to implement a low alarm set point of 210 Btu/scf to allow for increases of supplemental gas flow in order to ensure that the net heating value of the gas being combusted by the MeOH Flare is maintained at 200 Btu/scf or greater. The Date Required is the first date of non-compliance and the Final Date is the date of compliance.

Avoided Costs

ANNUALIZE avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance				0.00	\$0	\$0	\$0
ONE-TIME avoided costs				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$1,500

TOTAL

\$180

Screening Date 9-Feb-2021

Docket No. 2021-0337-AIR-E

PCW

Respondent Natgasoline LLC

Policy Revision 4 (April 2014)

Case ID No. 60501

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN106586795 (PCW No. 1 of 2)

Media Air

Enf. Coordinator Mackenzie Mehlmann

Violation Number 9

Rule Cite(s) 30 Tex. Admin. Code §§ 101.20(1), (2), and (3), 113.100, 113.120, 115.126(1)(B), 116.115(c), and 122.143(4), 40 CFR §§ 60.18(b) and (c)(4)(iii), 63.11(b)(7)(iii), and 63.113(a)(1)(i), NSR Permit Nos. 107764 and PSDTX1340, SC No. 14.A, FOP No. O3963, GTC and STC Nos. 1.A and 16.A, and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to comply with the maximum exit velocity for non-assisted flares. Specifically, the exit velocity of the MeOH Flare exceeded the maximum exit velocity by a range from 0.98 feet per second to 24.37 feet per second for a total of 53 hours from January 11, 2019 to January 19, 2019.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			x
Potential			

Percent 15.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

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

Adjustment \$21,250

\$3,750

Violation Events

Number of Violation Events 1 9 Number of violation days

daily	
weekly	
monthly	
quarterly	x
semiannual	
annual	
single event	

Violation Base Penalty \$3,750

One quarterly event is recommended for the instances of non-compliance that occurred from January 11, 2019 to January 19, 2019.

Good Faith Efforts to Comply

0.0%

Reduction \$0

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

Extraordinary		
Ordinary		
N/A	x	

Notes

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

Violation Subtotal \$3,750

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$2,612

Violation Final Penalty Total \$6,525

This violation Final Assessed Penalty (adjusted for limits) \$6,525

Economic Benefit Worksheet

Respondent Natgasoline LLC
Case ID No. 60501
Reg. Ent. Reference No. RN106586795 (PCW No. 1 of 2)
Media Air
Violation No. 9

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)	\$10,000	11-Jan-2019	1-Apr-2024	5.22	\$2,612	n/a	\$2,612

Notes for DELAYED costs

Estimated cost to implement measures and/or procedures designed to comply with the maximum exit velocity for the MeOH Flare. The Date Required is the initial date of non-compliance and the Final Date is the estimated date of compliance.

Avoided Costs

ANNUALIZE avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance				0.00	\$0	\$0	\$0
ONE-TIME avoided costs				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$10,000

TOTAL

\$2,612

Screening Date 9-Feb-2021

Docket No. 2021-0337-AIR-E

PCW

Respondent Natgasoline LLC

Policy Revision 4 (April 2014)

Case ID No. 60501

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN106586795 (PCW No. 1 of 2)

Media Air

Enf. Coordinator Mackenzie Mehlmann

Violation Number 10

Rule Cite(s) 30 Tex. Admin. Code §§ 101.20(3), 116.115(b)(2)(F) and (c), and 122.143(4), NSR Permit Nos. 107764 and PSDTX1340, SC No. 1, NSR Permit No. GHGPSDTX54, SC No. II.2, FOP No. O3963, GTC and STC No. 16.A, and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to comply with the MAERs. Specifically, the Respondent exceeded the CO MAER of 9.62 tpy based on a 12-month rolling period for the 12-month period ending August 2020 and the CO2 MAER of 2,571 tpy based on a 12-month rolling period for the 12-month period ending August 2020 for the MeOH Flare, EPN S-10001, resulting in 1.86 tons of unauthorized CO and 14,587.83 tons of unauthorized CO2 emissions.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

Release	Harm			Percent
	Major	Moderate	Minor	
Actual		x		30.0%
Potential				

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
				0.0%

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

Adjustment \$17,500

\$7,500

Violation Events

Number of Violation Events 1 31 Number of violation days

daily	
weekly	
monthly	x
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty \$7,500

One monthly event is recommended for August 2020.

Good Faith Efforts to Comply

0.0%

Reduction \$0

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

Extraordinary		
Ordinary		
N/A	x	

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

Violation Subtotal \$7,500

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$1,834

Violation Final Penalty Total \$13,050

This violation Final Assessed Penalty (adjusted for limits) \$13,050

Economic Benefit Worksheet

Respondent Natgasoline LLC
Case ID No. 60501
Reg. Ent. Reference No. RN106586795 (PCW No. 1 of 2)
Media Air
Violation No. 10

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)	\$10,000	1-Aug-2020	1-Apr-2024	3.67	\$1,834	n/a	\$1,834

Notes for DELAYED costs

Estimated cost to implement measures and/or procedures designed to comply with the CO and CO2 annual MAERs for the MeOH Flare, EPN S-10001. The Date Required is the first date of non-compliance and the Final Date is the estimated date of compliance.

Avoided Costs

ANNUALIZE avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance				0.00	\$0	\$0	\$0
ONE-TIME avoided costs				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$10,000

TOTAL

\$1,834

Screening Date 9-Feb-2021

Docket No. 2021-0337-AIR-E

PCW

Respondent Natgasoline LLC

Policy Revision 4 (April 2014)

Case ID No. 60501

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN106586795 (PCW No. 1 of 2)

Media Air

Enf. Coordinator Mackenzie Mehlmann

Violation Number 11

Rule Cite(s) 30 Tex. Admin. Code §§ 101.20(3), 116.115(c), and 122.143(4), NSR Permit Nos. 107764 and PSDTX1340, SC No. 1, FOP No. O3963, GTC and STC No. 16.A, and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to prevent unauthorized emissions. Specifically, the Respondent released 5,433.60 lbs of CO, 302.79 lbs of NOx, and 10.01 lbs of sulfur dioxide from the MeOH Flare, EPN S-10001, during an emissions event (Incident No. 346656) that occurred on November 27, 2020 and lasted two hours. The emissions event occurred due to an electrical failure of the Auxiliary Boiler Forced Draft fan that caused the forced draft fan to lose run command feedback and to trip and the Auxiliary Boiler to trip, resulting in flaring. Since the emissions event was not caused by a sudden unavoidable breakdown of equipment or process beyond the control of the owner or operator and could have been avoided by better design and/or better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 Tex. Admin. Code § 101.222.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

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 that 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 1 1 Number of violation days

daily	
weekly	
monthly	
quarterly	X
semiannual	
annual	
single event	

Violation Base Penalty \$3,750

One quarterly event is recommended.

Good Faith Efforts to Comply

25.0%

Reduction \$937

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

Notes The Respondent completed the corrective measures by December 31, 2020, prior to the NOE dated January 29, 2021.

Violation Subtotal \$2,813

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$47

Violation Final Penalty Total \$5,588

This violation Final Assessed Penalty (adjusted for limits) \$5,588

Economic Benefit Worksheet

Respondent Natgasoline LLC
Case ID No. 60501
Reg. Ent. Reference No. RN106586795 (PCW No. 1 of 2)
Media Air
Violation No. 11

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)	\$10,000	27-Nov-2020	31-Dec-2020	0.09	\$47	n/a	\$47

Notes for DELAYED costs

Estimated cost to revise the capture strategies from fill "static" to overwrite in the relay for the unit, add an input to the binary input-1 to report events in records and communications that can be mapped to a latching light-emitting diode, and test the local field stop switch and wiring for the forced draft fan in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 346656. The Date Required is the date the emissions event occurred and the Final Date is the date of compliance.

Avoided Costs

ANNUALIZE avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance				0.00	\$0	\$0	\$0
ONE-TIME avoided costs				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$10,000

TOTAL

\$47



Penalty Calculation Worksheet (PCW)

Policy Revision 5 (January 28, 2021)

PCW Revision February 11, 2021

DATES	Assigned	14-Mar-2022	Screening	24-Mar-2022	EPA Due	18-Sep-2021
	PCW	31-May-2024				

RESPONDENT/FACILITY INFORMATION	
Respondent	Natgasoline LLC
Reg. Ent. Ref. No.	RN106586795 (PCW No. 2 of 2)
Facility/Site Region	10-Beaumont
Major/Minor Source	Major

CASE INFORMATION			
Enf./Case ID No.	60501	No. of Violations	7
Docket No.	2021-0337-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Mackenzie Mehlmann
		EC's Team	Enforcement Team 2
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$25,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$397,750
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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	74.0%	Adjustment	Subtotals 2, 3, & 7	\$294,335
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Notes: Enhancement for two NOVs with same or similar violations, four NOVs with dissimilar violations, and three orders containing a denial of liability. Reduction for two notices of intent to conduct an audit and one disclosure of violations.

