EXECUTIVE SUMMARY - ENFORCEMENT MATTER

DOCKET NO.: 2008-1117-PST-E **TCEQ ID:** RN103045977 **CASE NO.:** 36145

RESPONDENT NAME: SHREEDHAR CORPORATION INC. dba Phillips 66 Truck Stop

ORDER TYPE:		
X 1660 AGREED ORDER	__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	X PETROLEUM STORAGE TANKS	__OCCUPATIONAL CERTIFICATION
__WATER QUALITY	__SEWAGE SLUDGE	__UNDERGROUND INJECTION CONTROL
__MUNICIPAL SOLID WASTE	__RADIOACTIVE WASTE	__DRY CLEANER REGISTRATION

SITE WHERE VIOLATION(S) OCCURRED: Phillips 66 Truck Stop, 1402 Northwest Highway 84, Slaton, Lubbock County

TYPE OF OPERATION: Truck stop with retail sales of gasoline

SMALL BUSINESS: X **Yes** ___ **No**

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

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

COMMENTS RECEIVED: The *Texas Register* comment period expired on January 12, 2009. No comments were received.

CONTACTS AND MAILING LIST:

TCEQ Attorney/SEP Coordinator: None

TCEQ Enforcement Coordinator: Mr. Steven Lopez, Enforcement Division, Enforcement Team 6, MC 128, (512) 239-1896; Mr. Bryan Sinclair, Enforcement Division, MC 219, (512) 239-2171

Respondent: Mr. Arun Patel, Director, SHREEDHAR CORPORATION INC., 3714 105th Street, Lubbock, Texas 79423

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 _X_ Routine __ Enforcement Follow-up __ Records Review **Date(s) of Complaints Relating to this Case:** None **Date of Investigation Relating to this Case:** May 8, 2008 **Date of NOV/NOE Relating to this Case:** June 13, 2008 (NOE) **Background Facts:** This was a routine investigation. **WASTE** 1) Failure to timely renew a previously issued underground storage tank ("UST") delivery certificate by submitting a properly completed UST registration and self-certificate form at least 30 days before the expiration date. Specifically, the prior UST delivery certificate expired on April 30, 2008 [30 TEX. ADMIN. CODE § 334.8(c)(4)(A)(vii) and (c)(5)(B)(ii)]. 2) Failure to make available to a common carrier a valid, current TCEQ delivery certificate before accepting delivery of a regulated substance into the USTs. Specifically, the Respondent received one delivery of fuel without a delivery certificate [30 TEX. ADMIN. CODE § 334.8(c)(5)(A)(i) and TEX. WATER CODE § 26.3467(a)]. 3) Failure to demonstrate acceptable financial assurance for taking corrective action and for compensating third parties for bodily injury and property damage caused by accidental releases arising from the operation of the petroleum USTs [30 TEX. ADMIN. CODE § 37.815(a) and (b)]. 4) Failure to inspect the impressed current cathodic protection system at least once every 60 days to ensure that the rectifier and other system components are operating properly [30 TEX. ADMIN. CODE §	**Total Assessed:** $29,155 **Total Deferred:** $5,831 _X_ Expedited Settlement __ Financial Inability to Pay **SEP Conditional Offset:** $0 **Total Paid (Due) to General Revenue:** $1,449 (remaining $21,875 due in 35 monthly payments of $625 each) **Site Compliance History Classification** __ **High** __ **Average** _X_ **Poor** **Person Compliance History Classification** __ **High** __ **Average** _X_ **Poor** **Major Source:** __ Yes _X_ No **Applicable Penalty Policy:** September 2002	**Corrective Actions Taken:** The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Facility: a. Conducted the required triennial testing of the cathodic protection system on May 21, 2008; and b. On May 22, 2008, the line leak detector tests were conducted, with passing results. **Ordering Provisions:** The Order will require the Respondent to: a. Immediately upon the effective date of this Agreed Order, cease accepting fuel until such time as a valid certificate is obtained from the TCEQ by submitting a properly completed UST registation and self-certification form. b. Within 30 days after the effective date of this Agreed Order: i. Submit documentation that demonstrates acceptable financial assurance for taking corrective action and for compensating third parties for bodily injury and property damage caused by accidental releases arising from the operation of petroleum USTs; ii. Begin conducting bimonthly inspections of the cathodic protection system and ensure that the rectifier and other components are functioning as designed; iii. Implement a release detection method for the USTs and the piping associated with the USTs; iv. Begin maintaining the spill and overfill prevention devices in proper operating condition including, but not limited to, replacing the tight-fill fittings, cleaning the spill buckets, installing hand pumps and implementing procedures to assure spill and overfill prevention devices are inspected and serviced;

334.49(c)(2)(C) and TEX. WATER CODE § 26.3475(d)]. 5) Failure to have the cathodic protection system inspected and tested for operability and adequacy of protection at a frequency of at least once every three years [30 TEX. ADMIN. CODE § 334.49(c)(4) and TEX. WATER CODE § 26.3475(d)]. 6) Failure to monitor USTs for releases at a frequency of at least once per month (not to exceed 35 days between each monitoring) [30 TEX. ADMIN. CODE § 334.50(b)(1)(A) and TEX. WATER CODE § 26.3475(c)(1)]. 7) Failure to provide proper release detection for the pressurized piping associated with the USTs [30 TEX. ADMIN. CODE § 334.50(b)(2) and TEX. WATER CODE § 26.3475(a)]. 8) Failure to test the line leak detectors at least once per year for performance and operational reliability [30 TEX. ADMIN. CODE § 334.50(b)(2)(A)(i)(III) and TEX. WATER CODE § 26.3475(a)]. 9) Failure to ensure that all spill and overfill prevention devices are maintained in good operating condition. Specifically, two tight-fill fittings required replacing to prevent fuel leakage during delivery, two buckets contained standing fuel and four buckets had missing hand pumps [30 TEX. ADMIN. CODE § 334.51(a)(6) and TEX. WATER CODE § 26.3475(c)(2)]. 10) Failure to ensure that the emergency shutoff valves (also known as a shear or impact valve) were securely anchored at the base of the dispensers. Specifically, the valves for the diesel dispensers were not secured [30 TEX. ADMIN. CODE § 334.45(c)(3)(A)]. 11) Failure to ensure that a legible tag, label, or marking with the tank number is permanently applied upon or affixed to either the top of the fill tube or to a nonremovable point in the immediate area of the fill tube according to the UST registration and self-certification form [30 TEX. ADMIN. CODE § 334.8(c)(5)(C)]. 12) Failure to prevent unauthorized discharges of gasoline and diesel fuel. Specifically, diesel fuel was observed leaking from a piping connection in the main west diesel dispenser. In addition,		v. Secure all emergency shutoff valves; and vi. Permanently apply or affix tags, labels, or markings to the UST fill tubes. c. Within 45 days after the effective date of this Agreed Order, perform abatement measures and site check, repair and/or tighten the piping connection in the main west diesel dispenser and the vent pipe connection on the line leak detector for tank no. 2, mitigate explosive hazards, and properly clean up and dispose of contaminated soils to an authorized facility. d. Within 60 days after the effective date of this Agreed Order, submit written certification and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provisions a through c.

