



**III.  
Plaintiff**

3.1 Plaintiff, State of Texas, is authorized to bring this suit through its Attorney General at the request of the TCEQ pursuant to the TCAA and the enforcement provisions of the Texas Water Code. Tex. Water Code § 7.105.

**IV.  
Defendants**

4.1 Defendant Equistar Chemicals, L.P. (“Equistar”) is a Delaware limited partnership authorized to conduct, and is in fact conducting, business in Texas. Equistar has been served with process and has answered and appeared.

4.2 Defendant Millennium Petrochemicals GP LLC (“Millennium LLC”) is a Delaware limited liability company authorized to conduct, and is in fact conducting, business in Texas. Millennium LLC has been served with process and has answered and appeared.

4.3 Defendant Millennium Petrochemicals, Inc. (“Millennium Inc.”) is a Virginia corporation authorized to conduct, and is in fact conducting, business in Texas. Millennium Inc. has been served with process and has answered and appeared.

4.4 Defendant Lyondell Chemical Company, Inc. (“Lyondell”) is a Delaware corporation authorized to conduct, and is in fact conducting, business in Texas. Lyondell has been served with process and has answered and appeared.

**V.  
Jurisdiction and Venue**

5.1 This Court has jurisdiction over this case. Tex. Water Code §§ 7.002, 7.105(a).

5.2 Venue is proper in Travis County, Texas. Tex. Water Code § 7.105(c).

## VI. Background

6.1 On its website, Lyondell describes itself as “a global leader in the manufacture of chemicals and polymers . . . manufactur[ing] basic chemicals and derivatives including ethylene, propylene, titanium dioxide, styrene, polyethylene, propylene oxide and acetyls.” Prior to its 2004 purchase by Lyondell, Millennium also engaged in the manufacture of chemicals and chemical products. Lyondell and Millennium formed a joint venture called Equistar Chemicals, L.P. As a result of the 2004 acquisition of Millennium, Lyondell now owns Equistar.

6.2 Through its subsidiary Millennium and its joint venture Equistar, Lyondell operates several chemical plants in Texas. The Lyondell Chemical Plants operate under permits issued by the TCEQ and are subject to both federal and state environmental laws and regulations.

6.3 The Lyondell Chemical Plants have been major emission sources of volatile organic compounds (“VOCs”), highly reactive volatile organic compounds (“HRVOCs”), nitrogen oxides (“NO<sub>x</sub>”), and carbon monoxide (“CO”) air pollution in the Houston/Galveston area and along the Texas Gulf Coast region.

6.4 As a result of TCEQ investigations and deviation reports submitted by the Defendants, the TCEQ determined that the Defendants have committed numerous violations of environmental permits, laws, and regulations.

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## VII. Applicable Law

7.1 The TCEQ has the powers necessary or convenient to administer and enforce the TCAA. Tex. Health & Safety Code § 382.011.

7.2 The TCEQ's rules regarding the TCAA are found in the Texas Administrative Code. Some of these rules incorporate federal regulations by reference.

**A. General Prohibitions**

7.3 Unless authorized by the TCEQ, no person may cause, suffer, allow, or permit the emission of any air contaminant. Tex. Health & Safety Code § 382.085(a).

7.4 No person may cause, suffer, allow, or permit any activity in violation of the TCAA or any TCEQ rule or order. Tex. Health & Safety Code § 382.085(b). *See also* Tex. Water Code § 7.101.

7.5 Any owner or operator of an air contaminant source must comply with any new source performance standards in 40 C.F.R. Part 60, and any emission standards for hazardous air pollutants in 40 C.F.R. Parts 61 and 63, as provided for in sections 111 and 112 of the Federal Clean Air Act (42 U.S.C. §§ 7411, 7412). 30 Tex. Admin. Code § 101.20.

7.6 TCEQ regulations incorporate the Organic Hazardous Air Pollutants for Equipment Leaks Maximum Achievable Control Technology standard as specified in 40 C.F.R. Part 63, Subpart H, as amended through June 23, 2003 (68 Fed. Reg. 37345). 30 Tex. Admin. Code § 113.130.

