

EXECUTIVE SUMMARY - ENFORCEMENT MATTER
DOCKET NO.: 2004-0142-MLM-E TCEQ ID NO: RN100843044 CASE NO.: 12426
RESPONDENT NAME: SOUTH TEXAS CHLORINE, INC.

ORDER TYPE:

<input checked="" type="checkbox"/> 1660 AGREED ORDER	<input type="checkbox"/> FINDINGS AGREED ORDER	<input type="checkbox"/> AMENDED ORDER	<input type="checkbox"/> IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER
<input type="checkbox"/> SHUTDOWN ORDER	<input type="checkbox"/> FINDINGS DEFAULT ORDER	<input type="checkbox"/> EMERGENCY ORDER	

CASE TYPE:

<input type="checkbox"/> AGRICULTURE	<input checked="" type="checkbox"/> AIR	<input checked="" type="checkbox"/> INDUSTRIAL AND HAZARDOUS WASTE	<input type="checkbox"/> MUNICIPAL SOLID WASTE
<input type="checkbox"/> OCCUPATIONAL CERTIFICATION	<input type="checkbox"/> PETROLEUM STORAGE TANKS	<input type="checkbox"/> PUBLIC WATER SUPPLY	<input type="checkbox"/> RADIOACTIVE WASTE
<input checked="" type="checkbox"/> MULTI-MEDIA (check all that apply)	<input type="checkbox"/> SEWAGE SLUDGE	<input type="checkbox"/> UNDERGROUND INJECTION CONTROL	<input type="checkbox"/> USED OIL
<input type="checkbox"/> USED OIL FILTER	<input checked="" type="checkbox"/> WATER QUALITY		

SITE WHERE VIOLATION(S) OCCURRED: 8600 E. Harrison, Harlingen, Cameron County

TYPE OF OPERATION: Chemical repackaging plant

SMALL BUSINESS: Yes No

OTHER SIGNIFICANT MATTERS: There are no previous complaints. There is no record of additional pending enforcement actions regarding this facility location.

INTERESTED PARTIES: No one other than the ED and the Respondent has expressed an interest in this matter.

COMMENTS RECEIVED: The *Texas Register* comment period expired on February 12, 2007. No comments were received.

CONTACTS AND MAILING LIST:

TCEQ Attorney: Ms. Laurencia Fasoyiro, Litigation Division, MC R-12, (713) 422-8914; Ms. Jennifer Cook, Litigation Division, MC 175, (512) 239-1873
SEP Coordinator: Ms. Sharon Blue, Litigation Division, MC 175, (512) 239-2223
TCEQ Enforcement Coordinator: Mr. Jorge Ibarra, Enforcement Division, Section II, MC R-4, (817) 580-5890
TCEQ Regional Contact: Ms. Lorinda Gardner, Harlingen Regional Office, MC R-15, (956) 430-6043
Respondent: Mr. Bert Wolfe, President, South Texas Chlorine Inc., P.O. Box 430, Harlingen, Texas 78551
Respondent's Attorney: Not represented by counsel.

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p>Type of Investigation: <input type="checkbox"/> Complaint <input checked="" type="checkbox"/> Routine <input type="checkbox"/> Enforcement Follow-up <input type="checkbox"/> Records Review</p> <p>Date(s) of Complaints Relating to this Case: None</p> <p>Date(s) of Investigation(s) Relating to this Case: March 14, 2003 and May 19, 2003</p> <p>Date(s) of NOV(s)/NOE(s) Relating to this Case: June 25, 2003 (NOE)</p> <p>Background Facts: The EDPRP was filed on October 18, 2004. South Texas Chlorine filed an Answer to the EDPRP on November 9, 2004. On January 28, 2005, the case was referred to SOAH. The Preliminary hearing was held on June 9, 2005. On November 17, 2006, the Litigation Division mailed a proposed Agreed Order to South Texas Chlorine. On December 12, 2006, the Litigation Division received a signed Agreed Order from South Texas Chlorine.</p> <p>The Respondent in this case does not owe any other penalties according to the Administrative Penalty Database Report.</p> <p>MLM</p> <ol style="list-style-type: none"> Failed to properly monitor the concentration of the scrubbing solution at least once per shift as required by the permit [30 TEX. ADMIN. CODE § 116.115(c); TEX. HEALTH & SAFETY CODE § 382.085(b); NSR Permit No. 21286, Special Condition No. 8]. Failed to maintain the maximum allowed bleach production limit of 120 batches per year. 130 batches of bleach were produced in Fiscal Year 2002 [30 TEX. ADMIN. CODE § 116.115(c); TEX. HEALTH & SAFETY CODE § 382.085(b); NSR Permit No. 21286, Special Condition No. 25]. Failed to meet the following record keeping requirements: 1) Monthly records of the location of one-ton cylinders containing Cl₂, SO₂, and NH₃, stored at this plant; 2) records of the railcar unloading operations; 3) records of all repairs and replacement resulting from leaks within the system; 4) records of the results of the required fugitive monitoring and maintenance program 5) records of maintenance to the plant's security systems [30 TEX. ADMIN. CODE § 116.115(c), TEX. HEALTH & SAFETY CODE § 382.085(b); NSR Permit No. 21286, Special Condition Nos. 26(A), (D), (F), (G) and (H)]. Failed to identify and obtain a permit for non-storm water discharge. Specifically, the resinates from the cylinders was discharged onto the soil of the regulated entity's property [30 TEX. ADMIN. CODE §§ 281.25(a)(4), 335.4; MSGP No. TXR05H669. Part III, Section A(3)(a) and (b); and TEX. WATER CODE § 26.121]. 	<p>Total Assessed: \$5,100</p> <p>Total Deferred: \$0 <input type="checkbox"/> Expedited Settlement <input type="checkbox"/> Financial Inability to Pay</p> <p>SEP Conditional Offset: \$2,550</p> <p>Total Paid to General Revenue: \$2,550</p> <p>The Respondent has paid \$2,550 of the administrative penalty. The remainder of \$2,550 shall be conditionally offset by the completion of a Supplemental Environmental Project (SEP).</p> <p>Site Compliance History Classification: <input checked="" type="checkbox"/> High <input type="checkbox"/> Avg. <input type="checkbox"/> Poor</p> <p>Person Compliance History Classification: <input type="checkbox"/> High <input checked="" type="checkbox"/> Avg. <input type="checkbox"/> Poor</p> <p>Major Source: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Applicable Penalty Policy: September 1, 2002</p>	<p>Corrective Actions Taken:</p> <p>The Executive Director recognizes that the Respondent has implemented the following corrective actions on March 7, 2005:</p> <ol style="list-style-type: none"> Began maintaining a minimum concentration of 14 percent fresh scrubbing solution. Began relieving the scrubbers of their entire contents and recharging with fresh solution at a rate sufficient to ensure minimum scrubbing solution concentration of 14 percent. Began monitoring the concentration of the scrubbing solution in each scrubber at least once per shift. Began maintaining the following records at the plant for a period of at least two (2) years from the date upon which it was recorded: 1) Monthly records of the location of one-ton cylinders containing chlorine, Cl₂; sulfur dioxide, SO₂; and ammonia, NH₃, stored at this plant; 2) records of all repairs and replacement resulting from leaks within the system; 3) records of maintenance to the plant's security systems. Submitted an administratively complete application for coverage under the Multi Sector General Permit ("MSGP") TXROR5000, Conditional No Exposure Certification Form, an individual storm water permit or a general storm water permit which identifies all non-storm water sources that are not eligible for MSGP coverage. Submitted written certification that the storm water permit has been obtained, or ceased operations until such permit was obtained. Conducted a Comprehensive Site Compliance Evaluation. Began monitoring storm water discharges into inland waters for hazardous metals. Began monitoring storm water discharges into tidal waters for hazardous metals. Trained all plant personnel to recognize C 1₂, SO₂, and NH₃ leaks.

