

Executive Summary – Enforcement Matter – Case No. 61756
Flint Hills Resources Ingleside, LLC
RN100222744
Docket No. 2022-0029-AIR-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

AIR

Small Business:

No

Location(s) Where Violation(s) Occurred:

FHR Ingleside Marine Terminal Facility, 103 Farm-to-Market Road 1069, Ingleside, San Patricio County

Type of Operation:

Bulk liquid crude oil 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: September 30, 2022

Comments Received: No

Penalty Information

Total Penalty Assessed: \$15,300

Amount Deferred for Expedited Settlement: \$3,060

Total Paid to General Revenue: \$6,120

Total Due to General Revenue: \$0

Payment Plan: N/A

Supplemental Environmental Project (“SEP”) Conditional Offset: \$6,120

Name of SEP: Texas Congress of Parents and Teachers dba Texas PTA (Third-Party Pre-Approved)

Compliance History Classifications:

Person/CN - High

Site/RN - High

Major Source: Yes

Statutory Limit Adjustment: N/A

Applicable Penalty Policy: January 2021

Investigation Information

Complaint Date(s): N/A

Complaint Information: N/A

Date(s) of Investigation: October 19, 2021 through November 2, 2021

Date(s) of NOE(s): December 9, 2021

Executive Summary – Enforcement Matter – Case No. 61756
Flint Hills Resources Ingleside, LLC
RN100222744
Docket No. 2022-0029-AIR-E

Violation Information

1. Failed to comply with the maximum allowable emissions rate ("MAER"). Specifically, during a stack test completed on January 14, 2020, the Respondent exceeded the sulfur dioxide MAER of 11.40 pounds per hour ("lbs/hr") by 1.33 lbs/hr for 72.6 hours on seven days from January 14, 2020 to March 31, 2020 for the Marine Vapor Combustion Unit No. 1, Emissions Point Number ("EPN") MVCU1, resulting in approximately 96.56 pounds ("lbs") of unauthorized sulfur dioxide emissions [30 TEX. ADMIN. CODE §§ 116.115(b)(2)(F) and (c) and 122.143(4), New Source Review ("NSR") Permit No. 6606, Special Conditions ("SC") No. 1, Federal Operating Permit ("FOP") No. O3454, General Terms and Conditions ("GTC") and Special Terms and Conditions ("STC") No. 9, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

2. Failed to comply with the MAER. Specifically, during a stack test completed on January 15, 2020, the Respondent exceeded the sulfur dioxide MAER of 11.40 lbs/hr by 3.45 lbs/hr for 66.3 hours on seven days from January 15, 2020 to March 31, 2020 for the Marine Vapor Combustion Unit No. 2, EPN MVCU2, resulting in approximately 228.74 lbs of unauthorized sulfur dioxide emissions [30 TEX. ADMIN. CODE §§ 116.115(b)(2)(F) and (c) and 122.143(4), NSR Permit No. 6606, SC No. 1, FOP No. O3454, GTC and STC No. 9, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

3. Failed to comply with the MAER. Specifically, during a stack test completed on January 15, 2020, the Respondent exceeded the sulfur dioxide MAER of 11.40 lbs/hr by 1.40 lbs/hr for 291 hours on 24 days from January 15, 2020 to March 31, 2020 for the Marine Vapor Combustion Unit No. 3, EPN MVCU3, resulting in approximately 407.40 lbs of unauthorized sulfur dioxide emissions [30 TEX. ADMIN. CODE §§ 116.115(b)(2)(F) and (c) and 122.143(4), NSR Permit No. 6606, SC No. 1, FOP No. O3454, GTC and STC No. 9, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

The Respondent implemented corrective measures at the Site by conducting stack tests demonstrating compliance with the sulfur dioxide hourly MAERs for the Marine Vapor Combustion Unit No. 1, EPN MVCU1, Marine Vapor Combustion Unit No. 2, EPN MVCU2, and Marine Vapor Combustion Unit No. 3, EPN MVCU3, on March 31, 2020.

