

Executive Summary – Enforcement Matter – Case No. 61408
Chevron Phillips Chemical Company LP
RN102200482
Docket No. 2021-1311-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 Clemens Terminal, 2611 County Road 314, Brazoria, Brazoria County

Type of Operation:

Hydrocarbon storage facility

Other Significant Matters:

Additional Pending Enforcement Actions: Yes, Docket No. 2021-0411-AIR-E

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: October 7, 2022

Comments Received: No

Penalty Information

Total Penalty Assessed: \$42,725

Amount Deferred for Expedited Settlement: \$8,545

Total Paid to General Revenue: \$17,090

Total Due to General Revenue: \$0

Payment Plan: N/A

Supplemental Environmental Project (“SEP”) Conditional Offset: \$17,090

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

Compliance History Classifications:

Person/CN - Satisfactory

Site/RN - High

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: June 4, 2021 through June 23, 2021, November 18, 2021 through November 19, 2021, and February 1, 2022 through April 8, 2022

Date(s) of NOE(s): September 20, 2021, December 2, 2021, and April 13, 2022

Executive Summary – Enforcement Matter – Case No. 61408
Chevron Phillips Chemical Company LP
RN102200482
Docket No. 2021-1311-AIR-E

Violation Information

1. Failed to prevent unauthorized emissions. Specifically, the Respondent released 5,559.20 pounds ("lbs") of propylene as fugitive emissions, during an emissions event (Incident No. 358787) that occurred on May 21, 2021 and lasted four hours and 49 minutes. The emissions event occurred due to the rating of the maximum allowable working pressure for a stainless-steel braided hose being below the full operating pressure range of the pump that caused the hose to rupture, 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), New Source Review ("NSR") Permit No. 19718, Special Conditions ("SC") No. 1, Federal Operating Permit ("FOP") No. O2710, General Terms and Conditions ("GTC") and Special Terms and Conditions ("STC") No. 11, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

2. Failed to identify all of the required information on the final record for a reportable emissions event. Specifically, the Respondent identified "Process Fugitives" and "Flare 5" as the common names of the process units experiencing the emissions event on the final record for Incident No. 358787, but the Respondent did not identify the correct common name for the process unit as the "Clemens Terminal", 9.50 lbs of propylene, 15.70 lbs of carbon monoxide, and 7.90 lbs of nitrogen oxides on the final record for Incident No. 358787 that was received on June 4, 2021 [30 TEX. ADMIN. CODE §§ 101.201(b)(1)(D) and (H) and 122.143(4), FOP No. O2710, GTC and STC No. 2.F, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

3. Failed to prevent unauthorized emissions. Specifically, the Respondent released 3,559.08 pounds of ethylene as fugitive emissions, during an emissions event (Incident No. 334722) that occurred on April 28, 2020 and lasted two hours and ten minutes. The emissions event occurred when debris plugged the bleeder valve that caused one of the three isolation valves to fail to hold during a maintenance activity, 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, 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. 19718, SC No. 1, FOP No. O2710, GTC and STC No. 11, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

4. Failed to obtain authorization prior to constructing or modifying a source of air contaminants. Specifically, the Respondent constructed and operated a portable engine diesel-powered pump from September 6, 2019 through September 24, 2020 prior to obtaining the proper authorization [30 TEX. ADMIN. CODE §§ 116.110(a) and 122.143(4), FOP No. O2710, GTC, and TEX. HEALTH & SAFETY CODE §§ 382.0518(a) and 382.085(b)].

Executive Summary – Enforcement Matter – Case No. 61408
Chevron Phillips Chemical Company LP
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Docket No. 2021-1311-AIR-E

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

The Respondent implemented the following corrective measures:

- a. Replacing the portable engine diesel-powered pump with an electric pump on September 24, 2020;
- b. Providing the "Clemens Terminal" as the common name of the facility experiencing the emissions event (Incident No. 358787) and the estimated total quantities for propylene, carbon monoxide, and nitrogen oxides that were released during Incident No. 358787 by September 2, 2021;
- c. Providing internal guidance and training in order to ensure that all of the required information is identified on the final records for reportable emissions events by October 1, 2021;
- d. Refurbishing the valves in the ethylene treater process and by replacing the final spool on the dryer in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 334722 by December 17, 2021; and
- e. Identifying all fixed hoses in hydrocarbon service, by updating the Design Standard DES-100 Sweeny Equipment/Instrumentation Specification Sheet Index Standard to strengthen the Subject Matter Expert review prior to ordering and/or installing equipment, by training affected personnel on the updated Design Standard DES-100, by replacing the bearings on Pump P53A with an air-cooled design, and by ensuring all fixed hoses have the proper specifications and preventative maintenance or replacement plans in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 358787 by January 31, 2022.

