

FILED

UNITED STATES
ENVIRONMENTAL PROTECTION AGENCY
REGION 6
DALLAS, TEXAS

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REGIONAL HEARING CLERK
EPA REGION 6

In the Matter of

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Blue Tide Baytown, LLC
Baytown, Texas

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Docket No. CAA-06-2026-3521

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Respondent

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ADMINISTRATIVE ORDER ON CONSENT

A. PRELIMINARY STATEMENT

1. This Administrative Compliance Order on Consent ("Order") is brought under Section 113(a) of the Clean Air Act (the "CAA" or the "Act"), 42 U.S.C. § 7413(a). Section 113(a)(3)(B) of the CAA authorizes the Administrator of the United States Environmental Protection Agency to issue an order requiring compliance to any person the Administrator finds to have violated, or is in violation of the CAA, which includes, among other things, the requirements of Section 112(r) of the CAA, 42 U.S.C. § 7412(r).

2. Complainant is the United States Environmental Protection Agency, Region 6 ("EPA"). On EPA's behalf, the Director of the Enforcement and Compliance Assurance Division, EPA Region 6 has been delegated the authority to settle civil administrative penalty and compliance proceedings under Section 113(a) of the Act, 42 U.S.C. § 7413(a).

3. Blue Tide Baytown, LLC ("Blue Tide" or "Respondent") is a limited liability company doing business in the State of Texas. Respondent is a "person" as defined in Section 302(e) of the Act, 42 U.S.C. § 7602(e).

4. Complainant and Respondent have agreed to voluntarily enter into this Order for the purposes of carrying out the goals of Section 112(r) of the Clean Air Act ("CAA"), 42 U.S.C. § 7412(r).

B. JURISDICTION

5. This Order is entered into pursuant to Section 113(a)(3)(B) of the CAA, 42 U.S.C. § 7413(a)(3)(B) for the alleged violation of Section 112(r) of the CAA, 42 U.S.C. § 7412(r).

6. Section 113(a)(3)(B) of the CAA, 42 U.S.C. § 7413(a)(3)(B), provides that whenever, on the basis of any information available to the Administrator, the Administrator finds that any person has violated, or is in violation of, any other requirement or prohibition of Subchapter I of the CAA, which includes, among other things, the requirements of Section 112(r) of the CAA, 42 U.S.C. § 7412(r), and the regulations promulgated thereunder, the Administrator may issue an order requiring compliance with such requirement or prohibition.

7. On August 18, 2025, EPA issued Respondent a Notice letter, providing notice to Respondent that EPA found Respondent committed the alleged violations described in Section E of this Order and providing Respondent an opportunity to confer with EPA. On September 5, 2025, representatives of Respondent and EPA conferred regarding the August 18, 2025, Notice letter.

C. STATUTORY AND REGULATORY BACKGROUND

Clean Air Act, Section 112(r)

8. The objective of Section 112(r)(1) of the Act, 42 U.S.C. § 7412(r)(1), is to prevent the accidental release and to minimize the consequences of any such release of any substance listed pursuant to Section 112(r)(3) of the CAA, 42 U.S.C. § 7412(r)(3), or any other extremely hazardous substance.

9. Section 112(r)(3) of the CAA, 42 U.S.C. § 7412(r)(3), requires the Administrator to promulgate, not later than 24 months after November 15, 1990, a list of regulated substances which, in the case of an accidental release, are known to cause or may reasonably be anticipated to cause death, injury, or serious adverse effects to human health or the environment.

10. Pursuant to Section 112(r)(3) of the Act, 42 U.S.C. § 7412(r)(3), the Administrator initially promulgated a list of regulated substances, with threshold quantities for applicability, at 59 Fed. Reg. 4478 (January 31, 1994), which is codified, as amended, at 40 C.F.R. § 68.130.

