

Executive Summary – Enforcement Matter – Case No. 61594
Air Liquide Large Industries U.S. LP
RN105147433
Docket No. 2021-1515-AIR-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

AIR

Small Business:

No

Location(s) Where Violation(s) Occurred:

Air Liquide La Porte ASU and SMR, 11450 West Fairmont Parkway, La Porte, Harris County

Type of Operation:

Hydrogen production facility

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: April 7, 2023

Comments Received: No

Penalty Information

Total Penalty Assessed: \$21,288

Amount Deferred for Expedited Settlement: \$4,257

Total Paid to General Revenue: \$17,031

Total Due to General Revenue: \$0

Payment Plan: N/A

Compliance History Classifications:

Person/CN - Satisfactory

Site/RN - Satisfactory

Major Source: Yes

Statutory Limit Adjustment: N/A

Applicable Penalty Policy: January 2021

Investigation Information

Complaint Date(s): N/A

Complaint Information: N/A

Date(s) of Investigation: June 15, 2021 through June 29, 2021 and November 12, 2021

Date(s) of NOE(s): November 19, 2021 and December 2, 2021

Executive Summary – Enforcement Matter – Case No. 61594
Air Liquide Large Industries U.S. LP
RN105147433
Docket No. 2021-1515-AIR-E

Violation Information

1. Failed to prevent unauthorized emissions. Specifically, the Respondent released 4,434.00 pounds ("lbs") of carbon monoxide ("CO"), 665.00 lbs of nitrogen oxides ("NOx"), 4.70 lbs of sulfur dioxide ("SO2"), and 52.80 lbs of volatile organic compounds ("VOC") from the Process Flare, Emissions Point Number ("EPN") FLARE, and 195.00 lbs of CO, 421.00 lbs of NOx, and 1.00 lb of ammonia from the Reformer Combustion Stack, EPN SMRSTACK, during an emissions event (Incident No. 289510) that began on August 2, 2018 and lasted 22 hours. The emissions event occurred when the instrument air booster on the Pressure Swing Adsorption Valve KCV063 failed during startup of the Steam Methane Reformer Unit, resulting in the release to the atmosphere and in flaring. Since the emissions event 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 Nos. 87575 and N116, Special Conditions ("SC") No. 1, Federal Operating Permit ("FOP") No. O3982, General Terms and Conditions ("GTC") and Special Terms and Conditions ("STC") No. 6, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

2. Failed to submit an initial notification for a reportable emissions event no later than 24 hours after the discovery of an emissions event. Specifically, the initial notification for Incident No. 331032 was due by February 25, 2020 at 11:00 p.m., but was not submitted until February 26, 2020 at 6:00 p.m. [30 TEX. ADMIN. CODE §§ 101.201(a)(1)(B) and 122.143(4), FOP No. O3982, GTC and STC No. 2.F, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

3. Failed to prevent unauthorized emissions. Specifically, the Respondent released 716.00 of NOx, 4,448.00 lbs of CO, 52.30 lbs of VOC, and 4.65 lbs of SO2 from the Process Flare, EPN FLARE, and 607.50 lbs of CO from the Reformer Combustion Stack, EPN SMRSTACK, during an emissions event (Incident No. 331032) that began on February 24, 2020 and lasted 30 hours. The emissions event occurred due to a loose conduit connection that allowed rainwater to enter and contaminate the temperature transmitter that caused the temperature transmitter to fail, resulting in the release to the atmosphere and in flaring. Since the Respondent did not comply with the emissions event reporting requirements, the emissions event was not caused by a sudden unavoidable breakdown of equipment or process beyond the control of the owner or operator, and the emissions event could have been avoided by better design and/or better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), NSR Permit Nos. 87575 and N116, SC No. 1, FOP No. O3982, GTC and STC No. 6, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

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Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

On February 26, 2020, the Respondent submitted the initial notification for Incident No. 331032.