**RESPONDENT'S NAME: SOUTH TEXAS CHLORINE, INC.
DOCKET NO.: 2004-0142-MLM-E**

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p>5. Failed to include the following items in the Storm Water Pollution Prevention Plan: 1) the inventory of exposed materials, specifically storage of waste streams; 2) narrative description of all activities that could contribute pollutants to the storm water, specifically leaking waste streams from pumps and piping; 3) two outfall locations of the site map [30 TEX. ADMIN. CODE § 281.25(a)(4); and MSGP No. TXR05H669, Part III Sections A(4)(a), (b) and (c)].</p> <p>6. Failed to include a detailed description in the SWP3 of the following: 1) spill prevention and response measures where spills could contribute pollutants to storm water discharges; 2) an established training program for all employees responsible for implementing or maintaining the activities of the SWP3; 3) a method to record the required information for the quarterly visual monitoring. Three (3) of the nine (9) required elements of Section A(5) were not met [30 TEX. ADMIN. CODE § 281.25(a)(4) and MSGP No. TXR05H669, Part III Sections A(5)(b), (f) and (h)].</p> <p>7. Failed to complete a hazardous waste determination of the two (2) water waste streams generated as a result of the washing of compressed gas cylinders and the one (1) ton containers in the scrubber tanks [30 TEX. ADMIN. CODE § 335.62 and 40 C.F.R § 262.11].</p>		<p>11. Certified continued compliance with the maximum allowed bleach production limit of 120 batches per year for calendar year 2003.</p> <p>12. Identified non-storm water discharges eligible for coverage in the Storm Water Pollution Prevention Plan ("SWP3").</p> <p>13. Included the following items in the SWP3: 1) the inventory of exposed materials, including all materials that are handled, stored, processed, treated, or disposed of in a manner that allows exposure to precipitation or runoff, specifically storage of waste streams; 2) a narrative description of all activities and potential sources of pollutants that may reasonably be expected to add pollutants to storm water discharges, specifically leaking waste streams from pumps and piping; 3) developed the site map so that it depicts the location of each outfall covered by the permit.</p> <p>14. Submitted a SWP3 that included a detailed description and a schedule for implementation of the following: 1) developing and implementing spill prevention and response measures prevent spills and to provide for adequate spill response; 2) developing an established training program for all employees responsible for implementing or maintaining the activities of the SWP3; 3) visually examining storm water discharges from each outfall authorized by the general permit on a quarterly basis and maintaining records of the quarterly monitoring, in accordance with 30 TEX. ADMIN. CODE § 281.25(a)(4), and MSGP No. TXR05H669, Part III, Section A(5)(b), (f), and (h).</p> <p>15. Conducted semi-annual calibration checks in order to demonstrate the minimum rate of re-circulation flow of 87 gallons per minute in each of the caustic scrubbers.</p> <p>16. Routed the waste streams to an appropriately constructed pit or tank or to an approved drain.</p>

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
		<p>Ordering Provisions:</p> <ol style="list-style-type: none">1. Immediately, begin maintaining the following records at the plant for a period of at least two (2) years from the date upon which it was recorded:<ol style="list-style-type: none">a) Records of the railcar unloading operations including the date and time of each railcar arrival, the date and time of the completion of unloading, total elapsed time, and material unloaded; andb) Records of the results of the required fugitive monitoring and maintenance program, to include testing of the sensors and alarms, appropriate dates, test methods, results, and corrective actions taken, shall be maintained at the company's main office in Harlingen, Texas.2. Within 30 days, complete a hazardous waste determination on the two (2) water waste streams generated as a result of the washing of compressed gas cylinders and one (1) ton containers in the scrubber tanks.3. The Respondent shall implement and complete a Supplemental Environmental Project (SEP) (See SEP Attachment A).

 Policy Revision 2 (09/02)		PCW Revision 6/12/2003	
DATES			
PCW	7-Jul-2004	Screening	18-Jan-2004
Priority Due	17-May-2004	EPA Due	
RESPONDENT INFORMATION			
Respondent	South Texas Chlorine, Inc.		
Respondent/Site ID No(s)	Regulated Entity Reference No. RN100843044		
Facility/Site Region	15 - Harlingen	Major/Minor Source	Minor
CASE INFORMATION			
Enf./Case ID No(s)	Enforcement Case No. 12426		
Docket No.	2004-0142-MLM-E		
Case Priority	3	No. Violations	1
Enf. Coordinator	Jill Reed	Order Type	1660 without deferral
Media Program(s)	Industrial and Hazardous Waste	EC's Team	Enforcement Team 3
Admin. Penalty \$ Limit	Minimum \$0	Maximum	\$10,000

Penalty Calculation Section

TOTAL BASE PENALTY (<i>Sum of violation base penalties</i>)		Subtotal 1	\$2,360
ADJUSTMENTS (+/-) TO SUBTOTAL 1			
Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage. +			
Compliance History		0% Enhancement	Subtotal 2, 3 & 7
Notes			\$0
No change due to Average Performer Classification.			+
Culpability		0% Enhancement	Subtotal 4
Notes			\$0
No <input checked="" type="checkbox"/> Select Yes/No			+
The Respondent does not meet culpability criteria.			
Good Faith Effort to Comply		0% Reduction	Subtotal 5
Notes			\$0
Extraordinary	Before NOV	NOV to EDRP/Settlement Offer	
Ordinary			
None of the above	X	(mark with small x)	+
The Respondent is not yet in compliance.			
Economic Benefit		0% Enhancement*	Subtotal 6
Notes			\$0
\$62	Total EB Amounts	*Capped at the Total EB \$ Amount	=
\$1,000	Approx. Cost of Compliance		
SUM OF SUBTOTALS 1-7		Final Subtotal	\$2,360
OTHER FACTORS AS JUSTICE MAY REQUIRE		Adjustment	\$0
Reduces or enhances the Final Subtotal by the indicated percentage. (enter number only; e.g. -30 for -30%)			
Notes			=
		Final Penalty Amount	\$2,360
STATUTORY LIMIT ADJUSTMENT		Final Assessed Penalty	\$2,000
DEFERRAL		Adjustment	\$0
Reduces the Final Assessed Penalty by the indicated percentage. (enter number only; e.g. 20 for 20% reduction)			
Notes			=
No deferral is being offered because a settlement was not achieved within the 60 day negotiation period.			
PAYABLE PENALTY			\$2,000

Screening Date	18-Jan-2004	amended.qpw	Docket Number	2004-0142-MLM-E	PCW
Respondent	South Texas Chlorine, Inc.			Policy Revision 2 (09/02)	
Case ID No.	Enforcement Case No. 12426			PCW Revision 6/12/2003	
Respondent/Site ID No.	Regulated Entity Reference No. RN100843044				
Media [Statute]	Industrial and Hazardous Waste				
Enf. Coordinator	Jill Reed				
Site Address	8600 East Harrison, Harlingen, Cameron County, Texas 78550				

Compliance History Worksheet

>> **Compliance History Site Enhancement (Subtotal 2)**

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written NOVs with same or similar violations as those in the current enforcement action (<i>number of NOV's meeting criteria</i>)	0	0%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgements or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were submitted</i>)	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	0	0%
<i>Please enter Yes or No.</i>			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2)

>> **Repeat Violator (Subtotal 3)**

Adjustment Percentage (Subtotal 3)

>> **Compliance History Person Classification (Subtotal 7)**

Adjustment Percentage (Subtotal 7)

Compliance History Summary

Compliance History Notes

Total Adjustment Percentage (Subtotals 2, 3 & 7)

Screening Date 18-Jan-04 **Docket Number** 2004-0142-MLM-E **PCW**
Respondent South Texas Chlorine, Inc. **Policy Revision 2 (09/02)**
Case ID No. Enforcement Case No. 12426 **PCW Revision 6/12/2003**
Respondent/Site ID No. Regulated Entity Reference No. RN100843044
Media (Statute) Industrial and Hazardous Waste
Enf. Coordinator Jill Reed
Violation Number 1
Primary Rule Cite 30 Tex. Admin. Code § 335.62 and 40 Code of Federal Registration (CFR) 262.11
Secondary Cite(s)
Violation Description Failed to complete a hazardous waste determination of the two (2) water waste streams generated as a result of the washing of compressed gas cylinders and one (1) ton containers in the scrubber tanks.

