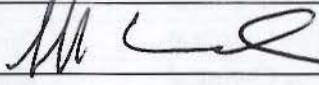
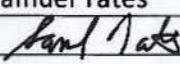


**Region 6 Compliance Assurance and Enforcement Division
INSPECTION REPORT**

Inspection Date(s):	August 20-23, 2018		
Media:	Air		
Regulatory Program(s)	Clean Air Act Section 112(r) and 40 C.F.R. Part 68 Chemical Accident Prevention Provisions		
Company Name:	Chevron Phillips Chemical Company LP		
Facility Name:	Pasadena Plastics Complex		
Facility Physical Location:	1400 Jefferson Rd		
(city, state, zip code)	Pasadena, TX 77506		
Mailing address:	1400 Jefferson Rd		
(city, state, zip code)	Pasadena, TX 77506		
County/Parish:	Harris		
Facility Contact:	Gary Piana – (713)475-3666	Plant Manager	
FRS Number:	110000462730		
Identification/Permit Number:			
Media Number:	EPA Facility Identifier: 100000126375		
NAICS:	325211 Plastics Material and Resin Manufacturing		
SIC:	2869 Plastics Material and Resin		
Personnel participating in inspection:			
Gary Piana	Chevron Phillips Chemical	Area Manager	(713)475-3666
Jeff Nickl	Chevron Phillips Chemical	EHS&S	(713)475-3666
Paula Wiley	Chevron Phillips Chemical	PSM Supervisor	(713)475-3666
James Allred	Chevron Phillips Chemical	Asset Integrity Manager	(713)475-3666
Michael Dykhous	Chevron Phillips Chemical	Operations Manager	(713)475-3666
Pam Colon	Chevron Phillips Chemical	Training Supt.	(713)475-3666
Joe Reynolds	Chevron Phillips Chemical	Emergency Response/Security Coordinator	(713)475-3666
Blake Sieminski	US EPA	Inspector/ Enforcement Off.	(214)665-8062
EPA Lead Inspector Signature/Date			
EPA Lead Inspector Signature/Date	Blake Sieminski	Date	
		10/30/2018	
Supervisor Signature/Date			
Supervisor Signature/Date	Samuel Tates	Date	
		10/30/2018	

Section I - INTRODUCTION

PURPOSE OF THE INSPECTION

United States Environmental Protection Agency (EPA) Region 6 inspector Blake Sieminski arrived at the Pasadena Plastics Complex at approximately 2:00 PM on Monday August 20, 2018 for an announced inspection. I met with Jeff Nickl, Paula Wiley, and Gary Piana and multiple Chevron Phillips Company (CPC) employees. I presented my credentials and informed them that this was an EPA inspection to determine compliance with the facility's Chemical Accident Prevention Provisions program. The scope of the inspection is a partial compliance evaluation (PCE) and included evaluation of the compliance of the facility with the Clean Air Act (CAA) Section 112(r) and the Chemical Accident Prevention Provisions (40 C.F.R. Part 68). The Pasadena Plastics Complex (PPC) is listed as a Risk Management Plan (RMP) Program three (3) facility. The Pasadena Plastics Complex is a union facility. The Texas Commission on Environmental Quality was notified of this PCE inspection.

