

**Executive Summary – Enforcement Matter – Case No. 60777**

**Phillips 66 Company  
RN101619179  
Docket No. 2021-0654-AIR-E**

**Order Type:**

1660 Agreed Order

**Findings Order Justification:**

N/A

**Media:**

AIR

**Small Business:**

No

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

Sweeny Refinery and Petrochemical Complex, 8189 Old Farm-to-Market Road 524, Old Ocean, Brazoria County

**Type of Operation:**

Petroleum refinery

**Other Significant Matters:**

Additional Pending Enforcement Actions: Yes, Docket Nos. 2021-0897-AIR-E, 2021-1034-AIR-E, 2021-1066-AIR-E, and 2021-1250-AIR-E

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

**Texas Register Publication Date:** May 19, 2023

**Comments Received:** No

***Penalty Information***

**Total Penalty Assessed:** \$44,450

**Amount Deferred for Expedited Settlement:** \$8,890

**Total Paid to General Revenue:** \$17,780

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

Payment Plan: N/A

**Supplemental Environmental Project (“SEP”) Conditional Offset:** \$17,780

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

**Compliance History Classifications:**

Person/CN - Satisfactory

Site/RN - Satisfactory

**Major Source:** Yes

**Statutory Limit Adjustment:** N/A

**Applicable Penalty Policy:** January 2021

***Investigation Information***

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

**Complaint Information:** N/A

**Date(s) of Investigation:** March 10, 2021 through March 24, 2021, June 7, 2021 through June 14, 2021, and April 19, 2021 through May 4, 2021

**Date(s) of NOE(s):** May 6, 2021, June 24, 2021, and July 15, 2021

**Executive Summary – Enforcement Matter – Case No. 60777**

**Phillips 66 Company  
RN101619179  
Docket No. 2021-0654-AIR-E**

***Violation Information***

1. Failed to prevent unauthorized emissions. Specifically, the Respondent released 45.17 pounds ("lbs") of volatile organic compounds ("VOC"), 92.80 lbs of carbon monoxide ("CO"), 73.96 lbs of hydrogen sulfide ("H<sub>2</sub>S"), 17.09 lbs of nitrogen oxides ("NO<sub>x</sub>"), and 6,821.92 lbs of sulfur dioxide ("SO<sub>2</sub>") from the Coker Flare, Emissions Point Number ("EPN") 29-61-1, during an emissions event (Incident No. 327253) that occurred on December 26, 2019 and lasted 29 minutes. The emissions event occurred when hot spots that formed in the coke bed morphology were contacted by quench water, resulting in the rapid steam generation and in flaring. Since the emissions event was not caused by a sudden unavoidable breakdown of equipment or process beyond the control of the owner or operator and could have been avoided by better design and/or better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(c), and 122.143(4), New Source Review ("NSR") Permit Nos. 5920A and PSDTX103M4, Special Conditions ("SC") No. 1, Federal Operating Permit ("FOP") No. O1626, General Terms and Conditions ("GTC") and Special Terms and Conditions ("STC") No. 29, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

2. Failed to prevent unauthorized emissions. Specifically, the Respondent released 14,721.85 lbs of VOC as fugitive emissions, during an emissions event (Incident No. 324198) that occurred on November 5, 2019 and lasted 20 minutes. The emissions event occurred when a railcar was overfilled with hexane, resulting in the release to the atmosphere. Since the emissions event was not caused by a sudden unavoidable breakdown of equipment or process beyond the control of the owner or operator and could have been avoided by better design and/or better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), NSR Permit No. 49140, SC No. 1, FOP No. O1626, GTC and STC No. 29, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

3. Failed to prevent unauthorized emissions. Specifically, the Respondent released 2,642.86 lbs of VOC, 3,804.36 lbs of CO, 28.45 lbs of H<sub>2</sub>S, 1,201.11 lbs of NO<sub>x</sub>, and 5,645.77 lbs of SO<sub>2</sub> from multiple EPNs as shown in the table below, during an emissions event (Incident No. 353741) that occurred on April 3, 2021 and lasted three hours and 27 minutes. The emissions event occurred when a malfunction on a lube oil pump occurred and the backup lube oil pump was unable to start quickly enough to keep a compressor from tripping on low lube oil pressure, resulting in flaring. Since the emissions event was not caused by a sudden unavoidable breakdown of equipment or process beyond the control of the owner or operator and could have been avoided by better design and/or better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(c), and 122.143(4), NSR Permit Nos. 5920A and PSDTX103M4, SC No. 1, NSR Permit No. 7467A, SC No. 1, NSR Permit No. 30513, SC No. 1, NSR Permit No. 118699, SC No. 2, FOP No. O1626, GTC and STC No. 29, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

**Executive Summary – Enforcement Matter – Case No. 60777**

**Phillips 66 Company  
RN101619179  
Docket No. 2021-0654-AIR-E**

***Corrective Actions/Technical Requirements***

**Corrective Action(s) Completed:**

The Respondent implemented the following corrective measures:

- a. By January 20, 2020, installed audible and high-level sensing probes to help reduce the probability of an overflow scenario in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 324198;
- b. By December 5, 2020, injected velocity steam into the Coker Furnace instead of velocity water that improved energy efficiency and allowed the Coke Drum inlet temperatures to be increased to improve the stability of the coke bed morphology and decrease the likelihood of hot spot formation in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 327253; and
- c. By August 17, 2021, implemented measures for proper set screw installation and torquing requirements in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 353741.

**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-Galveston Area Council-AERCO, 3555 Timmons Lane, Suite 120, Houston, Texas 77027

**Respondent:** Mark Evans, Vice President, Phillips 66 Company, P.O. Box 866, Sweeny, Texas 77480

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



# Penalty Calculation Worksheet (PCW)

Policy Revision 5 (January 28, 2021)

PCW Revision February 11, 2021

<b>DATES</b>	<b>Assigned</b>	10-May-2021	<b>Screening</b>	14-May-2021	<b>EPA Due</b>	5-Jan-2022
	<b>PCW</b>	24-Mar-2023				

<b>RESPONDENT/FACILITY INFORMATION</b>	
<b>Respondent</b>	Phillips 66 Company
<b>Reg. Ent. Ref. No.</b>	RN101619179
<b>Facility/Site Region</b>	12-Houston
<b>Major/Minor Source</b>	Major

<b>CASE INFORMATION</b>			
<b>Enf./Case ID No.</b>	60777	<b>No. of Violations</b>	3
<b>Docket No.</b>	2021-0654-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>	Minimum \$0	<b>Maximum</b>	\$25,000

## Penalty Calculation Section

<b>TOTAL BASE PENALTY (Sum of violation base penalties)</b>	<b>Subtotal 1</b>	\$32,500
---	-------------------	----------

### 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>	56.0% Adjustment	<b>Subtotals 2, 3, &amp; 7</b>	\$18,200
---------------------------	------------------	--------------------------------	----------

Notes: Enhancement for one NOV with same/similar violations, three NOVs with dissimilar violations, and six orders containing a denial of liability. Reduction for 37 notices of intent to conduct an audit and 19 disclosures of violations.

<b>Culpability</b>	No	0.0% Enhancement	<b>Subtotal 4</b>	\$0
--------------------	----	------------------	-------------------	-----

Notes: The Respondent does not meet the culpability criteria.

<b>Good Faith Effort to Comply Total Adjustments</b>	<b>Subtotal 5</b>	-\$6,250
--	-------------------	----------

<b>Economic Benefit</b>	0.0% Enhancement*	<b>Subtotal 6</b>	\$0
-------------------------	-------------------	-------------------	-----

Total EB Amounts	\$1,638	*Capped at the Total EB \$ Amount
Estimated Cost of Compliance	\$60,000	

<b>SUM OF SUBTOTALS 1-7</b>	<b>Final Subtotal</b>	\$44,450
-----------------------------	-----------------------	----------

<b>OTHER FACTORS AS JUSTICE MAY REQUIRE</b>	0.0%	<b>Adjustment</b>	\$0
---	------	-------------------	-----

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

<b>Final Penalty Amount</b>	\$44,450
-----------------------------	----------

<b>STATUTORY LIMIT ADJUSTMENT</b>	<b>Final Assessed Penalty</b>	\$44,450
-----------------------------------	-------------------------------	----------

<b>DEFERRAL</b>	20.0%	Reduction	<b>Adjustment</b>	-\$8,890
-----------------	-------	-----------	-------------------	----------

Reduces the Final Assessed Penalty by the indicated percentage.