Base Penalty \$10,000

» **Environmental, Property and Human Health Matrix**

		Harm			
		Major	Moderate	Minor	
OR	Actual				Percent
	Potential				

» **Programmatic Matrix**

		Major	Moderate	Minor	
OR	Falsification	x			Percent 10%

Matrix Notes 100% of the rule requirement was not met.

Adjustment -\$9,000

Base Penalty Subtotal \$1,000

Violation Events

Number of Violation Events 2

mark only one; use small x

daily	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$2,000

Events Notes Two (2) single event are recommended based upon an investigation conducted May 19, 2003.

Economic Benefit (EB) for this violation **Statutory Limit Test**

Estimated EB Amount (\$) \$62 **Violation Final Penalty total** \$2,000

This Violation Final Assessed Penalty (adjusted for limits) \$2,000

Economic Benefit Worksheet

Respondent: South Texas Chlorine, Inc.
 ID Number(s): Enforcement Case No. 12426
 Media [Statute]: Industrial and Hazardous Waste
 Violation Number: 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost <small>No commas or \$</small>	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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Delayed Costs

Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (As needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (As Needed)	\$1,000	19-May-2003	14-Aug-2004	1.2	\$62	n/a	\$62

Notes for DELAYED costs

Estimated cost to perform a hazardous waste determination on the two (2) water waste streams. The Economic Benefit is calculated from the investigation date to the projected compliance date.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equip				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs

Approx Cost of Compliance

TOTAL

 Policy Revision 2 (09/02)		Penalty Calculation Worksheet (PCW)		PCW Revision 6/12/2003	
DATES					
PCW	7-Jul-2004	Screening	18-Jan-2004	Priority Due	17-May-2004
RESPONDENT INFORMATION					
Respondent South Texas Chlorine, Inc.					
Respondent/Site ID No(s) Air Account No. CD-0085-I; Regulated Entity Reference No. RN100843044					
Facility/Site Region		15 - Harlingen	Major/Minor Source		Minor
CASE INFORMATION					
Enf./Case ID No(s) Enforcement Case No. 12426					
Docket No. 2004-0142-MLM-E			No. Violations 3		
Case Priority		3	Order Type		1660 without deferral
Enf. Coordinator		Jill Reed	EC's Team		Enforcement Team 3
Media Program(s) Air Quality					
Admin. Penalty \$ Limit		Minimum \$0	Maximum		\$10,000

Penalty Calculation Section			
TOTAL BASE PENALTY (<i>Sum of violation base penalties</i>)			Subtotal 1 \$1,100
ADJUSTMENTS (+/-) TO SUBTOTAL 1			
Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage. +			
Compliance History		0% Enhancement	Subtotals 2, 3 & 7 \$0
Notes	No penalty reduction due to Average Performer Classification.		+
Culpability		0% Enhancement	Subtotal 4 \$0
Notes	No <input checked="" type="checkbox"/> Select Yes/No The Respondent does not meet culpability criteria.		+
Good Faith Effort to Comply		0% Reduction	Subtotal 5 \$0
Extraordinary	Before NOV	NOV to EDPRP/Settlement Offer	+
Ordinary			
None of the above	X	(mark with small x)	
Notes	The Respondent is not yet in compliance.		
Economic Benefit		0% Enhancement*	Subtotal 6 \$0
	\$631	Total EB Amounts	*
	\$1,200	Approx. Cost of Compliance	=
SUM OF SUBTOTALS 1-7			Final Subtotal \$1,100
OTHER FACTORS AS JUSTICE MAY REQUIRE			Adjustment \$0
Reduces or enhances the Final Subtotal by the indicated percentage. (enter number only; e.g. -30 for -30%)			
Notes			=
			Final Penalty Amount \$1,100
STATUTORY LIMIT ADJUSTMENT			Final Assessed Penalty \$1,100
-			
DEFERRAL		Deferral	Adjustment \$0
Reduces the Final Assessed Penalty by the indicated percentage. (enter number only; e.g. 20 for 20% reduction)			
Notes	No deferral is being offered because a settlement was not achieved within the 60 day negotiation period.		=
PAYABLE PENALTY			\$1,100

Screening Date	18-Jan-2004	Docket Number	2004-0142-MLM-E	PCW
Respondent	South Texas Chlorine, Inc.	Policy Revision 2 (09/02)		
Case ID No.	Enforcement Case No. 12426	PCW Revision 6/12/2003		
Respondent/Site ID No.	Air Account No. CD-0085-I; Regulated Entity Reference No. RN100843044			
Media [Statute]	Air Quality			
Enf. Coordinator	Jill Reed			
Site Address	8600 East Harrison, Harlingen, Cameron County, Texas 78550			

Compliance History Worksheet

>> **Compliance History Site Enhancement (Subtotal 2)**

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written NOVs with same or similar violations as those in the current enforcement action (<i>number of NOVs meeting criteria</i>)	0	0%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgements or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were submitted</i>)	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	0	0%
<i>Please enter Yes or No</i>			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2)

>> **Repeat Violator (Subtotal 3)**

Select Yes/No **Adjustment Percentage (Subtotal 3)**

>> **Compliance History Person Classification (Subtotal 7)**

Select High, Average or Poor **Adjustment Percentage (Subtotal 7)**

Compliance History Summary

Compliance History Notes

Total Adjustment Percentage (Subtotals 2, 3 & 7)

Screening Date	18-Jan-04	Docket Number	2004-0142-MLM-E	PCW
Respondent	South Texas Chlorine, Inc.			Policy Revision 2 (09/02)
Case ID No.	Enforcement Case No. 12426			PCW Revision 6/12/2003
Respondent/Site ID No.	Air Account No. CD-0085-I; Regulated Entity Reference No. RN100843044			
Media [Statute]	Air Quality			
Enf. Coordinator	Jill Reed			
Violation Number	1			
Primary Rule Cite	30 Tex. Admin. Code § 116.115(c), NSR Permit No. 21286, Special Condition No. 8			
Secondary Cite(s)	Texas Health and Safety Code § 382.085(b)			
Violation Description	Failed to properly monitor the concentration of the scrubbing solution at least once per shift as required by the permit.			

Base Penalty \$10,000

» Environmental, Property and Human Health Matrix				
	Harm			
	Release	Major	Moderate	Minor
OR	Actual			
	Potential			x
				Percent 5%

» Programmatic Matrix				
	Falsification	Major	Moderate	Minor
OR				
				Percent

Matrix Notes Human health or the environment will or could be exposed to insignificant amounts of pollutants which would not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment -\$9,500
Base Penalty Subtotal \$500

Violation Events	
Number of Violation Events	1

<i>mark only one; use small x</i>	daily	
	monthly	
	quarterly	
	semiannual	
	annual	
	single event	x

Violation Base Penalty \$500

Events Notes One (1) single event is recommended based upon an investigation conducted March 14, 2003.