**B. Definitions**

7.7 A "component" is "[a] piece of equipment, including, but not limited to, pumps, valves, compressors, connectors, and pressure relief valves, which has the potential to leak [VOCs]." 30 Tex. Admin. Code § 115.10(6).

7.8 A “connector” is “[a] flanged, screwed, or other joined fitting used to connect two pipe lines or a pipe line and a piece of equipment. . .” 30 Tex. Admin. Code § 115.10(7).

7.9 In Harris, Brazoria, and Galveston counties, ethylene and propylene are HRVOCs. 30 Tex. Admin. Code § 115.10(18).

**C. Permitting**

7.10 The TCEQ may issue both state and federal operating permits. Tex. Health & Safety Code § 382.051.

7.11 Permits issued by the TCEQ are conditioned upon: “(1) representations with regard to construction plans and operation procedures in an application for a permit, special permit, or special exemption; and (2) any general and special conditions attached to the permit, special permit, or special exemption itself.” 30 Tex. Admin. Code § 116.116(a).

7.12 A permit holder must comply with all terms and conditions of the permit. 30 Tex. Admin. Code §§ 116.115, 122.143(4).

**D. Fugitive Emission Monitoring**

7.13 Operators in the Houston/Galveston/Brazoria areas must conduct quarterly monitoring with a hydrocarbon gas analyzer to determine the screening concentration from all pump seals and accessible valves. 30 Tex. Admin. Code §§ 115.354(2)(B) - (C).

7.14 “The emissions from blind flanges, caps, or plugs at the end of a pipe or line containing HRVOC; connectors; heat exchanger heads; sight glasses; meters; gauges; sampling connections; bolted manways; hatches; agitators; sump covers; junction box vents; covers and seals on volatile organic compound water separators; and process

drains shall be monitored each calendar quarter (with a hydrocarbon gas analyzer).”  
30 Tex. Admin. Code § 115.781(b)(3).

7.15 Pumps must be visually inspected each week to determine whether any liquid is dripping from the seals. 30 Tex. Admin. Code § 115.781(c).

7.16 “The initial monitoring of all components for which monitoring is required under [30 Tex. Admin. Code §§ 115.780 - 115.789], but are not required to be monitored under Subchapter D, Division 3 of this chapter [30 Tex. Admin. Code §§115.352 - 115.359], must occur as soon as practicable, but no later than March 31, 2004. . . .”  
30 Tex. Admin. Code § 115.789(1).

7.17 The owner or operator of a process unit must monitor each pump monthly to detect leaks. 40 C.F.R. § 63.163(b)(1).

7.18 Each pump in light liquid service must be monitored monthly to detect leaks. 40 C.F.R. § 60.482-2(a)(1).

7.19 An owner or operator of a facility is required to monitor all valves, generally on a quarterly basis. 40 C.F.R. § 63.168(b)-(c).

7.20 Each valve in volatile hazardous air pollutant (“VHAP”) or light liquid service must be monitored monthly to detect leaks. 40 C.F.R. §§ 61.242-7(a), (c), 60.482-7(a), (c).

7.21 An owner or operator of a process unit subject to 40 C.F.R. §§ 63.160 - 63.183 must monitor all connectors in gas/vapor and light liquid service at least once per year. 40 C.F.R. § 63.174(a) - (b).

**E. Emission Controls**

7.22 The vapors from transport vessels in the Houston/Galveston areas must vent to an emission control device if it has a nominal storage capacity of 8,000 gallons and a vapor space partial pressure greater than or equal to 0.5 pounds per square inch absolute (“psia”) under storage conditions. 30 Tex. Admin. Code § 115.541(a)(2).

7.23 An owner or operator of each VOC transfer operation, transport vessel, and marine vessel in the Houston/Galveston areas shall control the emissions from loading operations where vapors from VOCs are at a true vapor pressure of 0.5 psia. These vapors must be controlled by a vapor control system which maintains a control efficiency of at least 90%. After unloading, transport vessels must be kept vapor-tight until the vapors in the transport vessel are returned to a loading, cleaning, or degassing operation and discharged in accordance with the control requirements of that operation. 30 Tex. Admin. Code § 115.212(a).

