EXECUTIVE SUMMARY - ENFORCEMENT MATTER

DOCKET NO.: 2007-1897-MWD-E **TCEQ ID:** RN102177458 **CASE NO.:** 34920

RESPONDENT NAME: Monarch Utilities I L.P.

ORDER TYPE:		
__1660 AGREED ORDER	X FINDINGS AGREED ORDER	__FINDINGS ORDER FOLLOWING SOAH HEARING
__FINDINGS DEFAULT ORDER	__SHUTDOWN ORDER	__IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER
__AMENDED ORDER	__EMERGENCY ORDER	
CASE TYPE:		
__AIR	__MULTI-MEDIA (check all that apply)	__INDUSTRIAL AND HAZARDOUS WASTE
__PUBLIC WATER SUPPLY	__PETROLEUM STORAGE TANKS	__OCCUPATIONAL CERTIFICATION
X WATER QUALITY	__SEWAGE SLUDGE	__UNDERGROUND INJECTION CONTROL
__MUNICIPAL SOLID WASTE	__RADIOACTIVE WASTE	__DRY CLEANER REGISTRATION

SITE WHERE VIOLATION(S) OCCURRED: Cherokee Shores, located approximately 0.3 mile south of State Highway 198 and 1.5 miles west of the intersection of State Highway 198 and Farm-to-Market Road 316, Henderson County

TYPE OF OPERATION: Wastewater treatment system

SMALL BUSINESS: ___ Yes __X__ 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 April 28, 2008. No comments were received.

CONTACTS AND MAILING LIST:

TCEQ Attorney/SEP Coordinator: None

TCEQ Enforcement Coordinator: Ms. Heather Brister, Enforcement Division, Enforcement Team 1, MC R-09, (254) 761-3048; Mr. Bryan Sinclair, Enforcement Division, MC 219, (512) 239-2171

Respondent: Mr. Bill Jasura, Vice President, Monarch Utilities I L.P., 2700 Pecan Street West, Suite 423, Pflugerville, Texas 78660

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

VIOLATION SUMMARY CHART:

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
Type of Investigation: ___ Complaint ___ Routine ___ Enforcement Follow-up _X_ Records Review **Date(s) of Complaints Relating to this Case:** None **Date of Investigation Relating to this Case:** September 13, 2007 **Date of NOV/NOE Relating to this Case:** October 22, 2007 (NOE) **Background Facts:** This was a routine record review. **WATER** Failed to comply with permitted effluent limits for 5-Day Carbonaceous Biochemical Oxygen Demand, Total Suspended Solids, Total Nitrogen, Ammonia Nitrogen, Total Phosphorus, and Chlorine Residual [TEX. WATER CODE § 26.121(a)(1), 30 TEX. ADMIN. CODE § 305.125(1), and Texas Pollutant Discharge Elimination System ("TPDES") Permit No. WQ0013879001, Effluent Limitations and Monitoring Requirements Nos. 1 and 2].	**Total Assessed:** $35,150 **Total Deferred:** $0 __Expedited Settlement __Financial Inability to Pay **SEP Conditional Offset:** $0 **Total Paid to General Revenue:** $35,150 **Site Compliance History Classification** ___ **High** __X__ **Average** __ **Poor** **Person Compliance History Classification** __ **High** __X__ **Average** __ **Poor** **Major Source:** ___ Yes __X__ No **Applicable Penalty Policy:** September 2002 **Findings Orders Justification:** Human health and the environment has been exposed to pollutants which exceed levels that are protective.	**Ordering Provisions:** The Order will require the Respondent to, within 60 days after the effective date of this Agreed Order, submit written certification of compliance with permitted effluent limits of TPDES Permit No. WQ0013879001. The certification shall include detailed supporting documentation including photographs, receipts, and/or other records.

