

EXECUTIVE SUMMARY - ENFORCEMENT MATTER Page 1 of 2
DOCKET NO.: 2008-0049-AIR-E **TCEQ ID:** RN100217421 **CASE NO.:** 35184
RESPONDENT NAME: JSW Steel (USA) Inc.

ORDER TYPE:		
<input checked="" type="checkbox"/> 1660 AGREED ORDER	<input type="checkbox"/> FINDINGS AGREED ORDER	<input type="checkbox"/> FINDINGS ORDER FOLLOWING SOAH HEARING
<input type="checkbox"/> FINDINGS DEFAULT ORDER	<input type="checkbox"/> SHUTDOWN ORDER	<input type="checkbox"/> IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER
<input type="checkbox"/> AMENDED ORDER	<input type="checkbox"/> EMERGENCY ORDER	
CASE TYPE:		
<input checked="" type="checkbox"/> AIR	<input type="checkbox"/> MULTI-MEDIA (check all that apply)	<input type="checkbox"/> INDUSTRIAL AND HAZARDOUS WASTE
<input type="checkbox"/> PUBLIC WATER SUPPLY	<input type="checkbox"/> PETROLEUM STORAGE TANKS	<input type="checkbox"/> OCCUPATIONAL CERTIFICATION
<input type="checkbox"/> WATER QUALITY	<input type="checkbox"/> SEWAGE SLUDGE	<input type="checkbox"/> UNDERGROUND INJECTION CONTROL
<input type="checkbox"/> MUNICIPAL SOLID WASTE	<input type="checkbox"/> RADIOACTIVE WASTE	<input type="checkbox"/> DRY CLEANER REGISTRATION
<p>SITE WHERE VIOLATION(S) OCCURRED: JSW Steel (USA) Inc., 5200 East McKinney Road, Baytown, Chambers County</p> <p>TYPE OF OPERATION: Steel mill</p> <p>SMALL BUSINESS: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>OTHER SIGNIFICANT MATTERS: There are no complaints. There is no record of additional pending enforcement actions regarding this facility location.</p> <p>INTERESTED PARTIES: No one other than the ED and the Respondent has expressed an interest in this matter.</p> <p>COMMENTS RECEIVED: The <i>Texas Register</i> comment period expired on April 28, 2008. No comments were received.</p> <p>CONTACTS AND MAILING LIST: TCEQ Attorney/SEP Coordinator: None TCEQ Enforcement Coordinator: Ms. Kimberly Morales, Enforcement Division, Enforcement Team 5, MC R-12, (713) 422-8938; Mr. Bryan Sinclair, Enforcement Division, MC 219, (512) 239-2171 Respondent: Mr. Steven Giesler, P.E., Director Environmental/Utilities, JSW Steel (USA) Inc., 5200 East McKinney Road, Baytown, Texas 77520 Mr. Daniel E. Meinzen, Vice President Technical Services, JSW Steel (USA) Inc., 5200 East McKinney Road, Baytown, Texas 77520 Respondent's Attorney: Not represented by counsel on this enforcement matter</p>		

VIOLATION SUMMARY CHART:

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p>Type of Investigation: <input type="checkbox"/> Complaint <input type="checkbox"/> Routine <input type="checkbox"/> Enforcement Follow-up <input checked="" type="checkbox"/> Records Review</p> <p>Date(s) of Complaints Relating to this Case: None.</p> <p>Date of Investigation Relating to this Case: October 3, 2007</p> <p>Date of NOV/NOE Relating to this Case: November 8, 2007 (NOE)</p> <p>Background Facts: This was a routine record review.</p> <p>AIR</p> <p>Failed to submit an annual compliance certification within 30 days after the end of the March 4, 2006 to March 5, 2007 certification period [30 TEX. ADMIN. CODE § 122.146(2), TEX. HEALTH & SAFETY CODE § 382.085(b), and Federal Operating Permit No. O-01832, General Terms and Conditions].</p>	<p>Total Assessed: \$4,000</p> <p>Total Deferred: \$800 <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: \$3,200</p> <p>Site Compliance History Classification <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p>Person Compliance History Classification <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <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>The Executive Director recognizes that the Respondent submitted the annual compliance certification for the March 4, 2006 to March 5, 2007 certification period on August 27, 2007.</p>

