NOTICE OF OCUMENT QUALITY

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

THE QUALITY OF THE FOLLOWING ORIGINAL PAPER DOCUMENT(S) WAS SUCH THAT ALL OR PORTIONS OF THE SCANNED IMAGE

MAY BE DIFFICULT TO READ OR ILLEGIBLE.

Some reasons for poor quality:

There are multiple densities per page, different types of ink, faded document, and some documents are different colors. Many of the photographs, charts, graphs, maps are of poor quality.

The TCEQ is committed to accessibility. If you need assistance in accessing this document, please contact oce@tceq.texas.gov

Customer: Inhance Technologies LLC Customer Number: CN604388751

Regulated Entity Name: INHANCE TECHNOLOGIES Regulated Entity Number: RN104002530

Investigation # 1146861

Incident Numbers

193793

Investigator:

TIMOTHY BATSCHE

Site Classification

SIC Code: 3089

Conducted: 02/10/2014 -- 03/05/2014

NAIC Code: 326199

SEP 0 2 2014

RECEIVED

Program(s):

AIR QUALITY NON PERMITTED

Investigation Type: Compliance Investigation

Location:

Additional ID(s):

Address: 9830 EAST FWY, HOUSTON, TX, 77029

Local Unit: REGION 12 - HOUSTON

Activity Type(s):

AIR MNSR - MINOR SOURCE NEW

SOURCE REVIEW

AIRCOMPL - AIR CMPL - AIR

COMPLAINT INV

Principal(s):

Role

Name

RESPONDENT

INHANCE TECHNOLOGIES LLC

Contact(s):

Role

Title

Name

Phone

Regulated Entity

VICE PRESIDENT

Cell

(281) 468-3131

Mail Contact

MIKE KONA

Work

(281) 578-1440

Other Staff Member(s):

Role

Name

QA Reviewer

JOSEPH DOBY

Investigator

ANDREW EVANS

Supervisor

JOSEPH DOBY

Associated Check List

Checklist Name

Unit Name

AIR COMPLAINT INVESTIGATION

Inhance Technologies

Investigation Comments:

INTRODUCTION Introduction

Incident number(s): 193793

How was incident(s) received: Telephone

Date(s) and Time(s) incident(s) received: January 29, 2014, 12:04 p.m.

Page 2 of 6

Date and Time Investigator initially contacted complainant: February 10, 2014/8:25 a.m.

What did the complainant allege: Complainant alleged they were exposed to Florine (F2) and/or Hydrogen

Floride (HF) gas, and that plant operations are not authorized.

Date, time, frequency, and duration of each incident: January 28, 2014, single event.

Description of alleged health effects: None Description of alleged property effects: None

Alleged source: Inhance Technologies LLC

Contact Name: Mike Koma

Contact Title: Vice President of Manufacturing

Source Address: 9830 East Freeway Houston (Harris County), TX, 77029 Telephone Number: 281-578-1440

Time Contacted: February 11, 2014, 2:00 p.m.

Comment: None

Map of source location is included in Attachment 1.

Daily Summary

Date and time complainant contacted prior to conducting investigation (if not anonymous): February 10,

1014/8:25 a.m.

Additional information supplied by complainant: HF was bypassing a scrubber and venting to the atmosphere, the facility did not register when operations were relocated, and a consultant was obtained to perform a self-audit.

Date of investigation: February 11, 2014

Name of investigator(s): Timothy Batsche, and Andrew Evans

Time of arrival: 2:00 p.m.

Description of the surrounding land use: Industrial

Description of the terrain: Flat

Investigation Summary

Meteorological conditions during alleged incident:

Cloud Cover: Mostly Cloudy Wind direction: NNE Wind Speed: 15-20 mph Temperature: 32 deg. F Precipitation: None

Source of Meteorological Conditions: Weather Underground

Meteorological conditions during investigation:

Cloud Cover: Overcast Wind direction: N Wind Speed: 5-10 mph Temperature: 55 deg. F Precipitation: None

Source of meteorological conditions: Weather Underground

Investigation Narrative:

On February 10, 2014 the investigator contacted the complainant and informed the complainant that an investigation would be conducted. The complainant provided additional information about processes within the plant, and uncontrolled emissions. The complainant also stated that the company improperly obtained a Permit-by-Rule (PBR) under Subchapter S "Surface Coating" when the facility did not conduct surface coating operations. In addition, the facility did not obtain proper authorization to relocate, or report a name change. The investigator also collected information about Inhance Technologies LLC (Inhance Technologies) products and services, physical location, and permitting status on the internet.

