

**Executive Summary – Enforcement Matter – Case No. 61637**  
**LBC Houston, L.P.**  
**RN101041598**  
**Docket No. 2021-1552-AIR-E**

**Order Type:**

1660 Agreed Order

**Findings Order Justification:**

N/A

**Media:**

AIR

**Small Business:**

No

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

LBC Houston Bayport Terminal, 11666 Port Road, Seabrook, Harris County

**Type of Operation:**

Bulk liquid storage terminal

**Other Significant Matters:**

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

**Texas Register Publication Date:** March 28, 2025

**Comments Received:** No

***Penalty Information***

**Total Penalty Assessed:** \$23,260

**Amount Deferred for Expedited Settlement:** \$4,652

**Total Paid to General Revenue:** \$9,304

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

Payment Plan: N/A

**Supplemental Environmental Project (“SEP”) Conditional Offset:** \$9,304

Name of SEP: Barbers Hill Independent School District (Third-Party Pre-Approved)

**Compliance History Classifications:**

Person/CN - Satisfactory

Site/RN - Satisfactory

**Major Source:** Yes

**Statutory Limit Adjustment:** N/A

**Applicable Penalty Policy:** January 2021

***Investigation Information***

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

**Complaint Information:** N/A

**Date(s) of Investigation:** August 9, 2021 through August 27, 2021, January 24, 2022 through March 7, 2022, and March 18, 2022 through April 26, 2022

**Date(s) of NOE(s):** November 2, 2021, April 22, 2022, and May 27, 2022

**Executive Summary – Enforcement Matter – Case No. 61637**

**LBC Houston, L.P.**

**RN101041598**

**Docket No. 2021-1552-AIR-E**

***Violation Information***

1. Failed to prevent unauthorized emissions. Specifically, the Respondent released 154.00 pounds of volatile organic compounds as fugitive emissions, during an emissions event (Incident No. 363387) that occurred on July 24, 2021 and lasted two hours [30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), New Source Review Permit No. 3467B, Special Conditions No. 1, Federal Operating Permit ("FOP") No. O1001, General Terms and Conditions ("GTC") and Special Terms and Conditions ("STC") No. 18, and TEX. HEALTH & SAFETY CODE § 382.085(b)].
2. Failed to submit a final record for a reportable emissions event no later than two weeks after the end of the emissions event. Specifically, the final record for Incident No. 363387 was due by August 7, 2021, but was not submitted until August 8, 2021 [30 TEX. ADMIN. CODE §§ 101.201(c) and 122.143(4), FOP No. O1001, GTC and STC No. 2.F., and TEX. HEALTH & SAFETY CODE § 382.085(b)].
3. Failed to submit a permit compliance certification ("PCC") within 30 days of any certification period. Specifically, the PCC for the July 10, 2020 through July 9, 2021 certification period was due by August 8, 2021, but was not submitted until September 23, 2021 [30 TEX. ADMIN. CODE §§ 122.143(4) and 122.146(2), FOP No. O3962, GTC and STC No. 15, and TEX. HEALTH & SAFETY CODE § 382.085(b)].
4. Failed to submit a PCC within 30 days of any certification period. Specifically, the PCC for the September 7, 2020 through September 6, 2021 certification period was due by October 6, 2021, but was not submitted until March 14, 2022 [30 TEX. ADMIN. CODE §§ 122.143(4) and 122.146(2), FOP No. O1001, GTC and STC No. 22, and TEX. HEALTH & SAFETY CODE § 382.085(b)].
5. Failed to submit a deviation report no later than 30 days after the end of each reporting period. Specifically, the deviation report for the March 7, 2021 through September 6, 2021 reporting period was due by October 6, 2021, but was not submitted until March 14, 2022 [30 TEX. ADMIN. CODE §§ 122.143(4) and 122.145(2)(C), FOP No. O1001, GTC, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

***Corrective Actions/Technical Requirements***

**Corrective Action(s) Completed:**

The Respondent implemented the following corrective measures:

- a. On August 8, 2021, submitted the final record for Incident No. 363387;
- b. On September 23, 2021, submitted the PCC for FOP No. O3962 for the July 10, 2020 through July 9, 2021 certification period;

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**LBC Houston, L.P.**

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**Docket No. 2021-1552-AIR-E**

c. On March 14, 2022, submitted the PCC for FOP No. O1001 for the September 7, 2020 through September 6, 2021 certification period;

d. On March 14, 2022, submitted the deviation report for the March 7, 2021 through September 6, 2021 reporting period;

e. By June 3, 2022, implemented the use of a compliance assurance tracking system called ACT designed to ensure that deviation reports and PCC are submitted in a timely manner; and

f. By June 17, 2022, implemented after-action review of Emergency Response Team and Incident Command Structure activation, updated the Spill Release Notification form to include time requirements for agency notification, updated the Maintenance Department procedure and checklist for tanks placed into new product service, updated the procedure for product line hydro-test to include verification that foreign materials were removed to prevent damage to critical valves and pumps, and made updates to the Operations Department checklist that included final pressure checks to be completed on tanks placed into new product service in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 363387.

