

**Executive Summary – Enforcement Matter – Case No. 61170**  
**CHEVRON PHILLIPS CHEMICAL COMPANY LP**  
**RN100215615**  
**Docket No. 2021-1056-AIR-E**

**Order Type:**

1660 Agreed Order

**Findings Order Justification:**

N/A

**Media:**

AIR

**Small Business:**

No

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

Chevron Phillips Chemical Orange Polyethylene Plant, 5309 Farm-to-Market Road  
1006, Orange, Orange County

**Type of Operation:**

Polyethylene manufacturing plant

**Other Significant Matters:**

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

**Texas Register Publication Date:** April 8, 2022

**Comments Received:** No

***Penalty Information***

**Total Penalty Assessed:** \$49,950

**Amount Deferred for Expedited Settlement:** \$9,990

**Total Paid to General Revenue:** \$19,980

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

Payment Plan: N/A

**Supplemental Environmental Project (“SEP”) Conditional Offset:** \$19,980

Name of SEP: Southeast Texas Regional Planning Commission (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:** July 16, 2021

**Date(s) of NOE(s):** August 6, 2021

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CHEVRON PHILLIPS CHEMICAL COMPANY LP  
RN100215615  
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***Violation Information***

Failed to comply with the maximum allowable emissions rates ("MAERs"). Specifically, the Respondent exceeded the nitrogen oxides ("NOx") MAER of 0.01 ton per year and the carbon monoxide ("CO") MAER of 0.01 ton per year based on a 12-month rolling period for the 12-month periods ending from January 2020 through April 2021 for the Activator Vent, Emissions Point Number ("EPN") 201, resulting in 0.02 ton of unauthorized NOx emissions and 0.08 ton of unauthorized CO emissions [30 TEX. ADMIN. CODE §§ 116.115(b)(2)(F) and (c) and 122.143(4), New Source Review Permit No. 4140A, Special Conditions No. 1, Federal Operating Permit No. O1310, General Terms and Conditions and Special Terms and Conditions No. 9, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

***Corrective Actions/Technical Requirements***

**Corrective Action(s) Completed:**

The Respondent has implemented the following corrective measures:

- a. On July 8, 2021, submitted the registration for Permit by Rule ("PBR") Registration No. 165837 to authorize the emission increases associated with the activation of process changes on the Activator Vent, EPN 201; and
- b. On August 26, 2021, obtained PBR Registration No. 165837 that authorized the increased NOx and CO annual MAERs for the Activator Vent, EPN 201.

**Technical Requirements:**

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

**Executive Summary – Enforcement Matter – Case No. 61170**  
**CHEVRON PHILLIPS CHEMICAL COMPANY LP**  
**RN100215615**  
**Docket No. 2021-1056-AIR-E**

***Contact Information***

**TCEQ Attorney:** N/A

**TCEQ Enforcement Coordinator:** Kate Dacy, Enforcement Division, Enforcement Team 4, MC 219, (512) 239-4593; 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:** Southeast Texas Regional Planning Commission, 2210 Eastex Freeway, Beaumont, Texas 77703-4929

**Respondent:** Craig Lemons, Plant Manager, CHEVRON PHILLIPS CHEMICAL COMPANY LP, 5309 Farm-to-Market Road 1006, Orange, Texas 77630

**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 PCW</b>	9-Aug-2021 16-Feb-2022	<b>Screening</b>	11-Aug-2021	<b>EPA Due</b>	22-Feb-2022
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<b>RESPONDENT/FACILITY INFORMATION</b>	
<b>Respondent</b>	CHEVRON PHILLIPS CHEMICAL COMPANY LP
<b>Reg. Ent. Ref. No.</b>	RN100215615
<b>Facility/Site Region</b>	10-Beaumont
<b>Major/Minor Source</b>	Major

<b>CASE INFORMATION</b>			
<b>Enf./Case ID No.</b>	61170	<b>No. of Violations</b>	1
<b>Docket No.</b>	2021-1056-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>	Kate Dacy
		<b>EC's Team</b>	Enforcement Team 4
<b>Admin. Penalty \$ Limit Minimum</b>	\$0	<b>Maximum</b>	\$25,000

## Penalty Calculation Section

<b>TOTAL BASE PENALTY (Sum of violation base penalties)</b>	<b>Subtotal 1</b>	\$45,000
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### ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

<b>Compliance History</b>	36.0% Adjustment	<b>Subtotals 2, 3, &amp; 7</b>	\$16,200
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Notes: Enhancement for one NOV with same or similar violations, one NOV with dissimilar violations, and two agreed orders containing a denial of liability. Reduction for five notices of intent to conduct an audit and three disclosures of violations.