gasoline was leaking from a vent pipe connection on the line leak detector from tank no. 2 [30 TEX. ADMIN. CODE § 334.48(a)]. 13) Failure to perform initial abatement measures and site check [30 TEX. ADMIN. CODE § 334.77].		

Additional ID No(s).: 27024

Penalty Calculation Worksheet (PCW)

TCEQ

Policy Revision 2 (September 2002) *PCW Revision June 12, 2008*

DATES					
Assigned	17-Jun-2008				
PCW	9-Jul-2008	Screening	23-Jun-2008	EPA Due	

RESPONDENT/FACILITY INFORMATION

Respondent	SHREEDHAR CORPORATION INC. dba Phillips 66 Truck Stop		
Reg. Ent. Ref. No.	RN103045977		
Facility/Site Region	2-Lubbock	Major/Minor Source	Minor

CASE INFORMATION

Enf./Case ID No.	36145	No. of Violations	9
Docket No.	2008-1117-PST-E	Order Type	1660
Media Program(s)	Petroleum Storage Tank	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Steven Lopez
		EC's Team	Enforcement Team 6

Admin. Penalty $ Limit Minimum $0 Maximum $10,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties) *Subtotal 1* $15,500

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History 55.0% Enhancement *Subtotals 2, 3, & 7* $8,525

Notes: Enhancement for one Agreed Order containing a denial of liability, one without a denial of liability and due to poor performer classification.

Culpability No 0.0% Enhancement *Subtotal 4* $0

Notes: The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply Total Adjustments *Subtotal 5* $0

Economic Benefit 0.0% Enhancement* *Subtotal 6* $0

Total EB Amounts $5,324
Approx. Cost of Compliance $9,720
*Capped at the Total EB $ Amount

SUM OF SUBTOTALS 1-7 *Final Subtotal* $24,025

OTHER FACTORS AS JUSTICE MAY REQUIRE 21.4% *Adjustment* $5,130

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes: Recommended enhancement to capture the avoided cost of compliance associated with violation nos. 3, 4 and 5.

Final Penalty Amount $29,155

STATUTORY LIMIT ADJUSTMENT *Final Assessed Penalty* $29,155

DEFERRAL 20.0% Reduction *Adjustment* -$5,831

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 $23,324

Screening Date 23-Jun-2008 **Docket No.** 2008-1117-PST-E **PCW**

Respondent SHREEDHAR CORPORATION INC. dba Phillips 66 Truc

Policy Revision 2 (September 2002)

Case ID No. 36145

PCW Revision June 12, 2008

Reg. Ent. Reference No. RN103045977

Media [Statute] Petroleum Storage Tank

Enf. Coordinator Steven Lopez

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*)	0	0%
	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	1	25%
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) 45%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Poor Performer

Adjustment Percentage (Subtotal 7) 10%

>> Compliance History Summary

Compliance History Notes

Enhancement for one Agreed Order containing a denial of liability, one without a denial of liability and due to poor performer classification.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 55%

Screening Date 23-Jun-2008 **Docket No.** 2008-1117-PST-E **PCW**

Respondent SHREEDHAR CORPORATION INC. dba Phillips 66 Truck Stop *Policy Revision 2 (September 2002)*

Case ID No. 36145 *PCW Revision June 12, 2008*

Reg. Ent. Reference No. RN103045977

Media [Statute] Petroleum Storage Tank

Enf. Coordinator Steven Lopez

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code § 334.8(c)(4)(A)(vii) and (c)(5)(B)(ii)

Violation Description Failed to timely renew a previously issued UST delivery certificate by submitting a properly completed UST registration and self-certificate form at least 30 days before the expiration date. Specifically, the prior UST delivery certificate expired on April 30, 2008.

Base Penalty $10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm: Major	Moderate	Minor
Actual			
Potential			

Percent 0%

>>Programmatic Matrix

Falsification	Major	Moderate	Minor
	x		

Percent 10%

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

Adjustment $9,000

$1,000

Violation Events

Number of Violation Events 1 | 54 Number of violation days

mark only one with an x

daily	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty $1,000

One single event is recommended.

Good Faith Efforts to Comply

0.0% Reduction $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 for this violation.

Violation Subtotal $1,000

Economic Benefit (EB) for this violation

Estimated EB Amount $5

Statutory Limit Test

Violation Final Penalty Total $1,881

This violation Final Assessed Penalty (adjusted for limits) $1,881

Economic Benefit Worksheet

Respondent SHREEDHAR CORPORATION INC. dba Phillips 66 Truck Stop
Case ID No. 36145
Reg. Ent. Reference No. RN103045977
Media Petroleum Storage Tank
Violation No. 1

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				0.00	$0	$0	$0
Buildings				0.00	$0	$0	$0
Other (as needed)				0.00	$0	$0	$0
Engineering/construction				0.00	$0	$0	$0
Land				0.00	$0	n/a	$0
Record Keeping System				0.00	$0	n/a	$0
Training/Sampling				0.00	$0	n/a	$0
Remediation/Disposal				0.00	$0	n/a	$0
Permit Costs				0.00	$0	n/a	$0
Other (as needed)	$100	31-Mar-2008	23-Mar-2009	0.98	$5	n/a	$5

Notes for DELAYED costs: Estimated cost to renew a delivery certificate by submitting a properly completed UST registration and self-certification form. The Date Required is 30 days prior to the expiration date of the delivery certificate. The Final Date is the estimated date of compliance.

