

EXECUTIVE SUMMARY - ENFORCEMENT MATTER
DOCKET NO.: 2006-1811-AIR-E **TCEQ ID:** RN100227560 **CASE NO.:** 31440
RESPONDENT NAME: Jetta Operating Company, 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 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 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 type="checkbox"/> WATER QUALITY		

SITE WHERE VIOLATION(S) OCCURRED: Thompson Compressor Station 1, 4331 Oil Field Road, Thompsons, Fort Bend County

TYPE OF OPERATION: Petroleum production plant

SMALL BUSINESS: Yes No

OTHER SIGNIFICANT MATTERS: There are no 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 26, 2007. No comments were received.

CONTACTS AND MAILING LIST:

TCEQ Attorney/SEP Coordinator: None

TCEQ Enforcement Coordinator: Mr. Bryan Elliott, Enforcement Division, Enforcement Section III, MC 149, (512) 239-6162; Mr. Steven Lopez, Enforcement Division, MC 219, (512) 239-1896

Respondent: Mr. Norman Washington, Plant Manager, Jetta Operating Company, Inc., 4331 Oil Field Road, Thompsons, Texas 77481

Mr. David Patterson, Vice-President, Exploitation, Jetta Operating Company, Inc., 777 Taylor Street, Suite P1, Fort Worth, Texas 76102

Respondent's Attorney: Not represented by counsel on this enforcement matter

VIOLATION SUMMARY CHART:

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 of Complaint Relating to this Case: None</p> <p>Date of Investigation Relating to this Case: August 7, 2006</p> <p>Date of NOE Relating to this Case: August 30, 2006 (NOE)</p> <p>Background Facts: This was a routine investigation. Two violations were documented.</p> <p>AIR</p> <p>1) Failed to report deviations in semiannual deviation reports and failed to include information about those deviations in an annual compliance certification. Specifically, Jetta submitted an annual permit compliance certification for the period of January 1, 2005 to December 31, 2005, stating there were no deviations during that period. However, Jetta failed to submit semiannual deviation reports for its failure to keep records of quarterly sampling results for Compressor Engine EXHSTKC3 [30 TEX. ADMIN. CODE §§ 122.143(4), 122.145(2), 122.146(5), and Federal Operating Permit ("FOP") No. O-0592, Special Condition ("S.C.") No. 1, and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p> <p>2) Failed to keep records of quarterly engine performance tests. Specifically, Jetta failed to keep records of emissions sampling for Compressor Engine EXHSTKC3 during the annual Permit Compliance Certification period of January 1, 2005 to December 31, 2005 [30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), New Source Review ("NSR") Permit No. 48901 S.C. 10. A., and FOP No. O-0592, S.C. No. 1, and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p>	<p>Total Assessed: \$15,000</p> <p>Total Deferred: \$3,000 <input checked="" type="checkbox"/> Expedited Settlement <input type="checkbox"/> Financial Inability to Pay</p> <p>SEP Conditional Offset: \$0</p> <p>Total Paid to General Revenue: \$12,000</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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Applicable Penalty Policy: September 2002</p>	<p>Corrective Actions Taken:</p> <p>1) The Executive Director recognizes that Jetta removed Compressor Engine EXHSTKC3 from service on October 11, 2006.</p> <p>Ordering Provisions:</p> <p>2) The Order will require the Respondent to:</p> <p>a. Within 30 days after the effective date of this Agreed Order, submit deviation reports and a corrected annual compliance certification for the January 1, 2005 to December 31, 2005 reporting period(s), and provide additional personnel training and implement improvements to deviation reporting procedures in order to address the untimely submission of deviation reports; and</p> <p>b. Within 45 days after the effective date of this Agreed Order, submit written certification and include detailed supporting documentation to demonstrate compliance with Ordering Provision No. 2.a.</p>



Policy Revision 2 (September 2002)

Penalty Calculation Worksheet (PCW)

PCW Revision April 25, 2006

DATES	Assigned	05-Sep-2006	Screening	20-Sep-2006	EPA Due	27-May-2007
	PCW	03-Oct-2006				

RESPONDENT/FACILITY INFORMATION	
Respondent	Jetta Operating Company, Inc.
Reg. Ent. Ref. No.	RN100227560
Facility/Site Region	12-Houston
Major/Minor Source	Major Source

CASE INFORMATION			
Enf./Case ID No.	31440	No. of Violations	2
Docket No.	2006-1811-AIR-E	Order Type	1660
Media Program(s)	Air Quality	Enf. Coordinator	Bryan Elliott
Multi-Media		EC's Team	Enforcement Team 5
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$10,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$15,000
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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
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Notes: No change due to average performer classification.