7.24 A vent gas stream containing VOCs may not be emitted from any process vent in the Houston/Galveston areas unless it achieves a control efficiency of at least 90% or a VOC concentration of no more than 20 parts per million by volume (“ppmv”). 30 Tex. Admin. Code §§ 115.121(a)(1), 115.122(a)(1).

7.25 Group 1 transfer racks must be equipped with a vapor collection and control system. 40 C.F.R. § 63.126(a).

7.26 Flares shall be used only with the net heating value of the gas to be combusted being at least 300 British thermal units per standard cubic foot (“Btu/scf”) if the flare is steam-assisted or air-assisted. 40 C.F.R. § 60.18(c)(3)(ii).

7.27 Once a leak is found, the facility must make its first attempt at repair within five days, and complete repairs within fifteen days. 30 Tex. Admin. Code § 115.352(2).

7.28 Each pipe or line must be sealed with a valve, flange, plug, or cap. 30 Tex. Admin. Code § 115.352(4).

**F. Recordkeeping and Reporting**

7.29 Operators in the Houston/Galveston/Brazoria areas shall maintain records on components and process areas that contain, at a minimum, “(A) the name of the process unit where the component is located; (B) the type of component (e.g., pump, compressor, valve, pressure relief valve, etc.); (C) all data collected in accordance with the monitoring and inspection requirements of § 115.354 of this title . . . for each component required to be monitored with a hydrocarbon gas analyzer. . . .” 30 Tex. Admin. Code § 115.356(2).

7.30 Every six months, a Federal operating permit holder must submit a written report containing “all instances of deviations, the probable cause of the deviations, and any corrective actions or preventative measures taken for each emission unit addressed in the permit.” These reports must be submitted to the TCEQ within 30 days of the end of each reporting period. 30 Tex. Admin. Code § 122.145.

7.31 Deviation reports must be signed and certified as accurate by a company’s designated responsible official. 30 Tex. Admin. Code §§ 122.143(15), 122.165.

7.32 The owner or operator of each unit required to install a continuous emission monitoring system (“CEMS”) is required to submit semi-annual reports of the monitoring performance, including downtime. Reports must be postmarked by the end of

the 30th day following the end of each calendar semiannual period. 30 Tex. Admin. Code § 117.219(d).

**G. Remedies**

7.33 Each violation of the TCAA is subject to a civil penalty between \$50 and \$25,000. Tex. Water Code § 7.102. Each day of a continuing violation is a separate violation. *Id.*

7.34 If the State prevails, it is entitled to reasonable attorney's fees, court costs, and investigative costs. Tex. Water Code § 7.108; Tex. Gov't Code § 402.006.

**VIII.  
Millennium La Porte Violations**

8.1 Millennium owns and operates a chemical facility at 1350 Miller Cut-Off Road, Deer Park, Texas 77536 ("Millennium La Porte"). In 2004, Lyondell acquired the stock of Millennium, which is now a direct subsidiary of Lyondell.

8.2 Millennium violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an investigation conducted at Millennium La Porte on or about April 25, 2005, referred to as Investigation No. 405287. The Investigation describes the violations in narrative form and identifies the violations by tracking numbers 216000, 216003, and 216006 in the Investigation. A copy of Investigation No. 405287, without attachments, is attached as Appendix A and incorporated herein for all purposes.

8.3 Millennium violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an investigation conducted at Millennium La Porte on or about September 9, 2005, referred to as Investigation No. 434060. The Investigation describes the violations in narrative

form and identifies the violations by tracking numbers 219840, 219845, 219849, 219855, 219858, 219859, 219861, 219862, 219867, 219881, 219882, 219885, 219891, 219914, 219916, 219917, 219919, 219920, 219928, 219937, 219940, 219942, 219943, 219944, 219946, 219949, 219950, 219951, 219953, 219967, 219968, 219969, 219971, 219976, 219981, 219988, and 221674 in the Investigation. A copy of Investigation No. 434060, without attachments, is attached as Appendix A and incorporated herein for all purposes.