Notes:

Deferral offered for expedited settlement.

<b>PAYABLE PENALTY</b>	\$35,560
------------------------	----------

**Screening Date** 14-May-2021

**Docket No.** 2021-0654-AIR-E

**PCW**

**Respondent** Phillips 66 Company

Policy Revision 5 (January 28, 2021)

**Case ID No.** 60777

PCW Revision February 11, 2021

**Reg. Ent. Reference No.** RN101619179

**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	3	6%
Orders	Any agreed final enforcement orders containing a denial of liability ( <i>number of orders meeting criteria</i> )	6	120%
	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> )	37	-37%
	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> )	19	-38%
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)** 56%

#### >> Repeat Violator (Subtotal 3)

No

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

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

Satisfactory Performer

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

#### >> Compliance History Summary

**Compliance History Notes**

Enhancement for one NOV with same/similar violations, three NOVs with dissimilar violations, and six orders containing a denial of liability. Reduction for 37 notices of intent to conduct an audit and 19 disclosures of violations.

**Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7)** 56%

#### >> Final Compliance History Adjustment

**Final Adjustment Percentage \*capped at 100%** 56%

**Screening Date** 14-May-2021  
**Respondent** Phillips 66 Company  
**Case ID No.** 60777  
**Reg. Ent. Reference No.** RN101619179  
**Media** Air  
**Enf. Coordinator** Johnnie Wu

**Docket No.** 2021-0654-AIR-E

**PCW**

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

**Violation Number**

**Rule Cite(s)**

30 Tex. Admin. Code §§ 101.20(3), 116.115(c), and 122.143(4), New Source Review ("NSR") Permit Nos. 5920A and PSDTX103M4, Special Conditions ("SC") No. 1, Federal Operating Permit ("FOP") No. O1626, General Terms and Conditions ("GTC") and Special Terms and Conditions ("STC") No. 29, and Tex. Health & Safety Code § 382.085(b)

**Violation Description**

Failed to prevent unauthorized emissions. Specifically, the Respondent released 45.17 pounds ("lbs") of volatile organic compounds ("VOC"), 92.80 lbs of carbon monoxide ("CO"), 73.96 lbs of hydrogen sulfide ("H2S"), 17.09 lbs of nitrogen oxides ("NOx"), and 6,821.92 lbs of sulfur dioxide ("SO2") from the Coker Flare, Emissions Point Number ("EPN") 29-61-1, during an emissions event (Incident No. 327253) that occurred on December 26, 2019 and lasted 29 minutes. The emissions event occurred when hot spots that formed in the coke bed morphology were contacted by quench water, resulting in the rapid steam generation and in flaring. Since the emissions event was not caused by a sudden unavoidable breakdown of equipment or process beyond the control of the owner or operator and could have been avoided by better design and/or better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 Tex. Admin. Code § 101.222.

**Base Penalty**

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

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

**>> Programmatic Matrix**

	Falsification	Major	Moderate	Minor	Percent
	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="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**

**Violation Events**

Number of Violation Events   Number of violation days

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

**Violation Base Penalty**

**Good Faith Efforts to Comply**

Reduction

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

Notes

**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** Phillips 66 Company  
**Case ID No.** 60777  
**Reg. Ent. Reference No.** RN101619179  
**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
------------------	-----------	---------------	------------	-----	----------------	-------------	-----------

### 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)	\$25,000	26-Dec-2019	5-Dec-2020	0.95	\$1,182	n/a	\$1,182

**Notes for DELAYED costs**

Estimated cost to inject velocity steam into the Coker Furnace instead of velocity water that improved energy efficiency and allowed the Coke Drum inlet temperatures to be increased to improve the stability of the coke bed morphology and decrease the likelihood of hot spot formation in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 327253. 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**

\$1,187

**Screening Date** 14-May-2021 **Docket No.** 2021-0654-AIR-E **PCW**  
**Respondent** Phillips 66 Company *Policy Revision 5 (January 28, 2021)*  
**Case ID No.** 60777 *PCW Revision February 11, 2021*  
**Reg. Ent. Reference No.** RN101619179  
**Media** Air  
**Enf. Coordinator** Johnnie Wu

**Violation Number**

**Rule Cite(s)** 30 Tex. Admin. Code §§ 116.115(c), and 122.143(4), NSR Permit No. 49140, SC No. 1, FOP No. O1626, GTC and STC No. 29, and Tex. Health & Safety Code § 382.085(b)

**Violation Description**

Failed to prevent unauthorized emissions. Specifically, the Respondent released 14,721.85 lbs of VOC as fugitive emissions, during an emissions event (Incident No. 324198) that occurred on November 5, 2019 and lasted 20 minutes. The emissions event occurred when a railcar was overfilled with hexane, resulting in the release to the atmosphere. Since the emissions event was not caused by a sudden unavoidable breakdown of equipment or process beyond the control of the owner or operator and could have been avoided by better design and/or better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 Tex. Admin. Code § 101.222.

**Base Penalty**

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

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual	<input type="text"/>	<input checked="" type="text" value="x"/>	<input type="text"/>	<input type="text" value="50.0%"/>
	Potential	<input type="text"/>	<input type="text"/>	<input type="text"/>	

**>> Programmatic Matrix**

	Falsification	Major	Moderate	Minor	Percent
	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="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**

**Violation Events**

Number of Violation Events   Number of violation days

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

**Violation Base Penalty**

**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="text" value="x"/>	<input type="text"/>
N/A	<input type="text"/>	<input type="text"/>

Notes

**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** Phillips 66 Company  
**Case ID No.** 60777  
**Reg. Ent. Reference No.** RN101619179  
**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
------------------	-----------	---------------	------------	-----	----------------	-------------	-----------

### 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)	\$25,000	5-Nov-2019	20-Jan-2020	0.21	\$260	n/a	\$260

**Notes for DELAYED costs**

Estimated cost to install audible and high-level sensing probes to help reduce the probability of an overfill scenario in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 324198. 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** \$265

**Screening Date** 14-May-2021  
**Respondent** Phillips 66 Company  
**Case ID No.** 60777  
**Reg. Ent. Reference No.** RN101619179  
**Media** Air  
**Enf. Coordinator** Johnnie Wu

**Docket No.** 2021-0654-AIR-E

**PCW**

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

**Violation Number**   
**Rule Cite(s)**

30 Tex. Admin. Code §§ 101.20(3), 116.115(c), and 122.143(4), NSR Permit Nos. 5920A and PSDTX103M4, SC No. 1, NSR Permit No. 7467A, SC No. 1, NSR Permit No. 30513, SC No. 1, NSR Permit No. 118699, SC No. 2, FOP No. O1626, GTC and STC No. 29, and Tex. Health & Safety Code § 382.085(b)

**Violation Description**

Failed to prevent unauthorized emissions. Specifically, the Respondent released 2,642.86 lbs of VOC, 3,804.36 lbs of CO, 28.45 lbs of H2S, 1,201.11 lbs of NOx, and 5,645.77 lbs of SO2 from multiple EPNs (see the attached Emissions Event Table), during an emissions event (Incident No. 353741) that occurred on April 3, 2021 and lasted three hours and 27 minutes. The emissions event occurred when a malfunction on a lube oil pump occurred and the backup lube oil pump was unable to start quickly enough to keep a compressor from tripping on low lube oil pressure, resulting in flaring. Since the emissions event was not caused by a sudden unavoidable breakdown of equipment or process beyond the control of the owner or operator and could have been avoided by better design and/or better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 Tex. Admin. Code § 101.222.

**Base Penalty**

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

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual	<input type="text"/>	<input checked="" type="text" value="x"/>	<input type="text"/>	<input type="text" value="50.0%"/>
	Potential	<input type="text"/>	<input type="text"/>	<input type="text"/>	

**>> Programmatic Matrix**

	Falsification	Major	Moderate	Minor	Percent
	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="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**

**Violation Events**

Number of Violation Events   Number of violation days

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

**Violation Base Penalty**

One weekly event is recommended.