Technical Requirements:

The Order will require the Respondent to:

a. Within 30 days:

i. Implement measures and/or procedures designed to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 289510; and

ii. Implement measures and/or procedures designed to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 331032.

b. Within 45 days, submit written certification to demonstrate compliance with a.

Contact Information

TCEQ Attorney: N/A

TCEQ Enforcement Coordinator: Amanda Diaz, Enforcement Division, Enforcement Team 2, MC R-12, (713) 422-8912; Michael Parrish, Enforcement Division, MC 219, (512) 239-2548

Respondent: John Jackson, Plant Manager, Air Liquide Large Industries U.S. LP, 11777 Bay Area Boulevard, Pasadena, Texas 77507

Respondent's Attorney: N/A



Penalty Calculation Worksheet (PCW)

Policy Revision 5 (January 28, 2021)

PCW Revision February 11, 2021

DATES	Assigned	22-Nov-2021	Screening	24-Nov-2021	EPA Due	
	PCW	1-Feb-2023				

RESPONDENT/FACILITY INFORMATION	
Respondent	Air Liquide Large Industries U.S. LP
Reg. Ent. Ref. No.	RN105147433
Facility/Site Region	12-Houston
Major/Minor Source	Major

CASE INFORMATION			
Enf./Case ID No.	61594	No. of Violations	3
Docket No.	2021-1515-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Amanda Diaz
		EC's Team	Enforcement Team 2
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$25,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$15,250
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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	40.0%	Adjustment	Subtotals 2, 3, & 7	\$6,100
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Notes	Enhancement for two orders containing a denial of liability.
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Culpability	No	0.0%	Enhancement	Subtotal 4	\$0
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Notes	The Respondent does not meet the culpability criteria.
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Good Faith Effort to Comply Total Adjustments	Subtotal 5	-\$62
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Economic Benefit	0.0%	Enhancement*	Subtotal 6	\$0
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Total EB Amounts	\$4,470	*Capped at the Total EB \$ Amount
Estimated Cost of Compliance	\$20,250	

SUM OF SUBTOTALS 1-7	Final Subtotal	\$21,288
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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	
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Final Penalty Amount	\$21,288
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$21,288
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DEFERRAL	20.0%	Reduction	Adjustment	-\$4,257
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Reduces the Final Assessed Penalty by the indicated percentage.

Notes	Deferral offered for expedited settlement.
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PAYABLE PENALTY	\$17,031
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Screening Date 24-Nov-2021

Docket No. 2021-1515-AIR-E

PCW

Respondent Air Liquide Large Industries U.S. LP

Policy Revision 5 (January 28, 2021)

Case ID No. 61594

PCW Revision February 11, 2021

Reg. Ent. Reference No. RN105147433

Media Air

Enf. Coordinator Amanda Diaz

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

Adjustment Percentage (Subtotal 2) 40%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Satisfactory Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

Enhancement for two orders containing a denial of liability.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 40%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 40%

Screening Date 24-Nov-2021

Docket No. 2021-1515-AIR-E

PCW

Respondent Air Liquide Large Industries U.S. LP

Policy Revision 5 (January 28, 2021)

Case ID No. 61594

PCW Revision February 11, 2021

Reg. Ent. Reference No. RN105147433

Media Air

Enf. Coordinator Amanda Diaz

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code §§ 116.115(c) and 122.143(4), New Source Review ("NSR") Permit Nos. 87575 and N116, Special Conditions ("SC") No. 1, Federal Operating Permit ("FOP") No. O3982, General Terms and Conditions ("GTC") and Special Terms and Conditions ("STC") No. 6, and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to prevent unauthorized emissions. Specifically, the Respondent released 4,434.00 pounds ("lbs") of carbon monoxide ("CO"), 665.00 lbs of nitrogen oxides ("NOx"), 4.70 lbs of sulfur dioxide ("SO2"), and 52.80 lbs of volatile organic compounds ("VOC") from the Process Flare, Emissions Point Number ("EPN") FLARE, and 195.00 lbs of CO, 421.00 lbs of NOx, and 1.00 lb of ammonia from the Reformer Combustion Stack, EPN SMRSTACK, during an emissions event (Incident No. 289510) that began on August 2, 2018 and lasted 22 hours. The emissions event occurred when the instrument air booster on the Pressure Swing Adsorption Valve KCV063 failed during the startup of the Steam Methane Reformer Unit, resulting in the release to the atmosphere and in flaring. Since the emissions event could have been avoided by better design and/or better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 Tex. Admin. Code § 101.222.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual			X	30.0%
	Potential				