Avoided Costs							
ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)							
Disposal				0.00	$0	$0	$0
Personnel				0.00	$0	$0	$0
Inspection/Reporting/Sampling				0.00	$0	$0	$0
Supplies/equipment				0.00	$0	$0	$0
Financial Assurance [2]				0.00	$0	$0	$0
ONE-TIME avoided costs [3]				0.00	$0	$0	$0
Other (as needed)				0.00	$0	$0	$0

Notes for AVOIDED costs:

Approx. Cost of Compliance $100

TOTAL $5

PCW

Policy Revision 2 (September 2002)
PCW Revision June 12, 2008

Screening Date 23-Jun-2008 **Docket No.** 2008-1117-PST-E
Respondent SHREEDHAR CORPORATION INC. dba Phillips 66 Truck Stop
Case ID No. 36145
Reg. Ent. Reference No. RN103045977
Media [Statute] Petroleum Storage Tank
Enf. Coordinator Steven Lopez
Violation Number 2
Rule Cite(s) 30 Tex. Admin. Code § 334.8(c)(5)(A)(i) and Tex. Water Code § 26.3467(a)

Violation Description Failed to make available to a common carrier a valid, current TCEQ delivery certificate before accepting delivery of a regulated substance into the USTs. Specifically, the Respondent received one delivery of fuel without a delivery certificate.

Base Penalty $10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm: Major	Moderate	Minor
Actual			
Potential			x

Percent 5%

>>Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

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

Adjustment $9,500

$500

Violation Events

Number of Violation Events 1 — 1 Number of violation days

mark only one with an x

daily	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty $500

One single event is recommended.

Good Faith Efforts to Comply

0.0% Reduction — $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 for this violation.

Violation Subtotal $500

Economic Benefit (EB) for this violation

Estimated EB Amount $0

Statutory Limit Test

Violation Final Penalty Total $940

This violation Final Assessed Penalty (adjusted for limits) $940

Economic Benefit Worksheet

Respondent SHREEDHAR CORPORATION INC. dba Phillips 66 Truck Stop
Case ID No. 36145
Reg. Ent. Reference No. RN103045977
Media Petroleum Storage Tank
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				0.00	$0	$0	$0
Buildings				0.00	$0	$0	$0
Other (as needed)				0.00	$0	$0	$0
Engineering/construction				0.00	$0	$0	$0
Land				0.00	$0	n/a	$0
Record Keeping System				0.00	$0	n/a	$0
Training/Sampling				0.00	$0	n/a	$0
Remediation/Disposal				0.00	$0	n/a	$0
Permit Costs				0.00	$0	n/a	$0
Other (as needed)				0.00	$0	n/a	$0

Notes for DELAYED costs: Economic benefit included in Violation No.1

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

Disposal				0.00	$0	$0	$0
Personnel				0.00	$0	$0	$0
Inspection/Reporting/Sampling				0.00	$0	$0	$0
Supplies/equipment				0.00	$0	$0	$0
Financial Assurance [2]				0.00	$0	$0	$0
ONE-TIME avoided costs [3]				0.00	$0	$0	$0
Other (as needed)				0.00	$0	$0	$0

Notes for AVOIDED costs:

Approx. Cost of Compliance: $0

TOTAL: $0

PCW

Policy Revision 2 (September 2002)
PCW Revision June 12, 2008

Screening Date 23-Jun-2008 **Docket No.** 2008-1117-PST-E
Respondent SHREEDHAR CORPORATION INC. dba Phillips 66 Truck Stop
Case ID No. 36145
Reg. Ent. Reference No. RN103045977
Media [Statute] Petroleum Storage Tank
Enf. Coordinator Steven Lopez

Violation Number 3

Rule Cite(s) 30 Tex. Admin. Code § 37.815(a) and (b)

Violation Description Failed to demonstrate acceptable financial assurance for taking corrective action and for compensating third parties for bodily injury and property damage caused by accidental releases arising from the operation of the petroleum USTs.

Base Penalty $10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm: Major	Moderate	Minor
Actual			
Potential			

Percent 0%

>>Programmatic Matrix

Falsification	Major	Moderate	Minor
	x		

Percent 10%

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

Adjustment $9,000

$1,000

Violation Events

Number of Violation Events 4 | 365 Number of violation days

mark only one with an x

daily	
monthly	
quarterly	
semiannual	
annual	x
single event	

Violation Base Penalty $4,000

Four annual events (one per tank) are recommended based on documentation of the violation during the May 8, 2008 investigation date.

Good Faith Efforts to Comply

0.0% Reduction — $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 for this violation.

Violation Subtotal $4,000

Economic Benefit (EB) for this violation

Estimated EB Amount $2,730

Statutory Limit Test

Violation Final Penalty Total $7,524

This violation Final Assessed Penalty (adjusted for limits) $7,524

Economic Benefit Worksheet

Respondent SHREEDHAR CORPORATION INC. dba Phillips 66 Truck Stop
Case ID No. 36145
Reg. Ent. Reference No. RN103045977
Media Petroleum Storage Tank
Violation No. 3

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				0.00	$0	$0	$0
Buildings				0.00	$0	$0	$0
Other (as needed)				0.00	$0	$0	$0
Engineering/construction				0.00	$0	$0	$0
Land				0.00	$0	n/a	$0
Record Keeping System				0.00	$0	n/a	$0
Training/Sampling				0.00	$0	n/a	$0
Remediation/Disposal				0.00	$0	n/a	$0
Permit Costs				0.00	$0	n/a	$0
Other (as needed)				0.00	$0	n/a	$0
Notes for DELAYED costs							
Avoided Costs	ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)						
Disposal				0.00	$0	$0	$0
Personnel				0.00	$0	$0	$0
Inspection/Reporting/Sampling				0.00	$0	$0	$0
Supplies/equipment				0.00	$0	$0	$0
Financial Assurance [2]	$2,600	8-May-2007	8-May-2008	1.00	$130	$2,600	$2,730
ONE-TIME avoided costs [3]				0.00	$0	$0	$0
Other (as needed)				0.00	$0	$0	$0
Notes for AVOIDED costs	Estimated cost to provide financial assurance for four USTs ($650 per tank). The Date Required is one year prior to the investigation date. The Final Date is the investigation date.						