Additional ID No(s).: WQ0013879001

Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002) — *PCW Revision September 19, 2007*

TCEQ

DATES						
Assigned	29-Oct-2007					
PCW	28-Nov-2007	Screening	31-Oct-2007	EPA Due		

RESPONDENT/FACILITY INFORMATION

Respondent	Monarch Utilities I L.P.		
Reg. Ent. Ref. No.	RN102177458		
Facility/Site Region	5-Tyler	Major/Minor Source	Minor

CASE INFORMATION

Enf./Case ID No.	34920	No. of Violations	3
Docket No.	2007-1897-MWD-E	Order Type	Findings
Media Program(s)	Water Quality	Enf. Coordinator	Heather Brister
Multi-Media		EC's Team	Enforcement Team 1
Admin. Penalty $ Limit Minimum	$0	Maximum	$10,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties) — *Subtotal 1*: $9,500

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History — 280% Enhancement — *Subtotals 2, 3, & 7*: $26,600

Notes: The penalty is enhanced because the Respondent self-reported 51 effluent violations, was issued one notice of violation (NOV) for same or similar violations, and was issued an order with denial of liability language.

Culpability — No — 0% Enhancement — *Subtotal 4*: $0

Notes: The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply — 0% Reduction — *Subtotal 5*: $0

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary		
N/A	x	(mark with x)

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

0% Enhancement* — *Subtotal 6*: $0

**Capped at the Total EB $ Amount*

Total EB Amounts	$150
Approx. Cost of Compliance	$2,000

SUM OF SUBTOTALS 1-7 — *Final Subtotal*: $36,100

OTHER FACTORS AS JUSTICE MAY REQUIRE — -3% — *Adjustment*: -$950

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes: Recommended reduction to prevent the self-reported violations from overly impacting the penalty.

Final Penalty Amount: $35,150

STATUTORY LIMIT ADJUSTMENT — *Final Assessed Penalty*: $35,150

DEFERRAL — 0% Reduction — *Adjustment*: $0

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

Notes: No deferral is recommended for Findings Orders.

PAYABLE PENALTY: $35,150

Screening Date 31-Oct-2007 **Docket No.** 2007-1897-MWD-E **PCW**

Respondent Monarch Utilities I L.P. *Policy Revision 2 (September 2002)*

Case ID No. 34920 *PCW Revision September 19, 2007*

Reg. Ent. Reference No. RN102177458

Media [Statute] Water Quality

Enf. Coordinator Heather Brister

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 (*number of NOVs meeting criteria*)	52	260%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (*number of orders meeting criteria*)	1	20%
	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 (*number of judgements or consent decrees meeting criteria*)	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 (*number of counts*)	0	0%
Emissions	Chronic excessive emissions events (*number of events*)	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 (*number of audits for which notices were submitted*)	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (*number of audits for which violations were disclosed*)	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) 280%

>> 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

The penalty is enhanced because the Respondent self-reported 51 effluent violations, was issued one notice of violation (NOV) for same or similar violations, and was issued an order with denial of liability language.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 280%

Screening Date 31-Oct-2007 **Docket No.** 2007-1897-MWD-E **PCW**

Respondent Monarch Utilities I L.P. *Policy Revision 2 (September 2002)*

Case ID No. 34920 *PCW Revision September 19, 2007*

Reg. Ent. Reference No. RN102177458

Media [Statute] Water Quality

Enf. Coordinator Heather Brister

Violation Number 1

Rule Cite(s) Tex. Water Code § 26.121(a)(1), 30 Tex. Admin. Code § 305.125(1), and TPDES Permit No. WQ0013879001, Effluent Limitations and Monitoring Requirements No. 1

Violation Description Failed to comply with permitted effluent limits during the month of January 2007, as documented by a TCEQ record review conducted on September 13, 2007. See attached table.

Base Penalty $10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm: Major	Moderate	Minor
Actual	x		
Potential			

Percent 50%

>>Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes: A simplified model was used to evaluate ammonia nitrogen ("NH_3-N") and 5-day carbonaceous biochemical oxygen demand ("$CBOD_5$") to determine whether the discharged amounts of pollutants exceeded levels protective of human health or the environment. Total suspended solids ("TSS"), total nitrogen ("N"), total phosphorus ("P"), chlorine residual, and flow reported values were also considered. As a result of these discharges, human health or the environment has been exposed to a significant amount of pollutants which exceed levels that are protective of human health or environmental receptors.

