

ENVIRONMENTAL PROTECTION AGENCY  
REGION 6  
DALLAS, TEXAS

FILED

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REGIONAL HEARING CLERK  
EPA REGION VI

**IN THE MATTER OF:**

**Huntsman Petrochemical, LLC**

**Respondent**

**Conroe, Texas**

**CONSENT AGREEMENT AND FINAL  
ORDER**

**EPA DOCKET NO. CAA-06-2022-3307**

**CONSENT AGREEMENT AND FINAL ORDER**

**Preliminary Statement**

The United States Environmental Protection Agency, Region 6 (“EPA” or “Complainant”), and Huntsman Petrochemical, LLC-Conroe Plant (“Respondent” or “Huntsman”), have agreed to a settlement of this action before the filing of a complaint, and thus this action is simultaneously commenced and concluded pursuant to Rules 22.13(b) and 22.18(b)(2) of the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits, 40 C.F.R. §§ 22.13(b) and 22.18(b)(2).

**Jurisdiction**

1. This proceeding is an administrative action for the assessment of civil penalties instituted pursuant to Section 113(d) of the Clean Air Act, as amended (“CAA”), 42 U.S.C. § 7413(d). Pursuant to Section 113(d) of the CAA, 42 U.S.C. § 7413(d), the Administrator and the Attorney General jointly determined that this matter, in which the first date of alleged violation occurred more than twelve months prior to the initiation of the administrative action, was appropriate for administrative penalty action.

2. This Consent Agreement and Final Order serves as notice that the EPA has reason to believe that Respondent has violated the Chemical Accident Prevention Provisions in 40 C.F.R. Part 68, promulgated pursuant to Section 112(r) of the CAA, 42 U.S.C. § 7412(r), and that Respondent is therefore in violation of Section 112(r)(7) of the CAA, 42 U.S.C. § 7412(r)(7). Furthermore, this Consent Agreement and Final Order serves as notice pursuant to Section 113(d)(2)(A) of the CAA, 42 U.S.C. § 7413(d)(2)(A), and 40 C.F.R. § 22.34, of the EPA's intent to issue an order assessing penalties for these violations).

### **Parties**

3. Complainant is the Director of the Enforcement and Compliance Assurance Division of EPA, Region 6, as duly delegated by the Administrator of the EPA and the Regional Administrator, EPA, Region 6.

4. Respondent is a limited liability company authorized to conduct business in the state of Texas.

### **Statutory and Regulatory Background**

5. On November 15, 1990, the President signed into law the CAA Amendments of 1990. The Amendments added Section 112(r) to Title I of the CAA, 42 U.S.C. § 7412(r). The objective of Section 112(r) is 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.

6. Section 112(r)(3) of the CAA, 42 U.S.C. § 7412(r)(3), mandates the Administrator to promulgate 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. Section 112(r)(5) of the CAA, 42 U.S.C. § 7412(r)(5),

mandates that the Administrator establish a threshold quantity for any substance listed pursuant to Section 112(r)(3) of the CAA, 42 U.S.C. § 7412(r)(3). The list of regulated substances and respective threshold quantities is codified at 40 C.F.R. § 68.130.

7. Section 112(r)(7) of the CAA, 42 U.S.C. § 7412(r)(7), requires the Administrator to promulgate regulations that address release prevention, detection, and correction requirements for stationary sources with threshold quantities of regulated substances listed pursuant to Section 112(r)(3) of the CAA, 42 U.S.C. § 7412(r)(3). On June 20, 1996, EPA promulgated a final rule known as the Risk Management Program, 40 C.F.R. Part 68 – Chemical Accident Prevention Provisions, which implements Section 112(r)(7) of the CAA, 42 U.S.C. § 7412(r)(7).

8. The regulations at 40 C.F.R. Part 68 require owners and operators to develop and implement a Risk Management Program at each stationary source with over a threshold quantity of regulated substances. The Risk Management Program must include, among other things, a hazard assessment, a prevention program, and an emergency response program. The Risk Management Program is described in a Risk Management Plan (RMP) that must be submitted to the EPA.

9. Pursuant to Section 112(r)(7) of the CAA, 42 U.S.C. § 7412(r)(7), and 40 C.F.R. § 68.150, an RMP must be submitted for all covered processes by the owner or operator of a stationary source subject to 40 C.F.R. Part 68 no later than the latter of June 21, 1999, or the date on which a regulated substance is first present above the threshold quantity in a process.