Additional ID.No(s):: CI0170H



Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision November 6, 2007

TCEQ

DATES	Assigned	3-Dec-2007	Screening	20-Dec-2007	EPA Due	25-Aug-2008
	PCW	11-Jan-2008				

RESPONDENT/FACILITY INFORMATION			
Respondent	JSW Steel (USA) Inc.		
Reg. Ent. Ref. No.	RN100217421		
Facility/Site Region	12-Houston	Major/Minor Source	Major

CASE INFORMATION			
Enf./Case ID No.	35184	No. of Violations	1
Docket No.	2008-0049-AIR-E	Order Type	1660
Media Program(s)	Air	Enf. Coordinator	Kimberly Morales
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**

ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

Compliance History Enhancement **Subtotals 2, 3, & 7**

Notes

Culpability Enhancement **Subtotal 4**

Notes

Good Faith Effort to Comply Reduction **Subtotal 5**

Before NOV NOV to EDRP/Settlement Offer

Extraordinary	<input type="text"/>	<input type="text"/>
Ordinary	<input checked="" type="checkbox"/>	<input type="checkbox"/>
N/A	<input type="checkbox"/>	<input type="checkbox"/>

Notes

Total EB Amounts Enhancement* **Subtotal 6**
*Capped at the Total EB \$ Amount
Approx. Cost of Compliance

SUM OF SUBTOTALS 1-7 **Final Subtotal**

OTHER FACTORS AS JUSTICE MAY REQUIRE Adjustment **Adjustment**

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes

Final Penalty Amount

STATUTORY LIMIT ADJUSTMENT **Final Assessed Penalty**

DEFERRAL Reduction **Adjustment**

Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes

PAYABLE PENALTY **Final Assessed Penalty**

Screening Date 20-Dec-2007

Docket No. 2008-0049-AIR-E

PCW

Respondent JSW Steel (USA) Inc.

Policy Revision 2 (September 2002)

Case ID No. 35184

PCW Revision November 6, 2007

Reg. Ent. Reference No. RN100217421

Media [Statute] Air

Enf. Coordinator Kimberly Morales

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>)	2	10%
	Other written NOVs	18	36%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	2	40%
	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>)	1	-1%
	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%

Please Enter Yes or No

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) 85%

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

Adjustment Percentage (Subtotal 3) 0%

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

Adjustment Percentage (Subtotal 7) 0%

>> **Compliance History Summary**

Compliance History Notes Penalty enhancement due to two NOVs for the same or similar violations, 18 NOVs for unrelated violations (including nine self-reported effluent violations), and two agreed orders containing a denial of liability. Penalty reduction for one notice of audit letter submitted.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 85%

Screening Date 20-Dec-2007	Docket No. 2008-0049-AIR-E	PCW
Respondent JSW Steel (USA) Inc.		<small>Policy Revision 2 (September 2002)</small>
Case ID No. 35184		<small>PCW Revision November 6, 2007</small>
Reg. Ent. Reference No. RN100217421		
Media [Statute] Air		
Enf. Coordinator Kimberly Morales		
Violation Number	1	
Rule Cite(s)	30 Tex. Admin. Code § 122.146(2), Tex. Health & Safety Code § 382.085(b), and Federal Operating Permit No. O-01832, General Terms and Conditions	
Violation Description	Failed to submit an annual compliance certification within 30 days after the end of the March 4, 2006 to March 5, 2007 certification period.	
	Base Penalty	\$10,000

>> Environmental, Property and Human Health Matrix

OR	Harm					
	Release	Major	Moderate	Minor		Percent
	Actual	<input type="text"/>	<input type="text"/>	<input type="text"/>		
Potential	<input type="text"/>	<input type="text"/>	<input type="text"/>			

