

Executive Summary – Enforcement Matter – Case No. 63730
DEER PARK REFINING LIMITED PARTNERSHIP
RN111372785
Docket No. 2023-0340-AIR-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

AIR

Small Business:

No

Location(s) Where Violation(s) Occurred:

Deer Park Oil Refinery, 5900 Highway 225, Deer Park, Harris County

Type of Operation:

Petroleum refinery

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: August 4, 2023

Comments Received: No

Penalty Information

Total Penalty Assessed: \$13,375

Amount Deferred for Expedited Settlement: \$2,675

Total Paid to General Revenue: \$5,350

Total Due to General Revenue: \$0

Payment Plan: N/A

Supplemental Environmental Project (“SEP”) Conditional Offset: \$5,350

Name of SEP: Houston Regional Monitoring Corporation (Third-Party Pre-Approved)

Compliance History Classifications:

Person/CN - Satisfactory

Site/RN - High

Major Source: Yes

Statutory Limit Adjustment: N/A

Applicable Penalty Policy: January 2021

Investigation Information

Complaint Date(s): N/A

Complaint Information: N/A

Date(s) of Investigation: June 29, 2022 through January 13, 2023

Date(s) of NOE(s): February 21, 2023

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Violation Information

Failed to prevent unauthorized emissions. Specifically, the Respondent released 142.00 pounds ("lbs") of carbon monoxide ("CO"), 51.00 lbs of hydrogen sulfide ("H2S"), 3.00 lbs of nitrogen oxides ("NOx"), 1,801.00 lbs of sulfur dioxide ("SO2"), and 225.00 lbs of volatile organic compounds ("VOC") from the North Property Flare, Emissions Point Number ("EPN") FLARENP, and released 424.00 lbs of CO, 72.00 lbs of H2S, 60.00 lbs of NOx, 7,597.00 lbs of SO2, and 884.00 lbs of VOC from the West Property Flare, EPN FLAREWP, during an emissions event (Incident No. 380948) that occurred on June 5, 2022 and lasted five hours and 47 minutes. The emissions event occurred due to the increase in pressure coming from the butylene transfer into Butylene Tank R-319 that overwhelmed the Compressor Plant Unit Compressor, the 2nd Stage Knockout Vessel V-36264 not draining quickly enough because the density of the condensable hydrocarbons was too low, and no indication of when Pressure Valve PV-2447 opens or closes, resulting in flaring. Since the emissions event was not caused by a sudden unavoidable breakdown of equipment or process beyond the control of the owner or operator and could have been avoided by better design and/or better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(c), 116.715(a), and 122.143(4), Flexible Permit Nos. 21262 and PSDTX928M1, Special Conditions No. 1, Federal Operating Permit No. O1669, General Terms and Conditions and Special Terms and Conditions No. 24, 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, implement measures and/or procedures designed to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 380948.
 - b. Within 45 days, submit written certification to demonstrate compliance with a.

**Executive Summary – Enforcement Matter – Case No. 63730
DEER PARK REFINING LIMITED PARTNERSHIP
RN111372785
Docket No. 2023-0340-AIR-E**

Contact Information

TCEQ Attorney: N/A

TCEQ Enforcement Coordinator: Desmond Martin, Enforcement Division, Enforcement Team 2, MC 219, (512) 239-2814; 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: Houston Regional Monitoring Corporation, Amandes PLLC, 1800 Post Oak Boulevard, Suite 400, Houston, Texas 77056

Respondent: Guy Hackwell, Chief Executive Officer, DEER PARK REFINING LIMITED PARTNERSHIP, 5900 Highway 225, Deer Park, Texas 77536

Respondent's Attorney: N/A



Penalty Calculation Worksheet (PCW)

Policy Revision 5 (January 28, 2021)

PCW Revision February 11, 2021

DATES	Assigned	27-Feb-2023			
	PCW	16-Jun-2023	Screening	7-Mar-2023	EPA Due

RESPONDENT/FACILITY INFORMATION	
Respondent	DEER PARK REFINING LIMITED PARTNERSHIP
Reg. Ent. Ref. No.	RN111372785
Facility/Site Region	12-Houston
Major/Minor Source	Major

CASE INFORMATION			
Enf./Case ID No.	63730	No. of Violations	1
Docket No.	2023-0340-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Desmond Martin
		EC's Team	Enforcement Team 2
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$25,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$12,500
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ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History	7.0% Adjustment	Subtotals 2, 3, & 7	\$875
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Notes: Enhancement for four NOVs with dissimilar violations. Reduction for one notice of intent to conduct an audit.