Approx. Cost of Compliance: $2,600

TOTAL: $2,730

Screening Date 23-Jun-2008 **Docket No.** 2008-1117-PST-E **PCW**

Respondent SHREEDHAR CORPORATION INC. dba Phillips 66 Truck Stop *Policy Revision 2 (September 2002)*

Case ID No. 36145 *PCW Revision June 12, 2008*

Reg. Ent. Reference No. RN103045977

Media [Statute] Petroleum Storage Tank

Enf. Coordinator Steven Lopez

Violation Number 4

Rule Cite(s) 30 Tex. Admin. Code § 334.49(c)(2)(C) and 334.49(c)(4) and Tex. Water Code § 26.3475(d)

Violation Description Failed to inspect the impressed current cathodic protection system at least once every 60 days to ensure that the rectifier and other system components are operating properly. Failed to have the cathodic protection system inspected and tested for operability and adequacy of protection at a frequency of at least once every three years.

Base Penalty $10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm: Major	Moderate	Minor
Actual			
Potential	x		

Percent 25%

>>Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes: Human health or the environment will or could be exposed to pollutants which would exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment $7,500

$2,500

Violation Events

Number of Violation Events: 1 — 46 Number of violation days

mark only one with an x

daily	
monthly	
quarterly	x
semiannual	
annual	
single event	

Violation Base Penalty $2,500

One quarterly event is recommended from the investigation date of May 8, 2008 to the screening date of June 23, 2008.

Good Faith Efforts to Comply

0.0% Reduction $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 for this violation.

Violation Subtotal $2,500

Economic Benefit (EB) for this violation

Estimated EB Amount $1,303

Statutory Limit Test

Violation Final Penalty Total $4,702

This violation Final Assessed Penalty (adjusted for limits) $4,702

Economic Benefit Worksheet

Respondent SHREEDHAR CORPORATION INC. dba Phillips 66 Truck Stop
Case ID No. 36145
Reg. Ent. Reference No. RN103045977
Media Petroleum Storage Tank
Violation No. 4

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				0.00	$0	$0	$0
Buildings				0.00	$0	$0	$0
Other (as needed)				0.00	$0	$0	$0
Engineering/construction				0.00	$0	$0	$0
Land				0.00	$0	n/a	$0
Record Keeping System				0.00	$0	n/a	$0
Training/Sampling				0.00	$0	n/a	$0
Remediation/Disposal				0.00	$0	n/a	$0
Permit Costs				0.00	$0	n/a	$0
Other (as needed)				0.00	$0	n/a	$0
Notes for DELAYED costs							
Avoided Costs	ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)						
Disposal				0.00	$0	$0	$0
Personnel				0.00	$0	$0	$0
Inspection/Reporting/Sampling				0.00	$0	$0	$0
Supplies/equipment				0.00	$0	$0	$0
Financial Assurance [2]				0.00	$0	$0	$0
ONE-TIME avoided costs [3]	$100	8-Mar-2008	21-May-2008	1.12	$6	$100	$106
Other (as needed)	$1,000	8-May-2005	21-May-2008	3.96	$198	$1,000	$1,198
Notes for AVOIDED costs	Avoided cost for conducting bimonthly inspection ($100) and completing the triennial test ($1,000). The Dates Required are 60 days before the investigation and three years before the investigation respectively. The Final Date is the compliance date.						

Approx. Cost of Compliance $1,100

TOTAL $1,303

Screening Date 23-Jun-2008 **Docket No.** 2008-1117-PST-E **PCW**

Respondent SHREEDHAR CORPORATION INC. dba Phillips 66 Truck Stop *Policy Revision 2 (September 2002)*

Case ID No. 36145 *PCW Revision June 12, 2008*

Reg. Ent. Reference No. RN103045977

Media [Statute] Petroleum Storage Tank

Enf. Coordinator Steven Lopez

Violation Number 5

Rule Cite(s) 30 Tex. Admin. Code § 334.50(b)(1)(A), (b)(2) and (b)(2)(A)(i)(III) and Tex. Water Code § 26.3475(a) and (c)(1)

Violation Description Failed to monitor USTs for releases at a frequency of at least once per month (not to exceed 35 days between each monitoring). Failure to provide proper release detection for the pressurized piping associated with the USTs. Failed to test the line leak detectors at least once per year for performance and operational reliability.

Base Penalty $10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm: Major	Moderate	Minor
Actual			
Potential	x		

Percent 25%

>>Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes: Human health or the environment will or could be exposed to pollutants which would exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment $7,500

$2,500

Violation Events

Number of Violation Events 1 | 46 Number of violation days

mark only one with an x

daily	
monthly	
quarterly	x
semiannual	
annual	
single event	

Violation Base Penalty $2,500

One quarterly event is recommended from the investigation date of May 8, 2008 to the screening date of June 23, 2008.

Good Faith Efforts to Comply

0.0% Reduction $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 for this violation.

Violation Subtotal $2,500

Economic Benefit (EB) for this violation

Estimated EB Amount $1,153

Statutory Limit Test

Violation Final Penalty Total $4,702

This violation Final Assessed Penalty (adjusted for limits) $4,702

Economic Benefit Worksheet

Respondent SHREEDHAR CORPORATION INC. dba Phillips 66 Truck Stop
Case ID No. 36145
Reg. Ent. Reference No. RN103045977
Media Petroleum Storage Tank
Violation No. 5

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				0.00	$0	$0	$0
Buildings				0.00	$0	$0	$0
Other (as needed)				0.00	$0	$0	$0
Engineering/construction				0.00	$0	$0	$0
Land				0.00	$0	n/a	$0
Record Keeping System				0.00	$0	n/a	$0
Training/Sampling				0.00	$0	n/a	$0
Remediation/Disposal				0.00	$0	n/a	$0
Permit Costs				0.00	$0	n/a	$0
Other (as needed)	$1,500	8-May-2008	8-Feb-2009	0.76	$57	n/a	$57

Notes for DELAYED costs: Estimated cost to provide release detection for the USTs. Date Required is the date of investigation. Final Date is the estimated date of compliance.