Technical Requirements:

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

Executive Summary – Enforcement Matter – Case No. 61756
Flint Hills Resources Ingleside, LLC
RN100222744
Docket No. 2022-0029-AIR-E

Contact Information

TCEQ Attorney: N/A

TCEQ Enforcement Coordinator: Johnnie Wu, Enforcement Division, Enforcement Team 2, MC 219, (512) 239-2524; Michael Parrish, Enforcement Division, MC 219, (512) 239-2548

TCEQ SEP Coordinator: Stuart Beckley, SEP Coordinator, Enforcement Division, MC 219, (512) 239-3565

SEP Third-Party Administrator: Texas PTA, 408 West 11th Street, Austin, Texas 78701

Respondent: Bob O'Hair, Vice President of Operations, Flint Hills Resources Ingleside, LLC, P.O. Box 2917, Wichita, Kansas 67201-2917

Respondent's Attorney: N/A



Penalty Calculation Worksheet (PCW)

Policy Revision 5 (January 28, 2021)

PCW Revision February 11, 2021

DATES	Assigned	13-Dec-2021	Screening	22-Dec-2021	EPA Due	
	PCW	22-Jun-2022				

RESPONDENT/FACILITY INFORMATION	
Respondent	Flint Hills Resources Ingleside, LLC
Reg. Ent. Ref. No.	RN100222744
Facility/Site Region	14-Corpus Christi
Major/Minor Source	Major

CASE INFORMATION			
Enf./Case ID No.	61756	No. of Violations	3
Docket No.	2022-0029-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Johnnie Wu
		EC's Team	Enforcement Team 5
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$25,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$22,500
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ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History	-7.0%	Adjustment	Subtotals 2, 3, & 7	-\$1,575
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Notes: Enhancement for two NOVs with same/similar violations. Reduction for five notices of intent to conduct an audit, one disclosure of violations, and High Performer classification.

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

Good Faith Effort to Comply Total Adjustments	Subtotal 5	-\$5,625
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Economic Benefit	0.0%	Enhancement*	Subtotal 6	\$0
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Total EB Amounts: \$250
 Estimated Cost of Compliance: \$24,000
 *Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7	Final Subtotal	\$15,300
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OTHER FACTORS AS JUSTICE MAY REQUIRE	0.0%	Adjustment	\$0
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

Final Penalty Amount	\$15,300
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$15,300
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DEFERRAL	20.0%	Reduction	Adjustment	-\$3,060
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Reduces the Final Assessed Penalty by the indicated percentage.

Notes:

Deferral offered for expedited settlement.

PAYABLE PENALTY	\$12,240
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Screening Date 22-Dec-2021

Docket No. 2022-0029-AIR-E

PCW

Respondent Flint Hills Resources Ingleside, LLC

Policy Revision 5 (January 28, 2021)

Case ID No. 61756

PCW Revision February 11, 2021

Reg. Ent. Reference No. RN100222744

Media Air

Enf. Coordinator Johnnie Wu

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Number	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action (<i>number of NOVs meeting criteria</i>)	2	10%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgments or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were submitted</i>)	5	-5%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	1	-2%
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 3%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

High Performer

Adjustment Percentage (Subtotal 7) -10%

>> Compliance History Summary

Compliance History Notes

Enhancement for two NOVs with same/similar violations. Reduction for five notices of intent to conduct an audit, one disclosure of violations, and High Performer classification.

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

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% -7%

Screening Date 22-Dec-2021 **Docket No.** 2022-0029-AIR-E **PCW**
Respondent Flint Hills Resources Ingleside, LLC *Policy Revision 5 (January 28, 2021)*
Case ID No. 61756 *PCW Revision February 11, 2021*
Reg. Ent. Reference No. RN100222744
Media Air
Enf. Coordinator Johnnie Wu

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code §§ 116.115(b)(2)(F) and (c) and 122.143(4), New Source Review ("NSR") Permit No. 6606, Special Conditions ("SC") No. 1, Federal Operating Permit ("FOP") No. O3454, General Terms and Conditions ("GTC") and Special Terms and Conditions ("STC") No. 9, and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to comply with the maximum allowable emissions rate ("MAER"). Specifically, during a stack test completed on January 14, 2020, the Respondent exceeded the sulfur dioxide ("SO2") MAER of 11.40 pounds per hour ("lbs/hr") by 1.33 lbs/hr for 72.6 hours on seven days from January 14, 2020 to March 31, 2020 for the Marine Vapor Combustion Unit No. 1, Emissions Point Number ("EPN") MVCU1, resulting in approximately 96.56 pounds ("lbs") of unauthorized SO2 emissions.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

