

EXECUTIVE SUMMARY – ENFORCEMENT MATTER – CASE NO. 62589
Intercontinental Terminals Company LLC
RN100210806
Docket No. 2022-0827-IWD-E

Page 1 of 2

Order Type:
Agreed Order

Media:
WQ

Small Business:
N/A

Location Where Violation Occurred:
1943 Independent Parkway, just north of the intersection of Miller Cutoff Road and State Highway 134, Deer Park, Harris County

Type of Operation:
wastewater treatment facility

Other Significant Matters:
Additional Pending Enforcement Actions: Yes, 2023-0175-AIR-E; 2023-1688-AIR-E
Past-Due Penalties: None
Past-Due Fees: None
Other: None
Interested Third-Parties: None

Texas Register Publication Date: September 27, 2024

Comments Received: None

Penalty Information

Total Penalty Assessed: \$26,775
Total Paid to General Revenue: \$13,388
Total Due to General Revenue: \$0
Supplemental Environmental Project (“SEP”) Conditional Offset: \$13,387

Name of SEP: Clean Vehicles Partnership Project, (Third-Party Pre-Approved)

Compliance History Classifications:
Person/CN – Satisfactory
Site/RN – Satisfactory

Major Source: Yes
Statutory Limit Adjustment: None
Applicable Penalty Policy: January 28, 2021

Investigation Information

Complaint Date(s): N/A
Date of Investigation: May 27, 2022
Dates of NOVs: See Compliance History – 5 related NOVs
Date of NOE: June 15, 2022

Intercontinental Terminals Company LLC

RN100210806

Docket No. 2022-0827-IWD-E

Violation Information

Failed to comply with permitted effluent limitations [TEX. WATER CODE § 26.121(a)(1), 30 TEX. ADMIN. CODE § 305.125(1), and Texas Pollutant Discharge Elimination System Permit No. WQ0001984000, Effluent Limitations and Monitoring Requirements No. 1, for Outfall No. 002].

Corrective Actions/Technical Requirements**Corrective Action Completed:**

Respondent achieved compliance with permitted effluent limitations at the Facility, as of April 30, 2022.

Technical Requirements:

None

Litigation Information**Date Petition Filed:**

May 7, 2024

Date of Service:

May 9, 2024

Settlement Date:

September 3, 2024

Contact Information

TCEQ Attorneys: Cynthia Sirois, Litigation Division, (512) 239-3400
Sheldon Wayne, Public Interest Counsel, (512) 239-6363

TCEQ Litigation Agenda Coordinator: Katherine McKenzie, Litigation Division, (512) 239-2575

TCEQ SEP Coordinator: Adena Crider, Litigation Division, (512) 239-0648

TCEQ Enforcement Coordinator: Harley Hobson, Enforcement Division, 512-239-1337

TCEQ Regional Contact: Westin Massey, Houston Regional Office, 731-767-3756

Respondent Contact: Carl Holley, Vice President of SHES and Regulatory Compliance,
Intercontinental Terminals Company LLC, P.O. Box 698, Deer Park, Texas
77536

Respondent's Attorney: Harrison Reback, Baker Botts L.L.P., 910 Louisiana Street, Houston, Texas
77002

Third-Party Administrator: Houston-Galveston Area Council-AERCO, Emission Reduction Credit
Corporation, 3555 Timmons Lane, Suite 120, Houston, Texas 77027



Penalty Calculation Worksheet (PCW)

Policy Revision 5 (January 28, 2021)

PCW Revision February 11, 2021

DATES	Assigned	27-Jun-2022	Screening	30-Jun-2022	EPA Due	5-Sep-2022
	PCW	28-Jun-2022				

RESPONDENT/FACILITY INFORMATION

Respondent	Intercontinental Terminals Company LLC				
Reg. Ent. Ref. No.	RN100210806				
Facility/Site Region	12-Houston	Major/Minor Source	Major		

CASE INFORMATION

Enf./Case ID No.	62589	No. of Violations	1
Docket No.	2022-0827-IWD-E	Order Type	1660
Media Program(s)	Water Quality	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Harley Hobson
		EC's Team	Enforcement Team 1
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	44.0%	Adjustment	Subtotals 2, 3, & 7	\$9,900
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Notes
Enhancement for four months of self-reported effluent violations, one NOV with the same/similar violations, one NOV with dissimilar violations, and one order containing a denial of liability.
Reduction for one notice of intent to conduct an audit and one disclosure of violations.

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 \$833
Estimated Cost of Compliance \$20,000
*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7	Final Subtotal	\$26,775
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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	\$26,775
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$26,775
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DEFERRAL	0.0%	Reduction	Adjustment	\$0
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Reduces the Final Assessed Penalty by the indicated percentage.

Notes

Deferral not offered for non-expedited settlement.