On February 11, 2014 investigators Timothy Batsche and Andrew Evans conducted an onsite complaint

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Page 3 of 6

investigation at Inhance Technologies located at 9830 East Freeway (I-10 at Loop 610 East). The investigators conducted a survey from outside the facility on the south, east, and west side of the building. No visible emissions or odors were observed. The investigators arrived at the facility at approximately 2:00 p.m. and met Ms. Mindy Erickson, Assistant Plant Manager and James Smith, Regional Manager. The Plant Manager, Mr. Darin Stanley, was out of town. Mr. Batsche explained that a complaint had been received by the TCEQ concerning emissions of HF and F2. In addition, it was alleged that the facility was not properly authorized. The investigator also talked to Mr. Mike Koma, Vice President of Manufacturing via telephone and also described to him the reason for the investigation. Mr. Koma requested to be the primary point of contact throughout the investigation process.

The investigator requested permits authorizing operations. Ms. Erickson provided the investigator with letters from the Texas Natural Resource Conservation Commission Air Permits Division, dated August 7, 2000, indicating that Inhance Technologies submitted the PI-7 form to report the change of location from 6018 Griggs Road in Houston to 9830B East Freeway in Houston. The letter states that the new registration number is 44913 and authorizes operation of a fluorination treatment facility under 30 TAC § 106.4 and 30 TAC § 106.262. Ms. Erickson could not locate a copy of the PI-7 form submitted for this registration.

After the permit review Mr. Smith and Ms. Erickson escorted the investigators on a walk-through of the facility. The process begins with F2 production in which HF gas is injected into electrostatic cells where oxygen has been evacuated under vacuum. During the reaction HF is separated into Hydrogen (H) and F2. The H in the cells vent through dry alumina scrubbers, and the F2 gas goes to a storage tank. The F2 gas is used in processes to treat the surface of plastics by fluorination, in reactors or bins, under vacuum. Products to be fluorinated include bottles, small tanks, and plastic parts. In addition, extruded plastic pellets, and fine particle plastics can be fluorinated.

The investigator observed that all of the fluorination processes vent residual HF and F2 through alumina scrubbers. All of the scrubber vents, except one, are routed to a central location where a draft fan pulls the scrubbed air through one main vent (through the roof) to the atmosphere. The other scrubber vent is located at the Daikin Reactor and vents through the roof above. The investigator noted one vent that appeared to be uncontrolled to the atmosphere. The vent that appeared to be uncontrolled was from the Daikin Reactor where plastic pellets are fluorinated. Before the fluorination process begins plastic pellets are heated to reaction temperature (300 deg. F) by blowing hot air across the pellets. The hot air is vented to the atmosphere through the uncontrolled vent. There were no odors or visible emission observed by the investigators. The investigators left the facility at approximately 4:00 p.m.

The investigator reviewed the requirements of PBR § 106.262 subsequent to the site visit. The investigator found that PBR 30 TAC § 106.262(a)(4) requires that an emission point be a minimum of 300 feet from the nearest fence line, and a minimum of 600 feet from the nearest receptor for facilities that use HF and F2, among a list of other chemicals. The investigator used Google Maps to measure the distance from the roof vent to the nearest receptor, and found that the vent was less than 100 feet from the nearest receptor on the east side. Since Inhance Technologies does not meet the distance requirements of the PBR listed above, 30 TAC § 106.262 cannot be claimed as an authorization to operate. The investigator reviewed the operations and authorization with Mr. Emmanuel Ukandu, TCEQ Air Permits Division. Mr. Ukandu stated in an email that "To claim any PBR under 30 TAC § 106, all the requirements of the PBR (which are listed in the rule) must be satisfied, including the general requirements of 30 TAC chapter 106.4." Mr. Ukandu agreed that if an applicant cannot meet the distance requirement, it prohibits the use of a PBR as an authorization mechanism. The email is included in Attachment 2.