Culpability	No	0% Enhancement	Subtotal 4	\$0
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Notes: The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply	0% Reduction	Subtotal 5	\$0
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	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary		
N/A	X	(mark with a small x)

Notes: The Respondent does not meet the good faith criteria.

Economic Benefit	0% Enhancement	Subtotal 6	\$0
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Total EB Amounts	\$298	*Capped at the Total EB \$ Amount
Approx. Cost of Compliance	\$1,700	

SUM OF SUBTOTALS 1-7	Final Subtotal	\$15,000
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OTHER FACTORS AS JUSTICE MAY REQUIRE	Adjustment	\$0
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Reduces or enhances the Final Subtotal by the indicated percentage. (Enter number only; e.g. -30 for -30%.)

Notes:

Final Penalty Amount	\$15,000
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$15,000
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DEFERRAL	20% Reduction	Adjustment	-\$3,000
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Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes:

Deferral offered for expedited settlement.

PAYABLE PENALTY	\$12,000
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Screening Date	20-Sep-2006	Docket No.	2006-1811-AIR-E	PCW
Respondent	Jetta Operating Company, Inc.		Policy Revision 2 (September 2002)	
Case ID No.	31440	PCW Revision April 25, 2006		
Reg. Ent. Reference No.	RN100227560			
Media [Statute]	Air Quality			
Enf. Coordinator	Bryan Elliott			

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)</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%
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 **Adjustment Percentage (Subtotal 3)** 0%

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

Average Performer **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 20-Sep-2006 **Docket No.** 2006-1811-AIR-E **PCW**
Respondent Jetta Operating Company, Inc. *Policy Revision 2 (September 2002)*
Case ID No. 31440 *PCW Revision April 25, 2006*
Reg. Ent. Reference No. RN100227560
Media [Statute] Air Quality
Ent. Coordinator Bryan Elliott

Violation Number 1
Primary Rule Cite(s) 30 Tex. Admin. Code §§ 122.143(4), 122.145(2), 122.146(5), and FOP No. O-0592, S.C. No. 1
Secondary Rule Cite(s) Tex. Health & Safety Code § 382.085(b)
Violation Description Failed to report deviations in semiannual deviation reports and failed to include information about those deviations in an annual compliance certification. Specifically, the Respondent submitted an annual permit compliance certification for the period of January 1, 2005 to December 31, 2005, stating there were no deviations during that period. However, the Respondent failed to submit semiannual deviation reports for its failure to keep records of quarterly sampling results for Compressor Engine EXHSTKC3, as documented during an investigation conducted on August 7, 2006.

Base Penalty \$10,000

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

Release	Harm			Percent
	Major	Moderate	Minor	
Actual				
Potential				

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor	Percent
	X			25%

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

Adjustment -\$7,500

Base Penalty Subtotal \$2,500

Violation Events

Number of Violation Events Number of violation days

mark only one use a small x

daily	
monthly	
quarterly	
semiannual	
annual	
single event	X

Violation Base Penalty \$5,000

Two single events are recommended based on the two deviation reporting periods.

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

Estimated EB Amount \$18 **Violation Final Penalty Total** \$5,000

This violation Final Assessed Penalty (adjusted for limits) \$5,000

Economic Benefit Worksheet

Respondent: Jetta Operating Company, Inc.
 Case ID No: 31440
 Reg. Ent. Reference No: RN100227560
 Media (Statute): Air Quality
 Violation No: 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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	\$200	29-Jul-2005	05-May-2007	1.8	\$18	n/a	\$18
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 properly submit required reports. Date required is the date the first deviation report was due and Final date is the date of prospective compliance.