PAYABLE PENALTY	\$26,775
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Screening Date	30-Jun-2022	Docket No.	2022-0827-IWD-E	PCW
Respondent	Intercontinental Terminals Company LLC			Policy Revision 5 (January 28, 2021)
Case ID No.	62589			PCW Revision February 11, 2021
Reg. Ent. Reference No.	RN100210806			
Media	Water Quality			
Enf. Coordinator	Harley Hobson			

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>)	5	25%
	Other written NOVs	1	2%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	1	20%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgments or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were submitted</i>)	1	-1%
	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) 44%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Satisfactory Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

Enhancement for four months of self-reported effluent violations, one NOV with the same/similar violations, one NOV with dissimilar violations, and one order containing a denial of liability. Reduction for one notice of intent to conduct an audit and one disclosure of violations.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 44%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 44%

Screening Date	30-Jun-2022	Docket No.	2022-0827-IWD-E	PCW
Respondent	Intercontinental Terminals Company LLC	Policy Revision 5 (January 28, 2021)		
Case ID No.	62589	PCW Revision February 11, 2021		
Reg. Ent. Reference No.	RN100210806			
Media	Water Quality			
Enf. Coordinator	Harley Hobson			
Violation Number	1			
Rule Cite(s)	30 Tex. Admin. Code § 305.125(1), Tex. Water Code § 26.121(a)(1), and Texas Pollutant Discharge Elimination System Permit No. WQ0001984000, Outfall Number 002, Effluent Limitations and Monitoring Requirements No. 1			
Violation Description	Failed to comply with permitted effluent limitations. Specifically, Respondent did not comply with permitted effluent limitations, as shown in the attached effluent violation table.			
Base Penalty				\$25,000

>> Environmental, Property and Human Health Matrix

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

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor	
					Percent 0.0%

Matrix Notes	Human health or the environment has been exposed to insignificant amounts of pollutants that do not exceed levels that are protective of human health or environmental receptors as a result of the violation.
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Adjustment	\$17,500
\$7,500	

Violation Events

Number of Violation Events	3	Number of violation days	120
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	daily		weekly		monthly		quarterly	x		semiannual		annual		single event	

Violation Base Penalty	\$22,500
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Three monthly events are recommended for the quarters containing the months of June 2021 and January, February, and March 2022.

Good Faith Efforts to Comply

	25.0%		Reduction		\$5,625
	Before NOE/NOV	NOE/NOV to EDPRP/Settlement Offer			
Extraordinary					
Ordinary	x				
N/A					
Notes	The Respondent achieved compliance by April 30, 2022.				
Violation Subtotal					\$16,875

Economic Benefit (EB) for this violation

	Statutory Limit Test
Estimated EB Amount	\$833
Violation Final Penalty Total	\$26,775
This violation Final Assessed Penalty (adjusted for limits)	
\$26,775	

Economic Benefit Worksheet

Respondent Intercontinental Terminals Company LLC
Case ID No. 62589
Reg. Ent. Reference No. RN100210806
Media Water Quality
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)	\$20,000	30-Jun-2021	30-Apr-2022	0.83	\$833	n/a	\$833

Notes for DELAYED costs

Estimated Other cost to determine the cause of noncompliance, make the necessary repairs/adjustments to the Facility, and achieve compliance with the permitted effluent limitations. The Date Required is the end date of the first month of noncompliance. 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

\$20,000

TOTAL

\$833



Compliance History Report

Compliance History Report for CN601470222, RN100210806, Rating Year 2021 which includes Compliance History (CH) components from September 1, 2016, through August 31, 2021.

Customer, Respondent, or Owner/Operator: CN601470222, Intercontinental Terminals Company LLC
Classification: SATISFACTORY **Rating:** 1.69
Regulated Entity: RN100210806, INTERCONTINENTAL TERMINALS DEER PARK TERMINAL
Classification: SATISFACTORY **Rating:** 2.39
Complexity Points: 32
Repeat Violator: NO
CH Group: 14 - Other
Location: 1943 Independent Parkway, just north of the intersection of Miller Cutoff Road and State Highway 134 in the City of Deer Park, Harris County, Texas
TCEQ Region: REGION 12 - HOUSTON

ID Number(s):