Avoided Costs	ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)						
Disposal				0.00	$0	$0	$0
Personnel				0.00	$0	$0	$0
Inspection/Reporting/Sampling				0.00	$0	$0	$0
Supplies/equipment				0.00	$0	$0	$0
Financial Assurance [2]				0.00	$0	$0	$0
ONE-TIME avoided costs [3]	$1,000	8-May-2007	8-May-2008	1.92	$96	$1,000	$1,096
Other (as needed)				0.00	$0	$0	$0

Notes for AVOIDED costs: Estimated cost to conduct annual piping tightness and line leak detector tests. Date Required is one year prior to the investigation. Final Date is the investigation date.

Approx. Cost of Compliance $2,500

TOTAL $1,153

PCW

Policy Revision 2 (September 2002)

PCW Revision June 12, 2008

Screening Date 23-Jun-2008 **Docket No.** 2008-1117-PST-E

Respondent SHREEDHAR CORPORATION INC. dba Phillips 66 Truck Stop

Case ID No. 36145

Reg. Ent. Reference No. RN103045977

Media [Statute] Petroleum Storage Tank

Enf. Coordinator Steven Lopez

Violation Number 6

Rule Cite(s) 30 Tex. Admin. Code § 334.51(a)(6) and Tex. Water Code § 26.3475(c)(2)

Violation Description Failed to ensure that all spill and overfill prevention devices are maintained in good operating condition. Specifically, two tight-fill fittings required replacing to prevent fuel leakage during delivery, two buckets contained standing fuel and four buckets had missing hand pumps.

Base Penalty $10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm: Major	Moderate	Minor
Actual			
Potential		x	

Percent 10%

>>Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

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

Adjustment $9,000

$1,000

Violation Events

Number of Violation Events 1

46 Number of violation days

mark only one with an x

daily	
monthly	
quarterly	x
semiannual	
annual	
single event	

Violation Base Penalty $1,000

One quarterly event is recommended from the investigation date of May 8, 2008 to the screening date of June 23, 2008.

Good Faith Efforts to Comply

0.0% Reduction $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 for this violation.

Violation Subtotal $1,000

Economic Benefit (EB) for this violation

Estimated EB Amount $12

Statutory Limit Test

Violation Final Penalty Total $1,881

This violation Final Assessed Penalty (adjusted for limits) $1,881

Economic Benefit Worksheet

Respondent SHREEDHAR CORPORATION INC. dba Phillips 66 Truck Stop
Case ID No. 36145
Reg. Ent. Reference No. RN103045977
Media Petroleum Storage Tank
Violation No. 6

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	$220	8-May-2008	8-Feb-2009	0.76	$1	$11	$12
Buildings				0.00	$0	$0	$0
Other (as needed)				0.00	$0	$0	$0
Engineering/construction				0.00	$0	$0	$0
Land				0.00	$0	n/a	$0
Record Keeping System				0.00	$0	n/a	$0
Training/Sampling				0.00	$0	n/a	$0
Remediation/Disposal				0.00	$0	n/a	$0
Permit Costs				0.00	$0	n/a	$0
Other (as needed)				0.00	$0	n/a	$0

Notes for DELAYED costs Estimated cost to replace four hand pumps ($35 each) and two tight-fill fittings ($40 each). Date Required is the date of investigation. Final Date is the estimated date of compliance.

Avoided Costs	ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)						
Disposal				0.00	$0	$0	$0
Personnel				0.00	$0	$0	$0
Inspection/Reporting/Sampling				0.00	$0	$0	$0
Supplies/equipment				0.00	$0	$0	$0
Financial Assurance [2]				0.00	$0	$0	$0
ONE-TIME avoided costs [3]				0.00	$0	$0	$0
Other (as needed)				0.00	$0	$0	$0

Notes for AVOIDED costs

Approx. Cost of Compliance $220

TOTAL $12

PCW

Policy Revision 2 (September 2002)
PCW Revision June 12, 2008

Screening Date 23-Jun-2008 **Docket No.** 2008-1117-PST-E
Respondent SHREEDHAR CORPORATION INC. dba Phillips 66 Truck Stop
Case ID No. 36145
Reg. Ent. Reference No. RN103045977
Media [Statute] Petroleum Storage Tank
Enf. Coordinator Steven Lopez

Violation Number 7

Rule Cite(s) 30 Tex. Admin. Code § 334.45(c)(3)(A)

Violation Description Failed to ensure that the emergency shutoff valves (also known as a shear or impact valve) were securely anchored at the base of the dispensers. Specifically, the valves for the diesel dispensers were not secured.

Base Penalty $10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm: Major	Moderate	Minor
Actual			
Potential		x	

Percent 10%

>>Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

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

Adjustment $9,000

$1,000

Violation Events

1 — 46 Number of violation days

mark only one with an x

daily	
monthly	
quarterly	x
semiannual	
annual	
single event	

Violation Base Penalty $1,000

One quarterly event is recommended from the investigation date of May 8, 2008 to the screening date of June 23, 2008.

Good Faith Efforts to Comply

0.0% Reduction — $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 for this violation.

Violation Subtotal $1,000

Economic Benefit (EB) for this violation

Estimated EB Amount $4

Statutory Limit Test

Violation Final Penalty Total $1,881

This violation Final Assessed Penalty (adjusted for limits) $1,881

Economic Benefit Worksheet

Respondent SHREEDHAR CORPORATION INC. dba Phillips 66 Truck Stop
Case ID No. 36145
Reg. Ent. Reference No. RN103045977
Media Petroleum Storage Tank
Violation No. 7

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				0.00	$0	$0	$0
Buildings				0.00	$0	$0	$0
Other (as needed)				0.00	$0	$0	$0
Engineering/construction				0.00	$0	$0	$0
Land				0.00	$0	n/a	$0
Record Keeping System				0.00	$0	n/a	$0
Training/Sampling				0.00	$0	n/a	$0
Remediation/Disposal				0.00	$0	n/a	$0
Permit Costs				0.00	$0	n/a	$0
Other (as needed)	$100	8-May-2008	8-Feb-2009	0.76	$4	n/a	$4

Notes for DELAYED costs: Estimated cost to properly secure emergency shutoff valves at the Facility. Date Required is the date of investigation. Final Date is the estimated date of compliance.