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

<b>Good Faith Effort to Comply Total Adjustments</b>	<b>Subtotal 5</b>	-\$11,250
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<b>Economic Benefit</b>	0.0% Enhancement*	<b>Subtotal 6</b>	\$0
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Total EB Amounts	\$72	*Capped at the Total EB \$ Amount
Estimated Cost of Compliance	\$950	

<b>SUM OF SUBTOTALS 1-7</b>	<b>Final Subtotal</b>	\$49,950
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<b>OTHER FACTORS AS JUSTICE MAY REQUIRE</b>	0.0%	<b>Adjustment</b>	\$0
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes: [Empty box]

<b>Final Penalty Amount</b>	\$49,950
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<b>STATUTORY LIMIT ADJUSTMENT</b>	<b>Final Assessed Penalty</b>	\$49,950
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<b>DEFERRAL</b>	20.0%	Reduction	<b>Adjustment</b>	-\$9,990
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Reduces the Final Assessed Penalty by the indicated percentage.

Notes: Deferral offered for expedited settlement.

<b>PAYABLE PENALTY</b>	\$39,960
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Screening Date 11-Aug-2021

Docket No. 2021-1056-AIR-E

PCW

Respondent CHEVRON PHILLIPS CHEMICAL COMPANY LP

Policy Revision 5 (January 28, 2021)

Case ID No. 61170

PCW Revision February 11, 2021

Reg. Ent. Reference No. RN100215615

Media Air

Enf. Coordinator Kate Dacy

### Compliance History Worksheet

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

Component	Number of...	Number	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action ( <i>number of NOVs meeting criteria</i> )	1	5%
	Other written NOVs	1	2%
Orders	Any agreed final enforcement orders containing a denial of liability ( <i>number of orders meeting criteria</i> )	2	40%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government ( <i>number of judgments or consent decrees meeting criteria</i> )	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government ( <i>number of counts</i> )	0	0%
Emissions	Chronic excessive emissions events ( <i>number of events</i> )	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which notices were submitted</i> )	5	-5%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which violations were disclosed</i> )	3	-6%
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

**Adjustment Percentage (Subtotal 2)** 36%

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

No

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

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

Satisfactory Performer

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

#### >> Compliance History Summary

**Compliance History Notes**

Enhancement for one NOV with same or similar violations, one NOV with dissimilar violations, and two agreed orders containing a denial of liability. Reduction for five notices of intent to conduct an audit and three disclosures of violations.

**Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7)** 36%

#### >> Final Compliance History Adjustment

**Final Adjustment Percentage \*capped at 100%** 36%

**Screening Date** 11-Aug-2021 **Docket No.** 2021-1056-AIR-E **PCW**  
**Respondent** CHEVRON PHILLIPS CHEMICAL COMPANY LP *Policy Revision 5 (January 28, 2021)*  
**Case ID No.** 61170 *PCW Revision February 11, 2021*  
**Reg. Ent. Reference No.** RN100215615  
**Media** Air  
**Enf. Coordinator** Kate Dacy

**Violation Number**

**Rule Cite(s)**

30 Tex. Admin. Code §§ 116.115(b)(2)(F) and (c) and 122.143(4), New Source Review Permit No. 4140A, Special Conditions No. 1, Federal Operating Permit No. O1310, General Terms and Conditions and Special Terms and Conditions No. 9, and Tex. Health & Safety Code § 382.085(b)

**Violation Description**

Failed to comply with the maximum allowable emissions rates ("MAERs"). Specifically, the Respondent exceeded the nitrogen oxides ("NOx") MAER of 0.01 ton per year and the carbon monoxide ("CO") MAER of 0.01 ton per year based on a 12-month rolling period for the 12-month periods ending from January 2020 through April 2021 for the Activator Vent, Emissions Point Number ("EPN") 201, resulting in 0.02 ton of unauthorized NOx emissions and 0.08 ton of unauthorized CO emissions.

**Base Penalty**

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

OR	Release	Harm			Percent
		Major	Moderate	Minor	
		Actual	<input type="text"/>	<input type="text"/>	
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 which do not exceed levels that are protective of human health or environmental receptors as a result of this violation

**Adjustment**

**Violation Events**

Number of Violation Events   Number of violation days

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

**Violation Base Penalty**

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

**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: The Respondent achieved compliance on July 8, 2021, prior to the Notice of Enforcement dated August 6, 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** CHEVRON PHILLIPS CHEMICAL COMPANY LP  
**Case ID No.** 61170  
**Reg. Ent. Reference No.** RN100215615  
**Media** Air  
**Violation No.** 1

Percent Interest	Years of Depreciation
5.0	15

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

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs	\$950	1-Jan-2020	8-Jul-2021	1.52	\$72	n/a	\$72
Other (as needed)				0.00	\$0	n/a	\$0
<b>Notes for DELAYED costs</b>	Actual cost to submit the registration for Permit by Rule Registration No. 165837 to authorize the emission increases associated with the activation of process changes on the Activator Vent, EPN 201. The Date Required is the first date of non-compliance and the Final Date is the date of compliance.						