A violation of 30 TAC § 116.110(a) will be issued to Inhance Technologies as a result of this complaint investigation.

Was odor detected? No.

Were other citizens contacted? No.

Was an odor log left with the complainant? No

Was a nuisance condition verified? No Did you discuss statement requirements? No Was either a statement or notarized affidavit received? No

2/10/2014 to 3/5/2014 Inv. # - 1146861

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Were particulate emissions observed? No.
Was a nuisance condition verified? No.
Did you discuss statement requirements? No
Was either a statement or notarized affidavit received? No

Is actual source the same as the alleged source? Yes, No emissions were observed.

Was a compliance investigation conducted (i.e. MNSR)? Yes. An MNSR investigation was conducted at Inhance Technologies for compliance with PBR rules from 30 TAC Chapter 106 Subchapter K, 106.262.

Was any additional permit or 30 TAC investigation conducted? No

Were any non-nuisance violations alleged by the investigator? Yes.

Inhance Technologies claimed PBR 30 TAC § 106.262 as authorization to operate. The facility does not meet the distance requirements of PBR 30 TAC § 106.262(a)(4) and cannot claim it as authorization to operate. Inhance Technologies will be issued a violation of for not having proper authorization to operate as required by 30 TAC § 116.110(a).

Complainant contacted with the results of the investigation (if not anonymous):

Date: March 5, 2014 Time: 8:00 a.m.

Comment: Complainant was informed of the result of the investigation.

Exit Interview

On February 28, 2014 the investigator conducted the exit interview with Mr. Mike Koma, Vice President of Manufacturing, by telephone. An Exit Interview form was completed by the investigator and e-mailed to Mr. Koma at The Exit Interview form is included in Attachment 3.

GENERAL FACILITY AND PROCESS INFORMATION

Process description

HF is used to create F2 which is then used to treat the surface of plastic components by a chemical process known as fluorination.

BACKGROUND ON THE ALLEGED SOURCE

Current Enforcement Actions:

Based on this investigation, the regulated entity appears to be in compliance with 30 TAC rules, except for the following:

Failure to operate with proper authorization, which constitutes a violation of 30 TAC §116.110(a). Mike Koma was informed that continued operation is unauthorized. (CATEGORY B4 violation).

Agreed Orders, Court Orders, and Other Compliance Agreements

Based on review of CCEDS, regional office files, and enforcement database, there were no Agreed Orders (AO) issued to the regulated entity by the TCEQ.

Complaints

Based on review of CCEDS, there were no complaints filed against the regulated entity for the past two years.

Prior Enforcement Issues

Based on review of CCEDS and enforcement database, there were no Notices of Violation (NOVs) and no Notices of Enforcement (NOEs) issued by the TCEQ to the regulated entity in the last five years.

ADDITIONAL INFORMATION/RECOMMENDATIONS

Conclusions and Recommendations

One violation was noted based upon information received, observations made, and records reviewed during this investigation. Please refer to the Alleged Violations below. A Notice of Violation (NOV) will be issued to Inhance Technologies LLC for the alleged violations.

Areas of Concern

There were no specific areas of concern noted during this investigation.

INHANCE TECHNOLOGIES - H

2/10/2014 to 3/5/2014 Inv. # - 1146861

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Additional Issues

There were no specific additional issues noted during this investigation.

List of Report Attachments

- 1. Area Map
- 2. APD email

3. Exit Interview Form

NOV Date

04/30/2014

Method WRITTEN

OUTSTANDING ALLEGED VIOLATION(S)

ASSOCIATED TO A NOTICE OF VIOLATION

Track Number: 528970

Compliance Due Date: 07/29/2014

Violation Start Date: 2/11/2014

30 TAC Chapter 116.110(a) 5C THSC Chapter 382.085(b)

Alleged Violation:

Investigation: 1146861

Comment Date: 04/25/2014

Failure to operate with proper authorization.

As a result of a Complaint Investigation conducted on February 11, 2014, the Texas Commission on Environmental Quality (TCEQ) Houston Region Office determined that Inhance Technologies LLC, located in Houston Texas does not have the proper authorization to operate. This constitutes a violation of 30 TAC § 116.110(a), which states, "Permit to construct. Before any actual work is begun on the facility, any person who plans to construct any new facility or to engage in the modification of any existing facility which may emit air contaminants into the air of this state shall: 1. Obtain a permit under §116.111 of this title (relating to General Application);..."

