

**EXECUTIVE SUMMARY - ENFORCEMENT MATTER**  
**DOCKET NO.: 2007-1260-AIR-E TCEQ ID: RN100210962 CASE NO.: 34356**  
**RESPONDENT NAME: MANNESMANN DMV STAINLESS USA, 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 checked="" type="checkbox"/> AIR	<input type="checkbox"/> MULTI-MEDIA (check all that apply)	<input type="checkbox"/> INDUSTRIAL AND HAZARDOUS WASTE
<input type="checkbox"/> PUBLIC WATER SUPPLY	<input type="checkbox"/> PETROLEUM STORAGE TANKS	<input type="checkbox"/> OCCUPATIONAL CERTIFICATION
<input type="checkbox"/> WATER QUALITY	<input type="checkbox"/> SEWAGE SLUDGE	<input type="checkbox"/> UNDERGROUND INJECTION CONTROL
<input type="checkbox"/> MUNICIPAL SOLID WASTE	<input type="checkbox"/> RADIOACTIVE WASTE	<input type="checkbox"/> DRY CLEANER REGISTRATION
<p><b>SITE WHERE VIOLATION(S) OCCURRED:</b> 12050 West Little York Road, Houston, Harris County</p> <p><b>TYPE OF OPERATION:</b> steel pipe and tube manufacturing plant</p> <p><b>SMALL BUSINESS:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><b>OTHER SIGNIFICANT MATTERS:</b> There are no complaints. There is one additional pending enforcement action regarding this facility location (2008-1774-AIR-E).</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 November 3, 2008. No comments were received.</p> <p><b>CONTACTS AND MAILING LIST:</b>  <b>TCEQ Attorney:</b> Ms. Rebecca M. Combs, Litigation Division, MC 175, (512) 239-6939  Ms. Lena Roberts, Litigation Division, MC 175, (512) 239-0019  <b>TCEQ Enforcement Coordinator:</b> Ms. Kimberly Morales, Air Enforcement Section, MC R-12, (713) 422-8938  <b>TCEQ Regional Contact:</b> Mr. Joel Anderson, Houston Regional Office, MC R-12, (713) 767-3750  <b>Respondent:</b> Mr. Robert Holroyd, Quality Manager, Mannesmann DMV Stainless USA, Inc., 12050 West Little York Road, Houston, Texas 77041  <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></p> <p><input type="checkbox"/> Complaint  <input type="checkbox"/> Routine  <input type="checkbox"/> Enforcement Follow-up  <input checked="" type="checkbox"/> Records Review</p> <p><b>Date of Complaint Relating to this Case:</b> None</p> <p><b>Date of Investigation Relating to this Case:</b> June 27, 2007</p> <p><b>Date of NOE Relating to this Case:</b> July 2, 2007</p> <p><b>Background Facts:</b> The EDPRP was filed on March 13, 2008. The Agreed Order was signed on September 2, 2008.</p> <p><b>Current Compliance Status:</b> Not yet in compliance.</p> <p><b>AIR:</b></p> <p>Failed to submit the 2002, 2003, and 2005 Annual Emissions Inventory Updates ("AEIUs") [30 TEX. ADMIN. CODE § 101.10(e) and TEX. HEALTH &amp; SAFETY CODE § 382.085(b)].</p>	<p><b>Total Assessed:</b> \$4,020</p> <p><b>Total Deferred:</b> \$0</p> <p><input type="checkbox"/> Expedited Settlement  <input type="checkbox"/> Financial Inability to Pay  <input type="checkbox"/> SEP Conditional Offset</p> <p><b>Total Paid to General Revenue:</b> \$4,020</p> <p>The Respondent has paid the administrative penalty in full.</p> <p><b>Site Compliance History Classification:</b>  <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p><b>Person Compliance History Classification:</b>  <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>Technical Requirements:</b></p> <p>The Respondent shall, within 30 days, submit the 2002, 2003, and 2005 Annual Emissions Inventory Updates ("AEIUs").</p>



Policy Revision 2 (September 2002)

# Penalty Calculation Worksheet (PCW)

PCW Revision June 26, 2007

<b>DATES</b>	Assigned	2-Jul-2007	Screening	1-Aug-2007	EPA Due	
	PCW	31-Oct-2007				

<b>RESPONDENT/FACILITY INFORMATION</b>	
Respondent	Mannesmann DMV Stainless USA, Inc.
Reg. Ent. Ref. No.	RN100210962
Facility/Site Region	12-Houston
Major/Minor Source	Minor

