

**Executive Summary – Enforcement Matter – Case No. 60660**  
**Odfjell Terminals (Houston) Inc.**  
**RN100218411**  
**Docket No. 2021-0525-AIR-E**

**Order Type:**

1660 Agreed Order

**Findings Order Justification:**

N/A

**Media:**

AIR

**Small Business:**

No

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

Odfjell Terminals, 12211 Port Road, Seabrook, Harris County

**Type of Operation:**

Organic liquid storage terminal

**Other Significant Matters:**

Additional Pending Enforcement Actions: Yes, Docket No. 2021-1396-AIR-E

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

**Texas Register Publication Date:** October 1, 2021

**Comments Received:** No

***Penalty Information***

**Total Penalty Assessed:** \$9,150

**Amount Deferred for Expedited Settlement:** \$1,830

**Total Paid to General Revenue:** \$7,320

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

Payment Plan: N/A

**Compliance History Classifications:**

Person/CN - Satisfactory

Site/RN - Satisfactory

**Major Source:** Yes

**Statutory Limit Adjustment:** N/A

**Applicable Penalty Policy:** April 2014

***Investigation Information***

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

**Complaint Information:** N/A

**Date(s) of Investigation:** January 11, 2021 through April 6, 2021

**Date(s) of NOE(s):** April 7, 2021

**Executive Summary – Enforcement Matter – Case No. 60660**  
**Odfjell Terminals (Houston) Inc.**  
**RN100218411**  
**Docket No. 2021-0525-AIR-E**

***Violation Information***

Failed to prevent unauthorized emissions. Specifically, the Respondent experienced 100 percent opacity and released 1,125.30 pounds ("lbs") of carbon monoxide, 169.00 lbs of hydrogen chloride, 1.00 lb of hydrogen cyanide, 66.80 lbs of nitrogen oxides, 3,956.70 lbs of particulate matter, 29.30 lbs of sulfur dioxide, and 489.50 lbs of volatile organic compounds as fugitive emissions, during an emissions event (Incident No. 347485) that occurred on December 11, 2020 and lasted three hours. The emissions event occurred when loss of containment of hydraulic fluid caught fire in the power pack room, resulting in a fire and 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 §§ 111.111(a)(1)(B), 116.115(c), and 122.143(4), New Source Review Permit No. 8865, Special Conditions No. 1, Federal Operating Permit No. O3027, General Terms and Conditions and Special Terms and Conditions No. 18, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

***Corrective Actions/Technical Requirements***

**Corrective Action(s) Completed:**

By April 6, 2021, the Respondent installed an updated Hydraulic Power Unit, improved instrumentation and controls for the monitoring the Hydraulic Power Unit, and implemented measures and procedures to consider emergency shutdowns, fire detection, and fire suppression in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 347485.

**Technical Requirements:**

N/A

***Contact Information***

**TCEQ Attorney:** N/A

**TCEQ Enforcement Coordinator:** Johnnie Wu, Enforcement Division, Enforcement Team 5, MC 219, (512) 239-2524; Michael Parrish, Enforcement Division, MC 219, (512) 239-2548

**Respondent:** Kimberly Legge, Vice President of Operations and Technical Services, Odfjell Terminals (Houston) Inc., 12211 Port Road, Seabrook, Texas 77586

**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>	14-Apr-2021	<b>Screening</b>	20-Apr-2021	<b>EPA Due</b>	
	<b>PCW</b>	4-Jun-2021				

<b>RESPONDENT/FACILITY INFORMATION</b>	
<b>Respondent</b>	Odfjell Terminals (Houston) Inc.
<b>Reg. Ent. Ref. No.</b>	RN100218411
<b>Facility/Site Region</b>	12-Houston
<b>Major/Minor Source</b>	Major

<b>CASE INFORMATION</b>			
<b>Enf./Case ID No.</b>	60660	<b>No. of Violations</b>	1
<b>Docket No.</b>	2021-0525-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 5
<b>Admin. Penalty \$ Limit Minimum</b>	\$0	<b>Maximum</b>	\$25,000

## Penalty Calculation Section

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

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

<b>Compliance History</b>	47.0%	Adjustment	<b>Subtotals 2, 3, &amp; 7</b>	\$3,525
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Notes: Enhancement for one NOV with same or similar violations, one NOV with dissimilar violations, and two orders containing a denial of liability.

