

**EXECUTIVE SUMMARY - ENFORCEMENT MATTER**

**DOCKET NO.:** 2008-0204-MWD-E **TCEQ ID:** RN101718773 **CASE NO.:** 35362

**RESPONDENT NAME:** Oceaneering International, Inc.

|  |   |  |
|--|---|--|
| <b>ORDER TYPE:</b>   |   |  |
| <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                    |  |
| <b>CASE TYPE:</b>  |   |  |
| <input 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 checked="" 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><b>SITE WHERE VIOLATION(S) OCCURRED:</b> Oceaneering International, located adjacent to Farm-to-Market Road 529 (Spencer Road), approximately one mile west of the intersection of Farm-to-Market Road 529 and United States Highway 290, Houston, Harris County</p> <p><b>TYPE OF OPERATION:</b> Domestic wastewater treatment facility</p> <p><b>SMALL BUSINESS:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p><b>OTHER SIGNIFICANT MATTERS:</b> There are no complaints. There is no record of additional pending enforcement actions regarding this facility location.</p> <p><b>INTERESTED PARTIES:</b> No one other than the ED and the Respondent has expressed an interest in this matter.</p> <p><b>COMMENTS RECEIVED:</b> The <i>Texas Register</i> comment period expired on July 7, 2008. No comments were received.</p> <p><b>CONTACTS AND MAILING LIST:</b><br/> <b>TCEQ Attorney/SEP Coordinator:</b> None<br/> <b>TCEQ Enforcement Coordinator:</b> Ms. Lauren Smitherman, Enforcement Division, Enforcement Team 1, MC 169, (512) 239-5223; Mr. Bryan Sinclair, Enforcement Division, MC 219, (512) 239-2171<br/> <b>Respondent:</b> Mr. George R. Haubenreich, Jr., Senior Vice President, Oceaneering International, Inc., 11917 Farm-to-Market Road 529, Houston, Texas 77041<br/> <b>Respondent's Attorney:</b> Not represented by counsel on this enforcement matter</p> |   |  |

**VIOLATION SUMMARY CHART:**

| VIOLATION INFORMATION  | PENALTY CONSIDERATIONS  | CORRECTIVE ACTIONS TAKEN/REQUIRED   |
|--|---|---|
| <p><b>Type of Investigation:</b><br/> <input type="checkbox"/> Complaint<br/> <input type="checkbox"/> Routine<br/> <input type="checkbox"/> Enforcement Follow-up<br/> <input checked="" type="checkbox"/> Records Review</p> <p><b>Date(s) of Complaints Relating to this Case:</b> None</p> <p><b>Date of Investigation Relating to this Case:</b> January 3, 2008</p> <p><b>Date of NOV/NOE Relating to this Case:</b> January 18, 2008 (NOE)</p> <p><b>Background Facts:</b> This was a record review.</p> <p><b>WATER</b></p> <p>Failure to comply with the permitted effluent limitations for ammonia nitrogen, total suspended solids, and flow [TEX. WATER CODE § 26.121(a), 30 TEX. ADMIN. CODE § 305.125(1), and Texas Pollutant Discharge Elimination System ("TPDES") Permit No. 12466001, Interim Effluent Limitations and Monitoring Requirements No. 1].</p> | <p><b>Total Assessed:</b> \$5,760</p> <p><b>Total Deferred:</b> \$1,152<br/> <input checked="" type="checkbox"/> Expedited Settlement<br/> <input type="checkbox"/> Financial Inability to Pay</p> <p><b>SEP Conditional Offset:</b> \$0</p> <p><b>Total Paid to General Revenue:</b> \$4,608</p> <p><b>Site Compliance History Classification</b><br/> <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p><b>Person Compliance History Classification</b><br/> <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p><b>Major Source:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p><b>Applicable Penalty Policy:</b> September 2002</p> | <p><b>Ordering Provisions:</b></p> <p>The Order will require the Respondent to, within 60 days after the effective date of this Agreed Order, submit written certification of compliance with the effluent limits of TPDES Permit No. 12466001, including specific corrective actions that were implemented at the Facility to achieve compliance and copies of the most current self-reported discharge monitoring reports, demonstrating at least three consecutive months of compliance with all permitted effluent limitations. The certification shall include detailed supporting documentation including receipts, and/or other records to demonstrate compliance.</p> |