**IX.**  
**Equistar La Porte Violations**

9.1 Defendant Equistar owns and operates a chemical facility at 1515 Miller Cut-Off Road, La Porte, Texas 77571 (“Equistar La Porte”).

9.2 Equistar violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an investigation conducted at Equistar La Porte on or about July 13, 2004, referred to as Investigation No. 250439. The Investigation describes the violations in narrative form and identifies the violations by tracking numbers 171351, 171353, 171624, 171626, 171628, 171630, 171633, 171635, 171636, 171639, and 171645, in the Investigation. A copy of Investigation No. 250439, without attachments, is attached as Appendix A and incorporated herein for all purposes.

9.3 Equistar violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an investigation conducted at Equistar La Porte on or about November 3, 2003, referred to as Investigation No. 254149. The Investigation describes the violation in narrative form and identifies the violation by tracking number 146946 in the Investigation. A copy of

Investigation No. 254149, without attachments, is attached as Appendix A and incorporated herein for all purposes.

9.4 Equistar violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an investigation conducted at Equistar La Porte on or about July 25, 2004, referred to as Investigation No. 275757. The Investigation describes the violation in narrative form and identifies the violation by tracking number 179874 in the Investigation. A copy of Investigation No. 275757, without attachments, is attached as Appendix A and incorporated herein for all purposes.

9.5 Equistar violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an investigation conducted at Equistar La Porte on or about June 11, 2004, referred to as Investigation No. 275765. The Investigation describes the violation in narrative form and identifies the violation by tracking number 171850 in the Investigation. A copy of Investigation No. 275765, without attachments, is attached as Appendix A and incorporated herein for all purposes.

9.6 Equistar violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an investigation conducted at Equistar La Porte on or about July 9, 2004, referred to as Investigation No. 276453. The Investigation describes the violation in narrative form and identifies the violation by tracking number 173118 in the Investigation. A copy of Investigation No. 276453, without attachments, is attached as Appendix A and incorporated herein for all purposes.

9.7 Equistar violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an investigation conducted at Equistar La Porte on or about July 20, 2004, referred to as Investigation No. 284737. The Investigation describes the violation in narrative form and identifies the violation by tracking number 168139 in the Investigation. A copy of Investigation No. 284737, without attachments, is attached as Appendix A and incorporated herein for all purposes.

9.8 Equistar violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an investigation conducted at Equistar La Porte on or about July 26, 2004, referred to as Investigation No. 285085. The Investigation describes the violation in narrative form and identifies the violation by tracking number 168260 in the Investigation. A copy of Investigation No. 285085, without attachments, is attached as Appendix A and incorporated herein for all purposes.

9.9 Equistar violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an investigation conducted at Equistar La Porte on or about July 21, 2004, referred to as Investigation No. 285304. The Investigation describes the violation in narrative form and identifies the violation by tracking number 179353 in the Investigation. A copy of Investigation No. 285304, without attachments, is attached as Appendix A and incorporated herein for all purposes.

9.10 Equistar violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an

investigation conducted at Equistar La Porte on or about August 2, 2004, referred to as Investigation No. 286945. The Investigation describes the violation in narrative form and identifies the violation by tracking number 185683 in the Investigation. A copy of Investigation No. 286945, without attachments, is attached as Appendix A and incorporated herein for all purposes.

9.11 Equistar violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an investigation conducted at Equistar La Porte on or about August 3, 2004, referred to as Investigation No. 287579. The Investigation describes the violation in narrative form and identifies the violation by tracking number 184437 in the Investigation. A copy of Investigation No. 287579, without attachments, is attached as Appendix A and incorporated herein for all purposes.

9.12 Equistar violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an investigation conducted at Equistar La Porte on or about August 9, 2004, referred to as Investigation No. 288752. The Investigation describes the violation in narrative form and identifies the violation by tracking number 187157 in the Investigation. A copy of Investigation No. 288752, without attachments, is attached as Appendix A and incorporated herein for all purposes.