>> Programmatic Matrix

	Falsification					
		Major	Moderate	Minor		Percent
	<input type="text"/>	x	<input type="text"/>	<input type="text"/>		
Matrix Notes	The Respondent failed to comply with 100% of the rule requirement.					
	Adjustment				\$7,500	

\$2,500

Violation Events

Number of Violation Events Number of violation days

<small>mark only one with an x</small>	daily	<input type="text"/>
	monthly	<input type="text"/>
	quarterly	<input type="text"/>
	semiannual	<input type="text"/>
	annual	<input type="text"/>
single event	x	

Violation Base Penalty

One single event is recommended.

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount

Violation Final Penalty Total

This violation Final Assessed Penalty (adjusted for limits)

Economic Benefit Worksheet

Respondent JSW Steel (USA) Inc.
Case ID No. 35184
Reg. Ent. Reference No. RN100217421
Media Air
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	\$1,000	4-Apr-2007	27-Aug-2007	0.4	\$20	n/a	\$20
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 submit an annual compliance certification. Date required is the date the certification was due.
 Final date is the date of compliance.

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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 \$1,000
TOTAL \$20

Compliance History

Customer/Respondent/Owner-Operator: CN603269366 JSW Steel (USA) Inc. Classification: AVERAGE Rating: 3.45
 Regulated Entity: RN100217421 JSW Steel (USA) Inc. Classification: AVERAGE Site Rating: 3.45

ID Number(s):	AIR OPERATING PERMITS	ACCOUNT NUMBER	CI0170H
	AIR OPERATING PERMITS	PERMIT	1832
	AIR OPERATING PERMITS	PERMIT	O01832
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	EPA ID	TXR000034637
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION # (SWR)	85567
	WASTEWATER	PERMIT	WQ0001332000
	WASTEWATER	PERMIT	TPDES0007706
	WASTEWATER	PERMIT	TX0007706
	AIR NEW SOURCE PERMITS	PERMIT	42537
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	CI0170H
	AIR NEW SOURCE PERMITS	AFS NUM	4807100085
	AIR NEW SOURCE PERMITS	REGISTRATION	77717
	AIR NEW SOURCE PERMITS	PERMIT	77214
	WATER LICENSING	LICENSE	0360040
	PUBLIC WATER SYSTEM/SUPPLY	REGISTRATION	0360040
	WASTEWATER LICENSING	LICENSE	WQ0001332000

Location: 5200 E MCKINNEY RD, BAYTOWN, TX, 77520 Rating Date: 9/1/2007 Repeat Violator: NO

TCEQ Region: REGION 12 - HOUSTON
 Date Compliance History Prepared: December 20, 2007
 Agency Decision Requiring Compliance History: Enforcement
 Compliance Period: December 20, 2002 to December 20, 2007

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

Name: Kimberly Morales Phone: (713) 422-8938

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? JSW Steel (USA) Inc.
4. If Yes, who was/were the prior owner(s)? U.S. Denro Steels, Inc. dba Jindal
United Steel Corporation
5. When did the change(s) in ownership occur? 11/5/2007

Components (Multimedia) for the Site :

- A. Final Enforcement Orders, court judgements, and consent decrees of the state of Texas and the federal government.

Effective Date: 08/29/2005

ADMINORDER 2005-0066-AIR-E

Classification: Major

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
30 TAC Chapter 122, SubChapter B 122.145(2)

30 TAC Chapter 122, SubChapter B 122.146(1)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: O-01832 - General Terms and Conditions OP
 Description: Failure to maintain and submit annual compliance certification report and semiannual deviation reports for 2002 to 2003.

Classification: Major

Citation: 30 TAC Chapter 122, SubChapter B 122.146(2)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: O-01832 - General Terms and Conditions OP
 Description: Failure to submit annual compliance certification report for 2003 to 2004 within the required timeframe.