Avoided Costs							
ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)							
Disposal				0.00	$0	$0	$0
Personnel				0.00	$0	$0	$0
Inspection/Reporting/Sampling				0.00	$0	$0	$0
Supplies/equipment				0.00	$0	$0	$0
Financial Assurance [2]				0.00	$0	$0	$0
ONE-TIME avoided costs [3]				0.00	$0	$0	$0
Other (as needed)				0.00	$0	$0	$0

Notes for AVOIDED costs:

Approx. Cost of Compliance $100

TOTAL $4

PCW

Policy Revision 2 (September 2002)
PCW Revision June 12, 2008

Screening Date 23-Jun-2008 **Docket No.** 2008-1117-PST-E
Respondent SHREEDHAR CORPORATION INC. dba Phillips 66 Truck Stop
Case ID No. 36145
Reg. Ent. Reference No. RN103045977
Media [Statute] Petroleum Storage Tank
Enf. Coordinator Steven Lopez
Violation Number 8
Rule Cite(s) 30 Tex. Admin. Code § 334.8(c)(5)(C)

Violation Description Failed to ensure that a legible tag, label, or marking with the tank number is permanently applied upon or affixed to either the top of the fill tube or to a nonremovable point in the immediate area of the fill tube according to the UST registration and self-certification form.

Base Penalty $10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm: Major	Moderate	Minor
Actual			
Potential			

Percent 0%

>>Programmatic Matrix

Falsification	Major	Moderate	Minor
	x		

Percent 10%

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

Adjustment $9,000

$1,000

Violation Events

1 — 46 Number of violation days

mark only one with an x

daily	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty $1,000

One single event is recommended.

Good Faith Efforts to Comply

0.0% Reduction — $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 for this violation.

Violation Subtotal $1,000

Economic Benefit (EB) for this violation

Estimated EB Amount $4

Statutory Limit Test

Violation Final Penalty Total $1,881

This violation Final Assessed Penalty (adjusted for limits) $1,881

Economic Benefit Worksheet

Respondent SHREEDHAR CORPORATION INC. dba Phillips 66 Truck Stop
Case ID No. 36145
Reg. Ent. Reference No. RN103045977
Media Petroleum Storage Tank
Violation No. 8

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost (No commas or $)	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.00	$0	$0	$0
Buildings				0.00	$0	$0	$0
Other (as needed)				0.00	$0	$0	$0
Engineering/construction				0.00	$0	$0	$0
Land				0.00	$0	n/a	$0
Record Keeping System				0.00	$0	n/a	$0
Training/Sampling				0.00	$0	n/a	$0
Remediation/Disposal				0.00	$0	n/a	$0
Permit Costs				0.00	$0	n/a	$0
Other (as needed)	$100	8-May-2008	8-Feb-2009	0.76	$4	n/a	$4
Notes for DELAYED costs	Estimated cost to label the tank fill ports. Date Required is the date of investigation. Final Date is the estimated date of compliance.						
Avoided Costs	ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)						
Disposal				0.00	$0	$0	$0
Personnel				0.00	$0	$0	$0
Inspection/Reporting/Sampling				0.00	$0	$0	$0
Supplies/equipment				0.00	$0	$0	$0
Financial Assurance [2]				0.00	$0	$0	$0
ONE-TIME avoided costs [3]				0.00	$0	$0	$0
Other (as needed)				0.00	$0	$0	$0
Notes for AVOIDED costs							

Approx. Cost of Compliance: $100

TOTAL: $4

PCW

Policy Revision 2 (September 2002)
PCW Revision June 12, 2008

Screening Date 23-Jun-2008 **Docket No.** 2008-1117-PST-E
Respondent SHREEDHAR CORPORATION INC. dba Phillips 66 Truck Stop
Case ID No. 36145
Reg. Ent. Reference No. RN103045977
Media [Statute] Petroleum Storage Tank
Enf. Coordinator Steven Lopez

Violation Number 9

Rule Cite(s) 30 Tex. Admin. Code §§ 334.48(a) and 334.77

Violation Description Failed to prevent unauthorized discharges of gasoline and diesel fuel. Specifically, diesel fuel was observed leaking from a piping connection in the main west diesel dispenser. In addition, gasoline was leaking from a vent pipe connection on the line leak detector from tank no. 2. Also, failed to perform initial abatement measures and site check.

Base Penalty $10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm: Major	Moderate	Minor
Actual			x
Potential			

Percent 10%

>>Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes: 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 as a result of the violation.

Adjustment $9,000

$1,000

Violation Events

Number of Violation Events 2 | 46 Number of violation days

mark only one with an x

daily	
monthly	x
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty $2,000

Two monthly events are recommended from the release discovery date of May 8, 2008 to the screening date of June 23, 2008.

Good Faith Efforts to Comply

0.0% Reduction $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 for this violation.

Violation Subtotal $2,000

Economic Benefit (EB) for this violation

Estimated EB Amount $113

Statutory Limit Test

Violation Final Penalty Total $3,762

This violation Final Assessed Penalty (adjusted for limits) $3,762

Economic Benefit Worksheet

Respondent SHREEDHAR CORPORATION INC. dba Phillips 66 Truck Stop
Case ID No. 36145
Reg. Ent. Reference No. RN103045977
Media Petroleum Storage Tank
Violation No. 9

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				0.00	$0	$0	$0
Buildings				0.00	$0	$0	$0
Other (as needed)				0.00	$0	$0	$0
Engineering/construction				0.00	$0	$0	$0
Land				0.00	$0	n/a	$0
Record Keeping System				0.00	$0	n/a	$0
Training/Sampling				0.00	$0	n/a	$0
Remediation/Disposal				0.00	$0	n/a	$0
Permit Costs				0.00	$0	n/a	$0
Other (as needed)	$3,000	8-May-2008	8-Feb-2009	0.76	$113	n/a	$113

Notes for DELAYED costs: Estimated cost to perform abatement measures and site check, repair the diesel piping connection and the vent pipe connection for tank no. 2, mitigate explosive hazards, and dispose of contaminated soils. Date Required is the release discovery date. Final Date is the estimated date of compliance.

