From:	Randy Ammons
To:	
Cc:	OCE; Ramiro Garcia
Subject:	RE: Request from OXEA; RN105195655
Date:	Friday, March 27, 2020 12:03:16 PM

Good afternoon Mr. Meek,

Thank you for providing a thorough description of the circumstances related OXEA's enforcement discretion needs. We have reviewed and approved the enforcement discretion request for the non-compliances associated with tank V-5274 at OXEA's Bay City Plant, as described in your March 26, 2020 email. You indicate that the expected duration of the delayed tank repair is through August 9, 2020, but given the unknown timeframe of the pandemic and the critical need for the n-propanol to produce hand sanitizer, OXEA may need more time. The TCEQ supports OXEA's important role in producing hand sanitizer to respond to the COVID-19 pandemic. If additional time is needed, please let us know.

As stated in your email, OXEA needs to maintain records adequate to document efforts to repair Tank V-5274.

The TCEQ will revisit this issue as conditions change.

Regards,

Randy J. Ammons, Area Director North Central and West Texas Area Texas Commission on Environmental Quality

From: Meek, Brian N., Oxea/US <
Sent: Thursday, March 26, 2020 4:43 PM
To: Ramiro Garcia <ramiro.garcia@tceq.texas.gov>
Cc: OCE <OCE@tceq.texas.gov>
Subject: Request from OXEA; RN105195655

Mr. Garcia

By this email, OXEA Chemicals (OXEA) is requesting enforcement discretion for noncompliance at its Bay City Plant. OXEA has taken, and will take, all appropriate, available actions to try to avoid such non-compliance, but OXEA knows that such noncompliance will be unavoidable directly due to the COVID-19 situation.

More specifically, on February 24, 2020, OXEA determined that one of its large internal floating roof (IFR) tanks (V-5274) that stores n-propanol needs repair because one of the tank's vent sleeves is dislodged and that prevents a seal on the tank's mounting port. That determination triggered the requirement for OXEA to repair the tank within 45 days under

40 CFR §60.113b(a)(2) and within 60 days under 30 TAC §115.114(c)(1)(a) and Special Condition 7.B of Permit No. 118403/PSDTX1400. Accordingly, OXEA is required to repair the tank no later than April 9, 2020.

OXEA has calculated the n-propanol emissions due to the leak from the tank's seal to be only about 16 pounds per day. That amount of n-propanol emissions is much less than the n-propanol reportable quantity (RQ) of 100 pounds per day.

Until the COVID-19 situation greatly expanded in the last few weeks, OXEA was on schedule to repair Tank V-5274 on or before the deadline of April 9, 2020. But, for the reasons discussed below, the COVID-19 situation will prevent OXEA from making that repair by that date. While OXEA will take all appropriate, available actions to repair Tank V-5274 as soon as possible, OXEA will be unable to make that repair until some unknown date in the future, which will be totally dependent on the COVID-19 situation, including how long it lasts.

For OXEA to be able to repair Tank V-5274, both the following conditions will have to be met: (i) a third party contractor will have to be able to come onto the Bay City Plant property to make the repair, and (ii) all of the n-propanol in the tank will have to be removed and the tank will have to be taken out of service for up to four weeks so the third party contractor can make the repair. However, for the following reasons, those conditions cannot be met until some unknown date in the future. First, due to the COVID-19 situation, no third party contractor will be allowed to come onto the Plant property for the foreseeable future (in fact, many of OXEA's employees are not allowed to come onto the Plant property). Second, taking Tank V-5274 out of service for up to four weeks so it can be repaired will cause significant problems throughout the U.S. and the rest of the world as long as there is a need for, and shortage of, hand sanitizing products to address the COVID-19 situation. That is due to the following reasons:

- Demand for n-propanol has increased dramatically recently, and by May, is expected to be almost four times higher than it was last December – the increased demand is due to n-propanol being a key ingredient in some hand sanitizing products, which are in great need for the fight against the spread of COVID-19, but are in short supply, and
- The Bay City Plant, which produces about 40% of the world's n-propanol, has no alternative place to store the n-propanol that will have to be removed from Tank V-5274 to allow its repair or the n-propanol that will be produced by the Plant while the tank is out of service for repair.

If OXEA was to be required to take Tank V-5274 out of service while there is such a significant demand for n-propanol due to the significant need for, and shortage of, hand sanitizing products to address the COVID-19 situation, that would almost certainly result in broad negative implications in the global fight against COVID-19.

While OXEA knows the duration for which it will need enforcement discretion will start on April 9, 2020 and will end when both the third party contractor is no longer prevented by the COVID-19 situation from coming onto the Plant property to repair Tank V-5274 <u>and</u> the need for hand sanitizing products to address the COVID-19 situation decreases enough that Tank V-5274 can be taken out of service for up to four weeks without causing an

unacceptable shortage of n-propanol, and, thus, hand sanitizing products, OXEA has no way to know when both of those conditions will be met. Accordingly, OXEA cannot quantify with any certainty the duration of the enforcement discretion it will need. However, OXEA's rough estimate is that it will need enforcement discretion for at least four months from April 9, 2020, i.e., until around August 9, 2020. In the event OXEA later determines it will need enforcement discretion beyond that date, OXEA will send a follow-up email to request that TCEQ extend the enforcement discretion to a later date.

OXEA will maintain records adequate to document its efforts to repair Tank V-5274.

OXEA appreciates TCEQ's consideration of this request for enforcement discretion. Please let me know if you have any questions or need additional information.

Brian Meek