<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>	-\$1,875
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<b>Economic Benefit</b>	0.0%	Enhancement*	<b>Subtotal 6</b>	\$0
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Total EB Amounts: \$795  
 Estimated Cost of Compliance: \$50,000  
 \*Capped at the Total EB \$ Amount

<b>SUM OF SUBTOTALS 1-7</b>	<b>Final Subtotal</b>	\$9,150
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<b>OTHER FACTORS AS JUSTICE MAY REQUIRE</b>	0.0%	Adjustment	\$0
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

<b>Final Penalty Amount</b>	\$9,150
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<b>STATUTORY LIMIT ADJUSTMENT</b>	<b>Final Assessed Penalty</b>	\$9,150
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<b>DEFERRAL</b>	20.0%	Reduction	Adjustment	-\$1,830
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Reduces the Final Assessed Penalty by the indicated percentage.

Notes: Deferral offered for expedited settlement.

<b>PAYABLE PENALTY</b>	\$7,320
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**Screening Date** 20-Apr-2021

**Docket No.** 2021-0525-AIR-E

**PCW**

**Respondent** Odfjell Terminals (Houston) Inc.

*Policy Revision 4 (April 2014)*

**Case ID No.** 60660

*PCW Revision March 26, 2014*

**Reg. Ent. Reference No.** RN100218411

**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> )	1	5%
	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> )	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which violations were disclosed</i> )	0	0%
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

**Adjustment Percentage (Subtotal 2)** 47%

>> **Repeat Violator (Subtotal 3)**

No

**Adjustment Percentage (Subtotal 3)** 0%

>> **Compliance History Person Classification (Subtotal 7)**

Satisfactory Performer

**Adjustment Percentage (Subtotal 7)** 0%

>> **Compliance History Summary**

**Compliance History Notes**

Enhancement for one NOV with same or similar violations, one NOV with dissimilar violations, and two orders containing a denial of liability.

**Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7)** 47%

>> **Final Compliance History Adjustment**

**Final Adjustment Percentage \*capped at 100%** 47%

**Screening Date** 20-Apr-2021 **Docket No.** 2021-0525-AIR-E **PCW**  
**Respondent** Odfjell Terminals (Houston) Inc. *Policy Revision 4 (April 2014)*  
**Case ID No.** 60660 *PCW Revision March 26, 2014*  
**Reg. Ent. Reference No.** RN100218411  
**Media** Air  
**Enf. Coordinator** Johnnie Wu

**Violation Number** 1

**Rule Cite(s)** 30 Tex. Admin. Code §§ 111.111(a)(1)(B), 116.115(c), and 122.143(4), New Source Review Permit No. 8865, Special Conditions No. 1, Federal Operating Permit No. O3027, General Terms and Conditions and Special Terms and Conditions No. 18, and Tex. Health & Safety Code § 382.085(b)

**Violation Description** Failed to prevent unauthorized emissions. Specifically, the Respondent experienced 100 percent opacity and released 1,125.30 pounds ("lbs") of carbon monoxide, 169.00 lbs of hydrogen chloride, 1.00 lb of hydrogen cyanide, 66.80 lbs of nitrogen oxides, 3,956.70 lbs of particulate matter, 29.30 lbs of sulfur dioxide, and 489.50 lbs of volatile organic compounds as fugitive emissions, during an emissions event (Incident No. 347485) that occurred on December 11, 2020 and lasted three hours. The emissions event occurred when loss of containment of hydraulic fluid caught fire in the power pack room, resulting in a fire and 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		30.0%
Potential					

**>> Programmatic Matrix**

	Falsification	Major	Moderate	Minor	Percent
					0.0%

**Matrix Notes** Human health or the environment has been exposed to significant amounts of pollutants 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 achieved compliance by April 6, 2021, prior to the Notice of Enforcement dated April 7, 2021.

