

Executive Summary – Enforcement Matter – Case No. 66551
INEOS US Chemicals Company
RN102536307
Docket No. 2024-1306-AIR-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

AIR

Small Business:

No

Location(s) Where Violation(s) Occurred:

Ineos US Chemicals, 2800 Farm-to-Market Road 519 East, 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: June 27, 2025

Comments Received: No

Penalty Information

Total Penalty Assessed: \$25,350

Amount Deferred for Expedited Settlement: \$5,070

Total Paid to General Revenue: \$10,140

Total Due to General Revenue: \$0

Payment Plan: N/A

Supplemental Environmental Project (“SEP”) Conditional Offset: \$10,140

Name of SEP: Texas City Independent School District (Third-Party Pre-Approved)

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: June 3, 2024 through June 7, 2024

Date(s) of NOE(s): July 31, 2024

Executive Summary – Enforcement Matter – Case No. 66551
INEOS US Chemicals Company
RN102536307
Docket No. 2024-1306-AIR-E

Violation Information

Failed to maintain the net heating value of the gas being combusted at 300 British thermal units per standard cubic foot ("Btu/scf") or greater if the flare is steam-assisted or air-assisted. Specifically, the net heating value of the gas being combusted by Flare M-302, Emissions Point Number ("EPN") FL-601, was less than 300 Btu/scf when the net heating value ranged from 212.14 Btu/scf to 298.43 Btu/scf for a total of 17 hours on 13 days, from February 11, 2021 to March 13, 2021 and from September 20, 2021 to October 10, 2021 [30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(c), and 122.143(4), 40 CODE OF FEDERAL REGULATIONS § 60.18(c)(3)(ii), New Source Review Permit No. 31936, Special Condition Nos. 3.A and 6.A, Federal Operating Permit No. O1513, General Terms and Conditions and Special Terms and Conditions Nos. 1.A and 20, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

By March 27, 2024, developed new Btu/scf targets that would mitigate the impact of higher inert flows to the flare, created a new alarm to tell operators to increase natural gas when nitrogen is greater than or equal to 70 percent, updated the nitrogen oxides and carbon monoxide rate alarms to not alarm during startup conditions, and eliminated additional conflicting process requirements during startup to ensure prompt action in response to abnormal Btu/scf values for Flare M-302, EPN FL-601.

Technical Requirements:

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

Contact Information

TCEQ Attorney: N/A

TCEQ Enforcement Coordinator: Caleb Martin, Enforcement Division, Enforcement Team 2, MC R-12, (512) 239-2091; Michael Parrish, Enforcement Division, MC 219, (512) 239-2548

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

SEP Third-Party Administrator: Texas City Independent School District SEP, Griffith, Moseley, Johnson & Associates, Inc., 2901 Turtle Creek Drive, Suite 445, Port Arthur, Texas 77642

Respondent: Julio Rodriguez, Site Director, INEOS US Chemicals Company, P.O. Box 1688, Texas City, Texas 77592

Respondent's Attorney: N/A



Penalty Calculation Worksheet (PCW)

Policy Revision 5 (January 28, 2021)

PCW Revision February 11, 2021

DATES	Assigned	7-Aug-2024	Screening	7-Aug-2024	EPA Due	
	PCW	3-Mar-2025				

RESPONDENT/FACILITY INFORMATION

Respondent	INEOS US Chemicals Company		
Reg. Ent. Ref. No.	RN102536307		
Facility/Site Region	12-Houston	Major/Minor Source	Major

CASE INFORMATION

Enf./Case ID No.	66551	No. of Violations	1
Docket No.	2024-1306-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Caleb 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	\$15,000
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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	94.0 %	Adjustment	Subtotals 2, 3, & 7	\$14,100
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Notes

Enhancement for two NOV's with same/similar violations, three agreed orders containing a denial of liability, and one agreed 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	-\$3,750
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Economic Benefit	0.0 %	Enhancement*	Subtotal 6	\$0
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Total EB Amounts
Estimated Cost of Compliance

\$781
\$5,000

*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7	Final Subtotal	\$25,350
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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	\$25,350
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$25,350
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DEFERRAL	20.0 %	Reduction	Adjustment	-\$5,070
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Reduces the Final Assessed Penalty by the indicated percentage.