~~9.13 Equistar violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an investigation conducted at Equistar La Porte on or about August 9, 2004, referred to as Investigation No. 288900. The Investigation describes the violation in narrative form and~~

identifies the violation by tracking number 182006 in the Investigation. A copy of Investigation No. 288900, without attachments, is attached as Appendix A and incorporated herein for all purposes.

9.14 Equistar violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an investigation conducted at Equistar La Porte on or about August 11, 2004, referred to as Investigation No. 289537. The Investigation describes the violation in narrative form and identifies the violation by tracking number 170087 in the Investigation. A copy of Investigation No. 289537, without attachments, is attached as Appendix A and incorporated herein for all purposes.

9.15 Equistar violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an investigation conducted at Equistar La Porte on or about July 28, 2004, referred to as Investigation No. 289814. The Investigation describes the violation in narrative form and identifies the violation by tracking number 186229 in the Investigation. A copy of Investigation No. 289814, without attachments, is attached as Appendix A and incorporated herein for all purposes.

9.16 Equistar violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an investigation conducted at Equistar La Porte on or about November 18, 2004, referred to as Investigation No. 338825. The Investigation describes the violation in narrative form and identifies the violation by tracking number 184236 in the Investigation. A copy of

Investigation No. 338825, without attachments, is attached as Appendix A and incorporated herein for all purposes.

9.17 Equistar violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an investigation conducted at Equistar La Porte on or about November 29, 2004, referred to as Investigation No. 338826. The Investigation describes the violation in narrative form and identifies the violation by tracking number 184530 in the Investigation. A copy of Investigation No. 338826, without attachments, is attached as Appendix A and incorporated herein for all purposes.

9.18 Equistar violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an investigation conducted at Equistar La Porte on or about December 27, 2004, referred to as Investigation No. 339170. The Investigation describes the violations in narrative form and identifies the violations by tracking numbers 186972 and 186690 in the Investigation. A copy of Investigation No. 339170, without attachments, is attached as Appendix A and incorporated herein for all purposes.

9.19 Equistar violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an investigation conducted at Equistar La Porte on or about August 12, 2004, referred to as Investigation No. 340085. The Investigation describes the violation in narrative form and identifies the violation by tracking number 182980 in the Investigation. A copy of Investigation No. 340085, without attachments, is attached as Appendix A and incorporated herein for all purposes.

9.20 Equistar violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an investigation conducted at Equistar La Porte on or about August 12, 2004, referred to as Investigation No. 340087. The Investigation describes the violation in narrative form and identifies the violation by tracking number 185360 in the Investigation. A copy of Investigation No. 340087, without attachments, is attached as Appendix A and incorporated herein for all purposes.

9.21 Equistar violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an investigation conducted at Equistar La Porte on or about August 17, 2004, referred to as Investigation No. 340088. The Investigation describes the violation in narrative form and identifies the violation by tracking number 185468 in the Investigation. A copy of Investigation No. 340088, without attachments, is attached as Appendix A and incorporated herein for all purposes.

9.22 Equistar violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an investigation conducted at Equistar La Porte on or about August 18, 2004, referred to as Investigation No. 340090. The Investigation describes the violation in narrative form and identifies the violation by tracking number 185583 in the Investigation. A copy of Investigation No. 340090, without attachments, is attached as Appendix A and incorporated herein for all purposes.

9.23 Equistar violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an

investigation conducted at Equistar La Porte on or about December 21, 2004, referred to as Investigation No. 345107. The Investigation describes the violation in narrative form and identifies the violation by tracking number 186538 in the Investigation. A copy of Investigation No. 345107, without attachments, is attached as Appendix A and incorporated herein for all purposes.

9.24 Equistar violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an investigation conducted at Equistar La Porte on or about December 21, 2004, referred to as Investigation No. 345108. The Investigation describes the violation in narrative form and identifies the violation by tracking number 189583 in the Investigation. A copy of Investigation No. 345108, without attachments, is attached as Appendix A and incorporated herein for all purposes.