<b>CASE INFORMATION</b>			
Enf./Case ID No.	34356	No. of Violations	1
Docket No.	2007-1260-AIR-E	Order Type	1660
Media Program(s)	Air	Enf. Coordinator	Kimberly Morales
Multi-Media		EC's Team	Enforcement Team 5
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$10,000

## Penalty Calculation Section

<b>TOTAL BASE PENALTY (Sum of violation base penalties)</b>	<b>Subtotal 1</b>	\$3,000
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### ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

<b>Compliance History</b>	34% Enhancement	<b>Subtotals 2, 3, &amp; 7</b>	\$1,020
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Notes: Penalty enhancement due to two NOV's for the same violations, two NOV's for unrelated violations, and one Agreed Order containing a denial of liability.

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

<b>Good Faith Effort to Comply</b>	0% Reduction	<b>Subtotal 5</b>	\$0
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	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.

<b>Total EB Amounts</b>	\$1,224	<b>Subtotal 6</b>	\$0
<b>Approx. Cost of Compliance</b>	\$5,000	*Capped at the Total EB \$ Amount	

<b>SUM OF SUBTOTALS 1-7</b>	<b>Final Subtotal</b>	\$4,020
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<b>OTHER FACTORS AS JUSTICE MAY REQUIRE</b>	<b>Adjustment</b>	\$0
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Reduces or enhances the Final Subtotal by the indicated percentage. (Enter number only; e.g. -30 for -30%.)

Notes:

<b>Final Penalty Amount</b>	\$4,020
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<b>STATUTORY LIMIT ADJUSTMENT</b>	<b>Final Assessed Penalty</b>	\$4,020
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<b>DEFERRAL</b>	0% Reduction	<b>Adjustment</b>	\$0
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Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes:

Deferral not offered for non-expedited settlement.

<b>PAYABLE PENALTY</b>	\$4,020
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Screening Date 1-Aug-2007

Docket No. 2007-1260-AIR-E

PCW

Respondent Mannesmann DMV Stainless USA, Inc.

Policy Revision 2 (September 2002)

Case ID No. 34356

PCW Revision June 26, 2007

Reg. Ent. Reference No. RN100210962

Media [Statute] Air

Enf. Coordinator Kimberly Morales

### Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written NOV's with same or similar violations as those in the current enforcement action (number of NOV's meeting criteria)	2	10%
	Other written NOV's	2	4%
Orders	Any agreed final enforcement orders containing a denial of liability (number of orders meeting criteria)	1	20%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (number of judgements or consent decrees meeting criteria)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (number of counts)	0	0%
Emissions	Chronic excessive emissions events (number of events)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which notices were submitted)	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which violations were disclosed)	0	0%

Please Enter Yes or No

Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 34%

>> 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

Penalty enhancement due to two NOV's for the same violations, two NOV's for unrelated violations, and one Agreed Order containing a denial of liability.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 34%

<b>Screening Date</b> 1-Aug-2007	<b>Docket No.</b> 2007-1260-AIR-E	<b>PCW</b>
<b>Respondent</b> Mannesmann DMV Stainless USA, Inc.	<i>Policy Revision 2 (September 2002)</i>	
<b>Case ID No.</b> 34356	<i>PCW Revision June 26, 2007</i>	
<b>Reg. Ent. Reference No.</b> RN100210962		
<b>Media [Statute]</b> Air		
<b>Enf. Coordinator</b> Kimberly Morales		
<b>Violation Number</b> <input type="text" value="1"/>		
<b>Rule Cite(s)</b>	<input type="text" value="30 Tex. Admin. Code § 101.10(e) and Tex. Health &amp; Safety Code § 382.085(b)"/>	
<b>Violation Description</b>	<input aeius")."="" type="text" value="Failed to submit the 2002, 2003, and 2005 Annual Emissions Inventory Updates ("/>	
<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>
	Actual	<input type="text"/>	<input type="text"/>		<input type="text"/>
	Potential	<input type="text"/>	<input type="text"/>	<input type="text"/>	
				<b>Percent</b> <input type="text" value="0%"/>	

