

**Executive Summary – Enforcement Matter – Case No. 62084**

**OXY USA Inc.**

**RN103758470**

**Docket No. 2022-0295-AIR-E**

**Order Type:**

1660 Agreed Order

**Findings Order Justification:**

N/A

**Media:**

AIR

**Small Business:**

No

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

Seminole Gas Processing Plant, located approximately 3.5 miles northwest on Texas Highway 214 from the United States Highway 180 and Texas Highway 214 intersection, Seminole, Gaines County

**Type of Operation:**

Gas processing plant

**Other Significant Matters:**

Additional Pending Enforcement Actions: Yes, Docket No. 2024-0634-AIR-E

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

**Texas Register Publication Date:** October 4, 2024

**Comments Received:** No

***Penalty Information***

**Total Penalty Assessed:** \$219,105

**Amount Deferred for Expedited Settlement:** \$43,821

**Total Paid to General Revenue:** \$87,642

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

Payment Plan: N/A

**Supplemental Environmental Project ("SEP") Conditional Offset:** \$87,642

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

**Compliance History Classifications:**

Person/CN - High

Site/RN - N/A

**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:** February 15, 2022

**Date(s) of NOE(s):** February 25, 2022

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**OXY USA Inc.**

**RN103758470**

**Docket No. 2022-0295-AIR-E**

***Violation Information***

1. Failed to maintain the in-stack concentration of oxygen ("O<sub>2</sub>") from the Tail Gas Incinerator ("TGI") no less than 1.0 percent ("%") by volume and no greater than 12% by volume. Specifically, the Respondent did not maintain the in-stack concentration of O<sub>2</sub> from the TGI no less than 1.0% by volume and no greater than 12% by volume for a total of 4,558 hours on 242 days from April 10, 2019 to April 9, 2021 for the Sulfur Recovery Unit ("SRU") Nos. 1 and 2 [30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(c), and 122.143(4), New Source Review ("NSR") Permit Nos. 9235 and PSDTX485M1, Special Conditions ("SC") No. 8 (effective December 6, 2019), NSR Permit Nos. 8414, PSDTX328M4, and PSDTX485M1, SC No. 26 (effective March 6, 2020), Federal Operating Permit ("FOP") No. O627, General Terms and Conditions ("GTC") and Special Terms and Conditions Nos. 1.A. and 11, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

2. Failed to report all instances of deviations. Specifically, the deviation report for the April 10, 2019 through October 9, 2019 reporting period did not include deviations for 37 reportable emissions events, failing to comply with the emissions event reporting requirements, and failing to comply with the scheduled maintenance, startup, and shutdown reporting requirements [30 TEX. ADMIN. CODE §§ 122.143(4) and 122.145(2)(A), FOP No. O627, GTC, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

***Corrective Actions/Technical Requirements***

**Corrective Action(s) Completed:**

N/A

**Technical Requirements:**

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

2. The Order will also require the Respondent to:

a. Within 30 days:

i. Implement measures designed to maintain the in-stack concentration of O<sub>2</sub> from the TGI no less than 1.0% by volume and no greater than 12% by volume for SRU Nos. 1 and 2; and

ii. Submit a revised deviation report for the April 10, 2019 through October 9, 2019 reporting period to report the deviations for 37 reportable emissions events, failing to

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**OXY USA Inc.**

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**Docket No. 2022-0295-AIR-E**

comply with the emissions event reporting requirements, and failing to comply with the scheduled maintenance, startup, and shutdown reporting requirements.

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

***Contact Information***

**TCEQ Attorney:** N/A

**TCEQ Enforcement Coordinator:** Yuliya Dunaway, Enforcement Division, Enforcement Team 2, MC R-13, (210) 403-4077; 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 11<sup>th</sup> Street, Austin, Texas 78701

**Respondent:** Femi Serrano, Environmental Advisor, OXY USA Inc., 5 Greenway Plaza, Suite 110, Houston, Texas 77046-0521

Mario Guerrero, Operations Manager, OXY USA Inc., 5 Greenway Plaza, Suite 110, Houston, Texas 77046-0521

**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>	28-Feb-2022	<b>Screening</b>	3-Mar-2022	<b>EPA Due</b>	
	<b>PCW</b>	22-Aug-2024				

## RESPONDENT/FACILITY INFORMATION

<b>Respondent</b>	OXY USA Inc.
<b>Reg. Ent. Ref. No.</b>	RN103758470
<b>Facility/Site Region</b>	7-Midland
<b>Major/Minor Source</b>	Major

## CASE INFORMATION

<b>Enf./Case ID No.</b>	62084	<b>No. of Violations</b>	2
<b>Docket No.</b>	2022-0295-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>	Yuliya Dunaway
		<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>	\$135,250
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## ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

<b>Compliance History</b>	62.0%	<b>Adjustment</b>	<b>Subtotals 2, 3, &amp; 7</b>	\$83,855
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Notes: Enhancement for one NOV with same or similar violations and three agreed orders without a denial of liability. Reduction for four Notices of Intent, two Disclosure of Violations, and High Performer Classification.