AIR OPERATING PERMITS ACCOUNT NUMBER HG0403N

PUBLIC WATER SYSTEM/SUPPLY REGISTRATION 1011622

AIR NEW SOURCE PERMITS REGISTRATION 76266

AIR NEW SOURCE PERMITS PERMIT 1078

AIR NEW SOURCE PERMITS REGISTRATION 95093

AIR NEW SOURCE PERMITS REGISTRATION 168196

AIR NEW SOURCE PERMITS REGISTRATION 165710

AIR NEW SOURCE PERMITS REGISTRATION 147713

STORMWATER PERMIT TXR05EX41

WASTEWATER EPA ID TX0068349

AIR EMISSIONS INVENTORY ACCOUNT NUMBER HG0403N

INDUSTRIAL AND HAZARDOUS WASTE EPA ID TXD073912974

AIR OPERATING PERMITS PERMIT 1061

AIR NEW SOURCE PERMITS ACCOUNT NUMBER HG0403N

AIR NEW SOURCE PERMITS AFS NUM 4820100153

AIR NEW SOURCE PERMITS REGISTRATION 91627

AIR NEW SOURCE PERMITS REGISTRATION 116651

AIR NEW SOURCE PERMITS REGISTRATION 169562

AIR NEW SOURCE PERMITS REGISTRATION 169162

IHW CORRECTIVE ACTION SOLID WASTE

REGISTRATION # (SWR) 30966

WASTEWATER PERMIT WQ0001984000

PETROLEUM STORAGE TANK NON REGISTERED ID NUMBER LGL100210806

POLLUTION PREVENTION PLANNING ID NUMBER P00342

INDUSTRIAL AND HAZARDOUS WASTE SOLID WASTE REGISTRATION # (SWR) 30966

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

Date Compliance History Report Prepared: March 20, 2024

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: August 26, 2017 to August 26, 2022

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

Name: Harley Hobson

Phone: (512) 239-1337

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: 09/26/2017 ADMINORDER 2017-0542-AIR-E (1660 Order-Agreed Order With Denial)
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)
Rqmt Prov: Special Condition #5 PERMIT
STC 14 OP
Description: Failure to prevent unauthorized emissions during an emissions event. Category A12.i(6)

Classification: Moderate

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: 2.F OP

Description: Failure to submit the initial notification in a timely manner. Category C3.

B. Criminal convictions:

N/A

C. Chronic excessive emissions events:

N/A

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

Item 1	September 20, 2017	(1450952)	Item 30	February 18, 2020	(1641484)
Item 2	October 23, 2017	(1456818)	Item 31	March 19, 2020	(1647994)
Item 3	November 18, 2017	(1462280)	Item 32	April 20, 2020	(1654345)
Item 4	December 19, 2017	(1468663)	Item 33	May 20, 2020	(1660910)
Item 5	January 20, 2018	(1475374)	Item 34	June 19, 2020	(1667443)
Item 6	January 23, 2018	(1454507)	Item 35	July 20, 2020	(1674392)
Item 7	February 19, 2018	(1487569)	Item 36	August 14, 2020	(1681167)
Item 8	March 01, 2018	(1472180)	Item 37	September 17, 2020	(1687736)
Item 9	March 20, 2018	(1491248)	Item 38	October 20, 2020	(1694082)
Item 10	April 20, 2018	(1494499)	Item 39	November 06, 2020	(1677829)
Item 11	May 20, 2018	(1501446)	Item 40	November 20, 2020	(1714903)
Item 12	June 20, 2018	(1508537)	Item 41	December 19, 2020	(1714904)
Item 13	June 27, 2018	(1496941)	Item 42	February 20, 2021	(1727968)
Item 14	July 18, 2018	(1514867)	Item 43	March 18, 2021	(1727969)
Item 15	August 19, 2018	(1520921)	Item 44	May 20, 2021	(1741278)
Item 16	September 11, 2018	(1505647)	Item 45	June 19, 2021	(1748015)
Item 17	September 19, 2018	(1528102)	Item 46	June 30, 2021	(1735913)
Item 18	October 19, 2018	(1534445)	Item 47	August 09, 2021	(1690649)
Item 19	November 20, 2018	(1542279)	Item 48	August 18, 2021	(1757941)
Item 20	January 15, 2019	(1485850)	Item 49	September 07, 2021	(1755176)
Item 21	January 19, 2019	(1562179)	Item 50	September 18, 2021	(1767174)
Item 22	February 20, 2019	(1562177)	Item 51	October 20, 2021	(1777644)
Item 23	March 22, 2019	(1562178)	Item 52	November 19, 2021	(1784443)
Item 24	April 19, 2019	(1572646)	Item 53	December 20, 2021	(1791473)
Item 25	August 22, 2019	(1591051)	Item 54	January 18, 2022	(1799315)
Item 26	October 18, 2019	(1614061)	Item 55	May 02, 2022	(1789383)
Item 27	November 19, 2019	(1619872)	Item 56	May 28, 2022	(1829604)
Item 28	December 20, 2019	(1627233)	Item 57	June 20, 2022	(1835901)
Item 29	January 20, 2020	(1634869)	Item 58	August 19, 2022	(1849270)

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: 01/31/2022 (1807133)
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter
- 2 Date: 02/25/2022 (1760356)
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 115, SubChapter C 115.212(a)(1)
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)
Special Condition 10 PERMIT
Special Term and Condition 15 PERMIT
Special Term and Condition 1A PERMIT
Description: Failure to control emissions during loading operations at Track H2 (EPN TRK-H2). (Category B18g(1))
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 115, SubChapter C 115.212(a)(1)

