

**Executive Summary – Enforcement Matter – Case No. 60461**

**Oxy Vinyls, LP**

**RN100706803**

**Docket No. 2021-0353-AIR-E**

**Order Type:**

1660 Agreed Order

**Findings Order Justification:**

N/A

**Media:**

AIR

**Small Business:**

No

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

Deer Park VCM Plant, 5900 Highway 225, Deer Park, Harris County

**Type of Operation:**

Chemical manufacturing plant

**Other Significant Matters:**

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

**Texas Register Publication Date:** March 22, 2024

**Comments Received:** No

***Penalty Information***

**Total Penalty Assessed:** \$69,863

**Amount Deferred for Expedited Settlement:** \$13,972

**Total Paid to General Revenue:** \$27,946

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

Payment Plan: N/A

**Supplemental Environmental Project (“SEP”) Conditional Offset:** \$27,945

Name of SEP: Houston Regional Monitoring Corporation (Third-Party Pre-Approved)

**Compliance History Classifications:**

Person/CN - Satisfactory

Site/RN - Satisfactory

**Major Source:** Yes

**Statutory Limit Adjustment:** N/A

**Applicable Penalty Policy:** April 2014 and January 28, 2021

***Investigation Information***

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

**Complaint Information:** N/A

**Date(s) of Investigation:** November 17, 2020 through February 4, 2021, on March 1, 2021, April 22, 2021 through April 29, 2021, April 30, 2021 through May 7, 2021, June 15, 2021, and July 7, 2021

**Date(s) of NOE(s):** February 10, 2021, April 30, 2021, May 28, 2021, June 21, 2021, July 9, 2021, and July 30, 2021

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***Violation Information***

1. Failed to comply with the maximum allowable emissions rate ("MAER") and concentration limit. Specifically, during a stack test conducted on June 29, 2017, the Respondent exceeded the chlorine/hydrogen chloride ("Cl<sub>2</sub>/HCl") MAER of 5.44 pounds per hour ("lbs/hr") by 37.85 lbs/hr and the Cl<sub>2</sub>/HCl concentration limit of 150 parts per million by volume dry ("ppmvd") corrected to seven percent oxygen ("7% O<sub>2</sub>") by 203 ppmvd at 7% O<sub>2</sub> for the A1770 Incinerator, Emissions Point Number ("EPN") DPV-016, resulting in approximately 5.11 pounds ("lbs") of unauthorized Cl<sub>2</sub>/HCl emissions [30 TEX. ADMIN. CODE §§ 101.20(2), 116.115(b)(2)(F) and (c), and 122.143(4), 40 CODE OF FEDERAL REGULATIONS ("CFR") § 63.1218(a)(6)(i), NSR Permit No. 4943B, Special Conditions ("SC") Nos. 1 and 8, Federal Operating Permit ("FOP") No. O1369, General Terms and Conditions ("GTC") and Special Terms and Conditions ("STC") No. 27, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

2. Failed to postmark a Notification of Compliance within 90 days of completion of a Comprehensive Performance Test. Specifically, the Respondent completed a Comprehensive Performance Test of the Hydrochloric Acid Production Furnaces HCIN-2 and HCIN-3 on August 16, 2017 and the Notification of Compliance was due by November 14, 2017, but was not submitted until November 21, 2017 [30 TEX. ADMIN. CODE §§ 101.20(2), 116.115(c), and 122.143(4), 40 CFR § 63.1207(j)(1)(i), New Source Review ("NSR") Permit No. 4943B, SC No. 18.G, FOP No. O1369, GTC and STC No. 27, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

3. Failed to prevent unauthorized emissions. Specifically, the Respondent released 3,214.00 lbs of ethylene as fugitive emissions, during an emissions event (Incident No. 307804) that occurred on May 4, 2019 and lasted 21 minutes. The emissions event occurred when the nitrogen used on the Level Transmitters LT-0354 and LT-0355 on the purge gas Knock Out Pot V-6164 and the Differential Pressure Transmitter located on the Oxyhydrochlorination Vent Condenser E-6161 caused the pressure to increase, resulting in the rupture of the dual rupture disc assembly and in the release to the atmosphere. Since the emissions event was not caused by a sudden unavoidable breakdown of equipment or process beyond the control of the owner or operator and could have been avoided by better design and/or better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), NSR Permit No. 4943B, SC No. 1, FOP No. O1369, GTC and STC No. 27, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

4. Failed to prevent unauthorized emissions. Specifically, the Respondent released 287.67 lbs of vinyl chloride as fugitive emissions, during an emissions event (Incident No. 286315) that began on June 13, 2018 and lasted five hours and 34 minutes. The emissions event occurred when an incorrect pressure vacuum valve was installed to replace the vacuum breaker relief valve, resulting in a leak and in the release to the atmosphere. Since the emissions event was not caused by a sudden unavoidable breakdown of equipment or process beyond the control of the owner or operator and

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could have been avoided by better design and/or better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), NSR Permit No. 4943B, SC No. 1, FOP No. O1369, GTC and STC No. 27, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

5. Failed to prevent unauthorized emissions. Specifically, the Respondent released 11.71 lbs of volatile organic compounds ("VOC") as fugitive emissions, during an emissions event (Incident No. 287880) that occurred on July 8, 2018 and lasted four hours and 22 minutes. The emissions event occurred when poor sealing of the Teflon surfaces in the 10-inch HCIN-2 Vent System Automatic Isolation Valves HIC-700B and UV-700 and the operating procedure for the shutdown of HCIN-2 and HCIN-3 did not address the steps to verify that the vent valves are holding before the thermal oxidizer temperature drops below 1,400 degrees Fahrenheit, resulting in the leak and in the release to atmosphere. Since the emissions event was not caused by a sudden unavoidable breakdown of equipment or process beyond the control of the owner or operator and could have been avoided by better design and/or better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), NSR Permit No. 4943B, SC No. 1, FOP No. O1369, GTC and STC No. 27, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

6. Failed to prevent unauthorized emissions. Specifically, the Respondent released 590.58 lbs of VOC, 2.09 lbs of HCl, and 0.22 lb of carbon monoxide from the emergency Vent Scrubber, EPN DPV-012, during an emissions event (Incident No. 325079) that occurred on November 18, 2019 and lasted 37 minutes. The emissions event occurred when the correct sequence of steps for electrical switching was not followed that caused a total electrical power outage, resulting in a release to the atmosphere. Since the emissions event was not caused by a sudden unavoidable breakdown of equipment or process beyond the control of the owner or operator and could have been avoided by better design and/or better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), NSR Permit No. 4943B, SC No. 1, FOP No. O1369, GTC and STC No. 27, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

7. Failed to prevent unauthorized emissions. Specifically, the Respondent released 2,917.00 lbs of ethylene as fugitive emissions, during an emissions event (Incident No. 336158) that occurred on May 26, 2020 and lasted 27 minutes. The emissions event occurred when the dual rupture disc assembly was damaged during a prior maintenance activity, resulting in a leak and in the release to the atmosphere. Since the emissions event was not caused by a sudden unavoidable breakdown of equipment or process beyond the control of the owner or operator and could have been avoided by better design and/or better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), NSR Permit No. 4943B, SC

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No. 1, FOP No. 01369, GTC and STC No. 27, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

***Corrective Actions/Technical Requirements***

**Corrective Action(s) Completed:**

The Respondent implemented the following corrective measures:

- a. On August 16, 2017, conducted a Comprehensive Performance Test demonstrating compliance with the Cl<sub>2</sub>/HCl concentration limit for the A1770 Incinerator, EPN DPV-016;
- b. On November 17, 2017, submitted the Notification of Compliance for the Comprehensive Performance Test that was completed on August 16, 2017 for the Hydrochloric Acid Production Furnaces HCIN-2 and HCIN-3;
- c. By February 15, 2019, installed the correct pressure vacuum valve, surveyed the pressure vacuum valves on all storage spheres for accurate pressure ratings, corrected any deficiencies identified during the surveys, and modified the vacuum relief device installation sheets associated with the vinyl chloride monomer storage spheres to include verification that the Maximum Allowable Working Pressure of the pressure vacuum valve is greater than the vessel Maximum Allowable Working Pressure in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 286315;
- d. By February 27, 2019, replaced the automatic vent valves and updated the thermal oxidizer procedures to close the manual chain-operated valve during shutdown in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 287880;
- e. By June 24, 2020, trained the electricians to recognize the current load, understand the loading differences for each system, and recognize a single or double-ended situation; implemented a Plant maintenance procedure for electrical switching; trained the electricians on the new electrical switching procedure; and reviewed and incorporated switching clearance and restoration of electrical power system guidelines in the new procedure for electrical switching in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 325079;
- f. By October 31, 2020, modified the Distribution Control System alarm graphics for the rupture disc pressure monitoring to ensure that the pressure alarm is highlighted in red when in alarm, retrained operators in the process of identifying and responding to emergency priority alarms, performed training to reinforce documentation control requirement procedures, implemented a preventative maintenance plan to inspect and confirm that the nitrogen regulators associated with level transmitters are maintained at the correct pressure, replaced the level transmitters with direct mount capillary

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sensors, and replaced the dual rupture discs in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 307804;

g. By October 31, 2020, conducted an evaluation of the dual rupture discs and upgraded the dual rupture disc to tantalum in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 336158; and

h. On June 13, 2022, obtained an amendment for NSR Permit No. 4943B that increased the Cl<sub>2</sub>/HCl hourly MAER for the A1770 Incinerator, EPN DPV-016.

**Technical Requirements:**

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

***Contact Information***

**TCEQ Attorney:** N/A

**TCEQ Enforcement Coordinator:** Johnnie Wu, Enforcement Division, Enforcement Team 2, MC 219, (512) 239-2524; Michael Parrish, Enforcement Division, MC 219, (512) 239-2548

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

**SEP Third-Party Administrator:** Houston Regional Monitoring Corporation, Amandes Amandes PLLC, 1800 Post Oak Boulevard, Suite 400, Houston, Texas 77056

**Respondent:** Claudia O'Rourke, Plant Manager, Oxy Vinyls, LP, P.O. Box 500, Deer Park, Texas 77536

John Brenon, Senior Vice President of Manufacturing, Oxy Vinyls, LP, P.O. Box 500, Deer Park, Texas 77536

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



# Penalty Calculation Worksheet (PCW)

Policy Revision 4 (April 2014)

PCW Revision March 26, 2014

<b>DATES</b>	<b>Assigned</b>	23-Feb-2021	<b>Screening</b>	4-Mar-2021	<b>EPA Due</b>	
	<b>PCW</b>	19-Jan-2024				

## RESPONDENT/FACILITY INFORMATION

<b>Respondent</b>	Oxy Vinyls, LP				
<b>Reg. Ent. Ref. No.</b>	RN100706803 (PCW No. 1 of 2)				
<b>Facility/Site Region</b>	12-Houston	<b>Major/Minor Source</b>	Major		

## CASE INFORMATION

<b>Enf./Case ID No.</b>	60461	<b>No. of Violations</b>	2	
<b>Docket No.</b>	2021-0353-AIR-E	<b>Order Type</b>	1660	
<b>Media Program(s)</b>	Air	<b>Government/Non-Profit</b>	No	
<b>Multi-Media</b>		<b>Enf. Coordinator</b>	Johnnie Wu	
		<b>EC's Team</b>	Enforcement Team 2	
<b>Admin. Penalty \$ Limit</b>	<b>Minimum</b>	\$0	<b>Maximum</b>	\$25,000

## Penalty Calculation Section

<b>TOTAL BASE PENALTY (Sum of violation base penalties)</b>	<b>Subtotal 1</b>	\$7,500
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## ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

<b>Compliance History</b>	51.0% Adjustment	<b>Subtotals 2, 3, &amp; 7</b>	\$3,825
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<b>Notes</b>	Enhancement for two NOV's with same/similar violation, one NOV with dissimilar violations, and two orders containing a denial of liability. Reduction for one notice of intent to conduct an audit.
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<b>Culpability</b>	No	0.0% Enhancement	<b>Subtotal 4</b>	\$0
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<b>Notes</b>	The Respondent does not meet the culpability criteria.
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<b>Good Faith Effort to Comply Total Adjustments</b>	<b>Subtotal 5</b>	-\$1,312
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<b>Economic Benefit</b>	0.0% Enhancement*	<b>Subtotal 6</b>	\$0
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Total EB Amounts	\$3,894	*Capped at the Total EB \$ Amount
Estimated Cost of Compliance	\$23,740	

<b>SUM OF SUBTOTALS 1-7</b>	<b>Final Subtotal</b>	\$10,013
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<b>OTHER FACTORS AS JUSTICE MAY REQUIRE</b>	0.0%	<b>Adjustment</b>	\$0
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Reduces or enhances the Final Subtotal by the indicated percentage.

<b>Notes</b>	
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<b>Final Penalty Amount</b>	\$10,013
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<b>STATUTORY LIMIT ADJUSTMENT</b>	<b>Final Assessed Penalty</b>	\$10,013
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<b>DEFERRAL</b>	20.0%	Reduction	<b>Adjustment</b>	-\$2,002
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Reduces the Final Assessed Penalty by the indicated percentage.

<b>Notes</b>	Deferral offered for expedited settlement.
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<b>PAYABLE PENALTY</b>	\$8,011
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Screening Date 4-Mar-2021

Docket No. 2021-0353-AIR-E

PCW

Respondent Oxy Vinyls, LP

Policy Revision 4 (April 2014)

Case ID No. 60461

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN100706803 (PCW No. 1 of 2)

Media Air

Enf. Coordinator Johnnie Wu

### Compliance History Worksheet

#### >> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Number	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action ( <i>number of NOVs meeting criteria</i> )	2	10%
	Other written NOVs	1	2%
Orders	Any agreed final enforcement orders containing a denial of liability ( <i>number of orders meeting criteria</i> )	2	40%
	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> )	1	-1%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which violations were disclosed</i> )	0	0%
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 51%

#### >> 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/similar violation, one NOV with dissimilar violations, and two orders containing a denial of liability. Reduction for one notice of intent to conduct an audit.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 51%

#### >> Final Compliance History Adjustment

Final Adjustment Percentage \*capped at 100% 51%

**Screening Date** 4-Mar-2021  
**Respondent** Oxy Vinyls, LP  
**Case ID No.** 60461  
**Reg. Ent. Reference No.** RN100706803 (PCW No. 1 of 2)  
**Media** Air  
**Enf. Coordinator** Johnnie Wu

**Docket No.** 2021-0353-AIR-E

**PCW**

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

**Violation Number** 1

**Rule Cite(s)** 30 Tex. Admin. Code §§ 101.20(2), 116.115(b)(2)(F) and (c), and 122.143(4), 40 Code of Federal Regulations ("CFR") § 63.1218(a)(6)(i), New Source Review ("NSR") Permit No. 4943B, Special Conditions ("SC") Nos. 1 and 8, Federal Operating Permit ("FOP") No. O1369, General Terms and Conditions ("GTC") and Special Terms and Conditions ("STC") No. 27, and Tex. Health & Safety Code § 382.085(b)

**Violation Description** Failed to comply with the maximum allowable emissions rate ("MAER") and concentration limit. Specifically, during a stack test conducted on June 29, 2017, the Respondent exceeded the chlorine/hydrogen chloride ("Cl<sub>2</sub>/HCl") MAER of 5.44 pounds per hour ("lbs/hr") by 37.85 lbs/hr and the Cl<sub>2</sub>/HCl concentration limit of 150 parts per million by volume dry ("ppmvd") corrected to seven percent oxygen ("7% O<sub>2</sub>") by 203 ppmvd at 7% O<sub>2</sub> for the A1770 Incinerator, Emissions Point Number ("EPN") DPV-016, resulting in approximately 5.11 pounds ("lbs") of unauthorized Cl<sub>2</sub>/HCl emissions.

