



STATE OF MISSISSIPPI  
PHIL BRYANT  
GOVERNOR  
MISSISSIPPI DEPARTMENT OF ENVIRONMENTAL QUALITY  
GARY C. RIKARD, EXECUTIVE DIRECTOR

December 18, 2017

**CERTIFIED MAIL #7010 1670 0000 1400 0061**

Mr. Bruce Chinn  
Chevron USA Inc., Chevron Products Company, Pascagoula Refinery  
PO Box 1300  
Pascagoula, MS 39568-1300

**Re: Chevron USA Inc., Chevron Products Company, Pascagoula Refinery  
Agreed Order No. 6820 17**

Dear Mr. Chinn:

Enclosed you will find a copy of **Agreed Order No. 6820 17**, which has been executed by the Executive Director of the Mississippi Department of Environmental Quality, Gary Rikard, on behalf of the Mississippi Commission on Environmental Quality.

The enclosed Order assesses a civil penalty. The penalty payment, when due, should be made by check payable to the Mississippi Department of Environmental Quality and returned in the enclosed, self-addressed envelope to the MDEQ Accounts Receivable at P.O. Box 2339, Jackson, MS 39225.

If you have any questions regarding your obligations under the enclosed order, please contact Tim Aultman at (601) 961-5653.

Sincerely,

A handwritten signature in blue ink that reads "Tim Aultman".

Tim Aultman, P.E.  
Chief, Environmental Compliance and Enforcement Division

Enclosure  
cc: Tim Aultman

Agency Interest No. 2299  
ENF20160002

BEFORE THE MISSISSIPPI COMMISSION  
ON ENVIRONMENTAL QUALITY

MISSISSIPPI COMMISSION ON  
ENVIRONMENTAL QUALITY

COMPLAINANT

VS.

ORDER NO.

**6820 17**

CHEVRON U.S.A. INC.  
PO BOX 1300  
PASCAGOULA, MISSISSIPPI 39568-1300

RESPONDENT

AGREED ORDER

COME NOW the Mississippi Commission on Environmental Quality (Commission), acting through the staff and Executive Director of the Mississippi Department of Environmental Quality (MDEQ), Complainant, and Chevron U.S.A. Inc., Respondent, in the above captioned cause and agree as follows:

1.

On July 6, 2016, the Complainant issued a Notice of Violation (NOV) to Respondent. An Administrative Conference was held on June 28, 2017 during which the Complainant stated that all alleged violations in the July 6, 2016 NOV would be resolved and that a penalty would be assessed for the following alleged violations at the Respondent's Pascagoula Refinery located at 250 Industrial Road, Pascagoula, Mississippi in Jackson County:

- A. The Respondent failed to test AH-051 for H<sub>2</sub>SO<sub>4</sub> within the first five years of their Title V Permit 1280-00058 initially issued October 1, 2009 pursuant to Condition 5.B.1.4.
- B. The Respondent failed to complete the biennial NOX and PM10 stack tests on BS-502 in 2013 in a timely manner pursuant to Condition 5.B.1.1 of their Title V Permit.

- C. The Respondent tested AH-051 for HCN on June 16, 2015, using a new emission factor and EPA Method OTM-029 which superseded Method CTM-033, the method required in Condition 5.B.1 of their Title V permit. The HCN results from Method OTM-029 exceeded the permitted HCN limits in Condition 3. AH.51.1.

2.

The Respondent tested AH-051 on August 16, 2015 and BS-502 on September 12, 2013. Both units demonstrated compliance with applicable limits noted in 1.A and 1.B above. With regards to 1.C above, the MDEQ acknowledges that the Respondent has conducted multiple stack tests that demonstrate compliance with the HCN limit despite using a superseded test method as currently required by the permit. Respondent asserts it has implemented updated procedures to improve compliance with all testing requirements.

3.

The occurrence of any violation is in dispute and the entry of this Agreed Order does not constitute an admission by the Respondent of any violation alleged in Section 1, in the July 6, 2016 NOV, nor of any statute or rule. The Respondent neither admits nor denies the allegations in Section 1 above and in the July 6, 2016 NOV.

4.

In lieu of a formal enforcement hearing concerning the alleged violations listed in Section 1 and in the July 6, 2016 NOV, Complainant and Respondent agree to resolve and settle this matter as follows:

- A. Respondent agrees to pay and Complainant agrees to accept a civil penalty in the amount of \$70,200. Respondent shall pay this penalty to MDEQ within forty-five (45) days after this Agreed Order has been executed by the MDEQ Executive Director or his designee. The settlement payment shall be submitted to:

Mississippi Department of Environmental Quality

Attn: Jennifer Parish

P.O. Box 2339  
Jackson, MS 39225

- B. Within 90 days of the effective date of this Agreed Order, Respondent will submit an application to modify the HCN emission limit and to update the method used for stack testing for emission unit AH-051.

5.

Nothing in this Agreed Order shall limit the rights of MDEQ or the Commission in the event Respondent fails to comply with this Agreed Order. The Agreed Order shall be strictly construed to apply to those matters expressly resolved herein.

6.

Nothing contained in this Agreed Order shall limit the rights of MDEQ or the Commission to take enforcement or other actions against Respondent for violations not addressed herein and for future violations of environmental laws, rules, and regulations.

7.

Respondent understands and acknowledges that it is entitled to an evidentiary hearing before the Commission pursuant to Miss. Code Ann. § 49-17-31, and that it has made an informed waiver of that right.

ORDERED, this the 14<sup>th</sup> day of DECEMBER, 2017.

MISSISSIPPI COMMISSION ON  
ENVIRONMENTAL QUALITY

BY: 

GARY C. RIKARD  
EXECUTIVE DIRECTOR  
MISSISSIPPI DEPARTMENT  
OF ENVIRONMENTAL QUALITY



AGREED, this the 20 day of November, 2017.

CHEVRON U.S.A. INC.

BY: Bruce Chun

TITLE: Refinery General Manager

STATE OF MS

COUNTY OF Jackson

PERSONALLY appeared before me, the undersigned authority in and for the jurisdiction aforesaid, the within named Bruce Chun who first being duly sworn, did state upon his/her oath and acknowledge to me that he/she is the Refinery General Manager of Chevron U.S.A. Inc, Pascagoula Refinery and is authorized to sign and enter this Agreement.

SWORN AND SUBSCRIBED BEFORE ME, this the 20 day of November, 2017.

Rachel B. Pierce  
NOTARY PUBLIC

My Commission expires: \_\_\_\_\_