<b>Culpability</b>	No	0.0%	<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>	\$0
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<b>Economic Benefit</b>	0.0%	<b>Enhancement*</b>	<b>Subtotal 6</b>	\$0
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Total EB Amounts	\$3,058
Estimated Cost of Compliance	\$10,250

\*Capped at the Total EB \$ Amount

<b>SUM OF SUBTOTALS 1-7</b>	<b>Final Subtotal</b>	\$219,105
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<b>OTHER FACTORS AS JUSTICE MAY REQUIRE</b>	0.0%	<b>Adjustment</b>	\$0
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

<b>Final Penalty Amount</b>	\$219,105
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<b>STATUTORY LIMIT ADJUSTMENT</b>	<b>Final Assessed Penalty</b>	\$219,105
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<b>DEFERRAL</b>	20.0%	<b>Reduction</b>	<b>Adjustment</b>	-\$43,821
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Reduces the Final Assessed Penalty by the indicated percentage.

Notes:

Deferral offered for expedited settlement.

<b>PAYABLE PENALTY</b>	\$175,284
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<b>Screening Date</b>	3-Mar-2022	<b>Docket No.</b>	2022-0295-AIR-E	<b>PCW</b>
<b>Respondent</b>	OXY USA Inc.			
<b>Case ID No.</b>	62084			
<b>Reg. Ent. Reference No.</b>	RN103758470			
<b>Media</b>	Air			
<b>Enf. Coordinator</b>	Yuliya Dunaway			

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> )	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	3	75%
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> )	4	-4%
	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)** 72%

### >> Repeat Violator (Subtotal 3)

N/A

**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 one NOV with same or similar violations and three agreed orders without a denial of liability. Reduction for four Notices of Intent, two Disclosure of Violations, and High Performer Classification.

**Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7)** 62%

### >> Final Compliance History Adjustment

**Final Adjustment Percentage \*capped at 100%** 62%

<b>Screening Date</b> 3-Mar-2022 <b>Respondent</b> OXY USA Inc. <b>Case ID No.</b> 62084 <b>Reg. Ent. Reference No.</b> RN103758470 <b>Media</b> Air <b>Enf. Coordinator</b> Yuliya Dunaway <b>Violation Number</b> 1	<b>Docket No.</b> 2022-0295-AIR-E	<b>PCW</b> <small>Policy Revision 5 (January 28, 2021)          PCW Revision February 11, 2021</small>
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<b>Rule Cite(s)</b>	30 Tex. Admin. Code §§ 101.20(3), 116.115(c), and 122.143(4), New Source Review ("NSR") Permit Nos. 9235 and PSDTX485M1, Special Conditions ("SC") No. 8 (effective December 6, 2019), NSR Permit Nos. 8414, PSDTX328M4, and PSDTX485M1, SC No. 26 (effective March 6, 2020), Federal Operating Permit ("FOP") No. 0627, General Terms and Conditions ("GTC") and Special Terms and Conditions Nos. 1.A. and 11, and Tex. Health & Safety Code § 382.085(b)
<b>Violation Description</b>	Failed to maintain the in-stack concentration of oxygen ("O2") from the Tail Gas Incinerator ("TGI") no less than 1.0 percent ("%") by volume and no greater than 12% by volume. Specifically, the Respondent did not maintain the in-stack concentration of O2 from the TGI no less than 1.0% by volume and no greater than 12% by volume for a total of 4,558 hours on 242 days from April 10, 2019 to April 9, 2021 for the Sulfur Recovery Unit ("SRU") Nos. 1 and 2.

  

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

<b>OR</b>		<b>Harm</b>			
	<b>Release</b>	Major	Moderate	Minor	
	Actual	Potential			
		x			<b>Percent</b> 30.0%

  

**>> Programmatic Matrix**

	Falsification	Major	Moderate	Minor	
					<b>Percent</b> 0.0%

  

<b>Matrix Notes</b>	Human health or the environment has been exposed to insignificant amounts of pollutants that did 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
	\$7,500

  

**Violation Events**

Number of Violation Events	18		242	Number of violation days
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	daily	
	weekly	
	monthly	x
	quarterly	
	semiannual	
	annual	
	single event	

  

<b>Violation Base Penalty</b>	\$135,000
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Eighteen monthly events are recommended for the instances of non-compliance from April 10, 2019 to October 10, 2019, from January 8, 2020 to February 16, 2020, from April 12, 2020 to May 22, 2020, from July 6, 2020 to December 3, 2020, and from January 10, 2021 to April 9, 2021.