**Technical Requirements:**

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

***Contact Information***

**TCEQ Attorney:** N/A

**TCEQ Enforcement Coordinator:** Krystina Sepulveda, Enforcement Division, Enforcement Team 2, MC R-15, (956) 430-6045; 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:** Megan Gallien, Chief Financial Officer, Griffith, Moseley, Johnson & Associates, Inc., 2901 Turtle Creek Drive, Suite 445, Port Arthur, Texas 77642

**Respondent:** Jeremy Alberty, Director of Operational Excellence, LBC Houston, L.P., 2625 Bay Area Boulevard, Houston, Texas 77058

Jeff Dewar, Senior Vice President, LBC Houston, L.P., 2625 Bay Area Boulevard, Houston, Texas 77058

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



# Penalty Calculation Worksheet (PCW)

Policy Revision 5 (January 28, 2021)

PCW Revision February 11, 2021

<b>DATES</b>	<b>Assigned</b>	8-Nov-2021	<b>Screening</b>	18-Nov-2021	<b>EPA Due</b>	
	<b>PCW</b>	5-Feb-2025				

## RESPONDENT/FACILITY INFORMATION

<b>Respondent</b>	LBC Houston, L.P.
<b>Reg. Ent. Ref. No.</b>	RN101041598
<b>Facility/Site Region</b>	12-Houston
<b>Major/Minor Source</b>	Major

## CASE INFORMATION

<b>Enf./Case ID No.</b>	61637	<b>No. of Violations</b>	5
<b>Docket No.</b>	2021-1552-AIR-E	<b>Order Type</b>	1660
<b>Media Program(s)</b>	Air	<b>Government/Non-Profit</b>	No
<b>Multi-Media</b>		<b>Enf. Coordinator</b>	Krystina Sepulveda
		<b>EC's Team</b>	Enforcement Team 2
<b>Admin. Penalty \$ Limit Minimum</b>	\$0	<b>Maximum</b>	\$25,000

## Penalty Calculation Section

<b>TOTAL BASE PENALTY (Sum of violation base penalties)</b>	<b>Subtotal 1</b>	\$22,750
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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.

<b>Compliance History</b>	<b>19.0%</b>	<b>Adjustment</b>	<b>Subtotals 2, 3, &amp; 7</b>	\$4,322
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Notes: Enhancement for one NOV with the same/similar violations and one order containing a denial of liability. Reduction for two notices of intent to conduct an audit and two disclosures of violations.

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

<b>Good Faith Effort to Comply Total Adjustments</b>	<b>Subtotal 5</b>	-\$3,812
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<b>Economic Benefit</b>	<b>0.0%</b>	<b>Enhancement*</b>	<b>Subtotal 6</b>	\$0
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Total EB Amounts: \$510  
Estimated Cost of Compliance: \$12,500  
\*Capped at the Total EB \$ Amount

<b>SUM OF SUBTOTALS 1-7</b>	<b>Final Subtotal</b>	\$23,260
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<b>OTHER FACTORS AS JUSTICE MAY REQUIRE</b>	<b>0.0%</b>	<b>Adjustment</b>	\$0
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

<b>Final Penalty Amount</b>	\$23,260
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<b>STATUTORY LIMIT ADJUSTMENT</b>	<b>Final Assessed Penalty</b>	\$23,260
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<b>DEFERRAL</b>	<b>20.0%</b>	<b>Reduction</b>	<b>Adjustment</b>	-\$4,652
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Reduces the Final Assessed Penalty by the indicated percentage.

Notes:

Deferral offered for expedited settlement.

<b>PAYABLE PENALTY</b>	\$18,608
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<b>Screening Date</b>	18-Nov-2021	<b>Docket No.</b>	2021-1552-AIR-E	<b>PCW</b>
<b>Respondent</b>	LBC Houston, L.P.			
<b>Case ID No.</b>	61637			
<b>Reg. Ent. Reference No.</b>	RN101041598			
<b>Media</b>	Air			
<b>Enf. Coordinator</b>	Krystina Sepulveda			

Policy Revision 5 (January 28, 2021)

PCW Revision February 11, 2021

## 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> )	1	20%
	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> )	2	-2%
	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> )	2	-4%
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)** 19%

### >> Repeat Violator (Subtotal 3)

No

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

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

Satisfactory Performer

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

### >> Compliance History Summary

**Compliance History Notes**

Enhancement for one NOV with the same/similar violations and one order containing a denial of liability. Reduction for two notices of intent to conduct an audit and two disclosures of violations.

**Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7)** 19%

### >> Final Compliance History Adjustment

**Final Adjustment Percentage \*capped at 100%** 19%

<b>Screening Date</b> 18-Nov-2021 <b>Respondent</b> LBC Houston, L.P. <b>Case ID No.</b> 61637 <b>Reg. Ent. Reference No.</b> RN101041598 <b>Media</b> Air <b>Enf. Coordinator</b> Krystina Sepulveda	<b>Docket No.</b> 2021-1552-AIR-E	<b>PCW</b> <i>Policy Revision 5 (January 28, 2021)</i> <i>PCW Revision February 11, 2021</i>
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<b>Violation Number</b>	1	
<b>Rule Cite(s)</b>		30 Tex. Admin. Code §§ 116.115(c) and 122.143(4), New Source Review Permit No. 3467B, Special Conditions No. 1, Federal Operating Permit ("FOP") No. O1001, General Terms and Conditions ("GTC") and Special Terms and Conditions ("STC") No. 18, and Tex. Health & Safety Code § 382.085(b)
<b>Violation Description</b>		Failed to prevent unauthorized emissions. Specifically, the Respondent released 154.00 pounds of volatile organic compounds as fugitive emissions, during an emissions event (Incident No. 363387) that occurred on July 24, 2021 and lasted two hours.

<b>Base Penalty</b>	\$25,000
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**>> Environmental, Property and Human Health Matrix**

<b>OR</b>		<b>Release</b>	<b>Harm</b>		
		Major	Moderate	Minor	
	Actual			x	
	Potential				

<b>Percent</b>	30.0%
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**>> Programmatic Matrix**

	Falsification	Major	Moderate	Minor	

<b>Percent</b>	0.0%
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Matrix Notes	Human health or the environment has been exposed to insignificant amounts of pollutants that do not exceed levels that are protective of human health or environmental receptors as a result of the violation.
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<b>Adjustment</b>	\$17,500
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<b>Adjustment</b>	\$7,500
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**Violation Events**

Number of Violation Events	1		1	Number of violation days
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	daily		weekly		monthly	x	quarterly		semiannual		annual		single event	
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<b>Violation Base Penalty</b>	\$7,500
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One monthly event is recommended.