Notes

Deferral offered for expedited settlement.

PAYABLE PENALTY	\$20,280
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Screening Date	7-Aug-2024	Docket No.	2024-1306-AIR-E	PCW
Respondent	INEOS US Chemicals Company			Policy Revision 5 (January 28, 2021)
Case ID No.	66551			PCW Revision February 11, 2021
Reg. Ent. Reference No.	RN102536307			
Media	Air			
Enf. Coordinator	Caleb 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>)	2	10%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	3	60%
	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) 94%

>> 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 two NOVs with same/similar violations, three agreed orders containing a denial of liability, and one agreed 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) 94%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 94%

Screening Date	7-Aug-2024	Docket No.	2024-1306-AIR-E	PCW
Respondent	INEOS US Chemicals Company	Policy Revision 5 (January 28, 2021)		
Case ID No.	66551	PCW Revision February 11, 2021		
Reg. Ent. Reference No.	RN102536307			
Media	Air			
Enf. Coordinator	Caleb Martin			
Violation Number	1			
Rule Cite(s)	30 Tex. Admin. Code §§ 101.20(3), 116.115(c), and 122.143(4), 40 Code of Federal Regulations § 60.18(c)(3)(ii), New Source Review Permit No. 31936, Special Condition Nos. 3.A and 6.A, Federal Operating Permit No. O1513, General Terms and Conditions and Special Terms and Conditions Nos. 1.A and 20, and Tex. Health & Safety Code § 382.085(b)			
Violation Description	Failed to maintain the net heating value of the gas being combusted at 300 British thermal units per standard cubic foot ("Btu/scf") or greater if the flare is steam-assisted or air-assisted. Specifically, the net heating value of the gas being combusted by Flare M-302, Emissions Point Number ("EPN") FL-601, was less than 300 Btu/scf when the net heating value ranged from 212.14 Btu/scf to 298.43 Btu/scf for a total of 17 hours on 13 days, from February 11, 2021 to March 13, 2021 and from September 20, 2021 to October 10, 2021.			
		Base Penalty	\$25,000	
>> Environmental, Property and Human Health Matrix				
OR	Release	Major	Harm 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 this violation.			
Adjustment				\$17,500
				\$7,500
Violation Events				
Number of Violation Events		2	13	Number of violation days
	daily			
	weekly			
	monthly			
	quarterly	x		
	semiannual			
	annual			
	single event			
				Violation Base Penalty \$15,000
Two quarterly events are recommended for the instances of non-compliance that occurred from February 11, 2021 to March 13, 2021 and from September 20, 2021 to October 10, 2021.				
Good Faith Efforts to Comply		25.0%	Reduction	\$3,750
	Before NOE/NOV NOE/NOV to EDPRP/Settlement Offer			
	Extraordinary			
	Ordinary	x		
	N/A			
	Notes	The Respondent completed corrective measures on March 27, 2024, prior to the Notice of Enforcement dated July 31, 2024.		
Violation Subtotal				\$11,250
Economic Benefit (EB) for this violation		Statutory Limit Test		
Estimated EB Amount		\$781	Violation Final Penalty Total	\$25,350
This violation Final Assessed Penalty (adjusted for limits)				\$25,350

Economic Benefit Worksheet

Respondent INEOS US Chemicals Company
Case ID No. 66551
Reg. Ent. Reference No. RN102536307
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)	\$5,000	11-Feb-2021	27-Mar-2024	3.12	\$781	n/a	\$781

Notes for DELAYED costs

Estimated cost to develop new Btu/scf targets that would mitigate the impact of higher inert flows to the flare, create a new alarm to tell operators to increase natural gas when nitrogen is greater than or equal to 70 percent, update the nitrogen oxides and carbon monoxide rate alarms to not alarm during startup conditions, and eliminate additional conflicting process requirements during startup to ensure prompt action in response to abnormal Btu/scf values for Flare M-302, EPN FL-601. The Date Required is the first date of non-compliance and the Final Date is the date of compliance.