### Avoided Costs

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

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

Approx. Cost of Compliance \$950

**TOTAL** \$72

The TCEQ is committed to accessibility.

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



# Compliance History Report

Compliance History Report for CN600303614, RN100215615, Rating Year 2021 which includes Compliance History (CH) components from September 1, 2016, through August 31, 2021.

**Customer, Respondent, or Owner/Operator:** CN600303614, CHEVRON PHILLIPS CHEMICAL COMPANY LP **Classification:** SATISFACTORY **Rating:** 8.33

**Regulated Entity:** RN100215615, CHEVRON PHILLIPS CHEMICAL ORANGE POLYETHYLENE PLANT **Classification:** SATISFACTORY **Rating:** 3.36

**Complexity Points:** 19 **Repeat Violator:** NO

**CH Group:** 05 - Chemical Manufacturing

**Location:** 5309 FARM-TO-MARKET ROAD 1006 IN ORANGE COUNTY, ORANGE, TEXAS

**TCEQ Region:** REGION 10 - BEAUMONT

### ID Number(s):

**AIR OPERATING PERMITS** ACCOUNT NUMBER OC0012Q  
**PUBLIC WATER SYSTEM/SUPPLY** REGISTRATION 1810093  
**AIR NEW SOURCE PERMITS** PERMIT 2017A  
**AIR NEW SOURCE PERMITS** REGISTRATION 13293A  
**AIR NEW SOURCE PERMITS** REGISTRATION 27481  
**AIR NEW SOURCE PERMITS** REGISTRATION 45682  
**AIR NEW SOURCE PERMITS** REGISTRATION 55298  
**AIR NEW SOURCE PERMITS** REGISTRATION 71619  
**AIR NEW SOURCE PERMITS** REGISTRATION 131292  
**AIR NEW SOURCE PERMITS** PERMIT AMOC184  
**AIR NEW SOURCE PERMITS** REGISTRATION 165837  
**AIR NEW SOURCE PERMITS** REGISTRATION 145695  
**AIR NEW SOURCE PERMITS** REGISTRATION 156198  
**AIR NEW SOURCE PERMITS** EPA PERMIT GHGSPDXTX192  
**AIR NEW SOURCE PERMITS** EPA PERMIT PSDTX1556  
**WASTEWATER LICENSING** LICENSE WQ0000359000  
**WASTEWATER** EPA ID TX0004839

**AIR OPERATING PERMITS** PERMIT 1310  
**AIR NEW SOURCE PERMITS** PERMIT 4140A  
**AIR NEW SOURCE PERMITS** PERMIT 8335A  
**AIR NEW SOURCE PERMITS** PERMIT 19394  
**AIR NEW SOURCE PERMITS** REGISTRATION 42293  
**AIR NEW SOURCE PERMITS** ACCOUNT NUMBER OC0012Q  
**AIR NEW SOURCE PERMITS** AFS NUM 4836100014  
**AIR NEW SOURCE PERMITS** REGISTRATION 139517  
**AIR NEW SOURCE PERMITS** REGISTRATION 150883  
**AIR NEW SOURCE PERMITS** REGISTRATION 164562  
**AIR NEW SOURCE PERMITS** REGISTRATION 165836  
**AIR NEW SOURCE PERMITS** REGISTRATION 145791  
**AIR NEW SOURCE PERMITS** REGISTRATION 156258  
**AIR NEW SOURCE PERMITS** REGISTRATION 160729  
**AIR NEW SOURCE PERMITS** PERMIT 155952  
**WASTEWATER** PERMIT WQ0000359000  
**AIR EMISSIONS INVENTORY** ACCOUNT NUMBER OC0012Q  
**INDUSTRIAL AND HAZARDOUS WASTE** EPA ID TXD008088833  
**TAX RELIEF** ID NUMBER 18580  
**TAX RELIEF** ID NUMBER 20831  
**TAX RELIEF** ID NUMBER 20829  
**TAX RELIEF** ID NUMBER 16771