  

**Good Faith Efforts to Comply**

	<b>0.0%</b>	
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	Before NOE/NOV	NOE/NOV to EDPRP/Settlement Offer
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Extraordinary		
Ordinary		
N/A	x	

  

<b>Notes</b>	The Respondent does not meet the good faith criteria for this violation.
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<b>Violation Subtotal</b>	\$135,000
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**Economic Benefit (EB) for this violation**

	<b>Statutory Limit Test</b>
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Estimated EB Amount	\$2,990		\$218,700
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<b>This violation Final Assessed Penalty (adjusted for limits)</b>	\$218,700
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# Economic Benefit Worksheet

**Respondent** OXY USA Inc.  
**Case ID No.** 62084  
**Reg. Ent. Reference No.** RN103758470  
**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	10-Apr-2019	1-Apr-2025	5.98	\$2,990	n/a	\$2,990

### Notes for DELAYED costs

Estimated cost to implement measures designed to maintain the in-stack concentration of O2 from the TGI no less than 1.0% by volume and no greater than 12% by volume for SRU Nos. 1 and 2. The Date Required is the first date of non-compliance and the Final Date is the estimated date of compliance.

## Avoided Costs

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

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

### Notes for AVOIDED costs

Approx. Cost of Compliance

\$10,000

**TOTAL**

\$2,990

<b>Screening Date</b> 3-Mar-2022 <b>Respondent</b> OXY USA Inc. <b>Case ID No.</b> 62084 <b>Reg. Ent. Reference No.</b> RN103758470 <b>Media</b> Air <b>Enf. Coordinator</b> Yuliya Dunaway <b>Violation Number</b> 2 <b>Rule Cite(s)</b> 30 Tex. Admin. Code §§ 122.143(4) and 122.145(2)(A), FOP No. O627, GTC, and Tex. Health & Safety Code § 382.085(b)	<b>Docket No.</b> 2022-0295-AIR-E	<b>PCW</b> <i>Policy Revision 5 (January 28, 2021)</i> <i>PCW Revision February 11, 2021</i>
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**Violation Description**  
 Failed to report all instances of deviations. Specifically, the deviation report for the April 10, 2019 through October 9, 2019 reporting period did not include deviations for 37 reportable emissions events, failing to comply with the emissions event reporting requirements, and failing to comply with the scheduled maintenance, startup, and shutdown reporting requirements.

**Base Penalty** \$25,000

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

OR

	Major	Moderate	Minor
<b>Release</b>			
Actual			
Potential			

**Percent** 0.0%

**>> Programmatic Matrix**

Matrix Notes

	Major	Moderate	Minor
<b>Falsification</b>			
			x

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

**Percent** 1.0%

**Adjustment** \$24,750

\$250

**Violation Events**

Number of Violation Events 1

846 Number of violation days

daily  
 weekly  
 monthly  
 quarterly  
 semiannual  
 annual  
 single event

x

**Violation Base Penalty** \$250

One single event is recommended.

**Good Faith Efforts to Comply**

**0.0%**  
 Before NOE/NOV NOE/NOV to EDPRP/Settlement Offer

**Reduction** \$0

Extraordinary  
 Ordinary  
 N/A  
 Notes

x

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

**Violation Subtotal** \$250

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

**Estimated EB Amount** \$68

**Statutory Limit Test**

**Violation Final Penalty Total** \$405

**This violation Final Assessed Penalty (adjusted for limits)** \$405



## Economic Benefit Worksheet

**Respondent** OXY USA Inc.  
**Case ID No.** 62084  
**Reg. Ent. Reference No.** RN103758470  
**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	8-Nov-2019	1-Apr-2025	5.40	\$68	n/a	\$68

#### Notes for DELAYED costs

Estimated cost to submit a revised deviation report for the April 10, 2019 through October 9, 2019 reporting period to report the deviations for 37 reportable emissions events, failing to comply with the emissions event reporting requirements, and failing to comply with the scheduled maintenance, startup, and shutdown reporting requirements. The Date Required is the date the deviation report was due and the Final Date is the estimated date of compliance.

### Avoided Costs

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

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

#### Notes for AVOIDED costs

Approx. Cost of Compliance

\$250

**TOTAL**

\$68



# Compliance History Report

Compliance History Report for CN604677401, RN103758470, Rating Year 2023 which includes Compliance History (CH) components from September 1, 2018, through August 31, 2023.