Economic Benefit (EB) for this violation	Statutory Limit Test
Estimated EB Amount (\$) \$1	Violation Final Penalty total \$500
This Violation Final Assessed Penalty (adjusted for limits) \$500	

Economic Benefit Worksheet

Respondent South Texas Chlorine, Inc.
ID Number(s) Enforcement Case No. 12426
Media [Statute] Air Quality
Violation Number 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost <small>No commas or \$</small>	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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Delayed Costs

Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (As needed)	\$200	14-Mar-2003	31-Mar-2003	0.0	\$0	\$1	\$1
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (As Needed)				0.0	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to train facility personnel to monitor the scrubbers correctly. The Economic Benefit is calculated from the investigation date to the compliance date.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equip				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs

Approx Cost of Compliance

TOTAL

Screening Date	18-Jan-04	Docket Number	2004-0142-MLM-E	PCW
Respondent	South Texas Chlorine, Inc.			Policy Revision 2 (09/02)
Case ID No.	Enforcement Case No. 12426			PCW Revision 6/12/2003
Respondent/Site ID No.	Air Account No. CD-0085-I; Regulated Entity Reference No. RN100843044			
Media [Statute]	Air Quality			
Enf. Coordinator	Jill Reed			
Violation Number	2			
Primary Rule Cite	30 Tex. Admin. Code § 116.115(c), NSR Permit No. 21286, Special Condition No. 25			
Secondary Cite(s)	Texas Health and Safety Code § 382.085(b)			
Violation Description	Failed to maintain the maximum allowed bleach production limit of 120 batches per year. 130 batches of bleach were produced in Fiscal Year 2002.			
	Base Penalty	\$10,000		

» **Environmental, Property and Human Health Matrix**

		Harm			
		Major	Moderate	Minor	
OR	Actual				Percent <input type="text" value="5%"/>
	Potential			x	

» **Programmatic Matrix**

		Major	Moderate	Minor	
OR	Falsification				Percent <input type="text"/>

Matrix Notes

Human health or the environment will or could be exposed to insignificant amounts of pollutants which would not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment

Base Penalty Subtotal \$500

Violation Events

Number of Violation Events

<i>mark only one; use small x</i>	daily	<input type="text"/>
	monthly	<input type="text"/>
	quarterly	<input type="text"/>
	semiannual	<input type="text"/>
	annual	<input type="text"/>
	single event	<input checked="" type="checkbox"/>

Violation Base Penalty \$500

Events Notes

One (1) single event is recommended based upon an investigation conducted March 14, 2003.

Economic Benefit (EB) for this violation	Statutory Limit Test
Estimated EB Amount (\$) <input type="text" value="\$6"/>	Violation Final Penalty total <input type="text" value="\$500"/>
This Violation Final Assessed Penalty (adjusted for limits) <input type="text" value="\$500"/>	

Economic Benefit Worksheet

Respondent South Texas Chlorine, Inc.
ID Number(s) Enforcement Case No. 12426
Media (Statute) Air Quality
Violation Number 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost <small>No commas or \$</small>	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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Delayed Costs

Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (As needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (As Needed)	\$200	14-Mar-2003	28-Oct-2003	0.6	\$6	n/a	\$6

Notes for DELAYED costs

Estimated cost to provide additional oversight to ensure that the throughput remains within the maximum allowable limit of 120 batches per year. The Economic Benefit is calculated from the investigation date to the compliance date.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equip				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs

Approx Cost of Compliance \$200

TOTAL \$6

Screening Date 18-Jan-04 **Docket Number** 2004-0142-MLM-E **PCW**
Respondent South Texas Chlorine, Inc. **Policy Revision 2 (09/02)**
Case ID No. Enforcement Case No. 12426 **PCW Revision 6/12/2003**
Respondent/Site ID No. Air Account No. CD-0085-I; Regulated Entity Reference No. RN100843044
Media [Statute] Air Quality
Enf. Coordinator Jill Reed
Violation Number 3
Primary Rule Cite 30 Tex. Admin. Code § 116.115(c), NSR Permit No. 21286 Special Condition No. 26(A), (D), (F), (G) and (H)
Secondary Cite(s) Texas Health and Safety Code § 382.085(b)
Violation Description Failure to meet the following record keeping requirements: 1) Monthly records of the location of one-ton cylinders containing chlorine, Cl₂; sulfur dioxide, SO₂; and ammonia, NH₃; stored at this plant; 2) records of the railcar unloading operations; 3) records of all repairs and replacement resulting from leaks within the system; 4) records of the results of the required fugitive monitoring and maintenance program 5) records of maintenance to the plant's security systems.

Base Penalty \$10,000

Environmental Property and Human Health Matrix
Harm

Release	Major	Moderate	Minor	
Actual				Percent
Potential				

Programmatic Matrix

Falsification	Major	Moderate	Minor	
			x	Percent 1%

Matrix Notes Greater than 70% but less than 30% of the rule requirement was met.
Adjustment -\$9,900
Base Penalty Subtotal \$100

Violation Events
Number of Violation Events 1
mark only one; use small x

daily	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$100
Events Notes One (1) single event is recommended based upon an investigation conducted March 14, 2003.

Economic Benefit (EB) for this violation **Statutory Limit Test**
Estimated EB Amount (\$) \$25 **Violation Final Penalty total** \$100
This Violation Final Assessed Penalty (adjusted for limits) \$100

Economic Benefit Worksheet

Respondent: South Texas Chlorine, Inc.
 ID Number(s): Enforcement Case No. 12426
 Media [Statute]: Air Quality
 Violation Number: 3

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost <small>No commas or \$</small>	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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Delayed Costs

Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (As needed)	\$200	14-Mar-2003	14-Dec-2004	1.8	\$1	\$23	\$25
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (As Needed)				0.0	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to train facility personnel to correctly maintain records. The Economic Benefit is calculated from the investigation date to the projected compliance date.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equip				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs

Approx Cost of Compliance

TOTAL

ICEQ		Policy Revision 2 (09/02)		PCW Revision 6/12/2003	
DATES					
PCW	7-Jul-2004	Screening	18-Jan-2004	Priority Due	17-May-2004
EPA Due					
RESPONDENT INFORMATION					
Respondent	South Texas Chlorine, Inc.				
Respondent/Site ID No(s)	Multi Sector General Permit ("MSGP") No. TXR05H669; Regulated Entity Reference No. RN100843044				
Facility/Site Region	15 - Harlingen	Major/Minor Source		Minor	
CASE INFORMATION					
Enf./Case ID No(s)	Enforcement Case No. 12426			No. Violations 3	
Docket No.	2004-0142-MLM-E			Order Type 1660 without deferral	
Case Priority	3	Enf. Coordinator		EC's Team Enforcement Team 3	
Enf. Coordinator	Jill Reed				
Media Program(s)	Water/Storm Water				
Admin. Penalty \$ Limit	Minimum \$0	Maximum \$10,000			

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)		Subtotal 1	\$2,000
ADJUSTMENTS (+/-) TO SUBTOTAL 1			
Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage. +			
Compliance History	0% Enhancement	Subtotals 2, 3 & 7	\$0
Notes	No change due to Average Performer Classification.		+
Culpability	0% Enhancement	Subtotal 4	\$0
Notes	The Respondent does not meet culpability criteria.		+
Good Faith Effort to Comply	0% Reduction	Subtotal 5	\$0
Notes	The Respondent is not yet in compliance.		+
Economic Benefit	0% Enhancement*	Subtotal 6	\$0
	\$117 Total EB Amounts	*Capped at the Total EB \$ Amount	
	\$4,200 Approx. Cost of Compliance	=	
SUM OF SUBTOTALS 1-7		Final Subtotal	\$2,000
OTHER FACTORS AS JUSTICE MAY REQUIRE		Adjustment	\$0
Reduces or enhances the Final Subtotal by the indicated percentage. (enter number only; e.g. -30 for -30%)			
Notes			=
		Final Penalty Amount	\$2,000
STATUTORY LIMIT ADJUSTMENT		Final Assessed Penalty	\$2,000
DEFERRAL		Adjustment	\$0
Reduces the Final Assessed Penalty by the indicated percentage. (enter number only; e.g. 20 for 20% reduction)			
Notes	No deferral is being offered because a settlement was not achieved within the 60 day negotiation period.		=
PAYABLE PENALTY		\$2,000	