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	\$0
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Economic Benefit	0.0%	Enhancement*	Subtotal 6	\$0
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Total EB Amounts	\$9,234	*Capped at the Total EB \$ Amount
Estimated Cost of Compliance	\$51,750	

SUM OF SUBTOTALS 1-7	Final Subtotal	\$692,085
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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	\$692,085
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$692,085
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DEFERRAL	0.0%	Reduction	Adjustment	\$0
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Reduces the Final Assessed Penalty by the indicated percentage.

Notes

No deferral for orders in which the Respondent has two or more prior administrative penalty orders as set out in Tex. Water Code § 7.105(b)(2), (b)(4), and (b)(6).

PAYABLE PENALTY	\$692,085
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Screening Date 24-Mar-2022

Docket No. 2021-0337-AIR-E

PCW

Respondent Natgasoline LLC

Policy Revision 5 (January 28, 2021)

Case ID No. 60501

PCW Revision February 11, 2021

Reg. Ent. Reference No. RN106586795 (PCW No. 2 of 2)

Media Air

Enf. Coordinator Mackenzie Mehlmann

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Number	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action (<i>number of NOVs meeting criteria</i>)	2	10%
	Other written NOVs	4	8%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	3	60%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	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>)	2	-2%
	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>)	1	-2%
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) 74%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Satisfactory Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

Enhancement for two NOVs with same or similar violations, four NOVs with dissimilar violations, and three orders containing a denial of liability. Reduction for two notices of intent to conduct an audit and one disclosure of violations.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 74%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 74%

Screening Date 24-Mar-2022 **Docket No.** 2021-0337-AIR-E **PCW**
Respondent Natgasoline LLC *Policy Revision 5 (January 28, 2021)*
Case ID No. 60501 *PCW Revision February 11, 2021*
Reg. Ent. Reference No. RN106586795 (PCW No. 2 of 2)
Media Air
Enf. Coordinator Mackenzie Mehlmann

Violation Number

Rule Cite(s) 30 Tex. Admin. Code §§ 122.143(4) and 122.145(2)(A), Federal Operating Permit ("FOP") No. O3963, General Terms and Conditions ("GTC"), and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to report all instances of deviations. Specifically, the deviation report for the August 21, 2020 through February 20, 2021 reporting period did not include the deviation for failing to prevent unauthorized emissions during Incident No. 346656.

Base Penalty

>> Environmental, Property and Human Health Matrix

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

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor	Percent
	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="x"/>	<input type="text" value="1.0%"/>

Matrix Notes

Less than 30% of the rule requirements were not met.

Adjustment

Violation Events

Number of Violation Events Number of violation days

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

Violation Base Penalty

One single event is recommended.

Good Faith Efforts to Comply

Reduction

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

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

Violation Subtotal

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount Violation Final Penalty Total

This violation Final Assessed Penalty (adjusted for limits)

Economic Benefit Worksheet

Respondent Natgasoline LLC
Case ID No. 60501
Reg. Ent. Reference No. RN106586795 (PCW No. 2 of 2)
Media Air
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

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

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling	\$1,500	22-Mar-2021	1-Apr-2024	3.03	\$227	n/a	\$227
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$250	22-Mar-2021	1-Apr-2024	3.03	\$38	n/a	\$38

Notes for DELAYED costs

Estimated costs to submit a revised deviation report for the August 21, 2020 through February 20, 2021 reporting period to report the deviation for failing to prevent unauthorized emissions during Incident No. 346656 (\$250) and to implement measures and/or procedures designed to ensure that all instances of deviations are reported in a timely manner (\$1,500). The Dates Required are the date the deviation report was due and the Final Dates are the estimated 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

\$1,750

TOTAL

\$265

Screening Date 24-Mar-2022 **Docket No.** 2021-0337-AIR-E **PCW**
Respondent Natgasoline LLC *Policy Revision 5 (January 28, 2021)*
Case ID No. 60501 *PCW Revision February 11, 2021*
Reg. Ent. Reference No. RN106586795 (PCW No. 2 of 2)
Media Air
Enf. Coordinator Mackenzie Mehlmann

Violation Number 2
Rule Cite(s) 30 Tex. Admin. Code §§ 101.20(3), 116.115(b)(2)(F) and (c), and 122.143(4), New Source Review ("NSR") Permit Nos. 107764 and PSDTX1340, Special Conditions ("SC") No. 1, FOP No. O3963, GTC and Special Terms and Conditions ("STC") No. 16.A, and Tex. Health & Safety Code § 382.085(b)
Violation Description Failed to comply with the maximum allowable emissions rates ("MAERs"). Specifically, the Respondent exceeded the nitrogen oxides ("NOx") MAER of 15.52 pounds per hour ("lbs/hr") by a range from 3.58 lbs/hr to 23.98 lbs/hr for 21 hours on June 29, 2021 and June 30, 2021, exceeded the ammonia ("NH3") MAER of 5.71 lbs/hr by a range from 0.99 lb/hr to 6.69 lbs/hr for 21 hours on January 5, 2021, January 6, 2021, and July 15, 2021, and exceeded the volatile organic compounds ("VOC") MAER of 10.16 ton per year ("tpy") based on a 12-month rolling period for the 12-month periods ending on May 2021 and June 2021 for the Steam Methane Reformer, Emissions Point Number ("EPN") B-01001, resulting in 455.08 pounds ("lbs") of unauthorized NOx, 113.59 lbs of unauthorized NH3, and 0.08 ton of unauthorized VOC emissions.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
		Actual			
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 that do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$17,500

\$7,500

Violation Events

Number of Violation Events 2 64 Number of violation days

daily	
weekly	
monthly	
quarterly	x
semiannual	
annual	
single event	

Violation Base Penalty \$15,000

Two quarterly events are recommended for the instances of non-compliance that occurred from January 5, 2021 to January 6, 2021 and from May 1, 2021 to July 15, 2021.

Good Faith Efforts to Comply 0.0% Reduction \$0

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

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

Violation Subtotal \$15,000

Economic Benefit (EB) for this violation **Statutory Limit Test**

Estimated EB Amount \$1,619 **Violation Final Penalty Total** \$26,100

This violation Final Assessed Penalty (adjusted for limits) \$26,100

Economic Benefit Worksheet

Respondent Natgasoline LLC
Case ID No. 60501
Reg. Ent. Reference No. RN106586795 (PCW No. 2 of 2)
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)	\$10,000	5-Jan-2021	1-Apr-2024	3.24	\$1,619	n/a	\$1,619

Notes for DELAYED costs

Estimated cost to implement measures and/or procedures designed to comply with the NOx and NH3 hourly MAERs and the VOC annual MAER for the Steam Methane Reformer, EPN B-01001. The Date Required is the first date of non-compliance and the Final Date is the estimated date of compliance.

Avoided Costs

ANNUALIZE avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance				0.00	\$0	\$0	\$0
ONE-TIME avoided costs				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$10,000

TOTAL

\$1,619

Screening Date	24-Mar-2022	Docket No.	2021-0337-AIR-E	PCW
Respondent	Natgasoline LLC			<i>Policy Revision 5 (January 28, 2021)</i>
Case ID No.	60501			<i>PCW Revision February 11, 2021</i>
Reg. Ent. Reference No.	RN106586795 (PCW No. 2 of 2)			
Media	Air			
Enf. Coordinator	Mackenzie Mehlmann			
Violation Number	3			
Rule Cite(s)	30 Tex. Admin. Code §§ 101.20(3), 116.115(b)(2)(F) and (c), and 122.143(4), NSR Permit Nos. 107764 and PSDTX1340, SC No. 1, FOP No. O3963, GTC and STC No. 16.A, and Tex. Health & Safety Code § 382.085(b)			
Violation Description	Failed to comply with the MAER. Specifically, the Respondent exceeded the NOx MAER of 9.50 lbs/hr by a range from 0.60 lb/hr to 14.50 lbs/hr for 21 hours on four days from October 31, 2020 to July 28, 2021 for the Auxiliary Boiler, EPN B-14001, resulting in 89.80 lbs of unauthorized NOx emissions.			
		Base Penalty	\$25,000	

>> Environmental, Property and Human Health Matrix

OR		Harm			
	Release	Major	Moderate	Minor	
	Actual			x	Percent 30.0%
	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 that do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$17,500

\$7,500

Violation Events

Number of Violation Events: 2 4 Number of violation days

daily	
weekly	
monthly	x
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty \$15,000

Two monthly events are recommended for the instances of non-compliance that occurred from October 31, 2020 to November 27, 2020 and on July 28, 2021.