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

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
				0.0%

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

Adjustment \$17,500

\$7,500

Violation Events

Number of Violation Events 1 Number of violation days 7

daily	
weekly	
monthly	
quarterly	x
semiannual	
annual	
single event	

Violation Base Penalty \$7,500

One quarterly event is recommended from the date of the stack test completed on January 14, 2020 to the date of compliance on March 31, 2020.

Good Faith Efforts to Comply 25.0% Reduction \$1,875

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

Notes The Respondent achieved compliance on March 31, 2020, prior to the Notice of Enforcement ("NOE") dated December 9, 2021.

Violation Subtotal \$5,625

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

Estimated EB Amount \$84 **Violation Final Penalty Total** \$5,100

This violation Final Assessed Penalty (adjusted for limits) \$5,100

Economic Benefit Worksheet

Respondent Flint Hills Resources Ingleside, LLC
Case ID No. 61756
Reg. Ent. Reference No. RN100222744
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)	\$8,000	14-Jan-2020	31-Mar-2020	0.21	\$84	n/a	\$84
Notes for DELAYED costs	Estimated cost to conduct a stack test demonstrating compliance with the SO2 hourly MAER for the Marine Vapor Combustion Unit No. 1, EPN MVCU1. The Date Required is the initial date of non-compliance and the Final Date is the date of compliance.						

Avoided Costs

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

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

Approx. Cost of Compliance \$8,000

TOTAL \$84

Screening Date 22-Dec-2021 **Docket No.** 2022-0029-AIR-E **PCW**
Respondent Flint Hills Resources Ingleside, LLC *Policy Revision 5 (January 28, 2021)*
Case ID No. 61756 *PCW Revision February 11, 2021*
Reg. Ent. Reference No. RN100222744
Media Air
Enf. Coordinator Johnnie Wu

Violation Number 2
Rule Cite(s) 30 Tex. Admin. Code §§ 116.115(b)(2)(F) and (c) and 122.143(4), NSR Permit No. 6606, SC No. 1, FOP No. O3454, GTC and STC No. 9, and Tex. Health & Safety Code § 382.085(b)
Violation Description Failed to comply with the MAER. Specifically, during a stack test completed on January 15, 2020, the Respondent exceeded the SO2 MAER of 11.40 lbs/hr by 3.45 lbs/hr for 66.3 hours on seven days from January 15, 2020 to March 31, 2020 for the Marine Vapor Combustion Unit No. 2, EPN MVCU2, resulting in approximately 228.74 lbs of unauthorized SO2 emissions.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

Release	Harm			Percent
	Major	Moderate	Minor	
Actual			x	30.0%
Potential				

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
				0.0%

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

Adjustment \$17,500

\$7,500

Violation Events

Number of Violation Events 1 7 Number of violation days

daily	
weekly	
monthly	
quarterly	x
semiannual	
annual	
single event	

Violation Base Penalty \$7,500

One quarterly event is recommended from the date of the stack test completed on January 15, 2020 to the date of compliance on March 31, 2020.

Good Faith Efforts to Comply 25.0% Reduction \$1,875

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

Notes The Respondent achieved compliance on March 31, 2020, prior to the NOE dated December 9, 2021.

Violation Subtotal \$5,625

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

Estimated EB Amount \$83 **Violation Final Penalty Total** \$5,100

This violation Final Assessed Penalty (adjusted for limits) \$5,100

Economic Benefit Worksheet

Respondent Flint Hills Resources Ingleside, LLC
Case ID No. 61756
Reg. Ent. Reference No. RN100222744
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)	\$8,000	15-Jan-2020	31-Mar-2020	0.21	\$83	n/a	\$83
Notes for DELAYED costs	Estimated cost to conduct a stack test demonstrating compliance with the SO2 hourly MAER for the Marine Vapor Combustion Unit No. 2, EPN MVCU2. The Date Required is the initial date of non-compliance and the Final Date is the date of compliance.						