**POLLUTION PREVENTION PLANNING** ID NUMBER P00135  
**INDUSTRIAL AND HAZARDOUS WASTE** SOLID WASTE REGISTRATION # (SWR) 30015  
**TAX RELIEF** ID NUMBER 16761  
**TAX RELIEF** ID NUMBER 17667  
**TAX RELIEF** ID NUMBER 16783  
**TAX RELIEF** ID NUMBER 22305

**Compliance History Period:** September 01, 2016 to August 31, 2021 **Rating Year:** 2021 **Rating Date:** 09/01/2021

**Date Compliance History Report Prepared:** October 25, 2021

**Agency Decision Requiring Compliance History:** Enforcement

**Component Period Selected:** October 25, 2016 to October 25, 2021

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

**Name:** Kate Dacy

**Phone:** (512) 239-4593

### 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: 02/19/2019 ADMINORDER 2016-0828-AIR-E (1660 Order-Agreed Order With Denial)  
Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)  
Rqmt Prov: GENERAL TERMS AND CONDITIONS OP  
SPECIAL CONDITION 1 PERMIT  
SPECIAL CONDITION 10 OP  
Description: Failure to maintain emission rates in pounds per hour (lb/hr) below the Maximum Allowable Emissions Rate Table (MAERT) limits.
- 2 Effective Date: 08/16/2020 ADMINORDER 2019-0751-AIR-E (1660 Order-Agreed Order With Denial)  
Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)  
Rqmt Prov: General Terms and Conditions OP  
Special Condition 1 PERMIT  
Special Term and Condition 9 OP  
Description: Failed to comply with the MAER. Specifically, the Respondent exceeded the PM MAER of 0.02 ton per year based on a 12-month rolling period for the 12-month periods ending from January 2017 through September 2018 for the Storage Silo Filter, EPN 34, resulting in 0.04 ton of unauthorized PM.  
Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)  
Rqmt Prov: General Terms and Conditions OP  
Special Condition 3 PERMIT  
Special Condition 4 PERMIT  
Special Term and Condition 9 OP  
Description: Failed to comply with the permitted production limit. Specifically, the Respondent exceeded the polymers short-term production limit referenced in Table 2 of the application dated June 28, 2013 by an average of 2,304.8 lbs/hr for a total of eight hours on September 26, 2017, September 27, 2017, and December 16, 2017 and exceeded the polymers short-term production limit referenced in Table 2 of the application dated September 26, 2016 by an average of 283.5 lbs/hr for a total of six hours on July  
Classification: Minor  
Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
30 TAC Chapter 122, SubChapter B 122.145(2)(A)  
5C THSC Chapter 382 382.085(b)  
Rqmt Prov: General Terms and Conditions OP  
Description: Failed to report all instances of deviations. Specifically, the deviation report for the July 1, 2017 through December 31, 2017 reporting period did not include the deviation for failing to collect TDS samples at least once per day from the CPF Cooling Tower.

### **B. Criminal convictions:**

N/A

### **C. Chronic excessive emissions events:**

N/A

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

Item 1	November 02, 2016	(1384365)
Item 2	December 13, 2016	(1390502)
Item 3	January 09, 2017	(1397119)
Item 4	February 07, 2017	(1404003)
Item 5	March 08, 2017	(1411104)
Item 6	April 14, 2017	(1417607)
Item 7	May 04, 2017	(1425196)

Item 8	June 14, 2017	(1431199)
Item 9	July 10, 2017	(1439808)
Item 10	August 15, 2017	(1443496)
Item 11	October 16, 2017	(1455943)
Item 12	November 06, 2017	(1461424)
Item 13	December 14, 2017	(1467803)
Item 14	January 09, 2018	(1474508)
Item 15	February 12, 2018	(1486734)
Item 16	March 07, 2018	(1490411)
Item 17	April 10, 2018	(1493648)
Item 18	May 07, 2018	(1500566)
Item 19	June 18, 2018	(1507683)
Item 20	July 18, 2018	(1514000)
Item 21	August 07, 2018	(1520062)
Item 22	September 07, 2018	(1527227)
Item 23	October 10, 2018	(1533585)
Item 24	November 13, 2018	(1541420)
Item 25	December 18, 2018	(1545204)
Item 26	January 17, 2019	(1559587)
Item 27	February 14, 2019	(1559585)
Item 28	March 18, 2019	(1552360)
Item 29	March 19, 2019	(1559586)
Item 30	May 20, 2019	(1583211)
Item 31	June 14, 2019	(1583212)
Item 32	July 16, 2019	(1593114)
Item 33	August 13, 2019	(1599460)
Item 34	September 12, 2019	(1606365)
Item 35	October 15, 2019	(1613211)
Item 36	November 18, 2019	(1619025)
Item 37	December 17, 2019	(1626377)
Item 38	January 16, 2020	(1634018)
Item 39	February 12, 2020	(1640637)
Item 40	March 14, 2020	(1647157)
Item 41	April 08, 2020	(1653493)
Item 42	May 14, 2020	(1660079)
Item 43	May 22, 2020	(1650616)
Item 44	June 15, 2020	(1666584)
Item 45	July 15, 2020	(1673541)
Item 46	August 17, 2020	(1680316)
Item 47	September 18, 2020	(1686885)
Item 48	September 22, 2020	(1677778)
Item 49	October 14, 2020	(1693231)
Item 50	November 18, 2020	(1712386)
Item 51	December 14, 2020	(1712387)
Item 52	January 12, 2021	(1712388)
Item 53	February 11, 2021	(1725441)
Item 54	March 16, 2021	(1725442)
Item 55	April 15, 2021	(1725443)
Item 56	May 19, 2021	(1740032)
Item 57	May 26, 2021	(1710692)
Item 58	June 16, 2021	(1747562)
Item 59	July 15, 2021	(1751681)
Item 60	August 12, 2021	(1757145)
Item 61	September 10, 2021	(1766225)