Adjustment $5,000

$5,000

Violation Events

Number of Violation Events 1 — 31 Number of violation days

mark only one with an x

daily	
monthly	x
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty $5,000

One monthly event is recommended.

Economic Benefit (EB) for this violation

Estimated EB Amount $150

Statutory Limit Test

Violation Final Penalty Total $18,500

This violation Final Assessed Penalty (adjusted for limits) $18,500

Economic Benefit Worksheet

Respondent Monarch Utilities I L.P.
Case ID No. 34920
Reg. Ent. Reference No. RN102177458
Media Water Quality
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Item 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)	$2,000	1-Jan-2007	1-Jul-2008	1.5	$150	n/a	$150
Notes for DELAYED costs	Estimated cost for evaluating causes and implementing necessary rehabilitation work to the Facility. Date Required is the initial month of noncompliance. Final Date is the anticipated date of 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	$2,000	TOTAL	$150

Screening Date 31-Oct-2007 **Docket No.** 2007-1897-MWD-E **PCW**

Respondent Monarch Utilities I L.P. *Policy Revision 2 (September 2002)*

Case ID No. 34920 *PCW Revision September 19, 2007*

Reg. Ent. Reference No. RN102177458

Media [Statute] Water Quality

Enf. Coordinator Heather Brister

Violation Number 2

Rule Cite(s) Tex. Water Code § 26.121(a)(1), 30 Tex. Admin. Code § 305.125(1), and TPDES Permit No. WQ0013879001, Effluent Limitations and Monitoring Requirements No. 1

Violation Description Failed to comply with permitted effluent limits during the month of February 2007, as documented by a TCEQ record review conducted on September 13, 2007. See attached table.

Base Penalty $10,000

>> Environmental, Property and Human Health Matrix

	Release	Harm: Major	Moderate	Minor
OR	Actual		x	
	Potential			

Percent 25%

>>Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes: A simplified model was used to evaluate NH_3-N and $CBOD_5$ to determine whether the discharged amounts of pollutants exceeded levels protective of human health or the environment. TSS, N, P, chlorine residual, and flow reported values were also considered. As a result of these discharges, human health or the environment has been exposed to a significant amount of pollutants which do not exceed levels that are protective of human health or environmental receptors.

Adjustment $7,500

$2,500

Violation Events

Number of Violation Events 1 | 28 Number of violation days

mark only one with an x

daily	
monthly	x
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty $2,500

One monthly event is recommended.

Economic Benefit (EB) for this violation

Estimated EB Amount $0

Statutory Limit Test

Violation Final Penalty Total $9,250

This violation Final Assessed Penalty (adjusted for limits) $9,250

Economic Benefit Worksheet

Respondent Monarch Utilities I L.P.
Case ID No. 34920
Reg. Ent. Reference No. RN102177458
Media Water Quality
Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

Item Description (No commas or $)	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				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	See economic benefit for violation No. 1.						
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	$0				TOTAL		$0

Screening Date 31-Oct-2007 **Docket No.** 2007-1897-MWD-E **PCW**

Respondent Monarch Utilities I L.P. *Policy Revision 2 (September 2002)*

Case ID No. 34920 *PCW Revision September 19, 2007*

Reg. Ent. Reference No. RN102177458

Media [Statute] Water Quality

Enf. Coordinator Heather Brister

Violation Number 3

Rule Cite(s) Tex. Water Code § 26.121(a)(1), 30 Tex. Admin. Code § 305.125(1), and TPDES Permit No. WQ0013879001, Effluent Limitations and Monitoring Requirements Nos. 1 and 2

Violation Description Failed to comply with permitted effluent limits during the months of March, April, May, June, and July 2007, as documented by a TCEQ record review conducted on September 13, 2007. See attached table.