Avoided Costs

	ANNUALIZE avoided costs before entering item (except for one-time avoided costs)						
Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance				0.00	\$0	\$0	\$0
ONE-TIME avoided costs				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Notes for AVOIDED costs							

Approx. Cost of Compliance	\$8,000	TOTAL	\$83
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Screening Date 22-Dec-2021 **Docket No.** 2022-0029-AIR-E **PCW**
Respondent Flint Hills Resources Ingleside, LLC *Policy Revision 5 (January 28, 2021)*
Case ID No. 61756 *PCW Revision February 11, 2021*
Reg. Ent. Reference No. RN100222744
Media Air
Enf. Coordinator Johnnie Wu

Violation Number 3
Rule Cite(s) 30 Tex. Admin. Code §§ 116.115(b)(2)(F) and (c) and 122.143(4), NSR Permit No. 6606, SC No. 1, FOP No. O3454, GTC and STC No. 9, and Tex. Health & Safety Code § 382.085(b)
Violation Description Failed to comply with the MAER. Specifically, during a stack test completed on January 15, 2020, the Respondent exceeded the SO2 MAER of 11.40 lbs/hr by 1.40 lbs/hr for 291 hours on 24 days from January 15, 2020 to March 31, 2020 for the Marine Vapor Combustion Unit No. 3, EPN MVCU3, resulting in approximately 407.40 lbs of unauthorized SO2 emissions.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

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

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor	Percent
					0.0%

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

Adjustment \$17,500

\$7,500

Violation Events

Number of Violation Events 1 24 Number of violation days

daily	
weekly	
monthly	
quarterly	x
semiannual	
annual	
single event	

Violation Base Penalty \$7,500

One quarterly event is recommended from the date of the stack test completed on January 15, 2020 to the date of compliance on March 31, 2020.

Good Faith Efforts to Comply 25.0% Reduction \$1,875

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

Notes The Respondent achieved compliance on March 31, 2020, prior to the NOE dated December 9, 2021.

Violation Subtotal \$5,625

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

Estimated EB Amount \$83 **Violation Final Penalty Total** \$5,100

This violation Final Assessed Penalty (adjusted for limits) \$5,100

Economic Benefit Worksheet

Respondent Flint Hills Resources Ingleside, LLC
Case ID No. 61756
Reg. Ent. Reference No. RN100222744
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)	\$8,000	15-Jan-2020	31-Mar-2020	0.21	\$83	n/a	\$83
Notes for DELAYED costs	Estimated cost to conduct a stack test demonstrating compliance with the SO2 hourly MAER for the Marine Vapor Combustion Unit No. 3, EPN MVCU3. The Date Required is the initial date of non-compliance and the Final Date is the date of compliance.						

Avoided Costs

ANNUALIZE avoided costs before entering item (except for one-time avoided costs)							
Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance				0.00	\$0	\$0	\$0
ONE-TIME avoided costs				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Notes for AVOIDED costs							

Approx. Cost of Compliance	\$8,000	TOTAL	\$83
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The TCEQ is committed to accessibility.

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Compliance History Report

Compliance History Report for CN605721935, RN100222744, Rating Year 2021 which includes Compliance History (CH) components from September 1, 2016, through August 31, 2021.

Customer, Respondent, or Owner/Operator: CN605721935, Flint Hills Resources Ingleside, LLC **Classification:** HIGH **Rating:** 0.00
Regulated Entity: RN100222744, FHR INGLESIDE MARINE TERMINAL FACILITY **Classification:** HIGH **Rating:** 0.00
Complexity Points: 16 **Repeat Violator:** NO
CH Group: 14 - Other
Location: 103 Farm-to-Market Road 1069, Ingleside, San Patricio County, Texas
TCEQ Region: REGION 14 - CORPUS CHRISTI

ID Number(s):