10. The regulations at 40 C.F.R. § 68.10 set forth how the Chemical Accident Prevention Provisions of 40 C.F.R. Part 68 apply to each program level of covered processes. Pursuant to 40 C.F.R. § 68.10(i), a covered process is subject to Program 3 requirements if the process does not meet the requirements of Program 1, as described in 40 C.F.R. § 68.10(g), and if it is in a

specified North American Industrial Classification System code or is subject to the Occupational Safety and Health Administration (OSHA) process safety management standard, 29 C.F.R. 1910.119.

11. Section 113(d) of the CAA, 42 U.S.C. § 7413(d), states that the Administrator may issue an administrative order against any person assessing a civil administrative penalty of up to \$25,000 per day of violation whenever, on the basis of any available information, the Administrator finds that such person has violated or is violating any requirement or prohibition of Section 112(r) of the CAA, 42 U.S.C. § 7412(r), and its implementing regulations. The Debt Collection Improvement Act of 1996, 31 U.S.C. § 3701, as amended, and the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015, 28 U.S.C. § 2461, and implementing regulations at 40 C.F.R. Part 19, increased these statutory maximum penalties to \$37,500 for violations that occurred before November 2, 2015, and to \$48,762 for violations that occur after November 2, 2015, and are assessed after January 13, 2020.

#### **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), and the regulation at 40 C.F.R. § 68.3 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), and the regulation at 40 C.F.R. § 68.3 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), and the regulation at 40 C.F.R. § 68.3 define “regulated substance” as any substance listed pursuant to Section 112(r)(3) of the CAA, as amended, in 40 C.F.R. § 68.130.

16. The regulation at 40 C.F.R. § 68.3 defines “threshold quantity” as the quantity specified for regulated substances pursuant to Section 112(r)(5) of the CAA, as amended, listed in 40 C.F.R. § 68.130 and determined to be present at a stationary source as specified in 40 C.F.R. § 68.115.

17. The regulation at 40 C.F.R. § 68.3 defines “process” as any activity involving a regulated substance including any use, storage, manufacturing, handling or on-site movement of such substances, or combination of these activities. For the purposes of this definition, any group of vessels that are interconnected, or separate vessels that are located such that a regulated substance could be involved in a potential release, shall be considered a single process.

18. The regulation at 40 C.F.R. § 68.3 defines “covered process” as a process that has a regulated substance present in more than a threshold quantity as determined under 40 C.F.R. § 68.115.

19. The regulation at 40 C.F.R. § 68.3 defines “mechanical integrity” as the process of ensuring that process equipment is fabricated from the proper materials of construction and is properly installed, maintained, and replaced to prevent failures and accidental releases.

20. The regulation at 40 C.F.R. § 68.3 defines “Owner or operator” as any person who

owns, leases, operates, controls, or supervises a stationary source.

21. The regulation at 40 C.F.R. § 68.3 defines “RMP” as the risk management plan required under subpart G of 40 C.F.R. Part 68.

**EPA Findings of Fact and Conclusions of Law**

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

23. Respondent is the owner and operator of a facility located at: 5451 Jefferson Chemical Road, Conroe, Texas 77301 (“the Facility”).

24. Pursuant to Section 114 of the CAA, 42 U.S.C. § 7414, the EPA conducted an inspection of the Facility on October 29<sup>th</sup> through November 1<sup>st</sup>, 2019, to determine Respondent’s compliance with Section 112(r) of the CAA, 42 U.S.C. § 7412(r), and 40 C.F.R. Part 68 (“the Inspection”).

25. Respondent is a “person” as that term is defined in Section 302(e) of the Act, 42 U.S.C. § 7602(e), and within the meaning of Section 113(d) of the Act, 42 U.S.C. § 7413(d).

26. The Facility is a “stationary source” as that term is defined in Section 112(r)(2)(C) of the CAA and 40 C.F.R. § 68.3.

27. The Facility takes raw materials and uses batch or continuous operations to produce chemicals to manufacture cosmetics, epoxy coatings, and other consumer products.

28. At the Facility, Respondent produces, processes, stores, or handles more than 10,000 pounds of 8 regulated substances: (1) Dimethylamine (DMA) (2) Hydrogen (3) Trimethylamine (4) Acrylonitrile (5) Ammonia (6) Ethylene Oxide (7) Formaldehyde and, (8) Propylene Oxide (PO).