Screening Date	18-Jan-2004	amended.qpw	Docket Number	2004-0142-MLM-E	PCW
Respondent	South Texas Chlorine, Inc.			Policy Revision 2 (09/02)	
Case ID No.	Enforcement Case No. 12426			PCW Revision 6/12/2003	
Respondent/Site ID No.	Multi Sector General Permit ("MSGP") No. TXR05H669; Regulated Entity Reference No. RN100843044				
Media [Statute]	Water/Storm Water				
Enf. Coordinator	Jill Reed				
Site Address	8600 East Harrison, Harlingen, Cameron County, Texas 78550				

Compliance History Worksheet

>> **Compliance History Site Enhancement (Subtotal 2)**

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written NOVs with same or similar violations as those in the current enforcement action (<i>number of NOVs meeting criteria</i>)	0	0%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgements or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were submitted</i>)	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	0	0%
<i>Please enter Yes or No</i>			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 0%

>> **Repeat Violator (Subtotal 3)**

No Select Yes/No **Adjustment Percentage (Subtotal 3)** 0%

>> **Compliance History Person Classification (Subtotal 7)**

Average Performer Select High, Average or Poor **Adjustment Percentage (Subtotal 7)** 0%

Compliance History Summary

Compliance History Notes No change due to Average Performer Classification.

Total Adjustment Percentage (Subtotals 2, 3 & 7) 0%

Screening Date	18-Jan-04	Docket Number	2004-0142-MLM-E	PCW
Respondent	South Texas Chlorine, Inc.			Policy Revision 2 (09/02)
Case ID No.	Enforcement Case No. 12426			PCW Revision 6/12/2003
Respondent/Site ID No.	Multi Sector General Permit ("MSGP") No. TXR05H669; Regulated Entity Reference No. RN1008430			
Media [Statute]	Water/Storm Water			
Enf. Coordinator	Jill Reed			
Violation Number	1			
Primary Rule Cite	30 Tex. Admin. Code § 281.25(a)(4), 30 Tex. Admin. Code § 335.4, and MSGP No. TXR05H669, Part III, Section A(3)(a) and (b)			
Secondary Cite(s)	Tex. Water Code § 26.121			
Violation Description	Failed to identify and obtain a permit for non-storm water discharge. Specifically, the resinate from the cylinders was discharged onto the soil of the regulated entity's property.			
		Base Penalty	\$10,000	
» Environmental, Property and Human Health Matrix				
	Harm			
	Release	Major	Moderate	Minor
OR	Actual	<input type="text"/>	<input type="text"/>	<input type="text"/>
	Potential	<input type="text"/>	<input type="text"/>	<input type="text"/>
			Percent	<input type="text"/>
» Programmatic Matrix				
	Falsification	Major	Moderate	Minor
OR	<input type="text"/>	<input checked="" type="checkbox"/>	<input type="text"/>	<input type="text"/>
			Percent	10%
Matrix Notes	100% of the rule requirement was not met.			
		Adjustment	-\$9,000	
		Base Penalty Subtotal	\$1,000	
Violation Events				
	Number of Violation Events	1		
<i>mark only one; use small x</i>	daily	<input type="text"/>		
	monthly	<input type="text"/>		
	quarterly	<input type="text"/>		
	semiannual	<input type="text"/>		
	annual	<input type="text"/>		
	single event	<input checked="" type="checkbox"/>		
			Violation Base Penalty	\$1,000
Events Notes	One (1) single event is recommended based upon an investigation conducted March 14, 2003.			
Economic Benefit (EB) for this violation				
	Estimated EB Amount (\$)	-\$3		
		Statutory Limit Test		
		Violation Final Penalty total	\$1,000	
		This Violation Final Assessed Penalty (adjusted for limits)	\$1,000	

Economic Benefit Worksheet

Respondent South Texas Chlorine, Inc.
 ID Number(s) Enforcement Case No. 12426
 Media [Statute] Water/Storm Water
 Violation Number 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost <small>No commas or \$</small>	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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Delayed Costs

Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (As needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (As Needed)	\$1,200	19-May-2003	1-May-2003	-0.0	-\$3	n/a	-\$3

Notes for DELAYED costs

Estimated cost to obtain a permit for non-storm water discharge. The Economic Benefit is calculated from the investigation date to the compliance date.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equip				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs

Approx Cost of Compliance

TOTAL

Screening Date	18-Jan-04	Docket Number	2004-0142-MLM-E	PCW
Respondent	South Texas Chlorine, Inc.		Policy Revision 2 (09/02)	
Case ID No.	Enforcement Case No. 12426		PCW Revision 6/12/2003	
Respondent/Site ID No.	Multi Sector General Permit ("MSGP") No. TXR05H669; Regulated Entity Reference No. RN1008430			
Media [Statute]	Water/Storm Water			
Enf. Coordinator	Jill Reed			
Violation Number	2			
Primary Rule Cite	30 Tex. Admin. Code § 281.25(a)(4) and MSGP No. TXR05H669, Part III, Section A(4)(a), (b), and (c)			
Secondary Cite(s)				
Violation Description	Failed to include the following items in the Storm Water Pollution Prevention Plan ("SWP3"): 1) the inventory of exposed materials, specifically storage of waste streams; 2) narrative description of all activities that could contribute pollutants to the storm water, specifically leaking waste streams from pumps and piping; 3) two outfall locations on the site map.			

Base Penalty \$10,000

» Environmental, Property and Human Health Matrix				
	Harm			
	Release	Major	Moderate	Minor
OR	Actual	<input type="text"/>	<input type="text"/>	<input type="text"/>
	Potential	<input type="text"/>	<input type="text"/>	<input type="text"/>
				Percent <input type="text"/>
» Programmatic Matrix				
	Falsification	Major	Moderate	Minor
OR	<input type="text"/>	<input type="text"/>	x	<input type="text"/>
				Percent <input type="text" value="5%"/>
Matrix Notes	Greater than 30% but less than 70% of the rule requirement was met.			
			Adjustment	<input type="text" value="-9,500"/>
			Base Penalty Subtotal	<input type="text" value="\$500"/>

Violation Events				
	Number of Violation Events	<input type="text" value="1"/>		
<i>mark only one; use small x</i>	daily	<input type="text"/>	<input type="text"/>	<input type="text"/>
	monthly	<input type="text"/>	<input type="text"/>	<input type="text"/>
	quarterly	<input type="text"/>	<input type="text"/>	<input type="text"/>
	semiannual	<input type="text"/>	<input type="text"/>	<input type="text"/>
	annual	<input type="text"/>	<input type="text"/>	<input type="text"/>
	single event	<input checked="" type="checkbox"/>	<input type="text"/>	<input type="text"/>
			Violation Base Penalty	<input type="text" value="\$500"/>

Events Notes	One (1) single event is recommended based upon an investigation conducted March 14, 2003
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Economic Benefit (EB) for this violation	Statutory Limit Test
Estimated EB Amount (\$) <input type="text" value="-2"/>	Violation Final Penalty total <input type="text" value="\$500"/>
This Violation Final Assessed Penalty (adjusted for limits) <input type="text" value="\$500"/>	