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	\$0
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Economic Benefit	0.0% Enhancement*	Subtotal 6	\$0
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Total EB Amounts: \$830
 Estimated Cost of Compliance: \$10,000
 *Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7	Final Subtotal	\$13,375
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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	\$13,375
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$13,375
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DEFERRAL	20.0%	Reduction	Adjustment	-\$2,675
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Reduces the Final Assessed Penalty by the indicated percentage.

Notes: Deferral offered for expedited settlement.

PAYABLE PENALTY	\$10,700
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Screening Date 7-Mar-2023

Docket No. 2023-0340-AIR-E

PCW

Respondent DEER PARK REFINING LIMITED PARTNERSHIP

Policy Revision 5 (January 28, 2021)

Case ID No. 63730

PCW Revision February 11, 2021

Reg. Ent. Reference No. RN111372785

Media Air

Enf. Coordinator Desmond Martin

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Number	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action (<i>number of NOVs meeting criteria</i>)	0	0%
	Other written NOVs	4	8%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgments or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were submitted</i>)	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>)	0	0%
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 7%

>> 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 NOVs with dissimilar violations. Reduction for one notice of intent to conduct an audit.

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

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 7%

Screening Date 7-Mar-2023

Docket No. 2023-0340-AIR-E

PCW

Respondent DEER PARK REFINING LIMITED PARTNERSHIP

Policy Revision 5 (January 28, 2021)

Case ID No. 63730

PCW Revision February 11, 2021

Reg. Ent. Reference No. RN111372785

Media Air

Enf. Coordinator Desmond Martin

Violation Number 1

Rule Cite(s)

30 Tex. Admin. Code §§ 101.20(3), 116.115(c), 116.715(a), and 122.143(4), Flexible Permit Nos. 21262 and PSDTX928M1, Special Conditions No. 1, Federal Operating Permit No. O1669, General Terms and Conditions and Special Terms and Conditions No. 24, and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to prevent unauthorized emissions. Specifically, the Respondent released 142.00 pounds ("lbs") of carbon monoxide ("CO"), 51.00 lbs of hydrogen sulfide ("H2S"), 3.00 lbs of nitrogen oxides ("NOx"), 1,801.00 lbs of sulfur dioxide ("SO2"), and 225.00 lbs of volatile organic compounds ("VOC") from the North Property Flare, Emissions Point Number ("EPN") FLAREN, and released 424.00 lbs of CO, 72.00 lbs of H2S, 60.00 lbs of NOx, 7,597.00 lbs of SO2, and 884.00 lbs of VOC from the West Property Flare, EPN FLAREWP, during an emissions event (Incident No. 380948) that occurred on June 5, 2022 and lasted five hours and 47 minutes. The emissions event occurred due to the increase in pressure coming from the butylene transfer into Butylene Tank R-319 that overwhelmed the Compressor Plant Unit Compressor, the 2nd Stage Knockout Vessel V-36264 not draining quickly enough because the density of the condensable hydrocarbons was too low, and no indication of when Pressure Valve PV-2447 opens or closes, resulting in flaring. Since the emissions event was not caused by a sudden unavoidable breakdown of equipment or process beyond the control of the owner or operator and could have been avoided by better design and/or better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 Tex. Admin. Code § 101.222.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual		x	
Potential			

Percent 50.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

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

Adjustment \$12,500

\$12,500

Violation Events

Number of Violation Events 1 Number of violation days 1

daily	
weekly	x
monthly	
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty \$12,500

One weekly event is recommended.

Good Faith Efforts to Comply

0.0%

Reduction \$0

Before NOE/NOV NOE/NOV to EDPRP/Settlement Offer

Extraordinary		
Ordinary		
N/A	x	

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

Violation Subtotal \$12,500

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$830

Violation Final Penalty Total \$13,375

This violation Final Assessed Penalty (adjusted for limits) \$13,375

Economic Benefit Worksheet

Respondent DEER PARK REFINING LIMITED PARTNERSHIP
Case ID No. 63730
Reg. Ent. Reference No. RN111372785
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	5-Jun-2022	1-Feb-2024	1.66	\$830	n/a	\$830

Notes for DELAYED costs
 Estimated cost to implement measures and/or procedures designed to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 380948. The Date Required is the date the emissions event occurred 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 \$830

The TCEQ is committed to accessibility.

To request a more accessible version of this report, please contact the TCEQ Help Desk at (512) 239-4357.