>> Programmatic Matrix

Matrix Notes	Falsification	Harm			Percent
		Major	Moderate	Minor	
					0.0%

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 \$17,500

\$7,500

Violation Events

Number of Violation Events 1 Number of violation days 1

daily	
weekly	
monthly	X
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty \$7,500

One monthly event is recommended.

Good Faith Efforts to Comply

0.0%

Reduction \$0

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

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

Violation Subtotal \$7,500

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$2,626

Violation Final Penalty Total \$10,500

This violation Final Assessed Penalty (adjusted for limits) \$10,500

Economic Benefit Worksheet

Respondent Air Liquide Large Industries U.S. LP
Case ID No. 61594
Reg. Ent. Reference No. RN105147433
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)	\$10,000	2-Aug-2018	1-Nov-2023	5.25	\$2,626	n/a	\$2,626

Notes for DELAYED costs
 Estimated cost to implement measures and/or procedures designed to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 289510. The Date Required is the date the emissions event began and the Final Date is the estimated 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 \$2,626

Screening Date 24-Nov-2021 **Docket No.** 2021-1515-AIR-E **PCW**
Respondent Air Liquide Large Industries U.S. LP *Policy Revision 5 (January 28, 2021)*
Case ID No. 61594 *PCW Revision February 11, 2021*
Reg. Ent. Reference No. RN105147433
Media Air
Enf. Coordinator Amanda Diaz

Violation Number
Rule Cite(s) 30 Tex. Admin. Code §§ 101.201(a)(1)(B) and 122.143(4), FOP No. O3982, GTC and STC No. 2.F, and Tex. Health & Safety Code § 382.085(b)
Violation Description Failed to submit an initial notification for a reportable emissions event no later than 24 hours after the discovery of an emissions event. Specifically, the initial notification for Incident No. 331032 was due by February 25, 2020 at 11:00 p.m., but was not submitted until February 26, 2020 at 6:00 p.m.

Base Penalty

>> Environmental, Property and Human Health Matrix

OR		Harm			
	Release	Major	Moderate	Minor	
	Actual	<input type="text"/>	<input type="text"/>	<input type="text"/>	Percent <input type="text" value="0.0%"/>
Potential	<input type="text"/>	<input type="text"/>	<input type="text"/>		

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor	
	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input checked="" type="text" value="x"/>	Percent <input type="text" value="1.0%"/>
Matrix Notes	<input type="text" value="Less than 30% of the rule requirement was 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 type="text"/>
semiannual	<input type="text"/>
annual	<input type="text"/>
single event	<input checked="" type="text" value="x"/>

Violation Base Penalty

Good Faith Efforts to Comply Reduction

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

Notes

Violation Subtotal

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

Estimated EB Amount **Violation Final Penalty Total**

This violation Final Assessed Penalty (adjusted for limits)

Economic Benefit Worksheet

Respondent Air Liquide Large Industries U.S. LP
Case ID No. 61594
Reg. Ent. Reference No. RN105147433
Media Air
Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

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

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$250	25-Feb-2020	26-Feb-2020	0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to submit the initial notification for Incident No. 331032. The Date Required is the date the initial notification was due and the Final Date is the date of compliance.