**Violation Subtotal** \$5,625

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

**Estimated EB Amount** \$795 **Violation Final Penalty Total** \$9,150

**This violation Final Assessed Penalty (adjusted for limits)** \$9,150

## Economic Benefit Worksheet

**Respondent** Odfjell Terminals (Houston) Inc.  
**Case ID No.** 60660  
**Reg. Ent. Reference No.** RN100218411  
**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				0.00	\$0	n/a	\$0
Other (as needed)	\$50,000	11-Dec-2020	6-Apr-2021	0.32	\$795	n/a	\$795

Notes for DELAYED costs

Estimated cost to install an updated Hydraulic Power Unit, improve instrumentation and controls for monitoring the Hydraulic Power Unit, and implement measures and procedures to consider emergency shutdowns, fire detection, and fire suppression in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 347485. 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

\$50,000

**TOTAL**

\$795

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# Compliance History Report

Compliance History Report for CN603233974, RN100218411, Rating Year 2020 which includes Compliance History (CH) components from September 1, 2015, through August 31, 2020.

**Customer, Respondent, or Owner/Operator:** CN603233974, Odfjell Terminals (Houston) Inc. **Classification:** SATISFACTORY **Rating:** 6.23  
**Regulated Entity:** RN100218411, ODFJELL TERMINALS **Classification:** SATISFACTORY **Rating:** 6.23  
**Complexity Points:** 24 **Repeat Violator:** NO  
**CH Group:** 14 - Other  
**Location:** 12211 PORT RD SEABROOK, TX 77586-1624, HARRIS COUNTY  
**TCEQ Region:** REGION 12 - HOUSTON

## ID Number(s):

**AIR OPERATING PERMITS ACCOUNT NUMBER** HG1006U  
**PUBLIC WATER SYSTEM/SUPPLY REGISTRATION** 1012008  
**AIR NEW SOURCE PERMITS PERMIT** 8865  
**AIR NEW SOURCE PERMITS REGISTRATION** 29436  
**AIR NEW SOURCE PERMITS REGISTRATION** 30969  
**AIR NEW SOURCE PERMITS ACCOUNT NUMBER** HG1006U  
**AIR NEW SOURCE PERMITS REGISTRATION** 98261  
**AIR NEW SOURCE PERMITS REGISTRATION** 112311  
**AIR NEW SOURCE PERMITS REGISTRATION** 143432

**AIR OPERATING PERMITS PERMIT** 3027  
**AIR NEW SOURCE PERMITS REGISTRATION** 72184

**AIR NEW SOURCE PERMITS REGISTRATION** 26083  
**AIR NEW SOURCE PERMITS REGISTRATION** 30968  
**AIR NEW SOURCE PERMITS REGISTRATION** 31082  
**AIR NEW SOURCE PERMITS AFS NUM** 4820100370  
**AIR NEW SOURCE PERMITS REGISTRATION** 112129  
**AIR NEW SOURCE PERMITS REGISTRATION** 163566