**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: 04/02/2021 (1700830)  
Self Report? NO

Classification: Minor

Citation: M&RR, No. 5, Pg. 5 PERMIT  
 Description: Failure by Chevron Phillips Chemical Company (Chevron), to have the effluent flow meter calibrated by a trained person at least annually.  
 Self Report? NO Classification: Minor  
 Citation: D&SpC, No. 3(a), Pg. 4 PERMIT  
 Description: Failure by Chevron Phillips Chemical Company (Chevron), to collect 24-hour composite effluent samples in volumes proportional to flow and collected at the intervals required by 30 Texas Administrative Code 319.9(b).  
 Self Report? NO Classification: Minor  
 Citation: M&RR, No. 2, Pg. 4 PERMIT  
 Description: Failure by Chevron Phillips Chemical Company (Chevron), to comply with test procedures for the analysis of pollutants in accordance with 30 Texas Administrative Code 319.11-319.12. (temp prob)  
 Self Report? NO Classification: Minor  
 Citation: M&RR No. 3(c)(vi), Pg.5 PERMIT  
 Description: Failure by Chevron Phillips Chemical Company (Chevron), to maintain records of monitoring activities including complete quality assurance/quality control records. (pH)

2

Date: 08/06/2021 (1712003)  
 Self Report? NO Classification: Moderate  
 Citation: General Terms and Conditions OP  
 30 TAC Chapter 116, SubChapter B 116.115(c)  
 30 TAC Chapter 122, SubChapter B 122.143(4)  
 5C THSC Chapter 382 382.085(b)  
 Special Condition 1 PERMIT  
 Special Term and Condition 9 OP  
 Description: Failure to maintain the Nitrogen Oxides (NOx) and Carbon Monoxide (CO) pound per hour (hourly) allowable emission limits for the Activator Vent (Emission Point Number (EPN) 201). EIC Category: B18g(1); MOD (D).  
 Self Report? NO Classification: Minor  
 Citation: General Terms and Conditions OP  
 30 TAC Chapter 116, SubChapter B 116.115(c)  
 30 TAC Chapter 122, SubChapter B 122.143(4)  
 5C THSC Chapter 382 382.085(b)  
 Special Condition 13 PERMIT  
 Special Condition 8 PERMIT  
 Special Term and Condition 9 OP  
 Description: Failure to conduct quarterly visible emission observations for the Gas Phase Operation (GPO) and the C Particle Form (CPF) Areas. EIC Category B17, Minor(A).  
 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)  
 General Terms and Conditions OP  
 Special Condition 11 PERMIT  
 Special Term and Condition 9 OP  
 Description: Failure to collect weekly cooling water sample for Total Dissolved Solids at the Gas Phase Operations (GPO) Cooling Tower (Emission Point Number (EPN) 210)). EIC Category B17, Minor(A).  
 Self Report? NO Classification: Minor  
 Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)  
 30 TAC Chapter 122, SubChapter B 122.143(4)  
 5C THSC Chapter 382 382.085(b)  
 General Terms and Conditions OP  
 Special Term and Condition 2F OP  
 Description: Failure to document and record non-reportable emissions events at the C Particle Form (CPF) Area within the required 14-day timeframe. EIC Category C3; Minor (C).  
 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)  
 General Terms and Conditions OP  
 Special Condition 8F PERMIT  
 Special Term and Condition 9 OP  
 Description: Failure to maintain records of baghouse filter blowdowns that were completed for the C Particle Form (CPF) Area. EIC Category C1, Minor(A).  
 Self Report? NO Classification: Minor  
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)