Avoided Costs

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance \$250

TOTAL \$0

Screening Date 24-Nov-2021

Docket No. 2021-1515-AIR-E

PCW

Respondent Air Liquide Large Industries U.S. LP

Policy Revision 5 (January 28, 2021)

Case ID No. 61594

PCW Revision February 11, 2021

Reg. Ent. Reference No. RN105147433

Media Air

Enf. Coordinator Amanda Diaz

Violation Number 3

Rule Cite(s)

30 Tex. Admin. Code §§ 116.115(c) and 122.143(4), NSR Permit Nos. 87575 and N116, SC No. 1, FOP No. O3982, GTC and STC No. 6, and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to prevent unauthorized emissions. Specifically, the Respondent released 716.00 of NOx, 4,448.00 lbs of CO, 52.30 lbs of VOC, and 4.65 lbs of SO2 from the Process Flare, EPN FLARE, and 607.50 lbs of CO from the Reformer Combustion Stack, EPN SMRSTACK, during an emissions event (Incident No. 331032) that began on February 24, 2020 and lasted 30 hours. The emissions event occurred due to a loose conduit connection that allowed rainwater to enter and contaminate the temperature transmitter that caused the temperature transmitter to fail, resulting in the release to the atmosphere and in flaring. Since the Respondent did not comply with the emissions event reporting requirements, the emissions event was not caused by a sudden unavoidable breakdown of equipment or process beyond the control of the owner or operator, and the emissions event 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		
	Major	Moderate	Minor
Actual			X
Potential			

Percent 30.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

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

Adjustment \$17,500

\$7,500

Violation Events

Number of Violation Events 1 Number of violation days 2

daily	
weekly	
monthly	X
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty \$7,500

One monthly 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 \$7,500

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$1,844

Violation Final Penalty Total \$10,500

This violation Final Assessed Penalty (adjusted for limits) \$10,500

Economic Benefit Worksheet

Respondent Air Liquide Large Industries U.S. LP
Case ID No. 61594
Reg. Ent. Reference No. RN105147433
Media Air
Violation No. 3

Percent Interest	Years of Depreciation
5.0	15

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

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$10,000	24-Feb-2020	1-Nov-2023	3.69	\$1,844	n/a	\$1,844

Notes for DELAYED costs

Estimated cost to implement measures and/or procedures designed to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 331032. The Date Required is the date the emissions event began and the Final Date is the estimated 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

\$1,844

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 CN600300693, RN105147433, Rating Year 2022 which includes Compliance History (CH) components from September 1, 2017, through August 31, 2022.

Customer, Respondent, or Owner/Operator: CN600300693, Air Liquide Large Industries U.S. LP **Classification:** SATISFACTORY **Rating:** 8.57
Regulated Entity: RN105147433, AIR LIQUIDE LA PORTE ASU AND SMR **Classification:** SATISFACTORY **Rating:** 1.73
Complexity Points: 14 **Repeat Violator:** NO
CH Group: 05 - Chemical Manufacturing
Location: 11450 WEST FAIRMONT PARKWAY, LA PORTE, HARRIS COUNTY, TEXAS
TCEQ Region: REGION 12 - HOUSTON

ID Number(s):

AIR OPERATING PERMITS PERMIT 3982 **AIR NEW SOURCE PERMITS** AFS NUM 4820101956
AIR NEW SOURCE PERMITS EPA PERMIT N116 **AIR NEW SOURCE PERMITS** PERMIT 87575
AIR NEW SOURCE PERMITS REGISTRATION 121976 **STORMWATER** PERMIT TXR05T920
STORMWATER PERMIT TXR05AY64 **AIR EMISSIONS INVENTORY** ACCOUNT NUMBER HGA120P
INDUSTRIAL AND HAZARDOUS WASTE EPA ID TXR000079408 **INDUSTRIAL AND HAZARDOUS WASTE** SOLID WASTE REGISTRATION # (SWR) 88783
TAX RELIEF ID NUMBER 16414

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

Date Compliance History Report Prepared: January 24, 2023

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: January 24, 2018 to January 24, 2023

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

Name: Amanda Diaz

Phone: (713) 422-8912

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:

See addendum for information regarding federal actions.