Additional ID No(s): 12466001



# Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision January 29, 2008

**TCEQ**

|              |          |             |           |                    |
|--------------|----------|-------------|-----------|--------------------|
| <b>DATES</b> | Assigned | 29-Jan-2008 |           |                    |
|              | PCW      | 5-Feb-2008  | Screening | 5-Feb-2008 EPA Due |

|  |                                 |                    |       |
|--|---------------------------------|--------------------|-------|
| <b>RESPONDENT/FACILITY INFORMATION</b> |                                 |                    |       |
| Respondent                             | Oceaneering International, Inc. |                    |       |
| Reg. Ent. Ref. No.                     | RN101718773                     |                    |       |
| Facility/Site Region                   | 12-Houston                      | Major/Minor Source | Minor |

|                         |                 |                   |                    |
|-------------------------|-----------------|-------------------|--------------------|
| <b>CASE INFORMATION</b> |                 |                   |                    |
| Enf./Case ID No.        | 35362           | No. of Violations | 1                  |
| Docket No.              | 2008-0204-MWD-E | Order Type        | 1660               |
| Media Program(s)        | Water Quality   | Enf. Coordinator  | Lauren Smitherman  |
| 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**

**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: The penalty is enhanced due to eight self-reported monthly effluent violations, one NOV with violations same or similar to those cited in this action, and two NOVs with unrelated violations.

**Culpability**   Enhancement **Subtotal 4**

Notes: The Respondent does not meet the culpability criteria.

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

Before NOV      NOV to EDRP/Settlement Offer

|               |                                     |                      |
|---------------|-------------------------------------|----------------------|
| Extraordinary | <input type="text"/>                | <input type="text"/> |
| Ordinary      | <input type="text"/>                | <input type="text"/> |
| N/A           | <input checked="" type="checkbox"/> | (mark with x)        |

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

**Total EB Amounts**  **Subtotal 6**   
 Approx. Cost of Compliance  **0% Enhancement\***  
 \*Capped at the Total EB \$ Amount

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

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

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes: Recommend reduction in the penalty so that monthly self-reported violations do not overly-impact the penalty amount.

**Final Penalty Amount**

**STATUTORY LIMIT ADJUSTMENT** **Final Assessed Penalty**

**DEFERRAL**  Reduction **Adjustment**

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

Notes: Deferral offered for expedited settlement.

**PAYABLE PENALTY**

Screening Date 5-Feb-2008

Docket No. 2008-0204-MWD-E

PCW

Respondent Oceaneering International, Inc.

Policy Revision 2 (September 2002)

Case ID No. 35362

PCW Revision January 29, 2008

Reg. Ent. Reference No. RN101718773

Media [Statute] Water Quality

Enf. Coordinator Lauren Smitherman

### 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)   | 9                 | 45%     |
|                               | Other written NOVs  | 2                 | 4%      |
| Orders                        | Any agreed final enforcement orders containing a denial of liability (number of orders meeting criteria)  | 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 commmission | 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) 49%