Base Penalty $10,000

>> Environmental, Property and Human Health Matrix

	Release	Harm: Major	Moderate	Minor
OR	Actual			x
	Potential			

Percent 10%

>>Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes: A simplified model was used to evaluate NH_3-N and $CBOD_5$ to determine whether the discharged amounts of pollutants exceeded levels protective of human health or the environment. TSS, N, P, chlorine residual, and flow reported values were also considered. As a result of these discharges, human health or the environment has been exposed to an insignificant amount of pollutants which do not exceed levels that are protective of human health or environmental receptors.

Adjustment $9,000

$1,000

Violation Events

Number of Violation Events: 2 — 153 Number of violation days

mark only one with an x

daily	
monthly	
quarterly	x
semiannual	
annual	
single event	

Violation Base Penalty $2,000

Two quarterly events are recommended.

Economic Benefit (EB) for this violation

Estimated EB Amount $0

Statutory Limit Test

Violation Final Penalty Total $7,400

This violation Final Assessed Penalty (adjusted for limits) $7,400

Economic Benefit Worksheet

Respondent Monarch Utilities I L.P.
Case ID No. 34920
Reg. Ent. Reference No. RN102177458
Media Water Quality
Violation No. 3

Percent Interest	Years of Depreciation
5.0	15

	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Item 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	See economic benefit for violation No. 1.						
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 $0

TOTAL $0

Effluent Limit Violation Table

table rev.

Respondent	Monarch Utilities I L.P.
ID Number(s)	WQ0013879001
Docket Number	2007-1897-MWD-E
Enf. Coordinator	Heather Brister

Corresponds to Violation Number: 1,2,3

EFFLUENT PARAMETER							
Permit Limit							
Month/Year	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07
5-Day Carbonaceous Biochemical Oxygen Demand Daily Average Loading 12 Pounds per Day	26	c	c	c	c	c	c
5-Day Carbonaceous Biochemical Oxygen Demand Daily Average Concentration 10 Milligrams per Liter	44.2	17.7	13.7	c	c	c	c
5-Day Carbonaceous Biochemical Oxygen Demand Single Grab 35 Milligrams per Liter	160	c	c	c	c	c	c
Total Suspended Solids Daily Average Loading 19 Pounds per Day	56.6	c	c	c	c	c	c
Total Suspended Solids Daily Average Concentration 15 Milligrams per Liter	94.3	23.1	c	c	c	c	c
Total Suspended Solids Single Grab 60 Milligrams per Liter	360	c	c	c	c	c	c
Total Nitrogen Daily Average Concentration 20 Milligrams per Liter	35.4	39.4	31.1	26.5	29.1	20.4	23.5
Ammonia Nitrogen Daily Average Loading 6.2 Pounds per Day	9.9	16	9	c	c	c	c
Ammonia Nitrogen Daily Average Concentration 5 Milligrams per Liter	23.3	31.7	20.9	11.7	6.9	c	c
Ammonia Nitrogen Single Grab 15 Milligrams per Liter	34	33.8	37.6	19.8	19.3	c	c
Total Phosphorus Daily Average Concentration 2 Milligrams per Liter	3.6	c	2.7	3	2.9	3.4	2.8
Chlorine Residual Maximum 4.0 Milligrams per Liter	c	c	c	4.17	c	4.11	c

c = compliant

Compliance History

Customer/Respondent/Owner-Operator:	CN602740706	Monarch Utilities I L.P.	Classification: AVERAGE	Rating: 2.19
Regulated Entity:	RN102177458	CHEROKEE SHORES	Classification: AVERAGE	Site Rating: 3.67

ID Number(s):	WASTEWATER	PERMIT	WQ0013879001	Rating Date: September 01 07
	WASTEWATER	PERMIT	TPDES0083127	Repeat Violator: NO
	WASTEWATER	PERMIT	TX0083127	
	WASTEWATER	PERMIT	TX0083127000	

Location: Located approximately 0.3 mile south of the State Highway 198 and 1.5 miles west of the intersection of State Highway 198 and Farm-to-Market Road 316 in Henderson County, Texas.