Description: 5C THSC Chapter 382 382.085(b)
 Failure to control emissions during transfer operations at a frac tank.
 (Category C4)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 115, SubChapter C 115.212(a)(1)
 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)
 Special Condition 10 PERMIT
 Special Term and Condition 15 PERMIT
 Special Term and Condition 1A PERMIT
 Description: Failure to control emissions during loading operations at First 12s Truck Rack
 (EPN 1st 12s TR RACK). (Category B18g(1))
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 115, SubChapter C 115.212(a)(1)
 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)
 Special Condition 10 PERMIT
 Special Term and Condition 15 PERMIT
 Special Term and Condition 1A PERMIT
 Description: Failure to control emissions during loading operations at Track B2 (EPN
 TRK-B2). (Category B18g(1))
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
 30 TAC Chapter 122, SubChapter B 122.145(2)(A)
 5C THSC Chapter 382 382.085(b)
 General Terms and Conditions PERMIT
 Description: Failure to report all deviations for the reporting period of March 08, 2020
 through September 07, 2020. (Category B3)

3 Date: 02/28/2022 (1814199)
 Self Report? YES Classification: Moderate
 Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
 30 TAC Chapter 305, SubChapter F 305.125(1)
 Description: Failure to meet the limit for one or more permit parameter

4 Date: 03/31/2022 (1820772)
 Self Report? YES Classification: Moderate
 Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
 30 TAC Chapter 305, SubChapter F 305.125(1)
 Description: Failure to meet the limit for one or more permit parameter

5 Date: 04/21/2022 (1795578)
 Self Report? NO Classification: Moderate
 Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)(1)
 30 TAC Chapter 305, SubChapter F 305.125(1)
 Permit Conditions 2.g., page 8 PERMIT
 Description: Failure to prevent the unauthorized discharge of wastewater.
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 25, SubChapter A 25.1
 30 TAC Chapter 319, SubChapter A 319.11
 Monitoring & Reporting Requirements, 2 PERMIT
 Description: Failed to utilize an EPA-approved method for effluent analysis.
 Specifically, Method 624 was being used for the analysis of Total Purgeable
 Halocarbons, rather than Method 624.1.

6 Date: 06/30/2022 (1843102)
 Self Report? YES Classification: Moderate
 Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
 30 TAC Chapter 305, SubChapter F 305.125(1)
 Description: Failure to meet the limit for one or more permit parameter

F. Environmental audits:

Notice of Intent Date: 12/05/2019 (1612807)
 Disclosure Date: 10/06/2020
 Viol. Moderate
 Classification:
 Citation: 30 TAC Chapter 106, SubChapter K 106.263(d)
 30 TAC Chapter 106, SubChapter K 106.263(d)(1)

30 TAC Chapter 106, SubChapter K 106.263(d)(2)

30 TAC Chapter 106, SubChapter K 106.263(d)(3)

Description: Failed to demonstrate compliance with 30 TAC § 106.263(d) for piping and hose depressurization and filling activities.

Viol. Moderate

Classification:

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)

30 TAC Chapter 116, SubChapter B 116.115(c)

Rqmt Prov: PERMIT Special Conditions No. 1

Description: Failed to comply with the maximum allowable emissions rate (MAER). Specifically, emissions from the review period exceeded the Permit 1078 MAER for EPN:HOSEARND.

Viol. Minor

Classification:

Citation: 30 TAC Chapter 101, SubChapter A 101.10(a)

Description: Failed to include emissions from piping and hose depressurization and filling activities in annual emissions inventories.