Technical Requirements:

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

Executive Summary – Enforcement Matter – Case No. 61408
Chevron Phillips Chemical Company LP
RN102200482
Docket No. 2021-1311-AIR-E

Contact Information

TCEQ Attorney: N/A

TCEQ Enforcement Coordinator: Katelyn Dacy, Enforcement Division, Enforcement Team 2, 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: Houston-Galveston Area Council-AERCO, 3555 Timmons Lane, Suite 120, Houston, Texas 77027

Respondent: Dirk Perrin, Plant Manager, Chevron Phillips Chemical Company LP, 21441 Loop 419, Sweeny, Texas 77480

Respondent's Attorney: N/A



Penalty Calculation Worksheet (PCW)

Policy Revision 5 (January 28, 2021)

PCW Revision February 11, 2021

DATES	Assigned	27-Sep-2021	Screening	29-Sep-2021	EPA Due	
	PCW	29-Jul-2022				

RESPONDENT/FACILITY INFORMATION	
Respondent	Chevron Phillips Chemical Company LP
Reg. Ent. Ref. No.	RN102200482 (PCW No. 1)
Facility/Site Region	12-Houston
Major/Minor Source	Major

CASE INFORMATION			
Enf./Case ID No.	61408	No. of Violations	2
Docket No.	2021-1311-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Kate Dacy
		EC's Team	Enforcement Team 4
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$25,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$12,750
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ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History	0.0% Adjustment	Subtotals 2, 3, & 7	\$0
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Notes: Since the reduction for five notices of intent to conduct an audit and one disclosure of violations is below zero, the Adjustment Percentage (Subtotal 2) defaults to zero.

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

Good Faith Effort to Comply Total Adjustments	Subtotal 5	-\$25
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Economic Benefit	0.0% Enhancement*	Subtotal 6	\$0
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Total EB Amounts	\$572
Estimated Cost of Compliance	\$17,250

*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7	Final Subtotal	\$12,725
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OTHER FACTORS AS JUSTICE MAY REQUIRE	0.0% Adjustment	\$0
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes

Final Penalty Amount	\$12,725
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$12,725
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DEFERRAL	20.0% Reduction	Adjustment	-\$2,545
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Reduces the Final Assessed Penalty by the indicated percentage.

Notes

Deferral offered for expedited settlement.

PAYABLE PENALTY	\$10,180
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Screening Date 29-Sep-2021

Docket No. 2021-1311-AIR-E

PCW

Respondent Chevron Phillips Chemical Company LP

Policy Revision 5 (January 28, 2021)

Case ID No. 61408

PCW Revision February 11, 2021

Reg. Ent. Reference No. RN102200482 (PCW No. 1)

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>)	0	0%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	0	0%
	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>)	1	-2%
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 0%

>> 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

Since the reduction for five notices of intent to conduct an audit and one disclosure of violations is below zero, the Adjustment Percentage (Subtotal 2) defaults to zero.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 0%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 0%

Screening Date 29-Sep-2021 **Docket No.** 2021-1311-AIR-E **PCW**
Respondent Chevron Phillips Chemical Company LP *Policy Revision 5 (January 28, 2021)*
Case ID No. 61408 *PCW Revision February 11, 2021*
Reg. Ent. Reference No. RN102200482 (PCW No. 1)
Media Air
Enf. Coordinator Kate Dacy

Violation Number 1
Rule Cite(s) 30 Tex. Admin. Code §§ 116.115(c) and 122.143(4), New Source Review Permit No. 19718, Special Conditions No. 1, Federal Operating Permit ("FOP") No. O2710, General Terms and Conditions ("GTC") and Special Terms and Conditions ("STC") No. 11, and Tex. Health & Safety Code § 382.085(b)
Violation Description Failed to prevent unauthorized emissions. Specifically, the Respondent released 5,559.20 pounds ("lbs") of propylene as fugitive emissions, during an emissions event (Incident No. 358787) that occurred on May 21, 2021 and lasted four hours and 49 minutes. The emissions event occurred due to the rating of the maximum allowable working pressure for a stainless-steel braided hose being below the full operating pressure range of the pump that caused the hose to rupture, 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 \$25,000

>> Environmental, Property and Human Health Matrix

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

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor	Percent
					0.0%

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

Adjustment \$12,500

\$12,500

Violation Events

Number of Violation Events	1	1	Number of violation days
daily			
weekly	x		
monthly			
quarterly			
semiannual			
annual			
single event			

Violation Base Penalty \$12,500

One weekly event is recommended.