Avoided Costs

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance

\$5,000

TOTAL

\$781



Compliance History Report

Compliance History Report for CN600126775, RN102536307, Rating Year 2024 which includes Compliance History (CH) components from September 1, 2019, through August 31, 2024.

Customer, Respondent, or Owner/Operator: CN600126775, INEOS US Chemicals Company
Classification: SATISFACTORY **Rating:** 3.91

Regulated Entity: RN102536307, INEOS US CHEMICALS **Classification:** SATISFACTORY **Rating:** 8.09

Complexity Points: 26 **Repeat Violator:** NO

CH Group: 05 - Chemical Manufacturing

Location: 2800 FM 519 RD E, TEXAS CITY, GALVESTON COUNTY, TX

TCEQ Region: REGION 12 - HOUSTON

ID Number(s):

AIR OPERATING PERMITS ACCOUNT NUMBER GB0001R
AIR NEW SOURCE PERMITS PERMIT 31936
AIR NEW SOURCE PERMITS PERMIT 47273

AIR NEW SOURCE PERMITS PERMIT 1176
AIR NEW SOURCE PERMITS REGISTRATION 10070
AIR NEW SOURCE PERMITS REGISTRATION 11987
AIR NEW SOURCE PERMITS REGISTRATION 12225
AIR NEW SOURCE PERMITS EPA PERMIT PSDTX619
AIR NEW SOURCE PERMITS REGISTRATION 90000
AIR NEW SOURCE PERMITS EPA PERMIT PSDTX459M2
AIR NEW SOURCE PERMITS EPA PERMIT PSDTX782
AIR NEW SOURCE PERMITS EPA PERMIT PSDTX782M1
AIR NEW SOURCE PERMITS REGISTRATION 163395
AIR NEW SOURCE PERMITS REGISTRATION 167595
AIR NEW SOURCE PERMITS REGISTRATION 168039
AIR NEW SOURCE PERMITS REGISTRATION 150150
AIR NEW SOURCE PERMITS REGISTRATION 155479
AIR NEW SOURCE PERMITS REGISTRATION 156003
AIR NEW SOURCE PERMITS REGISTRATION 172085
IHW CORRECTIVE ACTION SOLID WASTE
REGISTRATION # (SWR) 30373
STORMWATER EPA ID TX0004766
WASTEWATER PERMIT TXG670297

POLLUTION PREVENTION PLANNING ID NUMBER
P00030
INDUSTRIAL AND HAZARDOUS WASTE SOLID WASTE
REGISTRATION # (SWR) 30373

AIR OPERATING PERMITS PERMIT 1513
AIR NEW SOURCE PERMITS REGISTRATION 47876
AIR NEW SOURCE PERMITS ACCOUNT NUMBER
GB0001R
AIR NEW SOURCE PERMITS PERMIT 6841
AIR NEW SOURCE PERMITS REGISTRATION 11911
AIR NEW SOURCE PERMITS REGISTRATION 12181
AIR NEW SOURCE PERMITS EPA PERMIT PSDTX459
AIR NEW SOURCE PERMITS AFS NUM 4816700002
AIR NEW SOURCE PERMITS REGISTRATION 89999
AIR NEW SOURCE PERMITS EPA PERMIT PSDTX984
AIR NEW SOURCE PERMITS REGISTRATION 83420
AIR NEW SOURCE PERMITS REGISTRATION 89998
AIR NEW SOURCE PERMITS REGISTRATION 161914
AIR NEW SOURCE PERMITS REGISTRATION 164509
AIR NEW SOURCE PERMITS REGISTRATION 170120
AIR NEW SOURCE PERMITS REGISTRATION 159609
AIR NEW SOURCE PERMITS REGISTRATION 159263
AIR NEW SOURCE PERMITS REGISTRATION 175474
WASTEWATER LICENSING LICENSE WQ0000452000
STORMWATER PERMIT WQ0000452000

