

April 11, 2014

Via Certified Mail, Return Receipt Requested
No.

Mr. Ramiro Garcia, Jr., Deputy Director, MC-172
Office of Compliance and Enforcement
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

**Re: ChemCorp, Houston, Harris County, Texas; CN11111111; RN11111111;
Investigation No. 11111111; Disclosure under Texas Environmental, Health &
Safety Audit Privilege Act; NOA dated March 31, 2013**

Dear Mr. Garcia:

ChemCorp of Texas, Inc. (“ChemCorp”) conducted an environmental compliance audit of its above-referenced facility located in Houston, Texas (the “Facility”) pursuant to the terms of the Texas Environmental, Health and Safety Audit Privilege Act, Tex. Civ. Stat. art.4477cc (the “Act”). Advance notice of the audit was provided to TCEQ by a “notice of audit” (“NOA”) letter dated March 10, 2013. Audit activities relating to the Facility in question were commenced on March 11. The audit in question was completed before April 10, 2014 pursuant to TCEQ’s extension letter dated March 12, 2014.

In accordance with the Act, this letter is submitted as a “disclosure of violation” (“DOV”) to notify TCEQ of several issues discovered in the course of the environmental audit and to invoke the immunity from civil and administrative penalties provided by Section 10 of the Texas Environmental, Health and Safety Audit Act, Tex. Civ. Stat. art. 4477cc, under all laws, rules or permits that have been violated by the listed acts or omissions.

The enclosed addendum discloses violations discovered in the course of the noticed audit, the time periods during which they occurred, the primary relevant rules or permit provisions implicated, and a status and description for the relevant corrective actions.

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Mr. Ramiro Garcia, Jr.
April 11, 2014
Page 2

We very much appreciate your attention to this matter and your consideration of the violations disclosed below for immunity under the Act. Please contact me at (713) 123-4567, or by email at chemcorp@chemcorp.com if you have any questions or require further information regarding this matter.

Sincerely,

B. Compliant
Senior Environmental Counsel
ChemCorp of Texas, Inc.

cc: Ms. Ashley Wadick, Regional Director, TCEQ Region 12 – Via Fax (713) 767-3520

ChemCorp – Houston Facility
List of Violations

<u>ID</u>	<u>Finding Category</u>	<u>Finding</u>	<u>Duration</u>	<u>Primary Relevant Citations</u>	<u>Corrective Action</u>	<u>Status</u>
1	Air	The Audit revealed that certain Facility emissions sources authorized pursuant to permit-by-rule were not being properly included in calculations of emissions inventory, leading to inaccuracies in past emissions inventories. The Audit also revealed that actual volatile organic compound (VOC) emissions are higher than the emissions amounts calculated using authorized emission factors.	30 days	30 T.A.C. 101.10	The Facility is in the process of recalculating emissions in light of new measurements and inclusion of all emissions sources. The Facility requires additional time to complete these calculation efforts but will submit an accurate emissions inventory for 2013 on July 1, 2014. Please confirm whether TCEQ wishes the Facility to timely submit by March 31, 2014 an inaccurate inventory using the previous methodology or whether the Facility should only submit the accurate inventory on July 1.	Open
2	Air	Inclusion of all emissions sources in emissions calculations, combined with the use of now-available actual emissions measurements instead of amounts calculated using emissions factors, reveal emissions of VOCs from the Facility that exceed the 25 ton per year major source threshold. The Facility's Texas minor NSR permit does not authorize VOC emissions in excess of 25 tpy.	40 days	30 T.A.C. 116.12, .111, .115, .116	The Facility will contact TCEQ's Air Permits Division to discuss whether the Facility's current NSR authorizations are adequate or whether a permit amendment or PSD permit may be required in light of the new information on the Facility's emissions.	Open

ChemCorp – Houston Facility
List of Violations

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3	Air	Inclusion of all emissions sources in emissions calculations, combined with the use of now-available actual emissions measurements instead of amounts calculated using emissions factors, reveal emissions of VOCs from the Facility that exceed the 25 ton per year major source threshold. The Facility should have obtained a Title V Federal Operating Permit before it began exceeding the major source threshold.	30 days	30 T.A.C. 122.120, .121, .130, .132, .133, .134, .143.	The Facility will submit its abbreviated Title V application to TCEQ by March 31, 2014 and will cooperate with TCEQ in connection with the timely submission of a full Title V application and the development and issuance of the permit.	Open