30 TAC Chapter 122, SubChapter B 122.145(2)(A)  
 5C THSC Chapter 382 382.085(b)  
 General Terms and Conditions OP  
 Description: Failure to report all instances of deviations in a timely manner. EIC Category B3; Minor (C)  
 Self Report? NO Classification: Moderate  
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
 30 TAC Chapter 122, SubChapter B 122.143(4)  
 5C THSC Chapter 382 382.085(b)  
 General Terms and Conditions OP  
 Special Condition 3 PERMIT  
 Special Condition 7 PERMIT  
 Special Term and Condition 9 OP  
 Description: Failure to prevent visible emissions from the Gas Phase Operations (GPO) and the C Particle Form (CPF) Areas. EIC Category B18g.(1); Moderate (G).  
 Self Report? NO Classification: Moderate  
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
 30 TAC Chapter 122, SubChapter B 122.143(4)  
 5C THSC Chapter 382 382.085(b)  
 General Terms and Conditions OP  
 Special Condition 13 PERMIT  
 Special Condition 8A PERMIT  
 Special Term and Condition 9 OP  
 Description: Failure to maintain filter vents in good working order during operation at the Gas Phase Operations (GPO) and the C Particle Form (CPF) Areas. EIC Category B18g.(1); Moderate (G).  
 Self Report? NO Classification: Moderate  
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(H)  
 30 TAC Chapter 122, SubChapter B 122.142(b)(2)  
 30 TAC Chapter 122, SubChapter B 122.143(4)  
 5C THSC Chapter 382 382.085(b)  
 General Condition 1 PERMIT  
 General Terms and Conditions OP  
 Special Term and Condition 9 OP  
 Description: Failure to permit Volatile Organic Compound (VOC) and Particulate Matter (PM) emissions from C Particle Form (CPF) conservation vents and Gas Phase Operations (GPO) filter vents. IC Category B17; Moderate (G).

**F. Environmental audits:**

Notice of Intent Date: 11/17/2016 (1381623)

Disclosure Date: 05/17/2017

Viol. Classification: Moderate

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

Rqmt Prov: PERMIT SC 10(D)

OP SC 9

Description: Failure to ensure that the flare gas sample system is operating at or above the minimum temperature necessary to properly transport C5+ components to the gas chromatograph analyzer due to issues with the sample conditioning system heater and heat tracing associated with the sample probe enclosure system and sample transport tubing bundle from the flare header to the GC's sample conditioning system.

Viol. Classification: Moderate

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

Rqmt Prov: PERMIT SC 10(D)

PERMIT SC 9

Description: Failure to perform quarterly multi-point calibration on the flare GC in accordance with Section 10.1 of Performance Specification 9.

Viol. Classification: Moderate

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

40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(f)(3)

Rqmt Prov: PERMIT SC 10(D)

OP SC 9

Description: Failure to ensure that the individual component net heating values inputs to the GC used to calculate the flare gas NHV from the GC mole percent reading meet the standard temperature requirement.

Notice of Intent Date: 09/28/2017 (1446901)

Disclosure Date: 01/24/2018

Viol. Classification: Moderate

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

Rqmt Prov:

OP SC Nos. (1)(A) and (9)  
PERMIT SC Nos. 2 and 13

Description: Failure to repair a leaking compressor within 15 days.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 106, SubChapter T 106.454  
30 TAC Chapter 116, SubChapter B 116.110(a)(1)

Rqmt Prov: OP SC No. 9

Description: Failure to maintain documentation of the air permit authorization with a degreaser that was installed.

Disclosure Date: 07/20/2018

Viol. Classification: Moderate

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

Rqmt Prov: OP SC (1)(A) and (9)  
PERMIT SC 2(B)

Description: Failure to monitor 1177 light liquid/gas vapor valves, subject to quarterly monitoring, at least once every three months.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter D 115.354  
40 CFR Part 60, Subpart VV 60.482-10  
40 CFR Part 60, Subpart VV 60.482-2  
40 CFR Part 60, Subpart VV 60.482-7

Rqmt Prov: OP SC (1)(A) and (9)  
PERMIT SC 8  
PERMIT SCs 13 and 14

Description: Failure to conduct Federal, State, or NSR permit monitoring for seven pumps, 65 valves, and 123 connectors since the components were not properly identified in the LDAR database.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter D 115.356  
40 CFR Part 60, Subpart VV 60.486

Rqmt Prov: PERMIT SC 8  
PERMIT SC Nos. 13 and 14  
PERMIT SC Nos. 3 and 4  
OP SCs (1)(A) and (9)

Description: Failure to conduct Federal, State, or NSR permit monitoring of seven pumps, 65 valves, and 123 connectors because the components were not properly identified in the LDAR database.