TCEQ Region: REGION 05 - TYLER
Date Compliance History Prepared: November 28, 2007
Agency Decision Requiring Compliance History: Enforcement
Compliance Period: November 28, 2002 to November 28, 2007

TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History
Name: Heather Brister Phone: 254-761-3048

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? Monarch Utilities I L.P.
4. If Yes, who was/were the prior owner(s)? Resort Water Services, Inc.
   Tecon Water Company, L.P.
5. When did the change(s) in ownership occur? 07/14/2004

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: 08/20/2005 ADMINORDER 2004-0117-MLM-E
   Classification: Moderate
   Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
   TWC Chapter 26 26.121[G]
   Rqmt Prov: Effluent Limits PERMIT
   Description: Failure to comply with the permitted effluent limits at Outfall 001A.

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 11/15/2002 (206289)
2 12/20/2002 (206293)
3 01/13/2003 (206297)
4 02/14/2003 (206260)
5 03/14/2003 (206263)
6 04/30/2003 (206268)
7 05/30/2003 (315865)
8 07/18/2003 (315866)
9 07/30/2003 (315867)
10 09/05/2003 (315868)
11 09/23/2003 (315869)
12 10/22/2003 (249488)
13 10/23/2003 (315870)
14 11/18/2003 (315871)
15 12/22/2003 (315872)
16 01/21/2004 (315873)
17 03/01/2004 (315862)
18 03/17/2004 (315863)
19 04/23/2004 (315864)

20 05/20/2004 (360629)
21 06/24/2004 (360630)
22 08/02/2004 (360631)
23 08/16/2004 (360632)
24 08/25/2004 (291666)
25 09/20/2004 (360633)
26 10/20/2004 (360634)
27 11/19/2004 (386663)
28 12/27/2004 (386664)
29 01/20/2005 (386665)
30 02/22/2005 (386661)
31 03/14/2005 (386662)
32 03/18/2005 (374391)
33 04/19/2005 (424488)
34 05/17/2005 (380661)
35 05/23/2005 (424489)
36 06/22/2005 (424490)
37 06/24/2005 (396950)
38 07/20/2005 (445235)
39 08/19/2005 (445236)
40 09/14/2005 (431732)
41 09/21/2005 (445237)
42 10/19/2005 (476441)
43 11/21/2005 (476442)
44 12/21/2005 (476443)
45 01/20/2006 (476444)
46 02/21/2006 (476439)
47 03/21/2006 (476440)
48 04/20/2006 (503494)
49 05/22/2006 (503495)
50 06/16/2006 (462356)
51 06/19/2006 (503496)
52 07/19/2006 (525856)
53 07/19/2006 (487211)
54 08/18/2006 (525857)
55 09/20/2006 (525858)
56 07/03/2007 (565964)
57 10/22/2007 (594423)

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

Date: **12/31/2002** (206297)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: **02/28/2003** (206263)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: **03/31/2003** (206268)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: **04/30/2003** (315865)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]

Description: Failure to meet the limit for one or more permit parameter

Date: **05/31/2003** (315866)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: **06/30/2003** (315867)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: **07/31/2003** (315868)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: **08/31/2003** (315869)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: **09/30/2003** (315870)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: **10/31/2003** (315871)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: **11/30/2003** (315872)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: **12/31/2003** (315873)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: **01/31/2004** (315862)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: **02/29/2004** (315863)
Self Report? YES Classification: Moderate

Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: **03/31/2004** (315864)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: **04/30/2004** (360629)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: **05/31/2004** (360630)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: **06/30/2004** (360631)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: **07/31/2004** (360632)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: **08/31/2004** (360633)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: **08/31/2004** (291666)
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(5)
30 TAC Chapter 317 317.4(d)[G]
Description: Failure to properly operate and maintain the clarifier.

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 317 317.6(b)(1)(A)
30 TAC Chapter 317 317.6(b)(1)(B)
30 TAC Chapter 317 317.6(b)(1)(C)
30 TAC Chapter 317 317.6(b)(1)(D)
30 TAC Chapter 317 317.6(b)(1)(E)
30 TAC Chapter 317 317.6(b)(1)(F)
30 TAC Chapter 317 317.6(b)(1)(G)
30 TAC Chapter 317 317.6(b)(1)[G]
Description: Failure to provide forced mechanical ventilation in chlorination room.

