

**Executive Summary – Enforcement Matter – Case No. 63970
Eastman Chemical Texas City, Inc.
RN100212620
Docket No. 2023-0598-AIR-E**

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

AIR

Small Business:

No

Location(s) Where Violation(s) Occurred:

Eastman Chemical Texas City, 201 Bay Street South, Texas City, Galveston County

Type of Operation:

Chemical manufacturing plant

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: \$7,800

Amount Deferred for Expedited Settlement: \$1,560

Total Paid to General Revenue: \$6,240

Total Due to General Revenue: \$0

Payment Plan: N/A

Compliance History Classifications:

Person/CN - Satisfactory

Site/RN - Satisfactory

Major Source: Yes

Statutory Limit Adjustment: N/A

Applicable Penalty Policy: January 2021

Investigation Information

Complaint Date(s): N/A

Complaint Information: N/A

Date(s) of Investigation: February 6, 2023 through March 6, 2023

Date(s) of NOE(s): April 28, 2023

**Executive Summary – Enforcement Matter – Case No. 63970
Eastman Chemical Texas City, Inc.
RN100212620
Docket No. 2023-0598-AIR-E**

Violation Information

Failed to submit the 40 CODE OF FEDERAL REGULATIONS (“CFR”) Part 63 Subpart H semiannual periodic report. Specifically, the 40 CFR Part 63 Subpart H semiannual periodic report for the April 1, 2021 through September 30, 2021 reporting period was due by October 30, 2021, but was not submitted until November 4, 2021 [30 TEX. ADMIN. CODE §§ 101.20(2), 113.130, 116.115(c), and 122.143(4), 40 CFR § 63.182(d)(1), New Source Review Permit No. 5260B, Special Conditions No. 5, Federal Operating Permit No. O1400, General Terms and Conditions and Special Terms and Conditions Nos. 1.A and 16, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

On November 4, 2021, the Respondent submitted the 40 CFR Part 63 Subpart H semiannual periodic report for the April 1, 2021 through September 30, 2021 reporting period.

Technical Requirements:

The Order will require the Respondent to:

- a. Within 30 days, implement measures and/or procedures designed to ensure that the 40 CFR Part 63 Subpart H semiannual periodic reports are submitted in a timely manner; and
- b. Within 45 days, submit written certification to demonstrate compliance with a.

Contact Information

TCEQ Attorney: N/A

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

Respondent: Andy Venables, Site Manager, Eastman Chemical Texas City, Inc., 201 Bay Street South, Texas City, Texas 77590

Respondent's Attorney: N/A



Penalty Calculation Worksheet (PCW)

Policy Revision 5 (January 28, 2021)

PCW Revision February 11, 2021

DATES	Assigned	2-May-2023	Screening	4-May-2023	EPA Due	
	PCW	25-May-2023				

RESPONDENT/FACILITY INFORMATION	
Respondent	Eastman Chemical Texas City, Inc.
Reg. Ent. Ref. No.	RN100212620
Facility/Site Region	12-Houston
Major/Minor Source	Major

CASE INFORMATION			
Enf./Case ID No.	63970	No. of Violations	1
Docket No.	2023-0598-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Johnnie Wu
		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	\$5,000
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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	56.0% Adjustment	Subtotals 2, 3, & 7	\$2,800
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Notes: Enhancement for six NOVs with dissimilar violations, one order containing a denial of liability, and one order without a denial of liability. 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: \$169
 Estimated Cost of Compliance: \$1,750
 *Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7	Final Subtotal	\$7,800
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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	\$7,800
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$7,800
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DEFERRAL	20.0%	Reduction Adjustment	-\$1,560
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Reduces the Final Assessed Penalty by the indicated percentage.

Notes: Deferral offered for expedited settlement.

PAYABLE PENALTY	\$6,240
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Screening Date 4-May-2023

Docket No. 2023-0598-AIR-E

PCW

Respondent Eastman Chemical Texas City, Inc.