Good Faith Efforts to Comply

0.0% Reduction \$0

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

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

Violation Subtotal \$12,500

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$524 **Violation Final Penalty Total** \$12,500

This violation Final Assessed Penalty (adjusted for limits) \$12,500

Economic Benefit Worksheet

Respondent Chevron Phillips Chemical Company LP
Case ID No. 61408
Reg. Ent. Reference No. RN102200482 (PCW No. 1)
Media Air
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

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

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$15,000	21-May-2021	31-Jan-2022	0.70	\$524	n/a	\$524

Notes for DELAYED costs

Estimated cost to identify all fixed hoses in hydrocarbon service, update the Design Standard DES-100 Sweeny Equipment/Instrumentation Specification Sheet Index Standard to strengthen the Subject Matter Expert review prior to ordering and/or installing equipment, train affected personnel on the updated Design Standard DES-100, replace the bearings on Pump P53A with an air-cooled design, and ensure all fixed hoses have the proper specifications and preventative maintenance or replacement plans in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 358787. 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 \$15,000

TOTAL \$524

Screening Date 29-Sep-2021 **Docket No.** 2021-1311-AIR-E **PCW**
Respondent Chevron Phillips Chemical Company LP *Policy Revision 5 (January 28, 2021)*
Case ID No. 61408 *PCW Revision February 11, 2021*
Reg. Ent. Reference No. RN102200482 (PCW No. 1)
Media Air
Enf. Coordinator Kate Dacy

Violation Number 2
Rule Cite(s) 30 Tex. Admin. Code §§ 101.201(b)(1)(D) and (H) and 122.143(4), FOP No. O2710, GTC and STC No. 2.F, and Tex. Health & Safety Code § 382.085(b)
Violation Description Failed to identify all of the required information on the final record for a reportable emissions event. Specifically, the Respondent identified "Process Fugitives" and "Flare 5" as the common names of the process units experiencing the emissions event on the final record for Incident No. 358787, but the Respondent did not identify the correct common name for the process unit as the "Clemens Terminal", 9.50 lbs of propylene, 15.70 lbs of carbon monoxide, and 7.90 lbs of nitrogen oxides on the final record for Incident No. 358787 that was received on June 4, 2021.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual				0.0%
	Potential				

>> Programmatic Matrix

Matrix Notes	Falsification	Harm			Percent
		Major	Moderate	Minor	
				x	1.0%

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

Adjustment \$24,750

\$250

Violation Events

Number of Violation Events 1 90 Number of violation days

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$250

One single event is recommended.

Good Faith Efforts to Comply 10.0% Reduction \$25

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

Notes: The Respondent completed the corrective actions by October 1, 2021, after the NOE dated September 20, 2021.

Violation Subtotal \$225

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

Estimated EB Amount \$27 **Violation Final Penalty Total** \$225

This violation Final Assessed Penalty (adjusted for limits) \$225

Economic Benefit Worksheet

Respondent Chevron Phillips Chemical Company LP
Case ID No. 61408
Reg. Ent. Reference No. RN102200482 (PCW No. 1)
Media Air
Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

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

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling	\$1,500	4-Jun-2021	1-Oct-2021	0.33	\$24	n/a	\$24
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$250	4-Jun-2021	2-Sep-2021	0.25	\$3	n/a	\$3

Notes for DELAYED costs

Estimated costs to provide the "Clemens Terminal" as the common name of the facility experiencing the emissions event (Incident No. 358787) and the estimated total quantities for propylene, carbon monoxide, and nitrogen oxides that were released during Incident No. 358787 (\$250) and to provide internal guidance and training in order to ensure that all of the required information is identified on the final records for reportable emissions events (\$1,500). The Dates Required are the date the final record was due and the Final Dates are the dates of compliance.

Avoided Costs

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance \$1,750

TOTAL \$27



Penalty Calculation Worksheet (PCW)

Policy Revision 5 (January 28, 2021)

PCW Revision February 11, 2021

DATES	Assigned	6-Dec-2021	Screening	7-Dec-2021	EPA Due	
	PCW	29-Jul-2022				

RESPONDENT/FACILITY INFORMATION	
Respondent	Chevron Phillips Chemical Company LP
Reg. Ent. Ref. No.	RN102200482 (PCW No. 2)
Facility/Site Region	12-Houston
Major/Minor Source	Major

CASE INFORMATION			
Enf./Case ID No.	61408	No. of Violations	2
Docket No.	2021-1311-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Kate Dacy
		EC's Team	Enforcement Team 4
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$25,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$37,500
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ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History	0.0%	Adjustment	Subtotals 2, 3, & 7	\$0
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Notes: Since the enhancement for one NOV with similar violations and the reduction for five notices of intent to conduct an audit and one disclosure of violations is below zero, the Adjustment Percentage (Subtotal 2) defaults to zero.