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(5)
30 TAC Chapter 317 317.4(l)[G]
Description: Failure to properly operate and maintain the sand filter.

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 319, SubChapter A 319.11(d)
Description: Failure to provide a means to acquire an accurate manual flow measurement.

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to comply with permitted effluent flow limits.

Date: **09/30/2004** (360634)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: **10/31/2004** (386663)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: **11/30/2004** (386664)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: **12/31/2004** (386665)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: **01/31/2005** (386661)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: **02/28/2005** (386662)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: **03/31/2005** (424488)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: **04/30/2005** (424489)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)

TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: **05/31/2005** (424490)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: **06/30/2005** (445235)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: **07/31/2005** (445236)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: **08/31/2005** (445237)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: **09/30/2005** (476441)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: **10/31/2005** (476442)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: **11/30/2005** (476443)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: **12/31/2005** (476444)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: **01/31/2006** (476439)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: **02/28/2006** (476440)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: **03/31/2006** (503494)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: **04/30/2006** (503495)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: **05/31/2006** (503496)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: **06/30/2006** (525856)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: **07/31/2006** (525857)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: **08/31/2006** (525858)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: **01/31/2007**
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: **02/28/2007**
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: **03/31/2007**
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)

TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: **04/30/2007**
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: **05/31/2007**
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: **06/30/2007**
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: **07/31/2007**
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

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 MONARCH UTILITIES I L.P. RN102177458	§ § § § §	**BEFORE THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY**

AGREED ORDER
DOCKET NO. 2007-1897-MWD-E

At its _____ agenda, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Monarch Utilities I L.P. ("the Respondent") under the authority of TEX. WATER CODE chs. 7 and 26. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent presented this agreement to the Commission.

The Respondent understands that they have certain procedural rights at certain points in the enforcement process, including, but not limited to, the right to formal notice of violations, notice of an evidentiary hearing, the right to an evidentiary hearing, and a right to appeal. By entering into this Agreed Order, the Respondent agrees to waive all notice and procedural rights.

It is further understood and agreed that this Order represents the complete and fully-integrated settlement of the parties. 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. The duties and responsibilities imposed by this Agreed Order are binding upon the Respondent.

The Commission makes the following Findings of Fact and Conclusions of Law:

I. FINDINGS OF FACT

1. The Respondent owns and operates a wastewater treatment system located approximately 0.3 mile south of the State Highway 198 and 1.5 miles west of the intersection of State Highway 198 and Farm-to-Market Road 316 in Henderson County, Texas (the "Facility").

2. The Respondent has discharged waste into or adjacent to any water in the state under TEX. WATER CODE ch. 26.

3. During a record review on September 13, 2007, TCEQ staff documented the following effluent values.

EFFLUENT PARAMETER							
Permit Limit							
Month/Year	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07
5-Day Carbonaceous Biochemical Oxygen Demand Daily Average Loading 12 Pounds per Day	26	c	c	c	c	c	c
5-Day Carbonaceous Biochemical Oxygen Demand Daily Average Concentration 10 Milligrams per Liter	44.2	17.7	13.7	c	c	c	c
5-Day Carbonaceous Biochemical Oxygen Demand Single Grab 35 Milligrams per Liter	160	c	c	c	c	c	c
Total Suspended Solids Daily Average Loading 19 Pounds per Day	56.6	c	c	c	c	c	c
Total Suspended Solids Daily Average Concentration 15 Milligrams per Liter	94.3	23.1	c	c	c	c	c
Total Suspended Solids Single Grab 60 Milligrams per Liter	360	c	c	c	c	c	c
Total Nitrogen Daily Average Concentration 20 Milligrams per Liter	35.4	39.4	31.1	26.5	29.1	20.4	23.5
Ammonia Nitrogen Daily Average Loading 6.2 Pounds per Day	9.9	16	9	c	c	c	c
Ammonia Nitrogen Daily Average Concentration 5 Milligrams per Liter	23.3	31.7	20.9	11.7	6.9	c	c
Ammonia Nitrogen Single Grab 15 Milligrams per Liter	34	33.8	37.6	19.8	19.3	c	c
Total Phosphorus Daily Average Concentration 2 Milligrams per Liter	3.6	c	2.7	3	2.9	3.4	2.8
Chlorine Residual Maximum 4.0 Milligrams per Liter	c	c	c	4.17	c	4.11	c

c = compliant

4. The Respondent received notice of the violations on October 27, 2007.

II. CONCLUSIONS OF LAW

1. The Respondent is subject to the jurisdiction of the TCEQ pursuant to TEX. WATER CODE chs. 7 and 26 and the rules of the Commission.