Good Faith Efforts to Comply 0.0% Reduction \$0

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

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

Violation Subtotal \$15,000

Economic Benefit (EB) for this violation **Statutory Limit Test**

Estimated EB Amount \$1,710 **Violation Final Penalty Total** \$26,100

This violation Final Assessed Penalty (adjusted for limits) \$26,100

Economic Benefit Worksheet

Respondent Natgasoline LLC
Case ID No. 60501
Reg. Ent. Reference No. RN106586795 (PCW No. 2 of 2)
Media Air
Violation No. 3

Percent Interest	Years of Depreciation
5.0	15

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

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$10,000	31-Oct-2020	1-Apr-2024	3.42	\$1,710	n/a	\$1,710

Notes for DELAYED costs

Estimated cost to implement measures and/or procedures designed to comply with the NOx hourly MAER for the Auxiliary Boiler, EPN B-14001. The Date Required is the first date of non-compliance and the Final Date is the estimated date of compliance.

Avoided Costs

ANNUALIZE avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance				0.00	\$0	\$0	\$0
ONE-TIME avoided costs				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$10,000

TOTAL

\$1,710

Screening Date 24-Mar-2022 **Docket No.** 2021-0337-AIR-E **PCW**
Respondent Natgasoline LLC *Policy Revision 5 (January 28, 2021)*
Case ID No. 60501 *PCW Revision February 11, 2021*
Reg. Ent. Reference No. RN106586795 (PCW No. 2 of 2)
Media Air
Enf. Coordinator Mackenzie Mehlmann

Violation Number 4
Rule Cite(s) 30 Tex. Admin. Code §§ 101.20(3), 116.115(b)(2)(F) and (c), and 122.143(4), NSR Permit Nos. 107764 and PSDTX1340, SC No. 1, FOP No. 03963, GTC and STC No. 16.A, and Tex. Health & Safety Code § 382.085(b)
Violation Description Failed to comply with the MAERs. Specifically, the Respondent exceeded the NOx MAER of 9.11 tpy based on a 12-month rolling period for the 12-month periods ending from September 2020 through October 2021, exceeded the sulfur dioxide ("SO2") MAER of 0.30 tpy based on a 12-month rolling period for the 12-month periods ending from September 2020 through October 2021, and exceeded the carbon monoxide ("CO") MAER of 145.33 tpy based on a 12-month rolling period for the 12-month periods ending from September 2020 through November 2021 for the Methanol ("MeOH") Flare Maintenance, Startup, and Shutdown ("MSS"), EPN S-10001 MSS, resulting in 7.77 tons of unauthorized NOx, 0.21 ton of unauthorized SO2, and 107.16 tons of unauthorized CO emissions.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
		Actual		x	
Potential					

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
				0.0%

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

Adjustment \$12,500

\$12,500

Violation Events

Number of Violation Events 15 455 Number of violation days

daily	
weekly	
monthly	x
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty \$187,500

Fifteen monthly events are recommended for the period of non-compliance from September 1, 2020 through November 30, 2021.

Good Faith Efforts to Comply 0.0% Reduction \$0

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

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

Violation Subtotal \$187,500

Economic Benefit (EB) for this violation **Statutory Limit Test**

Estimated EB Amount \$1,792 **Violation Final Penalty Total** \$326,250

This violation Final Assessed Penalty (adjusted for limits) \$326,250

Economic Benefit Worksheet

Respondent Natgasoline LLC
Case ID No. 60501
Reg. Ent. Reference No. RN106586795 (PCW No. 2 of 2)
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)	\$10,000	1-Sep-2020	1-Apr-2024	3.58	\$1,792	n/a	\$1,792

Notes for DELAYED costs

Estimated cost to implement measures and/or procedures designed to comply with the NOx, SO2, and CO annual MAERs for the MeOH Flare MSS, EPN S-10001 MSS. The Date Required is the first date of non-compliance and the Final Date is the estimated date of compliance.

Avoided Costs

ANNUALIZE avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance				0.00	\$0	\$0	\$0
ONE-TIME avoided costs				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$10,000

TOTAL

\$1,792

Screening Date	24-Mar-2022	Docket No.	2021-0337-AIR-E	PCW
Respondent	Natgasoline LLC			<i>Policy Revision 5 (January 28, 2021)</i>
Case ID No.	60501			<i>PCW Revision February 11, 2021</i>
Reg. Ent. Reference No.	RN106586795 (PCW No. 2 of 2)			
Media	Air			
Enf. Coordinator	Mackenzie Mehlmann			
Violation Number	5			
Rule Cite(s)	30 Tex. Admin. Code §§ 101.20(3), 116.115(b)(2)(F) and (c), and 122.143(4), NSR Permit Nos. 107764 and PSDTX1340, SC No. 1, FOP No. O3963, GTC and STC No. 16.A, and Tex. Health & Safety Code § 382.085(b)			
Violation Description	Failed to comply with the MAER. Specifically, the Respondent exceeded the VOC MAER of 3.3 tpy based on a 12-month rolling period for the 12-month periods ending from November 2020 through July 2021 for the MeOH Cooling Tower, EPN T-06001, resulting in 31.30 tons of unauthorized VOC emissions.			
		Base Penalty	\$25,000	

>> Environmental, Property and Human Health Matrix

OR		Harm			
	Release	Major	Moderate	Minor	
	Actual		x		Percent 50.0%
	Potential				

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor	
					Percent 0.0%

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

Adjustment \$12,500

\$12,500

Violation Events

Number of Violation Events: 9 272 Number of violation days

daily	
weekly	
monthly	x
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty \$112,500

Nine monthly events are recommended for the period of non-compliance from November 1, 2020 through July 31, 2021.

Good Faith Efforts to Comply 0.0% Reduction \$0

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

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

Violation Subtotal \$112,500

Economic Benefit (EB) for this violation **Statutory Limit Test**

Estimated EB Amount \$0 **Violation Final Penalty Total** \$195,750

This violation Final Assessed Penalty (adjusted for limits) \$195,750

Economic Benefit Worksheet

Respondent Natgasoline LLC
Case ID No. 60501
Reg. Ent. Reference No. RN106586795 (PCW No. 2 of 2)
Media Air
Violation No. 5

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)				0.00	\$0	n/a	\$0
Notes for DELAYED costs	See the Economic Benefit in Violation No. 6 in PCW No. 1 of 2.						

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 \$0

TOTAL \$0

Screening Date 24-Mar-2022 **Docket No.** 2021-0337-AIR-E **PCW**
Respondent Natgasoline LLC *Policy Revision 5 (January 28, 2021)*
Case ID No. 60501 *PCW Revision February 11, 2021*
Reg. Ent. Reference No. RN106586795 (PCW No. 2 of 2)
Media Air
Enf. Coordinator Mackenzie Mehlmann

Violation Number 6

Rule Cite(s) 30 Tex. Admin. Code §§ 101.20(3), 116.115(b)(2)(F) and (c), and 122.143(4), NSR Permit Nos. 107764 and PSDTX1340, SC No. 1, FOP No. O3963, GTC and STC No. 16.A, and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to comply with the MAER. Specifically, the Respondent exceeded the VOC MAER of 7.24 lbs/hr by a range from 2.86 lbs/hr to 16.76 lbs/hr for 21 hours on five days from October 22, 2020 to July 28, 2021 for the MeOH Water Scrubber 1, EPN D-04001, resulting in 137.26 lbs of unauthorized VOC emissions.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

Release	Harm			Percent
	Major	Moderate	Minor	
Actual			x	30.0%
Potential				

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
				0.0%

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

Adjustment \$17,500

\$7,500

Violation Events

Number of Violation Events 2 5 Number of violation days

daily	
weekly	
monthly	
quarterly	x
semiannual	
annual	
single event	

Violation Base Penalty \$15,000

Two quarterly events are recommended for the instances of non-compliance that occurred from October 22, 2020 to November 27, 2020 and on July 28, 2021.

Good Faith Efforts to Comply 0.0% Reduction \$0

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

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

Violation Subtotal \$15,000

Economic Benefit (EB) for this violation **Statutory Limit Test**

Estimated EB Amount \$1,722 **Violation Final Penalty Total** \$26,100

This violation Final Assessed Penalty (adjusted for limits) \$26,100

Economic Benefit Worksheet

Respondent Natgasoline LLC
Case ID No. 60501
Reg. Ent. Reference No. RN106586795 (PCW No. 2 of 2)
Media Air
Violation No. 6

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)	\$10,000	22-Oct-2020	1-Apr-2024	3.44	\$1,722	n/a	\$1,722
Notes for DELAYED costs	Estimated cost to implement measures and/or procedures designed to comply with the VOC hourly MAER for the MeOH Water Scrubber 1, EPN D-04001. The Date Required is the first date of non-compliance and the Final Date is the estimated date of compliance.						