**Base Penalty** \$25,000

**>> Environmental, Property and Human Health Matrix**

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual			X	15.0%
	Potential				

**>> Programmatic Matrix**

Falsification	Major	Moderate	Minor	Percent
				0.0%

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

**Adjustment** \$21,250

\$3,750

**Violation Events**

Number of Violation Events 1 Number of violation days 1

daily	
weekly	
monthly	
quarterly	X
semiannual	
annual	
single event	

**Violation Base Penalty** \$3,750

One quarterly event is recommended for the instance of non-compliance that occurred on June 29, 2017.

**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 June 13, 2022, after the Notice of Enforcement ("NOE") dated February 10, 2021.

**Violation Subtotal** \$3,375

**Economic Benefit (EB) for this violation**

**Statutory Limit Test**

**Estimated EB Amount** \$3,894

**Violation Final Penalty Total** \$5,288

**This violation Final Assessed Penalty (adjusted for limits)** \$5,288



## Economic Benefit Worksheet

**Respondent** Oxy Vinyls, LP  
**Case ID No.** 60461  
**Reg. Ent. Reference No.** RN100706803 (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				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs	\$15,490	29-Jun-2017	13-Jun-2022	4.96	\$3,841	n/a	\$3,841
Other (as needed)	\$8,000	29-Jun-2017	16-Aug-2017	0.13	\$53	n/a	\$53

**Notes for DELAYED costs**

Estimated cost to conduct a Comprehensive Performance Test demonstrating compliance with the Cl<sub>2</sub>/HCl concentration limit and actual cost to obtain an amendment for NSR Permit No. 4943B that increased the Cl<sub>2</sub>/HCl hourly MAER for the A1770 Incinerator, EPN DPV-016. The Dates Required is the initial date of non-compliance and the Final Dates are the date of compliance and the date the permit amendment was obtained.

### 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 \$23,490

**TOTAL** \$3,894

Screening Date 4-Mar-2021

Docket No. 2021-0353-AIR-E

PCW

Respondent Oxy Vinyls, LP

Policy Revision 4 (April 2014)

Case ID No. 60461

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN100706803 (PCW No. 1 of 2)

Media Air

Enf. Coordinator Johnnie Wu

Violation Number 2

Rule Cite(s) 30 Tex. Admin. Code §§ 101.20(2), 116.115(c), and 122.143(4), 40 CFR § 63.1207(j)(1)(i), NSR Permit No. 4943B, SC No. 18.G, FOP No. 01369, GTC and STC No. 27, and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to postmark a Notification of Compliance within 90 days of completion of a Comprehensive Performance Test. Specifically, the Respondent completed a Comprehensive Performance Test of the Hydrochloric Acid Production Furnaces HCIN-2 and HCIN-3 on August 16, 2017 and the Notification of Compliance was due by November 14, 2017, but was not submitted until November 17, 2017.

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 3

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 November 17, 2017, prior to the NOE dated February 10, 2021.

Violation Subtotal \$2,813

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$0

Violation Final Penalty Total \$4,726

This violation Final Assessed Penalty (adjusted for limits) \$4,726

## Economic Benefit Worksheet

**Respondent** Oxy Vinyls, LP  
**Case ID No.** 60461  
**Reg. Ent. Reference No.** RN100706803 (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				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$250	14-Nov-2017	17-Nov-2017	0.01	\$0	n/a	\$0

**Notes for DELAYED costs**

Estimated cost to submit the Notification of Compliance for the Comprehensive Performance Test that was completed on August 16, 2017 for the Hydrochloric Acid Production Furnaces HCIN-2 and HCIN-3. The Date Required is the date the notification was due and the Final Date is the date of compliance.

### Avoided Costs

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

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

**Notes for AVOIDED costs**

Approx. Cost of Compliance

\$250

**TOTAL**

\$0



# Penalty Calculation Worksheet (PCW)

Policy Revision 5 (January 28, 2021)

PCW Revision February 11, 2021

<b>DATES</b>	<b>Assigned</b>	3-May-2021			
	<b>PCW</b>	19-Jan-2024	<b>Screening</b>	4-May-2021	<b>EPA Due</b>

<b>RESPONDENT/FACILITY INFORMATION</b>	
<b>Respondent</b>	Oxy Vinyls, LP
<b>Reg. Ent. Ref. No.</b>	RN100706803 (PCW No. 2 of 2)
<b>Facility/Site Region</b>	12-Houston
<b>Major/Minor Source</b>	Major

<b>CASE INFORMATION</b>			
<b>Enf./Case ID No.</b>	60461	<b>No. of Violations</b>	5
<b>Docket No.</b>	2021-0353-AIR-E	<b>Order Type</b>	1660
<b>Media Program(s)</b>	Air	<b>Government/Non-Profit</b>	No
<b>Multi-Media</b>		<b>Enf. Coordinator</b>	Johnnie Wu
		<b>EC's Team</b>	Enforcement Team 2
<b>Admin. Penalty \$ Limit Minimum</b>	\$0	<b>Maximum</b>	\$25,000

## Penalty Calculation Section

<b>TOTAL BASE PENALTY (Sum of violation base penalties)</b>	<b>Subtotal 1</b>	\$47,500
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### ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

<b>Compliance History</b>	51.0% Adjustment	<b>Subtotals 2, 3, &amp; 7</b>	\$24,225
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Notes: Enhancement for two NOV's with same/similar violation, one NOV with dissimilar violations, and two orders containing a denial of liability. Reduction for one notice of intent to conduct an audit.

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

<b>Good Faith Effort to Comply Total Adjustments</b>	<b>Subtotal 5</b>	-\$11,875
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<b>Economic Benefit</b>	0.0% Enhancement*	<b>Subtotal 6</b>	\$0
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Total EB Amounts: \$9,358  
 Estimated Cost of Compliance: \$186,000  
 \*Capped at the Total EB \$ Amount

<b>SUM OF SUBTOTALS 1-7</b>	<b>Final Subtotal</b>	\$59,850
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<b>OTHER FACTORS AS JUSTICE MAY REQUIRE</b>	0.0%	<b>Adjustment</b>	\$0
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

<b>Final Penalty Amount</b>	\$59,850
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<b>STATUTORY LIMIT ADJUSTMENT</b>	<b>Final Assessed Penalty</b>	\$59,850
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<b>DEFERRAL</b>	20.0%	Reduction	<b>Adjustment</b>	-\$11,970
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Reduces the Final Assessed Penalty by the indicated percentage.

Notes:

Deferral offered for expedited settlement.