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

Good Faith Effort to Comply Total Adjustments	Subtotal 5	-\$7,500
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Economic Benefit	0.0%	Enhancement*	Subtotal 6	\$0
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Total EB Amounts: \$2,134
 Estimated Cost of Compliance: \$35,000
 *Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7	Final Subtotal	\$30,000
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OTHER FACTORS AS JUSTICE MAY REQUIRE	0.0%	Adjustment	\$0
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

Final Penalty Amount	\$30,000
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$30,000
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DEFERRAL	20.0%	Reduction	Adjustment	-\$6,000
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Reduces the Final Assessed Penalty by the indicated percentage.

Notes: Deferral offered for expedited settlement.

PAYABLE PENALTY	\$24,000
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Screening Date 7-Dec-2021

Docket No. 2021-1311-AIR-E

PCW

Respondent Chevron Phillips Chemical Company LP

Policy Revision 5 (January 28, 2021)

Case ID No. 61408

PCW Revision February 11, 2021

Reg. Ent. Reference No. RN102200482 (PCW No. 2)

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	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	0	0%
	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>)	1	-2%
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 0%

>> 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

Since the enhancement for one NOV with similar violations and the reduction for five notices of intent to conduct an audit and one disclosure of violations is below zero, the Adjustment Percentage (Subtotal 2) defaults to zero.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 0%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 0%

Screening Date 7-Dec-2021 **Docket No.** 2021-1311-AIR-E **PCW**
Respondent Chevron Phillips Chemical Company LP *Policy Revision 5 (January 28, 2021)*
Case ID No. 61408 *PCW Revision February 11, 2021*
Reg. Ent. Reference No. RN102200482 (PCW No. 2)
Media Air
Enf. Coordinator Kate Dacy

Violation Number 1
Rule Cite(s) 30 Tex. Admin. Code §§ 116.115(c) and 122.143(4), New Source Review Permit No. 19718, Special Conditions No. 1, Federal Operating Permit ("FOP") No. 02710, General Terms and Conditions ("GTC") and Special Terms and Conditions No. 11, and Tex. Health & Safety Code § 382.085(b)
Violation Description Failed to prevent unauthorized emissions. Specifically, the Respondent released 3,559.08 pounds of ethylene as fugitive emissions, during an emissions event (Incident No. 334722) that occurred on April 28, 2020 and lasted two hours and ten minutes. The emissions event occurred when debris plugged the bleeder valve that caused one of the three isolation valves to fail to hold during a maintenance activity, 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, the Respondent is precluded from asserting an affirmative defense under 30 Tex. Admin. Code § 101.222.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

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

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
				0.0%

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

Adjustment \$12,500

\$12,500

Violation Events

Number of Violation Events 1 1 Number of violation days

daily	
weekly	x
monthly	
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty \$12,500

One weekly event is recommended.

Good Faith Efforts to Comply 10.0% Reduction \$1,250

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

Notes The Respondent completed the corrective actions by December 17, 2021, after the Notice of Enforcement ("NOE") dated December 2, 2021.

Violation Subtotal \$11,250

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

Estimated EB Amount \$819 **Violation Final Penalty Total** \$11,250

This violation Final Assessed Penalty (adjusted for limits) \$11,250

Economic Benefit Worksheet

Respondent Chevron Phillips Chemical Company LP
Case ID No. 61408
Reg. Ent. Reference No. RN102200482 (PCW No. 2)
Media Air
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

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

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	28-Apr-2020	17-Dec-2021	1.64	\$819	n/a	\$819

Notes for DELAYED costs

Estimated cost to refurbish the valves in the ethylene treater process and replace the final spool on the dryer in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 334722. 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

\$819

Screening Date 7-Dec-2021 **Docket No.** 2021-1311-AIR-E **PCW**
Respondent Chevron Phillips Chemical Company LP *Policy Revision 5 (January 28, 2021)*
Case ID No. 61408 *PCW Revision February 11, 2021*
Reg. Ent. Reference No. RN102200482 (PCW No. 2)
Media Air
Enf. Coordinator Kate Dacy

Violation Number

Rule Cite(s) 30 Tex. Admin. Code §§ 116.110(a) and 122.143(4), FOP No. O2710, GTC, and Tex. Health & Safety Code §§ 382.0518(a) and 382.085(b)

Violation Description
 Failed to obtain authorization prior to constructing or modifying a source of air contaminants. Specifically, the Respondent constructed and operated a portable engine diesel-powered pump from September 6, 2019 through September 24, 2020 prior to obtaining the proper authorization.