**Good Faith Efforts to Comply**

Reduction

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

Notes: The Respondent completed the corrective measures by August 17, 2021, after the NOE dated July 15, 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** Phillips 66 Company  
**Case ID No.** 60777  
**Reg. Ent. Reference No.** RN101619179  
**Media** Air  
**Violation No.** 3

Percent Interest	Years of Depreciation
5.0	15

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

### Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$10,000	3-Apr-2021	17-Aug-2021	0.37	\$186	n/a	\$186

**Notes for DELAYED costs**

Estimated cost to implement measures for proper set screw installation and torquing requirements in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 353741. The Date Required is the date the emissions event occurred and the Final Date is the date of compliance.

### Avoided Costs

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

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

**Notes for AVOIDED costs**

Approx. Cost of Compliance

\$10,000

**TOTAL**

\$186

**Phillips 66 Company**

**Docket No. 2021-0654-AIR-E; Case No. 60777**

<b>Emissions Event Table (Incident No. 353741)</b>						
<b>Source Name</b>	<b>EPN</b>	<b>Pollutants (lbs)</b>				
		<b>VOC</b>	<b>CO</b>	<b>H2S</b>	<b>NOx</b>	<b>SO2</b>
Coker Flare	29-61-1	373.52	376.44	1.49	73.88	137.61
Flare 11	56-61-11	0.41	1.89	0.00	0.26	0.01
Flare 16	56-61-16	1,043.98	1,821.95	10.95	828.62	1,009.97
Flare 17	56-61-17	134.53	263.56	12.60	112.75	1,162.24
Flare 19	56-61-19	1,090.42	1,340.52	3.41	185.60	314.77
Unit 25.1 Heater	56-61-19	0.00	0.00	0.00	0.00	848.42
Unit 25.2 Heater	25.2-CS	0.00	0.00	0.00	0.00	182.60
Unit 29.1 Heater	29.1-36-1	0.00	0.00	0.00	0.00	17.57
Unit 35 Furnace	35-36-1	0.00	0.00	0.00	0.00	1,422.88
Unit 38 Heater	38-36-251	0.00	0.00	0.00	0.00	201.98
Unit 38 Reboiler	38-36-252	0.00	0.00	0.00	0.00	196.01
Unit 45 Heater	45-36-1	0.00	0.00	0.00	0.00	151.71
<b>Totals:</b>		<b>2,642.86</b>	<b>3,804.36</b>	<b>28.45</b>	<b>1,201.11</b>	<b>5,645.77</b>



# Compliance History Report

Compliance History Report for CN604065912, RN101619179, Rating Year 2022 which includes Compliance History (CH) components from September 1, 2017, through August 31, 2022.

**Customer, Respondent, or Owner/Operator:** CN604065912, Phillips 66 Company

**Classification:** SATISFACTORY

**Rating:** 6.86

**Regulated Entity:** RN101619179, Sweeny Refinery and Petrochemical Complex

**Classification:** SATISFACTORY

**Rating:** 11.50

**Complexity Points:** 50

**Repeat Violator:** NO

**CH Group:** 02 - Oil and Petroleum Refineries

**Location:** 8189 Old Farm-to-Market Road 524, Old Ocean, Brazoria County, Texas 77463

**TCEQ Region:** REGION 12 - HOUSTON

**ID Number(s):**

**AIR OPERATING PERMITS PERMIT 1626**

**AIR OPERATING PERMITS ACCOUNT NUMBER BL0042G**

**AIR OPERATING PERMITS PERMIT O3781**

**AIR QUALITY NON PERMITTED ACCOUNT NUMBER BL0042G**

**PUBLIC WATER SYSTEM/SUPPLY REGISTRATION 0200756**

**AIR NEW SOURCE PERMITS REGISTRATION 72035**

**AIR NEW SOURCE PERMITS REGISTRATION 72036**

**AIR NEW SOURCE PERMITS REGISTRATION 10779**

**AIR NEW SOURCE PERMITS REGISTRATION 12344**

**AIR NEW SOURCE PERMITS REGISTRATION 12993**

**AIR NEW SOURCE PERMITS REGISTRATION 13744**

**AIR NEW SOURCE PERMITS REGISTRATION 13929**

**AIR NEW SOURCE PERMITS REGISTRATION 13978**

**AIR NEW SOURCE PERMITS PERMIT 1486A**

**AIR NEW SOURCE PERMITS PERMIT 5689A**

**AIR NEW SOURCE PERMITS PERMIT 5920A**

**AIR NEW SOURCE PERMITS PERMIT 7467A**

**AIR NEW SOURCE PERMITS PERMIT 18142**

**AIR NEW SOURCE PERMITS PERMIT 21265**

**AIR NEW SOURCE PERMITS PERMIT 22086**

**AIR NEW SOURCE PERMITS REGISTRATION 24161**

**AIR NEW SOURCE PERMITS REGISTRATION 24717**

**AIR NEW SOURCE PERMITS REGISTRATION 26533**

**AIR NEW SOURCE PERMITS REGISTRATION 25434**

**AIR NEW SOURCE PERMITS PERMIT 30513**

**AIR NEW SOURCE PERMITS REGISTRATION 33153**

**AIR NEW SOURCE PERMITS REGISTRATION 39026**

**AIR NEW SOURCE PERMITS REGISTRATION 43038**

**AIR NEW SOURCE PERMITS ACCOUNT NUMBER BL0042G**

**AIR NEW SOURCE PERMITS REGISTRATION 75616**

**AIR NEW SOURCE PERMITS REGISTRATION 75713**

**AIR NEW SOURCE PERMITS AFS NUM 4803900010**

**AIR NEW SOURCE PERMITS PERMIT 49140**

**AIR NEW SOURCE PERMITS REGISTRATION 54666**

**AIR NEW SOURCE PERMITS REGISTRATION 74130**

**AIR NEW SOURCE PERMITS EPA PERMIT PSDTX103M1**

**AIR NEW SOURCE PERMITS EPA PERMIT PSDTX103M2**

**AIR NEW SOURCE PERMITS REGISTRATION 76731**

**AIR NEW SOURCE PERMITS EPA PERMIT PSDTX103M3**

**AIR NEW SOURCE PERMITS REGISTRATION 77648**

**AIR NEW SOURCE PERMITS REGISTRATION 77153**

**AIR NEW SOURCE PERMITS REGISTRATION 77156**

**AIR NEW SOURCE PERMITS REGISTRATION 77157**

**AIR NEW SOURCE PERMITS REGISTRATION 77152**

**AIR NEW SOURCE PERMITS REGISTRATION 77154**

**AIR NEW SOURCE PERMITS REGISTRATION 78566**

**AIR NEW SOURCE PERMITS PERMIT 80806**

**AIR NEW SOURCE PERMITS REGISTRATION 81104**

**AIR NEW SOURCE PERMITS REGISTRATION 82601**

**AIR NEW SOURCE PERMITS EPA PERMIT PSDTX103M4**

**AIR NEW SOURCE PERMITS REGISTRATION 95086**

**AIR NEW SOURCE PERMITS REGISTRATION 25389**

**AIR NEW SOURCE PERMITS REGISTRATION 111670**

**AIR NEW SOURCE PERMITS PERMIT 118699**

**AIR NEW SOURCE PERMITS REGISTRATION 114522**

**AIR NEW SOURCE PERMITS REGISTRATION 111673**

**AIR NEW SOURCE PERMITS EPA PERMIT PSDTX751**

**AIR NEW SOURCE PERMITS REGISTRATION 118459**

**AIR NEW SOURCE PERMITS REGISTRATION 116241**

**AIR NEW SOURCE PERMITS EPA PERMIT PSDTX103M5**

**AIR NEW SOURCE PERMITS REGISTRATION 111676**

**AIR NEW SOURCE PERMITS REGISTRATION 106776**

**AIR NEW SOURCE PERMITS REGISTRATION 151092**

**AIR NEW SOURCE PERMITS REGISTRATION 158959**

**AIR NEW SOURCE PERMITS REGISTRATION 151896**

**AIR NEW SOURCE PERMITS REGISTRATION 152547**

**AIR NEW SOURCE PERMITS REGISTRATION 168576**

**AIR NEW SOURCE PERMITS REGISTRATION 168860**

**AIR NEW SOURCE PERMITS REGISTRATION 169961**

**AIR NEW SOURCE PERMITS REGISTRATION 164644**

**AIR NEW SOURCE PERMITS REGISTRATION 165952**

**AIR NEW SOURCE PERMITS REGISTRATION 148130**

**AIR NEW SOURCE PERMITS REGISTRATION 147128**

**AIR NEW SOURCE PERMITS REGISTRATION 160243**

**AIR NEW SOURCE PERMITS EPA PERMIT N292**

**AIR NEW SOURCE PERMITS EPA PERMIT N278**

**AIR NEW SOURCE PERMITS REGISTRATION 159203**

**AIR NEW SOURCE PERMITS REGISTRATION 160791**

**AIR NEW SOURCE PERMITS REGISTRATION 155673**

**AIR NEW SOURCE PERMITS REGISTRATION 157719**

**AIR NEW SOURCE PERMITS** REGISTRATION 167892  
**PETROLEUM STORAGE TANK REGISTRATION**  
REGISTRATION 20580  
**IHW CORRECTIVE ACTION** SOLID WASTE REGISTRATION  
# (SWR) 30048  
**WASTEWATER** EPA ID TX0007536  
**WASTEWATER** PERMIT TXG670460  
**AIR EMISSIONS INVENTORY** ACCOUNT NUMBER BL0042G  
  