Policy Revision 5 (January 28, 2021)

Case ID No. 63970

PCW Revision February 11, 2021

Reg. Ent. Reference No. RN100212620

Media Air

Enf. Coordinator Johnnie Wu

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Number	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action (<i>number of NOVs meeting criteria</i>)	0	0%
	Other written NOVs	6	12%
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	1	25%
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) 56%

>> 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 six NOVs with dissimilar violations, one order containing a denial of liability, and one order without a denial of liability. Reduction for one notice of intent to conduct an audit.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 56%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 56%

Screening Date 4-May-2023 **Docket No.** 2023-0598-AIR-E **PCW**
Respondent Eastman Chemical Texas City, Inc. *Policy Revision 5 (January 28, 2021)*
Case ID No. 63970 *PCW Revision February 11, 2021*
Reg. Ent. Reference No. RN100212620
Media Air
Enf. Coordinator Johnnie Wu

Violation Number

Rule Cite(s) 30 Tex. Admin. Code §§ 101.20(2), 113.130, 116.115(c), and 122.143(4), 40 Code of Federal Regulations ("CFR") § 63.182(d)(1), New Source Review Permit No. 5260B, Special Conditions No. 5, Federal Operating Permit No. O1400, General Terms and Conditions and Special Terms and Conditions Nos. 1.A and 16, and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to submit the 40 CFR Part 63 Subpart H semiannual periodic report. Specifically, the 40 CFR Part 63 Subpart H semiannual periodic report for the April 1, 2021 through September 30, 2021 reporting period was due by October 30, 2021, but was not submitted until November 4, 2021.

Base Penalty

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="0.0%"/>
	Potential	<input type="text"/>	<input type="text"/>	<input type="text"/>	

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
<input type="text"/>	<input checked="" type="text" value="x"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="20.0%"/>

Matrix Notes

100% of the rule requirements were not met.

Adjustment

Violation Events

Number of Violation Events Number of violation days

daily	<input type="text"/>
weekly	<input type="text"/>
monthly	<input type="text"/>
quarterly	<input type="text"/>
semiannual	<input type="text"/>
annual	<input type="text"/>
single event	<input checked="" type="text" value="x"/>

Violation Base Penalty

One single event is recommended.

Good Faith Efforts to Comply

Reduction

Before NOE/NOV NOE/NOV to EDRP/Settlement Offer

Extraordinary	<input type="text"/>	<input type="text"/>
Ordinary	<input type="text"/>	<input type="text"/>
N/A	<input checked="" type="text" value="x"/>	<input type="text"/>

Notes

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

Violation Subtotal

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount

Violation Final Penalty Total

This violation Final Assessed Penalty (adjusted for limits)

Economic Benefit Worksheet

Respondent Eastman Chemical Texas City, Inc.
Case ID No. 63970
Reg. Ent. Reference No. RN100212620
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	\$1,500	30-Oct-2021	1-Feb-2024	2.26	\$169	n/a	\$169
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$250	30-Oct-2021	4-Nov-2021	0.01	\$0	n/a	\$0

Notes for DELAYED costs

Estimated costs to submit the 40 CFR Part 63 Subpart H semiannual periodic report for the April 1, 2021 through September 30, 2021 reporting period (\$250) and to implement measures and/or procedures designed to ensure that the 40 CFR Part 63 Subpart H semiannual periodic reports are submitted in a timely manner (\$1,500). The Dates Required are the date the report was due and the Final Dates are the date of compliance and 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 \$1,750

TOTAL \$169



Compliance History Report

Compliance History Report for CN600126288, RN100212620, Rating Year 2022 which includes Compliance History (CH) components from September 1, 2017, through August 31, 2022.