29. Dimethylamine, hydrogen, trimethylamine, acrylonitrile, ammonia, ethylene oxide,



formaldehyde, and propylene oxide are “regulated substances” pursuant to Section 112(r)(2)(B) of the CAA, 42 U.S.C. § 7412(r)(2)(B), and the regulation at 40 C.F.R. § 68.3. The threshold quantity for dimethylamine, hydrogen, trimethylamine, ammonia, ethylene oxide, formaldehyde, and propylene oxide, as listed in 40 C.F.R. § 68.130 is 10,000 pounds. The threshold quantity for acrylonitrile as listed in 40 C.F.R. § 68.130 is 20,000 pounds.

30. Respondent has greater than a threshold quantity of dimethylamine, hydrogen, trimethylamine, acrylonitrile, ammonia, ethylene oxide, formaldehyde, and propylene oxide, in a process at the Facility, meeting the definition of “covered process” as defined by 40 C.F.R. § 68.3.

31. From the time Respondent first had on-site greater than a threshold quantity of dimethylamine, hydrogen, trimethylamine, acrylonitrile, ammonia, ethylene oxide, formaldehyde, and propylene oxide, in a process, Respondent was subject to the requirements of Section 112(r)(7) of the CAA, 42 U.S.C. § 7412(r)(7), and 40 C.F.R. Part 68 because it was the owner or operator of a stationary source that had more than a threshold quantity of a regulated substance in a process.

32. From the time Respondent first had on-site greater than a threshold quantity of dimethylamine, hydrogen, trimethylamine, acrylonitrile, ammonia, ethylene oxide, formaldehyde, and propylene oxide, in a process, Respondent was required to submit an RMP pursuant to 40 C.F.R. § 68.12(a) and comply with the Program 3 prevention requirements because pursuant to 40 C.F.R. § 68.10(i), the covered process at the Facility did not meet the eligibility requirements of Program 1 and is in North American Industry Classification System code 325119 (chemical manufacturing) and is subject to the OSHA process safety management standard, 29 C.F.R. § 1910.119.

**EPA Findings of Violations**

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

34. Complainant hereby states and alleges that Respondent has violated the CAA and federal regulations promulgated thereunder as follows:

**Count 1. Failure to Timely Resolve Process Hazard Analysis Recommendations 40 C.F.R. § 68.67(e).**

35. Pursuant to 40 C.F.R. § 68.67(e), owners and operators shall establish a system to promptly address the team's findings and recommendations; assure that the recommendations are resolved in a timely manner and that the resolution is documented; document what actions are to be taken; complete actions as soon as possible; develop written schedule of when these actions are to be completed; communicate the actions to operating, maintenance and other employees whose work assignments are in the process and who may be affected by the recommendations or actions.

36. The EPA Inspector observed several action items that were overdue at the time of completion and closure of the action items.

37. Respondent's failure to address process hazard analysis actions in a timely manner constitutes a violation of 40 C.F.R. § 68.67(e).

**Count 2. Failure to Certify Annual Operating Procedures and Failure to Implement Safe Work Practices. 40 C.F.R. §§ 68.69(c) and 68.69(d).**

38. Pursuant to 40 C.F.R. § 68.69(c), owners and operators shall review operating procedures as often as necessary to assure that they reflect current operating practice, including changes that result from changes in process chemicals, technology, and equipment, and changes



to stationary sources. The owner or operator shall certify annually that these operating procedures are current and accurate.

39. Pursuant to 40 C.F.R. § 68.69(d), owners and operators shall develop and implement safe work practices to provide for the control of hazards during operations such as lockout/tagout; confined space entry; opening process equipment or piping; and control over entrance into a stationary source by maintenance, contractor, laboratory, or other support personnel. These safe work practices shall apply to employees and contractor employees.

40. Huntsman is required to annually certify that operating procedures are current and accurate.

41. Huntsman is required to develop and implement safe work practices to provide for the control of hazards during operations such as the lockout/tagout.

42. Inspector observed several of the annual operating procedure certifications were overdue.

43. Inspector observed multiple incident reports where the safe work practices developed were not fully implemented as written to provide for the control of hazards during maintenance activities.

44. Respondent's failure to review operating procedures as often as required constitutes a violation of 40 C.F.R. § 68.69(c).

45. Respondent's failure to implement the safe work practices that were developed to provide for the control of hazards during maintenance activities constitutes a violation of 40 C.F.R. § 68.69(d).

**Count 3. Failure to Provide Refresher Training 40. CFR. § 68.71(b).**

46. Pursuant to 40 C.F.R. § 68.71(b), Refresher training shall be provided at least every

three years, and more often if necessary, to each employee involved in operating a process to assure that the employee understands and adheres to the current operating procedures of the process. The owner or operator, in consultation with the employees involved in operating the process, shall determine the appropriate frequency of refresher training.