Classification: Minor

Citation: 2A TWC Chapter 5, SubChapter A 5.702(a)
30 TAC Chapter 101, SubChapter A 101.24(a)

30 TAC Chapter 21 21.4(e)
30 TAC Chapter 335, SubChapter J 335.323
Description: Failed to pay late fees for CWQ, EIF and NWG

Effective Date: 10/02/2006

ADMINORDER 2006-0456-IWD-E

Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)

Rqmt Prov: Effluent Limits PERMIT

Description: Failure to comply with permit effluent limits as documented by a TCEQ record review of self-reported data.

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	12/27/2002	(160914)
2	01/16/2003	(160918)
3	01/17/2003	(19865)
4	02/12/2003	(160877)
5	03/19/2003	(160880)
6	04/15/2003	(28351)
7	04/15/2003	(160885)
8	05/14/2003	(160889)
9	06/16/2003	(160893)
10	07/25/2003	(160897)
11	08/14/2003	(296501)
12	08/14/2003	(149948)
13	10/30/2003	(296503)
14	10/30/2003	(296505)
15	11/03/2003	(262924)
16	12/05/2003	(296506)
17	12/22/2003	(296507)
18	03/01/2004	(296491)
19	03/22/2004	(296493)
20	04/22/2004	(296494)
21	05/03/2004	(269689)
22	05/07/2004	(332787)
23	05/25/2004	(296496)
24	06/22/2004	(296498)
25	06/30/2004	(296508)
26	08/26/2004	(352619)
27	08/31/2004	(292940)
28	09/17/2004	(352620)
29	09/27/2004	(334693)
30	09/28/2004	(370901)
31	10/12/2004	(352618)
32	10/26/2004	(352621)
33	11/08/2004	(340487)
34	11/18/2004	(341383)
35	11/29/2004	(341914)
36	12/03/2004	(352622)
37	12/10/2004	(333237)
38	12/22/2004	(382064)
39	01/18/2005	(468787)
40	01/24/2005	(382065)
41	02/22/2005	(382062)
42	03/22/2005	(382063)
43	05/24/2005	(430094)
44	06/20/2005	(430095)
45	06/23/2005	(396818)
46	06/28/2005	(397416)
47	07/19/2005	(430096)
48	08/18/2005	(441031)

49 09/01/2005 (399643)
 50 09/06/2005 (407134)
 51 09/06/2005 (407400)
 52 09/07/2005 (441033)
 53 09/12/2005 (441030)
 54 09/20/2005 (441032)
 55 11/21/2005 (468785)
 56 12/01/2005 (438119)
 57 12/19/2005 (468786)
 58 02/22/2006 (468782)
 59 04/07/2006 (459311)
 60 04/17/2006 (468783)
 61 04/17/2006 (468784)
 62 04/20/2006 (460459)
 63 04/28/2006 (457475)
 64 05/30/2006 (498450)
 65 06/23/2006 (498451)
 66 07/20/2006 (498452)
 67 08/16/2006 (520452)
 68 09/15/2006 (520453)
 69 10/16/2006 (544806)
 70 11/20/2006 (544807)
 71 12/18/2006 (544808)
 72 01/22/2007 (544809)
 73 02/12/2007 (536568)
 74 02/16/2007 (575808)
 75 03/10/2007 (575809)
 76 03/21/2007 (553966)
 77 04/27/2007 (575810)
 78 05/24/2007 (575811)
 79 06/22/2007 (575812)
 80 07/27/2007 (575813)
 81 08/10/2007 (607628)
 82 09/10/2007 (607629)
 83 11/01/2007 (598971)
 84 11/29/2007 (595541)

E. Written notices of violations (NOV). (CCEDS Inv. Track. No.)

Date: 12/31/2002 (160918)
 Self Report? YES Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 TWC Chapter 26 26.121(a)
 Description: Failure to meet the limit for one or more permit parameter
 Date: 04/15/2003 (28351)
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 115, SubChapter C 115.247(2)
 Description: Failure to submit a letter to the TCEQ Region 12 Houston Office indicating the annual
 throughput of the 2000 gallon gasoline storage tank for the year 2002 by January 31, 2003.