**INDUSTRIAL AND HAZARDOUS WASTE** EPA ID  
TXD048210645  
**INDUSTRIAL AND HAZARDOUS WASTE** PERMIT 50186

**AIR NEW SOURCE PERMITS** REGISTRATION 171069  
**PETROLEUM STORAGE TANK REGISTRATION**  
REGISTRATION 83813  
**STORMWATER** PERMIT TXR05BI93  
  
**WASTEWATER** PERMIT WQ0000721000  
**WASTEWATER** PERMIT TXG670203  
**POLLUTION PREVENTION PLANNING** ID NUMBER  
P00531  
**INDUSTRIAL AND HAZARDOUS WASTE** SOLID WASTE  
REGISTRATION # (SWR) 30048

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

**Date Compliance History Report Prepared:** December 20, 2022

**Agency Decision Requiring Compliance History:** Enforcement

**Component Period Selected:** December 20, 2017 to December 20, 2022

**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: 09/07/2018      ADMINORDER 2017-1157-AIR-E (1660 Order-Agreed Order With Denial)  
Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)  
Rqmt Prov: Special Condition 1 PERMIT  
STC 29 OP  
Description: Failure to prevent unauthorized emissions due to foaming in Unit 26.1 amine tower which caused the unit's Recycle Gas Compressor C-110. Sub-category: A12i(6).
- 2      Effective Date: 09/16/2019      ADMINORDER 2018-0923-IWD-E (1660 Order-Agreed Order With Denial)  
Classification: Major  
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)(1)  
30 TAC Chapter 305, SubChapter F 305.125(1)  
Rqmt Prov: Eff. Lims. & Mon. Reqs. Nos. 1 & 2 PERMIT  
Description: Failure to comply with permit effluent limits as documented by a TCEQ record review of self-reported data.
- 3      Effective Date: 01/28/2020      ADMINORDER 2019-0067-AIR-E (1660 Order-Agreed Order With Denial)  
Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 111, SubChapter A 111.111(a)(1)(B)  
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: Federal Operating Permit No. O1626 OP  
New Source Review Permit 5920A PERMIT  
Description: Failure to meet the demonstration criteria for an affirmative defense for unauthorized excess opacity during an emissions event (Category B13).
- 4      Effective Date: 04/06/2021      ADMINORDER 2019-1794-AIR-E (1660 Order-Agreed Order With Denial)  
Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 111, SubChapter A 111.111(a)(1)(B)  
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: FOP No. O1626, GTC STC Nos. 3.A and 29 OP  
NSR Nos. 5920A and PSDTX103M4, SC No. 1 PERMIT

Description: Failed to prevent an excess opacity event. Specifically, the Respondent experienced 44 percent opacity at the Fluid Catalytic Cracker Regenerator Exhaust, EPN 27.1-36-RE, during an excess opacity event that occurred on June 2, 2017 (Incident No. 259388) and lasted 12 minutes.

Classification: Moderate

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

Rqmt Prov: 5920A, Special Condition 1 PERMIT  
FOP No. O1626, GTC and STC No. 29 OP  
NSR Nos. 5920A and PSDTX103M4, SC No. 1 PERMIT

Description: Failed to prevent unauthorized emissions. Specifically, the Respondent released 103.32 pounds ("lbs") of carbon monoxide ("CO"), 5,289.71 lbs of sulfur dioxide ("SO2"), 20.28 lbs of nitrogen oxides ("NOx"), 57.35 lbs of hydrogen sulfide ("H2S"), and 186.04 lbs of volatile organic compounds ("VOC") from the Flare, Emissions Point Number ("EPN") 29-61-1, during an emissions event (Incident No. 270723) that began on October 22, 2017 and lasted four hours and 15 minutes.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter F 101.201(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)

Rqmt Prov: FOP No. O1626, GTC and STC No. 2.F OP

Description: Failed to submit a final record for a reportable emissions event no later than two weeks after the end of the emissions event. Specifically, the final record for Incident No. 270723 was due by November 5, 2017, but was not submitted until September 19, 2018.

Classification: Moderate

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

Rqmt Prov: FOP No. O1626, GTC and STC No. 29 OP  
NSR Nos. 5920A and PSDTX103M4, SC No. 1 PERMIT  
Special Condition 1 PERMIT

Description: Failed to prevent unauthorized emissions. Specifically, the Respondent released 64 lbs of CO, 1,793 lbs of SO2, 13 lbs of NOx, 10 lbs of H2S, and 99 lbs of VOC from the Flare, EPN 29-61-1, during an emissions event (Incident No. 276617) that began on January 17, 2018 and lasted one hour.

Classification: Moderate

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

Rqmt Prov: FOP No. O1626, GTC and STC No. 29 OP  
NSR Nos. 5920A and PSDTX103M4, SC No. 1 PERMIT  
Special Condition 1 PERMIT

Description: Failed to prevent unauthorized emissions. Specifically, the Respondent released 150 lbs of CO, 781.30 lbs of SO2, 29.40 lbs of NOx, and 12.20 lbs of H2S from the Flare, EPN 29-61-1, during an emissions event (Incident No. 274115) that began on December 6, 2017 and lasted three hours and 30 minutes.

Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter F 101.201(f)  
5C THSC Chapter 382 382.085(b)

Description: Failed to provide the requested additional information for an emissions event within the time established in the request. Specifically, the TCEQ requested additional information for Incident No. 274115 to be submitted by November 22, 2019, but was not submitted until November 25, 2019.

5 Effective Date: 01/27/2022 ADMINORDER 2020-1530-AIR-E (1660 Order-Agreed Order With Denial)

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)

5C THSC Chapter 382 382.085(b)  
Rqmt Prov: FOP O1626 GTC and STC 29 OP  
Special Condition 1 PERMIT

Description: Failure to prevent unauthorized emissions to the atmosphere during an emissions event that was discovered on December 5, 2017, TCEQ/STEERS Incident No. 273862. (Category A12.i.(6))

Classification: Moderate

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

Rqmt Prov: FOP O1626 GTC and STC 29 OP  
Special Conditions No.1 PERMIT

Description: Failure to prevent unauthorized emissions to the atmosphere during an emissions event that was discovered on August 22, 2020, TCEQ/STEERS Incident No. 341093.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)(1)(J)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)

Rqmt Prov: FOP O1626 GTC and STC 2.F OP

Description: Failure to submit an accurate final record associated with emissions event, TCEQ/STEERS Incident No. 341093.

6 Effective Date: 07/07/2022 ADMINORDER 2021-0220-AIR-E (1660 Order-Agreed Order With Denial)

Classification: Moderate

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

Rqmt Prov: FOP O1626 GTC and STC 29 OP  
Special Conditions 1 PERMIT

Description: Failure to prevent unauthorized emissions to the atmosphere during an emissions event that was discovered on October 12, 2020, TCEQ/STEERS Incident No. 343850.