<b>PAYABLE PENALTY</b>	\$47,880
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**Screening Date** 4-May-2021

**Docket No.** 2021-0353-AIR-E

**PCW**

**Respondent** Oxy Vinyls, LP

*Policy Revision 5 (January 28, 2021)*

**Case ID No.** 60461

*PCW Revision February 11, 2021*

**Reg. Ent. Reference No.** RN100706803 (PCW No. 2 of 2)

**Media** Air

**Enf. Coordinator** Johnnie Wu

### Compliance History Worksheet

#### >> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Number	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action ( <i>number of NOVs meeting criteria</i> )	2	10%
	Other written NOVs	1	2%
Orders	Any agreed final enforcement orders containing a denial of liability ( <i>number of orders meeting criteria</i> )	2	40%
	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> )	1	-1%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which violations were disclosed</i> )	0	0%
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

**Adjustment Percentage (Subtotal 2)** 51%

#### >> 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/similar violation, one NOV with dissimilar violations, and two orders containing a denial of liability. Reduction for one notice of intent to conduct an audit.

**Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7)** 51%

#### >> Final Compliance History Adjustment

**Final Adjustment Percentage \*capped at 100%** 51%

Screening Date 4-May-2021

Docket No. 2021-0353-AIR-E

PCW

Respondent Oxy Vinyls, LP

Policy Revision 5 (January 28, 2021)

Case ID No. 60461

PCW Revision February 11, 2021

Reg. Ent. Reference No. RN100706803 (PCW No. 2 of 2)

Media Air

Enf. Coordinator Johnnie Wu

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code §§ 116.115(c) and 122.143(4), New Source Review ("NSR") Permit No. 4943B, Special Conditions ("SC") No. 1, Federal Operating Permit ("FOP") No. O1369, GTC and STC No. 27, and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to prevent unauthorized emissions. Specifically, the Respondent released 3,214.00 pounds of ethylene as fugitive emissions, during an emissions event (Incident No. 307804) that occurred on May 4, 2019 and lasted 21 minutes. The emissions event occurred when the nitrogen used on the Level Transmitters LT-0354 and LT-0355 on the purge gas Knock Out Pot V-6164 and the Differential Pressure Transmitter located on the Oxyhydrochlorination Vent Condenser E-6161 caused the pressure to increase, resulting in the rupture of the dual rupture disc assembly and in the release to the atmosphere. Since the emissions event was not caused by a sudden unavoidable breakdown of equipment or process beyond the control of the owner or operator and could have been avoided by better design and/or better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 Tex. Admin. Code § 101.222.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR	Harm			Percent	50.0%	
	Release	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 which 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 1 Number of violation days 1

daily	
weekly	x
monthly	
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty \$12,500

One weekly event is recommended.

Good Faith Efforts to Comply

25.0%

Reduction \$3,125

	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 Notice of Enforcement ("NOE") dated April 30, 2021.

Violation Subtotal \$9,375

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$6,139

Violation Final Penalty Total \$15,750

This violation Final Assessed Penalty (adjusted for limits) \$15,750

# Economic Benefit Worksheet

**Respondent** Oxy Vinyls, LP  
**Case ID No.** 60461  
**Reg. Ent. Reference No.** RN100706803 (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	\$5,000	4-May-2019	31-Oct-2020	1.50	\$25	\$499	\$524
Buildings				0.00	\$0	\$0	\$5
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)	\$75,000	4-May-2019	31-Oct-2020	1.50	\$5,610	n/a	\$5,610

**Notes for DELAYED costs**

Estimated costs to modify the Distribution Control System alarm graphics for the rupture disc pressure monitoring to ensure that the pressure alarm is highlighted in red when in alarm, retrain operators in the process of identifying and responding to emergency priority alarms, perform training to reinforce documentation control requirement procedures, implement a preventative maintenance plan to inspect and confirm that the nitrogen regulators associated with level transmitters are maintained at the correct pressure, replace the level transmitters with direct mount capillary sensors, and replace the dual rupture discs in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 307804. The Date Required is the date the emissions 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
<b>ONE-TIME avoided costs</b>				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

**Notes for AVOIDED costs**

**Approx. Cost of Compliance** \$80,000

**TOTAL** \$6,139

**Screening Date** 4-May-2021  
**Respondent** Oxy Vinyls, LP  
**Case ID No.** 60461  
**Reg. Ent. Reference No.** RN100706803 (PCW No. 2 of 2)  
**Media** Air  
**Enf. Coordinator** Johnnie Wu

**Docket No.** 2021-0353-AIR-E

**PCW**

*Policy Revision 5 (January 28, 2021)*  
*PCW Revision February 11, 2021*

**Violation Number**

**Rule Cite(s)** 30 Tex. Admin. Code §§ 116.115(c) and 122.143(4), NSR Permit No. 4943B, SC No. 1, FOP No. O1369, GTC and STC No. 27, and Tex. Health & Safety Code § 382.085(b)

**Violation Description** Failed to prevent unauthorized emissions. Specifically, the Respondent released 287.67 lbs of vinyl chloride as fugitive emissions, during an emissions event (Incident No. 286315) that began on June 13, 2018 and lasted five hours and 34 minutes. The emissions event occurred when an incorrect pressure vacuum valve was installed to replace the vacuum breaker relief valve, resulting in a leak and in the release to the atmosphere. Since the emissions event was not caused by a sudden unavoidable breakdown of equipment or process beyond the control of the owner or operator and could have been avoided by better design and/or better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 Tex. Admin. Code § 101.222.

**Base Penalty**

**>> Environmental, Property and Human Health Matrix**

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual	<input type="text"/>	<input type="text"/>	<input checked="" type="checkbox"/>	<input type="text" value="30.0%"/>
	Potential	<input type="text"/>	<input type="text"/>	<input type="text"/>	

**>> Programmatic Matrix**

Matrix Notes	Falsification	Harm			Percent
		Major	Moderate	Minor	
	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="0.0%"/>

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

**Adjustment**

**Violation Events**

Number of Violation Events  Number of violation days

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

**Violation Base Penalty**

One monthly 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 checked="" type="checkbox"/>	<input type="text"/>
N/A	<input type="text"/>	<input type="text"/>

Notes: The Respondent completed the corrective measures by February 15, 2019, prior to the NOE dated May 28, 2021.

**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** Oxy Vinyls, LP  
**Case ID No.** 60461  
**Reg. Ent. Reference No.** RN100706803 (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	\$5
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)	\$50,000	13-Jun-2018	15-Feb-2019	0.68	\$1,692	n/a	\$1,692

**Notes for DELAYED costs**

Estimated cost to install the correct pressure vacuum valve, survey the pressure vacuum valves on all storage spheres for accurate pressure ratings, correct any deficiencies identified during the surveys, and modify the vacuum relief device installation sheets associated with the vinyl chloride monomer storage spheres to include verification that the Maximum Allowable Working Pressure of the pressure vacuum valve is greater than the vessel Maximum Allowable Working Pressure in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 286315. The Date Required is the date the emissions event began 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

\$50,000

**TOTAL**

\$1,697

**Screening Date** 4-May-2021  
**Respondent** Oxy Vinyls, LP  
**Case ID No.** 60461  
**Reg. Ent. Reference No.** RN100706803 (PCW No. 2 of 2)  
**Media** Air  
**Enf. Coordinator** Johnnie Wu

**Docket No.** 2021-0353-AIR-E

**PCW**

*Policy Revision 5 (January 28, 2021)*  
*PCW Revision February 11, 2021*

**Violation Number** 3

**Rule Cite(s)** 30 Tex. Admin. Code §§ 116.115(c) and 122.143(4), NSR Permit No. 4943B, SC No. 1, FOP No. 01369, GTC and STC No. 27, and Tex. Health & Safety Code § 382.085(b)

**Violation Description**

Failed to prevent unauthorized emissions. Specifically, the Respondent released 11.71 lbs of volatile organic compounds ("VOC") as fugitive emissions, during an emissions event (Incident No. 287880) that occurred on July 8, 2018 and lasted four hours and 22 minutes. The emissions event occurred when poor sealing of the Teflon surfaces in the 10-inch HCIN-2 Vent System Automatic Isolation Valves HIC-700B and UV-700 and the operating procedure for the shutdown of HCIN-2 and HCIN-3 did not address the steps to verify that the vent valves are holding before the thermal oxidizer temperature drops below 1,400 degrees Fahrenheit, resulting in the leak and in the release to atmosphere. Since the emissions event was not caused by a sudden unavoidable breakdown of equipment or process beyond the control of the owner or operator and could have been avoided by better design and/or better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 Tex. Admin. Code § 101.222.