**Good Faith Efforts to Comply**

	<b>10.0%</b>			
	Before NOE/NOV	NOE/NOV to EDPRP/Settlement Offer		
Extraordinary				
Ordinary		x		
N/A				

Notes	The Respondent completed the corrective measures by June 17, 2022, after the Notice of Enforcement ("NOE") dated November 2, 2021.
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<b>Violation Subtotal</b>	\$6,750
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**Economic Benefit (EB) for this violation**

	<b>Statutory Limit Test</b>
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<b>Estimated EB Amount</b>	\$449		<b>Violation Final Penalty Total</b>	\$8,175
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<b>This violation Final Assessed Penalty (adjusted for limits)</b>	\$8,175
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# Economic Benefit Worksheet

**Respondent** LBC Houston, L.P.  
**Case ID No.** 61637  
**Reg. Ent. Reference No.** RN101041598  
**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	24-Jul-2021	17-Jun-2022	0.90	\$449	n/a	\$449

### Notes for DELAYED costs

Estimated cost to implement after-action review of Emergency Response Team and Incident Command Structure activation, update the Spill Release Notification form to include time requirements for agency notification, update the Maintenance Department procedure and checklist for tanks placed into new product service, update the procedure for product line hydro-test to include removal of foreign material is verified to prevent damage to critical valves and pumps, and make updates to the Operations Department checklist to include final pressure checks to be completed on tanks placed into new product service in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 363387. 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**

\$449

<b>Screening Date</b> 18-Nov-2021 <b>Respondent</b> LBC Houston, L.P. <b>Case ID No.</b> 61637 <b>Reg. Ent. Reference No.</b> RN101041598 <b>Media</b> Air <b>Enf. Coordinator</b> Krystina Sepulveda	<b>Docket No.</b> 2021-1552-AIR-E	<b>PCW</b> <i>Policy Revision 5 (January 28, 2021)</i> <i>PCW Revision February 11, 2021</i>
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<b>Violation Number</b>	2	<b>Rule Cite(s)</b>	
		30 Tex. Admin. Code §§ 101.201(c) and 122.143(4), FOP No. O1001, GTC and STC No. 2.F., and Tex. Health & Safety Code § 382.085(b)	
<b>Violation Description</b>		Failed to submit a final record for a reportable emissions event no later than two weeks after the end of the emissions event. Specifically, the final record for Incident No. 363387 was due by August 7, 2021, but was not submitted until August 8, 2021.	

<b>Base Penalty</b>	\$25,000
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**>> Environmental, Property and Human Health Matrix**

<b>OR</b>		<b>Release</b>	<b>Harm</b>		
		Major	Moderate	Minor	
	Actual				
	Potential				
				<b>Percent</b>	0.0%

**>> Programmatic Matrix**

	Falsification	Major	Moderate	Minor	
				x	
				<b>Percent</b>	1.0%

<b>Matrix Notes</b>	Less than 30% of the rule requirements were not met.
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<b>Adjustment</b>	\$24,750
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	\$250
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**Violation Events**

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

<b>Violation Base Penalty</b>	\$250
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One single event is recommended.	
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**Good Faith Efforts to Comply**

	<b>25.0%</b>	
	Before NOE/NOV	NOE/NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary	x	
N/A		
Notes	The Respondent completed corrective actions on August 8, 2021, prior to the NOE dated November 2, 2021.	

<b>Violation Subtotal</b>	\$188
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**Economic Benefit (EB) for this violation**

<b>Estimated EB Amount</b>	\$0	<b>Statutory Limit Test</b>
		<b>Violation Final Penalty Total</b>
		\$236
<b>This violation Final Assessed Penalty (adjusted for limits)</b>		\$236

# Economic Benefit Worksheet

**Respondent** LBC Houston, L.P.  
**Case ID No.** 61637  
**Reg. Ent. Reference No.** RN101041598  
**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	7-Aug-2021	8-Aug-2021	0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to submit the final record for Incident No. 363387. The Date Required is the date the final record 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

<b>Screening Date</b> 18-Nov-2021 <b>Respondent</b> LBC Houston, L.P. <b>Case ID No.</b> 61637 <b>Reg. Ent. Reference No.</b> RN101041598 <b>Media</b> Air <b>Enf. Coordinator</b> Krystina Sepulveda	<b>Docket No.</b> 2021-1552-AIR-E	<b>PCW</b> <i>Policy Revision 5 (January 28, 2021)</i> <i>PCW Revision February 11, 2021</i>
<b>Violation Number</b> <span style="border: 1px solid black; padding: 2px;">3</span>		
<b>Rule Cite(s)</b> 30 Tex. Admin. Code §§ 122.143(4) and 122.146(2), FOP No. 03962, GTC and STC No. 15, and Tex. Health & Safety Code § 382.085(b)		
<b>Violation Description</b> <div style="border: 1px solid black; padding: 5px; margin-top: 5px;">         Failed to submit a permit compliance certification ("PCC") within 30 days of any certification period. Specifically, the PCC for the July 10, 2020 through July 9, 2021 certification period was due by August 8, 2021, but was not submitted until September 23, 2021.       </div>		
<b>Base Penalty</b>		\$25,000

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

<b>OR</b>		<b>Harm</b>			
	<b>Release</b>	Major	Moderate	Minor	
	Actual				<b>Percent</b> <span style="border: 1px solid black; padding: 2px;">0.0%</span>
	Potential				

**>> Programmatic Matrix**

	Falsification	Major	Moderate	Minor	
		x			<b>Percent</b> <span style="border: 1px solid black; padding: 2px;">20.0%</span>

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

**Adjustment** \$20,000

\$5,000

**Violation Events**

Number of Violation Events	1		46	Number of violation days
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daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

**Violation Base Penalty** \$5,000

One single event is recommended.