>> 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 due to eight self-reported monthly effluent violations, one NOV with violations same or similar to those cited in this action, and two NOVs with unrelated violations.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 49%

|  |   |                                       |
|--|---|---------------------------------------|
| <b>Screening Date</b> 5-Feb-2008                       | <b>Docket No.</b> 2008-0204-MWD-E   | <b>PCW</b>                            |
| <b>Respondent</b> Oceaneering International, Inc.      | <small>Policy Revision 2 (September 2002)</small>   |                                       |
| <b>Case ID No.</b> 35362                               | <small>PCW Revision January 29, 2008</small>  |                                       |
| <b>Reg. Ent. Reference No.</b> RN101718773             |   |                                       |
| <b>Media [Statute]</b> Water Quality                   |   |                                       |
| <b>Enf. Coordinator</b> Lauren Smitherman              |   |                                       |
| <b>Violation Number</b> <input type="text" value="1"/> |   |                                       |
| <b>Rule Cite(s)</b>                                    | Tex. Water Code § 26.121(a), 30 Tex. Admin. Code § 305.125(1), and Texas Pollutant Discharge Elimination System ("TPDES") Permit No. 12466001, Interim Effluent Limitations and Monitoring Requirements No. 1 |                                       |
| <b>Violation Description</b>                           | Failed to comply with the permitted effluent limitations, as shown in the attached violation table.   |                                       |
| <b>Base Penalty</b>                                    |   | <input type="text" value="\$10,000"/> |

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

|                  |                      |                      |                      |   |  |
|------------------|----------------------|----------------------|----------------------|---|--|
| <b>OR</b>        | <b>Harm</b>          |                      |                      |   |  |
|                  | <b>Release</b>       | <b>Major</b>         | <b>Moderate</b>      | <b>Minor</b>                                    |  |
|                  | <b>Actual</b>        | <input type="text"/> | <input type="text"/> | <input checked="" type="text" value="x"/>       |  |
| <b>Potential</b> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <b>Percent</b> <input type="text" value="10%"/> |  |

**>> Programmatic Matrix**

|  |                      |                      |                      |                      |  |
|--|----------------------|----------------------|----------------------|----------------------|--|
|  | <b>Falsification</b> | <b>Major</b>         | <b>Moderate</b>      | <b>Minor</b>         |  |
|  | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <b>Percent</b> <input type="text" value="0%"/> |

**Matrix Notes**

A simplified model was used to evaluate ammonia nitrogen to determine whether the discharged amounts of pollutants exceeded levels protective of human health or the environment. Total suspended solids and flow were also considered. As a result of these discharges, human health or the environment has been exposed to insignificant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors.

**Adjustment**

**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 checked="" type="text" value="x"/> |
|  | semiannual   | <input type="text"/>                      |
|  | annual       | <input type="text"/>                      |
|  | single event | <input type="text"/>                      |

**Violation Base Penalty**

Four quarterly events are 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** Oceaneering International, Inc.  
**Case ID No.** 35362  
**Reg. Ent. Reference No.** RN101718773  
**Media** Water 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 |
|------------------|-----------|---------------|------------|-----|----------------|---------------|-----------|
| No commas or \$  |           |               |            |     |                |               |           |

### Delayed Costs

| Item Description         | Item Cost | Date Required | Final Date  | Yrs | Interest Saved | Onetime Costs | EB Amount |
|--------------------------|-----------|---------------|-------------|-----|----------------|---------------|-----------|
| Equipment                |           |               |             | 0.0 | \$0            | \$0           | \$0       |
| Buildings                |           |               |             | 0.0 | \$0            | \$0           | \$0       |
| Other (as needed)        |           |               |             | 0.0 | \$0            | \$0           | \$0       |
| Engineering/construction | \$10,000  | 31-Oct-2006   | 30-Sep-2008 | 1.9 | \$64           | \$1,279       | \$1,342   |
| Land                     |           |               |             | 0.0 | \$0            | n/a           | \$0       |
| Record Keeping System    |           |               |             | 0.0 | \$0            | n/a           | \$0       |
| Training/Sampling        |           |               |             | 0.0 | \$0            | n/a           | \$0       |
| Remediation/Disposal     |           |               |             | 0.0 | \$0            | n/a           | \$0       |
| Permit Costs             |           |               |             | 0.0 | \$0            | n/a           | \$0       |
| Other (as needed)        |           |               |             | 0.0 | \$0            | n/a           | \$0       |

Notes for DELAYED costs

Estimated costs to conduct an engineering study to determine cause of noncompliance. Date required is the initial month of noncompliance. Final date is the expected date of compliance.