Avoided Costs

ANNUALIZE avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance				0.00	\$0	\$0	\$0
ONE-TIME avoided costs				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Notes for AVOIDED costs							

Approx. Cost of Compliance	\$10,000	TOTAL	\$1,722
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Screening Date 24-Mar-2022 **Docket No.** 2021-0337-AIR-E **PCW**
Respondent Natgasoline LLC *Policy Revision 5 (January 28, 2021)*
Case ID No. 60501 *PCW Revision February 11, 2021*
Reg. Ent. Reference No. RN106586795 (PCW No. 2 of 2)
Media Air
Enf. Coordinator Mackenzie Mehlmann

Violation Number 7

Rule Cite(s) 30 Tex. Admin. Code §§ 101.20(3), 116.115(c), and 122.143(4), NSR Permit Nos. 107764 and PSDTX1340, SC No. 12, FOP No. O3963, GTC and STC No. 16.A, and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to comply with the annual throughput. Specifically, the Respondent exceeded the slop methanol annual throughput of 3,441 barrels ("bbls") based on a 12-month rolling period for the 12-month periods ending from January 2020 through September 2021 for the MeOH Slop Tank 3007.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

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

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor	Percent
					0.0%

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

Adjustment \$17,500

\$7,500

Violation Events

Number of Violation Events 7 638 Number of violation days

daily	
weekly	
monthly	
quarterly	x
semiannual	
annual	
single event	

Violation Base Penalty \$52,500

Seven quarterly events are recommended for the period of non-compliance from January 1, 2020 through September 30, 2021.

Good Faith Efforts to Comply 0.0% Reduction \$0

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

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

Violation Subtotal \$52,500

Economic Benefit (EB) for this violation **Statutory Limit Test**

Estimated EB Amount \$2,126 **Violation Final Penalty Total** \$91,350

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

Economic Benefit Worksheet

Respondent Natgasoline LLC
Case ID No. 60501
Reg. Ent. Reference No. RN106586795 (PCW No. 2 of 2)
Media Air
Violation No. 7

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)	\$10,000	1-Jan-2020	1-Apr-2024	4.25	\$2,126	n/a	\$2,126
Notes for DELAYED costs	Estimated cost to implement measures and/or procedures designed to comply with the annual throughput for the MeOH Slop Tank, EPN TK-03007. The Date Required is the first date of non-compliance and the Final Date is the estimated date of compliance.						

Avoided Costs

ANNUALIZE avoided costs before entering item (except for one-time avoided costs)							
Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance				0.00	\$0	\$0	\$0
ONE-TIME avoided costs				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Notes for AVOIDED costs							

Approx. Cost of Compliance	\$10,000	TOTAL	\$2,126
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The TCEQ is committed to accessibility.

To request a more accessible version of this report, please contact the TCEQ Help Desk at (512) 239-4357.



Compliance History Report

Compliance History Report for CN604256412, RN106586795, Rating Year 2022 which includes Compliance History (CH) components from September 1, 2017, through August 31, 2022.

Customer, Respondent, or Owner/Operator: CN604256412, Natgasoline LLC **Classification:** SATISFACTORY **Rating:** 18.52
Regulated Entity: RN106586795, BEAUMONT GAS TO GASOLINE PLANT **Classification:** SATISFACTORY **Rating:** 18.52
Complexity Points: 16 **Repeat Violator:** NO
CH Group: 05 - Chemical Manufacturing
Location: 2366 SULPHUR PLANT ROAD, BEAUMONT, JEFFERSON COUNTY, TEXAS
TCEQ Region: REGION 10 - BEAUMONT

ID Number(s):

AIR OPERATING PERMITS PERMIT 3963	AIR NEW SOURCE PERMITS EPA PERMIT PSDTX1340
AIR NEW SOURCE PERMITS EPA PERMIT GHGPSDTX54	AIR NEW SOURCE PERMITS PERMIT 107764
AIR NEW SOURCE PERMITS PERMIT AMOC215	AIR NEW SOURCE PERMITS AFS NUM 4824500747
WASTEWATER EPA ID TX0135836	WASTEWATER PERMIT WQ0005143000
AIR EMISSIONS INVENTORY ACCOUNT NUMBER JEA035H	POLLUTION PREVENTION PLANNING ID NUMBER P10323
INDUSTRIAL AND HAZARDOUS WASTE EPA ID TXR000084209	INDUSTRIAL AND HAZARDOUS WASTE SOLID WASTE REGISTRATION # (SWR) 96775
TAX RELIEF ID NUMBER 20143	TAX RELIEF ID NUMBER 20144
TAX RELIEF ID NUMBER 22990	TAX RELIEF ID NUMBER 22377

Compliance History Period: September 01, 2017 to August 31, 2022 **Rating Year:** 2022 **Rating Date:** 09/01/2022

Date Compliance History Report Prepared: July 13, 2023

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: July 13, 2018 to July 13, 2023

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

Name: Mackenzie Mehlmann

Phone: (512) 239-2572

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: 09/24/2019 ADMINORDER 2018-1465-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)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: Special Condition 1 PERMIT
Description: Failure to prevent unauthorized emissions.
- 2 Effective Date: 01/28/2020 ADMINORDER 2018-1635-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)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: General Condition 8 PERMIT

Special Condition 1 PERMIT
Special Condition II PERMIT

Description: Failed to prevent unauthorized emissions. Specifically, the Respondent released 10,150.32 tons of carbon dioxide, 75.22 tons of methane, 83.63 tons of carbon monoxide, 4.55 tons of nitrogen oxides, 1.97 tons of volatile organic compounds, and 2.49 tons of methanol from the MSS, EPN S-10001, during an emissions event that began on August 29, 2018 and lasted 123 hours and 24 minutes. The emissions event occurred due to an unplanned startup event, resulting in venting to the atmosphere. Since the e

- 3 Effective Date: 02/14/2022 ADMINORDER 2019-1219-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)
5C THSC Chapter 382 382.085(b)
- Rqmt Prov: General Condition 8 PERMIT
Special Condition 1 PERMIT
Special Condition II PERMIT
- Description: Failure to prevent unauthorized emissions.
- Classification: Moderate
- Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter B 116.115(c)
5C THSC Chapter 382 382.085(b)
- Rqmt Prov: General Condition 8 PERMIT
Special Condition 1 PERMIT
Special Condition II PERMIT
- Description: Failure to prevent unauthorized emissions.
- Classification: Minor
- Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)(B)
30 TAC Chapter 101, SubChapter F 101.201(a)(2)
30 TAC Chapter 101, SubChapter F 101.222(b)(1)
5C THSC Chapter 382 382.085(b)
- Description: Failure to submit an initial report for a reportable emissions event within 24 hours of discovery of the event.
- Classification: Moderate
- Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter B 116.115(c)
5C THSC Chapter 382 382.085(b)
- Rqmt Prov: General Condition 8 PERMIT
Special Condition 1 PERMIT
Special Condition II PERMIT
- Description: Failure to prevent unauthorized emissions.
- 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 Condition 8 PERMIT
Special Condition 1 PERMIT
Special Condition II PERMIT
Special Term & Condition 16 OP
- Description: Failure to prevent unauthorized emissions.
- 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: Special Condition 1 PERMIT
Special Term & Condition 16A OP
- Description: Failure to prevent unauthorized emissions.
- 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: Special Condition 1 PERMIT
Special Term & Condition 16(A) OP
Description: Failure to prevent unauthorized emissions during a stack test.

B. Criminal convictions:

N/A

C. Chronic excessive emissions events:

N/A

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

Item 1	December 03, 2018	(1531329)
Item 2	January 07, 2019	(1533116)
Item 3	April 01, 2019	(1552779)
Item 4	May 15, 2019	(1558959)
Item 5	May 20, 2019	(1587964)
Item 6	June 08, 2019	(1587965)
Item 7	July 23, 2019	(1595624)
Item 8	August 20, 2019	(1601837)
Item 9	September 25, 2019	(1608738)
Item 10	October 22, 2019	(1615613)
Item 11	November 01, 2019	(1604258)
Item 12	November 20, 2019	(1621416)
Item 13	December 23, 2019	(1628755)
Item 14	January 28, 2020	(1636371)
Item 15	February 20, 2020	(1642989)
Item 16	March 09, 2020	(1633608)
Item 17	April 25, 2020	(1640218)
Item 18	April 29, 2020	(1640175)
Item 19	September 20, 2020	(1689237)
Item 20	November 13, 2020	(1719398)
Item 21	January 18, 2021	(1719400)
Item 22	February 16, 2021	(1732480)
Item 23	March 20, 2021	(1732481)
Item 24	April 19, 2021	(1732482)
Item 25	May 18, 2021	(1743533)
Item 26	July 19, 2021	(1754004)
Item 28	August 18, 2021	(1759359)
Item 29	September 20, 2021	(1760682)
Item 30	September 22, 2021	(1768760)
Item 31	October 28, 2021	(1779947)
Item 32	November 16, 2021	(1786000)
Item 34	January 19, 2022	(1782888)
Item 36	February 16, 2022	(1787427)
Item 37	February 17, 2022	(1787329)
Item 38	March 10, 2022	(1781437)
Item 39	May 13, 2022	(1810786)
Item 40	May 16, 2022	(1816927)
Item 41	May 18, 2022	(1831149)
Item 42	May 20, 2022	(1811721)
Item 43	June 21, 2022	(1823716)
Item 44	September 30, 2022	(1846207)
Item 45	October 18, 2022	(1864887)
Item 46	November 17, 2022	(1871777)
Item 47	December 12, 2022	(1877657)
Item 48	January 02, 2023	(1862163)
Item 49	February 15, 2023	(1892260)
Item 50	March 16, 2023	(1900849)
Item 51	July 10, 2023	(1868906)

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: 07/31/2022 (1851122)
 Self Report? YES Classification: Moderate
 Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
 30 TAC Chapter 305, SubChapter F 305.125(1)
 Description: Failure to meet the limit for one or more permit parameter

- 2 Date: 08/31/2022 (1858550)
 Self Report? YES Classification: Moderate
 Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
 30 TAC Chapter 305, SubChapter F 305.125(1)
 Description: Failure to meet the limit for one or more permit parameter

- 3 Date: 12/12/2022 (1852974)
 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)
 Special Condition 22(I) PERMIT
 Special Term & Condition 16 OP
 Description: Failure to repair leaking components within 15 days.