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 checked="" type="text" value="x"/>	<input type="text"/>	<input type="text"/>	20.0%

Matrix Notes
 100% of the rule requirements were not met.

Adjustment

Violation Events

Number of Violation Events Number of violation days

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

Violation Base Penalty

Five quarterly events are recommended for the period of non-compliance from September 6, 2019 through September 24, 2020.

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
 The Respondent achieved compliance on September 24, 2020, prior to the NOE dated April 13, 2022.

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. 61408
Reg. Ent. Reference No. RN102200482 (PCW No. 2)
Media Air
Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

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

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$25,000	6-Sep-2019	24-Sep-2020	1.05	\$1,315	n/a	\$1,315

Notes for DELAYED costs

Estimated cost to replace the portable engine diesel-powered pump with an electric pump. The Date Required is the date operations began and the Final Date is the date of compliance.

Avoided Costs

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance

\$25,000

TOTAL

\$1,315

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Compliance History Report

Compliance History Report for CN600303614, RN102200482, 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:** 8.31
Regulated Entity: RN102200482, CHEVRON PHILLIPS CLEMENS TERMINAL **Classification:** HIGH **Rating:** 0.00
Complexity Points: 9 **Repeat Violator:** NO
CH Group: 13 - Pipeline Transportation of Natural Gas, Refined Petroleum, and All Other Products
Location: 2611 COUNTY ROAD 314 BRAZORIA, TX 77422-6365, BRAZORIA COUNTY
TCEQ Region: REGION 12 - HOUSTON

ID Number(s):

AIR OPERATING PERMITS ACCOUNT NUMBER BL0044C	AIR OPERATING PERMITS PERMIT 2710
AIR NEW SOURCE PERMITS REGISTRATION 10596	AIR NEW SOURCE PERMITS PERMIT 19718
AIR NEW SOURCE PERMITS ACCOUNT NUMBER BL0044C	AIR NEW SOURCE PERMITS AFS NUM 4803900025
AIR NEW SOURCE PERMITS REGISTRATION 164584	AIR NEW SOURCE PERMITS REGISTRATION 146185
AIR NEW SOURCE PERMITS REGISTRATION 148808	AIR NEW SOURCE PERMITS REGISTRATION 151138
AIR NEW SOURCE PERMITS REGISTRATION 160796	AIR NEW SOURCE PERMITS REGISTRATION 156218
STORMWATER PERMIT TXR05FE55	STORMWATER PERMIT TXR15762Y
WASTEWATER PERMIT WQ0005354000	WASTEWATER PERMIT WQ0005336000
WASTEWATER EPA ID TX0141941	WASTEWATER EPA ID TX0007587
AIR EMISSIONS INVENTORY ACCOUNT NUMBER BL0044C	POLLUTION PREVENTION PLANNING ID NUMBER P00949

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

Date Compliance History Report Prepared: January 18, 2022

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: January 18, 2017 to January 18, 2022

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:

N/A

B. Criminal convictions:

N/A

C. Chronic excessive emissions events:

N/A

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

Item 1	January 24, 2017	(1776808)
Item 2	February 23, 2017	(1776753)
Item 3	March 24, 2017	(1776758)