General Duty Clause

11. Pursuant to Section 112(r)(1) of the CAA, 42 U.S.C. § 7412(r)(1), commonly referred to as the “General Duty Clause,” owners and operators of stationary sources producing, processing, handling or storing substances listed pursuant to Section 112(r)(3) of the CAA, 42 U.S.C. § 7412(r)(3), or any other extremely hazardous substance, have a general duty, in the same manner and the same extent as the Occupational Safety and Health Act (OSHA), 29 U.S.C. § 654 *et. seq.*, to (a) identify hazards which may result from accidental releases of such substances, using appropriate hazard assessment techniques; (b) design and maintain a safe

facility, taking such steps as are necessary to prevent releases; and (c) minimize the consequences of accidental releases which do occur.

Definitions

12. Section 302(e) of the CAA, 42 U.S.C. § 7602(e), defines “person” to include any individual, corporation, partnership, association, State, municipality, political subdivision of a State, and any agency department, or instrumentality of the United States and any officer, agent, or employee thereof.

13. Section 112(r)(2)(A) of the CAA, 42 U.S.C. § 7412(r)(2)(A), defines “accidental release” as an unanticipated emission of a regulated substance or other extremely hazardous substance into the ambient air from a stationary source.

14. Section 112(r)(2)(C) of the CAA, 42 U.S.C. § 7412(r)(2)(C), defines “stationary source,” in part, as any buildings, structures, equipment, installations or substance-emitting stationary activities which belong to the same industrial group, which are located on one or more contiguous properties, which are under the control of the same person (or persons under common control), and from which an accidental release may occur.

15. Section 112(r)(2)(B) of the CAA, 42 U.S.C. § 7412(r)(2)(B), defines “regulated substance” as any substance listed pursuant to Section 112(r)(3) of the CAA.

16. The term “extremely hazardous substance” means an extremely hazardous substance within the meaning of Section 112(r)(1) of the CAA, 42 U.S.C. § 7412(r)(1). Such substances include any chemical which may, as a result of short-term exposures associated with releases to the air, cause death, injury, or property damage due to its toxicity, reactivity,

flammability, or corrosivity.¹ The term includes, but is not limited to, regulated substances listed in Section 112(r)(3), 42 U.S.C. § 7412(r)(3), and 40 C.F.R. 68.130. Also, the release of any substance that causes death or serious injury because of its acute toxic effect or as a result of an explosion or fire or that causes substantial property damage by blast, fire, corrosion, or other reaction would create a presumption that such substance is extremely hazardous.²

D. FINDINGS OF FACT AND CONCLUSIONS OF LAW

17. Respondent is, and at all times referred to herein was, a “person” as defined by Section 302(e) of the CAA, 42 U.S.C. § 7602(e).

18. Respondent is the owner and operator of a refinery located at 6651 West Bay Road, Baytown, Texas 77523 (the “Facility”).

19. On January 29, 2025, there was an accidental release (the “Incident”) of hydrogen from a nitrogen hose line. Respondent took the following actions after the Incident occurred: (i) on January 29, 2025, Respondent conducted a safety stand down at the Facility immediately after the Incident; (ii) on January 29, 2025, Respondent updated the Unit Startup checklist to include inspecting the pipeline outside of battery limits (including the location where the nitrogen hose is connected) prior to starting the flow of hydrogen into the pipeline to ensure no temporary hoses are left connected to process piping; (iii) Respondent conducted camlock and hose safety training in July and August 2025 for all Facility personnel that included updated procedures; (iv) Respondent completed piping modifications in December 2025 to ensure that check valves are used to connect utilities to process piping to prevent recurrence of

¹ Senate Committee on Environment and Public Works, Clean Air Act Amendments of 1989, Sen. Report No. 228, 101st Congress, 1st Session 211 (1989).

² *Id.*

the Incident; and (v) Respondent in December 2025 implemented a new Operations Procedure for use at the Facility any time a utility hose is connected to a process line. On May 9, 2025, Respondent provided, documentation and information concerning the Incident and Respondent's compliance with Section 112(r) of the CAA, 42 U.S.C. § 7412(r), and 40 C.F.R. Part 68.