Compliance History Report

Compliance History Report for CN602641664, RN111372785, Rating Year 2022 which includes Compliance History (CH) components from September 1, 2017, through August 31, 2022.

Customer, Respondent, or Owner/Operator: CN602641664, DEER PARK REFINING LIMITED PARTNERSHIP **Classification:** SATISFACTORY **Rating:** 14.04
Regulated Entity: RN111372785, Deer Park Oil Refinery **Classification:** HIGH **Rating:** 0.00
Complexity Points: 25 **Repeat Violator:** NO
CH Group: 02 - Oil and Petroleum Refineries
Location: 5900 Highway 225, Deer Park, Harris County, Texas
TCEQ Region: REGION 12 - HOUSTON

ID Number(s):

AIR OPERATING PERMITS PERMIT 1669	AIR OPERATING PERMITS PERMIT 1943
PUBLIC WATER SYSTEM/SUPPLY REGISTRATION 1010320	PUBLIC WATER SYSTEM/SUPPLY REGISTRATION 6001443
AIR NEW SOURCE PERMITS PERMIT 21262	AIR NEW SOURCE PERMITS PERMIT 7855
AIR NEW SOURCE PERMITS REGISTRATION 12152	AIR NEW SOURCE PERMITS PERMIT 3178
AIR NEW SOURCE PERMITS PERMIT 5801	AIR NEW SOURCE PERMITS PERMIT 6791
AIR NEW SOURCE PERMITS PERMIT 9334	AIR NEW SOURCE PERMITS REGISTRATION 11096
AIR NEW SOURCE PERMITS REGISTRATION 11586	AIR NEW SOURCE PERMITS REGISTRATION 12373
AIR NEW SOURCE PERMITS PERMIT 8236	AIR NEW SOURCE PERMITS PERMIT 22038
AIR NEW SOURCE PERMITS EPA PERMIT PSDTX815	AIR NEW SOURCE PERMITS EPA PERMIT PSDTX928
AIR NEW SOURCE PERMITS EPA PERMIT PSDTX928M1	AIR NEW SOURCE PERMITS REGISTRATION 77952
AIR NEW SOURCE PERMITS REGISTRATION 81971	AIR NEW SOURCE PERMITS PERMIT AMOC63
AIR NEW SOURCE PERMITS REGISTRATION 165188	AIR NEW SOURCE PERMITS PERMIT AMOC185
AIR NEW SOURCE PERMITS REGISTRATION 162924	AIR NEW SOURCE PERMITS REGISTRATION 149584
AIR NEW SOURCE PERMITS PERMIT AMOC137	AIR NEW SOURCE PERMITS AFS NUM 4820102076
AIR NEW SOURCE PERMITS REGISTRATION 169716	AIR NEW SOURCE PERMITS REGISTRATION 172561
AIR NEW SOURCE PERMITS REGISTRATION 171115	AIR NEW SOURCE PERMITS REGISTRATION 171838
PETROLEUM STORAGE TANK REGISTRATION REGISTRATION 32780	PETROLEUM STORAGE TANK STAGE II REGISTRATION 32780
IHW CORRECTIVE ACTION SOLID WASTE REGISTRATION # (SWR) 98163	WATER QUALITY NON PERMITTED ID NUMBER RN109947101
WASTEWATER PERMIT WQ0000403000	WASTEWATER EPA ID TX0004871
WASTEWATER PERMIT TXG670437	WASTEWATER PERMIT TXG670472
AIR EMISSIONS INVENTORY ACCOUNT NUMBER HGA226S	POLLUTION PREVENTION PLANNING ID NUMBER P10908
INDUSTRIAL AND HAZARDOUS WASTE SOLID WASTE REGISTRATION # (SWR) 98163	INDUSTRIAL AND HAZARDOUS WASTE EPA ID TXR000085805
INDUSTRIAL AND HAZARDOUS WASTE PERMIT 50422	

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

Date Compliance History Report Prepared: May 03, 2023

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: May 03, 2018 to May 03, 2023

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

Name: Desmond Martin

Phone: (512) 239-2814

Site and Owner/Operator History:

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

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

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

N/A

B. Criminal convictions:

N/A

C. Chronic excessive emissions events:

N/A

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

Item 1	November 17, 2021	(1783599)
Item 2	December 09, 2021	(1790623)
Item 3	January 18, 2022	(1798418)
Item 4	February 15, 2022	(1806293)
Item 5	March 11, 2022	(1813358)
Item 6	April 13, 2022	(1819930)
Item 7	May 12, 2022	(1828770)
Item 8	June 20, 2022	(1835060)
Item 9	July 18, 2022	(1842266)
Item 10	July 19, 2022	(1812836)
Item 11	August 11, 2022	(1848400)
Item 12	September 15, 2022	(1856196)
Item 13	October 18, 2022	(1862554)
Item 14	October 31, 2022	(1853156)
Item 15	November 14, 2022	(1869469)
Item 16	December 19, 2022	(1875316)
Item 17	February 14, 2023	(1889955)
Item 18	March 13, 2023	(1869168)

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.