Customer, Respondent, or Owner/Operator: CN600126288, Eastman Chemical Texas City, Inc. **Classification:** SATISFACTORY **Rating:** 1.38

Regulated Entity: RN100212620, EASTMAN CHEMICAL TEXAS CITY **Classification:** SATISFACTORY **Rating:** 1.38

Complexity Points: 32 **Repeat Violator:** NO

CH Group: 05 - Chemical Manufacturing

Location: 201 BAY STREET SOUTH, TEXAS CITY, GALVESTON COUNTY, TEXAS

TCEQ Region: REGION 12 - HOUSTON

ID Number(s):

AIR OPERATING PERMITS ACCOUNT NUMBER GB0060B
AIR OPERATING PERMITS PERMIT 1936
PUBLIC WATER SYSTEM/SUPPLY REGISTRATION 0840019
AIR NEW SOURCE PERMITS REGISTRATION 76074
AIR NEW SOURCE PERMITS REGISTRATION 70651
AIR NEW SOURCE PERMITS REGISTRATION 7703A
AIR NEW SOURCE PERMITS PERMIT 18742
AIR NEW SOURCE PERMITS REGISTRATION 23494
AIR NEW SOURCE PERMITS REGISTRATION 24458
AIR NEW SOURCE PERMITS REGISTRATION 34168
AIR NEW SOURCE PERMITS REGISTRATION 40705
AIR NEW SOURCE PERMITS REGISTRATION 40706
AIR NEW SOURCE PERMITS REGISTRATION 46213
AIR NEW SOURCE PERMITS REGISTRATION 49637
AIR NEW SOURCE PERMITS REGISTRATION 71704
AIR NEW SOURCE PERMITS REGISTRATION 74140
AIR NEW SOURCE PERMITS REGISTRATION 74346
AIR NEW SOURCE PERMITS REGISTRATION 73435
AIR NEW SOURCE PERMITS REGISTRATION 83998
AIR NEW SOURCE PERMITS REGISTRATION 85077
AIR NEW SOURCE PERMITS REGISTRATION 139957
AIR NEW SOURCE PERMITS REGISTRATION 111741
AIR NEW SOURCE PERMITS REGISTRATION 134001
AIR NEW SOURCE PERMITS REGISTRATION 136905
AIR NEW SOURCE PERMITS REGISTRATION 156790

STORMWATER PERMIT TXR05AK45
WASTEWATER PERMIT WQ0000575000
AIR EMISSIONS INVENTORY ACCOUNT NUMBER GB0060B
INDUSTRIAL AND HAZARDOUS WASTE SOLID WASTE REGISTRATION # (SWR) 30285
INDUSTRIAL AND HAZARDOUS WASTE PERMIT 50114
TAX RELIEF ID NUMBER 20061
TAX RELIEF ID NUMBER 18912

AIR OPERATING PERMITS PERMIT 1400
AIR OPERATING PERMITS PERMIT 1938
AIR NEW SOURCE PERMITS REGISTRATION 144537
AIR NEW SOURCE PERMITS ACCOUNT NUMBER GB0060B
AIR NEW SOURCE PERMITS AFS NUM 4816700010
AIR NEW SOURCE PERMITS PERMIT 5260B
AIR NEW SOURCE PERMITS PERMIT 22011
AIR NEW SOURCE PERMITS REGISTRATION 23495
AIR NEW SOURCE PERMITS REGISTRATION 32246
AIR NEW SOURCE PERMITS REGISTRATION 40209
AIR NEW SOURCE PERMITS REGISTRATION 40704
AIR NEW SOURCE PERMITS REGISTRATION 45863
AIR NEW SOURCE PERMITS REGISTRATION 48205
AIR NEW SOURCE PERMITS REGISTRATION 49811
AIR NEW SOURCE PERMITS REGISTRATION 72435
AIR NEW SOURCE PERMITS REGISTRATION 74288
AIR NEW SOURCE PERMITS REGISTRATION 77088
AIR NEW SOURCE PERMITS REGISTRATION 78327
AIR NEW SOURCE PERMITS REGISTRATION 84452
AIR NEW SOURCE PERMITS REGISTRATION 99202
AIR NEW SOURCE PERMITS REGISTRATION 137242
AIR NEW SOURCE PERMITS REGISTRATION 140728
AIR NEW SOURCE PERMITS REGISTRATION 111742
AIR NEW SOURCE PERMITS REGISTRATION 147395
IHW CORRECTIVE ACTION SOLID WASTE REGISTRATION # (SWR) 30285
STORMWATER PERMIT TXR1511CM
WASTEWATER EPA ID TX0005762
POLLUTION PREVENTION PLANNING ID NUMBER P00656
INDUSTRIAL AND HAZARDOUS WASTE EPA ID TXD008079527
INDUSTRIAL AND HAZARDOUS WASTE PERMIT 50144
TAX RELIEF ID NUMBER 20036
TAX RELIEF ID NUMBER 20616