Table 1: Opening Meeting Attendance; Monday August 20, 2018

Gary Piana	Chevron Phillips Chemical	Plant Manager
Cathy Gill	Chevron Phillips Chemical	EH&S/ Tech Manager
Jeff Nickl	Chevron Phillips Chemical	EHS&S Superintendent
Mark A. Garza	Chevron Phillips Chemical	Environmental Supervisor
Joe Reynolds	Chevron Phillips Chemical	Emergency Response/Security Coordinator
Lisa Moseley	Chevron Phillips Chemical	Procurement Manager
Trey Griffin	Chevron Phillips Chemical	QA Superintendent
Paula Wiley	Chevron Phillips Chemical	PSM Supervisor
Krista Boone	Chevron Phillips Chemical	Projects and Engineering Team Lead
Craig Peikert	Chevron Phillips Chemical	I.T. Manager
James Allred	Chevron Phillips Chemical	Asset Integrity Manager
Cory Miller	Chevron Phillips Chemical	Safety Supervisor
Michelle Gates	Chevron Phillips Chemical	Finance Manager
Paul Waite	Chevron Phillips Chemical	P&S SOPT.
Jason Wright	Chevron Phillips Chemical	Reliability Lead
Yasser Qutub	Chevron Phillips Chemical	Process and Controls Lead
Trish Badall	Chevron Phillips Chemical	Fixed Equipment Lead
Michael Dykhous	Chevron Phillips Chemical	Operations Manager
Anthony N. Jackson	Chevron Phillips Chemical	Maintenance Manager
Chad Thomas	Chevron Phillips Chemical	PE6 OPS Supt.
Manzoor Khan	Chevron Phillips Chemical	PE8 OPS Supt.
Chris Hunt	Chevron Phillips Chemical	IEC Superintendent
Travis Hensley	Chevron Phillips Chemical	PE7 OPS Supt.
Blake Sieminski	U.S. EPA	Inspector/ Enforcement Off.

FACILITY DESCRIPTION

Chevron Phillips Chemical LP operates a plastics material and resin manufacturing facility. The facility is located in Pasadena, Texas. PPC is a facility which receives and/or stores various regulated flammable chemicals by trucks, and pipelines. The products onsite include propane, isobutane (propane, 2-methyl), and ethylene (ethene). The facility employs approximately 340 employees and 75 contractors.

Section II – OBSERVATIONS

On Wednesday August 22, 2018, Jeff Nickl, Michael Dykhouse and I conducted a site drive-through of the facility to observe the covered process, equipment and operations. The facility has three (3) Polyethylene Plants known as PE6, PE7 and PE8. We toured worst case scenario reactor 8-1 which is a reactor in PE8 due to proximity to the neighboring Calpine steam plant and walked through the control room of PE7 and saw hydrocarbon unloading.

40 C.F.R. Part 68 – CHEMICAL ACCIDENT PREVENTION PROVISION

Subpart A – General

40 C.F.R. § 68.10 Applicability – I observed that PPC is a stationary source, with a CAA Title-V permit (ID O-01315) that has more than a threshold quantity of regulated substances in their process. PPC re-submitted a RMP (5-year update 40 CFR 68.190 (b)(1)) on May 31, 2018, that described the process containing flammables held at more than a threshold quantity. PPC is a RMP Program 3 facility. PPC is subject to the Occupational Safety and Health Administration's (OSHA) Process Safety Management (PSM) Standard (29 CFR 1910.119).

40 C.F.R. § 68.12 General requirements- I reviewed the re-submission of PPC's RMP that was resubmitted on May 31, 2018, that lists flammable chemicals for a Program Level 3 process.

40 C.F.R. § 68.15 Management- PPC developed a management system to oversee the implementation of the risk management program elements. The organizational chart that was provided to me outlined the positions to implement the individual elements of the RMP as required by this subpart.

Subpart B – Hazard Assessment

40 C.F.R. § 68.20 Applicability – PPC is a Program 3 stationary source subject to this part. The facility is required to prepare an offsite consequence analysis and complete the five-year accident history.

40 C.F.R. § 68.22 Offsite consequence analysis parameters- I reviewed the offsite consequence analysis and supporting documentation. I reviewed the documents and discussed with Paula Wiley to assure the data was accurate and to confirm the parameters used by PPC to document this data.

40 C.F.R. § 68.25 Worst-case release scenario analysis- PPC identified and documented a worse-case release scenario analysis for the RMP covered flammable substances. The distance to endpoint for flammable substances was calculated using RMP*Comp™.

