

EXECUTIVE SUMMARY - ENFORCEMENT MATTER

DOCKET NO.: 2008-1459-AIR-E **TCEQ ID:** RN100611201 **CASE NO.:** 36509
RESPONDENT NAME: LEADING EDGE AVIATION SERVICES AMARILLO, INC.

ORDER TYPE:		
<input checked="" type="checkbox"/> 1660 AGREED ORDER	<input type="checkbox"/> FINDINGS AGREED ORDER	<input type="checkbox"/> FINDINGS ORDER FOLLOWING SOAH HEARING
<input type="checkbox"/> FINDINGS DEFAULT ORDER	<input type="checkbox"/> SHUTDOWN ORDER	<input type="checkbox"/> IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER
<input type="checkbox"/> AMENDED ORDER	<input type="checkbox"/> EMERGENCY ORDER	
CASE TYPE:		
<input checked="" type="checkbox"/> AIR	<input type="checkbox"/> MULTI-MEDIA (check all that apply)	<input type="checkbox"/> INDUSTRIAL AND HAZARDOUS WASTE
<input type="checkbox"/> PUBLIC WATER SUPPLY	<input type="checkbox"/> PETROLEUM STORAGE TANKS	<input type="checkbox"/> OCCUPATIONAL CERTIFICATION
<input type="checkbox"/> WATER QUALITY	<input type="checkbox"/> SEWAGE SLUDGE	<input type="checkbox"/> UNDERGROUND INJECTION CONTROL
<input type="checkbox"/> MUNICIPAL SOLID WASTE	<input type="checkbox"/> RADIOACTIVE WASTE	<input type="checkbox"/> DRY CLEANER REGISTRATION
<p>SITE WHERE VIOLATION(S) OCCURRED: Leading Edge Aviation Services Amarillo, 10801 Baker Street, Amarillo, Potter County</p> <p>TYPE OF OPERATION: Aircraft painting plant</p> <p>SMALL BUSINESS: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>OTHER SIGNIFICANT MATTERS: There are no complaints. There is one additional pending enforcement action regarding this facility location, Docket No. 2007-0516-IHW-E.</p>		
<p>INTERESTED PARTIES: No one other than the ED and the Respondent has expressed an interest in this matter.</p> <p>COMMENTS RECEIVED: The <i>Texas Register</i> comment period expired on March 16, 2009. No comments were received.</p> <p>CONTACTS AND MAILING LIST: TCEQ Attorney/SEP Coordinator: None TCEQ Enforcement Coordinator: Mr. Thomas Jecha, Enforcement Division, Enforcement Team 3, MC 169, (512) 239-2576; Ms. Cari-Michel La Caille, Enforcement Division, MC 219, (512) 239-1387 Respondent: Mr. Craig Butler, General Manager, LEADING EDGE AVIATION SERVICES AMARILLO, INC., 10801 Baker Street, Amarillo, Texas 79111 Respondent's Attorney: Not represented by counsel on this enforcement matter</p>		

DOCKET NO.: 2008-1459-AIR-E

VIOLATION SUMMARY CHART:

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p>Type of Investigation: <input type="checkbox"/> Complaint <input checked="" type="checkbox"/> Routine <input checked="" type="checkbox"/> Enforcement Follow-up <input type="checkbox"/> Records Review</p> <p>Date(s) of Complaints Relating to this Case: None</p> <p>Date of Investigation Relating to this Case: March 27 through May 21, 2008</p> <p>Date of NOV/NOE Relating to this Case: August 18, 2008 (NOE)</p> <p>Background Facts: This was a routine investigation.</p> <p>AIR</p> <p>1) Failure to store all waste paint, solvents, and clean-up rags in closed containers until removed from the site by a licensed disposal service unless reused or recycled. Specifically, a waste paint storage container in Hangar 609 was not closed [30 TEX. ADMIN. CODE § 116.115(c), New Source Review Permit ("NSRP") No. 28896, Special Condition No. 8, and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p> <p>2) Failure to ensure that the height of exhaust stacks comply with the permit. Specifically, stacks H-5A and B at Hangar 5 are only 70.5 feet high instead of 79 feet specified by the permit [30 TEX. ADMIN. CODE § 116.115(c), NSRP No. 28896, Special Condition No. 6E, and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p> <p>3) Failure to ensure the exhaust stacks have no exhaust restrictions or obstructions. Specifically, rain caps on stacks H-606A and B at Hangar 606 do not open automatically when the fans are turned on [30 TEX. ADMIN. CODE § 116.115(c), NSRP No. 28896, Special Condition No. 6E, and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p> <p>4) Failure to maintain records at the Plant. Specifically, hourly volatile organic compound ("VOC") emission rates ("ERs"), ERs in tons per year based on a rolling 12-</p>	<p>Total Assessed: \$26,750</p> <p>Total Deferred: \$5,350 <input checked="" type="checkbox"/> Expedited Settlement <input type="checkbox"/> Financial Inability to Pay</p> <p>SEP Conditional Offset: \$0</p> <p>Total Paid to General Revenue: \$21,400</p> <p>Site Compliance History Classification <input type="checkbox"/> High <input type="checkbox"/> Average <input checked="" type="checkbox"/> Poor</p> <p>Person Compliance History Classification <input type="checkbox"/> High <input type="checkbox"/> Average <input checked="" type="checkbox"/> Poor</p> <p>Major Source: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Applicable Penalty Policy: September 2002</p>	<p>Corrective Actions Taken:</p> <p>The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Plant:</p> <p>a. Submitted records of hourly volatile organic compound emission rates and examples of methods of data reduction on April 7, 2008;</p> <p>b. Removed restrictive rain caps from stacks H-606A and B by May 21, 2008;</p> <p>c. Closed all waste paint, solvent, and clean-up rag containers by May 21, 2008; and</p> <p>d. Equipped the hangars with proper filters by May 21, 2008.</p> <p>Ordering Provisions:</p> <p>The Order will require the Respondent to:</p> <p>a. Immediately upon the effective date of this Agreed Order, begin submitting semiannual reports every six months and annual reports every 12 months from the date of notification.</p> <p>b. Within 30 days after the effective date of this Agreed Order:</p> <p>i. Begin maintaining emission rate records for VOCs and HAPs at the Plant for each emission point number, in tons per year based on a rolling 12-month period, and a record of procedures for following the manufacturer's recommended filter replacement; and</p> <p>ii. Submit the initial compliance status notification for an existing source.</p> <p>c. Within 45 days after the effective date of this Agreed Order, certify compliance with Ordering Provisions a. and b.</p>