**Customer, Respondent, or Owner/Operator:** CN604677401, OXY USA Inc.

**Classification:** HIGH

**Rating:** 0.05

**Regulated Entity:** RN103758470, SEMINOLE GAS PROCESSING PLANT

**Classification:** NOT APPLICABLE

**Rating:** N/A

**Complexity Points:** N/A

**Repeat Violator:** N/A

**CH Group:** 03 - Oil and Gas Extraction

**Location:** APPROXIMATELY 3.5 MILES NORTHWEST ON TEXAS HIGHWAY 214 FROM THE UNITED STATES HIGHWAY 180 AND TEXAS HIGHWAY 214 INTERSECTION IN SEMINOLE, GAINES COUNTY, TEXAS

**TCEQ Region:** REGION 07 - MIDLAND

**ID Number(s):**

**AIR OPERATING PERMITS** ACCOUNT NUMBER GA0085T  
**PUBLIC WATER SYSTEM/SUPPLY** REGISTRATION 0830031

**AIR NEW SOURCE PERMITS** REGISTRATION 25266

**AIR NEW SOURCE PERMITS** EPA PERMIT PSDTX328M3

**AIR NEW SOURCE PERMITS** REGISTRATION 76036

**AIR NEW SOURCE PERMITS** REGISTRATION 76908

**AIR NEW SOURCE PERMITS** EPA PERMIT PSDTX328M4

**AIR OPERATING PERMITS** PERMIT 627

**AIR NEW SOURCE PERMITS** PERMIT 8414

**AIR NEW SOURCE PERMITS** ACCOUNT NUMBER GA0085T

**AIR NEW SOURCE PERMITS** EPA PERMIT PSDTX485M1

**AIR NEW SOURCE PERMITS** AFS NUM 4816500017

**AIR NEW SOURCE PERMITS** REGISTRATION 102941

**AIR EMISSIONS INVENTORY** ACCOUNT NUMBER GA0085T

**Compliance History Period:** September 01, 2018 to August 31, 2023

**Rating Year:** 2023

**Rating Date:** 09/01/2023

**Date Compliance History Report Prepared:** April 01, 2024

**Agency Decision Requiring Compliance History:** Enforcement

**Component Period Selected:** April 01, 2019 to April 01, 2024

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

**Name:** Yuliya Dunaway

**Phone:** (210) 403-4077

**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: 04/02/2020 ADMINORDER 2018-1470-PWS-E (Findings Order-Agreed Order Without Denial)

Classification: Moderate

Citation: 30 TAC Chapter 290, SubChapter F 290.106(f)(3)(C)  
5A THSC Chapter 341, SubChapter A 341.0315(c)

Description: ARS MCL 2Q2018 - During the 2nd quarter of 2018 the system violated the maximum contaminant level for Arsenic with a RAA of 0.014 mg/L.

Classification: Moderate

Citation: 30 TAC Chapter 290, SubChapter F 290.106(f)(3)(C)  
5A THSC Chapter 341, SubChapter A 341.0315(c)

Description: ARS MCL 1Q2018 - During the 1st quarter of 2018 the system violated the maximum contaminant level for Arsenic with a RAA of 0.014 mg/L.

Classification: Moderate

Citation: 30 TAC Chapter 290, SubChapter F 290.106(f)(3)(C)  
5A THSC Chapter 341, SubChapter A 341.0315(c)

Description: ARS MCL 4Q2017 - During the 4th quarter of 2017 the system violated the maximum contaminant level for Arsenic with a RAA of 0.014 mg/L.

- 2 Effective Date: 11/20/2020 ADMINORDER 2020-0205-AIR-E (Findings Order-Agreed Order Without Denial)  
Classification: Major  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
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: 8414, PSDTX328M3, PSDTX485M1/SC No. 1 PERMIT  
FOP No. 0627, GTC and STC No. 9 OP  
Description: Failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(c), and 122.143(4), NSR Permit Nos. 8414, PSDTX328M3, and PSDTX485M1, Special Conditions No. 1, Federal Operating Permit No. 0627, General Terms and Conditions and Special Terms and Conditions No. 9, and TEX. HEALTH & SAFETY CODE §382.085(b). The emissions event was determined to be an excessive emissions event.
- 3 Effective Date: 08/15/2022 ADMINORDER 2021-0281-AIR-E (Findings Order-Agreed Order Without Denial)  
Classification: Minor  
Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)(B)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)  
Rqmt Prov: FOP 0627 GTC and STC No. 2.F OP  
Description: Failed to submit an initial notification for a reportable emissions event no later than 24 hours after the discovery of an emissions event.  
Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
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: FOP 0627 GTC and STC No. 9 OP  
NSR Nos. 8414, PSDTX328M4, and PSDTX485M PERMIT  
Description: Failed to prevent unauthorized emissions. Specifically, the Respondent released 3,911.00 pounds ("lbs") of carbon monoxide, 338.40 lbs of hydrogen sulfide, 456.20 lbs of nitrogen oxides, 2,966.00 lbs of volatile organic compounds, and 31,211.00 lbs of sulfur dioxide from the Plant Flare, Emissions Point Number EMERFLARE, during an emissions event (Incident Nos. 343039 and 343042) that occurred on September 27, 2020 and lasted eight hours and three minutes.