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/equipment				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** \$18

Screening Date	20-Sep-2006	Docket No.	2006-1811-AIR-E	PCW
Respondent	Jetta Operating Company, Inc.		<i>Policy Revision 2 (September 2002)</i>	
Case ID No.	31440	<i>PCW Revision April 25, 2006</i>		
Reg. Ent. Reference No.	RN100227560			
Media [Statute]	Air Quality			
Enf. Coordinator	Bryan Elliott			
Violation Number	2			
Primary Rule Cite(s)	30 Tex. Admin. Code §§ 116.115(c) and 122.143(4), NSR Permit No. 48901 S.C. 10. A., and FOP No. O-0592, S.C. No. 1			
Secondary Rule Cite(s)	Tex. Health & Safety Code § 382.085(b)			
Violation Description	Failed to keep records of quarterly engine performance tests during the annual Permit Compliance Certification period of January 1, 2005 to December 31, 2005, as documented during an investigation conducted on August 7, 2006. Specifically, the Respondent failed to keep records of emissions sampling for Compressor Engine EXHSTKC3.			
Base Penalty	\$10,000			

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

OR	Harm			Percent	
	Release	Major	Moderate		Minor
	Actual				
	Potential				

>> **Programmatic Matrix**

	Falsification	Major	Moderate	Minor	Percent
		X			25%

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

Adjustment -\$7,500

Base Penalty Subtotal \$2,500

Violation Events

Number of Violation Events Number of violation days

mark only one use a small x

daily	
monthly	
quarterly	
semiannual	
annual	
single event	X

Violation Base Penalty \$10,000

Four single events are recommended, one for each of the four missing quarterly records.

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

Estimated EB Amount \$280 Violation Final Penalty Total \$10,000

This violation Final Assessed Penalty (adjusted for limits) \$10,000

Economic Benefit Worksheet

Respondent Jetta Operating Company, Inc.
 Case ID No. 31440
 Reg. Ent. Reference No. RN100227560
 Media [Statute] Air Quality
 Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

Item	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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Description No commas or \$

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)				0.0	\$0	n/a	\$0

Notes for DELAYED costs

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	\$1,500	07-Aug-2006	11-Oct-2006	0.2	\$13	\$267	\$280
Supplies/equipment				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

Estimated cost to keep proper records of engine performance tests. Date required is the investigation date and Final date is the date the engine was shut down permanently.

Approx. Cost of Compliance \$1,500

TOTAL \$280

Compliance History

Customer/Respondent/Owner-Operator: CN800946156 Jetta Operating Company, Inc. Classification: Average Rating: 1.72
 Regulated Entity: RN100227560 THOMPSON COMPRESSOR STATION 1 Classification: High Site Rating: 0.0

ID Number(s):	AIR OPERATING PERMITS AIR OPERATING PERMITS AIR NEW SOURCE PERMITS AIR NEW SOURCE PERMITS	ACCOUNT NUMBER PERMIT PERMIT PERMIT PERMIT PERMIT PERMIT PERMIT PERMIT ACCOUNT NUMBER AFS NUM REGISTRATION	FG0010B 592 199 327 1064 2355 2964 2692 48901 FG0010B 0016 70578
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Location: 4331 OILFIELD RD, THOMPSONS, TX, Rating Date: 9/1/2006 Repeat Violator: NO

TCEQ Region: REGION 12 - HOUSTON

Date Compliance History Prepared: September 20, 2006

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: September 20, 2001 to September 20, 2006

TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History

Name: Bryan Elliott Phone: 239-6162

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? Yes
3. If Yes, who is the current owner?
Jetta Operating Company, Inc.
4. If Yes, who was/were the prior owner(s)?
American Central Gas Technologies, Inc.

Exxon Mobil Corporation
5. When did the change(s) in ownership occur?
09/10/2002
07/22/2003

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	05/12/2005	(380415)
2	08/30/2006	(457537)
3	03/03/2004	(251413)
4	08/16/2002	(7806)
5	04/15/2002	(76504)
6	05/07/2003	(10912)

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
JETTA OPERATING COMPANY,
INC.
RN100227560**

**§ BEFORE THE
§
§ TEXAS COMMISSION ON
§
§ ENVIRONMENTAL QUALITY
§**

AGREED ORDER DOCKET NO. 2006-1811-AIR-E

I. JURISDICTION AND STIPULATIONS

At its _____ agenda, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Jetta Operating Company, Inc. ("Jetta") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and Jetta appear before the Commission and together stipulate that:

1. Jetta owns and operates a petroleum production plant at 4331 Oil Field Road in Thompsons, Fort Bend County, Texas (the "Plant").
2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
3. The Commission and Jetta agree that the Commission has jurisdiction to enter this Agreed Order, and that Jetta is subject to the Commission's jurisdiction.
4. Jetta received notice of the violations alleged in Section II ("Allegations") on or about September 5, 2006.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by Jetta of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
6. An administrative penalty in the amount of Fifteen Thousand Dollars (\$15,000) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). Jetta has paid Twelve Thousand Dollars (\$12,000) of the administrative penalty and Three Thousand Dollars (\$3,000) is deferred contingent upon Jetta's timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If Jetta fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require Jetta to pay all or part of the deferred penalty.

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 Jetta 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 Jetta removed Compressor Engine EXHSTKC3 from service on October 11, 2006.
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 Jetta 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

As owner and operator of the Plant, Jetta is alleged to have:

1. Failed to report deviations in semiannual deviation reports and failed to include information about those deviations in an annual compliance certification, in violation of 30 TEX. ADMIN. CODE §§ 122.143(4), 122.145(2), 122.146(5), and Federal Operating Permit ("FOP") No. O-0592, Special Condition ("S.C.") No. 1, and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on August 7, 2006. Specifically, Jetta submitted an annual permit compliance certification for the period of January 1, 2005 to December 31, 2005, stating there were no deviations during that period. However, Jetta failed to submit semiannual deviation reports for its failure to keep records of quarterly sampling results for Compressor Engine EXHSTKC3.
2. Failed to keep records of quarterly engine performance tests, in violation of 30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), New Source Review ("NSR") Permit No. 48901 S.C. 10. A., and FOP No. O-0592, S.C. No. 1, and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on August 7, 2006. Specifically, Jetta failed to keep records of emissions sampling for Compressor Engine EXHSTKC3 during the annual Permit Compliance Certification period of January 1, 2005 to December 31, 2005.

III. DENIALS

Jetta generally denies each allegation in Section II ("Allegations").

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that Jetta pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and Jetta'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 requiring corrective action or penalties for violations which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Jetta Operating Company, Inc., Docket No. 2006-1811-AIR-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. It is further ordered that Jetta shall undertake the following technical requirements:
 - a. Within 30 days after the effective date of this Agreed Order, submit deviation reports and a corrected annual compliance certification for the January 1, 2005 to December 31, 2005 reporting period(s), and provide additional personnel training and implement improvements to deviation reporting procedures in order to address the untimely submission of deviation reports; and
 - b. Within 45 days after the effective date of this Agreed Order, submit written certification as described below, and include detailed supporting documentation to demonstrate compliance with Ordering Provision No. 2.a.

The certification required by Ordering Provision 2.b. shall be notarized by a State of Texas Notary Public and include the following certification language:

"I certify under penalty of law that I have personally examined and am familiar with the information submitted and all attached documents, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations."

Submit, in duplicate, copies of 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

with a copy to:

Manager, Air Section
Houston Regional Office
Texas Commission on Environmental Quality
5425 Polk Avenue, Ste. H
Houston, Texas 77023-1486

3. The provisions of this Agreed Order shall apply to and be binding upon Jetta. Jetta 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.
4. If Jetta 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, Jetta's failure to comply is not a violation of this Agreed Order. Jetta shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. Jetta shall notify the Executive Director within seven days after Jetta becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
5. 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 Jetta shall be made in writing to the Executive Director. Extensions are not effective until Jetta receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
6. This Agreed Order, issued by the Commission, shall not be admissible against Jetta 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.
7. 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.
8. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to Jetta, or three days after the date on which the Commission mails notice of the Order to Jetta, whichever is earlier. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties.

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SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission



For the Executive Director

3/15/07

Date

I, the undersigned, have read and understand the attached Agreed Order. 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

11/21/06

Date

DAVID PATTERSON

Name (Printed or typed)
Authorized Representative of
Jetta Operating Company, Inc.

VP EXPLOITATION

Title

Instructions: Send the original, signed Agreed Order with penalty payment to the Financial Administration Division, Revenues Section at the address in Section IV, Paragraph 1 of this Agreed Order.