Item 4	April 25, 2017	(1776763)
Item 5	June 28, 2017	(1378219)
Item 6	July 25, 2017	(1776778)
Item 7	August 16, 2017	(1776768)
Item 8	August 23, 2017	(1776783)
Item 9	September 25, 2017	(1776788)
Item 10	October 25, 2017	(1776793)
Item 11	November 16, 2017	(1776798)
Item 12	December 04, 2017	(1776799)
Item 13	December 21, 2017	(1776804)
Item 14	January 25, 2018	(1776809)
Item 15	February 22, 2018	(1776754)
Item 16	March 22, 2018	(1776759)
Item 17	April 25, 2018	(1776764)
Item 18	May 25, 2018	(1776769)
Item 19	June 25, 2018	(1776774)
Item 20	July 24, 2018	(1776779)
Item 21	August 23, 2018	(1776784)
Item 22	September 25, 2018	(1776789)
Item 23	October 25, 2018	(1776794)
Item 24	November 20, 2018	(1776800)
Item 25	December 19, 2018	(1776805)
Item 26	January 24, 2019	(1776810)
Item 27	February 23, 2019	(1776755)
Item 28	March 21, 2019	(1776760)
Item 29	April 22, 2019	(1776765)
Item 30	May 23, 2019	(1776770)
Item 31	June 25, 2019	(1776775)
Item 32	July 25, 2019	(1776780)
Item 33	August 25, 2019	(1776785)
Item 34	September 25, 2019	(1776790)
Item 35	October 25, 2019	(1776795)
Item 36	November 25, 2019	(1776801)
Item 37	December 18, 2019	(1776806)
Item 38	January 23, 2020	(1776811)
Item 39	February 25, 2020	(1776756)
Item 40	April 24, 2020	(1776766)
Item 41	May 21, 2020	(1776771)
Item 42	June 23, 2020	(1776776)
Item 43	July 07, 2020	(1632611)
Item 44	July 24, 2020	(1776781)
Item 45	August 16, 2020	(1776786)
Item 46	September 23, 2020	(1776791)
Item 47	October 21, 2020	(1776796)
Item 48	November 16, 2020	(1776802)
Item 49	December 17, 2020	(1776807)
Item 50	January 18, 2021	(1776812)
Item 51	January 24, 2021	(1776762)
Item 52	February 17, 2021	(1776757)
Item 53	March 17, 2021	(1776761)
Item 54	April 22, 2021	(1776767)
Item 55	May 24, 2021	(1776772)
Item 56	June 22, 2021	(1776777)
Item 57	July 21, 2021	(1776782)
Item 58	August 23, 2021	(1776787)
Item 59	September 21, 2021	(1776792)
Item 60	October 19, 2021	(1776797)
Item 61	November 18, 2021	(1783662)

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.

N/A

F. Environmental audits:

Notice of Intent Date: 09/19/2018 (1523560)

Disclosure Date: 11/12/2018

Viol. Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter H 115.725(d)(2)(A)(ii)

30 TAC Chapter 115, SubChapter H 115.764(a)(6)

Description: Failure to use the correct calibration gas concentration for both HRVOC and non-HRVOC components performance specifications (Flare 4 EPN 62-61-4 and Flare 5 EPN 62-61-5).

Notice of Intent Date: 02/22/2019 (1551963)

No DOV Associated

Notice of Intent Date: 10/07/2019 (1605049)

No DOV Associated

Notice of Intent Date: 02/04/2021 (1703999)

No DOV Associated

Notice of Intent Date: 02/24/2021 (1706632)

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

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Compliance History Report

Compliance History Report for CN600303614, RN102200482, 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:** 8.23
Regulated Entity: RN102200482, CHEVRON PHILLIPS CLEMENS TERMINAL **Classification:** HIGH **Rating:** 0.00
Complexity Points: 9 **Repeat Violator:** NO
CH Group: 13 - Pipeline Transportation of Natural Gas, Refined Petroleum, and All Other Products
Location: 2611 COUNTY ROAD 314 IN BRAZORIA, BRAZORIA COUNTY, TEXAS
TCEQ Region: REGION 12 - HOUSTON

ID Number(s):

AIR OPERATING PERMITS ACCOUNT NUMBER BL0044C	AIR OPERATING PERMITS PERMIT 2710
AIR NEW SOURCE PERMITS REGISTRATION 10596	AIR NEW SOURCE PERMITS PERMIT 19718
AIR NEW SOURCE PERMITS ACCOUNT NUMBER BL0044C	AIR NEW SOURCE PERMITS AFS NUM 4803900025
AIR NEW SOURCE PERMITS REGISTRATION 168465	AIR NEW SOURCE PERMITS REGISTRATION 164584
AIR NEW SOURCE PERMITS REGISTRATION 146185	AIR NEW SOURCE PERMITS REGISTRATION 148808
AIR NEW SOURCE PERMITS REGISTRATION 151138	AIR NEW SOURCE PERMITS REGISTRATION 160796
AIR NEW SOURCE PERMITS REGISTRATION 156218	STORMWATER PERMIT TXR05FE55
STORMWATER PERMIT TXR15762Y	WASTEWATER PERMIT WQ0005354000
WASTEWATER EPA ID TX0141941	WASTEWATER EPA ID TX0007587
AIR EMISSIONS INVENTORY ACCOUNT NUMBER BL0044C	POLLUTION PREVENTION PLANNING ID NUMBER P00949

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

Date Compliance History Report Prepared: July 14, 2022

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: July 14, 2017 to July 14, 2022

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:

N/A

B. Criminal convictions:

N/A

C. Chronic excessive emissions events:

N/A

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

Item 1	July 25, 2017	(1776778)
Item 2	August 16, 2017	(1776768)
Item 3	August 23, 2017	(1776783)

Item 4	September 25, 2017	(1776788)
Item 5	October 25, 2017	(1776793)
Item 6	November 16, 2017	(1776798)
Item 7	December 04, 2017	(1776799)
Item 8	December 21, 2017	(1776804)
Item 9	January 25, 2018	(1776809)
Item 10	February 22, 2018	(1776754)
Item 11	March 22, 2018	(1776759)
Item 12	April 25, 2018	(1776764)
Item 13	May 25, 2018	(1776769)
Item 14	June 25, 2018	(1776774)
Item 15	July 24, 2018	(1776779)
Item 16	August 23, 2018	(1776784)
Item 17	September 25, 2018	(1776789)
Item 18	October 25, 2018	(1776794)
Item 19	November 20, 2018	(1776800)
Item 20	December 19, 2018	(1776805)
Item 21	January 24, 2019	(1776810)
Item 22	February 23, 2019	(1776755)
Item 23	March 21, 2019	(1776760)
Item 24	April 22, 2019	(1776765)
Item 25	May 23, 2019	(1776770)
Item 26	June 25, 2019	(1776775)
Item 27	July 25, 2019	(1776780)
Item 28	August 25, 2019	(1776785)
Item 29	September 25, 2019	(1776790)
Item 30	October 25, 2019	(1776795)
Item 31	November 25, 2019	(1776801)
Item 32	December 18, 2019	(1776806)
Item 33	January 23, 2020	(1776811)
Item 34	February 25, 2020	(1776756)
Item 35	April 24, 2020	(1776766)
Item 36	May 21, 2020	(1776771)
Item 37	June 23, 2020	(1776776)
Item 38	July 07, 2020	(1632611)
Item 39	July 24, 2020	(1776781)
Item 40	August 16, 2020	(1776786)
Item 41	September 23, 2020	(1776791)
Item 42	October 21, 2020	(1776796)
Item 43	November 16, 2020	(1776802)
Item 44	December 17, 2020	(1776807)
Item 45	January 18, 2021	(1776812)
Item 46	January 24, 2021	(1776762)
Item 47	February 17, 2021	(1776757)
Item 48	March 17, 2021	(1776761)
Item 49	April 22, 2021	(1776767)
Item 50	May 24, 2021	(1776772)
Item 51	June 22, 2021	(1776777)
Item 52	July 21, 2021	(1776782)
Item 53	August 23, 2021	(1776787)
Item 54	September 21, 2021	(1776792)
Item 55	October 19, 2021	(1776797)
Item 56	November 18, 2021	(1783662)
Item 57	December 17, 2021	(1790688)
Item 58	January 17, 2022	(1798482)
Item 59	February 16, 2022	(1806356)
Item 60	March 24, 2022	(1813423)
Item 61	April 07, 2022	(1789919)
Item 62	April 21, 2022	(1819994)

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: 04/13/2022 (1775685)
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 117, SubChapter B 117.310(f)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
Special Term and Condition 1A PERMIT
Description: Failure to prevent a Diesel Engine (EPN: 62-32-11) from operating between 6:00 AM to 12:00 PM. (Category C4)

F. Environmental audits:

Notice of Intent Date: 09/19/2018 (1523560)
Disclosure Date: 11/12/2018
Viol. Classification: Moderate
Citation: 30 TAC Chapter 115, SubChapter H 115.725(d)(2)(A)(ii)
30 TAC Chapter 115, SubChapter H 115.764(a)(6)
Description: Failure to use the correct calibration gas concentration for both HRVOC and non-HRVOC components performance specifications (Flare 4 EPN 62-61-4 and Flare 5 EPN 62-61-5).

Notice of Intent Date: 02/22/2019 (1551963)
No DOV Associated

Notice of Intent Date: 10/07/2019 (1605049)
No DOV Associated

Notice of Intent Date: 02/04/2021 (1703999)
No DOV Associated

Notice of Intent Date: 02/24/2021 (1706632)
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
RN102200482