**B. Criminal convictions:**

N/A

**C. Chronic excessive emissions events:**

N/A

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

Item 1	May 17, 2019	(1569257)
Item 2	August 05, 2019	(1541978)
Item 3	August 16, 2019	(1551625)
Item 4	October 11, 2019	(1591240)
Item 5	October 30, 2019	(1604141)
Item 6	November 18, 2019	(1610653)
Item 7	November 19, 2019	(1610794)
Item 8	December 04, 2019	(1610852)
Item 9	December 06, 2019	(1612980)
Item 10	March 06, 2020	(1606108)
Item 11	May 07, 2020	(1640181)
Item 12	June 01, 2020	(1646461)
Item 13	June 18, 2020	(1657030)
Item 14	June 26, 2020	(1656947)

Item 15	June 29, 2020	(1653081)
Item 16	July 13, 2020	(1657172)
Item 17	July 22, 2020	(1663333)
Item 18	August 05, 2020	(1665212)
Item 19	August 10, 2020	(1666371)
Item 20	August 17, 2020	(1523919)
Item 21	August 31, 2020	(1669858)
Item 22	September 17, 2020	(1658367)
Item 23	September 30, 2020	(1672870)
Item 24	October 08, 2020	(1658867)
Item 25	October 09, 2020	(1679927)
Item 26	October 16, 2020	(1680026)
Item 27	November 05, 2020	(1653306)
Item 28	November 10, 2020	(1678513)
Item 29	November 13, 2020	(1513478)
Item 30	December 07, 2020	(1692693)
Item 31	December 10, 2020	(1683785)
Item 32	December 17, 2020	(1658184)
Item 33	December 30, 2020	(1666209)
Item 34	January 07, 2021	(1678677)
Item 35	January 20, 2021	(1683787)
Item 36	January 21, 2021	(1684066)
Item 37	January 30, 2021	(1700701)
Item 38	February 05, 2021	(1700566)
Item 39	February 23, 2021	(1702819)
Item 40	February 24, 2021	(1702602)
Item 41	February 25, 2021	(1702696)
Item 42	March 12, 2021	(1704964)
Item 43	March 30, 2021	(1706830)
Item 44	April 08, 2021	(1706919)
Item 45	April 16, 2021	(1708546)
Item 46	April 28, 2021	(1710385)
Item 47	May 21, 2021	(1722322)
Item 48	May 25, 2021	(1723078)
Item 49	June 21, 2021	(1736486)
Item 50	June 24, 2021	(1736917)
Item 51	June 28, 2021	(1737334)
Item 52	June 30, 2021	(1737399)
Item 53	July 01, 2021	(1737724)
Item 54	July 06, 2021	(1737962)
Item 55	July 09, 2021	(1738899)
Item 56	July 13, 2021	(1711807)
Item 57	July 14, 2021	(1700188)
Item 58	July 16, 2021	(1744933)
Item 59	July 27, 2021	(1745400)
Item 60	January 21, 2022	(1775790)
Item 61	January 25, 2022	(1775793)
Item 62	January 26, 2022	(1775794)
Item 63	February 17, 2022	(1775795)
Item 64	March 21, 2022	(1751473)
Item 65	February 27, 2023	(1840612)
Item 66	May 31, 2023	(1903028)
Item 67	October 27, 2023	(1937437)
Item 68	November 30, 2023	(1936703)
Item 69	December 07, 2023	(1931433)
Item 70	December 28, 2023	(1942911)
Item 71	January 30, 2024	(1922767)
Item 72	January 31, 2024	(1938717)

Item 73	February 20, 2024	(1965628)
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**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:	07/28/2023	(1916922)	
	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)		
	Description:	Failure to submit a deviation report no later than 30 days after the end of each reporting period.		
	Self Report?	NO		Classification: Minor
	Citation:	30 TAC Chapter 122, SubChapter B 122.143(4) 30 TAC Chapter 122, SubChapter B 122.146(2) 5C THSC Chapter 382 382.085(b)		
	Description:	Failure to submit Title V Annual Compliance Certification no later than 30 days after the end of the certification period for a major source.		

#### F. Environmental audits:

Notice of Intent Date: 08/21/2020 (1671650)

Disclosure Date: 01/18/2021

Viol.	Minor
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Classification:

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

Rqmt Prov: PERMIT SC 5

Description: Oxy identified some equipment that are emission sources and were not labelled with the corresponding EPN.

Viol.	Minor
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Classification:

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

Rqmt Prov: PERMIT SC 23

Description: After review, records of alternating Refrigeration compressor turbines have not been located.

Viol.	Minor
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Classification:

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

Rqmt Prov: PERMIT SC 1, MAERT

Description: There are missing records for the rolling 12 months tons/yr calculation sheets for the following sources;- Inlet Compressors, Refrigeration Compressors, and Auxiliary Boiler.