20. On August 18, 2025, EPA sent Respondent a Notice letter. On September 5, 2025, and on various other occasions, EPA conferred with Respondent regarding the violations alleged herein and provided an opportunity for Respondent to submit additional information or materials. EPA responded to the documentation and information received from Respondent as a result of the opportunity to confer and articulated EPA's position concerning Respondent's compliance with Section 112(r) of the CAA, 42 U.S.C. § 7412(r).

21. The Facility is a "stationary source" pursuant to Section 112(r)(2)(C) of the CAA, 42 U.S.C. § 7412(r)(2)(C).

22. Respondent operates a hydrotreater system at the Facility. The hydrotreater uses hydrogen to remove sulfur and nitrogen compounds from its feedstock and for hydrocarbon saturation. As a result, Respondent processes, handles, and stores (limited to piping volume, no storage) hydrogen at the Facility.

23. Hydrogen is a substance listed pursuant to Section 112(r)(3) of the CAA, 42 U.S.C. § 7412(r)(3), in 40 C.F.R. § 68.130.

24. From the time Respondent first produced, processed, handled, or stored the listed substance at the Facility, Respondent was subject to the requirements of the General Duty Clause in Section 112(r)(1) of the CAA, 42 U.S.C. § 7412(r)(1).

25. Based upon the information gathered during the Investigation, EPA determined that Respondent violated certain provisions of the CAA.

26. EPA and Respondent entered into a Consent Agreement and Final Order, Docket No. CAA-06-2026-3521 to resolve Respondent's liability for federal civil penalties for the alleged violation in this Order.

E. ALLEGED VIOLATIONS

27. The facts stated in EPA Findings of Fact and Conclusions of Law above are herein incorporated.

28. Complainant hereby states and alleges that Respondent has violated the CAA and federal regulations promulgated thereunder as stated below.

Count 1 – General Duty Clause

29. Section 112(r)(1) of the CAA, 42 U.S.C. § 7412(r)(1), the Prevention of Accidental Releases, states that the owners and operators of stationary sources producing, processing, handling or storing such substances have a general duty in the same manner and to the same extent as section 654 of title 29, to design and maintain a safe facility taking such steps as are necessary to prevent releases.

30. EPA alleges that Respondent failed to fully design and maintain a safe facility taking such steps as necessary to prevent releases. Specifically, EPA alleges that Respondent failed to recognize, evaluate, and address the hazards and consequences of using a nitrogen hose line for the repair for the hydrogen line: (1) The nitrogen hose used for the repair was inadvertently left attached to the hydrogen line and the bleed valve used to purge the hydrogen line was left open; and (2) the nitrogen hose line was only rated for 300 pound per square inch

(psi) and the hydrogen line had 780 psi pressure. When the hydrogen line was opened to system pressure, the hydrogen pressure blew the nitrogen hose line at a coupling, causing that line to disconnect at one end, which then ignited the hydrogen contained in the hydrogen line that had been isolated via static electricity.

31. EPA alleges that Respondent's failure to design and maintain a safe facility taking such steps as are necessary to prevent releases is a violation of the General Duty Clause, at Section 112(r)(1) of the CAA, 42 U.S.C. § 7412(r)(1).

F. ORDER FOR COMPLIANCE

Compliance Actions

32. Based on the EPA Findings of Fact and Conclusions of Law and the Alleged Violations set forth above, and pursuant to the authority of Section 113(a)(3)(B) of the CAA, 42 U.S.C. § 7413(a)(3)(B), as amended, Respondent is hereby ORDERED and agrees to comply with the requirements of Section 112(r) of the CAA, 42 U.S.C. § 7412(r). Specifically, EPA and Respondent agree that Respondent shall, as expeditiously as possible, but in no event later than 60 days from Effective Date of this Order, complete the following actions (Compliance Actions):

- a. Submit a completion report, with supporting documentation, of any corrective actions implemented pursuant to the violations identified in Section E of this Order, including the corrective actions identified in Paragraph 19; and
- b. Execute a certification statement of compliance with the General Duty Clause.