**Base Penalty** \$25,000

**>> Environmental, Property and Human Health Matrix**

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 1 1 Number of violation days

daily	
weekly	
monthly	X
quarterly	
semiannual	
annual	
single event	

**Violation Base Penalty** \$7,500

One monthly event is recommended.

**Good Faith Efforts to Comply**

25.0%

Reduction \$1,875

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

Notes: The Respondent completed the corrective measures by February 27, 2019, prior to the NOE dated June 21, 2021.

**Violation Subtotal** \$5,625

**Economic Benefit (EB) for this violation**

**Statutory Limit Test**

**Estimated EB Amount** \$801

**Violation Final Penalty Total** \$9,450

**This violation Final Assessed Penalty (adjusted for limits)** \$9,450

## Economic Benefit Worksheet

**Respondent** Oxy Vinyls, LP  
**Case ID No.** 60461  
**Reg. Ent. Reference No.** RN100706803 (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
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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)	\$25,000	8-Jul-2018	27-Feb-2019	0.64	\$801	n/a	\$801

**Notes for DELAYED costs**

Estimated cost to replace the automatic vent valves and update the thermal oxidizer procedures to close the manual chain-operated valve during shutdown in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 287880. 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 \$25,000

**TOTAL** \$801

**Screening Date** 4-May-2021 **Docket No.** 2021-0353-AIR-E **PCW**  
**Respondent** Oxy Vinyls, LP *Policy Revision 5 (January 28, 2021)*  
**Case ID No.** 60461 *PCW Revision February 11, 2021*  
**Reg. Ent. Reference No.** RN100706803 (PCW No. 2 of 2)  
**Media** Air  
**Enf. Coordinator** Johnnie Wu

**Violation Number** 4

**Rule Cite(s)** 30 Tex. Admin. Code §§ 116.115(c) and 122.143(4), NSR Permit No. 4943B, SC No. 1, FOP No. O1369, GTC and STC No. 27, and Tex. Health & Safety Code § 382.085(b)

**Violation Description**

Failed to prevent unauthorized emissions. Specifically, the Respondent released 590.58 lbs of VOC, 2.09 lbs of HCl, and 0.22 lb of carbon monoxide from the emergency Vent Scrubber, EPN DPV-012, during an emissions event (Incident No. 325079) that occurred on November 18, 2019 and lasted 37 minutes. The emissions event occurred when the correct sequence of steps for electrical switching was not followed that caused a total electrical power outage, resulting in a release to the atmosphere. Since the emissions event was not caused by a sudden unavoidable breakdown of equipment or process beyond the control of the owner or operator and could have been avoided by better design and/or better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 Tex. Admin. Code § 101.222.

**Base Penalty** \$25,000

**>> Environmental, Property and Human Health Matrix**

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 1 1 Number of violation days

daily	
weekly	
monthly	x
quarterly	
semiannual	
annual	
single event	

**Violation Base Penalty** \$7,500

One monthly event is recommended.

**Good Faith Efforts to Comply**

25.0%

Reduction \$1,875

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

Notes

The Respondent completed the corrective measures by June 24, 2020, prior to the NOE dated July 9, 2021.

**Violation Subtotal** \$5,625

**Economic Benefit (EB) for this violation**

**Statutory Limit Test**

**Estimated EB Amount** \$180

**Violation Final Penalty Total** \$9,450

**This violation Final Assessed Penalty (adjusted for limits)** \$9,450

# Economic Benefit Worksheet

**Respondent** Oxy Vinyls, LP  
**Case ID No.** 60461  
**Reg. Ent. Reference No.** RN100706803 (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)	\$6,000	18-Nov-2019	24-Jun-2020	0.60	\$180	n/a	\$180

**Notes for DELAYED costs**

Estimated cost to train the electricians to recognize the current load, understand the loading differences for each system, and recognize a single or double-ended situation; implement a Plant maintenance procedure for electrical switching; train the electricians on the new electrical switching procedure; and review and incorporate switching clearance and restoration of electrical power system guidelines in the new procedure for electrical switching in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 325079. 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** \$6,000

**TOTAL** \$180

**Screening Date** 4-May-2021 **Docket No.** 2021-0353-AIR-E **PCW**  
**Respondent** Oxy Vinyls, LP *Policy Revision 5 (January 28, 2021)*  
**Case ID No.** 60461 *PCW Revision February 11, 2021*  
**Reg. Ent. Reference No.** RN100706803 (PCW No. 2 of 2)  
**Media** Air  
**Enf. Coordinator** Johnnie Wu

**Violation Number** 5

**Rule Cite(s)** 30 Tex. Admin. Code §§ 116.115(c) and 122.143(4), NSR Permit No. 4943B, SC No. 1, FOP No. O1369, GTC and STC No. 27, and Tex. Health & Safety Code § 382.085(b)

**Violation Description** Failed to prevent unauthorized emissions. Specifically, the Respondent released 2,917.00 lbs of ethylene as fugitive emissions, during an emissions event (Incident No. 336158) that occurred on May 26, 2020 and lasted 27 minutes. The emissions event occurred when the dual rupture disc assembly was damaged during a prior maintenance activity, resulting in a leak and in the release to the atmosphere. Since the emissions event was not caused by a sudden unavoidable breakdown of equipment or process beyond the control of the owner or operator and could have been avoided by better design and/or better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 Tex. Admin. Code § 101.222.

**Base Penalty** \$25,000

**>> Environmental, Property and Human Health Matrix**

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual		x		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 which 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 1 1 Number of violation days

daily	
weekly	x
monthly	
quarterly	
semiannual	
annual	
single event	

**Violation Base Penalty** \$12,500

One weekly event is recommended.

**Good Faith Efforts to Comply**

25.0%

Reduction \$3,125

	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 July 30, 2021.

**Violation Subtotal** \$9,375

**Economic Benefit (EB) for this violation**

**Statutory Limit Test**

**Estimated EB Amount** \$541

**Violation Final Penalty Total** \$15,750

**This violation Final Assessed Penalty (adjusted for limits)** \$15,750

## Economic Benefit Worksheet

**Respondent** Oxy Vinyls, LP  
**Case ID No.** 60461  
**Reg. Ent. Reference No.** RN100706803 (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)	\$25,000	26-May-2020	31-Oct-2020	0.43	\$541	n/a	\$541

**Notes for DELAYED costs**

Estimated cost to conduct an evaluation of the dual rupture discs and upgrade the dual rupture disc to tantalum in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 336158. 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** \$25,000

**TOTAL** \$541



# Compliance History Report

Compliance History Report for CN600129126, RN100706803, Rating Year 2022 which includes Compliance History (CH) components from September 1, 2017, through August 31, 2022.