STORMWATER PERMIT TXR05DY94
AIR EMISSIONS INVENTORY ACCOUNT NUMBER
GB0001R
INDUSTRIAL AND HAZARDOUS WASTE EPA ID
TXD005942438

Compliance History Period: September 01, 2019 to August 31, 2024 **Rating Year:** 2024 **Rating Date:** 09/01/2024

Date Compliance History Report Prepared: March 03, 2025

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: March 03, 2020 to March 03, 2025

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

Name: Caleb Martin

Phone: (512) 239-2091

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: 08/11/2021 ADMINORDER 2020-0304-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: FOP Special Term & Condition (ST&C) 20 OP
NSR Special Condition (SC) 1 PERMIT
Description: Failure to maintain tons per year emissions of NOx and CO within the limits of the Maximum Allowable Emissions Rate (MAER). (Category A8, Criterion 2)
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)
Rqmt Prov: FOP General Term & Condition OP
Description: Failure report all deviations. (Category B3)
- 2 Effective Date: 08/22/2023 ADMINORDER 2021-1563-AIR-E (Findings Order-Agreed Order Without Denial)
Classification: Major
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 116, SubChapter G 116.715(a)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: FOP 1513, GTC OP
FOP. STC No. 20 OP
Special Condition 1 PERMIT
Description: Failure to prevent unauthorized emissions .The Respondent released 16,390 pounds of Styrene as fugitive emissions, during an emissions event (Incident No. 339273) that began on July 17, 2020 and lasted 135 hours and 30 minutes. The emissions event occurred when the inhibitor in the styrene material in the railcar degraded, causing an exothermic polymerization reaction in the railcar which caused the railcar to heat up and build pressure, resulting in the release of the styrene monomer from
- 3 Effective Date: 06/26/2024 ADMINORDER 2023-0121-AIR-E (1660 Order-Agreed Order With Denial)
Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 116, SubChapter G 116.715(a)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: 1176 PERMIT
FOP 1513, GTC OP
FOP 1513, STC No. 20 OP
Description: Failed to prevent unauthorized emissions. Specifically, the Respondent released 117.34 pounds of volatile organic compounds as fugitive emissions, during an emissions event (Incident No. 387525) that occurred on September 15, 2022 and lasted two hours and 24 minutes. The emissions event occurred when corrosion in the Hot Flush header piping caused a pin hole leak 65 feet above the ground, resulting in the release to the atmosphere.
- 4 Effective Date: 07/16/2024 ADMINORDER 2024-0381-AIR-E (1660 Order-Agreed Order With Denial)
Classification: Moderate
Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
30 TAC Chapter 122, SubChapter B 122.146(1)
30 TAC Chapter 122, SubChapter B 122.146(2)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: FOP No. 1513, GTC OP
FOP, Special Term and Condition 25 OP
Description: Failed to certify compliance with the terms and conditions of the permit for at least each 12-month

period following initial permit issuance and failed to submit a permit compliance certification ("PCC") within 30 days of any certification period. Specifically, the PCC for the July 1, 2022 through December 31, 2022 certification period was due by January 30, 2023, but was not submitted.