AIR OPERATING PERMITS ACCOUNT NUMBER SD0047K	AIR OPERATING PERMITS PERMIT 3454
AIR NEW SOURCE PERMITS ACCOUNT NUMBER SD0047K	AIR NEW SOURCE PERMITS PERMIT 6606
AIR NEW SOURCE PERMITS AFS NUM 4840900030	AIR NEW SOURCE PERMITS REGISTRATION 107625
AIR NEW SOURCE PERMITS REGISTRATION 161793	AIR NEW SOURCE PERMITS REGISTRATION 160536
STORMWATER PERMIT TXR05EQ87	WASTEWATER PERMIT TXG670391
AIR EMISSIONS INVENTORY ACCOUNT NUMBER SD0047K	POLLUTION PREVENTION PLANNING ID NUMBER P09725
TAX RELIEF ID NUMBER 23223	TAX RELIEF ID NUMBER 23227

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

Date Compliance History Report Prepared: May 27, 2022

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: May 27, 2017 to May 27, 2022

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

Name: Johnnie Wu

Phone: (512) 239-2524

Site and Owner/Operator History:

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

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

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

N/A

B. Criminal convictions:

N/A

C. Chronic excessive emissions events:

N/A

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

Item 1	November 30, 2017	(1449708)
Item 2	June 25, 2020	(1658183)

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: 08/25/2021 (1739072)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
30 TAC Chapter 122, SubChapter B 122.145
5C THSC Chapter 382 382.085(b)
GTC PERMIT

Description: Failure to report all instances of deviation.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
GTC PERMIT
SC 14 PERMIT

Description: Failure to ensure vapor collection piping is all welded between the Dock Safety Unit discharge flange and the vacuum blower liquid knockout pot inlet flange.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
GTC PERMIT
STC 16 PERMIT

Description: Failure to comply with firewater pump operating time requirements.

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
GTC PERMIT
STC 16 PERMIT

Description: Failure to comply with firewater pump requirements.

2 Date: 12/09/2021 (1766002)

Self Report? YES 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)
SC 16 PERMIT
STC 6 OP

Description: Failure to operate fire water pump engines as required.

Self Report? YES 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)
SC 16 PERMIT
STC 6 OP

Description: Failure to operate fire water pump engines as required.

Self Report? YES Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
GC 8 PERMIT
SC 1 PERMIT
STC 6 OP

Description: Failure to comply with the permitted emission limits for Fire Water Pump Engine A (EPN FWP-A).

Self Report? YES Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
GC 8 PERMIT
SC 1 PERMIT
STC 6 OP

Description: Failure to comply with the permitted emission limits for Firewater Pump Engine B (EPN FWP-B).

Self Report? YES 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)
 SC 6 PERMIT
 STC 6 OP
 Description: Failure to comply with the permitted fill rate for floating roof storage tanks.
 Self Report? YES 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)
 SC 6 PERMIT
 STC 6 OP

Description: Failure to comply with the permitted fill rate for floating roof storage tanks.
 Self Report? YES 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)
 SC 6 PERMIT
 STC 6 OP

Description: Failure to comply with the permitted fill rate for floating roof storage tanks.
 Self Report? YES 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)
 SC 6 PERMIT
 STC 6 OP

Description: Failure to comply with the permitted fill rate for floating roof storage tanks.
 Self Report? YES 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)
 SC 6 PERMIT
 STC 6 OP

Description: Failure to comply with the permitted fill rate for floating roof storage tanks.

F. Environmental audits:

Notice of Intent Date: 10/08/2018 (1523978)
 No DOV Associated

Notice of Intent Date: 03/26/2019 (1554369)
 No DOV Associated

Notice of Intent Date: 06/20/2019 (1579166)
 No DOV Associated

Notice of Intent Date: 10/07/2019 (1602806)
 No DOV Associated

Notice of Intent Date: 10/07/2020 (1684949)
 Disclosure Date: 11/12/2020
 Viol. Classification: Minor
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 Rqmt Prov: PERMIT SC No. 6
 OP STC No. 9

Description: Failed to maintain the maximum hourly fill rate. Specifically, the maximum hourly fill rate was exceeded for a 1 hour period for TK28087 on March 9, 2020.
 Viol. Classification: Minor
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 Rqmt Prov: PERMIT SC No. 6
 OP STC No. 9

Description: Failed to maintain the maximum hourly fill rate. Specifically, the maximum hourly fill rate was exceeded for a 1 hour period for TK28076 on April 5, 2020.
 Viol. Classification: Minor
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)

Rqmt Prov: PERMIT SC No. 6
OP STC No. 9

Description: Failed to maintain the maximum hourly fill rate. Specifically, the maximum hourly fill rate was exceeded for a 1 hour period for TK28074 on April 9 2020.