- 4 Date: 12/31/2022 (1884463)
 Self Report? YES Classification: Moderate
 Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
 30 TAC Chapter 305, SubChapter F 305.125(1)
 Description: Failure to meet the limit for one or more permit parameter

- 5 Date: 02/24/2023 (1861079)
 Self Report? NO 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)
 General Condition 8 PERMIT
 Special Condition 1 PERMIT
 Special Term & Condition 16(A) OP
 Description: Failure to stay at or below Maximum Allowable Emission Rates Table (MAERT) limits from the Steam Methane Reformer (SMR), emission point number (EPN) B-01001.
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
 30 TAC Chapter 101, SubChapter A 101.20(2)
 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)
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT A 63.6(e)(1)(i)
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT DDDDD 63.7535(b)
 5C THSC Chapter 382 382.085(b)
 Special Condition 24(F) PERMIT
 Special Condition 5(E) PERMIT
 Special Condition III.A.1.k PERMIT
 Special Term & Condition 1(A) OP
 Special Term & Condition 16(A) OP
 Description: Failure to stay at or below Maximum Allowable Emission Rates Table (MAERT) limits from the Auxiliary Boiler, emission point number (EPN) B-14001.
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 101, SubChapter A 101.20(2)
 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)
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT A 63.6(e)(1)(i)
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT DDDDD 63.7535(b)
 5C THSC Chapter 382 382.085(b)
 Special Condition 24(F) PERMIT
 Special Condition 5(E) PERMIT
 Special Condition III.A.1.k PERMIT
 Special Term & Condition 1(A) OP
 Special Term & Condition 16(A) OP
 Description: Failure to prevent the Steam Methane Reformer (SMR), emission point number (EPN) B-01001, Continuous Emissions Monitoring Systems (CEMS) downtime greater than 5 percent (%).
 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)
 Special Condition 25(D) PERMIT
 Special Term & Condition 16(A) OP

Description: Failure to maintain the million British thermal unit per hour (MMBtu/hr) rate for the Auxiliary Boiler, emission point number (EPN) B-14001, at or below which the unit had been tested.

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)
 Special Condition 19(F)(1) PERMIT
 Special Term & Condition 16(A) OP

Description: Failure to conduct daily total dissolved solids (TDS) analysis on the Methanol (MeOH) Cooling Tower, emission point number (EPN) T-06001.

Self Report? NO Classification: Moderate

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 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VVa 60.482-2a(a)(1)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VVa 60.482-7a(a)(1)
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.163(b)(1)
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.168(b)
 5C THSC Chapter 382 382.085(b)
 Special Condition 22(F) PERMIT
 Special Condition 22(G) PERMIT
 Special Condition 3(C) PERMIT
 Special Condition 5(C) PERMIT
 Special Term & Condition 1(A) OP
 Special Term & Condition 16(A) OP

Description: Failure to monitor all Leak Detection and Repair (LDAR) components in emission point number (EPN) FUG-MeOH.

Self Report? NO Classification: Moderate

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 115, SubChapter B 115.126(1)(B)
 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(b)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(c)(3)(ii)
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT A 63.11(b)(6)(ii)
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.113(a)(1)(i)
 5C THSC Chapter 382 382.085(b)
 Special Condition 14(A) PERMIT
 Special Condition 5(A) PERMIT
 Special Condition III.A.4.g PERMIT
 Special Term & Condition 1(A) OP
 Special Term & Condition 16(A) OP

Description: Failure to prevent the Methanol (MeOH) Flare, emission point number (EPN) S-10001, from maintaining net heating value of fuel being combusted of at least 200 British thermal units per standard cubic foot (Btu/scf).

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)
 Special Condition 12 PERMIT
 Special Term & Condition 16(A) OP

Description: Failure to failure to prevent the 79,252 gallon per hour (gph) fill rate for tank TK-04002B from being exceeded.

Self Report? NO 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)
 General Condition 8 PERMIT
 Special Condition 1 PERMIT

Description: Special Term & Condition 16(A) OP
Failure to stay below the Maximum Allowable Emission Rates Table (MAERT)
pound per hour (lb/hr) emission rates from the Methanol (MeOH) Flare, emission
point number (EPN) S-10001.

6 Date: 03/31/2023 (1907643)
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter

F. Environmental audits:

Notice of Intent Date: 09/23/2020 (1683881)

Disclosure Date: 10/29/2020

Viol. Classification: Minor

Citation: 40 CFR Chapter 65, SubChapter C, PT 65, SubPT A 65.6(c)

Description: The facility does not have a written startup, shutdown, & malfunction plan (SSMP) for the Reformer.

Viol. Classification: Minor

Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.11

Rqmt Prov: PERMIT SC 24.F.

Description: CEMS breakdown. CEMS downtime greater than 5% (in minutes) operated over the previous rolling
12-month period.

Viol. Classification: Minor

Citation: 40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.148(b)(3)

Description: The facility has not performed the initial visual inspections and semi-annual visual inspections for visible,
audible or olfactory indications of leaks for fixed roof tanks.

Viol. Classification: Minor

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)

Description: Facility has not implemented good combustion practices for the emergency generator including preventative
maintenance per manufacturer frequency.

Viol. Classification: Minor

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)

Description: Facility has not implemented good combustion practices for Fire Water Pumps 1 and 2 including
preventative maintenance per manufacturer.

Viol. Classification: Minor

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)

Description: Facility has not been testing the cooling tower for Total Organic Carbon (TOC) on a monthly basis to
determine if a GHG leak is present. However, the facility has been testing the cooling tower for GHG leaks
using the El Paso Method under Subpart H.

Viol. Classification: Minor

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VVa 60.480a

Rqmt Prov: PERMIT SC 22.M.

Description: Process drains are not being flushed once per week and monitored annually by method 21 gas analyzer.

Viol. Classification: Minor

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

Rqmt Prov: PERMIT SC 24.D.

Description: The facility has not developed a complete written Quality Control Program for its CEMS, including a
step-by-step procedure for calibration, drift testing, preventive maintenance and updated list of spare
parts.

Viol. Classification: Minor

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)

Description: The facility has not maintained records and submitted a written report of all excess GHG emissions to
EPA/TCEQ on a semiannual basis. The report is due on the 30th day following the end of each semi-annual
period.

Viol. Classification: Minor

Citation: 40 CFR Chapter 68, SubChapter C, PT 68, SubPT A 68.12(a)

Rqmt Prov: OP ST&C 23

Description: Facility has not updated RMP Registration information to reflect administrative changes including plant
manager and person responsible for RMP.

Viol. Classification: Minor

Citation: 30 TAC Chapter 106, SubChapter A 106.8(c)(5)

Description: Facility has not maintained records to calculate emissions under the following Permit-By-Rule
authorizations:106.227: Soldering, Brazing, Welding106.263: Routine Maintenance, Startup and Shutdown
of Facilities, and Temporary Maintenance Facilities106.265: Hand-held and Manually Operated
Machines106.371: Cooling-Water Units106.373: Refrigeration Systems106.511: Portable and Emergency
Engines and Turbines106.452: Dry Abrasive Cleaning106.532: Water and Wastewater Treatment

Viol. Classification: Minor

Citation: 30 TAC Chapter 106, SubChapter K 106.263

Description: VOC breakthrough sampling using a hand-held Flame Ionization Device (FID) have not been performed and records maintained on a weekly basis.

Disclosure Date: 12/08/2020

Viol. Classification: Minor

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)

Rqmt Prov: OP STC III(A.)(2.)(i.)

Description: Auxiliary boiler operation does not consistently meet the required thermal efficiency of > 77 percent when operating on a 12 month rolling average basis.

Viol. Classification: Minor

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

Rqmt Prov: PERMIT SC 24.C.

Description: The CEMs is not properly programed to log and mark the NOx levels as "invalid" when the system is performing the automated daily QC CID test. Currently the CEMS system is including QC data as operational data.

Viol. Classification: Minor

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

Rqmt Prov: PERMIT SC.8.A.

Description: The facility is not using actual gas composition and flow to calculate lb NOx/MMBtu permit emission rate. The facility is using design permit application gas compositions.