**Good Faith Efforts to Comply**

	<b>25.0%</b>		
	Before NOE/NOV	NOE/NOV to EDPRP/Settlement Offer	
Extraordinary			
Ordinary	x		
N/A			

Notes: The Respondent completed corrective actions on September 23, 2021, prior to the NOE dated April 22, 2022.

**Reduction** \$1,250

**Violation Subtotal** \$3,750

**Economic Benefit (EB) for this violation**

<b>Estimated EB Amount</b>	\$2	<b>Statutory Limit Test</b>
		<b>Violation Final Penalty Total</b> <span style="border: 1px solid black; padding: 2px;">\$4,700</span>
		<b>This violation Final Assessed Penalty (adjusted for limits)</b> <span style="border: 1px solid black; padding: 2px;">\$4,700</span>

## Economic Benefit Worksheet

**Respondent** LBC Houston, L.P.  
**Case ID No.** 61637  
**Reg. Ent. Reference No.** RN101041598  
**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)	\$250	8-Aug-2021	23-Sep-2021	0.13	\$2	n/a	\$2

#### Notes for DELAYED costs

Estimated cost to submit the PCC for the July 10, 2020 through July 9, 2021 certification period. The Date Required is the date the PCC 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**

\$2

<b>Screening Date</b> 18-Nov-2021 <b>Respondent</b> LBC Houston, L.P. <b>Case ID No.</b> 61637 <b>Reg. Ent. Reference No.</b> RN101041598 <b>Media</b> Air <b>Enf. Coordinator</b> Krystina Sepulveda	<b>Docket No.</b> 2021-1552-AIR-E	<b>PCW</b> <i>Policy Revision 5 (January 28, 2021)</i> <i>PCW Revision February 11, 2021</i>
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<b>Violation Number</b>	4	<b>Rule Cite(s)</b>	30 Tex. Admin. Code §§ 122.143(4) and 122.146(2), FOP No. O1001, GTC and STC No. 22, and Tex. Health & Safety Code § 382.085(b)
<b>Violation Description</b>	Failed to submit a PCC within 30 days of any certification period. Specifically, the PCC for the September 7, 2020 through September 6, 2021 certification period was due by October 6, 2021, but was not submitted until March 14, 2022.		

**Base Penalty** \$25,000

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

<b>OR</b>	<b>Release</b>	<b>Harm</b>					
		Major	Moderate	Minor			
	Actual	<span style="border: 1px solid black; display: inline-block; width: 40px; height: 15px;"></span>	<span style="border: 1px solid black; display: inline-block; width: 40px; height: 15px;"></span>	<span style="border: 1px solid black; display: inline-block; width: 40px; height: 15px;"></span>			
	Potential	<span style="border: 1px solid black; display: inline-block; width: 40px; height: 15px;"></span>	<span style="border: 1px solid black; display: inline-block; width: 40px; height: 15px;"></span>	<span style="border: 1px solid black; display: inline-block; width: 40px; height: 15px;"></span>			
				<b>Percent</b>		0.0%	

**>> Programmatic Matrix**

	<b>Falsification</b>	<b>Major</b>	<b>Moderate</b>	<b>Minor</b>	
	<span style="border: 1px solid black; display: inline-block; width: 40px; height: 15px;"></span>	<span style="border: 1px solid black; display: inline-block; width: 40px; height: 15px; text-align: center;">x</span>	<span style="border: 1px solid black; display: inline-block; width: 40px; height: 15px;"></span>	<span style="border: 1px solid black; display: inline-block; width: 40px; height: 15px;"></span>	
					<b>Percent</b>
					20.0%

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

**Adjustment** \$20,000

\$5,000

**Violation Events**

Number of Violation Events	<span style="border: 1px solid black; padding: 2px 10px;">1</span>	<span style="border: 1px solid black; padding: 2px 10px;">159</span>	Number of violation days
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	daily	<span style="border: 1px solid black; display: inline-block; width: 40px; height: 15px;"></span>			
	weekly	<span style="border: 1px solid black; display: inline-block; width: 40px; height: 15px;"></span>			
	monthly	<span style="border: 1px solid black; display: inline-block; width: 40px; height: 15px;"></span>			
	quarterly	<span style="border: 1px solid black; display: inline-block; width: 40px; height: 15px;"></span>			
	semiannual	<span style="border: 1px solid black; display: inline-block; width: 40px; height: 15px;"></span>			
	annual	<span style="border: 1px solid black; display: inline-block; width: 40px; height: 15px;"></span>			
	single event	<span style="border: 1px solid black; display: inline-block; width: 40px; height: 15px; text-align: center;">x</span>			

**Violation Base Penalty** \$5,000

One single event is recommended.	
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**Good Faith Efforts to Comply**

	<b>25.0%</b>	
		<b>Reduction</b>
		\$1,250

	Before NOE/NOV	NOE/NOV to EDPRP/Settlement Offer	
Extraordinary	<span style="border: 1px solid black; display: inline-block; width: 40px; height: 15px;"></span>	<span style="border: 1px solid black; display: inline-block; width: 40px; height: 15px;"></span>	
Ordinary	<span style="border: 1px solid black; display: inline-block; width: 40px; height: 15px; text-align: center;">x</span>	<span style="border: 1px solid black; display: inline-block; width: 40px; height: 15px;"></span>	
N/A	<span style="border: 1px solid black; display: inline-block; width: 40px; height: 15px;"></span>	<span style="border: 1px solid black; display: inline-block; width: 40px; height: 15px;"></span>	

	The Respondent completed corrective actions on March 14, 2022, prior to the NOE dated May 27, 2022.
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**Violation Subtotal** \$3,750

**Economic Benefit (EB) for this violation**

	<b>\$5</b>	
<b>Estimated EB Amount</b>		<b>Violation Final Penalty Total</b>
		\$4,700