40 C.F.R. § 68.28 Alternative release scenario analysis – PPC identified and analyzed at least one alternative release scenario for each regulated flammable substance as well as at least one alternative release scenario to represent all flammable substances held in covered processes. The distance to endpoint was calculated using RMP*Comp™.

40 C.F.R. § 68.30 Defining offsite impacts-population – I talked with PPC about the offsite consequence analysis done. PPC used the year 2010 Census Bureau population data to calculate population numbers reported in their RMP.

40 C.F.R. § 68.33 Defining offsite impacts-environment – PPC provided maps that identified the potential offsite impacts and identified public receptors.

40 C.F.R. § 68.36 Review and update – I reviewed PPC's documentation that illustrated reviews and updates regarding the offsite consequences are occurring at least every five years.

40 C.F.R. § 68.39 Documentation – PPC provided documents of the offsite consequence analysis data. For worst-case and alternative case scenarios, a description of the vessel or pipeline, the substance selected as worst-case, and the rationale for selection was included; likewise, assumptions included any administrative controls and any passive mitigation that were assumed to limit the quantity that could be released, estimated quantity released, release rate, and duration of release. The methodology used to determine distance to endpoint was documented by the facility. The data used to estimate population was provided in the form of maps that had the distance to endpoint labeled with a circle from the emissions point.

40 C.F.R. § 68.42 Five-year accident history– PPC did not report any accidental release(s) in their RMP that resulted in deaths, injuries or property damage.

Subpart D – Program 3 Prevention Program

40 C.F.R. § 68.65 Process safety information – I reviewed various sections of process safety information for the RMP units at PPC.

40 C.F.R. § 68.67 Process Hazard (PHA) – I reviewed the PHA for the RMP process. The July 28, 2016 PHA was conducted using What-if, Hazard and Operability Study (HAZOP) and Layer of protection analysis (LOPA).

40 C.F.R. § 68.69 Operating procedures – I reviewed the Operating Procedures that were requested from PPC. PPC uses a paper and electronic document management system to maintain its operating procedures. I reviewed and discussed with PPC personnel operating procedures which included the Standard Operating Procedure (SOP) Certification Procedure, Confined Space Entry and Lockout/ Tag out Procedures. I observed that PPC certified that the operating procedures were current, accurate, and that the procedures had been reviewed as often as necessary. PPC provided documentation that its operating procedures were certified, current, accurate, and that procedures had been reviewed as often

as necessary as required by this subpart use a single certification document for operating procedures annually.

40 C.F.R. § 68.71 Training – Pam Colon gave an overview of their training program. I requested and was provided the training files for two employees at different experience levels. Of the employee files reviewed, refresher training had been provided at least every three years.

40 C.F.R. § 68.73 Mechanical integrity – I requested and was provided mechanical integrity records for randomly selected inspections of RMP covered equipment, and the written procedure for maintaining the integrity of the process. I spoke with the James Allred and he showed me the databases in Computerized maintenance management system/SAP. We reviewed various equipment inspection records for PE6 and PE7 which are two of the covered processes and reviewed documentation of overdue inspections and piping circuits.

40 C.F.R. § 68.75 Management of change (MOC) – I reviewed PPC written procedure for MOC and discussed the documentation with site personnel. I reviewed the May 13, 2018 MOC. The MOCs were implemented into an electronic system.

40 C.F.R. § 68.77 Pre-startup safety review – PPC provided documentation regarding Pre-startup safety review.

40 C.F.R. § 68.79 Compliance audits – I requested and reviewed the last two RMP Compliance Audits and the most recent was on January 18-27, 2016 and completed July 31, 2017.

40 C.F.R. § 68.81 Incident investigation – I requested a list of Incident Reports/ Investigations for all incidents which resulted in, or could reasonably have resulted in, a catastrophic release of a regulated substance of the last five years. PPC did not have any incident reports/ investigations that met these criteria.

40 C.F.R. § 68.83 Employee participation – I reviewed PPC's Management Program which met the requirements of this subpart.