9.25 Equistar violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an investigation conducted at Equistar La Porte on or about December 29, 2004, referred to as Investigation No. 345109. The Investigation describes the violation in narrative form and identifies the violation by tracking number 189808 in the Investigation. A copy of Investigation No. 345109, without attachments, is attached as Appendix A and incorporated herein for all purposes.

~~9.26 Equistar violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an investigation conducted at Equistar La Porte on or about February 10, 2005, referred to as Investigation No. 350846. The Investigation describes the violation in narrative form and~~

identifies the violation by tracking number 190872 in the Investigation. A copy of Investigation No. 350846, without attachments, is attached as Appendix A and incorporated herein for all purposes.

9.27 Equistar violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an investigation conducted at Equistar La Porte on or about March 29, 2005, referred to as Investigation No. 378796. The Investigation describes the violation in narrative form and identifies the violation by tracking number 200921 in the Investigation. A copy of Investigation No. 378796, without attachments, is attached as Appendix A and incorporated herein for all purposes.

9.28 Equistar violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an investigation conducted at Equistar La Porte on or about May 2, 2005, referred to as Investigation No. 400016. The Investigation describes the violations in narrative form and identifies the violations by tracking numbers 212293, 212295, 212297, 212299, 212303, 212307, and 212308 in the Investigation. A copy of Investigation No. 400016, without attachments, is attached as Appendix A and incorporated herein for all purposes.

9.29 Equistar violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an investigation conducted at Equistar La Porte on or about August 5, 2005, referred to as Investigation No. 404242. The Investigation describes the violation in narrative form and identifies the violation by tracking number 213742 in the Investigation. A copy of

Investigation No. 404242, without attachments, is attached as Appendix A and incorporated herein for all purposes.

**X.**  
**Channelview Violations**

10.1 Equistar owns and operates a chemical facility at 8280 Sheldon Road, Channelview, Texas 77530 ("Channelview").

10.2 Equistar violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an investigation conducted at Channelview on or about January 29, 2002, referred to as Investigation No. 13739. The Investigation describes the violations in narrative form and identifies the violations by tracking numbers 9783, 9792, and 9811 in the Investigation. A copy of Investigation No. 13739, without attachments, is attached as Appendix A and incorporated herein for all purposes.

10.3 Equistar violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an investigation conducted at Channelview on or about June 24, 2003, referred to as Investigation No. 149977. The Investigation describes the violations in narrative form and identifies the violations by tracking numbers 110188, 110192, 110204, and 110226 in the Investigation. A copy of Investigation No. 149977, without attachments, is attached as Appendix A and incorporated herein for all purposes.

10.4 Equistar violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an investigation conducted at Channelview on or about January 7, 2004, referred to as Investigation No. 263469. The Investigation describes the violations in narrative form

and identifies the violations by tracking numbers 153823 and 153825 in the Investigation. A copy of Investigation No. 263469, without attachments, is attached as Appendix A and incorporated herein for all purposes.

10.5 Equistar violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an investigation conducted at Channelview on or about May 20, 2003, referred to as Investigation No. 275792. The Investigation describes the violation in narrative form and identifies the violation by tracking number 163546 in the Investigation. A copy of Investigation No. 275792, without attachments, is attached as Appendix A and incorporated herein for all purposes.

10.6 Equistar violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an investigation conducted at Channelview on or about October 6, 2004, referred to as Investigation No. 339106. The Investigation describes the violations in narrative form and identifies the violations by tracking numbers 195811 and 195809 in the Investigation. A copy of Investigation No. 339106, without attachments, is attached as Appendix A and incorporated herein for all purposes.

10.7 Equistar violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an investigation conducted at Channelview on or about October 6, 2004, referred to as Investigation No. 339108. The Investigation describes the violations in narrative form and identifies the violations by tracking numbers 182307 and 182310 in the Investigation.

A copy of Investigation No. 339108, without attachments, is attached as Appendix A and incorporated herein for all purposes.