2. As evidenced by Findings of Fact No. 3, the Respondent failed to comply with permitted effluent limits, in violation of TEX. WATER CODE § 26.121(a)(1), 30 TEX. ADMIN. CODE § 305.125(1), and Texas Pollutant Discharge Elimination System ("TPDES") Permit No. WQ0013879001, Effluent Limitations and Monitoring Requirements Nos. 1 and 2.

3. Pursuant to TEX. WATER CODE § 7.051, the Commission has the authority to assess an administrative penalty against the Respondent for violations of the Texas Water Code and the Texas Health and Safety Code within the Commission's jurisdiction; for violations of rules adopted under such statutes; or for violations of orders or permits issued under such statutes.

4. An administrative penalty in the amount of Thirty-Five Thousand One Hundred Fifty Dollars ($35,150) is justified by the facts recited in this Agreed Order, and considered in light of the factors set forth in TEX. WATER CODE § 7.053. The Respondent has paid the Thirty-Five Thousand One Hundred Fifty Dollar ($35,150) administrative penalty.

III. ORDERING PROVISIONS

NOW, THEREFORE, THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY ORDERS that:

1. The Respondent is assessed an administrative penalty in the amount of Thirty-Five Thousand One Hundred Fifty Dollars ($35,150) as set forth in Section II, Paragraph 4 above, for violations of TCEQ rules and state statutes. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order completely resolve the violations set forth by this Agreed Order in this action. However, the Commission shall not be constrained in any manner from requiring corrective actions or penalties for other violations that are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Monarch Utilities I L.P., Docket No. 2007-1897-MWD-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 the Respondent shall, within 60 days after the effective date of this Agreed Order, submit written certification of compliance with permitted effluent limits of TPDES Permit No. WQ0013879001. The certification shall include detailed supporting documentation including photographs, receipts, and/or other records, be notarized by a State of Texas Notary Public, and include the following certification language:

"I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, 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."

The certification shall be submitted 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:

Water Section, Manager
Tyler Regional Office
Texas Commission on Environmental Quality
2916 Teague Drive
Tyler, Texas 75701-3756

3. 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 Facility operations referenced in this Agreed Order.

4. If the Respondent 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, the Respondent's failure to comply is not a violation of this Agreed Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent 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 the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.

6. The Executive Director may refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings without notice to the Respondent if the

Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.

7. 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.

8. 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.

9. 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.

10. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties. By law, the effective date of this Agreed Order is the third day after the mailing date, as provided by 30 TEX. ADMIN. CODE § 70.10(b) and TEX. GOV'T CODE § 2001.142.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

_____
For the Commission

_____ 5/2/2008
For the Executive Director Date

I, the undersigned, have read and understand the attached Agreed Order in the matter of Monarch Utilities I L.P.. I am authorized to agree to the attached Agreed Order on behalf of Monarch Utilities I L.P., and do agree to the specified terms and conditions. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I understand that by entering into this Agreed Order, Monarch Utilities I L.P. waives certain procedural rights, including, but not limited to, the right to formal notice of violations addressed by this Agreed Order, notice of an evidentiary hearing, the right to an evidentiary hearing, and the right to appeal. I agree to the terms of the Agreed Order in lieu of an evidentiary hearing. This Agreed Order constitutes full and final adjudication by the Commission of the violations set forth in this Agreed Order.

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.

Bill Tasura 1/31/08
Signature Date

BILL TASURA Vice President
Name (Printed or typed) Title
Authorized Representative of
Monarch Utilities I L.P.

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.