**Customer, Respondent, or Owner/Operator:** CN600129126, Oxy Vinyls, LP      **Classification:** SATISFACTORY      **Rating:** 3.26  
**Regulated Entity:** RN100706803, DEER PARK VCM PLANT      **Classification:** SATISFACTORY      **Rating:** 8.75  
**Complexity Points:** 15      **Repeat Violator:** NO  
**CH Group:** 05 - Chemical Manufacturing  
**Location:** 5900 HIGHWAY 225, DEER PARK, HARRIS COUNTY, TEXAS  
**TCEQ Region:** REGION 12 - HOUSTON

**ID Number(s):**

<b>AIR OPERATING PERMITS</b> ACCOUNT NUMBER HG1939G	<b>AIR OPERATING PERMITS</b> PERMIT 1369
<b>AIR NEW SOURCE PERMITS</b> PERMIT 4943B	<b>AIR NEW SOURCE PERMITS</b> REGISTRATION 32221
<b>AIR NEW SOURCE PERMITS</b> REGISTRATION 37379	<b>AIR NEW SOURCE PERMITS</b> ACCOUNT NUMBER HG1939G
<b>AIR NEW SOURCE PERMITS</b> AFS NUM 4820100653	<b>AIR NEW SOURCE PERMITS</b> REGISTRATION 169144
<b>AIR EMISSIONS INVENTORY</b> ACCOUNT NUMBER HG1939G	<b>POLLUTION PREVENTION PLANNING</b> ID NUMBER P00488
<b>INDUSTRIAL AND HAZARDOUS WASTE</b> EPA ID TXD981911209	<b>INDUSTRIAL AND HAZARDOUS WASTE</b> SOLID WASTE REGISTRATION # (SWR) 38000
<b>INDUSTRIAL AND HAZARDOUS WASTE</b> PERMIT 50248	<b>TAX RELIEF</b> ID NUMBER 20807
<b>TAX RELIEF</b> ID NUMBER 20775	<b>TAX RELIEF</b> ID NUMBER 20781
<b>TAX RELIEF</b> ID NUMBER 20794	<b>TAX RELIEF</b> ID NUMBER 20801

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

**Date Compliance History Report Prepared:** August 22, 2023

**Agency Decision Requiring Compliance History:** Enforcement

**Component Period Selected:** August 22, 2018 to August 22, 2023

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

**Name:** Johnnie Wu

**Phone:** (512) 239-2524

**Site and Owner/Operator History:**

- 1) Has the site been in existence and/or operation for the full five year compliance period? YES
- 2) Has there been a (known) change in ownership/operator of the site during the compliance period? NO

**Components (Multimedia) for the Site Are Listed in Sections A - J**

**A. Final Orders, court judgments, and consent decrees:**

- 1      Effective Date: 08/28/2018      ADMINORDER 2017-1049-AIR-E (1660 Order-Agreed Order With Denial)  
Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)  
Rqmt Prov: Special Condition 1 PERMIT  
Special Terms and Conditions No. 24 PERMIT

Description: Failed to prevent unauthorized emissions. Specifically, Respondent released 485.4 pounds of vinyl chloride during an Incident No. 249905 on January 5, 2017 for 14 minutes. The emissions event occurred when an operator improperly removed an isolation valve on a pressure switch causing a release from the Vinyl Chloride Monomer Unit. Since this emissions event could have been avoided by better operational practices, the Respondent is precluded from asserting an affirmative defense.



Classification: Moderate

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

Rqmt Prov: Special Condition 1 PERMIT

Description: Failure to meet the demonstration criteria for an affirmative defense for unauthorized emissions during an emissions event. (Category A12.i(1))

Classification: Moderate

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

Rqmt Prov: NSR Special Condition 1 PERMIT

Description: Failure to meet the demonstration criteria for an affirmative defense for unauthorized emissions during an emissions event (Category A12.i.(1)).

Classification: Major

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

Rqmt Prov: Special Condition No. 1 PERMIT

Special Condition No. 2 PERMIT

Description: Failure to meet the demonstration criteria for an affirmative defense for unauthorized emissions during an emissions event. (Category A12(i)(6))

**B. Criminal convictions:**

N/A

**C. Chronic excessive emissions events:**

N/A

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

Item 1	October 12, 2018	(1523446)
Item 2	April 07, 2020	(1643804)
Item 3	March 26, 2021	(1702255)
Item 4	April 13, 2021	(1686504)
Item 5	May 20, 2021	(1722761)
Item 6	May 15, 2023	(1847046)
Item 7	May 17, 2023	(1886547)
Item 8	June 23, 2023	(1903675)

**E. Written notices of violations (NOV) (CCEDS Inv. Track. No.):**

A notice of violation represents a written allegation of a violation of a specific regulatory requirement from the commission to a regulated entity. A notice of violation is not a final enforcement action, nor proof that a violation has actually occurred.

- 1 Date: 11/28/2022 (1848314)  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 305, SubChapter F 305.125  
IV.B.1. PERMIT  
Description: The facility managed unauthorized waste in its permitted units.  
Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 335, SubChapter H 335.221(a)(14)  
30 TAC Chapter 335, SubChapter H 335.221(a)(6)  
40 CFR Chapter 266, SubChapter I, PT 266, SubPT H 266.102(e)(8)  
40 CFR Chapter 266, SubChapter I, PT 266, SubPT H 266.103(j)  
III.D PERMIT  
Description: The facility failed to inspect the boiler/industrial furnace and associated equipment at least daily for leaks, spills, fugitive emissions, and tampering and at least weekly for automatic waste feed cut-off system operability.  
Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 305, SubChapter F 305.125  
III.D PERMIT  
Description: The facility failed to inspect the boiler/industrial furnace operating system alarms daily, in accordance with Table III.D. of the facility's permit.

- 2 Date: 01/11/2023 (1811919)  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
5C THSC Chapter 382 382.085(b)  
Special Condition 1 PERMIT  
Description: Failure to prevent unauthorized emissions to the atmosphere during an emissions

3	Date: 01/12/2023 (1842114)	
	Self Report? NO	Classification: Minor
	Citation: 30 TAC Chapter 116, SubChapter B 116.115(c) 30 TAC Chapter 122, SubChapter B 122.143(4) 40 CFR Chapter 61, SubChapter C, PT 61, SubPT F 61.68(c) 5C THSC Chapter 382 382.085(b) Special Condition 15B PERMIT Special Term and Condition 1A OP Special Term and Condition 27 OP	
	Description: Failure to conduct daily Continuous Emissions Monitoring System (CEMS) zeroing and/or span checks for HCIN2 and HCIN3 Incinerators (EPNs: DPV-015 and DPV-016).	
	Self Report? NO	Classification: Moderate
	Citation: 30 TAC Chapter 116, SubChapter B 116.115(c) 30 TAC Chapter 122, SubChapter B 122.143(4) 5C THSC Chapter 382 382.085(b) Special Condition 13 PERMIT Special Term and Condition 27 OP	
	Description: Failure to prevent an exceedance of carbon monoxide (CO) and/or chlorine (CL2) concentration limit for the HCIN2 Incinerator (EPN: DPV-015).	
	Self Report? NO	Classification: Moderate
	Citation: 30 TAC Chapter 116, SubChapter B 116.115(c) 30 TAC Chapter 122, SubChapter B 122.143(4) 5C THSC Chapter 382 382.085(b) Special Condition 3E PERMIT Special Term and Condition 27 OP	
	Description: Failure to prevent an exceedance of carbon monoxide (CO) concentration limit during a Maximum Achievable Control Technology (MACT) Heater tune-up for the F6201 Furnace (EPN: DPV-003).	
	Self Report? NO	Classification: Moderate
	Citation: 30 TAC Chapter 116, SubChapter B 116.115(c) 30 TAC Chapter 117, SubChapter B 117.310(c)(1)(B) 30 TAC Chapter 122, SubChapter B 122.143(4) 5C THSC Chapter 382 382.085(b) Special Condition 3E PERMIT Special Term and Condition 1A OP Special Term and Condition 27 OP	
	Description: Failure to prevent an exceedance of carbon monoxide (CO) concentration limit during a Maximum Achievable Control Technology (MACT) heater tune-up for the F6202 Furnace (EPN: DPV-004).	
	Self Report? NO	Classification: Moderate
	Citation: 30 TAC Chapter 116, SubChapter B 116.115(c) 30 TAC Chapter 122, SubChapter B 122.143(4) 5C THSC Chapter 382 382.085(b) Special Condition 2 PERMIT Special Condition 5F PERMIT Special Term and Condition 27 OP	
	Description: Failure to install a pressure-sensing device between a relief valve and a rupture disk for relief valve V-6155.	