Avoided Costs (ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs))							
Disposal				0.00	$0	$0	$0
Personnel				0.00	$0	$0	$0
Inspection/Reporting/Sampling				0.00	$0	$0	$0
Supplies/equipment				0.00	$0	$0	$0
Financial Assurance [2]				0.00	$0	$0	$0
ONE-TIME avoided costs [3]				0.00	$0	$0	$0
Other (as needed)				0.00	$0	$0	$0

Notes for AVOIDED costs:

Approx. Cost of Compliance $3,000

TOTAL $113

Compliance History

Customer/Respondent/Owner-Operator:	CN603351982	SHREEDHAR CORPORATION INC.	Classification: POOR	Rating: 50.00
Regulated Entity:	RN103045977	PHILLIPS 66 TRUCK STOP	Classification: POOR	Site Rating: 50.00

ID Number(s):

PETROLEUM STORAGE TANK REGISTRATION	REGISTRATION	27024
AIR NEW SOURCE PERMITS	REGISTRATION	71876
AIR NEW SOURCE PERMITS	REGISTRATION	54798
LEAKING PETROLEUM STORAGE TANKS REMEDIATION	ID NUMBER	108860

Location: 1402 NW HWY 84, SLATON, TX, 79364 Rating Date: 9/1/2007 Repeat Violator: NO

TCEQ Region: REGION 02 - LUBBOCK

Date Compliance History Prepared: June 20, 2008

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: June 20, 2003 to June 20, 2008

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

Name: Steven Lopez Phone: 512-239-1896

Site Compliance History Components

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

Components (Multimedia) for the Site :

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

Effective Date: 06/09/2005 ADMINORDER 2004-1449-PST-E

Classification: Major
Citation: 30 TAC Chapter 334, SubChapter A 334.8(c)(5)(B)
Description: Failure to re-new certification of UST systems after the Delivery Certificate expired.

Classification: Major
Citation: 2D TWC Chapter 26, SubChapter A 26.3467(a)
30 TAC Chapter 334, SubChapter A 334.8(c)(5)(A)(i)
Description: Owner accepted fuel deliveries without UST cerification.

See addendum for information regarding federal actions.

B. Any criminal convictions of the state of Texas and the federal government.

N/A

C. Chronic excessive emissions events.

N/A

D. The approval dates of investigations. (CCEDS Inv. Track. No.)

1 08/18/2004 (275131)
2 07/15/2006 (466773)
3 06/13/2008 (657138)

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

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

Addendum to Compliance History
Federal Enforcement Actions

CUSTOMER (Defendant):	Balch Phillips 66	CUSTOMER NO.:	CN601585813
REGULATED ENTITY:	BALCH PHILLIPS 66	REG. ENTITY NO.:	RN103045977
REG. ENTITY ADDRESS:	1402 N.W. HWY 84		
REG. ENTITY CITY:	SLATON		

Violations

EPA CASE NO.:	06-2005-5402	CLASSIFICATION:	MODERATE
ORDER ISSUED DATE (YYYYMMDD):	20060215	STATUTE: RCRA	SECT. OF STATUTE: 9003
ENFORCEMENT ACTION TYPE:	Administrative Penalty Order	CITATION:	CITE PART: CITE SECT.:
		PROGRAM:	USTs - Regulatory Petroleum
CASE RESULT:	Final Order With Penalty	VIOLATION TYPE:	UST Leak Detection and Repair

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

IN THE MATTER OF AN ENFORCEMENT ACTION CONCERNING SHREEDHAR CORPORATION INC. DBA PHILLIPS 66 TRUCK STOP RN103045977	§ § § § §	**BEFORE THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY**

AGREED ORDER
DOCKET NO. 2008-1117-PST-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 SHREEDHAR CORPORATION INC. dba Phillips 66 Truck Stop ("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 truck stop with retail sales of gasoline at 1402 Northwest Highway 84 in Slaton, Lubbock County, Texas (the "Facility").

2. The Respondent's four underground storage tanks ("USTs") are not exempt or excluded from regulation under the Texas Water Code or the rules of the Commission.

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 June 18, 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 Twenty-Nine Thousand One Hundred Fifty-Five Dollars ($29,155) is assessed by the Commission in settlement of the violations alleged in Section

II ("Allegations"). The Respondent has paid One Thousand Four Hundred Forty-Nine Dollars ($1,449) of the administrative penalty and Five Thousand Eight Hundred Thirty-One Dollars ($5,831) is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Agreed Order. If the Respondent fails to timely and satisfactorily comply with all requirements of this Agreed Order, including the payment schedule, the Executive Director may require the Respondent to pay all or part of the deferred penalty.

The remaining amount of Twenty-One Thousand Eight Hundred Seventy-Five Dollars ($21,875) of the administrative penalty shall be payable in 35 monthly payments of Six Hundred Twenty-Five Dollars ($625) each. The next monthly payment shall be paid within 30 days after the effective date of this Agreed Order. The subsequent payments shall each be paid not later than 30 days following the due date of the previous payment until paid in full. If the Respondent fails to timely and satisfactorily comply with the payment requirements of this Agreed Order, the Executive Director may, at the Executive Director's option, accelerate the maturity of the remaining installments, in which event the unpaid balance shall become immediately due and payable without demand or notice. In addition, the failure of the Respondent to meet the payment schedule of this Agreed Order constitutes the failure by the Respondent to timely and satisfactorily comply with all the terms of this Agreed Order.

7. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.

8. The Executive Director of the TCEQ and the Respondent have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.

9. The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Facility:

   a. Conducted the required triennial testing of the cathodic protection system on May 21, 2008; and

   b. On May 22, 2008, the line leak detector tests were conducted, with passing results.

10. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.

11. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.

12. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

II. ALLEGATIONS

As owner and operator of the Facility, the Respondent is alleged to have:

1. Failed to timely renew a previously issued UST delivery certificate by submitting a properly completed UST registration and self-certificate form at least 30 days before the expiration date, in violation of 30 TEX. ADMIN. CODE § 334.8(c)(4)(A)(vii) and (c)(5)(B)(ii), as documented during an investigation conducted on May 8, 2008. Specifically, the prior UST delivery certificate expired on April 30, 2008.