- Date: 11/09/2022 (1834738)

Self Report? NO Classification: Moderate

Citation: 40 CFR Chapter 63, SubChapter C, PT 63, SubPT CC 63.658(g)
Special Term and Condition 1(A) OP

Description: Failure to conduct a Root Cause Analysis (RCA) for the biweekly reporting period of May 10, 2022 through May 24, 2022 (Category B3).

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT CC 63.658(g)
5C THSC Chapter 382 382.085(b)
Special Term and Condition 1(A) OP

Description: Failure to conduct a Root Cause Analysis (RCA) for the biweekly reporting period of May 24, 2022 through June 7, 2022 (Category B3).

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT CC 63.658(g)
5C THSC Chapter 382 382.085(b)
Special Term and Condition 1(A) OP

Description: Failure to conduct a Root Cause Analysis (RCA) for the biweekly reporting period of June 7, 2022 through June 21, 2022 (Category B3).
- Date: 12/31/2022 (1882138)

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
- Date: 01/19/2023 (1854142)

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT CC 63.658(h)

5C THSC Chapter 382 382.085(b)
Special Term and Condition 1(A) OP

Description: Failure to submit a Corrective Action Plan (CAP) for the biweekly periods of August 2, 2022 through August 16, 2022 and August 16, 2022 through August 30, 2022 within the required timeframe (Category C3).

4 Date: 03/01/2023 (1862198)
Self Report? NO Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)(1)
30 TAC Chapter 305, SubChapter F 305.125(5)
Permit Condition No. 2(g) PERMIT
Description: Failure to prevent the unauthorized discharge of wastewater.

F. Environmental audits:

Notice of Intent Date: 10/05/2018 (1524404)
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

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
DEER PARK REFINING
LIMITED PARTNERSHIP
RN111372785**

**§
§
§
§
§
§**

**BEFORE THE

TEXAS COMMISSION ON

ENVIRONMENTAL QUALITY**

AGREED ORDER DOCKET NO. 2023-0340-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 DEER PARK REFINING LIMITED PARTNERSHIP (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 petroleum refinery located at 5900 Highway 225 in Deer Park, Harris County, Texas (the "Plant"). The Plant consists or consisted of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
2. The Executive Director and the Respondent agree that the TCEQ has jurisdiction to enter this Order pursuant to TEX. WATER CODE §§ 7.002, 7.051, and 7.073, and that the Respondent is subject to TCEQ's jurisdiction. The TCEQ has jurisdiction in this matter pursuant to TEX. WATER CODE § 5.013 because it alleges violations of TEX. HEALTH & SAFETY CODE ch. 382 and the rules of the TCEQ.
3. The occurrence of any violation is in dispute and the entry of this Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
4. An administrative penalty in the amount of \$13,375 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent paid \$5,350 of the penalty and \$2,675 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, \$5,350 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 a record review for the Plant conducted from June 29, 2022 through January 13, 2023, an investigator documented that the Respondent failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(c), 116.715(a), and 122.143(4), Flexible Permit Nos. 21262 and PSDTX928M1, Special Conditions No. 1, Federal Operating Permit No. O1669, General Terms and Conditions and Special Terms and Conditions No. 24, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent released 142.00 pounds ("lbs") of carbon monoxide ("CO"), 51.00 lbs of hydrogen sulfide ("H₂S"), 3.00 lbs of nitrogen oxides ("NO_x"), 1,801.00 lbs of sulfur dioxide ("SO₂"), and 225.00 lbs of volatile organic compounds ("VOC") from the North Property Flare, Emissions Point Number ("EPN") FLAREN_P, and released 424.00 lbs of CO, 72.00 lbs of H₂S, 60.00 lbs of NO_x, 7,597.00 lbs of SO₂, and 884.00 lbs of VOC from the West Property Flare, EPN FLAREW_P, during an emissions event (Incident No. 380948) that occurred on June 5, 2022 and lasted five hours and 47 minutes. The emissions event occurred due to the increase in pressure coming from the butylene transfer into Butylene Tank R-319 that overwhelmed the Compressor Plant Unit Compressor, the 2nd Stage Knockout Vessel V-36264 not draining quickly enough because the density of the condensable hydrocarbons was too low, and no indication of when Pressure Valve PV-2447 opens or closes, resulting in flaring. Since the emissions event was not caused by a sudden unavoidable breakdown of equipment or process beyond the control of the owner or operator and could have been avoided by better design and/or better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.