Date: 06/30/2003 (160897)
 Self Report? YES Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 TWC Chapter 26 26.121(a)
 Description: Failure to meet the limit for one or more permit parameter
 Date: 07/31/2003 (296501)
 Self Report? YES Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 TWC Chapter 26 26.121(a)
 Description: Failure to meet the limit for one or more permit parameter
 Date: 08/14/2003 (149948)
 Self Report? NO Classification: Major
 Citation: 30 TAC Chapter 290, SubChapter D 290.46(e)(3)(E)(i)
 Description: Failure to have at least one licensed B surface water operator.
 Date: 09/03/2003 (262924)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 101, SubChapter A 101.10(e)
 30 TAC Chapter 101, SubChapter A 101.10(f)
 Description: Failure to submit emissions inventory questionnaire for calendar year 2002 on or before
 6/26/2003.
 Date: 09/30/2003 (296505)
 Self Report? YES Classification: Moderate

Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) TWC Chapter 26 26.121(a)		
Description:	Failure to meet the limit for one or more permit parameter		
Date:	11/30/2003 (296507)		
Self Report?	YES	Classification:	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) TWC Chapter 26 26.121(a)		
Description:	Failure to meet the limit for one or more permit parameter		
Date:	05/03/2004 (269689)		
Self Report?	NO	Classification:	Minor
Citation:	30 TAC Chapter 335, SubChapter A 335.6(c)		
Description:	Failed to make required revisions/updates to the NOR		
Date:	05/07/2004 (332787)		
Self Report?	NO	Classification:	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) 30 TAC Chapter 305, SubChapter F 305.125(17)		
Description:	NON-RPT VIOS FOR MONIT PER OR PIPE		
Self Report?	NO	Classification:	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) 30 TAC Chapter 305, SubChapter F 305.125(17)		
Description:	NON-RPT VIOS FOR MONIT PER OR PIPE		
Self Report?	NO	Classification:	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) 30 TAC Chapter 305, SubChapter F 305.125(17)		
Description:	NON-RPT VIOS FOR MONIT PER OR PIPE		
Date:	08/31/2004 (292940)		
Self Report?	NO	Classification:	Moderate
Citation:	30 TAC Chapter 290, SubChapter D 290.46(e)(6)		
Description:	Failure to provide continuous turbidity and disinfectant residual monitors.		
Self Report?	NO	Classification:	Major
Citation:	30 TAC Chapter 290, SubChapter D 290.46(e)(6)		
Description:	Failure to have proper licensed operators for the surface water treatment plant.		
Date:	09/28/2004 (370901)		
Self Report?	NO	Classification:	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) 30 TAC Chapter 305, SubChapter F 305.125(17)		
Description:	NON-RPT VIOS FOR MONIT PER OR PIPE		
Date:	11/18/2004 (341383)		
Self Report?	NO	Classification:	Moderate
Citation:	30 TAC Chapter 335, SubChapter A 335.4(1)		
Description:	Failure to properly dispose of Industrial Solid Waste.		
Date:	11/29/2004 (341914)		
Self Report?	NO	Classification:	Moderate
Citation:	30 TAC Chapter 319, SubChapter A 319.5(a)		
Rqmt Prov:	PERMIT 01332-000		
Description:	Failure to collect an effluent sample at Outfall 201, as required.		
Date:	08/25/2005 (407134)		
Self Report?	NO	Classification:	Major
Citation:	30 TAC Chapter 290, SubChapter D 290.46(e)(3)(E)(i)		
Description:	Failure to have at least one licensed B surface water operator.		
Self Report?	NO	Classification:	Minor
Citation:	30 TAC Chapter 290, SubChapter D 290.42(d)		
Description:	Failure to provide at least 15 days supply of water treatment chemicals (polymer).		
Self Report?	NO	Classification:	Minor
Citation:	30 TAC Chapter 290, SubChapter F 290.112(e)(2)(B)		
Description:	Failure to conduct required Total Organic Carbon (TOC) monitoring during normal operating conditions. Your system must submit a monthly operational report for Total Organic Carbon Control each month starting January 1, 2003.		
Self Report?	NO	Classification:	Minor
Citation:	30 TAC Chapter 290, SubChapter D 290.46(m)		
Description:	Failure to properly maintain system facilities.		
Self Report?	NO	Classification:	Moderate
Citation:	30 TAC Chapter 290, SubChapter D 290.46(e)(6)		
Description:	Failure to provide continuous turbidity and disinfectant residual monitors.		
Self Report?	NO	Classification:	Major
Citation:	30 TAC Chapter 290, SubChapter D 290.46(e)(6)		
Description:	Failure to have proper licensed operators for the surface water treatment plant.		
Date:	11/30/2005 (468786)		
Self Report?	YES	Classification:	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) TWC Chapter 26 26.121(a)		
Description:	Failure to meet the limit for one or more permit parameter		