### Avoided Costs

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

| Item Description              | Item Cost | Date Required | Final Date | Yrs | Interest Saved | Onetime Costs | EB Amount |
|-------------------------------|-----------|---------------|------------|-----|----------------|---------------|-----------|
| 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

\$10,000

TOTAL

\$1,342

**Effluent Limit Violation Table**

|   |                                 |                               |                             |                               |                        |
|---|---------------------------------|-------------------------------|-----------------------------|-------------------------------|------------------------|
| <b>Respondent</b>                       | OCEANEERING INTERNATIONAL, INC. |                               |                             |                               |                        |
| <b>ID Number(s)</b>                     | TPDES Permit No. 12666001       |                               |                             |                               |                        |
| <b>Docket Number</b>                    | 2008-0204-MWD-E                 |                               |                             |                               |                        |
| <b>Enf. Coordinator</b>                 | Lauren Smitherman               |                               |                             |                               |                        |
| <b>Corresponds to Violation Number:</b> |                                 |                               |                             |                               | 1                      |
| <i>EFFLUENT PARAMETER</i>               |                                 |                               |                             |                               |                        |
| <i>Permit Limit</i>                     |                                 |                               |                             |                               |                        |
|   | <b>NH3-N Daily Avg. Loading</b> | <b>NH3-N Daily Avg. Conc.</b> | <b>TSS Daily Avg. Conc.</b> | <b>TSS Daily Avg. Loading</b> | <b>Daily Avg. Flow</b> |
| <i>Month/Year</i>                       | Limit = 0.05 lbs/day            | Limit = 2.0 mg/L              | Limit = 15.0 mg/L           | Limit = 0.38 lbs/day          | Limit = 0.003 MGD      |
| 10/31/2006                              | 0.069                           | 3.13                          | c                           | c                             | c                      |
| 1/31/2007                               | c                               | c                             | 18.21                       | c                             | c                      |
| 4/30/2007                               | c                               | c                             | 16.52                       | c                             | c                      |
| 5/31/2007                               | c                               | c                             | 23.9                        | 0.61                          | c                      |
| 6/30/2007                               | c                               | c                             | 15.12                       | 0.41                          | c                      |
| 8/31/2007                               | c                               | c                             | c                           | 0.41                          | 0.004                  |

avg. = average

c = compliant

NH<sub>3</sub>-N = ammonia nitrogen

TSS = total suspended solids

lbs/day = pounds per day

mg/L = milligrams per liter

MGD = million gallons per day

conc. = concentration



# Compliance History

|   |   |                                  |                            |   |
|---|---|----------------------------------|----------------------------|---|
| Customer/Respondent/Owner-Operator:   | CN600922264   | Oceaneering International, Inc.  | Classification:<br>AVERAGE | Rating: 0.89                              |
| Regulated Entity:   | RN101718773   | OCEANEERING INTERNATIONAL        | Classification:<br>AVERAGE | Site Rating: 0.58                         |
| ID Number(s):   | WASTEWATER  | PERMIT                           |                            | WQ0012466001                              |
|   | WASTEWATER  | PERMIT                           |                            | TPDES0089061                              |
|   | WASTEWATER  | PERMIT                           |                            | TX0089061                                 |
|   | WASTEWATER LICENSING  | LICENSE                          |                            | WQ0012466001                              |
|   | STORMWATER  | PERMIT                           |                            | TXR05U262                                 |
|   | INDUSTRIAL AND HAZARDOUS WASTE GENERATION   | EPA ID                           |                            | TXR000032193                              |
|   | INDUSTRIAL AND HAZARDOUS WASTE GENERATION   | SOLID WASTE REGISTRATION # (SWR) | 86145                      |   |
| Location:   | Located adjacent to FM 529 (Spencer Rd), approx 1 M W of the intx of FM 529 and US Highway 290 in the City of Houston, Harris County TX |                                  |                            | Rating Date: 9/1/2007 Repeat Violator: NO |
| TCEQ Region:  | REGION 12 - HOUSTON   |                                  |                            |   |
| Date Compliance History Prepared:   | February 01, 2008   |                                  |                            |   |
| Agency Decision Requiring Compliance History:   | Enforcement   |                                  |                            |   |
| Compliance Period:  | February 01, 2003 to February 01, 2008  |                                  |                            |   |
| TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History |   |                                  |                            |   |
| Name:   | <u>Lauren Smitherman</u>  | Phone:                           | <u>512-239-5223</u>        |   |