Notice of Intent Date: 12/08/2020 (1701643)

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
NATGASOLINE LLC
RN106586795

§
§
§
§
§

BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY

AGREED ORDER DOCKET NO. 2021-0337-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 Natgasoline LLC (the "Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent together stipulate that:

1. The Respondent owns and operates a chemical manufacturing plant located at 2366 Sulphur Plant Road in Beaumont, 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 \$830,574 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent paid \$401,439 of the penalty and \$27,697 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, \$401,438 of the penalty shall be conditionally offset by the Respondent's timely and satisfactory completion of a Supplemental Environmental Project ("SEP") as defined in the attached SEP Agreement ("Attachment A", incorporated herein by reference). The Respondent's obligation to pay the conditionally offset portion of the penalty shall be discharged upon full compliance with all the terms

and conditions of this Order, which includes the timely and satisfactory completion of all provisions of the SEP Agreement, as determined by the Executive Director.

5. The Executive Director and the Respondent agree on a settlement of the matters alleged in this enforcement action, subject to final approval in accordance with 30 TEX. ADMIN. CODE § 70.10(a). Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
6. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Order.
7. This Order represents the complete and fully-integrated agreement of the parties. The provisions of this Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Order unenforceable, the remaining provisions shall be valid and enforceable.
8. This Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Order, whichever is later.
9. The Executive Director recognizes that that Respondent completed the following corrective measures at the Plant:
 - a. On December 3, 2019, performed stack sampling for carbon monoxide ("CO"), nitrogen oxides ("NOx"), ammonia ("NH3"), and particulate matter with a diameter equal to or less than 2.5 microns ("PM2.5") for the Auxiliary Boiler;
 - b. On December 4, 2019, performed stack sampling for CO, NOx, NH3, and PM2.5 for the Steam Methane Reformer;
 - c. By September 21, 2020, implemented a reporting template and Standard Operating Procedure in order to ensure that the signed certifications of accuracy and completeness, Form OP-CRO1, are included with the deviation reports;
 - d. On October 16, 2020, submitted the signed certification of accuracy and completeness, Form OP-CRO1, with the deviation report for the February 21, 2020 through August 20, 2020 reporting period;
 - e. On October 16, 2020, submitted a revised permit compliance certificate ("PCC") for the August 21, 2019 through August 20, 2020 certification period;
 - f. By October 31, 2020, implemented an Environmental Management System in order to ensure that the PCCs are submitted in a complete, accurate, and timely manner;
 - g. By December 31, 2020, updated the flow rate set point to 13.2 gallons per minute in order to comply with the volatile organic compounds ("VOC") hourly maximum allowable emissions rate ("MAER") for the Methanol ("MeOH") Water Scrubber 1, Emissions Point Number ("EPN") D-04001;

- h. By December 31, 2020, revised the capture strategies from fill "static" to overwrite in the relay for the unit, added an input to the binary input-1 to report events in records and communications that can be mapped to a latching light-emitting diode, and tested the local field stop switch and wiring for the forced draft fan in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 346656; and
- i. By May 26, 2021, implemented a low alarm set point of 210 British thermal units per standard cubic foot ("Btu/scf") to allow for increases of supplemental gas flow in order to ensure that the net heating value of the gas being combusted by the MeOH Flare is maintained at 200 Btu/scf or greater.

II. ALLEGATIONS

- 1. During an investigation at the Plant conducted from November 2, 2020 through November 3, 2020, an investigator documented that the Respondent:
 - a. Failed to include a signed certification of accuracy and completeness, in violation of 30 TEX. ADMIN. CODE §§ 122.143(4) and (15) and 122.165(a)(7), Federal Operating Permit ("FOP") No. O3963, General Terms and Conditions ("GTC"), and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the signed certification of accuracy and completeness, Form OP-CRO1, was not included with the deviation report for the February 21, 2020 through August 20, 2020 reporting period.
 - b. Failed to certify compliance with the terms and conditions of the permit for at least each 12-month period following initial permit issuance and failed to submit a PCC within 30 days of any certification period, in violation of 30 TEX. ADMIN. CODE §§ 122.143(4) and 122.146(1) and (2), FOP No. O3963, GTC and Standard Terms and Conditions ("STC") No. 19, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the PCC that was submitted for the August 21, 2019 through August 20, 2020 certification period included Parts 2 and 3, but was missing Part 1.
 - c. Failed to conduct stack sampling no later than 180 days after initial start-up, in violation of 30 TEX. ADMIN. CODE §§ 101.20(2) and (3), 113.1130, 116.115(c), and 122.143(4), 40 CODE OF FEDERAL REGULATIONS ("CFR") §§ 63.7510(f) and 63.7520(a), New Source Review ("NSR") Permit Nos. 107764 and PSDTX1340, Special Conditions ("SC") Nos. 5.E and 25.C, NSR Permit No. GHGPSDTX54, SC No. III.B.2, FOP No. O3963, GTC and STC Nos. 1.A and 16.A, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Steam Methane Reformer was installed on June 25, 2018 and the stack sampling for the Steam Methane Reformer was required to be conducted by December 22, 2018, but was not performed until December 4, 2019.
 - d. Failed to conduct stack sampling no later than 180 days after initial start-up, in violation of 30 TEX. ADMIN. CODE §§ 101.20(1), (2), and (3), 113.1130, 116.115(c), and 122.143(4), 40 CFR §§ 60.8(a), 60.46b(d) and (e), 63.7510(f), and 63.7520(a), NSR Permit Nos. 107764 and PSDTX1340, SC Nos. 3.A, 5.E, and 25.C, NSR Permit No. GHGPSDTX54, SC No. III.B.2, FOP No. O3963, GTC and STC Nos. 1.A and 16.A, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Auxiliary Boiler was installed on June 25, 2018 and the stack sampling for the Auxiliary Boiler was

required to be performed by December 22, 2018, but was not conducted until December 3, 2019.

- e. Failed to conduct stack sampling no later than 180 days after initial start-up, in violation of 30 TEX. ADMIN. CODE §§ 101.20(2) and (3), 113.100, 113.120, 116.115(c), and 122.143(4), 40 CFR §§ 63.7(a)(2), 63.116(c), and 63.120(d)(1)(ii), NSR Permit Nos. 107764 and PSDTX1340, SC Nos. 5.B, 25.B(2), and 25.C, FOP No. O3963, GTC and STC Nos. 1.A and 16.A, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the MeOH Water Scrubber 1 was installed on June 25, 2018 and the stack sampling for the MeOH Water Scrubber 1 was required to be conducted by December 22, 2018, but was not conducted.
- f. Failed to comply with the MAER, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(b)(2)(F) and (c), and 122.143(4), NSR Permit Nos. 107764 and PSDTX1340, SC No. 1, FOP No. O3963, GTC and STC No. 16.A, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent exceeded the VOC MAER of 3.30 tons per year ("tpy") based on a 12-month rolling period for the 12-month periods ending from September 2019 through October 2020 for the MeOH Cooling Tower, EPN T-06001, resulting in 7.35 tons of unauthorized VOC emissions.
- g. Failed to comply with the MAER, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(b)(2)(F) and (c), and 122.143(4), NSR Permit Nos. 107764 and PSDTX1340, SC No. 1, FOP No. O3963, GTC and STC No. 16.A, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent exceeded the VOC MAER of 7.24 pounds per hour ("lbs/hr") by 33.78 pounds ("lbs") for one hour on November 4, 2019, by 8.31 lbs for one hour on December 11, 2019, by 2.95 lbs for one hour on June 15, 2020, and by 2.91 lbs for one hour on June 26, 2020 for MeOH Water Scrubber 1, EPN D-04001, resulting in the unauthorized release of 47.95 lbs of VOC emissions.
- h. Failed to maintain the net heating value of the gas being combusted at 200 Btu/scf or greater if the flare is non-assisted, in violation of 30 TEX. ADMIN. CODE §§ 101.20(1), (2), and (3), 113.100, 113.120, 115.126(1)(B), 116.115(c), and 122.143(4), 40 CFR §§ 60.18(b) and (c)(3)(ii), 63.11(b)(6)(ii), and 63.113(a)(1)(i), NSR Permit Nos. 107764 and PSDTX1340, SC No. 14.A, FOP No. O3963, GTC and STC Nos. 1.A and 16.A, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the net heating value of the gas being combusted by the MeOH Flare ranged from 0.08 Btu/scf to 119.01 Btu/scf for a total of 132 hours from January 1, 2019 to February 1, 2019.
- i. Failed to comply with the maximum exit velocity for non-assisted flares, in violation of 30 TEX. ADMIN. CODE §§ 101.20(1), (2), and (3), 113.100, 113.120, 115.126(1)(B), 116.115(c), and 122.143(4), 40 CFR §§ 60.18(b) and (c)(4)(iii), 63.11(b)(7)(iii), and 63.113(a)(1)(i), NSR Permit Nos. 107764 and PSDTX1340, SC No. 14.A, FOP No. O3963, GTC and STC Nos. 1.A and 16.A, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the exit velocity of the MeOH Flare exceeded the maximum exit velocity by a range from 0.98 feet per second to 24.37 feet per second for a total of 53 hours from January 11, 2019 to January 19, 2019.