Viol.	Minor
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Classification:

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

Rqmt Prov: PERMIT SC 15

Description: Oxy found that Incinerator (TGI) Firebox thermocouples cannot be calibrated, therefore recommend to have PMs for annual

Viol.	Minor
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Classification:

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

Rqmt Prov: PERMIT SC 20

Description: Oxy found that the SRUs AVO records are maintained monthly, and not per shift as required.

Viol.	Minor
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Classification:

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

Rqmt Prov: PERMIT SC 22

Description: Oxy could not locate records for flare-out pilot light camera monitoring to show the date, time and duration of loss of flame. Oxy could not locate records for the flare flow meters monitoring spreadsheet to track 95% operations for rolling 12 months. Oxy could not locate records for annual calibrations of the flare flow meters.

Viol. Minor

Classification:

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

Rqmt Prov: PERMIT SC 28

Description: Oxy could not locate records for the Cylinder Gas Audits due to PMs transfer from Maximo to SAP. SAP program was newly implemented in January 2020 for the organization.

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

Rqmt Prov: PERMIT SC 13

Description: Oxy could not locate records for the sulfur content for the Plant Residue Fuel Gas.

Viol. Minor

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

Rqmt Prov: PERMIT SC 27

Description: Oxy recently upgraded the SRU automation to include instrument acid gas analyzer on the SRU inlet, and upgraded the flow meter for pressure and temperature compensation. As a result of this, Oxy is able to use the acid gas inlet composition and Tail Gas Incinerator (TGI) stack CEMS SO2 for an improved SRU Recovery Efficiency calculation. Therefore NSR permit language needs to be revised to match current methodology.

Notice of Intent Date: 03/31/2021 (1736389)

Disclosure Date: 11/11/2021

Viol. Minor

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

Rqmt Prov: PERMIT SC 5

Description: Oxy identified some equipment that are emission sources and were not labelled with the corresponding EPN.

Viol. Minor

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

Rqmt Prov: PERMIT SC 213C

Description: After review, records of alternating Refrigeration compressor turbines have not been located.

Viol. Minor

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

Rqmt Prov: PERMIT SC 1

Description: There are missing records for the rolling 12 months tons/yr calculation sheets for the following sources: Inlet Compressors, Refrigeration Compressors, and Auxiliary Boiler.

Viol. Minor

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

Rqmt Prov: PERMIT SC 15

Description: Oxy found that Incinerator (TGI) firebox thermocouples cannot be calibrated, therefore recommend to have PMs for annual replacement.

Viol. Minor

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

Rqmt Prov: PERMIT SC 15

Description: Oxy found that the SRUs AVO records are maintained monthly, and not per shift as required,

Viol. Minor

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

Rqmt Prov: PERMIT SC 22

Description: Oxy could not locate records for flare-out pilot light camera monitoring to show the date, time and duration of loss of flame, could not locate records for flare flow meters monitoring spreadsheet to track 95% operations for rolling 12 months, and could not locate records for annual calibrations of the flare flow meters.

Viol. Minor

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

Rqmt Prov: PERMIT SC 28

Description: Oxy could not locate records for the O<sub>2</sub> Cylinder Gas Audits (CGA) due to PMs transfer from Maximo to SAP. SAP program was newly transferred from Maximo to SAP and ensure records are implemented In January 2020 for the organization.

Viol. Minor

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

Rqmt Prov: PERMIT SC 13

Description: Oxy could not locate records for the sulfur content for the Plant Residue Fuel Gas.

Viol. Moderate

Classification:

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

Rqmt Prov: PERMIT SC 27

Description: Oxy recently upgraded the SRU automation to Include Instrument Operations. As a result of this, NSR permit language needs to be revised to reflect current operations and methodology.

Notice of Intent Date: 11/09/2021 (1828261)

No DOV Associated

Notice of Intent Date: 06/27/2023 (1916183)

No DOV Associated

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

N/A

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

N/A

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

N/A

**J. Early compliance:**

N/A

**Sites Outside of Texas:**

N/A

## Appendix A

### All NOV's Issued During Component Period 4/1/2019 and 4/1/2024

### All NOV's Issued During Component Period 4/1/2019 and 4/1/2024

Page 7



7	Date:	08/31/2021	(1751346)	
	Self Report?	NO		Classification: Moderate
	Citation:	30 TAC Chapter 116, SubChapter B 116.115(c) 5C THSC Chapter 382 382.085(b)		
	Description:	Failure for permit holder to comply with all special conditions contained in Permit No. 9235 as stated in Title 30 of the Texas Administrative Code Chapter 116.115(c) (30 TAC §116.115(c)). Specifically, for Permit No. 9235, the RE reported 110 deviations of Special Condition 1, 548 deviations of Special Condition 3, 518 deviations of Special Condition 8, and 53 deviations of Special Condition 10.		
8*	Date:	07/28/2023	(1916922)	
	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)		
	Description:	Failure to submit a deviation report no later than 30 days after the end of each reporting period.		
	Self Report?	NO		Classification: Minor
	Citation:	30 TAC Chapter 122, SubChapter B 122.143(4) 30 TAC Chapter 122, SubChapter B 122.146(2) 5C THSC Chapter 382 382.085(b)		
	Description:	Failure to submit Title V Annual Compliance Certification no later than 30 days after the end of the certification period for a major source.		