DOCKET NO.: 2008-1459-AIR-E

<p>month period for each emission point number for VOCs and hazardous air pollutants ("HAP"), examples of methods of data reduction, and a record of procedures for following the manufacturer's recommended filter replacement were not on file at the Plant [30 TEX. ADMIN. CODE §§ 116.115(b)(2)(E)(ii) and 116.115(c), NSRP No. 28896, General Condition No. 7 and Special Condition Nos. 7B1, B2, 7C, and 7D, and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p> <p>5) Failure to equip each hangar with dry filters that meet the particulate matter removal efficiency requirements of 40 CODE OF FEDERAL REGULATIONS § 63.745(g)(2)(i)(A). Specifically, particulate filters used in Hangars 5, 606, 608, and 609 did not comply with the filter efficiency requirements because they were not certified according to EPA Method 319 [30 TEX. ADMIN. CODE § 116.115(c), NSRP No. 28896, Special Condition No. 6B, 40 CODE OF FEDERAL REGULATIONS § 63.745(g)(2)(i)(A), and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p> <p>6) Failure to submit initial notification for existing sources not later than September 1, 1997 [40 CODE OF FEDERAL REGULATIONS §§ 63.9(b)(2) and 63.753(a)(1) and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p>		<p>d. Within 60 days after the effective date of this Agreed Order:</p> <p>i. Install differential pressure gauges across the filter banks in all active hangars to continuously monitor the pressure drop across the filters;</p> <p>ii. Update the Material Safety Data Sheets to show the correct maximum HAP composition in all materials including: "CA 100/B707X Anti-Chafe Gloss Gray (B&S)", "CA 7755 BE Urethane Compt FR HS Slow Activator", and "CA 8800/B707 esothane HS Buffable Gloss Gray"; and</p> <p>iii. Correct hourly VOC emissions that were underestimated for EPNs listed on the Maximum Allowable Emission Rate Table, using the correct HAP emissions for products PG-6-C93601, PG-6-BK701, and EP-2-Y1.</p> <p>e. Within 75 days after the effective date of this Agreed Order, certify compliance with Ordering Provision d.</p> <p>f. Within 120 days after the effective date of this Agreed Order:</p>
<p>7) Failure to submit semiannual reports stating compliance or listing noncompliances with applicable standards for control devices and annual reports listing the number of times the pressure drop for each dry filter was outside the limit(s) specified by the filter manufacturer. Specifically, the annual report due on September 1, 2007 and semiannual reports due on September 1, 2007 and March 1, 2008, were not submitted to the TCEQ [40 CODE OF FEDERAL REGULATIONS § 63.753(c)(1) and (c)(2) and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p> <p>8) Failure to install differential pressure gauges across filter banks to continuously monitor the pressure drop across the filters. Specifically, filter systems in Hangars 5, 606, 608, and 609 are not equipped with differential pressure gauges [40 CODE OF FEDERAL REGULATIONS § 63.745(g)(2)(iv) and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p> <p>9) Failure to maintain information and data sufficient to demonstrate compliance with the permit. Specifically, the Material Safety Data Sheets do not show the maximum HAP composition for methyl alcohol, ethyl</p>		<p>i. Amend the permit or ensure that the height of exhaust stacks H-5A and B at Hangar 5 are in accordance with the stack height specified in the permit;</p> <p>ii. Amend the representations made in the February 22, 1999 letter or ensure that stacks H-606A and B and H-608A and B for Hangars 606 and 608 comply with all representations contained in that letter; and</p> <p>iii. Amend the PTE and wastewater treatment representations made in the September 2005 permit renewal application or ensure that the PTE percentages for HAP compounds in raw materials including: Axon "Epoxy Hardener", Axon "Fast Dry Solvent Catalyst", Axon "High Solids Gold PU Topcoat", Axon "FC PU TC BAC 701", "HS GRAY PU TOPCOAT - BAC 707", Axon "HS Epoxy Yellow Primer", "CA 8800CTI Desothane HS Medium Flow Control Thinner Component", "CA 8100C Anti-Chafe Thinner", "CA 8100/B707X Anti-Chafe Gloss Gray (B&S)", "CA 7755BE Urethane Compt FR HS Slow Activator", and "CA 8800/B707 esothane HS Buffable Gloss</p>