- j. Failed to comply with the MAERs, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(b)(2)(F) and (c), and 122.143(4), NSR Permit Nos. 107764 and PSDTX1340, SC No. 1, NSR Permit No. GHGPSDTX54, SC No. II.2, FOP No. O3963, GTC and STC No. 16.A, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent exceeded the CO MAER of 9.62 tpy based on a 12-month rolling period for the 12-month period ending August 2020 and the CO₂ MAER of 2,571 tpy based on a 12-month rolling period for the 12-month period ending August 2020 for the MeOH Flare, EPN S-10001, resulting in 1.86 tons of unauthorized CO and 14,587.83 tons of unauthorized CO₂ emissions.
2. During a record review for the Plant conducted on January 11, 2021, an investigator documented that the Respondent failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(c), and 122.143(4), NSR Permit Nos. 107764 and PSDTX1340, SC No. 1, FOP No. O3963, GTC and STC No. 16.A, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent released 5,433.60 lbs of CO, 302.79 lbs of NO_x, and 10.01 lbs of sulfur dioxide from the MeOH Flare, EPN S-10001, during an emissions event (Incident No. 346656) that occurred on November 27, 2020 and lasted two hours. The emissions event occurred due to an electrical failure of the Auxiliary Boiler Forced Draft fan that caused the forced draft fan to lose run command feedback and to trip and the Auxiliary Boiler to trip, resulting in flaring. 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.
3. During a record review for the Plant conducted from January 4, 2022 through January 10, 2022, an investigator documented that the Respondent:
 - a. Failed to report all instances of deviations, in violation of 30 TEX. ADMIN. CODE §§ 122.143(4) and 122.145(2)(A), FOP No. O3963, GTC, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the deviation report for the August 21, 2020 through February 20, 2021 reporting period did not include the deviation for failing to prevent unauthorized emissions during Incident No. 346656.
 - b. Failed to comply with the MAERs, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(b)(2)(F) and (c), and 122.143(4), NSR Permit Nos. 107764 and PSDTX1340, SC No. 1, FOP No. O3963, GTC and STC No. 16.A, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent exceeded the NO_x MAER of 15.52 lbs/hr by a range from 3.58 lbs/hr to 23.98 lbs/hr for 21 hours on June 29, 2021 and June 30, 2021, exceeded the NH₃ MAER of 5.71 lbs/hr by a range from 0.99 lb/hr to 6.69 lbs/hr for 21 hours on January 5, 2021, January 6, 2021, and July 15, 2021, and exceeded the VOC MAER of 10.16 tpy based on a 12-month rolling period for the 12-month periods ending on May 2021 and June 2021 for the Steam Methane Reformer, EPN B-01001, resulting in 455.08 lbs of unauthorized NO_x, 113.59 lbs of unauthorized NH₃, and 0.08 ton of unauthorized VOC emissions.

- c. Failed to comply with the MAER, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(b)(2)(F) and (c), and 122.143(4), NSR Permit Nos. 107764 and PSDTX1340, SC No. 1, FOP No. O3963, GTC and STC No. 16.A, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent exceeded the NO_x MAER of 9.50 lbs/hr by a range from 0.60 lb/hr to 14.50 lbs/hr for 21 hours on four days from October 31, 2020 to July 28, 2021 for the Auxiliary Boiler, EPN B-14001, resulting in 89.80 lbs of unauthorized NO_x emissions.
- d. Failed to comply with the MAERs, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(b)(2)(F) and (c), and 122.143(4), NSR Permit Nos. 107764 and PSDTX1340, SC No. 1, FOP No. O3963, GTC and STC No. 16.A, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent exceeded the NO_x MAER of 9.11 tpy based on a 12-month rolling period for the 12-month periods ending from September 2020 through October 2021, exceeded the SO₂ MAER of 0.30 tpy based on a 12-month rolling period for the 12-month periods ending from September 2020 through October 2021, and exceeded the CO MAER of 145.33 tpy based on a 12-month rolling period for the 12-month periods ending from September 2020 through November 2021 for the MeOH Flare Maintenance, Startup, and Shutdown ("MSS"), EPN S-10001 MSS, resulting in 7.77 tons of unauthorized NO_x, 0.21 ton of unauthorized SO₂, and 107.16 tons of unauthorized CO emissions.
- e. Failed to comply with the MAER, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(b)(2)(F) and (c), and 122.143(4), NSR Permit Nos. 107764 and PSDTX1340, SC No. 1, FOP No. O3963, GTC and STC No. 16.A, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent exceeded the VOC MAER of 3.3 tpy based on a 12-month rolling period for the 12-month periods ending from November 2020 through July 2021 for the MeOH Cooling Tower, EPN T-06001, resulting in 31.30 tons of unauthorized VOC emissions.
- f. Failed to comply with the MAER, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(b)(2)(F) and (c), and 122.143(4), NSR Permit Nos. 107764 and PSDTX1340, SC No. 1, FOP No. O3963, GTC and STC No. 16.A, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent exceeded the VOC MAER of 7.24 lbs/hr by a range from 2.86 lbs/hr to 16.76 lbs/hr for 21 hours on five days from October 22, 2020 to July 28, 2021 for the MeOH Water Scrubber 1, EPN D-04001, resulting in 137.26 lbs of unauthorized VOC emissions.
- g. Failed to comply with the annual throughput, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(c), and 122.143(4), NSR Permit Nos. 107764 and PSDTX1340, SC No. 12, FOP No. O3963, GTC and STC No. 16.A, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent exceeded the slop methanol annual throughput of 3,441 barrels ("bbls") based on a 12-month rolling period for the 12-month periods ending from January 2020 through September 2021 for the MeOH Slop Tank 3007.

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: Natgasoline LLC, Docket No. 2021-0337-AIR-E" to:

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

2. The Respondent shall implement and complete the SEP as set forth in Section I, Paragraph No. 4. The amount of \$401,438 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 at the Plant:
 - a. Within 15 days after the effective date of this Order, submit a notification to the Air Section Manager at the address in Ordering Provision No. 3.i. to schedule a pretest meeting prior to conducting stack sampling for CO₂ for the Steam Methane Reformer and Auxiliary Boiler and prior to conducting stack sampling for the MeOH Water Scrubber 1.
 - b. Within 30 days after the effective date of this Order:
 - i. Implement measures and/or procedures designed to comply with the VOC annual MAER for the MeOH Cooling Tower, EPN T-06001, and/or submit an administratively complete permit amendment application for NSR Permit Nos. 107764 and PSDTX1340 to increase the VOC annual MAER for the MeOH Cooling Tower, EPN T-06001, in accordance with 30 TEX. ADMIN. CODE § 116.111, to:

Air Permits Division, MC 163
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

- ii. Implement measures and/or procedures designed to comply with the CO and/or CO₂ annual MAERs for the MeOH Flare, EPN S-10001, and/or submit an administratively complete permit amendment application for NSR Permit Nos. 107764, PSDTX1340, and GHGPSDTX54 to increase the CO and/or CO₂ annual MAERs for the MeOH Flare, EPN S-10001, in accordance with 30 TEX. ADMIN. CODE § 116.111, to the address in Ordering Provision No. 3.b.i.;
- iii. Implement measures and/or procedures designed to comply with the maximum exit velocity for the MeOH Flare;
- iv. Submit a revised deviation report for the August 21, 2020 through February 20, 2021 reporting period to report the deviation for failing to prevent unauthorized emissions during Incident No. 346656;
- v. Implement measures and/or procedures designed to ensure that all instances of deviations are reported in a timely manner;
- vi. Implement measures and/or procedures designed to comply with the NO_x and/or NH₃ hourly MAERs and/or the VOC annual MAER for the Steam Methane Reformer, EPN B-01001, and/or submit an administratively complete permit amendment application for NSR Permit Nos. 107764 and PSDTX1340 to increase the NO_x and/or NH₃ hourly MAERs for the Steam Methane Reformer, EPN B-01001, in accordance with 30 TEX. ADMIN. CODE § 116.111, to the address in Ordering Provision No. 3.b.i.;
- vii. Implement measures and/or procedures designed to comply with the NO_x hourly MAER for the Auxiliary Boiler, EPN B-14001, and/or submit an administratively complete permit amendment application for NSR Permit Nos. 107764 and PSDTX1340 to increase the NO_x hourly MAER for the Auxiliary Boiler, EPN B-14001, in accordance with 30 TEX. ADMIN. CODE § 116.111, to the address in Ordering Provision No. 3.b.i.;
- viii. Implement measures and/or procedures designed to comply with the NO_x, SO₂, and/or CO annual MAERs for the MeOH Flare MSS, EPN S-10001 MSS, and/or submit an administratively complete permit amendment application for NSR Permit Nos. 107764 and PSDTX1340 to increase the NO_x, SO₂, and/or CO annual MAERs for the MeOH Flare MSS, EPN S-10001 MSS, in accordance with 30 TEX. ADMIN. CODE § 116.111, to the address in Ordering Provision No. 3.b.i.;
- ix. Implement measures and/or procedures designed to comply with the VOC hourly MAER for the MeOH Water Scrubber 1, EPN D-04001, and/or submit an administratively complete permit amendment application for NSR Permit Nos. 107764 and PSDTX1340 to increase the VOC hourly MAER for the MeOH Water Scrubber 1, EPN D-04001, in accordance with 30 TEX. ADMIN. CODE § 116.111, to the address in Ordering Provision No. 3.b.i.; and
- x. Implement measures and/or procedures designed to comply with the annual throughput for the MeOH Slop Tank, EPN TK-03007, and/or

submit an administratively complete permit amendment application for NSR Permit Nos. 107764 and PSDTX1340 to increase the annual throughput for the MeOH Slop Tank, EPN TK-03007, in accordance with 30 TEX. ADMIN. CODE § 116.111, to the address in Ordering Provision No. 3.b.i.