Classification: Moderate

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

Rqmt Prov: FOP O1626 GTC and STC 29 OP  
Special Conditions 1 PERMIT

Description: Failure to prevent unauthorized emissions to the atmosphere during an emissions event that was discovered on November 13, 2020, TCEQ/STEERS Incident No. 346007. [Caategory A.12.i.6]

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 111, SubChapter A 111.111(a)(1)(B)  
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: FOP O1626 GOP and STC 29 OP  
Special Conditions 1 PERMIT

Description: Failure to prevent unauthorized emissions to the atmosphere during an emissions event that was discovered on November 21, 2020, TCEQ/STEERS Incident No. 346420. [Category A.12.i.6]

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 111, SubChapter A 111.111(a)(1)(B)  
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: FOP O1626 GTC and STC 29 OP  
Special Conditions 1 PERMIT

Description: Failure to prevent unauthorized emissions to the atmosphere during an emissions event that was discovered on January 2, 2021, TCEQ/STEERS Incident No. 348430. [Category A.12.i.6]

Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter F 101.201(f)  
Classification: Minor



Description: Failure to respond to a request for additional information for an emissions event, TCEQ/STEERS Incident No. 348430. [Category B3]

**B. Criminal convictions:**

N/A

**C. Chronic excessive emissions events:**

N/A

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

Item 1	April 20, 2018	(1493710)
Item 2	June 20, 2018	(1496896)
Item 3	July 20, 2018	(1514063)
Item 4	July 25, 2018	(1439430)
Item 5	August 09, 2018	(1498714)
Item 6	August 20, 2018	(1520125)
Item 7	September 19, 2018	(1517765)
Item 8	October 18, 2018	(1517438)
Item 9	November 20, 2018	(1541482)
Item 10	December 20, 2018	(1545266)
Item 11	December 21, 2018	(1532466)
Item 12	January 18, 2019	(1559773)
Item 13	February 19, 2019	(1559771)
Item 14	March 19, 2019	(1559772)
Item 15	May 15, 2019	(1583334)
Item 16	June 14, 2019	(1583335)
Item 17	August 23, 2019	(1590826)
Item 18	September 09, 2019	(1581493)
Item 19	September 30, 2019	(1581663)
Item 20	October 15, 2019	(1589774)
Item 21	October 21, 2019	(1603885)
Item 22	December 06, 2019	(1603434)
Item 23	December 16, 2019	(1612136)
Item 24	February 04, 2020	(1611301)
Item 25	February 13, 2020	(1629758)
Item 26	March 19, 2020	(1647219)
Item 27	April 22, 2020	(1645136)
Item 28	May 15, 2020	(1646416)
Item 29	June 19, 2020	(1666646)
Item 30	June 24, 2020	(1639387)
Item 31	September 09, 2020	(1672190)
Item 32	September 15, 2020	(1666358)
Item 33	November 13, 2020	(1632678)
Item 34	December 15, 2020	(1684789)
Item 35	December 18, 2020	(1712573)
Item 36	January 19, 2021	(1712574)
Item 37	February 19, 2021	(1725627)
Item 38	March 17, 2021	(1725628)
Item 39	March 18, 2021	(1701387)
Item 40	April 15, 2021	(1704972)
Item 41	April 16, 2021	(1725629)
Item 42	April 23, 2021	(1710125)
Item 43	May 18, 2021	(1740115)
Item 44	May 19, 2021	(1711305)
Item 45	May 28, 2021	(1710983)
Item 46	June 14, 2021	(1710695)
Item 47	June 25, 2021	(1685173)
Item 48	June 28, 2021	(1686177)
Item 49	July 01, 2021	(1724218)
Item 50	July 09, 2021	(1683582)
Item 51	July 12, 2021	(1690433)

Item 52	July 14, 2021	(1685739)
Item 53	July 15, 2021	(1724182)
Item 54	August 16, 2021	(1751511)
Item 55	August 23, 2021	(1683680)
Item 56	August 30, 2021	(1472287)
Item 57	September 10, 2021	(1750110)
Item 58	October 04, 2021	(1747477)
Item 59	October 20, 2021	(1776750)
Item 60	December 10, 2021	(1775170)
Item 61	December 17, 2021	(1771883)
Item 62	January 18, 2022	(1783487)
Item 63	February 15, 2022	(1806353)
Item 64	March 08, 2022	(1797225)
Item 65	March 16, 2022	(1788034)
Item 66	April 07, 2022	(1764907)
Item 67	April 19, 2022	(1797561)
Item 68	May 05, 2022	(1801991)
Item 69	May 19, 2022	(1828830)
Item 70	May 25, 2022	(1701919)
Item 71	June 20, 2022	(1835123)
Item 72	June 30, 2022	(1711335)
Item 73	July 06, 2022	(1812827)
Item 74	July 20, 2022	(1842327)
Item 75	August 11, 2022	(1812756)
Item 76	August 19, 2022	(1848460)
Item 77	September 20, 2022	(1856258)
Item 78	October 03, 2022	(1834728)
Item 79	October 18, 2022	(1862615)
Item 80	November 28, 2022	(1854133)
Item 81	November 29, 2022	(1852934)

**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: 12/31/2021 (1798479)  
Self Report? YES Classification: Moderate  
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)  
30 TAC Chapter 305, SubChapter F 305.125(1)  
Description: Failure to meet the limit for one or more permit parameter
  
- 2 Date: 02/28/2022 (1813420)  
Self Report? YES Classification: Moderate  
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)  
30 TAC Chapter 305, SubChapter F 305.125(1)  
Description: Failure to meet the limit for one or more permit parameter
  
- 3 Date: 03/31/2022 (1819991)  
Self Report? YES Classification: Moderate  
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)  
30 TAC Chapter 305, SubChapter F 305.125(1)  
Description: Failure to meet the limit for one or more permit parameter
  
- 4 Date: 08/31/2022 (1812757)  
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)  
FOP, Special Term & Condition 29 OP  
NSR, Special Condition 7(C) PERMIT  
Description: Failure to prevent visible emissions from Flare (Unit ID: 29-61-1). (CATEGORY  
B13 Violation)  
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)

FOP, Special Term & Condition 29 OP  
 NSR, Special Condition 14(C) PERMIT  
 NSR, Special Condition 8(C) PERMIT  
 Description: Failure to prevent visible emissions from Flare (Unit ID: 56-61-11). (CATEGORY B13 Violation)  
 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)  
 FOP, Special Term & Condition 29 OP  
 NSR, Special Condition 12(C) PERMIT  
 Description: Failure to prevent visible emissions from Flare (Unit ID: 56-61-19). (CATEGORY B13 Violation)  
 Self Report? NO Classification: Minor  
 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)  
 FOP, Special Term & Condition 29 OP  
 NSR, Special Condition 12(B)(2)(c) PERMIT  
 Description: Failure to limit startup and shutdown operations (Unit ID: 27.1-36-RE) without the use of the electrostatic precipitator (ESP) due to safety hazards within permitted limit. (CATEGORY B13 Violation)  
 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 60, SubChapter C, PT 60, SubPT A 60.13(d)(1)  
 5C THSC Chapter 382 382.085(b)  
 FOP, Special Term & Condition 1A OP  
 FOP, Special Term & Condition 29 OP  
 NSR, Special Condition 24(B) PERMIT  
 Description: Failure to conduct daily validations for Unit 9 Fuel Gas continuous emissions monitoring system (CEMS). (CATEGORY C1 Violation)  
 Self Report? NO Classification: Minor  
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT Ja 60.107a(e)(1)  
 5C THSC Chapter 382 382.085(b)  
 FOP, Special Term & Condition 1A OP  
 Description: Failure to conduct daily validations for the Flare (Unit ID: 56-61-16) continuous emissions monitoring system (CEMS). (CATEGORY C1 Violation)  
 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 60, SubChapter C, PT 60, SubPT A 60.18(c)(2)  
 5C THSC Chapter 382 382.085(b)  
 FOP, Special Term & Condition 1A OP  
 FOP, Special Term & Condition 29 OP  
 NSR, Special Condition 12(B) PERMIT  
 Description: Failure to maintain Flare (Unit ID: 56-61-19) pilot. (CATEGORY C4 Violation)  
 Self Report? NO Classification: Minor  
 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)  
 FOP, Special Term & Condition 29 OP  
 NSR, Special Condition 19 PERMIT  
 Description: Failure to conduct titrations for U30 ARN. (CATEGORY C1 Violation)  
 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 63, SubChapter C, PT 63, SubPT CC 63.670(e)  
 5C THSC Chapter 382 382.085(b)  
 FOP, Special Term & Condition 1A OP  
 Description: Failure to maintain net heating values for Flare (Unit ID: 29-61-1). (CATEGORY C4 Violation)  
 Self Report? NO Classification: Minor  
 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)  
 FOP, Special Term & Condition 29 OP  
 NSR, Special Condition 15(B) PERMIT  
 Description: A Failure to conduct daily fluoride monitoring for Cooling Tower (Unit ID: 54-22-16). (CATEGORY C1 Violation)  
 Self Report? NO Classification: Minor  
 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)  
 FOP, Special Term & Condition 29 OP  
 NSR, Special Condition 27(D) PERMIT