B. Criminal convictions:

N/A

C. Chronic excessive emissions events:

N/A

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

Item 1	March 11, 2020	(1647155)
Item 2	April 03, 2020	(1653491)
Item 3	May 11, 2020	(1660077)
Item 4	June 11, 2020	(1666582)
Item 5	July 14, 2020	(1673539)
Item 6	August 17, 2020	(1680314)
Item 7	September 14, 2020	(1686883)
Item 8	October 20, 2020	(1693229)
Item 9	October 21, 2020	(1696402)
Item 10	November 16, 2020	(1712380)
Item 11	December 18, 2020	(1712381)
Item 12	January 20, 2021	(1712382)
Item 13	February 18, 2021	(1725435)
Item 14	March 17, 2021	(1725436)
Item 15	April 19, 2021	(1734952)
Item 16	April 20, 2021	(1725437)
Item 17	May 19, 2021	(1744826)
Item 18	May 20, 2021	(1740029)
Item 19	May 28, 2021	(1724249)
Item 20	June 18, 2021	(1725011)
Item 21	June 21, 2021	(1747561)
Item 22	July 20, 2021	(1751679)
Item 23	August 20, 2021	(1757143)
Item 24	September 20, 2021	(1766223)
Item 25	September 27, 2021	(1683724)
Item 26	October 21, 2021	(1776626)
Item 27	November 19, 2021	(1783595)
Item 28	January 19, 2022	(1790619)
Item 29	February 09, 2022	(1806289)
Item 30	March 18, 2022	(1813354)
Item 31	April 19, 2022	(1819926)
Item 32	April 21, 2022	(1783377)
Item 33	May 16, 2022	(1828766)
Item 34	June 15, 2022	(1835056)
Item 35	July 19, 2022	(1842262)
Item 36	August 18, 2022	(1848396)
Item 37	September 19, 2022	(1856192)
Item 38	October 18, 2022	(1862550)
Item 39	November 21, 2022	(1869465)
Item 40	December 19, 2022	(1875312)
Item 41	January 19, 2023	(1882134)
Item 42	February 20, 2023	(1889951)
Item 43	March 07, 2023	(1894030)
Item 44	March 21, 2023	(1898508)
Item 45	April 20, 2023	(1905297)
Item 46	May 17, 2023	(1912482)
Item 47	June 19, 2023	(1919082)
Item 48	July 18, 2023	(1926047)
Item 49	August 21, 2023	(1933012)

Item 50	September 19, 2023	(1939146)
Item 51	October 04, 2023	(1931925)
Item 52	October 19, 2023	(1945998)
Item 53	November 20, 2023	(1951690)
Item 54	December 20, 2023	(1961452)
Item 55	January 17, 2024	(1968048)
Item 56	February 12, 2024	(1971846)
Item 57	February 13, 2024	(1977111)
Item 58	March 20, 2024	(1983676)
Item 59	April 18, 2024	(1990206)
Item 60	May 20, 2024	(1996663)
Item 61	June 20, 2024	(2003613)
Item 62	July 18, 2024	(2011167)
Item 63	August 12, 2024	(2007311)
Item 64	August 20, 2024	(2016771)
Item 65	September 17, 2024	(2023788)
Item 66	October 18, 2024	(2029912)
Item 67	November 13, 2024	(2036233)
Item 68	December 17, 2024	(2042344)

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: 07/31/2024 (1989833)
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
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)
Special Condition 5A PERMIT
Special Terms and Conditions 1A and 24A OP
Description: Failure to maintain the net heating value above the minimum permitted limit
for the PX-2 Flare (EPN: FL-401). (Category B17)
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)
Special Conditions 3A and 6A PERMIT
Special Terms and Conditions 1A and 20 OP
Description: Failure to maintain the net heating value above the minimum permitted limit
for the Flare M-302 (EPN: FL-601). (Category B17)