Economic Benefit Worksheet

Respondent: South Texas Chlorine, Inc.
 ID Number(s): Enforcement Case No. 12426
 Media [Statute]: Water/Storm Water
 Violation Number: 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost <small>No commas or \$</small>	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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Delayed Costs

Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (As needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (As Needed)	\$1,000	19-May-2003	1-May-2003	-0.0	-\$2	n/a	-\$2

Notes for DELAYED costs

Estimated cost to modify the SWP3. The Economic Benefit is calculated from the investigation date to the compliance date.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equip				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs

Approx Cost of Compliance

TOTAL

Screening Date	18-Jan-04	Docket Number	2004-0142-MLM-E	
Respondent	South Texas Chlorine, Inc.	Policy Revision 2	(09/02)	
Case ID No.	Enforcement Case No. 12426	PCW Revision	6/12/2003	
Respondent/Site ID No.	Multi Sector General Permit ("MSGP") No. TXR05H669; Regulated Entity Reference No. RN1008430			
Media [Statute]	Water/Storm Water			
Enf. Coordinator	Jill Reed			
Violation Number	3			
Primary Rule Cite	30 Tex. Admin. Code § 281.25(a)(4) and MSGP No. TXR05H669, Part III, Section A(5)(b), (f), and (h)			
Secondary Cite(s)				
Violation Description	<p>Failed to include a detailed description in the SWP3 of the following: 1) Spill prevention and response measures where spills could contribute pollutants to storm water discharges; 2) Develop an established training program for all employees responsible for implementing or maintaining the activities of the SWP3; 3) record the required information for the quarterly visual monitoring. Three (3) of the nine (9) required elements of Section A(5) were not met.</p>			
Base Penalty			\$10,000	
» Environmental, Property and Human Health Matrix				
	Harm			
	Release	Major	Moderate	Minor
OR	Actual			
	Potential			
				Percent
» Programmatic Matrix				
	Falsification	Major	Moderate	Minor
OR			x	
				Percent
				5%
Matrix Notes	Greater than 30% but less than 70% of the rule requirement was met.			
Adjustment			-\$9,500	
Base Penalty Subtotal			\$500	
Violation Events				
	Number of Violation Events	1		
<i>mark only one; use small x</i>	daily			
	monthly			
	quarterly			
	semiannual			
	annual			
	single event	x		
Violation Base Penalty			\$500	
Events Notes	One (1) single event is recommended based upon an investigation conducted March 14, 2003.			
Economic Benefit (EB) for this violation		Statutory Limit Test		
Estimated EB Amount (\$)	\$51	Violation Final Penalty total	\$500	
This Violation Final Assessed Penalty (adjusted for limits)			\$500	

Economic Benefit Worksheet

Respondent South Texas Chlorine, Inc.
ID Number(s) Enforcement Case No. 12426
Media (Statute) Water/Storm Water
Violation Number 3

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost <small>No commas or \$</small>	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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Delayed Costs

Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (As needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (As Needed)	\$1,000	19-May-2003	26-May-2004	1.0	\$51	n/a	\$51

Notes for DELAYED costs

Estimated cost to modify the SWP3. The Economic Benefit is calculated from the investigation date to the compliance date.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equip				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs

Approx Cost of Compliance \$1,000

TOTAL \$51

Compliance History

Customer/Respondent/Owner-Operator:	CN600521223	SOUTH TEXAS CHLORINE, INC.	Classification: AVERAGE	Rating: 1.50
Regulated Entity:	RN100843044	SOUTH TEXAS CHLORINE, INC.	Classification: HIGH	Site Rating: 0.00
ID Number(s):	AIR NEW SOURCE PERMITS	PERMIT	6304	
	AIR NEW SOURCE PERMITS	PERMIT	21286	
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	CD0085I	
	STORMWATER	PERMIT	TXR05H669	
Location:	8600 E Harrison Ave, Harlingen, TX		Rating Date: 9/1/2003 Repeat Violator: NO	
TCEQ Region:	REGION 15 - HARLINGEN			
Date Compliance History Prepared:	January 14, 2004			
Agency Decision Requiring Compliance History:	Enforcement			
Compliance Period:	January 14, 1999 to January 14, 2004			
TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History				
Name:	Jill Reed		Phone:	(432) 570-1359

Site Compliance History Components

- | | |
|--|-----|
| 1. Has the site been in existence and/or operation for the full five year compliance period? | Yes |
| 2. Has there been a (known) change in ownership of the site during the compliance period? | No |
| 3. If Yes, who is the current owner? | N/A |
| 4. If Yes, who was/were the prior owner(s)? | N/A |
| 5. When did the change(s) in ownership occur? | N/A |

Components (Multimedia) for the Site :

- A. Final Enforcement Orders, court judgements, and consent decrees of the state of Texas and the federal government.
N/A
 - B. Any criminal convictions of the state of Texas and the federal government.
N/A
 - C. Chronic excessive emissions events.
N/A
 - D. The approval dates of investigations. (CCEDS Inv. Track. No.)
 - 1 08/10/2000 (113495)
 - 2 06/23/2003 (29091)
 - 3 06/23/2003 (60390)
 - E. Written notices of violations (NOV). (CCEDS Inv. Track. No.)
N/A
 - F. Environmental audits.
N/A
 - G. Type of environmental management systems (EMSs).
N/A
 - H. Voluntary on-site compliance assessment dates.
N/A
 - I. Participation in a voluntary pollution reduction program.
N/A
 - J. Early compliance.
N/A
- Sites Outside of Texas
N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN
ENFORCEMENT ACTION

CONCERNING

SOUTH TEXAS CHLORINE, INC.
RN100843044

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§
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BEFORE THE

TEXAS COMMISSION ON

ENVIRONMENTAL QUALITY

AGREED ORDER
DOCKET NO. 2004-0142-MLM-E

I. JURISDICTION AND STIPULATIONS

At its _____ agenda, the Texas Commission on Environmental Quality ("Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding South Texas Chlorine, Inc. ("South Texas Chlorine") under the authority of TEX. WATER CODE chs. 7 and 26; TEX. HEALTH & SAFETY CODE chs. 361 and 382; and 40 C.F.R. ch. 262. The Executive Director of the TCEQ, represented by the Litigation Division, and South Texas Chlorine, appear before the Commission and together stipulate that:

1. South Texas Chlorine owns and operates a chemical repackaging plant located at 8600 E. Harrison in Harlingen, Cameron County, Texas (the "Plant").
2. This Agreed Order is entered into pursuant to TEX. WATER CODE §§ 7.051 and 7.070. The Commission has jurisdiction of this matter pursuant to TEX. WATER CODE § 5.013 because it alleges violations of TEX. HEALTH & SAFETY CODE chs. 361 and 382; TEX. WATER CODE ch. 26; 40 C.F.R. ch. 262 and TCEQ rules.
3. The Commission and South Texas Chlorine agree that the Commission has jurisdiction to enter this Agreed Order, and that South Texas Chlorine is subject to the Commission's jurisdiction.
4. South Texas Chlorine received notice of the violations alleged in Section II ("Allegations") on or about June 25, 2003.