2. Failed to make available to a common carrier a valid, current TCEQ delivery certificate before accepting delivery of a regulated substance into the USTs, in violation of 30 TEX. ADMIN. CODE § 334.8(c)(5)(A)(i) and TEX. WATER CODE § 26.3467(a), as documented during an investigation conducted on May 8, 2008. Specifically, the Respondent received one delivery of fuel without a delivery certificate.

3. Failed to demonstrate acceptable financial assurance for taking corrective action and for compensating third parties for bodily injury and property damage caused by accidental releases arising from the operation of the petroleum USTs, in violation of 30 TEX. ADMIN. CODE § 37.815(a) and (b), as documented during an investigation conducted on May 8, 2008.

4. Failed to inspect the impressed current cathodic protection system at least once every 60 days to ensure that the rectifier and other system components are operating properly, in violation of 30 TEX. ADMIN. CODE § 334.49(c)(2)(C) and TEX. WATER CODE § 26.3475(d), as documented during an investigation conducted on May 8, 2008.

5. Failed to have the cathodic protection system inspected and tested for operability and adequacy of protection at a frequency of at least once every three years, in violation of 30 TEX. ADMIN. CODE § 334.49(c)(4) and TEX. WATER CODE § 26.3475(d), as documented during an investigation conducted on May 8, 2008.

6. Failed to monitor USTs for releases at a frequency of at least once per month (not to exceed 35 days between each monitoring), in violation of 30 TEX. ADMIN. CODE § 334.50(b)(1)(A), and TEX. WATER CODE § 26.3475(c)(1), as documented during an investigation conducted on May 8, 2008.

7. Failed to provide proper release detection for the pressurized piping associated with the USTs, in violation of 30 TEX. ADMIN. CODE § 334.50(b)(2) and TEX. WATER CODE § 26.3475(a), as documented during an investigation conducted on May 8, 2008.

8. Failed to test the line leak detectors at least once per year for performance and operational reliability, in violation of 30 TEX. ADMIN. CODE § 334.50(b)(2)(A)(i)(III) and TEX. WATER CODE § 26.3475(a), as documented during an investigation conducted on May 8, 2008.

9. Failed to ensure that all spill and overfill prevention devices are maintained in good operating condition, in violation of 30 TEX. ADMIN. CODE § 334.51(a)(6) and TEX. WATER CODE § 26.3475(c)(2), as documented during an investigation conducted on May 8, 2008. Specifically, two tight-fill fittings required replacing to prevent fuel leakage during delivery, two buckets contained standing fuel and four buckets had missing hand pumps.

10. Failed to ensure that the emergency shutoff valves (also known as a shear or impact valve) were securely anchored at the base of the dispensers, in violation of 30 TEX. ADMIN. CODE § 334.45(c)(3)(A), as documented during an investigation conducted on May 8, 2008. Specifically, the valves for the diesel dispensers were not secured.

11. Failed to ensure that a legible tag, label, or marking with the tank number is permanently applied upon or affixed to either the top of the fill tube or to a nonremovable point in the immediate area of the fill tube according to the UST registration and self-certification form, in violation of 30 TEX. ADMIN. CODE § 334.8(c)(5)(C), as documented during an investigation conducted on May 8, 2008.

12. Failed to prevent unauthorized discharges of gasoline and diesel fuel, in violation of 30 TEX. ADMIN. CODE § 334.48(a), as documented during an investigation conducted on May 8, 2008. Specifically, diesel fuel was observed leaking from a piping connection in the main west diesel dispenser. In addition, gasoline was leaking from a vent pipe connection on the line leak detector from tank no. 2.

13. Failed to perform initial abatement measures and site check, in violation of 30 TEX. ADMIN. CODE § 334.77, as documented during an investigation conducted on May 8, 2008.

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: SHREEDHAR CORPORATION INC. dba Phillips 66 Truck Stop, Docket No. 2008-1117-PST-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 undertake the following technical requirements:

   a. Immediately upon the effective date of this Agreed Order, cease accepting fuel until such time as a valid certificate is obtained from the TCEQ by submitting a properly completed

UST registation and self-certification form, in accordance with 30 TEX. ADMIN. CODE § 334.8.

b. Within 30 day after the effective date of this Agreed Order:

i. Submit documentation that demonstrates acceptable financial assurance for taking corrective action and for compensating third parties for bodily injury and property damage caused by accidental releases arising from the operation of petroleum USTs, in accordance with the 30 TEX. ADMIN. CODE § 37.815;

ii. Begin conducting bimonthly inspections of the cathodic protection system and ensure that the rectifier and other components are functioning as designed, in accordance with 30 TEX. ADMIN. CODE § 334.49;

iii. Implement a release detection method for the USTs and the piping associated with the USTs, in accordance with 30 TEX. ADMIN. CODE § 334.50;

iv. Begin maintaining the spill and overfill prevention devices in proper operating condition including, but not limited to replacing the tight-fill fittings, cleaning the spill buckets, installing hand pumps and implement procedures to assure spill and overfill prevention devices are inspected and serviced, in accordance with 30 TEX. ADMIN. CODE § 334.51;

v. Secure all emergency shutoff valves, in accordance with 30 TEX. ADMIN. CODE § 334.45; and

vi. Permanently apply or affix tags, labels, or markings to the UST fill tubes, in accordance with 30 TEX. ADMIN. CODE § 334.8.

c. Within 45 days after the effective date of this Agreed Order, perform abatement measures and site check, repair and/or tighten the piping connection in the main west diesel dispenser and the vent pipe connection on the line leak detector for tank no. 2, mitigate explosive hazards, and properly clean up and dispose of contaminated soils to an authorized facility.

d. Within 60 days after the effective date of this Agreed Order, submit written certification as described below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision Nos. 2.a through 2.c. The certification shall 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:

Waste Section Manager
Lubbock Regional Office
Texas Commission on Environmental Quality
5012 50th Street, Suite 100
Lubbock, Texas 79414-3421

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

_____ 1/9/2009
For the Executive Director 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.

_____ 10-20-08
Signature Date

ARUN PATEL DIRECTOR
Name (Printed or typed) Title
Authorized Representative of
SHREEDHAR CORPORATION INC. dba Phillips 66 Truck Stop

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.