Description: Failure to maintain PH within permitted limit for Caustic Scrubber (Unit ID: 35-95-102). (CATEGORY C4 Violation)

Self Report? NO Classification: Minor

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)  
 FOP, Special Term & Condition 29 OP  
 NSR, Special Condition 27(A) PERMIT

Description: Failure to maintain the caustic circulation rate within permitted limit for Caustic Scrubber (Unit ID: 35-95-102). (CATEGORY C4 Violation)

Self Report? NO Classification: Moderate

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

Description: Failure to control emissions with RTO (Unit ID: 56-61-152) as required by permit representation. (CATEGORY B17 Violation)

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)  
 FOP, Special Term & Condition 29 OP  
 NSR, Special Condition 14 PERMIT

Description: Failure to maintain temperatures within permitted limit for Thermal Oxidizer (Unit ID: 56-TO-BACKUP). (CATEGORY B17 Violation)

Self Report? NO Classification: Minor

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)  
 FOP, Special Term & Condition 29 OP  
 NSR, Special Condition 14 PERMIT

Description: Failure to maintain temperatures within permitted limit for Thermal Oxidizer (Unit ID: 56-61-152). (CATEGORY C4 Violation)

Self Report? NO Classification: Minor

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)  
 FOP, Special Term & Condition 29 OP  
 NSR, Special Condition 20(A) PERMIT

Description: Failure to monitor carbon adsorption system (CAS) (Unit ID: CAS). (CATEGORY C1 Violation)

**F. Environmental audits:**

Notice of Intent Date: 11/28/2017 (1454986)

Disclosure Date: 08/28/2018

Viol. Classification: Minor

Citation: 30 TAC Chapter 116, SubChapter F 116.601  
 30 TAC Chapter 116, SubChapter F 116.602(a)(2)

Description: For Unit 9, Furnace 4 (EPN 9-36-4), intermittent block hourly NOx mass emissions rate exceedances were noted. From 5/21-11/20/17, aggregated emissions exceedances were 7.8 pounds over the aggregated permit allowable rate of 6,973 lbs. From 7/1-12/31/17, the aggregated emissions over the permit were 47 lbs. The NOx block hourly limit exceedances, most of which are less than 0.1 lb/hr over the 9.36 lb/hr limit, are continuing on an intermittent basis.

Viol. Classification: Minor

Citation: 30 TAC Chapter 116, SubChapter F 116.601  
 30 TAC Chapter 116, SubChapter F 116.602(a)(2)

Description: It was found that for Unit 9, Furnace 4 (EPN 9-3 6-4) is having intermittent exceedances of the block hourly NOx emission concentration limit (0.04 lb/MMBTU block hourly; 0.036 lb/hr on a rolling 12- month basis), while the corresponding mass emission limit was not exceeded for the Unit 9 Furnace 4 during a review of the calculation spreadsheets. These intermittent concentration exceedances are ongoing.

Viol. Classification: Minor

Citation: 30 TAC Chapter 117, SubChapter B 117.345(d)  
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.7

Description: Failed to correctly report excess emissions over 1%.

Notice of Intent Date: 12/27/2017 (1465307)

No DOV Associated

Notice of Intent Date: 03/29/2018 (1479540)  
No DOV Associated

Notice of Intent Date: 04/05/2018 (1481097)  
Disclosure Date: 04/02/2019  
Viol. Classification: Minor  
Citation: 30 TAC Chapter 281, SubChapter A 281.25(a)(4)  
Description: 2014-2016 MSGP stormwater sample results not located for six non-outfall locations.

Notice of Intent Date: 06/02/2018 (1489924)  
No DOV Associated

Notice of Intent Date: 02/25/2019 (1550857)  
Disclosure Date: 06/27/2019  
Viol. Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
Rqmt Prov: PERMIT MAERT Table  
Description: An emissions event occurred on 6/12/19 at the SRU incinerator stack S02 GEM. The subsequent audit review used additional engineering practices, including the review of a process S02 analyzer located on the outlet of the SRU Claus. The June 12th emissions event exceed the reportable quantity threshold.

Disclosure Date: 06/16/2020  
Viol. Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
Rqmt Prov: PERMIT SC 17

Description: Monthly average production rate exceeded 110% of demonstrated rates during previous stack testing, without re-stack testing within 90 days. There were three monthly average production rates greater than 110% of the demonstrated rates. (EPN 25.2-CS)

Viol. Classification: Minor  
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
Rqmt Prov: PERMIT SC 12

Description: Intermittent missed daily fluoride testing on Cooling Tower 16. (EPN 54-20-16)

Viol. Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
Rqmt Prov: PERMIT SC 12

Description: Cooling Tower 16 pH not continuously monitored. Online analyzer was not ranged correctly and was not functioning properly.

Viol. Classification: Minor  
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
Rqmt Prov: PERMIT SC 15

Description: Unit 30 Acid Relief Neutralizer (ARN) pH not continuously monitored. Online analyzer not functioning properly and alarmed at 6 pH instead of IO pH.

Viol. Classification: Minor  
Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)

Description: Unit 35 emission calculations had an error in the firing rate calculation. The firing rate is also used in PM and (b)(2)(F) VOC calculations.

Notice of Intent Date: 07/30/2019 (1591930)  
Disclosure Date: 06/17/2020  
Viol. Classification: Minor  
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
Rqmt Prov: PERMIT SC 17

Description: The temperature of the thermal oxidizer is intermittently lower than the demonstrated stack test temperature.

Notice of Intent Date: 08/22/2019 (1598742)  
Disclosure Date: 04/30/2020  
Viol. Classification: Minor  
Citation: 2H THSC Chapter 161, SubChapter A 161.355(c)

40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.355(3)(ii)

Description: BWON sample coolers were non-compliant with Method 250, due to the size of the cooling coils and sample tube material.

Viol. Classification: Minor  
Citation: 40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.357(a)(1)  
40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.357(a)(2)  
40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.357(a)(3)

Description: Unit 45 was inadvertently left off of the 2017/2018 TAB report.

Notice of Intent Date: 09/20/2019 (1598237)

Disclosure Date: 12/13/2019

Viol. Classification: Minor

Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)

Description: The audit found open end lines without control by cap, plug, blind, or double block valves in the inspection of the three process units.

Viol. Classification: Minor

Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT W 60.482-1(a)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(a)

Description: The audit found overlooked components that appear to have been excluded from the LDAR program.

Viol. Classification: Minor

Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.485

Description: The audit found FID sample hoses which were calibrated and being used in the field with holes in the line.

Notice of Intent Date: 10/03/2019 (1598639)

No DOV Associated

Notice of Intent Date: 10/08/2019 (1602668)

Disclosure Date: 11/20/2019

Viol. Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter H 101.359  
30 TAC Chapter 117, SubChapter B 117.310

Description: NOx emission from ULSG Heater (EPN: 45-36-1) was inadvertently omitted from the MECTECTI reporting in 2017 and 2018.

Notice of Intent Date: 10/21/2019 (1604118)

Disclosure Date: 12/17/2019

Viol. Classification: Minor

Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT Ja 60.102a(g)(2)(i)(A)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT Ja 60.107a(c)(6)

Description: Maximum O2 operating limit determined from compliance stack test on ULSG Heater (EPN 45-36-1) was inadvertently exceeded from the initial test through November 2019.

Viol. Classification: Minor

Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT Ja 60.107a(c)(5)

Description: The annual CEMS RATA was not performed on the ULSG Heater (EPN:45-36-1) O2 analyzer in 2018.

Notice of Intent Date: 01/21/2020 (1623984)

No DOV Associated

Notice of Intent Date: 04/23/2020 (1645425)

No DOV Associated

Notice of Intent Date: 06/17/2020 (1657540)

Disclosure Date: 06/18/2021

Viol. Classification: Minor

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

Rqmt Prov: PERMIT SC 27A

Description: Caustic circulation was below minimum limit specified on PN 30513, SC 27A.

Viol. Classification: Minor

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT UUU 63.1572(c)(1)

Rqmt Prov: PERMIT SC 27C and 27D

Description: Daily/quarterly calibration checks and quarterly inspections of scrubber liquid pH meter were not completed. Biennial calibration checks and quarterly inspections were not completed on liquid and gas flow rate sensors . Weekly calibration/cleaning was not completed on the scrubber liquid pH meter. Annual

calibration checks were not completed on liquid and gas flow rate sensors.