This further constitutes a violation of the following: Texas Health and Safety Code 382.085(b).

Recommended Corrective Action: Submit a written description of corrective action taken, and the required documentation demonstrating that compliance has been achieved for this outstanding alleged violation.

Signed '

Environmental Investigator

Supervisor

Signed

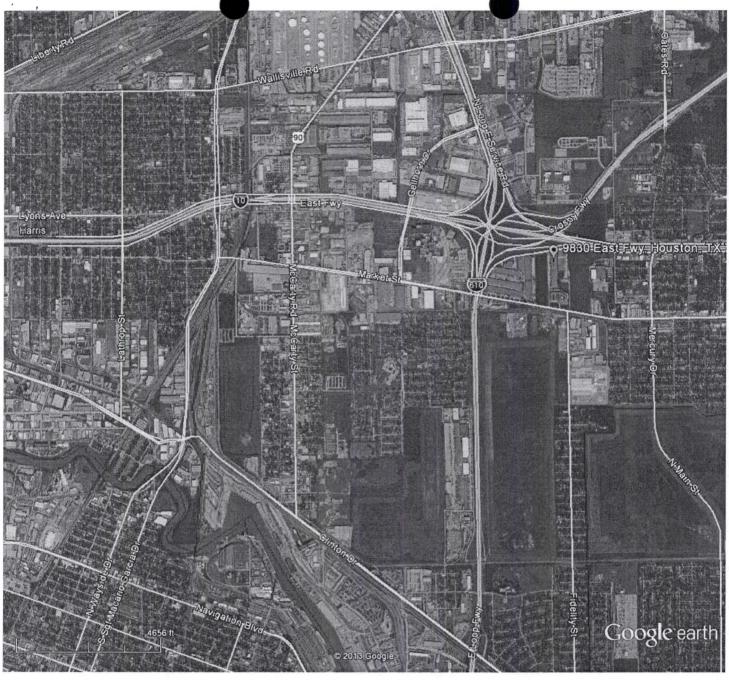
Page 6 of 6

Attachments: (in order of final report submittal)					
Enforcement Action Request (EAR)	Maps, Plans, Sketches				
Letter to Facility (specify type) :	Photographs				
Investigation Report	Correspondence from the facility				
Sample Analysis Results	Other (specify):				
Manifests	APD cmail				
Notice of Registration	Exit Intenzieu				

Inhance Technologies

RN 104-002-530

Attachment 1
Map – Source Location



Google earth miles km

Investigation Type: VMPL

Air Account NO: RN 104 002 53 0

Attachment: /

Page 1 of 1

Inhance Technologies

RN 104-002-530

Attachment 2
Email from APD

Timothy Batsche		
From: Sent: To: Cc: Subject:	Emmanuel Ukandu Tuesday, March 04, 20 Timothy Batsche Julie Steger; Anne Inm RE: Requesting your o	nan
Timothy,		
I am sending this in response	e to your question in the acc	companying e-mail.
To claim any PBR under 30 T satisfied, including the gener	•	quirements of the PBR (which are listed in the rule) must be Chapter §106.4.
		00 ft. found in §106.262(a)(1), however, the distance 0 ft. to nearest off-site receptor for certain chemicals – as listed
You are correct in the interp of PBR as an authorization m	* *	fails to meet a specific distance requirement, it prohibits the use
Hope this helps.		
From: Timothy Batsche Sent: Tuesday, March 04, 20 To: Emmanuel Ukandu Subject: FW: Requesting yo		
Timothy Batsche Environmental Investigator OCE/Field Operations Divisio (713)-767-3598 timothy.batsche@tceq.texas		
From: Timothy Batsche Sent: Friday, February 28, 2 To: Emmanuel Ukandu Subject: Requesting your open		Investigation Type: <u>CMPL</u> Air Account NO: <u>RN 104 002 5</u> 30 Attachment: 2 Page / of
Emmanuel,		raye
On Thursday 2/27/14 I spoke	to you about a company th	at claimed PBR 206.262. Basically when they moved to this

location in 2000 they filed a PI-7 form and received a new registration # 44913. After reviewing PBR 206.262 I found that they do not meet the distance requirements for 206.262(a)(4) the company uses hydrogen floride (HF), and florine (F2) in

I have attached a picture with RN and other details. Would you explain why they meet the rule or not, and if you think they are unauthorized.