Date: 02/28/2006 (468783)
 Self Report? YES Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 TWC Chapter 26 26.121(a)
 Description: Failure to meet the limit for one or more permit parameter
 Date: 03/31/2006 (468784)
 Self Report? YES Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 TWC Chapter 26 26.121(a)
 Description: Failure to meet the limit for one or more permit parameter
 Date: 04/30/2006 (498450)
 Self Report? YES Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 TWC Chapter 26 26.121(a)
 Description: Failure to meet the limit for one or more permit parameter
 Date: 02/12/2007 (536568)
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 Rqmt Prov: PERMIT Monitoring & Reporting Requirements # 5
 Description: Failure to ensure flow measurement accuracy.
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 Description: Failure to maintain compliance with the permitted effluent limits for total suspended solids (TSS) and chlorine residual at outfall 101 and TSS and total nickel at outfall 201.

F. Environmental audits.

Notice of Intent Date: 10/15/2003 (262896)
 No DOV Associated

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
JSW STEEL (USA) INC.
RN100217421**

§
§
§
§
§

**BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY**

AGREED ORDER DOCKET NO. 2008-0049-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 JSW Steel (USA) Inc. ("the Respondent") 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 the Respondent appear before the Commission and together stipulate that:

1. The Respondent owns and operates a steel mill at 5200 East McKinney Road in Baytown, Chambers 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 the Respondent agree that the Commission has jurisdiction to enter this Agreed Order, and that the Respondent is subject to the Commission's jurisdiction.
4. The Respondent received notice of the violations alleged in Section II ("Allegations") on or about November 13, 2007.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
6. An administrative penalty in the amount of Four Thousand Dollars (\$4,000) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Three Thousand Two Hundred Dollars (\$3,200) of the administrative penalty and Eight Hundred Dollars (\$800) is deferred contingent upon the Respondent'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 the Respondent fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require the Respondent 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 the Respondent 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 the Respondent submitted the annual compliance certification for the March 4, 2006 to March 5, 2007 certification period on August 27, 2007.
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 the Respondent 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, the Respondent is alleged to have failed to submit an annual compliance certification within 30 days after the end of the March 4, 2006 to March 5, 2007 certification period, in violation of 30 TEX. ADMIN. CODE § 122.146(2), TEX. HEALTH & SAFETY CODE § 382.085(b), and Federal Operating Permit No. O-01832, General Terms and Conditions, as documented during a record review conducted on October 3, 2007.

III. DENIALS

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

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that the Respondent pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and the Respondent'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: JSW Steel (USA) Inc., Docket No. 2008-0049-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. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent 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.
3. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent 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.
4. 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.
5. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to the Respondent, or three days after the date on which the Commission mails notice of the Order to the Respondent, whichever is earlier. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

[Handwritten Signature]
For the Executive Director

4/30/2008
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 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 failure to comply with the Ordering Provisions, if any, in this order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- 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;
- Automatic referral to the Attorney General's Office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

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

[Handwritten Signature]
Signature

2/06/08
Date

DANIEL E. MEINZEN
Name (Printed or typed)
Authorized Representative of
JSW Steel (USA) Inc.

VICE PRESIDENT TECHNICAL SVCS
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.