10.8 Equistar violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an investigation conducted at Channelview on or about October 6, 2004, referred to as Investigation No. 339113. The Investigation describes the violation in narrative form and identifies the violation by tracking number 186657 in the Investigation. A copy of Investigation No. 339113, without attachments, is attached as Appendix A and incorporated herein for all purposes.

10.9 Equistar violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an investigation conducted at Channelview on or about October 6, 2004, referred to as Investigation No. 343594. The Investigation describes the violation in narrative form and identifies the violation by tracking number 190409 in the Investigation. A copy of Investigation No. 343594, without attachments, is attached as Appendix A and incorporated herein for all purposes.

10.10 Equistar violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an investigation conducted at Channelview on or about February 21, 2005, referred to as Investigation No. 372787. The Investigation describes the violations in narrative form and identifies the violations by tracking numbers 198758, 212360, 215485, 215490, 215491, 215492, and 215494 in the Investigation. A copy of Investigation No. 372787, without attachments, is attached as Appendix A and incorporated herein for all purposes.

10.11 Equistar violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an investigation conducted at Channelview on or about May 18, 2005, referred to as Investigation No. 392902. The Investigation describes the violation in narrative form and identifies the violation by tracking number 206237 in the Investigation. A copy of Investigation No. 392902, without attachments, is attached as Appendix A and incorporated herein for all purposes.

10.12 Equistar violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an investigation conducted at Channelview on or about June 29, 2005, referred to as Investigation No. 399221. The Investigation describes the violation in narrative form and identifies the violation by tracking number 212075 in the Investigation. A copy of Investigation No. 399221, without attachments, is attached as Appendix A and incorporated herein for all purposes.

## **XI. Chocolate Bayou Violations**

11.1 Equistar owns and operates a chemical facility 12 miles south of Alvin, Texas, on FM 2917 ("Chocolate Bayou").

11.2 Equistar violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an investigation conducted at Chocolate Bayou on or about December 16, 2003, referred to as Investigation No. 259259. The Investigation describes the violation in narrative form and identifies the violation by tracking number 151280 in the Investigation. A copy of

Investigation No. 259259, without attachments, is attached as Appendix A and incorporated herein for all purposes.

11.3 Equistar violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an investigation conducted at Chocolate Bayou on or about July 26, 2004, referred to as Investigation No. 289697. The Investigation describes the violations in narrative form and identifies the violations by tracking numbers 170110, 179731, and 179733 in the Investigation. A copy of Investigation No. 289697, without attachments, is attached as Appendix A and incorporated herein for all purposes.

11.4 Equistar violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an investigation conducted at Chocolate Bayou on or about September 8, 2004, referred to as Investigation No. 293360. The Investigation describes the violations in narrative form and identifies the violations by tracking numbers 180609, 180611, 180612, 180613, 180614, 180615, 180616, 180618, 180619, 180620, 180621, 180622, 180623, and 180624 in the Investigation. A copy of Investigation No. 293360, without attachments is attached as Appendix A and incorporated herein for all purposes.

11.5 Equistar violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an investigation conducted at Chocolate Bayou on or about December 20, 2004, referred to as Investigation No. 293362. The Investigation describes the violations in narrative form and identifies the violations by tracking numbers 189835, 202247, 202277, 202298, 202300, 202303, 202309, and 202310 in the Investigation. A copy of Investigation No.

293362, without attachments, is attached as Appendix A and incorporated herein for all purposes.

11.6 Equistar violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an investigation conducted at Chocolate Bayou on or about April 25, 2005, referred to as Investigation No. 400224. The Investigation describes the violations in narrative form and identifies the violations by tracking numbers 211032, 211038, and 211040 in the Investigation. A copy of Investigation No. 400224, without attachments, is attached as Appendix A and incorporated herein for all purposes.

11.7 Equistar violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an investigation conducted at Chocolate Bayou on or about May 16, 2005, referred to as Investigation No. 404950. The Investigation describes the violations in narrative form and identifies the violations by tracking numbers 216059 and 216061 in the Investigation. A copy of Investigation No. 404950, without attachments, is attached as Appendix A and incorporated herein for all purposes.