Thank you, Tim

Timothy Batsche
Environmental Investigator
OCE/Field Operations Division/Air Section
(713)-767-3598
timothy.batsche@tceq.texas.gov

Inhance Technologies

RN 104-002-530

Attachment 3
Exit Interview Form

Regulated Entity/Site Name Inhance Tecknologies			Tecknologies			TCEQ Add. ID No. RN No (optional)	HX-2735-B RN104002530			
Investigation Type CMPL Co Regulated Entity Contact Mike Koma		Contact Made In-House (Y/N)	ect Made In-House (Y/N) No Purpose of Investigation		Compliance Investigation					
		ma		Telephone No.	281-578-1440	Date Conta- ted	1000	02/28/2014		
Title Vice President				E-mail:		Date Faxed				
gency fin	dings related	to violations. An	y potential or	ended to provide clarity to issues that have a alleged violations discovered after the date of ation, including additional violations or poter	of this Not	e will be communicated by telephone	e to the regulated entity represe	entative prior to the issu	ance of a notic	e of viola
I	ssue	For Record include the	s Request, rule in que	identify the necessary records, the stion with the clearly described p	e compa	any contact and date due to I problem. Other type of iss	the agency. For Allege ues: fully describe.	ed and Potential V	iolation iss	ues,
No.	Type ¹	Rule Citat	tion (if kno	wn)	Description of Issue					
1	AV	30 TAC 116.110(a) Inhance Technologies claims authorization under 30 TAC 106.262. The facility is not meeting the mi					ne minimun	n distar		
				1	om the nearest property line and 600' from any receptor if HF, or F2 are being used					
					(106.262(a)(4). Continued operation is not authorized.					,
					Investigation Type: CMYE					
					Air Account NO: <u>FW 104 002 53</u>					
							Attachr	nent:	2	
					Page					
ote 1	: Issue T	ype Can Be	One or M	fore of: AV (Alleged Violation	n), PV	(Potential Violation), O	(Other), or RR (Rec	ords Request)		
Did the	e TCEQ do	ocument the re	gulated ent	ity named above operating without	proper a	authorization?	(3100), 01100	oras request,	Yes	
Did the	e investiga	tor advise the	regulated e	ntity representative that continued of	peration	n is not authorized?			Yes	
	A . I	vledgment. Sig	gnature on th	is document establishes only that the re	egulated e	entity (company) representative r	eceived a copy of this docu	ment and associated	continuation	pages or
Docum date not	ted. If conta	ect was made by	telephone, o	document will be faxed to regulated ent	ity, there	rore, signature not required.				
date not	ted. If contains	ict was made by	telephone, o	document will be faxed to regulated ent	02/28/	T				

If you have questions about any information on this form, please contact your local TCEQ Regional Office.

Individuals are entitled to request and review their personal information that the agency gathers on its forms. They may also have any errors in their information corrected. To review such information, call 512/239-3282.

Bryan W. Shaw, Ph.D., P.E., Chairman
Toby Baker, Commissioner
Zak Covar, Commissioner
Richard A. Hyde, P.E., Executive Director



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

April 30, 2014

CERTIFIED MAIL #7008 0500 0001 9624 4024 RETURN RECEIPT REQUESTED

Mr. Michael Kona, Executive Vice President Inhance Technologies, LLC 9830 East FWY Houston, TX 77029

Re:

Notice of Violation for Complaint Investigation at:

Inhance Technologies, LLC, 9830 East FWY, Houston (Harris County), Texas

Regulated Entity No.: 104-002-530, Incident No.: 191673,

Investigation No.: 1146861

Dear Mr. Kona:

On February 11, 2014, Mr. Timothy Batsche of the Texas Commission on Environmental Quality (TCEQ) Houston Region Office conducted an investigation of the above-referenced regulated entity to evaluate compliance with applicable air quality requirements. Enclosed is a summary which lists the investigation findings. During the investigation, an outstanding alleged violation was identified for which compliance documentation is required. Please submit to this office by July 29, 2014, a written description of corrective action taken and the required documentation demonstrating that compliance has been achieved for the outstanding alleged violation.