Viol. Classification: Moderate

Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.487(c)(4)

Rqmt Prov: OP SC No. (1)(A) and (9)

Description: Failure to conduct Federal, State or NSR permit monitoring of seven pumps, 65 valves, and 123 connectors because they were not properly identified in the LDAR database.

Notice of Intent Date: 05/07/2019 (1569137)

Disclosure Date: 12/19/2019

Viol. Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT DDD 60.563(a)(1)

Rqmt Prov: PERMIT SC 6.A.  
OP SC 9

Description: Failure to calibrate the temperature monitoring devices at the inlet and outlet of the catalytic incinerator bed.

Viol. Classification: Moderate

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

Rqmt Prov: PERMIT SC 15.F.  
OP SC 9

Description: Failure to submit the VOC emission factor with the final sampling report for the sources that were stack tested in March 2019.

Disclosure Date: 01/27/2020

Viol. Classification: Major

Citation: 30 TAC Chapter 116, SubChapter B 116.110(a)

Rqmt Prov: PERMIT GC 14 & SC 1

OP SC 9

Description: Failure to authorize VOC and CO emissions from two catalyst activator filter vents.

Disclosure Date: 04/23/2020

Viol. Classification: Moderate

Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT DDD 60.560(g)

40 CFR Chapter 60, SubChapter C, PT 60, SubPT DDD 60.565(a)

Rqmt Prov: PERMIT GC 14 and SC 2.B

PERMIT GC 14 and SC 6.A

OP SC 9

Description: Failure to maintain records to demonstrate compliance with the individual vent stream exemption criteria NSPS Subpart DDD for the two catalyst activator filter vents (EPN 55 and EPN 80).

Viol. Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.143(1)

Rqmt Prov: OP SC 9

Description: Failure to identify NSPS Subpart Kb applicability for Tank V-178 and to submit associated notifications and semi-annual reports.

Disclosure Date: 10/28/2020

Viol. Classification: Moderate

Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT DDD 60.565(c)(2)

40 CFR Chapter 60, SubChapter C, PT 60, SubPT DDD 60.565(k)(1)

Rqmt Prov: OP SC 9

Description: Failure to reduce emissions of TOC by 98 weight percent from the D-Activator catalytic incinerator.

Viol. Classification: Moderate

Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT DDD 60.563(d)(1)

40 CFR Chapter 60, SubChapter C, PT 60, SubPT DDD 60.563(d)(2)

Description: Failure to ensure valves on the D-Activator vent are routed to the catalytic incinerator.

Notice of Intent Date: 04/15/2020 (1646831)

No DOV Associated

Notice of Intent Date: 05/13/2021 (1738232)

No DOV Associated

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

N/A

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

N/A

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

N/A

**J. Early compliance:**

N/A

**Sites Outside of Texas:**

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN  
ENFORCEMENT ACTION  
CONCERNING  
CHEVRON PHILLIPS CHEMICAL  
COMPANY LP  
RN100215615**

**§  
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**BEFORE THE  
TEXAS COMMISSION ON  
ENVIRONMENTAL QUALITY**

**AGREED ORDER  
DOCKET NO. 2021-1056-AIR-E**

**I. JURISDICTION AND STIPULATIONS**

On \_\_\_\_\_, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding CHEVRON PHILLIPS CHEMICAL COMPANY LP (the "Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent together stipulate that:

1. The Respondent owns and operates a polyethylene manufacturing plant located at 5309 Farm-to-Market Road 1006 in Orange, Orange 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 \$49,950 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent paid \$19,980 of the penalty and \$9,990 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, \$19,980 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 has implemented the following corrective measures at the Plant:
  - a. On July 8, 2021, submitted the registration for Permit by Rule ("PBR") Registration No. 165837 to authorize the emission increases associated with the activation of process changes on the Activator Vent, Emissions Point Number ("EPN") 201; and
  - b. On August 26, 2021, obtained PBR Registration No. 165837 that authorized the increased nitrogen oxides ("NOx") and carbon monoxide ("CO") annual maximum allowable emissions rates ("MAERs") for the Activator Vent, EPN 201.