- 2 Date: 10/31/2024 (2008179)
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)
Special Condition 7C PERMIT
Special Term and Condition 15 OP
Description: Failure to conduct weekly total dissolved solid (TDS) sampling for PX-2
Cooling Tower (EPN: CT-451). (Category B1)
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)
5C THSC Chapter 382 382.085(b)
Special Condition 5A PERMIT
Special Term and Condition 15 OP
Special Term and Condition 1A OP
Description: Failure to maintain minimum net heating value for PX-1 Flare (EPN: FL-201).
(Category B18(g)(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)
 5C THSC Chapter 382 382.085(b)
 Special Condition 5A PERMIT
 Special Term and Condition 15 OP
 Special Term and Condition 1A OP
 Description: Failure to maintain minimum net heating value for PX-2 Flare (EPN: FL-401).
 (Category B18(g)(1))
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT ZZZZ 63.6602
 5C THSC Chapter 382 382.085(b)
 Special Term and Condition 1A OP
 Description: Failure to conduct required maintenance and inspections for Firewater Pump
 Engine P-1302 (EPN: FWPUMP1302). (Category B1)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT ZZZZ 63.6602
 5C THSC Chapter 382 382.085(b)
 Special Term and Condition 1A OP
 Description: Failure to conduct required maintenance and inspections for Firewater Pump
 Engine P-216B (EPNs: P-216B). (Category B1)
 Self Report? NO Classification: Minor
 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 OP
 Description: Failure to report all deviation for the reporting period of July 1, 2023 through
 December 31, 2023. (Category B3)

F. Environmental audits:

Notice of Intent Date: 04/30/2020 (1652578)
 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
INEOS US CHEMICALS COMPANY
RN102536307

§ BEFORE THE
§
§ TEXAS COMMISSION ON
§
§ ENVIRONMENTAL QUALITY

AGREED ORDER DOCKET NO. 2024-1306-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 INEOS US Chemicals Company (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 2800 Farm-to-Market Road 519 East 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 \$25,350 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent paid \$10,140 of the penalty and \$5,070 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.

Pursuant to TEX. WATER CODE § 7.067, \$10,140 of the penalty shall be conditionally offset by the Respondent's timely and satisfactory completion of a Supplement Environmental Project ("SEP") as defined in the attached SEP Agreement ("Attachment A" incorporated herein by reference). The Respondent's obligation to pay the conditionally offset portion of the penalty shall be discharged upon full compliance with all the terms and

conditions of this Order, which includes the timely and satisfactory completion of all provisions of the SEP Agreement, as determined by the Executive Director.

5. The Executive Director and the Respondent agree on a settlement of the matters alleged in this enforcement action, subject to final approval in accordance with 30 TEX. ADMIN. CODE § 70.10(a). Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
6. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Order.
7. This Order represents the complete and fully integrated agreement of the parties. The provisions of this Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Order unenforceable, the remaining provisions shall be valid and enforceable.
8. This Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Order, whichever is later.
9. The Executive Director recognizes that the Respondent by March 27, 2024, developed new British thermal units per standard cubic foot ("Btu/scf") targets that would mitigate the impact of higher inert flows to the flare, created a new alarm to tell operators to increase natural gas when nitrogen is greater than or equal to 70 percent, updated the nitrogen oxides and carbon monoxide rate alarms to not alarm during startup conditions, and eliminated additional conflicting process requirements during startup to ensure prompt action in response to abnormal Btu/scf values for Flare M-302, Emissions Point Number ("EPN") FL-601.

II. ALLEGATIONS

During a record review for the Plant conducted from June 3, 2024 through June 7, 2024, an investigator documented that the Respondent failed to maintain the net heating value of the gas being combusted at 300 Btu/scf or greater if the flare is steam-assisted or air-assisted, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(c), and 122.143(4), 40 CODE OF FEDERAL REGULATIONS § 60.18(c)(3)(ii), New Source Review Permit No. 31936, Special Condition Nos. 3.A and 6.A, Federal Operating Permit No. O1513, General Terms and Conditions and Special Terms and Conditions Nos. 1.A and 20, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the net heating value of the gas being combusted by Flare M-302, EPN FL-601, was less than 300 Btu/scf when the net heating value ranged from 212.14 Btu/scf to 298.43 Btu/scf for a total of 17 hours on 13 days, from February 11, 2021 to March 13, 2021 and from September 20, 2021 to October 10, 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: INEOS US Chemicals Company, Docket No. 2024-1306-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 \$10,140 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 Executive Director demands payment.
3. All relief not expressly granted in this Order is denied.
4. The duties and provisions imposed by this Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of this Order to personnel who maintain day-to-day control over the Plant 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 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.
6. 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.
7. 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.