**F. Environmental audits:**

Notice of Intent Date: 07/13/2022 (1840934)

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  
OXY VINYLs, LP  
RN100706803

§  
§  
§  
§  
§

BEFORE THE  
TEXAS COMMISSION ON  
ENVIRONMENTAL QUALITY

## AGREED ORDER DOCKET NO. 2021-0353-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 Oxy Vinyls, LP (the "Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent together stipulate that:

1. The Respondent owns and operates a chemical manufacturing plant located at 5900 Highway 225 in Deer Park, Harris County, Texas (the "Plant"). The Plant consists or consisted of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
2. The Executive Director and the Respondent agree that the TCEQ has jurisdiction to enter this Order pursuant to TEX. WATER CODE §§ 7.002, 7.051, and 7.073, and that the Respondent is subject to TCEQ's jurisdiction. The TCEQ has jurisdiction in this matter pursuant to TEX. WATER CODE § 5.013 because it alleges violations of TEX. HEALTH & SAFETY CODE ch. 382 and the rules of the TCEQ.
3. The occurrence of any violation is in dispute and the entry of this Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
4. An administrative penalty in the amount of \$69,863 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent paid \$27,946 of the penalty and \$13,972 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, \$27,945 of the penalty shall be conditionally offset by the Respondent's timely and satisfactory completion of a Supplemental Environmental Project ("SEP") as defined in the attached SEP Agreement ("Attachment A", incorporated herein by reference). The Respondent's obligation to pay the conditionally offset portion of the penalty shall be discharged upon full compliance with all the terms and conditions of this Order, which includes the timely and satisfactory completion of all provisions of the SEP Agreement, as determined by the Executive Director.

5. The Executive Director and the Respondent agree on a settlement of the matters alleged in this enforcement action, subject to final approval in accordance with 30 TEX. ADMIN. CODE § 70.10(a). Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
6. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Order.
7. This Order represents the complete and fully integrated agreement of the parties. The provisions of this Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Order unenforceable, the remaining provisions shall be valid and enforceable.
8. This Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Order, whichever is later.
9. The Executive Director recognizes that the Respondent implemented the following corrective measures at the Plant:
  - a. On August 16, 2017, conducted a Comprehensive Performance Test demonstrating compliance with the chlorine/hydrogen chloride ("Cl<sub>2</sub>/HCl") concentration limit for the A1770 Incinerator, Emissions Point Number ("EPN") DPV-016;
  - b. On November 17, 2017, submitted the Notification of Compliance for the Comprehensive Performance Test that was completed on August 16, 2017 for the Hydrochloric Acid Production Furnaces HCIN-2 and HCIN-3;
  - c. By February 15, 2019, installed the correct pressure vacuum valve, surveyed the pressure vacuum valves on all storage spheres for accurate pressure ratings, corrected any deficiencies identified during the surveys, and modified the vacuum relief device installation sheets associated with the vinyl chloride monomer storage spheres to include verification that the Maximum Allowable Working Pressure of the pressure vacuum valve is greater than the vessel Maximum Allowable Working Pressure in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 286315;
  - d. By February 27, 2019, replaced the automatic vent valves and updated the thermal oxidizer procedures to close the manual chain-operated valve during shutdown in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 287880;
  - e. By June 24, 2020, trained the electricians to recognize the current load, understand the loading differences for each system, and recognize a single or double-ended situation; implemented a Plant maintenance procedure for electrical switching; trained the electricians on the new electrical switching procedure; and reviewed and incorporated switching clearance and restoration of electrical power system guidelines in the new procedure for electrical

switching in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 325079;

- f. By October 31, 2020, modified the Distribution Control System alarm graphics for the rupture disc pressure monitoring to ensure that the pressure alarm is highlighted in red when in alarm, retrained operators in the process of identifying and responding to emergency priority alarms, performed training to reinforce documentation control requirement procedures, implemented a preventative maintenance plan to inspect and confirm that the nitrogen regulators associated with level transmitters are maintained at the correct pressure, replaced the level transmitters with direct mount capillary sensors, and replaced the dual rupture discs in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 307804;
- g. By October 31, 2020, conducted an evaluation of the dual rupture discs and upgraded the dual rupture disc to tantalum in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 336158; and
- h. On June 13, 2022, obtained an amendment for New Source Review ("NSR") Permit No. 4943B that increased the Cl<sub>2</sub>/HCl hourly maximum allowable emissions rate ("MAER") for the A1770 Incinerator, EPN DPV-016.

## II. ALLEGATIONS

- 1. During a record review for the Plant conducted from November 17, 2020 through February 4, 2021, an investigator documented that the Respondent:
  - a. Failed to comply with the MAER and concentration limit, in violation of 30 TEX. ADMIN. CODE §§ 101.20(2), 116.115(b)(2)(F) and (c), and 122.143(4), 40 CODE OF FEDERAL REGULATIONS ("CFR") § 63.1218(a)(6)(i), NSR Permit No. 4943B, Special Conditions ("SC") Nos. 1 and 8, Federal Operating Permit ("FOP") No. O1369, General Terms and Conditions ("GTC") and Special Terms and Conditions ("STC") No. 27, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, during a stack test conducted on June 29, 2017, the Respondent exceeded the Cl<sub>2</sub>/HCl MAER of 5.44 pounds per hour ("lbs/hr") by 37.85 lbs/hr and the Cl<sub>2</sub>/HCl concentration limit of 150 parts per million by volume dry ("ppmvd") corrected to seven percent oxygen ("7% O<sub>2</sub>") by 203 ppmvd at 7% O<sub>2</sub> for the A1770 Incinerator, EPN DPV-016, resulting in approximately 5.11 pounds ("lbs") of unauthorized Cl<sub>2</sub>/HCl emissions.
  - b. Failed to postmark a Notification of Compliance within 90 days of completion of a Comprehensive Performance Test, in violation of 30 TEX. ADMIN. CODE §§ 101.20(2), 116.115(c), and 122.143(4), 40 CFR § 63.1207(j)(1)(i), NSR Permit No. 4943B, SC No. 18.G, FOP No. O1369, GTC and STC No. 27, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent completed a Comprehensive Performance Test of the Hydrochloric Acid Production Furnaces HCIN-2 and HCIN-3 on August 16, 2017 and the Notification of Compliance was due by November 14, 2017, but was not submitted until November 21, 2017.
- 2. During a record review for the Plant conducted on March 1, 2021, an investigator documented that the Respondent failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), NSR Permit No. 4943B, SC No. 1,