Viol. Classification: Minor

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

Rqmt Prov: PERMIT SC 27F

Description: Gas flowmeter downtime exceeded 5% in a rolling 12-month period.

Viol. Classification: Minor

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(E)

Rqmt Prov: PERMIT MAERT

Description: Rolling 12 mo. emissions were not monitored on a monthly basis for 35-95-102.

Viol. Classification: Minor

Citation: 40 CFR Chapter 63, SubChapter C, PT 63, SubPT UUU 63.1567(b)(2)

Description: On the initial RMACT II compliance test, only two of three liquid flows and one of two gas flows were included on the stack test report. The absence of these values affects the liquid flow requirement in PN3015 and the required Liquid to Gas Ratio required by RMACT II.

Notice of Intent Date: 07/29/2020 (1665620)

Disclosure Date: 08/18/2020

Viol. Classification: Minor

Citation: 40 CFR Chapter 63, SubChapter C, PT 63, SubPT UUU 63.1572(a)(1)

40 CFR Chapter 63, SubChapter C, PT 63, SubPT UUU 63.1572(a)(2)

Description: Relative Accuracy Test Audits (RAT As) were not conducted on an annual basis for SRU Incinerators' (EPNs 28.2-36-2 and 39.1-95-118).

Viol. Classification: Minor

Citation: 30 TAC Chapter 122, SubChapter B 122.145(2)(A)

Description: Item 1 was not previously disclosed in Title V Deviation reports submitted for those periods in which annual RAT As were not performed.

Notice of Intent Date: 08/28/2020 (1672228)

No DOV Associated

Notice of Intent Date: 09/09/2020 (1673083)

No DOV Associated

Notice of Intent Date: 10/07/2020 (1679850)

Disclosure Date: 12/16/2020

Viol. Classification: Minor

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

30 TAC Chapter 122, SubChapter B 122.145(2)(A)

Rqmt Prov: PERMIT SC 56 D

Description: Unit 29.2 D-102 (coke drum) was vented to atmosphere at a 5-minute rolling average pressure of 3.8 PSI, versus a limit of 2.5 PSI. This exceedance occurred once, on 3/6/2019.

Notice of Intent Date: 10/08/2020 (1680065)

No DOV Associated

Notice of Intent Date: 10/23/2020 (1690884)

No DOV Associated

Notice of Intent Date: 12/10/2020 (1696686)

Disclosure Date: 12/15/2021

Viol. Classification: Minor

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)

30 TAC Chapter 116, SubChapter B 116.115(c)

Rqmt Prov: PERMIT MAERT

PERMIT SC 1

PERMIT SC 54

Description: H2S04 emission monitoring was not performed for sulfur plant incinerators (EPNs 28.2-36-2, and 39.1-95-118). When initial calculations were developed, intermittent exceedances were indicated.

Notice of Intent Date: 03/23/2021 (1709328)

No DOV Associated

Notice of Intent Date: 04/19/2021 (1709648)

No DOV Associated

Notice of Intent Date: 06/09/2021 (1735788)

No DOV Associated

Notice of Intent Date: 07/01/2021 (1738752)

No DOV Associated

Notice of Intent Date: 07/23/2021 (1746586)

Disclosure Date: 06/16/2022

Viol. Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
Rqmt Prov: PERMIT SC 11B

Description: The TDS sample for the Cooling Tower (54-22-1) indicated TDS concentration above permit limits.

Notice of Intent Date: 07/26/2021 (1746974)  
No DOV Associated

Notice of Intent Date: 08/17/2021 (1756907)  
Disclosure Date: 12/15/2021

Viol. Classification: Minor  
Citation: 40 CFR Chapter 63, SubChapter C, PT 63, SubPT CC 63.655(i)(9)(ii)

Description: Camera footage for flare monitoring was permanently lost. The affected flares include: 29-61-1, 56-61-16, 56-61-17, 56-61-11, 56-61-19.

Notice of Intent Date: 08/17/2021 (1756908)  
No DOV Associated

Notice of Intent Date: 10/25/2021 (1771654)  
Disclosure Date: 12/15/2021

Viol. Classification: Minor  
Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT J 60.105(a)(4)(iii)

Description: During the audit it was discovered that the fuel gas H2S CEMS for the refinery were completing triplicate injections during calibrations, consistent with Performance Specification 9. All other performance evaluations were in accordance with Performance Specification 7.

Notice of Intent Date: 10/29/2021 (1776418)  
Disclosure Date: 01/25/2022

Viol. Classification: Minor  
Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
Rqmt Prov: PERMIT SC ;7 and MAERT

Description: Regarding the Heater Hourly Firing Rate - VOC lb/hr, and PM lb/hr exceeded permit limits due to unrepresentative fuel gas sample input used for compliance monitoring.

Viol. Classification: Minor  
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
Rqmt Prov: PERMIT SC 22D

Description: Stack Test Firing Rate - Heater hourly firing rate exceeded stack test limit due to unrepresentative fuel gas sample input used for compliance monitoring. Additional stack sampling (per permit requirements) was not performed.

Viol. Classification: Minor  
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT Ja 60.107a(d)(7)  
Rqmt Prov: PERMIT SC 4B

Description: An unrepresentative fuel gas sample input was used for compliance monitoring. The higher heating value of the fuel was determined less than once per day.

Notice of Intent Date: 10/25/2021 (1781320)  
Disclosure Date: 12/15/2021

Viol. Classification: Minor  
Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VVa 60.482-6a

Description: The audit found open-ended lines without control by cap, plug, blind, or double block valves in the inspection of three process units.

Ten OELs were identified in Unit 4. (EPNS 4-0-0, 38-0-0, and 27.2-0-0)

Viol. Classification: Minor  
Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-1(a)

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

Description: The audit found 4 overlooked components that appear to have been excluded from the LDAR program. These components were identified in Unit 87 (EPN 87-0- 0).

Notice of Intent Date: 02/08/2022 (1790247)  
No DOV Associated

Notice of Intent Date: 02/21/2022 (1797179)  
No DOV Associated



Notice of Intent Date: 05/23/2022 (1818510)

Disclosure Date: 06/16/2022

Viol. Classification: Minor

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

Rqmt Prov: PERMIT SC 14

Description: The Unit 30 Reboiler (EPN No. 30-36-1) fuel gas flow meter did not meet accuracy requirements.

Disclosure Date: 10/25/2022

Viol. Classification: Minor

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

Rqmt Prov: PERMIT SC 14

Description: During the audit, it was identified that the fuel gas flow meter on the Unit 30 Reboiler (EPN 30-36-1) was calibrated annually but documentation was missing to demonstrate calibration accuracy requirements were fulfilled (RY 2017 and RY 2020).

Notice of Intent Date: 06/28/2022 (1826007)

No DOV Associated

Notice of Intent Date: 07/08/2022 (1828220)

Disclosure Date: 11/09/2022

Viol. Classification: Minor

Citation: 40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.120(a)(2)(i)

40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.120(a)(3)(ii)

Description: During the audit, it was identified that the visual inspection of the Internal Floating Roof and seals was not inspected at least every 12

months in accordance with 40 CFR Part 63 Subpart G

Viol. Classification: Minor

Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT Kb 60.115b(b)(2)

40 CFR Chapter 60, SubChapter C, PT 60, SubPT Kb 60.115b(b)(4)

Description: During the audit, it was identified that reports of completed secondary seal gap measurements under 40 CFR Part 60 Subpart Kb were not submitted to the Administrator within the required 30- or 60- days following completion of the inspections.

**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  
PHILLIPS 66 COMPANY  
RN101619179

§  
§  
§  
§  
§

BEFORE THE  
  
TEXAS COMMISSION ON  
  
ENVIRONMENTAL QUALITY

## AGREED ORDER DOCKET NO. 2021-0654-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 Phillips 66 Company (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 petroleum refinery located at 8189 Old Farm-to-Market Road 524 in Old Ocean, Brazoria 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 \$44,450 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent paid \$17,780 of the penalty and \$8,890 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, \$17,780 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. By January 20, 2020, installed audible and high-level sensing probes to help reduce the probability of an overflow scenario in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 324198;
  - b. By December 5, 2020, injected velocity steam into the Coker Furnace instead of velocity water that improved energy efficiency and allowed the Coke Drum inlet temperatures to be increased to improve the stability of the coke bed morphology and decrease the likelihood of hot spot formation in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 327253; and
  - c. By August 17, 2021, implemented measures for proper set screw installation and torquing requirements in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 353741.