33. EPA reserves the right to pursue enforcement of any violations identified as a result of Paragraph 31 (Compliance Actions).

Submissions

34. Respondent must provide documentation of completion of the compliance actions described above ("Completion Report") to EPA within 60 days of the Effective Date of this Order. All documentation shall be submitted as set forth in this sub-section.

35. All submissions to EPA required, by this Order, shall contain the following certification signed by an authorized representative of Respondent:

I certify under penalty of law that I have examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment.

36. All submissions to EPA required by this Order shall be sent by electronic mail to:

Carlos Flores
flores.carlos@epa.gov

37. All documents submitted by Respondent to EPA in the course of implementing this Order shall be available to the public unless identified and determined to be confidential business information pursuant 40 C.F.R. Part 2, Subpart B.

Additional Terms

38. By signing this Order, Respondent acknowledges that this Order will be available to the public and agrees that this Order does not contain any confidential business information.

39. By entering into this Order, Respondent (1) consents to and agrees not to contest EPA's authority or jurisdiction to issue or enforce this Order, (2) agrees to undertake all actions required by the terms and conditions of this Order, (3) consents to service by email at the following valid email addresses: roland.alexandrea@epa.gov (for EPA) and

ramon.ramos@bluetide.com (for Respondent), and (4) consents to be bound by the requirements set forth herein.

40. Respondent waives any and all remedies, claims for relief, and otherwise available rights to judicial or administrative review that Respondent may have with respect to any issue of fact or law set forth in this Order, including, but not limited to, any right of judicial review of this Order under Section 307(b)(1) of the CAA, 42 U.S.C. § 7607(b)(1), or under the Administrative Procedure Act, 5 U.S.C. §§ 701-706.

G. GENERAL PROVISIONS

41. Respondent neither admits nor denies any of the factual or legal determinations made by EPA in this Order.

42. The provisions of this Order shall apply and be binding upon Respondent and its agents, officers, directors, employees, trustees, authorized representatives, successors, and assigns. Respondent shall ensure that any agents, officers, directors, employees, contractors, consultants, firms or other persons or entities acting under or for Respondent with respect to matters included herein comply with the terms of this Order. From the Effective Date until termination of this Order, Respondent must give written notice and a copy of this Order to any successors of interest prior to any transfer of ownership or control of any portion or interest in the Facility. Simultaneously with such notice, Respondent shall provide written notice of such transfer, assignment, or delegation to EPA. In the event of such transfer, assignment, or delegation, Respondent shall not be released from the obligations or liabilities of this Order unless EPA has provided written approval of the release of said obligations or liabilities.

43. This Order does not resolve any civil or criminal claims for violations alleged in this Order. In accordance with Section 113(a)(4) of the CAA, 42 U.S.C. § 7413(a)(4), issuance of this Order does not preclude EPA from assessing penalties, obtaining injunctive relief, or taking any other action authorized under the CAA, or other applicable federal laws or regulation. This Order does not affect the obligation of Respondent to comply with all federal, state, and local statutes, regulations, and permits.

44. Nothing herein shall be construed to limit the power of the EPA to undertake any action against Respondent or any person in response to conditions that may present an imminent and substantial endangerment to public health, welfare, or the environment.

45. Nothing in this Order shall limit EPA's right to obtain access to, and/or inspect the Facility, and/or to request additional information from Respondent pursuant to the authority of Section 114 of the CAA, 42 U.S.C. § 7414.

46. For purposes of the identification requirement in Section 162(f)(2)(A)(ii) of the Internal Revenue Code, 26 U.S.C. § 162(f)(2)(A)(ii), and 26 C.F.R. § 162-21(b)(2), performance of Section F (Compliance Actions and Submissions) in this Order is restitution, remediation, or required to come into compliance with the law.

47. Respondent and the EPA agree to bear their respective costs and attorney fees. Respondent waives its right to seek reimbursement of their costs and attorney's fees under the Equal Access to Justice Act (5 U.S.C. § 504), as amended by the Small Business Regulatory Enforcement Fairness Act (P.L. 104-121), and any regulations promulgated thereunder.