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 23, 2021	(1684830)
Item 2	September 29, 2022	(1846382)
Item 3	October 05, 2022	(1847391)

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:

N/A

G. Type of environmental management systems (EMSs):

N/A

H. Voluntary on-site compliance assessment dates:

N/A

I. Participation in a voluntary pollution reduction program:

N/A

J. Early compliance:

N/A

Sites Outside of Texas:

N/A

Addendum to Compliance History Federal Enforcement Actions

Reg Entity Name: AIR LIQUIDE - LA PORTE ASU

Reg Entity Add: 11450 W FAIRMONT PKWY

Reg Entity City: LA PORTE

Reg Entity No: RN105147433

EPA Case No: 06-2019-0925

Order Issue Date (yyyymmdd): 20190815

Case Result: Final Order With Penalty

Statute: RCRA

Sect of Statute: 3002

Classification: Minor

Program: Gen Hazardous Waste M

Citation:

Violation Type:

Cite Sect:

Cite Part:

Enforcement Action: Administrative Penalty Order With or Without Inj

Reg Entity Name: AIR LIQUIDE LA PORTE ASU AND SMR

Reg Entity Add: 11450 W FAIRMONT PKWY

Reg Entity City: LA PORTE

Reg Entity No: RN105147433

EPA Case No: 06-2017-3406

Order Issue Date (yyyymmdd): 20200622

Case Result: Final Order With Penalty

Statute: CAA

Sect of Statute: 112[R][1]

Classification: Minor

Program: Risk Management Progra

Citation: 40 CFR

Violation Type: Worker Protection Standards

Cite Sect:

Cite Part: 68

Enforcement Action: Consent Decree or Court Order Resolving a Civil

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
AIR LIQUIDE LARGE INDUSTRIES U.S.
LP
RN105147433

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BEFORE THE

TEXAS COMMISSION ON

ENVIRONMENTAL QUALITY

AGREED ORDER DOCKET NO. 2021-1515-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 Air Liquide Large Industries U.S. 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 hydrogen production facility located at 11450 West Fairmont Parkway in La Porte, Harris County, Texas (the "Plant"). The Plant consists or consisted of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
2. The Executive Director and the Respondent agree that the TCEQ has jurisdiction to enter this Order pursuant to TEX. WATER CODE §§ 7.002, 7.051, and 7.073, and that the Respondent is subject to TCEQ's jurisdiction. The TCEQ has jurisdiction in this matter pursuant to TEX. WATER CODE § 5.013 because it alleges violations of TEX. HEALTH & SAFETY CODE ch. 382 and the rules of the TCEQ.
3. The occurrence of any violation is in dispute and the entry of this Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
4. An administrative penalty in the amount of \$21,288 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent paid \$17,031 of the penalty and \$4,257 is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Order. The deferred amount shall be waived only upon full compliance with all the terms and conditions contained in this Order. If the Respondent fails to timely and satisfactorily comply with any of the terms or requirements contained in this Order, the Executive Director may demand payment of all or part of the deferred penalty amount.
5. The Executive Director and the Respondent agree on a settlement of the matters alleged in this enforcement action, subject to final approval in accordance with 30 TEX. ADMIN. CODE § 70.10(a). Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.

6. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Order.
7. This Order represents the complete and fully-integrated agreement of the parties. The provisions of this Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Order unenforceable, the remaining provisions shall be valid and enforceable.
8. This Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Order, whichever is later.
9. The Executive Director recognizes that on February 26, 2020, the Respondent submitted the initial notification for Incident No. 331032.