8. 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

Krista Mello-Jurack

08/08/2025

For the Executive Director

Date

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

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

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

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

Signature

Date

Julio A. Rodriguez

4/17/25

Site Director

Name (Printed or typed)
Authorized Representative of
INEOS US Chemicals Company

Title

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

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

Attachment A
Docket Number: 2024-1306-AIR-E
SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	INEOS US Chemical Company
Payable Penalty Amount:	\$20,280
SEP Offset Amount:	\$10,140
Type of SEP:	Contribution to a Third-Party Pre-Approved SEP
Third-Party Administrator:	Texas City Independent School District
Project Name:	<i>TCISD Alternative Fuel School Bus Program</i>
Location of SEP:	Texas Air Quality Control Region 216: Houston-Galveston

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

1. Project Description

a. Project

The Respondent shall contribute the SEP Offset Amount to the Third-Party Administrator named above. The contribution will be to the **Texas City Independent School District** for the *TCISD Alternative Fuel School Bus Program* project. 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 purchase lower-emission propane fueled school buses that are model year 2010 or newer (“Replacement Bus(es)”) to replace buses currently in the fleet that are model year 2006 or older (“Older Bus(es)”). The Older Buses will then be decommissioned, thus permanently removing them from the roads. The SEP Offset Amount shall only be used for the purchase of a base model propane fueled Replacement Bus. The Third-Party Administrator shall own and operate each Replacement Bus for at least five years following the date of purchase.

The Third-Party Administrator shall give preference to replacing the oldest, most polluting buses within its fleet. Only Older Buses that are currently in regular use, driven on a regular route on a weekly basis for at least the past two years are eligible for replacement.

The Third-Party Administrator shall ensure that each Replacement Bus purchased has an engine that meets the Environmental Protection Agency’s 2010 emissions standards. Additionally, all Older Buses that are replaced shall be fully decommissioned as required in the SEP Vehicle Disposition Form. All funds received for the scrap value of the Older Bus shall be deposited into the SEP Account and become part of the SEP. The SEP will be done in accordance with all federal, state, and local environmental laws and regulations.

All dollars contributed will be used solely for the direct cost of 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 the Respondent 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 from this SEP.

b. Environmental Benefit

The Project will directly benefit air quality in Third-Party Administrator's region by reducing harmful exhaust emissions from older school buses by replacing them with lower-emission propane buses. Older school bus engines emit greater amounts of harmful pollutants such as nitrous oxides, particulate matter, volatile organic compounds, and carbon monoxide than newer, lower-emission buses. These pollutants contribute to the formation of ground level ozone which damages vegetation and ecosystems and may cause or exacerbate a number of respiratory diseases, including asthma, especially in children.

c. Minimum Expenditure

The Respondent shall contribute at least the SEP Offset Amount to the Third-Party Administrator and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Offset Amount to the Third-Party Administrator. The Respondent shall make the check payable to **Texas City Independent School District SEP** and shall mail the contribution with a copy of the Agreed Order to:

Texas City Independent School District SEP
Megan Gallien, Chief Financial Officer
Griffith, Moseley, Johnson & Associates, Inc.
2901 Turtle Creek Drive, Suite 445
Port Arthur, Texas 77642

3. Records and Reporting

Concurrent with the payment of the SEP Offset Amount, the Respondent shall provide the Enforcement SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Offset Amount 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 and/or project, 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.