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

Date Compliance History Report Prepared: May 04, 2023

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: May 04, 2018 to May 04, 2023

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

Name: Johnnie Wu

Phone: (512) 239-2524

Site and Owner/Operator History:

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

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

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

- 1 Effective Date: 02/04/2019 ADMINORDER 2017-1520-AIR-E (1660 Order-Agreed Order With Denial)
Classification: Major
Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(1)(F)(ii)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: O-1938 OP
Description: Failure to complete quarterly opacity observations for stationary vents. (Category A8)

- 2 Effective Date: 09/27/2022 ADMINORDER 2021-0791-PWS-E (Findings Order-Agreed Order Without Denial)
Classification: Moderate
Citation: 30 TAC Chapter 290, SubChapter F 290.115(f)(1)
5A THSC Chapter 341, SubChapter A 341.0315(c)
Description: TTHM LRAA MCL 2Q2021 - During the 2nd quarter of 2021 the system violated the maximum contaminant level for trihalomethanes with a LRAA of 0.087 mg/L at 201 Bay St S, Control RM-Restroom Woman (DBP2-01).
Classification: Moderate
Citation: 30 TAC Chapter 290, SubChapter F 290.115(f)(1)
5A THSC Chapter 341, SubChapter A 341.0315(c)
Description: TTHM LRAA MCL 1Q2021 - During the 1st quarter of 2021 the system violated the maximum contaminant level for trihalomethanes with a LRAA of 0.085 mg/L at 201 Bay St S, Control RM-Restroom Woman (DBP2-01).
Classification: Moderate
Citation: 30 TAC Chapter 290, SubChapter F 290.115(f)(1)
5A THSC Chapter 341, SubChapter A 341.0315(c)
Description: TTHM LRAA MCL 4Q2020 - During the 4th quarter of 2020 the system violated the maximum contaminant level for trihalomethanes with a LRAA of 0.086 mg/L at 201 Bay St S, Control RM-Restroom Womans (DBP2-01).

B. Criminal convictions:

N/A

C. Chronic excessive emissions events:

N/A

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

Item 1	May 18, 2018	(1500581)
Item 2	June 20, 2018	(1507698)
Item 3	June 26, 2018	(1435956)
Item 4	July 19, 2018	(1514015)
Item 5	August 13, 2018	(1482650)
Item 6	August 20, 2018	(1520077)
Item 7	August 22, 2018	(1507496)
Item 8	September 20, 2018	(1527242)
Item 9	October 19, 2018	(1533600)
Item 10	October 25, 2018	(1504383)
Item 11	November 19, 2018	(1541435)
Item 12	December 13, 2018	(1545219)
Item 13	January 17, 2019	(1559632)
Item 14	February 19, 2019	(1559630)
Item 15	February 26, 2019	(1545032)
Item 16	March 20, 2019	(1559631)
Item 17	April 18, 2019	(1571816)
Item 18	May 20, 2019	(1583241)
Item 19	June 19, 2019	(1583242)