47. Inspector observed several employees were overdue for their refresher training.

48. Respondent's failure to provide refresher training as often as required constitutes a violation of 40 C.F.R. § 68.71(b).

**Count 4. Failure to Implement Emergency Response Program Inspection Procedures**

**40. CFR. § 68.95(a)(2).**

49. Pursuant to 40 C.F.R. § 68.95(a), the owner or operator shall develop and implement an emergency response program for the purpose of protecting public health and the environment. (2) Procedures for the use of emergency response equipment and for its inspection, testing, and maintenance.

50. Inspector observed deluge system inspections were not completed in September and October of 2018.

51. Respondent's failure to implement emergency response program inspection procedures constitute a violation of 40 C.F.R. § 68.95(a)(2).

**Consent Agreement**

52. For the purpose of this proceeding, as required by 40 C.F.R. § 22.18(b)(2),  
Respondent:

- a. admits the jurisdictional allegations set forth herein;
- b. neither admits nor denies the specific factual allegations stated herein;
- c. consents to the assessment of a civil penalty, as stated herein;

- d. consents to the issuance of the related Administrative Order on Consent;
- e. consents to any conditions specified herein;
- f. waives any right to contest the allegations set forth herein; and
- g. waives its rights to appeal the Final Order accompanying this Consent Agreement.

53. Respondent consents to the issuance of this Consent Agreement and Final Order and consents for the purposes of settlement to the payment of the civil penalty specified herein.

54. Respondent and EPA agree to conciliate this matter without the necessity of a formal hearing and to bear their respective costs and attorneys' fees.

#### **Penalty Payment**

55. Respondent agrees that, in settlement of the claims alleged herein, Respondent shall pay a civil penalty of seventy-four thousand, five-hundred and thirty-three dollars, and twenty-one cents (\$74,533.21), as set forth below.

56. Respondent shall pay the penalty within thirty (30) days of the effective date of the Final Order. Such payment shall identify Respondent by name and docket number and shall be by certified or cashier's check made payable to the "United States Treasury" and sent to:

U.S. Environmental Protection Agency  
Fines and Penalties  
Cincinnati Finance Center  
P.O. Box 979077  
St. Louis, MO 63197-9000

or by alternate payment method described at <http://www.epa.gov/financial/makepayment>.

57. A copy of the check or other information confirming payment shall simultaneously be sent to the following:

Lorena S. Vaughn  
Regional Hearing Clerk

U.S. Environmental Protection Agency, Region 6  
1201 Elm Street, Suite 500 (ORC)  
Dallas, Texas 75270-2102  
vaughn.lorena@epa.gov; and

Charese Simpson  
Enforcement and Compliance Assurance Division  
Air Enforcement Branch  
U.S. Environmental Protection Agency, Region 6  
1201 Elm Street, Suite 500 (ECDAC)  
Dallas, Texas 75270-2101  
Simpson.Charese@epa.gov

58. Respondent understands that its failure to timely pay any portion of the civil penalty may result in the commencement of a civil action in Federal District Court to recover the full remaining balance, along with penalties and accumulated interest. In such case, interest shall begin to accrue on a civil or stipulated penalty from the date of delinquency until such civil or stipulated penalty and any accrued interest are paid in full. 31 C.F.R. § 901.9(b)(1). Interest will be assessed at a rate of the United States Treasury Tax and loan rates in accordance with 31 U.S.C. § 3717. Additionally, a charge will be assessed to cover the costs of debt collection including processing and handling costs, and a non-payment penalty charge of six percent (6%) per year compounded annually will be assessed on any portion of the debt which remains delinquent more than ninety (90) days after payment is due. 31 U.S.C. § 3717(e)(2).

**Effect of Settlement and Reservation of Rights**

59. Full payment of the penalty proposed in this Consent Agreement shall only resolve Respondent's liability for federal civil penalties for the violations alleged herein. Complainant reserves the right to take any enforcement action with respect to any other violations of the CAA or any other applicable law.

60. The effect of settlement described in the immediately preceding paragraph is conditioned upon the accuracy of Respondent's representations to the EPA, as memorialized in

paragraph directly below.

61. Respondent certifies by the signing of this Consent Agreement that it is presently in compliance with all requirements of Section 112(r) of the CAA, 42 U.S.C. § 7412(r).

62. Full payment of the penalty proposed in this Consent Agreement shall not in any case affect the right of the Agency or the United States to pursue appropriate injunctive or other equitable relief or criminal sanctions for any violations of law. This Consent Agreement and Final Order does not waive, extinguish, or otherwise affect Respondent's obligation to comply with all applicable provisions of the CAA and regulations promulgated thereunder.