Viol. Classification: Minor
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)

Rqmt Prov: PERMIT SC No. 6
OP STC No. 9

Description: Failed to maintain the maximum hourly fill rate. Specifically, the maximum hourly fill rate was exceeded for a 1 hour period for TK28072 on April 15, 2020.

Viol. Classification: Moderate
Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)

Rqmt Prov: OP STC No. 1.A

Description: Failed to report all deviations. Specifically, Item Nos. 1 through 4 above were not reported in the previous Title V semiannual deviation report period (11/1/2019 through 4/30/2020).

Viol. Classification: Minor
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)

Rqmt Prov: PERMIT SC No. 6
OP STC No. 9

Description: Failed to maintain the maximum hourly fill rate. Specifically, the maximum hourly fill rate was exceeded for a 1 hour period for TK28073 on July 29, 2020.

Viol. Classification: Minor
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)

Rqmt Prov: PERMIT SC No. 6
OP STC No. 9

Description: Failed to maintain the maximum hourly fill rate. Specifically, the maximum hourly fill rate was exceeded for a 1 hour period for TK28077 on September 3, 2020.

Viol. Classification: Minor
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)

Rqmt Prov: PERMIT SC No. 6
OP STC No. 9

Description: Failed to maintain the maximum hourly fill rate. Specifically, the maximum hourly fill rate was exceeded for a 1 hour period for TK28080 on September 7, 2020.

Viol. Classification: Minor
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)

Rqmt Prov: PERMIT SC No. 6
OP STC No. 9

Description: Failed to maintain the maximum hourly fill rate. Specifically, the maximum hourly fill rate was exceeded for a 1 hour period for TK28086 on September 8, 2020.

Viol. Classification: Minor
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)

Rqmt Prov: PERMIT SC No. 6
OP STC No. 9

Description: Failed to maintain the maximum hourly fill rate. Specifically, the maximum hourly fill rate was exceeded for a 1 hour period for TK28080 on September 10, 2020.

Viol. Classification: Minor
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)

Rqmt Prov: PERMIT SC No. 6
OP STC No. 9

Description: Failed to maintain the maximum hourly fill rate. Specifically, the maximum hourly fill rate was exceeded for a 1 hour period for TK280873 on October 4, 14, and 20, 2020.

Viol. Classification: Minor
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)

Rqmt Prov: PERMIT SC No. 6
OP STC No. 9

Description: Failed to maintain the maximum hourly fill rate. Specifically, the maximum hourly fill rate was exceeded for

a 1 hour period for TK280874 on October 20, 2020.

Disclosure Date: 04/01/2021

Viol. Classification: Minor

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

30 TAC Chapter 122, SubChapter B 122.143(4)

Rqmt Prov: PERMIT Special Conditions No. 6

OP Special Terms and Conditions No. 9

Description: Failed to maintain the maximum hourly fill rate. Specifically, the maximum hourly fill rate was exceeded for two 1 hour periods for TK28064 on December 5, 2019.

Viol. Classification: Minor

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

30 TAC Chapter 122, SubChapter B 122.143(4)

Rqmt Prov: PERMIT Special Conditions No. 6

OP Special Terms and Conditions No. 9

Description: Failed to maintain the maximum hourly fill rate. Specifically, the maximum hourly fill rate was exceeded for a 2 hour period for TK28077 on December 16, 2019.

Viol. Classification: Minor

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

30 TAC Chapter 122, SubChapter B 122.143(4)

Rqmt Prov: PERMIT Special Conditions No. 6

OP Special Terms and Conditions No. 9

Description: Failed to maintain the maximum hourly fill rate. Specifically, the maximum hourly fill rate was exceeded for a 1 hour period for TK28086 on November 16, 2020.