## Site Compliance History Components

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

### Components (Multimedia) for the Site :

- A. Final Enforcement Orders, court judgements, and consent decrees of the state of Texas and the federal government.  
N/A
- B. Any criminal convictions of the state of Texas and the federal government.  
N/A
- C. Chronic excessive emissions events.  
N/A
- D. The approval dates of investigations. (CCEDS Inv. Track. No.)
- |     |            |          |
|-----|------------|----------|
| 1   | 02/06/2003 | (11319)  |
| N/A |            |          |
| 2   | 02/18/2003 | (317873) |
| 3   | 03/20/2003 | (211401) |
| 4   | 04/02/2003 | (30000)  |
| 5   | 04/22/2003 | (211404) |
| 6   | 05/22/2003 | (317876) |
| 7   | 06/20/2003 | (317877) |
| 8   | 07/18/2003 | (317878) |
| 9   | 08/20/2003 | (317879) |
| 10  | 09/18/2003 | (317880) |
| 11  | 10/07/2003 | (248004) |
| 12  | 10/20/2003 | (317881) |
| 13  | 11/20/2003 | (317882) |
| 14  | 12/19/2003 | (317883) |

15 01/29/2004 (317884)  
 16 02/03/2004 (261627)  
 17 03/22/2004 (317874)  
 18 04/22/2004 (317875)  
 19 05/21/2004 (361591)  
 20 06/21/2004 (361592)  
 21 07/12/2004 (275033)  
 22 07/22/2004 (361593)  
 23 08/23/2004 (361594)  
 24 09/23/2004 (361595)  
 25 10/28/2004 (387255)  
 26 11/19/2004 (387256)  
 27 12/23/2004 (387257)  
 28 01/18/2005 (387258)  
 29 02/21/2005 (387253)  
 30 03/21/2005 (387254)  
 31 04/26/2005 (425013)  
 32 06/01/2005 (425014)  
 33 06/27/2005 (425015)  
 34 07/27/2005 (425016)  
 35 08/25/2005 (445636)  
 36 10/07/2005 (477340)  
 37 11/14/2005 (477341)  
 38 11/21/2005 (477342)  
 39 12/27/2005 (477343)  
 40 01/27/2006 (477344)  
 41 02/27/2006 (477338)  
 42 03/27/2006 (477339)  
 43 04/24/2006 (504003)  
 44 05/22/2006 (504004)  
 45 06/29/2006 (504005)  
 46 07/24/2006 (526370)  
 47 07/25/2006 (480791)  
 48 08/24/2006 (526371)  
 49 09/22/2006 (526372)  
 50 01/22/2008 (613351)