5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by South Texas Chlorine of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
6. An administrative penalty in the amount of one thousand one hundred dollars (\$1,100.00) for the air quality violations, two thousand dollars (\$2,000.00) for the water quality violations, and two thousand dollars (\$2,000.00) for the industrial hazardous waste violations, for a total penalty of five thousand one hundred dollars (\$5,100.00) is assessed by the Commission in settlement of the violations alleged in section II (Allegations"). South Texas Chlorine has paid two thousand five hundred fifty dollars (\$2,550.00) of the administrative penalty. Two thousand five hundred fifty dollars (\$2,550.00) shall be conditionally offset by South Texas Chlorine's completion of a Supplemental Environmental Project.
7. Any notice and procedures which might otherwise be authorized or required in this action are waived in the interest of a more timely resolution of the matter.
8. The Executive Director of the TCEQ and South Texas Chlorine have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.
9. The Executive Director recognizes that South Texas Chlorine has implemented the following corrective measures at the Plant on March 7, 2005:
 - a. Began maintaining a minimum concentration of 14 percent fresh scrubbing solution.
 - b. Began relieving the scrubbers of their entire contents and recharging with fresh solution at a rate sufficient to ensure minimum scrubbing solution concentration of 14 percent.
 - c. Began monitoring the concentration of the scrubbing solution in each scrubber at least once per shift, in accordance with 30 TEX. ADMIN. CODE § 116.115(c), NSR Permit No. 21286, Special Condition No. 8, and TEX. HEALTH & SAFETY CODE § 382.085(b).
 - d. Began maintaining the following records at the plant for a period of at least two (2) years from the date upon which it was recorded: 1) Monthly records of the location of one-ton cylinders containing chlorine, Cl₂; sulfur dioxide, SO₂; and ammonia, NH₃, stored at this plant; 2) records of all repairs and replacement resulting from leaks within the system; 3) records of maintenance to the plant's security systems, in accordance with 30 TEX. ADMIN. CODE § 116.115(c), NSR Permit No. 21286, Special Condition No. 26(A), (F) and (H), and TEX. HEALTH & SAFETY CODE § 382.085(b).

- e. Submitted an administratively complete application for coverage under the Multi Sector General Permit ("MSGP") TXROR5000, Conditional No Exposure Certification Form, an individual storm water permit or a general storm water permit which identifies all non-storm water sources that are not eligible for MSGP coverage.
- f. Submitted written certification that the storm water permit has been obtained, or ceased operations until such permit has obtained.
- g. Conducted a Comprehensive Site Compliance Evaluation.
- h. Began monitoring storm water discharges into inland waters for hazardous metals.
- i. Began monitoring storm water discharges into tidal waters for hazardous metals.
- j. Trained all plant personnel to recognize Cl₂, SO₂, and NH₃ leaks.
- k. Certified continued compliance with the maximum allowed bleach production limit of 120 batches per year for calendar year 2003
- l. Identified non-storm water discharges eligible for coverage in the Storm Water Pollution Prevention Plan ("SWP3").
- m. Included the following items in the SWP3: 1) the inventory of exposed materials, including all materials that are handled, stored, processed, treated, or disposed of in a manner that allows exposure to precipitation or runoff, specifically storage of waste streams; 2) a narrative description of all activities and potential sources of pollutants that may reasonably be expected to add pollutants to storm water discharges, specifically leaking waste streams from pumps and piping; 3) developed the site map so that it depicts the location of each outfall covered by the permit.
- n. Submitted a SWP3 that included a detailed description and a schedule for implementation of the following: 1) developing and implementing spill prevention and response measures prevent spills and to provide for adequate spill response; 2) developing an established training program for all employees responsible for implementing or maintaining the activities of the SWP3; 3) visually examining storm water discharges from each outfall authorized by the general permit on a quarterly basis and maintaining records of the quarterly monitoring, in accordance with 30 TEX. ADMIN. CODE § 281.25(a)(4), and MSGP No. TXR05H669, Part III, Section A(5)(b), (f), and (h);
- o. Conducted semi-annual calibration checks in order to demonstrate the minimum rate of re-circulation flow of 87 gallons per minute in each of the caustic scrubbers.

- p. Routed the waste streams to an appropriately constructed pit or tank or to an approved drain.
- 10. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that South Texas Chlorine has not complied with one or more of the terms or conditions in this Agreed Order.
- 11. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
- 12. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

II. ALLEGATIONS

South Texas Chlorine is alleged to have violated the following requirements as documented by a TCEQ Harlingen Regional Office investigator during investigations conducted on March 14, 2003 and May 19, 2003:

- 1. 30 TEX. ADMIN. CODE § 116.115(c), TEX. HEALTH & SAFETY CODE § 382.085(b); NSR Permit No. 21286, Special Condition No. 8 by failing to properly monitor the concentration of the scrubbing solution at least once per shift as required by the permit.
- 2. 30 TEX. ADMIN. CODE § 116.115(c), TEX. HEALTH & SAFETY CODE § 382.085(b); NSR Permit No. 21286, Special Condition No. 25 by failing to maintain the maximum allowed bleach production limit of 120 batches per year. 130 batches of bleach were produced in Fiscal Year 2002.
- 3. 30 TEX. ADMIN. CODE § 116.115(c), TEX. HEALTH & SAFETY CODE § 382.085(b); NSR Permit No. 21286, Special Condition Nos. 26(A), (D), (F), (G) and (H) by failing to meet the following record keeping requirements: 1) Monthly records of the location of one-ton cylinders containing Cl₂, SO₂, and NH₃, stored at this plant; 2) records of the railcar unloading operations; 3) records of all repairs and replacement resulting from leaks within the system; 4) records of the results of the required fugitive monitoring and maintenance program 5) records of maintenance to the plant's security systems.
- 4. 30 TEX. ADMIN. CODE §§ 281.25(a)(4), 335.4; MSGP No. TXR05H669, Part III, Section A(3)(a) and (b); and TEX. WATER CODE § 26.121 by failing to identify and obtain a permit

for non-storm water discharge. Specifically, the resinate from the cylinders was discharged onto the soil of the regulated entity's property.

5. 30 TEX. ADMIN. CODE § 281.25(a)(4), and MSGP No. TXR05H669, Part III, Sections A(4)(a), (b) and (c) by failing to include the following items in the Storm Water Pollution Prevention Plan ("SWP3"): 1) the inventory of exposed materials, specifically storage of waste streams; 2) narrative description of all activities that could contribute pollutants to the storm water, specifically leaking waste streams from pumps and piping; 3) two outfall locations on the site map.
6. 30 TEX. ADMIN. CODE § 281.25(a)(4), and MSGP No. TXR05H669, Part III, Section A(5)(b), (f), and (h) by failing to include a detailed description in the SWP3 of the following: 1) spill prevention and response measures where spills could contribute pollutants to storm water discharges; 2) an established training program for all employees responsible for implementing or maintaining the activities of the SWP3; 3) a method to record the required information for the quarterly visual monitoring. Three (3) of the nine (9) required elements of Section A(5) were not met.
7. 30 TEX. ADMIN. CODE § 335.62 and 40 C.F.R. § 262.11 by failing to complete a hazardous waste determination of the two (2) water waste streams generated as a result of the washing of compressed gas cylinders and the one (1) ton containers in the scrubber tanks.

III. DENIALS

South Texas Chlorine generally denies each allegation in Section II ("Allegations").