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

Component Appendices

Appendix A

All NOVs Issued During Component Period 8/26/2017 and 8/26/2022

1	Date: 08/17/2018 (1498797)		
	Self Report? NO	Classification: Minor	
	Citation:		
	30 TAC Chapter 115, SubChapter D 115.352(4)		
	30 TAC Chapter 116, SubChapter B 116.115(c)		
	30 TAC Chapter 122, SubChapter B 122.143(4)		
	40 CFR Chapter 63, SubChapter C, PT 63, SubPT UU 63.1033(b)(1)		
	5C THSC Chapter 382 382.085(b)		
	SC 3E PERMIT		
	ST&C 15 OP		
	Description: Failure to prevent Open Ended Lines (OELs). (Category C10)		
	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)		
	SC 8 PERMIT		
	ST&C 15 OP		
	Description: Exceeding annual throughput limit. (Category B19(e)(1))		
	Self Report? NO	Classification: Minor	
	Citation:		
	30 TAC Chapter 116, SubChapter B 116.115(c)		
	30 TAC Chapter 122, SubChapter B 122.143(4)		
	40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(c)(3)(ii)		
	40 CFR Chapter 63, SubChapter C, PT 63, SubPT A 63.11(b)(6)(ii)		
	5C THSC Chapter 382 382.085(b)		
	SC 11 PERMIT		
	ST&C 15 OP		
	ST&C 1A OP		
	Description: Failure to maintain minimum net heating value on flare FL-12s. (Category C4)		
	Self Report? NO	Classification: Minor	
	Citation:		
	30 TAC Chapter 116, SubChapter B 116.115(c)		
	30 TAC Chapter 122, SubChapter B 122.143(4)		
	40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(c)(3)(ii)		
	40 CFR Chapter 63, SubChapter C, PT 63, SubPT A 63.11(b)(6)(ii)		
	5C THSC Chapter 382 382.085(b)		
	SC 11 PERMIT		
	ST&C 15 OP		
	ST&C 1A OP		
	Description: Failure to maintain minimum net heating value on flare FL-H. (Category C4)		
	Self Report? NO	Classification: Minor	
	Citation:		
	30 TAC Chapter 116, SubChapter B 116.115(c)		
	30 TAC Chapter 122, SubChapter B 122.143(4)		
	40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(c)(3)(ii)		
	40 CFR Chapter 63, SubChapter C, PT 63, SubPT A 63.11(b)(6)(ii)		
	5C THSC Chapter 382 382.085(b)		
	SC 11 PERMIT		
	ST&C 15 OP		
	ST&C 1A OP		
	Description: Failure to maintain minimum net heating value on flare FL-80s. (Category C4)		
	Self Report? NO	Classification: Minor	
	Citation:		
	30 TAC Chapter 115, SubChapter B 115.112(e)(1)		
	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 1(J) PERMIT		
	ST&C 15 OP		
	ST&C 1A OP		
	Description: Failure to operate without visible leaks or spills on storage tank ST-80-6.		
	(Category C4)		

Self Report? NO Classification: Minor
 Citation:
 30 TAC Chapter 115, SubChapter B 115.112(e)(1)
 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 1(J) PERMIT
 ST&C 15 OP
 ST&C 1A OP
 Description: Failure to operate without visible leaks or spills on storage tank ST-100-54.
 (Category C4)

2 Date: 11/30/2018 (1546047)
 Self Report? YES Classification: Moderate
 Citation:
 2D TWC Chapter 26, SubChapter A 26.121(a)
 30 TAC Chapter 305, SubChapter F 305.125(1)
 Description: Failure to meet the limit for one or more permit parameter

3 Date: 04/30/2019 (1584901)
 Self Report? YES Classification: Moderate
 Citation:
 2D TWC Chapter 26, SubChapter A 26.121(a)
 30 TAC Chapter 305, SubChapter F 305.125(1)
 Description: Failure to meet the limit for one or more permit parameter

4 Date: 05/31/2019 (1584902)
 Self Report? YES Classification: Moderate
 Citation:
 2D TWC Chapter 26, SubChapter A 26.121(a)
 30 TAC Chapter 305, SubChapter F 305.125(1)
 Description: Failure to meet the limit for one or more permit parameter

5 Date: 06/30/2019 (1593996)
 Self Report? YES Classification: Moderate
 Citation:
 2D TWC Chapter 26, SubChapter A 26.121(a)
 30 TAC Chapter 305, SubChapter F 305.125(1)
 Description: Failure to meet the limit for one or more permit parameter

6 Date: 07/31/2019 (1600317)
 Self Report? YES Classification: Moderate
 Citation:
 2D TWC Chapter 26, SubChapter A 26.121(a)
 30 TAC Chapter 305, SubChapter F 305.125(1)
 Description: Failure to meet the limit for one or more permit parameter

7 Date: 08/31/2019 (1607209)
 Self Report? YES Classification: Moderate
 Citation:
 2D TWC Chapter 26, SubChapter A 26.121(a)
 30 TAC Chapter 305, SubChapter F 305.125(1)
 Description: Failure to meet the limit for one or more permit parameter

8 Date: 10/03/2019 (1552556)
 Self Report? NO Classification: Moderate
 Citation:
 30 TAC Chapter 116, SubChapter B 116.115(c)
 5C THSC Chapter 382 382.085(b)

Special Condition 5 PERMIT

Description: Failure to prevent unauthorized emissions to the atmosphere during an emissions event that was discovered on February 11, 2019, TCEQ/STEERS Incident No. 302556. (Category B13)

9

Date: 08/11/2020 (1551642)

Self Report? NO

Classification: Moderate

Citation:

30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(c)(3)(ii)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT A 63.11(b)(6)(ii)
5C THSC Chapter 382 382.085(b)
FOP Special Term & Condition (ST&C) 15 OP
FOP Special Term & Condition (ST&C) 1A OP
NSR Special Condition (SC) 11 PERMIT

Description: Failure to operate flare (EPN: FL-H) with a net heating value above 300 BTU/scf (Category C4)