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

|              |  |          |                |          |
|--------------|--|----------|----------------|----------|
| Date         | 02/05/2003   | (11319)  |                |          |
| Self Report? | NO   |          | Classification | Minor    |
| Citation:    | 30 TAC Chapter 305, SubChapter F 305.125(7)<br>30 TAC Chapter 305, SubChapter F 305.126(b) |          |                |          |
| Description: | Failure to submit for approval wastewater treatment plant design modifications.            |          |                |          |
| Self Report? | NO   |          | Classification | Minor    |
| Citation:    | 30 TAC Chapter 305, SubChapter F 305.125(1)  |          |                |          |
| Description: | Failure to maintain compliance with effluent permit limits for chlorine residual.          |          |                |          |
| Self Report? | NO   |          | Classification | Minor    |
| Citation:    | 30 TAC Chapter 319, SubChapter A 319.7(e)  |          |                |          |
| Description: | Failure to properly complete the Discharge Monitoring Report Forms.                        |          |                |          |
| Self Report? | NO   |          | Classification | Minor    |
| Citation:    | 30 TAC Chapter 317 317.7(a)  |          |                |          |
| Description: | Failure to maintain the plant in a safe manner.  |          |                |          |
| Self Report? | NO   |          | Classification | Minor    |
| Citation:    | 30 TAC Chapter 305, SubChapter F 305.125(5)<br>30 TAC Chapter 317 317.4(d)                 |          |                |          |
| Description: | Failure to maintain the clarifier weirs.   |          |                |          |
| Self Report? | NO   |          | Classification | Minor    |
| Citation:    | 30 TAC Chapter 305, SubChapter F 305.125(5)<br>30 TAC Chapter 317 317.6(b)(3)              |          |                |          |
| Description: | Failure to maintain the baffles in the chlorine contact basin.                             |          |                |          |
| Date         | 09/30/2003   | (317881) |                |          |
| Self Report? | YES  |          | Classification | Moderate |
| Citation:    | 30 TAC Chapter 305, SubChapter F 305.125(1)<br>TWC Chapter 26 26.121(a)                    |          |                |          |
| Description: | Failure to meet the limit for one or more permit parameter                                 |          |                |          |

Date 10/07/2003 (248004)  
 Self Report? NO Classification Minor  
 Citation: 30 TAC Chapter 319, SubChapter A 319.11(b)  
 Description: Failure to analyze a BOD sample within the required hold time.  
 Date 07/12/2004 (275033)  
 Self Report? NO Classification Moderate  
 Rqmt Prov: PERMIT TPDES MSGP Part V, Section AA(3)  
 Description: Failure to conduct the benchmark monitoring for iron, aluminum, zinc, and nitrate plus nitrite in October to December 2003 and January to March 2004.  
 Self Report? NO Classification Minor  
 Rqmt Prov: PERMIT TPDES MSGP Part III, Section A(5)(a)  
 Description: Failure to maintain good housekeeping.  
 Self Report? NO Classification Moderate  
 Rqmt Prov: PERMIT TPDES MSGP Part III, Section A(5)(h)  
 Description: Failure to conduct quarterly visual monitoring in October to December 2003 and January - March 2004.  
 Self Report? NO Classification Moderate  
 Rqmt Prov: PERMIT TPDES MSGP Part III, Section D(1,2)(c)  
 Description: Failure to conduct the annual Hazardous Metals Monitoring in 2003. Hazardous metals monitoring must be conducted or a Hazardous Metals Waiver must be prepared if applicable.  
 Date 09/30/2005 (477341)  
 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 10/31/2006  
 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 01/31/2007  
 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 04/30/2007  
 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 05/31/2007  
 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 06/30/2007  
 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 08/31/2007  
 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

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  
OCEANEERING INTERNATIONAL,  
INC.  
RN101718773

§  
§  
§  
§  
§  
§

BEFORE THE  
TEXAS COMMISSION ON  
ENVIRONMENTAL QUALITY

**AGREED ORDER**  
**DOCKET NO. 2008-0204-MWD-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 Oceaneering International, Inc. ("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 appear before the Commission and together stipulate that:

1. The Respondent owns and operates a domestic wastewater treatment facility located adjacent to Farm-to-Market Road 529 (Spencer Road), approximately one mile west of the intersection of Farm-to-Market Road 529 and United States Highway 290 in Houston, Harris County, Texas (the "Facility").
2. The Respondent has discharged municipal waste into or adjacent to any water in the state under TEX. WATER CODE ch. 26.
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 January 23, 2008.
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 Five Thousand Seven Hundred Sixty Dollars (\$5,760) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Four Thousand Six Hundred Eight Dollars (\$4,608) of the administrative penalty and One Thousand One Hundred Fifty-Two Dollars (\$1,152) 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 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.
10. 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.
11. 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 Facility, the Respondent is alleged to have failed to comply with the permitted effluent limitations, in violation of TEX. WATER CODE § 26.121(a), 30 TEX. ADMIN. CODE § 305.125(1), and Texas Pollutant Discharge Elimination System ("TPDES") Permit No. 12466001, Interim Effluent Limitations and Monitoring Requirements No. 1, as documented during a record review conducted on January 3, 2008 and as shown in the following violation table:



| <b>Effluent Limit Violation Table</b> |   |                                       |                                 |                                       |                            |
|---------------------------------------|---|---------------------------------------|---------------------------------|---------------------------------------|----------------------------|
| <i>EFFLUENT PARAMETER</i>             |   |                                       |                                 |                                       |                            |
|                                       | <b>NH3-N<br/>Daily Avg.<br/>Loading</b> | <b>NH3-N<br/>Daily Avg.<br/>Conc.</b> | <b>TSS Daily<br/>Avg. Conc.</b> | <b>TSS Daily<br/>Avg.<br/>Loading</b> | <b>Daily Avg.<br/>Flow</b> |
| <i>Month/Year</i>                     | Limit = 0.05<br>lbs/day                 | Limit = 2.0<br>mg/L                   | Limit = 15.0<br>mg/L            | Limit = 0.38<br>lbs/day               | Limit = 0.003<br>MGD       |
| 10/31/2006                            | 0.069                                   | 3.13                                  | c                               | c                                     | c                          |
| 1/31/2007                             | c                                       | c                                     | 18.21                           | c                                     | c                          |
| 4/30/2007                             | c                                       | c                                     | 16.52                           | c                                     | c                          |
| 5/31/2007                             | c                                       | c                                     | 23.9                            | 0.61                                  | c                          |
| 6/30/2007                             | c                                       | c                                     | 15.12                           | 0.41                                  | c                          |
| 8/31/2007                             | c                                       | c                                     | c                               | 0.41                                  | 0.004                      |

avg. = average  
 c = compliant  
 NH<sub>3</sub>-N = ammonia nitrogen  
 TSS = total suspended solids

lbs/day = pounds per day  
 mg/L = milligrams per liter  
 MGD = million gallons per day  
 conc. = concentration

### 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: Oceaneering International, Inc., Docket No. 2008-0204-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 the effluent limits of TPDES Permit No. 12466001, including specific corrective actions that were implemented at the Facility to achieve compliance and copies of the most current self-reported discharge monitoring reports, demonstrating at least three consecutive months of compliance with all permitted effluent limitations. The certification shall include detailed supporting documentation including receipts, and/or other records to demonstrate compliance, 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  
Houston Regional Office  
Texas Commission on Environmental Quality  
5425 Polk Avenue, Suite H  
Houston, Texas 77023-1486

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. 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.
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 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

  
\_\_\_\_\_  
For the Executive Director

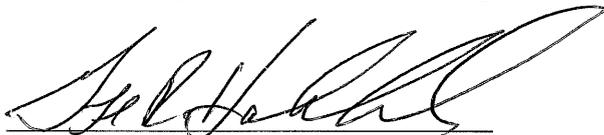
7/2/2008  
Date

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.

  
\_\_\_\_\_  
Signature

04-23-2008  
Date

George R. Haubenreich, Jr.  
Name (Printed or typed)  
Authorized Representative of  
Oceaneering International, Inc.

Senior Vice President  
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.