## **XII. Bayport Violations**

12.1 Equistar owns and operates a chemical facility located at 5761 Underwood Road, in Pasadena, Texas 77507 ("Bayport").

12.2 Equistar violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an investigation conducted at Bayport on or about May 13, 2005, referred to as Investigation No. 393410. The Investigation describes the violations in narrative form and identifies

the violations by tracking numbers 205822 and 218569 in the Investigation. A copy of Investigation No. 393410, without attachments, is attached as Appendix A and incorporated herein for all purposes.

**XIII.**  
**Corpus Christi Violations**

13.1 Equistar owns and operates a chemical facility located at 1501 McKinzie Road in Corpus Christi, Texas 78409 ("Corpus Christi").

13.2 Equistar violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an investigation conducted at Corpus Christi on or about September 13, 2004, referred to as Investigation No. 339654. The Investigation describes the violation in narrative form and identifies the violation by tracking number 185034 in the Investigation. A copy of Investigation No. 339654, without attachments, is attached as Appendix A and is incorporated herein for all purposes.

**XIV.**  
**PD Glycol Beaumont Violations**

14.1 Equistar owns and operates a chemical facility located at 3510 Gulf States Road in Beaumont, Texas 77704 ("PD Glycol").

14.2 Equistar violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an investigation conducted at PD Glycol on or about June 6, 2005, referred to as Investigation No. 394905. The Investigation describes the violations in narrative form and identifies the violations by tracking numbers 212149, 212173, 212205, 212230,

212287, 212309, and 212352 in the Investigation. A copy of Investigation No. 394905, without attachments, is attached as Appendix A and incorporated herein for all purposes.

14.3 Equistar violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an investigation conducted at PD Glycol on or about March 18, 2004, referred to as Investigation No. 264050. The Investigation describes the violations in narrative form and identifies the violations by tracking numbers 165337, 165438, 165582, 165601, 165690, 165724, 165745, 165747, 165881, 165913, 165959, 165964, 166020, 166034, 166053, 166225, 166273, 166313, 166330, and 166332 in the Investigation. A copy of Investigation No. 264050, without attachments, is attached as Appendix A and incorporated herein for all purposes.

14.4 Equistar violated Section 382.085 of the TCAA, and regulations promulgated and permits issued to implement the TCAA, as documented in an investigation conducted at PD Glycol on or about August 11, 2005, referred to as Investigation No. 406277. The Investigation describes the violation in narrative form and identifies the violation by tracking number 217910 in the Investigation. A copy of Investigation No. 406277, without attachments, is attached as Appendix A and incorporated herein for all purposes.

## **XV. Civil Penalties**

15.1 Defendants may each be assessed a civil penalty between \$50 and \$25,000 for each day of each violation. Tex. Water Code § 7.102.

15.2 Each day of a continuing violation is a separate violation. *Id.*

15.3 The State seeks civil penalties within the statutory range for each day and each act of violation.

**XVI.**  
**Attorney's Fees**

16.1 The State requests attorney's fees, investigative costs, and court costs incurred in this cause. Tex. Water Code § 7.108 and Tex. Gov't Code § 402.006(c).

**PRAYER**

WHEREFORE, Plaintiff, the State of Texas, requests:

1. The Court grant judgment for appropriate civil penalties against Defendants for violations alleged herein, including post-judgment interest;
2. The Court award the State its reasonable attorney's fees, court costs, and investigative costs; and,
3. For such other and further relief, at law and in equity, to which Plaintiff may show itself justly entitled.

Respectfully submitted,

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ATTORNEYS FOR PLAINTIFF  
STATE OF TEXAS

CERTIFICATE OF SERVICE

I hereby certify that on the 22<sup>nd</sup> day of July 2008, a true and correct copy of the foregoing Plaintiff's' First Amended Original Petition was delivered to Defendants by hand delivery and by U.S. Certified Mail, Return Receipt Requested, by and through their attorney of record, addressed to:

Kevin M. Sadler  
Baker Botts L.L.P.  
98 San Jacinto Blvd., Suite 1500  
Austin, Texas 78701  
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Anthony W. Benedict