Self Report? NO

Classification: Moderate

Citation:

30 TAC Chapter 115, SubChapter C 115.212(a)(6)
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)
FOP Special Term & Condition (ST&C) 15 OP
NSR Special Condition (SC) 12 PERMIT

Description: Failure to control vapors during marine loading operations (Category B13)

Self Report? NO

Classification: Minor

Citation:

30 TAC Chapter 115, SubChapter D 115.352(4)
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)
FOP Special Term & Condition (ST&C) 15 OP
FOP Special Term & Condition (ST&C) 1A OP
NSR Special Condition (SC) 3E PERMIT

Description: Failure to prevent open-ended lines. (Category C10)

Self Report? NO

Classification: Moderate

Citation:

30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT Kb 60.112b(a)(1)(iv)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT WW 63.1063(b)(3)
5C THSC Chapter 382 382.085(b)
FOP Special Term & Condition (ST&C) 1A OP

Description: Failure to maintain closed hatch in Internal Floating Roof (IFR) on tank (EPNs: ST 80-5 and ST 12-48). (Category B13)

10*

Date: 12/18/2020 (1672525)

Self Report? NO

Classification: Minor

Citation:

30 TAC Chapter 115, SubChapter D 115.352(2)(B)
30 TAC Chapter 115, SubChapter D 115.354(2)(C)
30 TAC Chapter 115, SubChapter H 115.781(b)(3)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 61, SubChapter C, PT 61, SubPT V 61.242-7(a)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT UU 63.1025(b)(3)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT UU 63.1026(b)(1)
40 CFR Part 61, Subpart V 61.242-2(a)(1)
5C THSC Chapter 382 382.085(b)
Special Conditions 3(F); 3(G); and 4 PERMIT
Special Terms & Conditions 1A & 15 OP

Description: Failure to monitor components (Category C7).

Self Report? NO

Classification: Moderate

Citation:

30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT Kb 60.113b(a)(4)
5C THSC Chapter 382 382.085(b)

Special Term & Condition 1A OP

Description: Failure to conduct internal inspections of Tanks 80-17 and 160-4 (Category B1).

- 11* Date: 12/31/2020 (1714905)
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter
- 12* Date: 03/31/2021 (1727970)
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter
- 13* Date: 04/27/2021 (1704979)
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 327 327.5(c)
Description: Failure to submit written information describing the details of a reportable spill within 30 days of the discovery of the spill.
- 14* Date: 06/30/2021 (1752516)
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter
- 15 Date: 01/31/2022 (1807133)
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter
- 16 Date: 02/25/2022 (1760356)
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 115, SubChapter C 115.212(a)(1)
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)
Special Condition 10 PERMIT
Special Term and Condition 15 PERMIT
Special Term and Condition 1A PERMIT
Description: Failure to control emissions during loading operations at Track H2 (EPN TRK-H2). (Category B18g(1))
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 115, SubChapter C 115.212(a)(1)
5C THSC Chapter 382 382.085(b)
Description: Failure to control emissions during transfer operations at a frac tank. (Category C4)
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 115, SubChapter C 115.212(a)(1)
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) Special Condition 10 PERMIT Special Term and Condition 15 PERMIT Special Term and Condition 1A PERMIT		
	Description:	Failure to control emissions during loading operations at First 12s Truck Rack (EPN 1st 12s TR RACK). (Category B18g(1))		
	Self Report?	NO	Classification:	Moderate
	Citation:	30 TAC Chapter 115, SubChapter C 115.212(a)(1) 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) Special Condition 10 PERMIT Special Term and Condition 15 PERMIT Special Term and Condition 1A PERMIT		
	Description:	Failure to control emissions during loading operations at Track B2 (EPN TRK-B2). (Category B18g(1))		
	Self Report?	NO	Classification:	Moderate
	Citation:	30 TAC Chapter 122, SubChapter B 122.143(4) 30 TAC Chapter 122, SubChapter B 122.145(2)(A) 5C THSC Chapter 382 382.085(b) General Terms and Conditions PERMIT		
	Description:	Failure to report all deviations for the reporting period of March 08, 2020 through September 07, 2020. (Category B3)		
17	Date:	02/28/2022 (1814199)		
	Self Report?	YES	Classification:	Moderate
	Citation:	2D TWC Chapter 26, SubChapter A 26.121(a) 30 TAC Chapter 305, SubChapter F 305.125(1)		
	Description:	Failure to meet the limit for one or more permit parameter		
18	Date:	03/31/2022 (1820772)		
	Self Report?	YES	Classification:	Moderate
	Citation:	2D TWC Chapter 26, SubChapter A 26.121(a) 30 TAC Chapter 305, SubChapter F 305.125(1)		
	Description:	Failure to meet the limit for one or more permit parameter		
19	Date:	04/21/2022 (1795578)		
	Self Report?	NO	Classification:	Moderate
	Citation:	2D TWC Chapter 26, SubChapter A 26.121(a)(1) 30 TAC Chapter 305, SubChapter F 305.125(1) Permit Conditions 2.g., page 8 PERMIT		
	Description:	Failure to prevent the unauthorized discharge of wastewater.		
	Self Report?	NO	Classification:	Minor
	Citation:	30 TAC Chapter 25, SubChapter A 25.1 30 TAC Chapter 319, SubChapter A 319.11 Monitoring & Reporting Requirements, 2 PERMIT		
	Description:	Failed to utilize an EPA-approved method for effluent analysis. Specifically, Method 624 was being used for the analysis of Total Purgeable Halocarbons, rather than Method 624.1.		
20	Date:	06/30/2022 (1843102)		
	Self Report?	YES	Classification:	Moderate
	Citation:	2D TWC Chapter 26, SubChapter A 26.121(a) 30 TAC Chapter 305, SubChapter F 305.125(1)		