63. Complainant reserves the right to enforce the terms and conditions of this Consent Agreement and Final Order.

#### **General Provisions**

64. By signing this Consent Agreement, the undersigned representative of Respondent certifies that it is fully authorized to execute and enter into the terms and conditions of this Consent Agreement and has the legal capacity to bind the party it represents to this Consent Agreement.

65. This Consent Agreement shall not dispose of the proceeding without a final order from the Regional Judicial Officer or Regional Administrator ratifying the terms of this Consent Agreement. This Consent Agreement and Final Order shall be effective upon filing of the Final Order by the Regional Hearing Clerk for EPA, Region 6. Unless otherwise stated, all time periods stated herein shall be calculated in calendar days from such date.

66. The penalty specified herein shall represent civil penalties assessed by EPA and shall not be deductible for purposes of Federal, State, and local taxes.

67. This Consent Agreement and Final Order shall apply to and be binding upon

Respondent and Respondent's agents, successors and/or assigns. Respondent shall ensure that all contractors, employees, consultants, firms, or other persons or entities acting for Respondent with respect to matters included herein comply with the terms of this Consent Agreement and Final Order.

68. The EPA and Respondent agree to the use of electronic signatures for this matter pursuant to 40 C.F.R. § 22.6. The EPA and Respondent further agree to electronic service of this Consent Agreement and Final Order by email to the following:

To EPA: [pittman.lawrence@epa.gov](mailto:pittman.lawrence@epa.gov)


To Respondent: [david\\_nutt@huntsman.com](mailto:david_nutt@huntsman.com)



**IT IS SO AGREED.**

**FOR THE RESPONDENT:**

Date: 11-October-2021



Huntsman Petrochemical, LLC  
Steve Hanshaw  
Vice President, Performance Products Global  
Operations

**FOR THE COMPLAINANT:**

**STEPHEN  
GILREIN**

Digitally signed by STEPHEN GILREIN  
DN: c=US, o=U.S. Government,  
ou=Environmental Protection Agency,  
cn=STEPHEN GILREIN,  
0.9.2342.19200300.100.1.1=68001003651  
794  
Date: 2021.10.13 10:09:09 -0500

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

**FINAL ORDER**

Pursuant to Section 113(d) of the Clean Air Act (Act), 42 U.S.C. § 7413(d), and the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits, 40 C.F.R. Part 22, the foregoing Consent Agreement resolving this matter is hereby ratified and incorporated by reference into this Final Order.

Respondent is ORDERED to comply with all of the terms of the Consent Agreement. In accordance with 40 C.F.R. § 22.31(b), the effective date of the foregoing Consent Agreement and this Final Order is the date on which this Final Order is filed with the Regional Hearing Clerk.

This Final Order shall resolve only those causes of action alleged in the Consent Agreement. Nothing in this Final Order shall be construed to waive, extinguish, or otherwise affect Respondent's (or its officers, agents, servants, employees, successors, or assigns) obligation to comply with all applicable federal, state, and local statutes and regulations, including the regulations that were the subject of this action.

**IT IS SO ORDERED.**

**THOMAS  
RUCKI**

Digitally signed by THOMAS RUCKI  
DN: cn=US, o=U.S. Government,  
ou=Environmental Protection Agency,  
cn=THOMAS RUCKI,  
0 9 2342 19200300 100 1 1=68001003655804  
Date: 2021.10.13 15:57:58 -05'00'

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Thomas Rucki  
Regional Judicial Officer  
U.S. EPA, Region 6

**CERTIFICATE OF SERVICE**

I certify that a true and correct copy of the foregoing Consent Agreement and Final Order was electronically delivered to the Regional Hearing Clerk, U.S. EPA, Region 6, 1201 Elm Street, Dallas, Texas 75270-2102, and that a true and correct copy was sent this day in the following manner to the addressees:

Copy via Email to Complainant:

pittman.lawrence@epa.gov

Copy via Email to Respondent:

david\_nutt@huntsman.com

Copy via Email to Regional Hearing Clerk:

Vaughn.lorena@epa.gov

This CAFO relates to the Huntsman Petrochemical, LLC located at 5451 Jefferson Chemical Road Conroe, Texas 77301.

Dated this 13 day of October, 2021.

Pittman, Lawrence

Digitally signed by Pittman, Lawrence  
DN: cn=Pittman, Lawrence,  
email=Pittman.Lawrence@epa.gov  
Date: 2021.10.13 16:36:18 -05'00'

U.S. EPA Region 6  
Dallas, Texas