**>> Programmatic Matrix**

	<b>Falsification</b>			
	<b>Major</b>	<b>Moderate</b>	<b>Minor</b>	
	<input type="text"/>	<input type="text" value="x"/>	<input type="text"/>	
	Matrix Notes	<input type="text" value="The Respondent failed to comply with 100% of the rule requirement."/>		
				<b>Adjustment</b> <input type="text" value="\$9,000"/>

**Violation Events**

Number of Violation Events <input type="text" value="3"/>	<input type="text" value="1547"/>	Number of violation days
mark only one with an x daily <input type="text"/> monthly <input type="text"/> quarterly <input type="text"/> semiannual <input type="text"/> annual <input type="text" value="x"/> single event <input type="text"/>	<b>Violation Base Penalty</b> <input type="text" value="\$3,000"/>	
<input type="text" value="Three annual events are recommended."/>		

<b>Economic Benefit (EB) for this violation</b>	<b>Statutory Limit Test</b>
Estimated EB Amount <input type="text" value="\$1,224"/>	Violation Final Penalty Total <input type="text" value="\$4,020"/>
<b>This violation Final Assessed Penalty (adjusted for limits)</b> <input type="text" value="\$4,020"/>	

### Economic Benefit Worksheet

**Respondent** Mannesmann DMV Stainless USA, Inc.

**Case ID No.** 34356

**Reg. Ent. Reference No.** RN100210962

**Media** Air

**Violation No.** 1

<b>Percent Interest</b>	<b>Years of Depreciation</b>
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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**Delayed Costs**

Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)	\$5,000	7-May-2003	28-Mar-2008	4.9	\$1,224	n/a	\$1,224

Notes for DELAYED costs

Estimated cost to prepare and submit the 2002, 2003, and 2005 AEIUs. Date required is the date the 2002 AEIU was due. Final date is the projected date of compliance.

**Avoided Costs**

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

Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equipment				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$5,000

**TOTAL**

\$1,224

## Compliance History

Customer/Respondent/Owner-Operator:	CN600125132 Mannesmann DMV Stainless USA, Inc.	Classification: AVERAGE	Rating: 11.90
Regulated Entity:	RN100210962 DMV STAINLESS USA	Classification: AVERAGE	Site Rating: 11.90
ID Number(s):	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	EPA ID	TXD987983152
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION # (SWR)	39154
	AIR NEW SOURCE PERMITS	PERMIT	19763
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	HG3179U
	AIR NEW SOURCE PERMITS	PERMIT	76509
	AIR NEW SOURCE PERMITS	REGISTRATION	76500
	AIR NEW SOURCE PERMITS	AFS NUM	4820101286
Location:	12050 W LITTLE YORK RD, HOUSTON, TX, 77041	Rating Date: 9/1/2006 Repeat Violator: NO	
TCEQ Region:	REGION 12 - HOUSTON		
Date Compliance History Prepared:	August 01, 2007		
Agency Decision Requiring Compliance History:	Enforcement		
Compliance Period:	August 01, 2002 to August 01, 2007		

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

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

### Site Compliance History Components

- |  |     |
|--|-----|
| 1. Has the site been in existence and/or operation for the full five year compliance period? | Yes |
| 2. Has there been a (known) change in ownership of the site during the compliance period?    | 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: 07/01/2004	ADMINORDER 2002-1077-AIR-E
Classification: Moderate	
Citation:	30 TAC Chapter 122, SubChapter B 122.145(2)(B) 5C THC Chapter 382, SubChapter A 382.085(b)
Description:	Failed to submit the semiannual deviation report for the February 26, 2002 to August 25, 2002 deviation reporting period.
Classification: Moderate	
Citation:	30 TAC Chapter 122, SubChapter B 122.146(2) 5C THC Chapter 382, SubChapter A 382.085(b)
Description:	Failed to submit an annual compliance certification within 30 days after the end of the February 26, 2001 to February 25, 2002 certification period.