**Appendix B**  
**All Investigations Conducted During Component Period April 01, 2019 and April 01, 2024**

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Item 21*	August 10, 2020**	(1666371)
Item 22*	August 17, 2020**	(1523919)
Item 23*	August 31, 2020**	(1669858)
Item 24*	September 17, 2020**	(1658367)
Item 25*	September 30, 2020**	(1672870)
Item 26*	October 08, 2020**	(1658867)
Item 27*	October 09, 2020**	(1679927)
Item 28*	October 16, 2020**	(1680026)
Item 29	October 19, 2020**	(1679995)
Item 30*	November 05, 2020**	(1653306)
Item 31*	November 10, 2020**	(1678513)
Item 32*	November 13, 2020**	(1513478)
Item 33*	December 07, 2020**	(1692693)
Item 34	December 08, 2020**	(1666191)
Item 35*	December 10, 2020**	(1683785)
Item 36	December 16, 2020**	(1677722)
Item 37*	December 17, 2020**	(1658184)
Item 38*	December 30, 2020**	(1666209)
Item 39*	January 07, 2021**	(1678677)
Item 40*	January 20, 2021**	(1683787)
Item 41*	January 21, 2021**	(1684066)
Item 42	January 29, 2021**	(1683791)
Item 43	January 30, 2021**	(1698570)
Item 44*	February 05, 2021**	(1700566)

Item 45*	February 23, 2021**	(1702819)
Item 46*	February 24, 2021**	(1702602)
Item 47*	February 25, 2021**	(1702696)
Item 48	March 12, 2021**	(1704958)
Item 49*	March 30, 2021**	(1706830)
Item 50*	April 08, 2021**	(1706919)
Item 51*	April 16, 2021**	(1708546)
Item 52*	April 28, 2021**	(1710385)
Item 53*	May 21, 2021**	(1722322)
Item 54*	May 25, 2021**	(1723078)
Item 55*	June 21, 2021**	(1736486)
Item 56*	June 24, 2021**	(1736917)
Item 57*	June 28, 2021**	(1737334)
Item 58*	June 30, 2021**	(1737399)
Item 59*	July 01, 2021**	(1737724)
Item 60*	July 06, 2021**	(1737962)
Item 61*	July 09, 2021**	(1738899)
Item 62*	July 13, 2021**	(1711807)
Item 63*	July 14, 2021**	(1700188)
Item 64*	July 16, 2021**	(1744933)
Item 65*	July 27, 2021**	(1745400)
Item 66	August 31, 2021**	(1751346)
Item 67	December 17, 2021**	(1781376)
Item 68*	January 21, 2022**	(1775790)

Item 69*	January 25, 2022**	(1775793)
Item 70*	January 26, 2022**	(1775794)
Item 71*	February 17, 2022**	(1775795)
Item 72	February 25, 2022**	(1781777)
Item 73*	March 21, 2022**	(1751473)
Item 74*	February 27, 2023**	(1840612)
Item 75*	May 31, 2023**	(1903028)
Item 76	July 28, 2023**	(1916922)
Item 77*	October 27, 2023	(1937437)
Item 78*	November 30, 2023	(1936703)
Item 79*	December 07, 2023	(1931433)
Item 80*	December 28, 2023	(1942911)
Item 81*	January 30, 2024	(1922767)
Item 82*	January 31, 2024	(1938717)
Item 83*	February 20, 2024	(1965628)

\* No violations documented during this investigation

\*\*Investigation applicable for the Compliance History Rating period between 09/01/2018 and 08/31/2023.

# TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN  
ENFORCEMENT ACTION  
CONCERNING  
OXY USA INC.  
RN103758470

§ BEFORE THE  
§ TEXAS COMMISSION ON  
§ ENVIRONMENTAL QUALITY  
§

## AGREED ORDER DOCKET NO. 2022-0295-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 OXY USA Inc. (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 gas processing plant located approximately 3.5 miles northwest on Texas Highway 214 from the United States Highway 180 and Texas Highway 214 intersection in Seminole, Gaines County, Texas (the "Plant"). The Plant consists or consisted of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
2. The Executive Director and the Respondent agree that the TCEQ has jurisdiction to enter this Order pursuant to TEX. WATER CODE §§ 7.002, 7.051, and 7.073, and that the Respondent is subject to TCEQ's jurisdiction. The TCEQ has jurisdiction in this matter pursuant to TEX. WATER CODE § 5.013 because it alleges violations of TEX. HEALTH & SAFETY CODE ch. 382 and the rules of the TCEQ.
3. The occurrence of any violation is in dispute and the entry of this Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
4. An administrative penalty in the amount of \$219,105 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent paid \$87,642 of the penalty and \$43,821 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, \$87,642 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.