**This violation Final Assessed Penalty (adjusted for limits)** \$4,700

# Economic Benefit Worksheet

**Respondent** LBC Houston, L.P.  
**Case ID No.** 61637  
**Reg. Ent. Reference No.** RN101041598  
**Media** Air  
**Violation No.** 4

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	6-Oct-2021	14-Mar-2022	0.44	\$5	n/a	\$5
Notes for DELAYED costs	Estimated cost to submit the PCC for the September 7, 2020 through September 6, 2021 certification period. The Date Required is the date the PCC 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** \$5

<b>Screening Date</b> 18-Nov-2021 <b>Respondent</b> LBC Houston, L.P. <b>Case ID No.</b> 61637 <b>Reg. Ent. Reference No.</b> RN101041598 <b>Media</b> Air <b>Enf. Coordinator</b> Krystina Sepulveda	<b>Docket No.</b> 2021-1552-AIR-E  <b>Base Penalty</b> \$25,000	<b>PCW</b> <i>Policy Revision 5 (January 28, 2021)</i> <i>PCW Revision February 11, 2021</i>
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<b>Violation Number</b>	5		<b>Rule Cite(s)</b>	
			30 Tex. Admin. Code §§ 122.143(4) and 122.145(2)(C), FOP No. 01001, GTC, and Tex. Health & Safety Code § 382.085(b)	
<b>Violation Description</b>	Failed to submit a deviation report no later than 30 days after the end of each reporting period. Specifically, the deviation report for the March 7, 2021 through September 6, 2021 reporting period was due by October 6, 2021, but was not submitted until March 14, 2022.			

**Base Penalty**

\$25,000

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

<b>OR</b>		<b>Release</b>	<b>Harm</b>		
		Major	Moderate	Minor	
	Actual				<b>Percent</b> <div style="border: 1px solid black; padding: 2px 10px;">0.0%</div>
	Potential				

**>> Programmatic Matrix**

	Falsification	Major	Moderate	Minor	
		x			<b>Percent</b> <div style="border: 1px solid black; padding: 2px 10px;">20.0%</div>
<b>Matrix Notes</b>	100% of the rule requirements were not met.				

**Adjustment**

\$20,000

\$5,000

**Violation Events**

Number of Violation Events	1		159	Number of violation days
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	daily	weekly	monthly	quarterly	semiannual	annual	single event	
							x	<b>Violation Base Penalty</b> <div style="border: 1px solid black; padding: 2px 10px;">\$5,000</div>
	One single event is recommended.							

**Good Faith Efforts to Comply**

10.0%

Reduction 

\$500

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

**Notes**

The Respondent completed the corrective measures by June 3, 2022, after the NOE dated May 27, 2022.

**Violation Subtotal**

\$4,500

**Economic Benefit (EB) for this violation**

**Statutory Limit Test**

<b>Estimated EB Amount</b>	\$54	<b>Violation Final Penalty Total</b>	\$5,450
<b>This violation Final Assessed Penalty (adjusted for limits)</b>		\$5,450	

# Economic Benefit Worksheet

**Respondent** LBC Houston, L.P.  
**Case ID No.** 61637  
**Reg. Ent. Reference No.** RN101041598  
**Media** Air  
**Violation No.** 5

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	6-Oct-2021	3-Jun-2022	0.66	\$49	n/a	\$49
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$250	6-Oct-2021	14-Mar-2022	0.44	\$5	n/a	\$5
Notes for DELAYED costs	Estimated costs to submit the deviation report for the March 7, 2021 through September 6, 2021 reporting period (\$250) and implement the use of a compliance assurance tracking system called ACT designed to ensure that deviation reports and PCC are submitted in a timely manner (\$1,500). The Dates Required are the date the deviation report 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** \$54



# Compliance History Report

Compliance History Report for CN601179849, RN101041598, Rating Year 2024 which includes Compliance History (CH) components from September 1, 2019, through August 31, 2024.

**Customer, Respondent, or Owner/Operator:** CN601179849, LBC Houston, L.P.

**Classification:** SATISFACTORY

**Rating:** 1.53

**Regulated Entity:** RN101041598, LBC HOUSTON  
BAYPORT TERMINAL

**Classification:** SATISFACTORY

**Rating:** 1.53

**Complexity Points:** 29

**Repeat Violator:** NO

**CH Group:** 14 - Other

**Location:** 11666 Port Road Seabrook, Harris County, Texas

**TCEQ Region:** REGION 12 - HOUSTON

**ID Number(s):**

**AIR OPERATING PERMITS** ACCOUNT NUMBER HG0029P  
**AIR OPERATING PERMITS** PERMIT 3962  
**AIR NEW SOURCE PERMITS** PERMIT 5152  
**AIR NEW SOURCE PERMITS** PERMIT 6251

**AIR NEW SOURCE PERMITS** EPA PERMIT N206M1  
**AIR NEW SOURCE PERMITS** REGISTRATION 81115  
**AIR NEW SOURCE PERMITS** EPA PERMIT N206  
**AIR NEW SOURCE PERMITS** REGISTRATION 171119  
**AIR NEW SOURCE PERMITS** EPA PERMIT N306