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 | 04/14/2003 | (33320)  |
| 2 | 06/20/2003 | (71613)  |
| 3 | 07/31/2003 | (266925) |
| 4 | 06/28/2004 | (277624) |
| 5 | 06/29/2004 | (250929) |
| 6 | 08/11/2005 | (404768) |
| 7 | 08/31/2006 | (457392) |
| 8 | 04/24/2007 | (541749) |
| 9 | 06/29/2007 | (534320) |

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

Date: 04/14/2003 (33320)  
Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 335, SubChapter A 335.6(c)[G]  
Description: Failure to update the Notice of Registration.  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 335, SubChapter A 335.9(a)(2)(C)  
Description: Failure to submit required Annual Waste Summaries for 1998, 1999, 2000, and 2002.  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 335, SubChapter C 335.69(a)(4)[G]  
30 TAC Chapter 335, SubChapter E 335.112(a)(3)  
40 CFR Chapter 262, SubChapter I, PT 262, SubPT C 262.34(a)(4)  
40 CFR Chapter 265, SubChapter I, PT 265, SubPT D 265.54[G]  
Description: Failure to update and maintain an adequate Contingency Plan.  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 335, SubChapter Q 335.474[G]  
Description: Failure to update and maintain a certified copy of the Source Reduction/Waste Minimization plan.  
Date: 07/31/2003 (266925)  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.10(e)  
30 TAC Chapter 101, SubChapter A 101.10(f)  
Description: The respondent failed to submit an air emissions inventory on or before 5/7/2003.  
Date: 06/28/2004 (277624)  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 335, SubChapter Q 335.474[G]  
Description: Failure to update and maintain a certified copy of the Source Reduction/Waste Minimization plan.  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 335, SubChapter A 335.6(c)[G]  
Description: Failure to amend Notice of Registration to accurately reflect waste streams generated and waste management units utilized on-site.  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 335, SubChapter A 335.9(a)(2)(A)  
30 TAC Chapter 335, SubChapter A 335.9(a)(2)(B)  
30 TAC Chapter 335, SubChapter A 335.9(a)(2)[G]  
Description: Failure to file AWS for 1998, 1999, 2000, 2002, and 2003, in the timeframes required.  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 335, SubChapter C 335.62  
30 TAC Chapter 335, SubChapter R 335.504[G]  
40 CFR Chapter 262, SubChapter I, PT 262, SubPT A 262.11[G]  
Description: Failure to perform adequate waste determinations on pickling liquor wastes.  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 335, SubChapter C 335.69(a)(4)[G]  
30 TAC Chapter 335, SubChapter E 335.112(a)(3)  
40 CFR Chapter 262, SubChapter I, PT 262, SubPT C 262.34(a)(4)  
40 CFR Chapter 262, SubChapter I, PT 262, SubPT E 262.54(g)  
Description: Failure to appropriately update the Contingency Plan.  
Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 335, SubChapter A 335.10(b)(22)  
Description: Failure to use appropriate waste stream classification codes on manifests.  
Date: 04/27/2007 (541749)  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.10(e)  
5C THC Chapter 382, SubChapter A 382.014  
5C THC Chapter 382, SubChapter A 382.085(b)  
Description: Failure to submit a 2002, 2003, and 2005 Emissions Inventory: Category B19 (g) (3).

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  
MANNESMANN DMV STAINLESS  
USA, INC.; RN100210962

§  
§  
§  
§  
§  
§

BEFORE THE  
TEXAS COMMISSION ON  
ENVIRONMENTAL QUALITY

AGREED ORDER  
DOCKET NO. 2007-1260-AIR-E

I. JURISDICTION AND STIPULATIONS

At its \_\_\_\_\_ agenda, the Texas Commission on Environmental Quality ("Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Mannesmann DMV Stainless USA, Inc. ("Mannesmann") under the authority of TEX. WATER CODE ch. 7 and TEX. HEALTH & SAFETY CODE ch. 382. The Executive Director of the TCEQ, represented by the Litigation Division, and Mannesmann appear before the Commission and together stipulate that:

1. Mannesmann owns and operates a steel pipe and tube manufacturing plant located at 12050 West Little York Road, in Houston, Harris County, Texas (the "Facility"). The Facility consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
2. This Agreed Order is entered into pursuant to TEX. WATER CODE §§ 7.051 and 7.070. The Commission has jurisdiction of this matter pursuant to TEX. WATER CODE § 5.013 because it alleges violations of the TEX. HEALTH & SAFETY CODE ch. 382 and the TCEQ rules.
3. The Commission and Mannesmann agree that the Commission has jurisdiction to enter this Agreed Order, and that Mannesmann is subject to the Commission's jurisdiction.
4. Mannesmann received notice of the violations alleged in Section II ("Allegations") on or about July 7, 2007.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by Mannesmann of any violation alleged in Section II ("Allegations"), nor of any statute or rule.