Viol. Classification: Minor

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

30 TAC Chapter 122, SubChapter B 122.143(4)

Rqmt Prov: PERMIT Special Conditions No. 6

OP Special Terms and Conditions No. 9

Description: Failed to maintain the maximum hourly fill rate. Specifically, the maximum hourly fill rate was exceeded for a 1 hour period for TK28088 on November 14, 2019 and for a 2 hour period on November 10, 2020.

Viol. Classification: Minor

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

30 TAC Chapter 122, SubChapter B 122.143(4)

Rqmt Prov: PERMIT Special Conditions No. 6

OP Special Terms and Conditions No. 9

Description: Failed to maintain the maximum hourly fill rate. Specifically, the maximum hourly fill rate was exceeded for a 2 hour period for TK28089 on November 19, 2019 and for a 1 hour period on November 20, 2019.

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
FLINT HILLS RESOURCES INGLESIDE,
LLC
RN100222744

§
§
§
§
§
§

BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY

AGREED ORDER DOCKET NO. 2022-0029-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 Flint Hills Resources Ingleside, LLC (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 crude oil storage terminal located at 103 Farm-to-Market Road 1069 in Ingleside, San Patricio 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 \$15,300 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent paid \$6,120 of the penalty and \$3,060 of the penalty is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Order and shall be waived only upon full compliance with all the terms and conditions of this Order. If the Respondent fails to timely and satisfactorily comply with any of the terms and conditions contained in this Order, the Executive Director may demand payment of all or part of the deferred penalty amount.

Pursuant to TEX. WATER CODE § 7.067, \$6,120 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 corrective measures at the Site by conducting stack tests demonstrating compliance with the sulfur dioxide ("SO₂") hourly maximum allowable emissions rates ("MAERs") for the Marine Vapor Combustion Unit No. 1, Emissions Point Number ("EPN") MVCU1, Marine Vapor Combustion Unit No. 2, EPN MVCU2, and Marine Vapor Combustion Unit No. 3, EPN MVCU3, on March 31, 2020.

II. ALLEGATIONS

During a record review for the Site conducted from October 19, 2021 through November 2, 2021, an investigator documented that the Respondent:

1. Failed to comply with the MAER, in violation of 30 TEX. ADMIN. CODE §§ 116.115(b)(2)(F) and (c) and 122.143(4), New Source Review ("NSR") Permit No. 6606, Special Conditions ("SC") No. 1, Federal Operating Permit ("FOP") No. O3454, General Terms and Conditions ("GTC") and Special Terms and Conditions ("STC") No. 9, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, during a stack test completed on January 14, 2020, the Respondent exceeded the SO₂ MAER of 11.40 pounds per hour ("lbs/hr") by 1.33 lbs/hr for 72.6 hours on seven days from January 14, 2020 to March 31, 2020 for the Marine Vapor Combustion Unit No. 1, EPN MVCU1, resulting in approximately 96.56 pounds ("lbs") of unauthorized SO₂ emissions.
2. Failed to comply with the MAER, in violation of 30 TEX. ADMIN. CODE §§ 116.115(b)(2)(F) and (c) and 122.143(4), NSR Permit No. 6606, SC No. 1, FOP No. O3454, GTC and STC No. 9, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, during a stack test completed on January 15, 2020, the Respondent exceeded the SO₂ MAER of 11.40 lbs/hr by 3.45 lbs/hr for 66.3 hours on seven days from January 15, 2020 to March 31, 2020 for the Marine Vapor Combustion Unit No. 2, EPN MVCU2, resulting in approximately 228.74 lbs of unauthorized SO₂ emissions.

3. Failed to comply with the MAER, in violation of 30 TEX. ADMIN. CODE §§ 116.115(b)(2)(F) and (c) and 122.143(4), NSR Permit No. 6606, SC No. 1, FOP No. O3454, GTC and STC No. 9, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, during a stack test completed on January 15, 2020, the Respondent exceeded the SO₂ MAER of 11.40 lbs/hr by 1.40 lbs/hr for 291 hours on 24 days from January 15, 2020 to March 31, 2020 for the Marine Vapor Combustion Unit No. 3, EPN MVCU3, resulting in approximately 407.40 lbs of unauthorized SO₂ emissions.