48. By signing this Order, the undersigned representative of Respondent certifies that he or she is authorized to enter into the terms and conditions of this Order, and to execute and legally bind Respondent to this Order.

49. EPA and Respondent may subsequently amend this Order, in writing, in accordance with the authority of the CAA. In the event of any amendment to this Order, all requirements for performance of this Order not affected by the amendment shall remain as specified by the original Order.

50. By signing this Order, Respondent certifies that the information it has supplied concerning this matter was at the time of submission, and is, to the best of its knowledge and belief, truthful, accurate, and complete for each submission, response, and statement. Respondent acknowledges that there are significant penalties for submitting false or misleading information, including the possibility of fines and imprisonment for knowing submission of such information, under 18 U.S.C. § 1001.

H. FAILURE TO COMPLY

51. EPA reserves all of its statutory and regulatory powers, authorities, rights, and remedies, both legal and equitable, which may pertain to Respondent's failure to comply with any of the requirements of this Order. This Order shall not be construed as a covenant not to sue, release, waiver, or limitation of any rights, remedies, powers, and/or authorities, civil or criminal, which EPA has under any statutory, regulatory, or common law authority of the United States.

52. Any violation of this Order may result in an additional enforcement action under Section 113 of the CAA, 42 U.S.C. § 7413. EPA may use any information submitted under this

Order in an administrative, civil judicial, or criminal action. Section 113 of the CAA, 42 U.S.C. §

7413, authorizes the Administrator to:

- a. issue an administrative penalty order under Section 113(d)(1) of the CAA, 42 U.S.C. § 7413(d)(1), assessing a civil penalty not to exceed \$59,114 (or amount as adjusted by the Civil Monetary Penalty Adjustment Rule) per day of violation, pursuant to Section 113(d)(1)(B) of the CAA, 42 U.S.C. § 7413(d)(1)(B);
- b. bring a civil judicial enforcement action for permanent or temporary injunction, or to assess and recover a civil penalty not to exceed \$472,901 (or amount as adjusted by the Civil Monetary Penalty Adjustment Rule) per day of violation, or both, pursuant to Section 113(b)(2) of the CAA, 42 U.S.C. § 7413(b)(2); or
- c. request the Attorney General to commence a criminal action pursuant to Section 113(c) of the CAA, 42 U.S.C. § 7413(c).

I. EFFECTIVE DATE

53. Pursuant to Section 113(a)(4) of the CAA, 42 U.S.C. § 7413(a)(4), this Order shall be effective on the date that it is signed by the authorized EPA representative, and shall remain in effect for one year from the Effective Date or on the date that EPA determines that Respondent has achieved compliance with all terms of this Order. This Order shall be nonrenewable.

54. Unless otherwise stated, all time periods stated herein shall be calculated in calendar days from such date.

RESPONDENT:

BLUE TIDE BAYTOWN, LLC

Date 01/30/2026

Ramón A. Ramos Díaz

Signature

Ramón A. Ramos Colón

Name

Site Manager

Title

COMPLAINANT:

U.S. ENVIRONMENTAL PROTECTION AGENCY

Date: February 2, 2026

Cheryl T. Seager
Director
Enforcement and
Compliance Assurance Division
U.S. EPA, Region 6

CERTIFICATE OF SERVICE

I certify that a true and correct copy of the foregoing Administrative Order on Consent was filed with me, the Regional Hearing Clerk, U.S. EPA - Region 6, 1201 Elm Street, Suite 500, Dallas, Texas 75270-2102, and that I sent a true and correct copy on this day in the following manner to the email addresses:

Copy via Email to EPA:

roland.alexandrea@epa.gov
flores.carlos@epa.gov

Copy via Email to Respondent:

ramon.ramos@bluetide.com

Ramon Ramos
Blue Tide Baytown, LLC
6651 West Bay Road
Baytown, TX 77523

Regional Hearing Clerk
U.S. EPA, Region 6