6. An administrative penalty in the amount of four thousand twenty dollars (\$4,020.00) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). Mannesmann has paid four thousand twenty dollars (\$4,020.00) of the administrative 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 Mannesmann 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 Mannesmann 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

Mannesmann is alleged to have violated 30 TEX. ADMIN. CODE § 101.10(e) and TEX. HEALTH & SAFETY CODE § 382.085(b) by failing to submit the 2002, 2003, and 2005 Emissions Inventory Updates, ("AEIUs"), as documented on June 27, 2007 by record review inspection.

## III. DENIALS

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

## IV. ORDER

1. It is, therefore, ordered by the TCEQ that Mannesmann pay an administrative penalty as set forth in Section I, Paragraph six above. The payment of this administrative penalty and Mannesmann 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 considering requiring corrective action or penalties for violations which are not raised here. Administrative penalty payments shall be made payable to "Texas Commission on Environmental Quality" and shall be sent with the notation "Re: Mannesmann DMV Stainless USA, Inc., Docket No.2007-1260-AIR-E" to:

Financial Administration Division, Revenues Section  
Attention: Cashier's Office, MC 214  
Texas Commission on Environmental Quality  
P.O. Box 13088  
Austin, Texas 78711-3088

2. Mannesmann shall undertake the following technical requirements:

- a. Within 30 days after the effective date of this Agreed Order, Mannesmann shall submit the 2002, 2003, and 2005 Emissions Inventory Updates, ("AEIUs").
- b. Mannesmann shall submit all correspondence, reports, and documentation required by these Ordering Provisions to:

Order Compliance Team  
Enforcement Division, MC 149A  
Texas Commission on Environmental Quality  
P.O. Box 13087  
Austin, Texas 78711-3087

With copies to:

Industrial Emissions Assessment Section  
Air Quality Division, MC 164  
Texas Commission on Environmental Quality  
P.O. Box 13087  
Austin, Texas 78711-3087

And:

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

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."

3. The provisions of this Agreed Order shall apply to and be binding upon Mannesmann. Mannesmann 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 Mannesmann 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, Mannesmann's failure to comply is not a violation of this Agreed Order. Mannesmann shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. Mannesmann shall notify the Executive Director within seven days after Mannesmann 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 Mannesmann shall be made in writing to the Executive Director. Extensions are not effective until Mannesmann 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 Mannesmann 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

Mannesmann DMV Stainless USA, Inc.

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transmitted by facsimile transmission to the other parties, which shall constitute an original signature for all purposes.

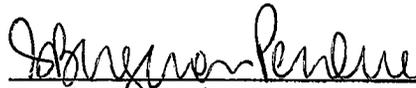
8. Under 30 TEX. ADMIN. CODE § 70.10(b) and TEX. GOV'T CODE § 2001.142, the effective date of this Agreed Order is the date of hand-delivery of the Order to Mannesmann, or three days after the date on which the Commission mails notice of the Order to Mannesmann, whichever is earlier. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties.

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SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission



For the Executive Director

10/16/08

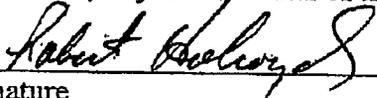
Date

I, the undersigned, have read and understand the attached Agreed Order. I represent that I am authorized to agree to the attached Agreed Order on behalf of the entity, if any; indicated below my signature, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I also understand that my failure to comply with the Ordering Provisions, if any, in this order and/or my failure to timely pay the penalty amount, may result in:

- A negative impact on the entities compliance history;
- Greater scrutiny of any permit applications submitted by the entity;
- Referral of this case to the Attorney General's office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions against the entity;
- Automatic referral to the Attorney General's Office of any future enforcement actions against the entity; and
- TCEQ seeking other relief as authorized by law.

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



Signature

SEPT. 2, 2008

Date

ROBERT HOLROYD

Name (Printed or typed)

QUALITY MANAGER

Title

Authorized representative of  
Mannesmann DMV Stainless USA, Inc.