IV. ORDER

1. It is, therefore, ordered by the TCEQ that South Texas Chlorine pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and South Texas Chlorine's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from considering requiring corrective action or penalties for violations which are not raised here. Administrative penalty payments shall be made payable to "Texas Commission on Environmental Quality" and shall be sent with the notation "Re: South Texas Chlorine, Inc., Docket No. 2004-0142-MLM-E" to:

Financial Administration Division, Revenues Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088

2. South Texas Chlorine shall implement and complete a Supplemental Environmental Project in accordance with TEX. WATER CODE § 7.067. Two thousand five hundred fifty dollars (\$2,550.00) of the assessed administrative penalty shall be conditionally offset by South Texas Chlorine's completion of a Supplemental Environmental Project defined in "Attachment A". South Texas Chlorine's obligation to pay the conditionally offset portion of the administrative penalty assessed shall be discharged upon final completion of all provisions of the SEP agreement.
3. South Texas Chlorine shall undertake the following technical requirements:
 - a. Immediately upon the effective date of this Agreed Order, South Texas Chlorine shall begin maintaining the following records at the plant for a period of at least two (2) years from the date upon which it was recorded: 1) records of the railcar unloading operations including the date and time of each railcar arrival, the date and time of the completion of unloading, total elapsed time, and material unloaded; 2) records of the results of the required fugitive monitoring and maintenance program, to include testing of the sensors and alarms, appropriate dates, test methods, results, and corrective actions taken, shall be maintained at the company's main office in Harlingen, Texas, in accordance with 30 TEX. ADMIN. CODE § 116.115(c), NSR Permit No. 21286, Special Condition No. 26(D) and (G), and TEX. HEALTH & SAFETY CODE § 382.085(b);
 - b. Within 30 days after the effective date of this Agreed Order, South Texas Chlorine shall complete a hazardous waste determination on the two (2) water waste streams generated as a result of the washing of compressed gas cylinders and one (1) ton containers in the scrubber tanks; in accordance with 30 TEX. ADMIN. CODE § 335.62 and 40 C.F.R. § 262.11;
 - c. Submit all correspondence, reports, and documentation required by these Ordering Provisions to:

Order Compliance Team
Enforcement Division, MC 149A
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

and

Lorinda Gardner, Air/Waste Section Manager
Texas Commission on Environmental Quality
Harlingen Regional Office
1804 West Jefferson Avenue
Harlingen, Texas 78550-5247

4. The provisions of this Agreed Order shall apply to and be binding upon South Texas Chlorine. South Texas Chlorine is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Plant operations referenced in this Agreed Order.
5. If South Texas Chlorine fails to comply with any of the Ordering Provisions in this Agreed Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, South Texas Chlorine's failure to comply is not a violation of this Agreed Order. South Texas Chlorine shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. South Texas Chlorine shall notify the Executive Director within seven days after South Texas Chlorine becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
6. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by South Texas Chlorine shall be made in writing to the Executive Director. Extensions are not effective until South Texas Chlorine receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
7. This Agreed Order, issued by the Commission, shall not be admissible against South Texas Chlorine in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
8. This agreement may be executed in multiple counterparts, which together shall constitute a single original instrument. Any executed signature page to this Agreement may be transmitted by facsimile transmission to the other parties, which shall constitute an original signature for all purposes.
9. Under 30 TEX. ADMIN. CODE § 70.10(b) and TEX. GOV'T CODE § 2001.142, the effective date of this Agreed Order is the date of hand-delivery of the Order to South Texas Chlorine, or three days after the date on which the Commission mails notice of the Order to South Texas Chlorine, whichever is earlier. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties.

South Texas Chlorine, Inc.
DOCKET NO. 2004-0142-MLM-E
Page 8

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission



For the Executive Director

2/19/07

Date

I, the undersigned, have read and understand the attached Agreed Order. I represent that I am authorized to agree to the attached Agreed Order on behalf of the entity, if any, indicated below my signature, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I also understand that my failure to comply with the Ordering Provisions, if any, in this order and/or my failure to timely pay the penalty amount, may result in:

- A negative impact on my compliance history;
- Greater scrutiny of any permit applications submitted by me;
- Referral of this case to the Attorney General's office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions against me;
- Automatic referral to the Attorney General's Office of any future enforcement actions against me; and
- TCEQ seeking other relief as authorized by law.

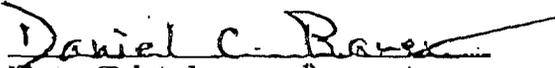
In addition, any falsification of any compliance documents may result in criminal prosecution.



Signature

12-12-06

Date



Name (Printed or typed)

Authorized representative of
South Texas Chlorine, Inc.

Vice President

Title

Attachment A

SUPPLEMENTAL ENVIRONMENTAL PROJECT

The Texas Commission on Environmental Quality ("TCEQ") agrees to offset a portion of the administrative penalty assessed in this Agreed Order with the condition that South Texas Chlorine, Inc. ("South Texas Chlorine") shall perform and comply with the following Supplemental Environmental Project ("SEP") provisions. The total amount of the conditional offset for the SEP, upon completion according to the terms and schedules listed below, shall be Two Thousand Five Hundred Fifty Dollars (\$2,550) of the payable penalty of Five Thousand One Hundred Dollars (\$5,100).

1. Project Description

A. Project

South Texas Chlorine will contribute to the Audubon Society's Restoration and Revegetation of Green Island and Three-Islands project. The contribution will be used in accordance with the *Supplemental Environmental Project Agreement between the National Audubon Society and the Texas Commission on Environmental Quality*. This island habitat restoration and revegetation project will improve nesting conditions for colonial waterbirds on these four islands. These islands are part of the lower Laguna Madre bay system which has significant erosion damage in size, configuration, and vegetation, making it much less suitable for nesting colonial waterbirds throughout the system. By planting native plants on Green Island and Three-Islands, erosion damage of the islands will be significantly reduced. SEP monies will be used to pay for the cost of purchasing native plant materials, for equipment used in revegetation, and for labor costs.

All dollars contributed will be used solely for the direct cost of the project, and no portion will be spent on administrative costs. The SEP will be done in accordance with all federal, state and local environmental laws and regulations. South Texas Chlorine certifies that there is no prior commitment to make this contribution and that it is being done solely in an effort to settle this enforcement action.

This SEP will provide a discernible environmental benefit by restoring islands in the Laguna Madre bay system that have been damaged due to erosion. Erosion of the islands results in the loss of shallow water wetlands and upland nesting habitat for native birds. The preservation and enhancement of wetlands will improve water quality, ecological functions, and wildlife habitat for birds and other native species. Twenty-two species of colonial waterbirds, including the Brown Pelican, Reddish Egret, Tricolored Heron, Roseate Spoonbill, and White Ibis, will benefit directly from restoring the islands.

B. Minimum Expenditure

The offset of Two Thousand Five Hundred Fifty Dollars (\$2,550) of the administrative penalty is based upon South Texas Chlorine's agreement to contribute Two Thousand Five Hundred Fifty Dollars (\$2,550) to the project described above and to comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, South Texas Chlorine will pay the required contribution to the National Audubon Society. The contribution, with a copy of the Agreed Order, will

South Texas Chlorine, Inc.
AGREED ORDER
Attachment A

be mailed to:

Audubon Texas
Terry Austin, Executive Director
901 South Mopac
Building II, Ste. 410
Austin, Texas 78746

3. Records and Reporting

Concurrent with the payment of the SEP contribution, South Texas Chlorine shall provide the TCEQ SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the contribution to the National Audubon Society. A copy of the check and transmittal letter will be mailed to:

Litigation Division
Attention: SEP Coordinator, MC 175
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If South Texas Chlorine does not perform its obligations under this SEP in any way, including full expenditure of all required funds and the submittal of adequate reports, the Executive Director may require immediate payment of all or part of the Two Thousand Five Hundred Fifty Dollars (\$2,550) conditionally offset.

The check for any amount due shall be made out to "Texas Commission on Environmental Quality" and mailed to:

Texas Commission on Environmental Quality
Financial Administration Division, Revenues
Attention: Cashier, MC 214
P.O. Box 13088
Austin, Texas 78711-3088

A copy of the check shall be mailed to the TCEQ SEP Coordinator at the address in Section 3

above.

5. **Publicity**

Any public statements concerning this SEP made by, or on behalf of, South Texas Chlorine must include a clear statement that the project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include, but are not limited to, advertising, public relations, and press releases.

6. **Clean Texas Program**

South Texas Chlorine shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, South Texas Chlorine may not seek recognition for this contribution in any other state or federal regulatory program.

7. **Other SEPs by TCEQ or Other Agencies**

The SEP identified in this Agreed Order has not been, and shall not be, included as an SEP for South Texas Chlorine under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.