**IHW CORRECTIVE ACTION** SOLID WASTE  
REGISTRATION # (SWR) 30985

**WASTEWATER** EPA ID TX0075302

**AIR EMISSIONS INVENTORY** ACCOUNT NUMBER  
HG0029P

**POLLUTION PREVENTION PLANNING** ID NUMBER  
P01279

**INDUSTRIAL AND HAZARDOUS WASTE** SOLID WASTE  
REGISTRATION # (SWR) 30489

**INDUSTRIAL AND HAZARDOUS WASTE** SOLID WASTE  
REGISTRATION # (SWR) 30985

**AIR OPERATING PERMITS** PERMIT 1001

**AIR NEW SOURCE PERMITS** PERMIT 3467B

**AIR NEW SOURCE PERMITS** PERMIT 5153

**AIR NEW SOURCE PERMITS** ACCOUNT NUMBER  
HG0029P

**AIR NEW SOURCE PERMITS** AFS NUM 4820100183

**AIR NEW SOURCE PERMITS** REGISTRATION 107660

**AIR NEW SOURCE PERMITS** PERMIT 123325

**AIR NEW SOURCE PERMITS** EPA PERMIT N206M2

**AIR NEW SOURCE PERMITS** REGISTRATION 173422

**WASTEWATER** PERMIT WQ0002110000

**WASTEWATER** EPA ID TX0091235

**POLLUTION PREVENTION PLANNING** ID NUMBER  
P00311

**INDUSTRIAL AND HAZARDOUS WASTE** EPA ID  
TXD000719286

**INDUSTRIAL AND HAZARDOUS WASTE** EPA ID  
TXD096602941

**TAX RELIEF** ID NUMBER 22596

**Compliance History Period:** September 01, 2019 to August 31, 2024

**Rating Year:** 2024

**Rating Date:** 09/01/2024

**Date Compliance History Report Prepared:** November 20, 2024

**Agency Decision Requiring Compliance History:** Enforcement

**Component Period Selected:** November 20, 2019 to November 20, 2024

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

**Name:** Krystina Sepulveda

**Phone:** (956) 430-6045

## Site and Owner/Operator History:

- |  |     |
|--|-----|
| 1) Has the site been in existence and/or operation for the full five year compliance period?       | YES |
| 2) Has there been a (known) change in ownership/operator of the site during the compliance period? | NO  |

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

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

- |   |   |  |
|---|---|--|
| 1 | Effective Date: 12/29/2020                            | ADMINORDER 2020-0737-AIR-E (1660 Order-Agreed Order With Denial) |
|   | Classification: Moderate                              |  |
|   | Citation: 30 TAC Chapter 116, SubChapter B 116.115(c) |  |
|   | 30 TAC Chapter 122, SubChapter B 122.143(4)           |  |
|   | 5C THSC Chapter 382 382.085(b)                        |  |

Rqmt Prov: GTC and STC No. 18 OP  
Special Condition 1 PERMIT

Description: Failed to prevent unauthorized emissions. Specifically, the Respondent released 82.67 pounds of benzene as fugitive emissions, during an emissions event (Incident No. 274155) that occurred on December 7, 2017 and lasted three hours and 30 minutes. The emissions event occurred due to a leak at the hose connection on top of the railcar that was caused by a gasket failure, resulting in the release to the atmosphere.

Classification: Moderate

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

Rqmt Prov: 3467B Special Condition 1 PERMIT  
GTC and STC No. 18 OP

Description: Failed to prevent unauthorized emissions. Specifically, the Respondent released 32.60 lbs of benzene as fugitive emissions, during an emissions event (Incident No. 285515) that occurred on June 1, 2018 and lasted 15 minutes. The emissions event occurred due to a leak in the transfer pipeline in the Phase 5 Pump Pad that was caused by corrosion, resulting in the release to the atmosphere.

**B. Criminal convictions:**

N/A

**C. Chronic excessive emissions events:**

N/A

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

Item 1	December 12, 2019	(1604012)
Item 2	December 19, 2019	(1627370)
Item 3	February 19, 2020	(1641618)
Item 4	March 31, 2020	(1632139)
Item 5	April 20, 2020	(1654479)
Item 6	May 20, 2020	(1661050)
Item 7	May 28, 2020	(1630937)
Item 8	June 17, 2020	(1667579)
Item 9	July 16, 2020	(1674528)
Item 10	August 18, 2020	(1681300)
Item 11	September 17, 2020	(1687874)
Item 12	October 08, 2020	(1694223)
Item 13	November 19, 2020	(1715302)
Item 14	December 18, 2020	(1715303)
Item 15	January 19, 2021	(1715304)
Item 16	March 08, 2021	(1728371)
Item 17	March 09, 2021	(1728372)
Item 18	April 09, 2021	(1702328)
Item 19	April 19, 2021	(1728373)
Item 20	April 26, 2021	(1705282)
Item 21	May 20, 2021	(1741472)
Item 22	June 16, 2021	(1741473)
Item 23	July 02, 2021	(1692811)
Item 24	July 15, 2021	(1706490)
Item 25	August 19, 2021	(1758064)
Item 26	September 20, 2021	(1767315)
Item 27	October 18, 2021	(1777777)
Item 28	November 18, 2021	(1784572)
Item 29	December 20, 2021	(1791606)
Item 30	January 18, 2022	(1799447)
Item 31	February 18, 2022	(1807279)
Item 32	March 18, 2022	(1814331)
Item 33	May 20, 2022	(1829734)
Item 34	June 17, 2022	(1836034)
Item 35	July 20, 2022	(1843233)
Item 36	August 18, 2022	(1849400)
Item 37	September 19, 2022	(1857167)

Item 38	October 13, 2022	(1863522)
Item 39	November 17, 2022	(1870432)
Item 40	December 15, 2022	(1876287)
Item 41	March 20, 2023	(1899483)
Item 42	April 18, 2023	(1906285)
Item 43	May 18, 2023	(1913439)
Item 44	June 14, 2023	(1920049)
Item 45	July 17, 2023	(1927016)
Item 46	August 17, 2023	(1933980)
Item 47	September 19, 2023	(1940119)
Item 48	October 17, 2023	(1946957)
Item 49	December 14, 2023	(1962418)
Item 50	January 18, 2024	(1969007)
Item 51	February 28, 2024	(1978072)
Item 52	March 19, 2024	(1984645)
Item 53	April 18, 2024	(1991168)
Item 54	May 14, 2024	(1944809)
Item 55	May 20, 2024	(1997623)
Item 56	June 13, 2024	(2004586)
Item 57	July 15, 2024	(2012132)
Item 58	July 31, 2024	(1994287)
Item 59	August 19, 2024	(2017724)
Item 60	September 19, 2024	(2024762)