## II. ALLEGATIONS

1. During a record review for the Plant conducted from March 10, 2021 through March 24, 2021, an investigator documented that the Respondent failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(c), and 122.143(4), New Source Review ("NSR") Permit Nos. 5920A and PSDTX103M4, Special Conditions ("SC") No. 1, Federal Operating Permit ("FOP") No. O1626, General Terms and Conditions ("GTC") and Special Terms and Conditions ("STC") No. 29, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent released 45.17 pounds ("lbs") of volatile organic compounds ("VOC"), 92.80 lbs of carbon monoxide ("CO"), 73.96 lbs of hydrogen sulfide ("H<sub>2</sub>S"), 17.09 lbs of nitrogen oxides ("NO<sub>x</sub>"), and 6,821.92 lbs of sulfur dioxide ("SO<sub>2</sub>") from the Coker Flare, Emissions Point Number ("EPN") 29-61-1, during an

emissions event (Incident No. 327253) that occurred on December 26, 2019 and lasted 29 minutes. The emissions event occurred when hot spots that formed in the coke bed morphology were contacted by quench water, resulting in the rapid steam generation and in flaring. Since the emissions event was not caused by a sudden unavoidable breakdown of equipment or process beyond the control of the owner or operator and could have been avoided by better design and/or better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.

2. During a record review for the Plant conducted from June 7, 2021 through June 14, 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. 49140, SC No. 1, FOP No. O1626, GTC and STC No. 29, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent released 14,721.85 lbs of VOC as fugitive emissions, during an emissions event (Incident No. 324198) that occurred on November 5, 2019 and lasted 20 minutes. The emissions event occurred when a railcar was overfilled with hexane, resulting in the release to the atmosphere. Since the emissions event was not caused by a sudden unavoidable breakdown of equipment or process beyond the control of the owner or operator and could have been avoided by better design and/or better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.
3. During a record review for the Plant conducted from April 19, 2021 through May 4, 2021, an investigator documented that the Respondent failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(c), and 122.143(4), NSR Permit Nos. 5920A and PSDTX103M4, SC No. 1, NSR Permit No. 7467A, SC No. 1, NSR Permit No. 30513, SC No. 1, NSR Permit No. 118699, SC No. 2, FOP No. O1626, GTC and STC No. 29, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent released 2,642.86 lbs of VOC, 3,804.36 lbs of CO, 28.45 lbs of H<sub>2</sub>S, 1,201.11 lbs of NO<sub>x</sub>, and 5,645.77 lbs of SO<sub>2</sub> from multiple EPNs as shown in the table below, during an emissions event (Incident No. 353741) that occurred on April 3, 2021 and lasted three hours and 27 minutes. The emissions event occurred when a malfunction on a lube oil pump occurred and the backup lube oil pump was unable to start quickly enough to keep a compressor from tripping on low lube oil pressure, resulting in flaring. Since the emissions event was not caused by a sudden unavoidable breakdown of equipment or process beyond the control of the owner or operator and could have been avoided by better design and/or better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.

<b>Emissions Event Table (Incident No. 353741)</b>						
<b>Source Name</b>	<b>EPN</b>	<b>Pollutants (lbs)</b>				
		<b>VOC</b>	<b>CO</b>	<b>H2S</b>	<b>NOx</b>	<b>SO2</b>
Coker Flare	29-61-1	373.52	376.44	1.49	73.88	137.61
Flare 11	56-61-11	0.41	1.89	0.00	0.26	0.01
Flare 16	56-61-16	1,043.98	1,821.95	10.95	828.62	1,009.97
Flare 17	56-61-17	134.53	263.56	12.60	112.75	1,162.24
Flare 19	56-61-19	1,090.42	1,340.52	3.41	185.60	314.77
Unit 25.1 Heater	56-61-19	0.00	0.00	0.00	0.00	848.42
Unit 25.2 Heater	25.2-CS	0.00	0.00	0.00	0.00	182.60
Unit 29.1 Heater	29.1-36-1	0.00	0.00	0.00	0.00	17.57
Unit 35 Furnace	35-36-1	0.00	0.00	0.00	0.00	1,422.88
Unit 38 Heater	38-36-251	0.00	0.00	0.00	0.00	201.98
Unit 38 Reboiler	38-36-252	0.00	0.00	0.00	0.00	196.01
Unit 45 Heater	45-36-1	0.00	0.00	0.00	0.00	151.71
<b>Totals:</b>		<b>2,642.86</b>	<b>3,804.36</b>	<b>28.45</b>	<b>1,201.11</b>	<b>5,645.77</b>

### 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: Phillips 66 Company, Docket No. 2021-0654-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 \$17,780 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. If the Respondent fails to comply with any of the Ordering Provisions in this Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, the Respondent's failure to comply is not a violation of this Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
6. The Executive Director may grant an extension of any deadline in this Order or in any plan, report, or other document submitted pursuant to this Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director. Extension requests shall be sent to the Enforcement Division at the address listed above.
7. This Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
8. This Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms: electronic transmission, owner, person, writing, and written, shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.
9. The effective date of this Order is the date it is signed by the Commission. A copy of this fully executed Order shall be provided to each of the parties.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

-----  
For the Commission

-----  
Date

  
-----

6/5/2023  
-----

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 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.

  
-----

Signature

4-6-23  
-----

Date

Mark Evans  
-----

Name (Printed or typed)

VP, Sweeny Refinery  
-----

Title

Authorized Representative of  
Phillips 66 Company

*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: 2021-0654-AIR-E**  
**SUPPLEMENTAL ENVIRONMENTAL PROJECT**

<b>Respondent:</b>	Phillips 66 Company
<b>Payable Penalty Amount:</b>	\$35,560
<b>SEP Offset Amount:</b>	\$17,780
<b>Type of SEP:</b>	Contribution to a Third-Party Pre-Approved SEP
<b>Third-Party Administrator:</b>	Houston-Galveston Area Council-AERCO
<b>Project Name:</b>	<i>Clean Vehicles Partnership Project</i>
<b>Location of SEP:</b> Angelina, Austin, Brazoria, Chambers, Colorado, Fort Bend, Galveston, Hardin, Harris, Houston, Jasper, Jefferson, Liberty, Matagorda, Montgomery, Nacogdoches, Newton, Orange, Polk, Sabine, San Augustine, San Jacinto, Trinity, Tyler, Walker, Waller, and Wharton Counties	

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

**1. Project Description**

a. Project

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

The SEP Offset Amount may also be used for retrofit or conversion technology that brings an Old Bus up to current EPA emissions standards. New Buses may be alternative-fueled. The SEP Offset Amount may be used for up to 100% of the replacement, conversion, or retrofit cost. The SEP Offset Amount will be used only for purchase of New Buses or conversion or retrofit equipment and contract labor for installation of equipment. The SEP Offset Amount will not be used for financing such a purchase through a lease-purchase or similar agreement.

Retrofitting means reducing exhaust emissions to current standards by installing devices that are verified or certified by the EPA or the California Air Resources Board as proven retrofit technologies. Converting means replacing an engine system with an alternative fuel engine system to bring the Old Bus within the current EPA emissions standards.



Buses to be replaced, retrofitted, or converted must be in regular use (driven at least five hundred miles per year for at least the past two years) by the SEP Administrator and must not already be scheduled for replacement in the following twenty-four months.

All replaced buses must be fully decommissioned. The Third-Party Administrator shall provide proof of decommissioning to TCEQ for each replaced vehicle by submitting a copy of the TCEQ SEP Vehicle Replacement Disposition Form. The SEP will be done in accordance with all federal, state, and local environmental laws and regulations.

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

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

b. Environmental Benefit

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

c. Minimum Expenditure

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

## 2. Performance Schedule

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

Houston-Galveston Area Council-AERCO  
Emission Reduction Credit Corporation  
Attn: Air Quality Program Manager  
3555 Timmons Lane, Suite 120  
Houston, Texas 77027

### 3. **Records and Reporting**

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

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

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

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

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

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

### 5. **Publicity**

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

### 6. **Recognition**

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

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

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