**PETROLEUM STORAGE TANK REGISTRATION** 60262

**WASTEWATER PERMIT** WQ0002547000

**AIR EMISSIONS INVENTORY ACCOUNT NUMBER** HG1006U

**INDUSTRIAL AND HAZARDOUS WASTE SOLID WASTE REGISTRATION # (SWR)** 33983

**VOLUNTARY CLEANUP PROGRAM ID NUMBER** 2255  
**WASTEWATER EPA ID** TX0089192

**POLLUTION PREVENTION PLANNING ID NUMBER** P00070

**TAX RELIEF ID NUMBER** 20309

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

**Date Compliance History Report Prepared:** April 20, 2021

**Agency Decision Requiring Compliance History:** Enforcement

**Component Period Selected:** April 20, 2016 to April 20, 2021

## 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? YES
- 3) Who is the current owner/operator?
  - ODFJELL Terminal (Baytank) Inc. OWNER OPERATOR since 6/26/2002
  - Odfjell Terminals USA GP Inc. OWNER since 7/8/2003
  - Odfjell Terminals (Houston) LP OWNER OPERATOR since 5/13/2002
  - Odfjell Terminals (Houston) Inc. OWNER OPERATOR since 8/20/2007
  - Baytank Houston Inc OWNER since 11/6/1991
  - ODFJELL USA INC OWNER OPERATOR since 3/4/2015
  - MILESTONE CHEMICAL TANKERS PTE LTD OWNER OPERATOR since 4/8/2015
  - Jo Tankers Inc. OWNER OPERATOR since 1/29/2013
  - W.T. Byler Co., LP OPERATOR since 1/20/2009
  - The Dow Chemical Company OWNER OPERATOR since 8/9/2017
- 4) Who was/were the prior owner(s)/operator(s)? Eastman Chemical Company, OWNER OPERATOR, 11/29/2017 to 8/1/2020

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

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

- 1 Effective Date: 08/23/2017 ADMINORDER 2016-1081-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 Term & Condition 17 OP  
Description: Failure to maintain nitrogen oxide (NOx) and volatile organic compound (VOC) emissions below the annual permit limit from Flare FL-1 (Operating Flare). (Category A12i6)  
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 14D PERMIT  
Special Term & Condition 17 OP  
Description: Failure to maintain Flare FL-1 (Operating Flare)'s heating value (Btu/scf) above the minimum requirement. (Category B19g1)  
Classification: Minor  
Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
30 TAC Chapter 122, SubChapter B 122.145(2)(A)  
5C THSC Chapter 382 382.085(b)  
Rqmt Prov: General Terms & Conditions OP  
Description: Failure to report all instances of deviations. (Category C3)
- 2 Effective Date: 08/16/2020 ADMINORDER 2019-1280-AIR-E (1660 Order-Agreed Order With Denial)  
Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(c)(5)  
5C THSC Chapter 382 382.085(b)  
Rqmt Prov: Special Conditions (SC) 14A PERMIT  
Special Terms and Conditions (ST&C) 17 PERMIT  
Description: Failure to design and operate air-assisted flares with an exit velocity less than the maximum permitted velocity. Specifically, the exit velocity of the vent gas and assist gas from the Operating Flare exceeded the maximum permitted velocity for approximately 120.25 hours on 60 days from October 16, 2017 through September 6, 2018.  
Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)  
Rqmt Prov: Special Conditions (SC) 1 PERMIT  
Special Terms and Conditions (ST&C) 17 PERMIT  
Description: Failure to comply with MAER. Specifically, the Respondent exceeded the CO MAER of 12.24 tons per year based on a 12-month rolling period for the Operating Flare, EPN FL-1, for the 12-month periods ending from October 2017 through April 2018, resulting in 0.85 ton of unauthorized CO emissions.

**B. Criminal convictions:**

N/A

**C. Chronic excessive emissions events:**

N/A

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

Item 1	May 20, 2016	(1346954)
Item 2	June 20, 2016	(1353382)