One or more of the violations documented during the subject investigation includes unauthorized activity and you are hereby advised that continued operation is not authorized.

In the listing of the alleged violation, we have cited applicable requirements, including TCEQ rules. Please note that both the rules themselves and the agency brochure entitled *Obtaining TCEQ Rules* (GI 032) are located on our agency website at http://www.tceq.state.tx.us for your reference. If you would like a hard copy of this brochure mailed to you, you may call and request one from either the Houston Region Office at (713) 767-3700 or the Central Office Publications Ordering Team at 512-239-0028.

The TCEQ appreciates your assistance in this matter. Please note that the Legislature has granted TCEQ enforcement powers which we may exercise to ensure compliance with environmental regulatory requirements. We anticipate that you will resolve the alleged violation as required in order to protect the State's environment. If you have additional information that we are unaware of, you have the opportunity to contest the violation documented in this notice. Should you choose to do so, you must notify me at (713) 422-8943, in the Houston Region Office, within 10 days from the date of this letter. At that time, I will schedule a violation review

Mr. Michael Kona, Executare Vice President Page 2 April 30, 2014

Should you choose to do so, you must notify me at (713) 422-8943, in the Houston Region Office, within 10 days from the date of this letter. At that time, I will schedule a violation review meeting to be conducted within 21 days from the date of this letter. However, please be advised that if you decide to participate in the violation review process, the TCEQ may still require you to adhere to the compliance schedule included in the attached Summary of Investigation Findings until an official decision is made regarding the status of any or all of the contested violations.

If you or members of your staff have any questions, please feel free to contact Mr. Timothy Batsche in the Houston Region Office at (713) 767-3598.

Sincerely.

Joe Doby, Air Section Team Leader

Houston Region Office

Texas Commission on Environmental Quality

JD/TB/kj

cc: Mr. Bob Allen, Director, Pollution Control Services Department, 101 S. Richey, Suite H, Pasadena, Texas 77506

Mr. Arturo Blanco, Bureau Chief, Bureau of Pollution Control and Prevention, Houston Department of Health & Human Services, 7411 Park Place, Houston, Texas 77087

Enclosure: Summary of Investigation Findings



TCEQ Complaint Report

02/27/2014 10:35:10AM

Incident No: 193793

Media Type: Air Start Date: Unknown

Received Date: 01/29/2014

Method: PHONE

Staff Member: TBATSCHE

Status: Closed

Status Date: 02/13/2014

Priority: Within 14 Calendar Days

Regulated Entity: Inhance Technologies

RN104002530

Address: 9830 East Fwy

Houston, Harris County, TX 77029

Physical Location:

Responsible Party:

Address:

Title:

Number Complaining: 1

Frequency: Current

Alleged Source: Inhance Technologies

Program Group: Air Quality - High

Level

Nature: Odor

Effect: Environmental

Initial Problem

The Complainant alleged impacts of odor coming from a business in the area.

Action Taken

This complaint has been assigned and will be further investigated by an Environmental Investigator.

Closure Comments

More information will be available upon approval of the investigation report.

Investigation #: 1146861

Appendix 5-D

AiriCo_ 104002530_ Co_ 2014043_ Investigation 1146861

CERTIFIED MAIL RECEIPT CARD ("Green Card")

Division/Region: 6312	Section: Air Team3
Record Series: AIRCs	
Primary Identification Number(Acct/RN):	104002 530
Secondary Identification Number(Permit):	
Facility: Marke Trahnologies	_ Date of Letter: 04 30 RECEIVE
Regarding: NO V	SEP 0 2 2014
	CENTRALFILE ROOM
4024	INU# 1146861
Affix Acknowledgment Rec	eipt ("Green Card") Here
SENDER: COMPLETE THIS SECTION Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 1. Article Addressed to: MR MICHAEL KONA EXECUTIVE VICE PRESIDENT INHANCE TECHNOLOGIES LLC 9830 EAST FWY HOUSTON TX 77029 2. Article Nun (Transfer fr. PS Form 3811, February 2004 Domestic	A. Signature X