40 C.F.R. § 68.85 Hot work permit – I discussed the process for conducting Hot work onsite and reviewed several hot work permits. Hot work permits that I reviewed, looked satisfactory.

40 C.F.R. § 68.87 Contractors – I spoke with Jeff Nickl about the process of contractor selection. PPC uses a list of vetted contractors approved by CPC Headquarters to conduct its contractor selection. PPC assures that all contractors that may work on site have been trained on the potential hazards related to both the process equipment and the work that the contractor may perform.

Subpart E – Emergency Response

40 C.F.R. § 68.90 Applicability – PPC employees are first responders that respond to both structural fires and chemical fires and releases onsite.

40 C.F.R. § 68.95 Emergency response program – I requested and reviewed the Emergency Response Plan at PPC.

Subpart G – Risk Management Plan

40 C.F.R. § 68.190 Updates - PPC's RMP was re-submitted on May 31, 2018 and there have been no updates since the resubmission.

40 C.F.R. § 68.195 Required corrections –The next RMP re-submission is due by May 31, 2023, unless an update or correction is required by 40 C.F.R. § 68.190 and § 68.195.

Table 2: Closing Meeting Attendance; Thursday August 23, 2018

Gary Piana	Chevron Phillips Chemical	Area Manager
Joe Reynolds	Chevron Phillips Chemical	Emergency Response/Security Coordinator
Michael Dykhouse	Chevron Phillips Chemical	Operations Manager
Cory Miller	Chevron Phillips Chemical	Safety Supervisor
Anthony Jackson	Chevron Phillips Chemical	Maintenance Manager
Paula Wiley	Chevron Phillips Chemical	PSM Supervisor
Lisa Moseley	Chevron Phillips Chemical	Procurement Manager
Forrest Probst	Chevron Phillips Chemical	USW Health Safety Rep.
Michael Reedy	Chevron Phillips Chemical	IBEW Chief Steward
Thomas Hicky	Chevron Phillips Chemical	OE Coordinator
Sandra M. Gonzalez	Chevron Phillips Chemical	USW Health & Safety Rep.
Jeanne Clark	Chevron Phillips Chemical	USW PSM Rep.
Paula Mrozek	Chevron Phillips Chemical	HQ Env. Manager
Mark A. Garza	Chevron Phillips Chemical	Environmental Supervisor
Ed Armand	Chevron Phillips Chemical	I.T. Manager
Craig Peikert	Chevron Phillips Chemical	I.T. Manager
Pam Colon	Chevron Phillips Chemical	Training Supt.
Michelle Gates	Chevron Phillips Chemical	Finance Manager
Travis Hensley	Chevron Phillips Chemical	PE7 OPS Supt.
Chad Thomas	Chevron Phillips Chemical	PE6 OPS Supt.
Terry Old	Chevron Phillips Chemical	USW Chairman
Angela Bullie-Johnson	Chevron Phillips Chemical	PSM Engineer
Cathy Gill	Chevron Phillips Chemical	EH&S/ Tech Manager
Troy Griffin	Chevron Phillips Chemical	QA Superintendent
James Allred	Chevron Phillips Chemical	Asset Integrity Manager
Jeff Nickl	Chevron Phillips Chemical	EHS&S Superintendent
Blake Sieminski	U.S. EPA	Inspector/ Enforcement Off.

Section III – AREAS OF CONCERN

§ 68.73 Mechanical integrity.

(d) Inspection and testing. (1) Inspections and tests shall be performed on process equipment.

PPC provided me with a list of 66 pipes/circuits and 157 tracking recommendations that had been identified as not being part of the inspection program. I was told that this overdue list was primarily composed of "missed first inspections". I asked for documentation when these items were placed into service and no records could be found. PPC had previously identified this list internally and was in the process of inspecting these items and with an estimated end of year completion goal.

Section IV – FOLLOW UP

None

Section V – LIST OF APPENDICES

Sign in sheets for opening and closing meetings.