III. DENIALS

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

IV. ORDERING PROVISIONS

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

1. The Respondent is assessed a penalty as set forth in Section I, Paragraph No. 4. The payment of this penalty and the Respondent's compliance with all of the requirements set forth in this Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: DEER PARK REFINING LIMITED PARTNERSHIP, Docket No. 2023-0340-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 \$5,350 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, implement measures and/or procedures designed to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 380948.
 - 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
Houston Regional Office
Texas Commission on Environmental Quality
5425 Polk Street, Suite H
Houston, Texas 77023-1452

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. If the Respondent fails to comply with any of the Ordering Provisions in this Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, the Respondent's failure to comply is not a violation of this Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
7. 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.
8. 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.
9. 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.

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

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission


For the Executive Director

Date
8/10/2023


Date

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

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

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

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



Signature

7/12/2023

Date

Guy Hackwell

Name (Printed or typed)

CEO.

Title

Authorized Representative of
DEER PARK REFINING LIMITED PARTNERSHIP

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: 2023-0340-AIR-E
SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	DEER PARK REFINING LIMITED PARTNERSHIP
Payable Penalty Amount:	\$10,700
SEP Offset Amount:	\$5,350
Type of SEP:	Contribution to a Third-Party Pre-Approved SEP
Third-Party Administrator:	Houston Regional Monitoring Corporation
Project Name:	<i>Houston Area Air Monitoring Project</i>
Location of SEP:	Harris County

The Texas Commission on Environmental Quality (“TCEQ”) agrees to offset a portion of the administrative penalty amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project (“SEP”). The SEP Offset Amount is set forth above and such offset is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project Description

a. Project

The Respondent shall contribute the SEP Offset Amount to the Third-Party Administrator named above. The contribution will be to the **Houston Regional Monitoring Corporation** for the *Houston Area Air Monitoring Project* SEP. The contribution will be used in accordance with the SEP between the Third-Party Administrator and the TCEQ (the “Project”). Specifically, the SEP Offset Amount will be used to operate a network of ambient air monitoring stations that continuously measure and record concentrations of ambient air pollutants. This network includes the Houston Regional Monitor (“HRM”) 617 Wallisville Road site, the HRM 615 Lynchburg Ferry site, and the HRM 3 Haden Road site. The Third-Party Administrator shall use the SEP Offset Amount to report data from these three existing sites in the Houston Regional Monitoring Corporation ambient air quality monitoring network in the Houston-Galveston Air Quality Control Region No. 216. The SEP will be performed in accordance with all federal, state, and local environmental laws and regulations.

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.

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 provide TCEQ with near real-time access to high quality, short time resolution volatile organic compound, nitrogen oxide, ozone, and meteorological data sets that can be used to evaluate and track air pollution emission events as they occur, conduct source attribution studies, and to assess potential ambient community exposure to a limited number

of hazardous air pollutants. Data from the monitors can be used with data from other monitors to provide critical information that can be used to evaluate the effectiveness of current and proposed emission control strategies aimed at achieving compliance with the 8-hour ozone National Ambient Air Quality Standards. It also provides a key source of information that is essential to furthering our overall understanding of those emission sources that contribute to ambient community exposure to toxic air contaminants. Because the information is available in near real-time, it can be used to provide both agency staff and industry personnel with time critical information to investigate emission events in a timely fashion. Another key benefit is the ability to measure the change in the ambient air concentration of the individual target species and quantify control measure effectiveness. Data from these monitors will be publicly accessible through the TCEQ's website and will be used in evaluating air quality in the area, in ozone forecasts, and ozone warnings. Thus, the public will directly benefit by having access to the data and the forecasting and notification tools which can be used for public awareness.

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 contribution payable to **Houston Regional Monitoring Corporation SEP** and shall mail the contribution with a copy of the Agreed Order to:

Houston Regional Monitoring Corporation
c/o Christopher B. Amandes
Amandes PLLC
1800 Post Oak Boulevard, Suite 400
Houston, Texas 77056

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 Attachment A and in the attached 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.