§
§
§
§
§
§

BEFORE THE

TEXAS COMMISSION ON

ENVIRONMENTAL QUALITY

AGREED ORDER DOCKET NO. 2021-1311-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 hydrocarbon storage facility located at 2611 County Road 314 in Brazoria, Brazoria County, Texas (the "Site"). The Site 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 \$42,725 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent paid \$17,090 of the penalty and \$8,545 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, \$17,090 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 Site:
 - a. By replacing the portable engine diesel-powered pump with an electric pump on September 24, 2020;
 - b. By providing the "Clemens Terminal" as the common name of the facility experiencing the emissions event (Incident No. 358787) and the estimated total quantities for propylene, carbon monoxide, and nitrogen oxides that were released during Incident No. 358787 by September 2, 2021;
 - c. By providing internal guidance and training in order to ensure that all of the required information is identified on the final records for reportable emissions events by October 1, 2021;
 - d. By refurbishing the valves in the ethylene treater process and by replacing the final spool on the dryer in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 334722 by December 17, 2021; and
 - e. By identifying all fixed hoses in hydrocarbon service, by updating the Design Standard DES-100 Sweeny Equipment/Instrumentation Specification Sheet Index Standard to strengthen the Subject Matter Expert review prior to ordering and/or installing equipment, by training affected personnel on the updated Design Standard DES-100, by replacing the bearings on Pump P53A with an air-cooled design, and by ensuring all fixed hoses have the proper specifications and preventative maintenance or replacement plans in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 358787 by January 31, 2022.

II. ALLEGATIONS

1. During a record review for the Site conducted from June 4, 2021 through June 23, 2021, an investigator documented that the Respondent:
 - a. Failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), New Source Review ("NSR") Permit No. 19718, Special Conditions ("SC") No. 1, Federal Operating Permit ("FOP") No. O2710, General Terms and Conditions ("GTC") and Special Terms and Conditions ("STC") No. 11, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent released 5,559.20 pounds ("lbs") of propylene as fugitive emissions, during an emissions event (Incident No. 358787) that occurred on May 21, 2021 and lasted four hours and 49 minutes. The emissions event occurred due to the rating of the maximum allowable working pressure for a stainless-steel braided hose being below the full operating pressure range of the pump that caused the hose to rupture, 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.
 - b. Failed to identify all of the required information on the final record for a reportable emissions event, in violation of 30 TEX. ADMIN. CODE §§ 101.201(b)(1)(D) and (H) and 122.143(4), FOP No. O2710, GTC and STC No. 2.F, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent identified "Process Fugitives" and "Flare 5" as the common names of the process units experiencing the emissions event on the final record for Incident No. 358787, but the Respondent did not identify the correct common name for the process unit as the "Clemens Terminal", 9.50 lbs of propylene, 15.70 lbs of carbon monoxide, and 7.90 lbs of nitrogen oxides on the final record for Incident No. 358787 that was received on June 4, 2021.
2. During a record review for the Site conducted from November 18, 2021 through November 19, 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. 19718, SC No. 1, FOP No. O2710, GTC and STC No. 11, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent released 3,559.08 pounds of ethylene as fugitive emissions, during an emissions event (Incident No. 334722) that occurred on April 28, 2020 and lasted two hours and ten minutes. The emissions event occurred when debris plugged the bleeder valve that caused one of the three isolation valves to fail to hold during a maintenance activity, 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, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.
3. During a record review for the Site conducted from February 1, 2022 through April 8, 2022, an investigator documented that the Respondent failed to obtain authorization prior to constructing or modifying a source of air contaminants, in violation of 30 TEX. ADMIN. CODE §§ 116.110(a) and 122.143(4), FOP No. O2710, GTC, and TEX. HEALTH & SAFETY CODE §§ 382.0518(a) and 382.085(b). Specifically, the Respondent constructed

and operated a portable engine diesel-powered pump from September 6, 2019 through September 24, 2020 prior to obtaining the proper authorization.

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. 2021-1311-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 \$17,090 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 Site 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.

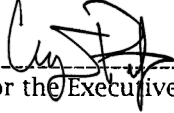
7. This Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order 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



10/24/2022

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 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

9/18/2022

Date

DIRK PERRIN

PLANT MANAGER

Name (Printed or typed)
Authorized Representative of
Chevron Phillips Chemical Company LP

Title

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

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

Attachment A
Docket Number: 2021-1311-AIR-E
SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	Chevron Phillips Chemical Company LP
Payable Penalty Amount:	\$34,180
SEP Offset Amount:	\$17,090
Type of SEP:	Contribution to a Third-Party Pre-Approved SEP
Third-Party Administrator:	Houston-Galveston Area Council-AERCO
Project Name:	<i>Clean Vehicles Partnership Project</i>
<u>Location of SEP:</u> 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**

Chevron Phillips Chemical Company LP
Docket No. 2021-1311-AIR-E
Agreed Order - Attachment A

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.