#### 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: 05/16/2024 (1967043)  
Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
30 TAC Chapter 122, SubChapter B 122.145(2)(C)  
5C THSC Chapter 382 382.085(b)  
General Terms & Conditions OP  
Description: Failure to submit a Deviation Report (DR) within 30 days after the end of the reporting period from September 7, 2022, through March 6, 2023. (Category B3)

#### F. Environmental audits:

Notice of Intent Date: 07/29/2021 (1750866)  
Disclosure Date: 08/19/2022  
Viol. Minor  
Citation: 40 CFR Chapter 61, SubChapter C, PT 61, SubPT V 61.247(b)  
Description: Failed to submit the June 2021 through November 2021 40 CFR 61, Subparts J (VTAP) report by December 31st deadline.  
Viol. Minor  
Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.7(a)(1)  
Description: Failed to make notification of the Start of Construction for newly constructed above ground storage tanks - tanks B-100-1, B-100-2, B-100-3, B-100-4, B-100-5, B-100-6, B-100-7, B-100-8, B-120-7, B-120-8, B-802, B-803, B-804, B-805, B-812, and B-813.  
Viol. Minor  
Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.7(a)(3)  
Description: Failed to make notification of anticipated initial startup for newly constructed above ground storage tanks placed into service - tanks B-100-1, B-100-2, B-100-3, B-100-4, B-100-5, B-100-6, B-100-7, B-100-8, B-120-7, B-120-8, B-802, B-803, B-804, B-805, B-812, and B-813.  
Viol. Minor  
Classification:  
Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT Kb 60.115b(a)(1)  
Description: Failed to submit installation equipment certification report for newly installed Internal Floating Roofs as part of Notification of Initial Startup for newly constructed internal floating roof tanks - Tanks B-9404, B-42 & 43, B-9405 & 9406, B-816 through 818, B-100-1 through 100-8, B-120-7 & 8, B-802 through 805, B-812 & 813.  
Viol. Minor  
Classification:  
Citation: 40 CFR Chapter 63, SubChapter C, PT 63, SubPT GGGG 63.2860(b)(2)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT GGGG 63.2860(c)

40 CFR Chapter 63, SubChapter C, PT 63, SubPT GGGG 63.2860(d)(3)

40 CFR Chapter 63, SubChapter C, PT 63, SubPT GGGG 63.2860(d)(4)

Description: Failed to submit Notification of Compliance Status per OLD MACT for tanks placed in organic liquid distribution service - Tanks B-9406, B-816, B-817, B-819, B-806, and B-808.

Notice of Intent Date: 08/20/2021 (1756924)

Disclosure Date: 01/31/2022

Viol. Minor

Classification:

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

Rqmt Prov: PERMIT SC 18

Description: VC-3 mid-stack temperature set point was set to 1400F prior to stack test. The minimum one-hour avg stack test temperature was increased to 1494F based on initial stack test conducted on 03/06/2021. Temp \Yas not increased post stack test

Disclosure Date: 08/19/2022

Viol. Minor

Classification:

Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.7(a)(1)

Description: Failed to make notification of Start of Construction for newly constructed aboveground storage tank nos. 120-2, 120-3, 120-5, and 120-6.

Viol. Minor

Classification:

Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.7(a)(3)

Description: Failed to make notification of Anticipated Initial Startup for newly constructed AST placed into service, tank 150-10.

Viol. Minor

Classification:

Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT Kb 60.115b(a)(1)

Description: Failed to submit Installation Certification Report for newly installed IFR as part of Notification of Initial Startup for newly constructed IFR tank nos. 120-1, 120-2, 120-3, 120-4, 120-5, 120-6, 150-1, 150-2, 150-3, 150-4, 150-5, 150-6, 150-7, 150-8, 150-9, 150-10, 150-11, 150-12, 150-13, 150-14, and 150-15.

Viol. Minor

Classification:

Citation: 40 CFR Chapter 63, SubChapter C, PT 63, SubPT EEEE 63.2386(b)(2)(i)

40 CFR Chapter 63, SubChapter C, PT 63, SubPT EEEE 63.2386(c)(4)

40 CFR Chapter 63, SubChapter C, PT 63, SubPT EEEE 63.2386(d)(3)(i)

40 CFR Chapter 63, SubChapter C, PT 63, SubPT EEEE 63.2386(d)(4)(i)

Description: Failed to submit NOCS per OLD MACT for tank nos. 120-1, 120-2, 120-3, 120-4, 120-5, 120-6, 150-1, 150-3, 150-4, 150-5, 150-6, 150-7, 150-8, 150-9, 150-10, 150-11, 150-12, 150-13, 150-14, and 150-15 placed in organic liquid distribution service.

**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  
LBC HOUSTON, L.P.  
RN101041598

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

## AGREED ORDER DOCKET NO. 2021-1552-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 LBC Houston, L.P. (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 bulk liquid storage terminal located at 11666 Port Road in Seabrook, Harris 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 \$23,260 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent paid \$9,304 of the penalty and \$4,652 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.

Pursuant to TEX. WATER CODE § 7.067, \$9,304 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. On August 8, 2021, submitted the final record for Incident No. 363387;
  - b. On September 23, 2021, submitted the permit compliance certification ("PCC") for Federal Operating Permit ("FOP") No. O3962 for the July 10, 2020 through July 9, 2021 certification period;
  - c. On March 14, 2022, submitted the PCC for FOP No. O1001 for the September 7, 2020 through September 6, 2021 certification period;
  - d. On March 14, 2022, submitted the deviation report for the March 7, 2021 through September 6, 2021 reporting period;
  - e. By June 3, 2022, implemented the use of a compliance assurance tracking system called ACT designed to ensure that deviation reports and PCC are submitted in a timely manner; and
  - f. By June 17, 2022, implemented after-action review of Emergency Response Team and Incident Command Structure activation, updated the Spill Release Notification form to include time requirements for agency notification, updated the Maintenance Department procedure and checklist for tanks placed into new product service, updated the procedure for product line hydro-test to include verification that foreign materials were removed to prevent damage to critical valves and pumps, and made updates to the Operations Department checklist that included final pressure checks to be completed on tanks placed into new product service in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 363387.