## II. ALLEGATIONS

During a record review conducted on July 16, 2021, an investigator documented that the Respondent failed to comply with the MAERs, in violation of 30 TEX. ADMIN. CODE §§ 116.115(b)(2)(F) and (c) and 122.143(4), New Source Review Permit No. 4140A, Special Conditions No. 1, Federal Operating Permit No. O1310, General Terms and Conditions and Special Terms and Conditions No. 9, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent exceeded the NO<sub>x</sub> MAER of 0.01 ton per year and the CO MAER of 0.01 ton per year based on a 12-month rolling period for the 12-month periods ending from January 2020 through April 2021 for the Activator Vent, EPN 201, resulting in 0.02 ton of unauthorized NO<sub>x</sub> emissions and 0.08 ton of unauthorized CO emissions.

## III. DENIALS

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

## IV. ORDERING PROVISIONS

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

1. The Respondent is assessed a penalty as set forth in Section I, Paragraph No. 4. The payment of this penalty and the Respondent's compliance with all of the requirements set forth in this Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: CHEVRON PHILLIPS CHEMICAL COMPANY LP, Docket No. 2021-1056-AIR-E" to:

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

2. The Respondent shall implement and complete an SEP as set forth in Section I, Paragraph No. 4. The amount of \$19,980 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.

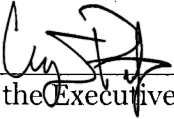
6. The Executive Director may grant an extension of any deadline in this Order or in any plan, report, or other document submitted pursuant to this Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. 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.
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



8/31/2022

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

\_\_\_\_\_  
Date

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

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

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

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

  
\_\_\_\_\_  
Signature

09 MAR 2022  
\_\_\_\_\_  
Date

M. Craig Lemons  
\_\_\_\_\_  
Name (Printed or typed)  
Authorized Representative of  
CHEVRON PHILLIPS CHEMICAL COMPANY LP

Plant Manager  
\_\_\_\_\_  
Title

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

**Attachment A**  
**Docket Number: 2021-1056-AIR-E**  
**SUPPLEMENTAL ENVIRONMENTAL PROJECT**

<b>Respondent:</b>	<b>CHEVRON PHILLIPS CHEMICAL COMPANY LP</b>
<b>Payable Penalty Amount:</b>	<b>\$39,960</b>
<b>SEP Offset Amount:</b>	<b>\$19,980</b>
<b>Type of SEP:</b>	<b>Contribution to a Third-Party Pre-Approved SEP</b>
<b>Third-Party Administrator:</b>	<b>Southeast Texas Regional Planning Commission</b>
<b>Project Name:</b>	<b>Meteorological and Air Monitoring Network</b>
<b>Location of SEP:</b>	<b>Jefferson County</b>

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

**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 **Southeast Texas Regional Planning Commission** for the *Meteorological and Air Monitoring Network* 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 operate, maintain, and potentially expand the existing Southeast Texas Regional Air Monitoring Network that includes nine compliance assurance monitoring (“CAM”) stations currently at the following locations:

- Beaumont CAM#2
- Cove School CAM #C695
- Mauriceville CAM#642
- Port Arthur (Motiva) Industrial Site CAM #C628
- Port Arthur Memorial High School campus CAM #C689
- Port Neches CAM #136
- Sabine Pass CAM #C640

- Southeast Texas Regional Airport CAM #C643
- West Orange CAM #C9

Operation and maintenance of the ambient air monitoring stations includes canister sampling and gas chromatographs. Ancillary equipment includes sample conditioning systems, meteorological towers, climate controlled equipment shelters, a remote communications system, and electronic data logging capability. Ambient monitoring protocols have been and will continue to conform to applicable TCEQ or U.S. Environmental Protection Agency guidelines. The SEP will be done in accordance with all federal, state, and local environmental laws and regulations.

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

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

b. Environmental Benefit

Particulate matter, sulfides, oxides of nitrogen, volatile organic carbon compounds, and ambient air conditions are measured at the stations and the data are made accessible to TCEQ and the public. Sites may also provide continuous assessment of benzene, 1, 3-butadiene and styrene. This monitoring was not previously covered by existing ambient air monitoring systems.

Continued monitoring in this area of the community will help better understand air quality pollutants and will enable better identification of emission sources. The data will focus on specific chemicals that may raise air quality concerns.

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

CHEVRON PHILLIPS CHEMICAL COMPANY LP  
Docket No. 2021-1056-AIR-E  
Agreed Order - Attachment A

shall make the check payable to **Southeast Texas Regional Planning Commission SEP** and shall mail the contribution with a copy of the Agreed Order to:

Southeast Texas Regional Planning Commission  
Attention: Bob Dickinson, Director  
2210 Eastex Freeway  
Beaumont, Texas 77703-4929

### **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.