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN ENFORCEMENT
ACTION CONCERNING
INTERCONTINENTAL TERMINALS
COMPANY LLC;
RN100210806

§
§
§
§
§

BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY

AGREED ORDER

DOCKET NO. 2022-0827-IWD-E

I. JURISDICTION AND STIPULATIONS

On _____, the Texas Commission on Environmental Quality ("Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Intercontinental Terminals Company LLC ("Respondent") under the authority of TEX. WATER CODE chs. 7 and 26. The Executive Director of the TCEQ, represented by the Litigation Division, and Respondent, represented by Harrison Reback of the law firm Baker Botts L.L.P., together stipulate that:

1. Respondent owns and operates a wastewater treatment facility located at 1943 Independent Parkway, just north of the intersection of Miller Cutoff Road and State Highway 134 in Deer Park, Harris County, Texas (the "Facility"). The Facility adjoins, is contiguous with, surrounds, or is near or adjacent to water in the state, as defined in TEX. WATER CODE § 26.001.
2. The Executive Director and Respondent agree that TCEQ has jurisdiction to enter this Order pursuant to TEX. WATER CODE §§ 7.002, 7.051, and 7.073, and that 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. WATER CODE ch. 26 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 Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
4. An administrative penalty in the amount of \$26,775 is assessed by the Commission in settlement of the violations alleged in Section II. Respondent paid \$13,388 of the penalty. Pursuant to TEX. WATER CODE § 7.067, \$13,387 of the penalty shall be conditionally offset by Respondent's timely and satisfactory completion of a Supplemental Environmental Project ("SEP"), as defined in the SEP Agreement ("Attachment A" - incorporated herein by reference). 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 any payment schedule and the timely and satisfactory completion of all provisions of the SEP Agreement, as determined by the Executive Director.
5. The Executive Director and Respondent agree on a settlement of the matters addressed in this Order, 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 Respondent has not complied with one or more of the terms or conditions contained 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 full compliance with all the terms and conditions set forth in this Order, whichever is later.
9. The Executive Director recognizes that Respondent achieved compliance with permitted effluent limitations at the Facility, as of April 30, 2022.

II. ALLEGATIONS

During a record review conducted on May 27, 2022, an investigator documented that Respondent failed to comply with permitted effluent limitations, in violation of TEX. WATER CODE § 26.121(a)(1), 30 TEX. ADMIN. CODE § 305.125(1), and Texas Pollutant Discharge Elimination System ("TPDES") Permit No. WQ0001984000, Effluent Limitations and Monitoring Requirements No. 1, for Outfall No. 002. Specifically, Respondent did not comply with permitted effluent limitations as shown in the effluent violation table below:

Effluent Violation Table, Outfall 002			
	Total Purgeable Halocarbons Daily Maximum Concentration	Total Purgeable Halocarbons Daily Average Loading	Total Purgeable Halocarbons Daily Maximum Loading
Monitoring Period	Limit = 0.2 mg/L	Limit = 0.22 lbs/day	Limit = 0.46 lbs/day
June 2021	1.13	0.5445	1.555
January 2022	5.135	10.21	10.21
February 2022	15.6	22.11	22.11
March 2022	0.26	c	c

III. DENIALS

Respondent generally denies the Allegations in Section II.