## II. ALLEGATIONS

1. During a record review for the Site conducted from August 9, 2021 through August 27, 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 Permit No. 3467B, Special Conditions No. 1, Federal Operating Permit ("FOP") No. O1001, General Terms and Conditions ("GTC") and Special Terms and Conditions ("STC") No. 18, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent released 154.00 pounds of volatile organic compounds as fugitive emissions, during an emissions event (Incident No. 363387) that occurred on July 24, 2021 and lasted two hours.
  - b. Failed to submit a final record for a reportable emissions event no later than two weeks after the end of the emissions event, in violation of 30 TEX. ADMIN. CODE §§ 101.201(c) and 122.143(4), FOP No. O1001, GTC and STC No. 2.F., and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the final record for Incident No. 363387 was due by August 7, 2021, but was not submitted until August 8, 2021.
2. During a record review for the Site conducted from January 24, 2022 through March 7, 2022, an investigator documented that the Respondent failed to submit a PCC within 30 days of any certification period, in violation of 30 TEX. ADMIN. CODE §§ 122.143(4) and 122.146(2), FOP No. O3962, GTC and STC No. 15, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the PCC for the July 10, 2020 through July 9, 2021 certification period was due by August 8, 2021, but was not submitted until September 23, 2021.
3. During a record review for the Site conducted from March 18, 2022 through April 26, 2022, an investigator documented that the Respondent:
  - a. Failed to submit a PCC within 30 days of any certification period, in violation of 30 TEX. ADMIN. CODE §§ 122.143(4) and 122.146(2), FOP No. O1001, GTC and STC No. 22, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the PCC for the September 7, 2020 through September 6, 2021 certification period was due by October 6, 2021, but was not submitted until March 14, 2022.
  - b. Failed to submit a deviation report no later than 30 days after the end of each reporting period, in violation of 30 TEX. ADMIN. CODE §§ 122.143(4) and 122.145(2)(C), FOP No. O1001, GTC, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the deviation report for the March 7, 2021 through September 6, 2021 reporting period was due by October 6, 2021, but was not submitted until March 14, 2022.

## 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: LBC Houston, L.P., Docket No. 2021-1552-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 \$9,304 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. 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.
6. 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.
7. 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.


8. 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**

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For the Commission

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Date

  
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For the Executive Director

4/17/2025  
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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.

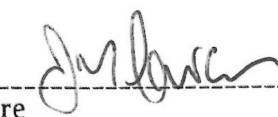
I also understand that failure to comply with the Ordering Provisions, if any, in this Order and/or failure to timely pay the penalty amount, may result in:

- 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.

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Signature

2.18.2025  
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Date

  
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Name (Printed or typed)  
Authorized Representative of  
LBC Houston, L.P.

SVP, Americas  
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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: 2021-1552-AIR-E**  
**SUPPLEMENTAL ENVIRONMENTAL PROJECT**

<b>Respondent:</b>	<b>LBC Houston, L.P.</b>
<b>Payable Penalty Amount:</b>	<b>\$18,608</b>
<b>SEP Offset Amount:</b>	<b>\$9,304</b>
<b>Type of SEP:</b>	<b>Contribution to a Third-Party Administrator SEP</b>
<b>Third-Party Administrator:</b>	<b>Barbers Hill Independent School District</b>
<b>Project Name:</b>	<b><i>Alternative Fuel School Bus Replacement</i></b>
<b>Total Project Budget:</b>	<b>\$1,590,000</b>
<b>Location of SEP:</b>	<b>Chambers County</b>

The Texas Commission on Environmental Quality (“TCEQ”) agrees to offset a portion of the administrative penalty amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project (“SEP”). The offset is equal to the SEP Offset Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment 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 **Barbers Hill Independent School District** for the *Alternative Fuel School Bus Replacement* program (the “Project”). The Project is to reduce carbon monoxide (“CO”), nitrogen oxides (“NO<sub>x</sub>”), particulate matter (“PM”), and volatile organic compounds (“VOCs”) emissions by replacing older school buses with new propane-fueled buses. The Third-Party Administrator is obligated to ensure that each Replacement Bus purchased has an engine that meets 2010 EPA Standards. The Project will be performed in accordance with all federal, state, and local environmental laws and regulations.

The contribution will be used in accordance with the SEP Agreement between the Third-Party Administrator and the TCEQ. 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 able to be 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 it has no prior commitment to make this contribution and that it is being contributed solely in an effort to settle this enforcement action. The Respondent shall not profit in any manner 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 a number of respiratory diseases, including asthma. For example, by replacing a 1989 diesel bus with a new 2010 ultra-low emission model, passengers’ exposures to NO<sub>x</sub> may be reduced by 98 percent; VOCs by 93 percent; CO by 83 percent; and PM by 99 percent.

**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 **Barbers Hill ISD SEP** and shall mail the contribution with a copy of the Agreed Order to:

Megan Gallien, Chief Financial Officer  
Griffith, Moseley, Johnson & Associates, Inc.  
2901 Turtle Creek Drive, Suite 445  
Port Arthur, Texas 77642

## **3. Records and Reporting**

Concurrent with the payment of the SEP Offset Amount, the Respondent shall provide the Enforcement Division 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 or email 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  
SEPReports@tceq.texas.gov

## **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 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  
Office of Legal Services Litigation Division  
Attention: SEP Coordinator, MC 175  
P.O. Box 13087  
Austin, Texas 78711-3087

**5. Publicity**

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

**6. Recognition**

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

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

The SEP Offset Amount identified in this 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.