Item 3	July 27, 2016	(1360355)
Item 4	August 19, 2016	(1366794)
Item 5	August 31, 2016	(1338120)
Item 6	September 20, 2016	(1373491)
Item 7	September 27, 2016	(1350103)
Item 8	October 20, 2016	(1379666)
Item 9	November 18, 2016	(1385611)
Item 10	January 20, 2017	(1398367)
Item 11	February 22, 2017	(1405269)
Item 12	March 09, 2017	(1412342)
Item 13	March 31, 2017	(1402775)
Item 14	April 12, 2017	(1418848)
Item 15	May 03, 2017	(1426505)
Item 16	June 06, 2017	(1432504)
Item 17	July 17, 2017	(1441061)
Item 18	July 28, 2017	(1424677)
Item 19	August 11, 2017	(1444739)
Item 20	September 19, 2017	(1451329)
Item 21	October 16, 2017	(1457199)
Item 22	November 13, 2017	(1462650)
Item 23	December 05, 2017	(1453967)
Item 24	December 13, 2017	(1469054)
Item 25	January 12, 2018	(1475759)
Item 26	February 16, 2018	(1487934)
Item 27	March 15, 2018	(1491621)
Item 28	April 09, 2018	(1480005)
Item 29	April 17, 2018	(1494870)
Item 30	May 17, 2018	(1501823)
Item 31	June 20, 2018	(1508930)
Item 32	July 19, 2018	(1515249)
Item 33	August 14, 2018	(1521299)
Item 34	September 21, 2018	(1481068)
Item 35	October 19, 2018	(1534819)
Item 36	November 19, 2018	(1542672)
Item 37	December 20, 2018	(1546415)
Item 38	January 14, 2019	(1563323)
Item 39	February 06, 2019	(1563321)
Item 40	March 12, 2019	(1563322)
Item 41	April 01, 2019	(1573038)
Item 42	May 07, 2019	(1585678)
Item 43	June 05, 2019	(1585679)
Item 44	July 19, 2019	(1594395)
Item 45	September 11, 2019	(1600688)
Item 46	September 16, 2019	(1607603)
Item 47	October 02, 2019	(1614473)
Item 48	November 05, 2019	(1620262)
Item 49	December 04, 2019	(1627611)
Item 50	January 03, 2020	(1635242)
Item 51	March 17, 2020	(1648371)
Item 52	April 17, 2020	(1654723)
Item 53	May 12, 2020	(1661289)
Item 54	July 07, 2020	(1674764)
Item 55	August 07, 2020	(1681534)
Item 56	September 08, 2020	(1688112)
Item 57	October 05, 2020	(1678932)

**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.

Self Report? YES Classification: Moderate  
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)

Description: 30 TAC Chapter 305, SubChapter F 305.125(1)  
Failure to meet the limit for one or more permit parameter

2 Date: 08/18/2020 (1632776)

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 1 PERMIT  
Special Term and Condition 17 PERMIT

Description: Failure to prevent the exceedance of the volatile organic compound (VOC) Maximum Allowable Emission Rate (MAER) for Equipment Leak Fugitives [EPN FU-1]. (Category B13)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(c)(3)(ii)  
5C THSC Chapter 382 382.085(b)  
Special Condition 14A PERMIT  
Special Condition 14D PERMIT  
Special Term and Condition 17 PERMIT  
Special Term and Condition 1A PERMIT

Description: Failure to maintain the minimum net heating value of the Operating Flare [EPN FL-1]. (Category C4)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(c)(5)  
5C THSC Chapter 382 382.085(b)  
Special Condition 14A PERMIT  
Special Term and Condition 17 PERMIT  
Special Term and Condition 1A PERMIT

Description: Failure to maintain the exit velocity of the Operating Flare [EPN FL-1] below the maximum requirement. (Category C4)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)  
Special Condition 1 PERMIT  
Special Term and Condition 17 PERMIT

Description: Failure to prevent the exceedance of the hydrochloric acid (HCl) Maximum Allowable Emission Rate (MAER) for the Breathing Flare [EPN FL-2]. (Category B13)

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 4A PERMIT  
Special Term and Condition 17 PERMIT

Description: Failure to vent Tank 6-70 [Unit Identification (ID) Number (No.) TK06-70] and Tank 19-58 [Unit ID No. TK19-58] to a control device. (Category B18g(1))

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter C 115.212(a)(2)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)  
Special Term and Condition 1A PERMIT

Description: Failure to vent a railcar to a control device. (Category B18g(1))