IV. ORDERING PROVISIONS

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

1. Respondent is assessed an administrative penalty as set forth in Section I, Paragraph 4. The payment of this penalty and 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 actions or penalties for violations which are not raised here.
2. Respondent shall implement and complete a SEP as set forth in Section I, Paragraph 4. The amount of \$13,387 of the assessed administrative penalty is conditionally offset based on Respondent's implementation and completion of a SEP pursuant to the terms and conditions contained in 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 Respondent. Respondent is ordered to give notice of this Order to personnel who maintain day-to-day control over the Facility operations referenced in this Order.
5. The Executive Director may grant an extension of any deadline in this Order or in any plan, report, or other document submitted pursuant to this Order, upon a written and substantiated showing of good cause. All requests for extensions by Respondent shall be made in writing to the Executive Director. Extensions are not effective until Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
6. If 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, Respondent's failure to comply is not a violation of this Order. Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. Respondent shall notify the Executive Director within seven days after Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
7. This Order, issued by the Commission, shall not be admissible against 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 TCEQ's jurisdiction or of a rule adopted or an order or permit issued by the TCEQ 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



October 7, 2024

For the Executive Director

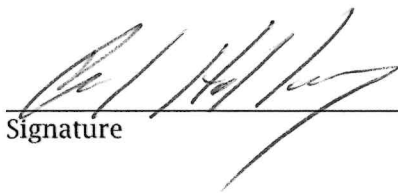
Date

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 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;
- Referral of this case to the Attorney General's office 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 Attorney General's office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

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



Signature

September 3, 2024

Date

Carl Holley

VP, SHES & Regulatory Compliance

Name (Printed or typed)
Authorized representative of
Intercontinental Terminals Company LLC

Title

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

ATTACHMENT A

Attachment A

Docket Number: 2022-0827-IWD-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	Intercontinental Terminals Company LLC
Penalty Amount:	\$26,775
SEP Offset Amount:	\$13,387
Type of SEP:	Contribution to a Third-Party Pre-Approved SEP
Third-Party Administrator:	Houston-Galveston Area Council-AERCO
Project Name:	Clean Vehicles Partnership Project
Total Project Budget	\$5,547,759.97
Location of SEP:	Angelina, Austin, Brazoria, Chambers, Colorado, Fort Bend, Galveston, Hardin, Harris, Houston, Jasper, Jefferson, Liberty, Matagorda, Montgomery, Nacogdoches, Newton, Orange, Polk, Sabine, San Augustine, San Jacinto, Trinity, Tyler, Walker, Waller, and Wharton Counties

Texas Commission on Environmental Quality ("TCEQ") agrees to offset a portion of the administrative Penalty Amount assessed in this Agreed Order for Respondent to contribute to a Supplemental Environmental Project ("SEP"). The offset is equal to the SEP Offset Amount set forth above and is conditioned upon compliance with the terms of this Attachment A.

1. Project Description

A. Project

Respondent shall contribute the SEP Offset Amount to the **Houston-Galveston Area Council-AERCO**, as a Third-Party Administrator, for the *Clean Vehicles Partnership* Project (the "Project"). This Project involves the replacement of old buses with new, lower emitting buses or to retrofit or convert old buses with emissions reducing equipment. The Third-Party Administrator shall use the SEP Offset Amount to perform the Project. The Project will be done in accordance with all federal, state, and local environmental laws and regulations. The contribution will be used in accordance with the SEP Agreement between the Third-Party Administrator and the TCEQ.

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

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

B. Environmental Benefit

This SEP will directly benefit air quality by reducing harmful exhaust emissions that contribute to the formation of ozone and may cause or exacerbate many respiratory diseases, including asthma. For example, by replacing a 1989 diesel bus with a 2010 ultra-low emission model, passengers' exposure to nitrogen oxides may be reduced by 98 percent; volatile organic compounds by 93 percent; carbon dioxide by 83 percent; and particulate matter by 99 percent. In addition, by encouraging less bus idling, this SEP contributes to public awareness of air pollution and air quality.

C. Minimum Expenditure

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, Respondent must contribute the SEP Offset Amount to the Third-Party Administrator. Respondent shall make the contribution payable to **Houston-Galveston Area Council-AERCO SEP**, and shall mail the contribution with a copy of the Agreed Order to:

Houston-Galveston Area Council-AERCO
Emission Reduction Credit Corporation
Attn: Air Quality Program Manager
3555 Timmons Lane, Suite 120
Houston, Texas 77027

3. Records and Reporting

Together with the payment of the SEP Offset Amount, Respondent shall provide the SEP Coordinator with proof of payment and transmittal letter indicating full payment of the SEP Offset Amount to the Third-Party Administrator. Respondent shall mail or email a copy of the check and transmittal letter to:

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

4. Failure to Fully Perform

If 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 Respondent failed to fully implement and complete the Project, 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, Respondent shall include the docket number of the attached Agreed Order and a note that the enclosed payment is for the reimbursement of a SEP, shall make the check payable to "Texas Commission on Environmental Quality," and shall mail it to:

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

5. Publicity

Any public statements concerning this SEP and/or project, made by or on behalf of Respondent, must include a clear statement that the project was performed as part of the settlement of an

enforcement action brought by TCEQ. Such statements include advertising, public relations, and press releases.

6. Recognition

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 Attachment A and in the attached Agreed Order has not been, and shall not be, included as a SEP for Respondent under any other Agreed Order negotiated with TCEQ or any other agency of the state or federal government.