III. DENIALS

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

IV. ORDERING PROVISIONS

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

1. The Respondent is assessed a penalty as set forth in Section I, Paragraph No. 4. The payment of this penalty and the Respondent's compliance with all of the requirements set forth in this Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Flint Hills Resources Ingleside, LLC, Docket No. 2022-0029-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 \$6,120 of the assessed penalty is conditionally offset based on the Respondent's implementation and completion of the SEP pursuant to the terms of the SEP Agreement, as defined in Attachment A. Penalty payments for any portion of the SEP deemed by the Executive Director as not complete shall be paid within 30 days after the date the Executive Director demands payment.
3. All relief not expressly granted in this Order is denied.
4. The duties and provisions imposed by this Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of this Order to personnel who maintain day-to-day control over the Site operations referenced in this Order.
5. If the Respondent fails to comply with any of the Ordering Provisions in this Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, the Respondent's failure to comply is not a violation of this Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.

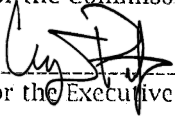
6. The Executive Director may grant an extension of any deadline in this Order or in any plan, report, or other document submitted pursuant to this Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
7. This Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
8. This Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms: electronic transmission, owner, person, writing, and written, shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.
9. The effective date of this Order is the date it is signed by the Commission. A copy of this fully executed Order shall be provided to each of the parties.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

Date



12/5/2022

For the Executive Director

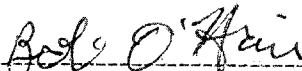
Date

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

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

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

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



Signature

8-22-2022

Date

Bob O'Hain

Name (Printed or typed)
Authorized Representative of
Flint Hills Resources Ingleside, LLC

V.P. Operations

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: 2022-0029-AIR-E
SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	Flint Hills Resources Ingleside, LLC
Payable Penalty Amount:	\$12,240
SEP Offset Amount:	\$6,120
Type of SEP:	Contribution to a Third-Party Pre-Approved SEP
Third-Party Administrator:	Texas Congress of Parents and Teachers dba Texas PTA
Project Name:	<i>Texas PTA Clean School Bus Replacement Program</i>
Location of SEP:	Texas Air Quality Control Region 214: Corpus Christi - Victoria - Preference for Nueces County

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 SEP Offset Amount is set forth above and such offset is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project Description

a. Project

The Respondent shall contribute the SEP Offset Amount to the Third-Party Administrator named above. The contribution will be to the **Texas Congress of Parents and Teachers dba Texas PTA** for the *Texas PTA Clean School Bus Replacement Program*. The contribution will be used in accordance with the SEP between the Third-Party Administrator and the TCEQ (the “Project”). Specifically, the contribution will be used to reduce nitrogen oxides, volatile organic compounds, carbon monoxide, and particulate matter emissions by replacing older diesel buses with newer buses that meet more stringent emission standards. The Third-Party Administrator shall use the SEP Offset Amount for up to 100% of the purchase price of a model year 2010 or newer bus to replace a diesel school bus that is model year 2002 or older. The SEP will be done in accordance with all federal, state, and local environmental laws and regulations.

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

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

b. Environmental Benefit

This SEP will directly benefit air quality by reducing harmful exhaust emissions which contribute to the formation of ozone and may cause or exacerbate many respiratory diseases, including asthma. In addition, by encouraging less school bus idling, this SEP contributes to public awareness of environmental matters.

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 **Texas Congress of Parents and Teachers SEP** and shall mail the contribution with a copy of the Agreed Order to:

Texas PTA
408 West 11th Street
Austin, Texas 78701

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 due to the Third-Party Administrator. The Respondent shall mail a copy of the check and transmittal letter to:

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

4. Failure to Fully Perform

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

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

Flint Hills Resources Ingleside, LLC
Docket No. 2022-0029-AIR-E
Agreed Order - Attachment A

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

5. Publicity

Any public statements concerning this SEP 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.