- FOP No. O1369, GTC and STC No. 27, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent released 3,214.00 pounds of ethylene as fugitive emissions, during an emissions event (Incident No. 307804) that occurred on May 4, 2019 and lasted 21 minutes. The emissions event occurred when the nitrogen used on the Level Transmitters LT-0354 and LT-0355 on the purge gas Knock Out Pot V-6164 and the Differential Pressure Transmitter located on the Oxyhydrochlorination Vent Condenser E-6161 caused the pressure to increase, resulting in the rupture of the dual rupture disc assembly and in the release to the atmosphere. Since the emissions event was not caused by a sudden unavoidable breakdown of equipment or process beyond the control of the owner or operator and could have been avoided by better design and/or better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.
3. During a record review for the Plant conducted from April 22, 2021 through April 29, 2021, an investigator documented that the Respondent failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), NSR Permit No. 4943B, SC No. 1, FOP No. O1369, GTC and STC No. 27, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent released 287.67 lbs of vinyl chloride as fugitive emissions, during an emissions event (Incident No. 286315) that began on June 13, 2018 and lasted five hours and 34 minutes. The emissions event occurred when an incorrect pressure vacuum valve was installed to replace the vacuum breaker relief valve, resulting in a leak and in the release to the atmosphere. Since the emissions event was not caused by a sudden unavoidable breakdown of equipment or process beyond the control of the owner or operator and could have been avoided by better design and/or better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.
  4. During a record review for the Plant conducted from April 30, 2021 through May 7, 2021, an investigator documented that the Respondent failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), NSR Permit No. 4943B, SC No. 1, FOP No. O1369, GTC and STC No. 27, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent released 11.71 lbs of volatile organic compounds ("VOC") as fugitive emissions, during an emissions event (Incident No. 287880) that occurred on July 8, 2018 and lasted four hours and 22 minutes. The emissions event occurred when poor sealing of the Teflon surfaces in the 10-inch HCIN-2 Vent System Automatic Isolation Valves HIC-700B and UV-700 and the operating procedure for the shutdown of HCIN-2 and HCIN-3 did not address the steps to verify that the vent valves are holding before the thermal oxidizer temperature drops below 1,400 degrees Fahrenheit, resulting in the leak and in the release to atmosphere. Since the emissions event was not caused by a sudden unavoidable breakdown of equipment or process beyond the control of the owner or operator and could have been avoided by better design and/or better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.
  5. During a record review for the Plant conducted on June 15, 2021, an investigator documented that the Respondent failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), NSR Permit No. 4943B, SC No. 1, FOP No. O1369, GTC and STC No. 27, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent released 590.58 lbs of VOC, 2.09 lbs of HCl, and 0.22 lb of carbon monoxide from the emergency Vent Scrubber, EPN DPV-012, during an emissions event (Incident No. 325079) that occurred on November 18, 2019 and lasted 37 minutes. The emissions event occurred when the correct sequence of steps for electrical switching was not followed that caused a total electrical power outage, resulting in a

release to the atmosphere. Since the emissions event was not caused by a sudden unavoidable breakdown of equipment or process beyond the control of the owner or operator and could have been avoided by better design and/or better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.

6. During a record review for the Plant conducted on July 7, 2021, an investigator documented that the Respondent failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), NSR Permit No. 4943B, SC No. 1, FOP No. O1369, GTC and STC No. 27, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent released 2,917.00 lbs of ethylene as fugitive emissions, during an emissions event (Incident No. 336158) that occurred on May 26, 2020 and lasted 27 minutes. The emissions event occurred when the dual rupture disc assembly was damaged during a prior maintenance activity, resulting in a leak and in the release to the atmosphere. Since the emissions event was not caused by a sudden unavoidable breakdown of equipment or process beyond the control of the owner or operator and could have been avoided by better design and/or better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.

### III. DENIALS

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

### IV. ORDERING PROVISIONS

NOW, THEREFORE, THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY ORDERS that:

1. The Respondent is assessed a penalty as set forth in Section I, Paragraph No. 4. The payment of this penalty and the Respondent's compliance with all of the requirements set forth in this Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Oxy Vinyls, LP, Docket No. 2021-0353-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 \$27,945 of the assessed penalty is conditionally offset based on the Respondent's implementation and completion of the SEP pursuant to the terms of the SEP Agreement, as defined in Attachment A. Penalty payments for any portion of the SEP deemed by the Executive Director as not complete shall be paid within 30 days after the date the Executive Director demands payment.
3. All relief not expressly granted in this Order is denied.

4. The duties and provisions imposed by this Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of this Order to personnel who maintain day-to-day control over the Plant operations referenced in this Order.
5. 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.
6. 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.
7. 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.
8. The effective date of this Order is the date it is signed by the Commission. A copy of this fully executed Order shall be provided to each of the parties.



**SIGNATURE PAGE**

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

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For the Commission

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Date

  
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4/2/2024

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For the Executive Director

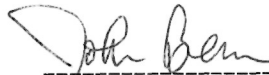
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Date

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.

  
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Signature

2/13/24  
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Date

John Brenon  
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Name (Printed or typed)  
Authorized Representative of  
Oxy Vinyls, LP

SVP Manufacturing  
-----  
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: 2021-0353-AIR-E**  
**SUPPLEMENTAL ENVIRONMENTAL PROJECT**

<b>Respondent:</b>	<b>Oxy Vinyls, LP</b>
<b>Payable Penalty Amount:</b>	<b>\$55,891</b>
<b>SEP Offset Amount:</b>	<b>\$27,945</b>
<b>Type of SEP:</b>	<b>Contribution to a Third-Party Pre-Approved SEP</b>
<b>Third-Party Administrator:</b>	<b>Houston Regional Monitoring Corporation</b>
<b>Project Name:</b>	<b><i>Houston Area Air Monitoring Project</i></b>
<b>Location of SEP:</b>	<b>Harris County</b>

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

**1. Project Description**

a. Project

The Respondent shall contribute the SEP Offset Amount to the Third-Party Administrator named above. The contribution will be to the **Houston Regional Monitoring Corporation** for the *Houston Area Air Monitoring Project* SEP. The contribution will be used in accordance with the SEP between the Third-Party Administrator and the TCEQ (the "Project"). Specifically, the SEP Offset Amount will be used to operate a network of ambient air monitoring stations that continuously measure and record concentrations of ambient air pollutants. This network includes the Houston Regional Monitor ("HRM") 617 Wallisville Road site, the HRM 615 Lynchburg Ferry site, and the HRM 3 Haden Road site. The Third-Party Administrator shall use the SEP Offset Amount to report data from these three existing sites in the Houston Regional Monitoring Corporation ambient air quality monitoring network in the Houston-Galveston Air Quality Control Region No. 216. The SEP will be performed in accordance with all federal, state, and local environmental laws and regulations.

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

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

b. Environmental Benefit

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

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

c. Minimum Expenditure

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

**2. Performance Schedule**

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

Houston Regional Monitoring Corporation  
c/o Christopher B. Amandes  
Amandes PLLC  
1800 Post Oak Boulevard, Suite 400  
Houston, Texas 77056

**3. Records and Reporting**

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

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

#### 4. Failure to Fully Perform

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

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

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

#### 5. Publicity

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

#### 6. Recognition

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

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

The SEP Offset Amount identified in this 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.