Item 20	July 18, 2019	(1593129)
Item 21	August 01, 2019	(1580325)
Item 22	August 20, 2019	(1599475)
Item 23	September 20, 2019	(1606380)
Item 24	September 26, 2019	(1472140)
Item 25	October 18, 2019	(1613226)
Item 26	November 20, 2019	(1619040)
Item 27	December 09, 2019	(1604578)
Item 28	December 16, 2019	(1626392)
Item 29	January 20, 2020	(1634033)
Item 30	January 31, 2020	(1616730)
Item 31	February 19, 2020	(1640652)
Item 32	March 18, 2020	(1647172)
Item 33	April 20, 2020	(1653508)
Item 34	May 20, 2020	(1660094)
Item 35	June 18, 2020	(1666599)
Item 36	July 16, 2020	(1673556)
Item 37	August 20, 2020	(1664618)
Item 38	September 18, 2020	(1686900)
Item 39	October 20, 2020	(1693247)
Item 40	November 13, 2020	(1712431)
Item 41	December 20, 2020	(1712432)
Item 42	January 20, 2021	(1712433)
Item 43	February 20, 2021	(1725486)
Item 44	March 17, 2021	(1725487)
Item 45	April 20, 2021	(1725488)
Item 46	May 20, 2021	(1740051)
Item 47	June 17, 2021	(1747573)
Item 48	July 20, 2021	(1751696)
Item 49	August 20, 2021	(1757160)
Item 50	August 23, 2021	(1746858)
Item 51	September 01, 2021	(1709092)
Item 52	September 17, 2021	(1766240)
Item 53	October 20, 2021	(1776643)
Item 54	November 03, 2021	(1764283)
Item 55	November 18, 2021	(1783612)
Item 56	December 16, 2021	(1790636)
Item 57	January 12, 2022	(1798431)
Item 58	February 15, 2022	(1806306)
Item 59	March 18, 2022	(1813371)
Item 60	April 20, 2022	(1819943)
Item 61	May 19, 2022	(1828783)
Item 62	June 20, 2022	(1835073)
Item 63	July 20, 2022	(1842279)
Item 64	August 04, 2022	(1804119)
Item 65	November 18, 2022	(1869482)
Item 66	December 06, 2022	(1853675)
Item 67	December 19, 2022	(1875329)
Item 68	January 20, 2023	(1882151)
Item 69	February 17, 2023	(1889968)
Item 70	March 28, 2023	(1881453)

E. Written notices of violations (NOV) (CCEDS Inv. Track. No.):

A notice of violation represents a written allegation of a violation of a specific regulatory requirement from the commission to a regulated entity. A notice of violation is not a final enforcement action, nor proof that a violation has actually occurred.

1	Date:	07/31/2022	(1848413)		
	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: 08/31/2022 (1856209)
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: 09/30/2022 (1862567)
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: 11/16/2022 (1853330)
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 117, SubChapter B 117.310(f)
5C THSC Chapter 382 382.085(b)
Description: Failure to comply with rule prohibition on running diesel engines between 6:00 AM - 12:00 PM. (Category C7)
- 5 Date: 04/03/2023 (1866520)
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 335, SubChapter A 335.6(c)
50144 PERMIT
Description: Failure to update the Notice of Registration (NOR).
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
50144 PERMIT
Description: The permittee shall follow the inspection requirements established in Permit Table III.D. - Inspection Schedule.
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 335, SubChapter A 335.10(a)
40 CFR Chapter 262, SubChapter I, PT 262, SubPT B 262.20
Description: Failure to properly complete hazardous waste manifests.
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 335, SubChapter H 335.262(c)(1)
30 TAC Chapter 335, SubChapter H 335.262(c)(2)(F)
40 CFR Chapter 273, SubChapter I, PT 273, SubPT C 273.35(c)
Description: Failure to label or mark containers with the words "Universal Waste - Paint and Paint-Related Wastes" and the earliest date that the universal waste (UW) became a waste or was received.
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
50144 PERMIT
Description: Failure to identify the permitted waste management unit.
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 335, SubChapter C 335.69(a)(2)
30 TAC Chapter 335, SubChapter C 335.69(a)(3)
40 CFR Chapter 262, SubChapter I, PT 262, SubPT C 262.34(a)(2)
40 CFR Chapter 262, SubChapter I, PT 262, SubPT C 262.34(a)(3)
Description: Failure to label or mark each container with the words "Hazardous Waste" and the accumulation start date.
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 335, SubChapter F 335.179
30 TAC Chapter 37, SubChapter B 37.131
50144 PERMIT
Description: Failure to adjust the financial assurance with the current estimate of inflation.
- 6 Date: 04/27/2023 (1874112)
Self Report? NO Classification: Moderate
Citation: 1400 OP
18742 PERMIT
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)
Description: Failure to maintain Tank Vent Scrubber 50K501-2 (Unit ID: 50K501-2) volatile organic compound (VOC) control efficiency at no less than 99%. (Category B17)
Self Report? NO Classification: Moderate
Citation: 1400 OP
18742 PERMIT
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)