#### F. Environmental audits:

N/A

#### G. Type of environmental management systems (EMSs):

N/A

#### H. Voluntary on-site compliance assessment dates:

N/A

**I. Participation in a voluntary pollution reduction program:**

N/A

**J. Early compliance:**

N/A

**Sites Outside of Texas:**

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN  
ENFORCEMENT ACTION  
CONCERNING  
ODFJELL TERMINALS  
(HOUSTON) INC.  
RN100218411**

§  
§  
§  
§  
§  
§

**BEFORE THE  
TEXAS COMMISSION ON  
ENVIRONMENTAL QUALITY**

**AGREED ORDER  
DOCKET NO. 2021-0525-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 Odfjell Terminals (Houston) Inc. (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 an organic liquid storage terminal located at 12211 Port Road in Seabrook, 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 \$9,150 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent paid \$7,320 of the penalty and \$1,830 is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Order. The deferred amount shall be waived only upon full compliance with all the terms and conditions contained in this Order. If the Respondent fails to timely and satisfactorily comply with any of the terms or requirements contained in this Order, the Executive Director may demand payment of all or part of the deferred penalty amount.

5. The Executive Director and the Respondent agree on a settlement of the matters alleged in this enforcement action, subject to final approval in accordance with 30 TEX. ADMIN. CODE § 70.10(a). Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
6. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Order.
7. This Order represents the complete and fully-integrated agreement of the parties. The provisions of this Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Order unenforceable, the remaining provisions shall be valid and enforceable.
8. This Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Order, whichever is later.
9. The Executive Director recognizes that by April 6, 2021, the Respondent installed an updated Hydraulic Power Unit, improved instrumentation and controls for the monitoring the Hydraulic Power Unit, and implemented measures and procedures to consider emergency shutdowns, fire detection, and fire suppression in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 347485.

## **II. ALLEGATIONS**

During a record review conducted from January 11, 2021 through April 6, 2021, an investigator documented that the Respondent failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 111.111(a)(1)(B), 116.115(c), and 122.143(4), New Source Review Permit No. 8865, Special Conditions No. 1, Federal Operating Permit No. O3027, General Terms and Conditions and Special Terms and Conditions No. 18, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent experienced 100 percent opacity and released 1,125.30 pounds ("lbs") of carbon monoxide, 169.00 lbs of hydrogen chloride, 1.00 lb of hydrogen cyanide, 66.80 lbs of nitrogen oxides, 3,956.70 lbs of particulate matter, 29.30 lbs of sulfur dioxide, and 489.50 lbs of volatile organic compounds as fugitive emissions, during an emissions event (Incident No. 347485) that occurred on December 11, 2020 and lasted three hours. The emissions event occurred when loss of containment of hydraulic fluid caught fire in the power pack room, resulting in a fire and 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: Odfjell Terminals (Houston) Inc., Docket No. 2021-0525-AIR-E" to:  

Financial Administration Division, Revenue Operations Section  
Attention: Cashier's Office, MC 214  
Texas Commission on Environmental Quality  
P.O. Box 13088  
Austin, Texas 78711-3088
2. All relief not expressly granted in this Order is denied.
3. The duties and provisions imposed by this Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of this Order to personnel who maintain day-to-day control over the Plant operations referenced in this Order.
4. The Executive Director may grant an extension of any deadline in this Order or in any plan, report, or other document submitted pursuant to this Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
5. This Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
6. This Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of

manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms: electronic transmission, owner, person, writing, and written, shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.

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

## SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

\_\_\_\_\_  
For the Commission



\_\_\_\_\_  
Date

4/11/2022

\_\_\_\_\_  
For the Executive Director

\_\_\_\_\_  
Date

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

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

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

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



\_\_\_\_\_  
Signature

August 12, 2021

\_\_\_\_\_  
Date

\_\_\_\_\_  
Kimberly C. Legge  
Name (Printed or typed)  
Authorized Representative of  
Odfjell Terminals (Houston) Inc.

\_\_\_\_\_  
Vice President Operations and Technical Services  
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.