## II. ALLEGATIONS

During an investigation at the Plant conducted on February 15, 2022, an investigator documented that the Respondent:

1. Failed to maintain the in-stack concentration of oxygen ("O<sub>2</sub>") from the Tail Gas Incinerator ("TGI") no less than 1.0 percent ("%") by volume and no greater than 12% by volume, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(c), and 122.143(4), New Source Review ("NSR") Permit Nos. 9235 and PSDTX485M1, Special Conditions ("SC") No. 8 (effective December 6, 2019), NSR Permit Nos. 8414, PSDTX328M4, and PSDTX485M1, SC No. 26 (effective March 6, 2020), Federal Operating Permit ("FOP") No. O627, General Terms and Conditions ("GTC") and Special Terms and Conditions Nos. 1.A. and 11, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent did not maintain the in-stack concentration of O<sub>2</sub> from the TGI no less than 1.0% by volume and no greater than 12% by volume for a total of 4,558 hours on 242 days from April 10, 2019 to April 9, 2021 for the Sulfur Recovery Unit ("SRU") Nos. 1 and 2.
2. Failed to report all instances of deviations, in violation of 30 TEX. ADMIN. CODE §§ 122.143(4) and 122.145(2)(A), FOP No. O627, GTC, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the deviation report for the April 10, 2019 through October 9, 2019 reporting period did not include deviations for 37 reportable emissions events, failing to comply with the emissions event reporting requirements, and failing to comply with the scheduled maintenance, startup, and shutdown reporting requirements.

### 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: OXY USA Inc., Docket No. 2022-0295-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 \$87,642 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. The Respondent shall undertake the following technical requirements at the Plant:
  - a. Within 30 days after the effective date of this Order:
    - i. Implement measures designed to maintain the in-stack concentration of O<sub>2</sub> from the TGI no less than 1.0% by volume and no greater than 12% by volume for SRU Nos. 1 and 2; and
    - ii. Submit a revised deviation report for the April 10, 2019 through October 9, 2019 reporting period to report the deviations for 37 reportable emissions events, failing to comply with the emissions event reporting requirements, and failing to comply with the scheduled maintenance, startup, and shutdown reporting requirements.
  - b. Within 45 days after the effective date of this Order, submit written certification, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 3.a. The certification shall be signed by the Respondent and shall include the following certification language:

"I certify under penalty of law that I have personally examined and am familiar with the information submitted and all attached documents, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe

that the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing violations."

The certification shall be submitted to:

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

with a copy to:

Air Section Manager  
Midland Regional Office  
Texas Commission on Environmental Quality  
10 Desta Drive, Suite 350E  
Midland, Texas 79705

4. All relief not expressly granted in this Order is denied.
5. The duties and provisions imposed by this Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of this Order to personnel who maintain day-to-day control over the Plant operations referenced in this Order.
6. The Executive Director may grant an extension of any deadline in this Order or in any plan, report, or other document submitted pursuant to this Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director. Extension requests shall be sent to the Enforcement Division at the address listed above.
7. This Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
8. This Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or

process which the Executive Director deems acceptable. In this paragraph exclusively, the terms: electronic transmission, owner, person, writing, and written, shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.

9. The effective date of this Order is the date it is signed by the Commission. A copy of this fully executed Order shall be provided to each of the parties.



**SIGNATURE PAGE**

**TEXAS COMMISSION ON ENVIRONMENTAL QUALITY**

-----  
For the Commission

-----  
Date

  
-----  
For the Executive Director

11/27/2024

-----  
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

11/19/2024  
-----  
Date

MARIO GUERRERO  
-----  
Name (Printed or typed)  
Authorized Representative of  
OXY USA Inc.

OPERATIONS MANAGER  
-----  
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: 2022-0295-AIR-E**  
**SUPPLEMENTAL ENVIRONMENTAL PROJECT**

<b>Respondent:</b>	<b>OXY USA Inc.</b>
<b>Payable Penalty Amount:</b>	<b>\$175,284</b>
<b>SEP Offset Amount:</b>	<b>\$87,642</b>
<b>Type of SEP:</b>	<b>Contribution to a Third-Party Pre-Approved SEP</b>
<b>Third-Party Administrator:</b>	<b>Texas Congress of Parents and Teachers dba Texas PTA</b>
<b>Project Name:</b>	<b><i>Texas PTA Clean School Bus Replacement Program</i></b>
<b>Location of SEP:</b>	<b>Texas Air Quality Control Region 218: Midland-Odessa-San Angelo - Preference for Gaines 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 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:

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.