II. ALLEGATIONS

1. During a record review for the Plant conducted on June 15, 2021 through June 29, 2021, an investigator documented that the Respondent failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), New Source Review ("NSR") Permit Nos. 87575 and N116, Special Conditions ("SC") No. 1, Federal Operating Permit ("FOP") No. O3982, General Terms and Conditions ("GTC") and Special Terms and Conditions ("STC") No. 6, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent released 4,434.00 pounds ("lbs") of carbon monoxide ("CO"), 665.00 lbs of nitrogen oxides ("NOx"), 4.70 lbs of sulfur dioxide ("SO2"), and 52.80 lbs of volatile organic compounds ("VOC") from the Process Flare, Emissions Point Number ("EPN") FLARE, and 195.00 lbs of CO, 421.00 lbs of NOx, and 1.00 lb of ammonia from the Reformer Combustion Stack, EPN SMRSTACK, during an emissions event (Incident No. 289510) that began on August 2, 2018 and lasted 22 hours. The emissions event occurred when the instrument air booster on the Pressure Swing Adsorption Valve KCV063 failed during startup of the Steam Methane Reformer Unit, resulting in the release to the atmosphere and in flaring. Since the emissions event could have been avoided by better design and/or better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.
2. During a record review for the Plant conducted on November 12, 2021, an investigator documented that the Respondent:
 - a. Failed to submit an initial notification for a reportable emissions event no later than 24 hours after the discovery of an emissions event, in violation of 30 TEX. ADMIN. CODE §§ 101.201(a)(1)(B) and 122.143(4), FOP No. O3982, GTC and STC No. 2.F, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the initial notification for Incident No. 331032 was due by February 25, 2020 at 11:00 p.m., but was not submitted until February 26, 2020 at 6:00 p.m.
 - b. Failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), NSR Permit Nos. 87575 and N116, SC No. 1, FOP No. O3982, GTC and STC No. 6, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent released 716.00 of NOx, 4,448.00 lbs of CO, 52.30 lbs of VOC, and 4.65 lbs of SO2 from the Process Flare, EPN FLARE, and 607.50

lbs of CO from the Reformer Combustion Stack, EPN SMRSTACK, during an emissions event (Incident No. 331032) that began on February 24, 2020 and lasted 30 hours. The emissions event occurred due to a loose conduit connection that allowed rainwater to enter and contaminate the temperature transmitter that caused the temperature transmitter to fail, resulting in the release to the atmosphere and in flaring. Since the Respondent did not comply with the emissions event reporting requirements, the emissions event was not caused by a sudden unavoidable breakdown of equipment or process beyond the control of the owner or operator, and the emissions event could have been avoided by better design and/or better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.

III. DENIALS

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

IV. ORDERING PROVISIONS

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

1. The Respondent is assessed a penalty as set forth in Section I, Paragraph No. 4. The payment of this penalty and the Respondent's compliance with all of the requirements set forth in this Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Air Liquide Large Industries U.S. LP, Docket No. 2021-1515-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 undertake the following technical requirements at the Plant:
 - a. Within 30 days after the effective date of this Order:
 - i. Implement measures and/or procedures designed to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 289510; and
 - ii. Implement measures and/or procedures designed to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 331032.
 - b. Within 45 days after the effective date of this Order, submit written certification, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 2.a. The certification shall be signed by the Respondent and shall include the following certification language:

"I certify under penalty of law that I have personally examined and am familiar with the information submitted and all attached documents, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing violations."

The certification shall be submitted to:

Enforcement Division, MC 149A
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

with a copy to:

Air Section Manager
Houston Regional Office
Texas Commission on Environmental Quality
5425 Polk Street, Suite H
Houston, Texas 77023-1452

3. All relief not expressly granted in this Order is denied.
4. The duties and provisions imposed by this Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of this Order to personnel who maintain day-to-day control over the Plant operations referenced in this Order.
5. If the Respondent fails to comply with any of the Ordering Provisions in this Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, the Respondent's failure to comply is not a violation of this Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
6. The Executive Director may grant an extension of any deadline in this Order or in any plan, report, or other document submitted pursuant to this Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director. Extension requests shall be sent to the Enforcement Division at the address listed above.
7. This Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.

8. This Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms: electronic transmission, owner, person, writing, and written, shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.
9. The effective date of this Order is the date it is signed by the Commission. A copy of this fully executed Order shall be provided to each of the parties.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission



For the Executive Director

Date

5/2/2023


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

Date

3/2/2023

John Jackson

Name (Printed or typed)
Authorized Representative of
Air Liquide Large Industries U.S. LP

Title

Plant Manager

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.