Description: Failure to maintain Acetic Acid Flare (Unit ID: 50Z501) minimum heating value above 270 British thermal units per standard cubic foot (Btu/scf). (Category B17)
Self Report? NO Classification: Moderate
Citation: 1400 OP
18742 PERMIT
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)
Description: Failure to operate Acetic Acid Flare (Unit ID: 50Z501) without visible emissions exceeding five (5) minutes in a consecutive two (2) hour period. (Category B13)

F. Environmental audits:

Notice of Intent Date: 11/28/2022 (1862335)
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
EASTMAN CHEMICAL TEXAS CITY,
INC.
RN100212620

§ BEFORE THE
§ TEXAS COMMISSION ON
§ ENVIRONMENTAL QUALITY

AGREED ORDER DOCKET NO. 2023-0598-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 Eastman Chemical Texas City, Inc. (the "Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent together stipulate that:

1. The Respondent owns and operates a chemical manufacturing plant located at 201 Bay Street South in Texas City, Galveston 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 \$7,800 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent paid \$6,240 of the penalty and \$1,560 is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Order. The deferred amount shall be waived only upon full compliance with all the terms and conditions contained in this Order. If the Respondent fails to timely and satisfactorily comply with any of the terms or requirements contained in this Order, the Executive Director may demand payment of all or part of the deferred penalty amount.
5. The Executive Director and the Respondent agree on a settlement of the matters alleged in this enforcement action, subject to final approval in accordance with 30 TEX. ADMIN. CODE § 70.10(a). Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.

6. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Order.
7. This Order represents the complete and fully integrated agreement of the parties. The provisions of this Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Order unenforceable, the remaining provisions shall be valid and enforceable.
8. This Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Order, whichever is later.
9. The Executive Director recognizes that on November 4, 2021, the Respondent submitted the 40 CODE OF FEDERAL REGULATIONS ("CFR") Part 63 Subpart H semiannual periodic report for the April 1, 2021 through September 30, 2021 reporting period.

II. ALLEGATIONS

During a record review for the Plant conducted from February 6, 2023 through March 6, 2023, an investigator documented that the Respondent failed to submit the 40 CFR Part 63 Subpart H semiannual periodic report, in violation of 30 TEX. ADMIN. CODE §§ 101.20(2), 113.130, 116.115(c), and 122.143(4), 40 CFR § 63.182(d)(1), New Source Review Permit No. 5260B, Special Conditions No. 5, Federal Operating Permit No. O1400, General Terms and Conditions and Special Terms and Conditions Nos. 1.A and 16, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the 40 CFR Part 63 Subpart H semiannual periodic report for the April 1, 2021 through September 30, 2021 reporting period was due by October 30, 2021, but was not submitted until November 4, 2021.

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: Eastman Chemical Texas City, Inc., Docket No. 2023-0598-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 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 ensure that the 40 CFR Part 63 Subpart H semiannual periodic reports are submitted in a timely manner.
- 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. 2.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
Houston, Texas 77023

and a copy to:

Air Program Manager
Air & Water Pollution Services
Galveston County Health District
P.O. Box 939
La Marque, Texas 77568

3. All relief not expressly granted in this Order is denied.
4. The duties and provisions imposed by this Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of this Order to personnel who maintain day-to-day control over the Plant operations referenced in this Order.
5. If the Respondent fails to comply with any of the Ordering Provisions in this Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, the Respondent's failure to comply is not a violation of this Order. The Respondent shall have the burden of establishing to the Executive

Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.

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

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

Date



For the Executive Director

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

6/29/23

Date

ANDY VENABLES

Name (Printed or typed)
Authorized Representative of
Eastman Chemical Texas City, Inc.

SITE MANAGER

Title

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

Instructions: Send the original, signed Order with penalty payment to the Financial Administration Division, Revenue Operations Section at the address in Ordering Provision 1 of this Order.