- c. If a permit amendment application has been submitted, respond completely and adequately, as determined by the TCEQ, to all requests for information concerning the permit amendment application for by any deadline specified in writing.
- d. Within 45 days after the effective date of this Order, submit written certification to demonstrate compliance with Ordering Provision Nos. 3.a. and 3.b., as described in Ordering Provision No. 3.i.
- e. Within 60 days after the effective date of this Order, conduct stack sampling for CO₂ for the Steam Methane Reformer and Auxiliary Boiler and conduct stack sampling for the MeOH Water Scrubber 1.
- f. Within 75 days after the effective date of this Order, submit written certification to demonstrate compliance with Ordering Provision No. 3.e., as described in Ordering Provision No. 3.i.
- g. Within 120 days after the effective date of this Order, submit copies of the final sampling reports for the Steam Methane Reformer, Auxiliary Boiler, and MeOH Water Scrubber 1 to the Air Section Manager at the address in Ordering Provision No. 3.i.
- h. Within 135 days after the effective date of this Order, submit written certification to demonstrate compliance with Ordering Provision Nos. 3.g., as described in Ordering Provision No. 3.i.
- i. If a permit amendment application has been submitted, within 180 days after the effective date of this order, submit written certification that either the permit amendment has been obtained or operations have ceased until authorization is obtained. The certifications shall include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance, be signed by the Respondent, and 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:

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. The Executive Director may grant an extension of any deadline in this Order or in any plan, report, or other document submitted pursuant to this Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director. Extension requests shall be sent to the Order Compliance Team at the address listed above.
7. This Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
8. This Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms: electronic transmission, owner, person, writing, and written, shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.

9. The effective date of this Order is the date it is signed by the Commission. A copy of this fully executed Order shall be provided to each of the parties.

Natgasoline LLC
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SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission
Krista Mello-Jurack

For the Executive Director

Date
11/20/2025

Date

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

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

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

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

DocuSigned by:
Larry Richard

Signature

6/25/2024

Date

Larry Richard
Name (Printed or typed)
Authorized Representative of
Natgasoline LLC

Plant Manager
Title

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

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

Attachment A
Docket Number: 2021-0337-AIR-E
SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	Natgasoline LLC
Payable Penalty Amount:	\$802,877
SEP Offset Amount:	\$133,814
Type of SEP:	Contribution to a Third-Party Pre-Approved SEP
Third-Party Administrator:	Houston-Galveston Area Council-AERCO
Project Name:	<i>Clean Vehicles Partnership Project</i>
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	

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 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
Emission Reduction Credit Corporation
Attn: Air Quality Program Manager
3555 Timmons Lane, Suite 120
Houston, Texas 77027

3. **Records and Reporting**

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

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

4. **Failure to Fully Perform**

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

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

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

5. **Publicity**

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

6. **Recognition**

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

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

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

Attachment B
Docket Number: 2021-0337-AIR-E
SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	Natgasoline LLC
Payable Penalty Amount:	\$802,877
SEP Offset Amount:	\$133,812
Type of SEP:	Contribution to a Third-Party Pre-Approved SEP
Third-Party Administrator:	Texas Congress of Parents and Teachers dba Texas PTA
Project Name:	<i>Texas PTA Clean School Bus Replacement Program</i>
Location of SEP:	Texas Air Quality Control Region 106: Southern Louisiana-Southeast Texas - Preference for Jefferson County

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

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 **Texas Congress of Parents and Teachers dba Texas PTA** for the *Texas PTA Clean School Bus Replacement Program*. The contribution will be used in accordance with the SEP between the Third-Party Administrator and the TCEQ (the “Project”). Specifically, the contribution will be used to reduce nitrogen oxides, volatile organic compounds, carbon monoxide, and particulate matter emissions by replacing older diesel buses with newer buses that meet more stringent emission standards. The Third-Party Administrator shall use the SEP Offset Amount for up to 100% of the purchase price of a model year 2010 or newer bus to replace a diesel school bus that is model year 2002 or older. 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 the Project, including but not limited to supplies, materials, and equipment. Any portion of this contribution that is not spent on the specifically identified SEP may, at the discretion of the Executive Director (“ED”), be applied to another pre-approved SEP.

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

b. Environmental Benefit

This SEP will directly benefit air quality by reducing harmful exhaust emissions which contribute to the formation of ozone and may cause or exacerbate many respiratory diseases,

including asthma. In addition, by encouraging less school bus idling, this SEP contributes to public awareness of environmental matters.

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 **Texas Congress of Parents and Teachers SEP** and shall mail the contribution with a copy of the Agreed Order to:

Texas PTA
408 West 11th Street
Austin, Texas 78701

3. Records and Reporting

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

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

4. Failure to Fully Perform

If the Respondent does not perform its obligations under this Attachment B, 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:

Natgasoline LLC
Docket No. 2021-0337-AIR-E
Agreed Order - Attachment B

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

5. Publicity

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

6. Recognition

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

7. Other SEPs by TCEQ or Other Agencies

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

Attachment C
Docket Number: 2021-0337-AIR-E
SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	Natgasoline LLC
Payable Penalty Amount:	\$802,877
SEP Offset Amount:	\$133,812
Type of SEP:	Contribution to a Third-Party Administrator SEP
Third-Party Administrator:	Texas Natural Gas Foundation
Project Name:	<i>High Emission Vehicle Replacement Project</i>
Location of SEP:	TCEQ Air Quality Control Region 106 – Southern Louisiana-Southeast Texas - Preference for Jefferson County

The Texas Commission on Environmental Quality (“TCEQ”) agrees to offset a portion of the administrative penalty amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project (“SEP”). The 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 C.

1. Project Description

a. Project

The Respondent shall contribute the SEP Offset Amount to the Third-Party Administrator named above, **Texas Natural Gas Foundation**, for the *High Emission Vehicle Replacement Project* (the “Project”). The contribution will be used in accordance with the Supplemental Environmental Project between the Third-Party Administrator and the TCEQ, which details the terms and conditions of the Project.

Specifically, the SEP Offset Amount will be used to reimburse an eligible public entity for the total purchase price or five-year lease price of a standard base model alternative-fueled vehicle that will replace an eligible older, diesel-fueled vehicle that the public entity has decommissioned and removed from its fleet. Public entities eligible to receive assistance include state agencies, counties, municipalities, school districts, or other political subdivisions created under the constitution or any statute of this state.

Old, diesel-fueled vehicles emit large amounts of nitrogen oxides (“NOx”) and particulate matter (“PM”), as well as other harmful pollutants such as volatile organic compounds (“VOCs”) and carbon monoxide (“CO”). These pollutants contribute to serious public health problems. This Project shall reduce NOx, PM, VOCs, and CO emissions by replacing high-emission, diesel-fueled vehicles with low-emission, alternative-fueled vehicles. The SEP will be done in accordance with all federal, state, and local environmental laws and regulations.

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

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

b. Environmental Benefit

This Project will directly benefit air quality by reducing harmful exhaust emissions that contribute to the formation of ozone and may cause or exacerbate a number of respiratory diseases, including asthma. For example, replacing a model year 2002 heavy-duty diesel dump truck with a model year 2010 or newer dump truck powered by natural gas or propane may reduce passengers' exposure to NOx by 95% and PM by 99.9%. Moreover, replacing a model year 1989 diesel school bus with a model year 2010 or newer school bus powered by natural gas or propane may reduce passengers' exposure to NOx by 98%, VOCs by 83%; and PM by 99%.

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 **Texas Natural Gas Foundation SEP** and shall mail the contribution with a copy of the Agreed Order to:

Texas Natural Gas Foundation
Attention: Heather Ball, Executive Director
2315 Newfield Lane
Austin, Texas 78703

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 C, 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

Natgasoline LLC
Docket No. 2021-0337-AIR-E
Agreed Order - Attachment C

Agreed Order and a note that the enclosed payment is for the reimbursement of a SEP, shall make the check payable to "Texas Commission on Environmental Quality," and shall mail it to:

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

5. Publicity

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

6. Recognition

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

7. Other SEPs by TCEQ or Other Agencies

The SEP Offset Amount identified in this Attachment C 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.