DOCKET NO.: 2008-1459-AIR-E

<p>benzene, toluene, and hydrogen fluoride in "CA 100/B707X Anti-Chafe Gloss Gray (B&S)"; methyl alcohol in "CA 7755 BE Urethane Compt FR HS Slow Activator"; and methyl isobutyl, ketone, and toluene in "CA 8800/B707 esothane HS Buffable Gloss Gray". Also, hourly VOC emissions for EPNs listed on the Maximum Allowable Emission Rate Table were underestimated for products PG-6-C93601, PG-6-BK701, and EP-2-Y1 because the HAP emissions used to estimate VOC emissions were not calculated correctly [30 TEX. ADMIN. CODE § 116.115(c), NSRP No. 28896, General Condition No. 7 and Special Condition Nos. 7A1 and 7B1, and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p> <p>10) Failure to not vary from any representation when a change will cause a change in the method of control of emissions. Specifically, the Respondent represented that the exhaust stacks on Hangars 606 through 609 would be tapered and have exhaust exit velocities of 715 feet/second. However, stacks H-606A and B and H-608A and B for Hangars 606 and 608 are not tapered and their exit velocities are less than 715 feet/second. A decrease in exit velocity qualifies as a change in the method of control of emissions because it results in an increase in ground level concentrations at any given distance downwind of the emission point [30 TEX. ADMIN. CODE § 116.116(b)(1) and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p> <p>11) Failure to not vary from representations contained in a permit application. Specifically, the September 2005 permit renewal application represented potential to emit ("PTE") percentages for HAP compounds in raw materials and wastewater treatment using an "evaporator". However, wastewater is currently treated by an "electro-coagulation" system and the actual HAP PTE percentages are higher than the permit application representations for several materials by the following percentages: Axon "Epoxy Hardener" (xylene 60% and toluene 25%); Axon "Fast Dry Solvent Catalyst" (methyl isobutyl ketone ("MIK") 10%); Axon "High Solids Gold PU Topcoat" (xylene 25% and toluene 10%); Axon "FC PU TC BAC 701", "HS GRAY PU TOPCOAT - BAC 707", and Axon "HS Epoxy Yellow Primer" (xylene 10%); "CA 8800CTI Desothane HS Medium Flow Control Thinner Component" and "CA 8100C Anti-Chafe Thinner" (MIK 60%); "CA 8100/B707X Anti-Chafe Gloss Gray (B&S)" (xylene and MIK 5%); "CA 7755BE Urethane Compt FR HS Slow Activator" (xylene 30%); and "CA 8800/B707</p>		<p>Gray" and the method of wastewater treatment, comply with the permit renewal application.</p> <p>g. Within 135 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 Provision f.</p>
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DOCKET NO.: 2008-1459-AIR-E

Desothane HS Buffable Gloss Gray" (xylene 5%) [30 TEX. ADMIN. CODE § 116.115(b), NSRP No. 28896, General Condition No. 1, and TEX. HEALTH & SAFETY CODE § 382.085(b)].		
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Additional ID No(s): NSR Permit 28896



Policy Revision 2 (September 2002)

Penalty Calculation Worksheet (PCW)

PCW Revision June 12, 2008

DATES	Assigned	25-Aug-2008			
	PCW	16-Sep-2008	Screening	9-Sep-2008	EPA Due 13-May-2009

RESPONDENT/FACILITY INFORMATION			
Respondent	LEADING EDGE AVIATION SERVICES AMARILLO, INC.		
Reg. Ent. Ref. No.	RN100611201		
Facility/Site Region	1-Amarillo	Major/Minor Source	Minor

CASE INFORMATION			
Enf./Case ID No.	36509	No. of Violations	11
Docket No.	2008-1459-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Thomas Jecha
		EC's Team	Enforcement Team 3
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$10,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$18,500
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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.

Compliance History	50.0% Enhancement	Subtotals 2, 3, & 7	\$9,250
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Notes: Penalty enhancement for two agreed orders with denials of liability issued to the Respondent within the past five years and an upward adjustment for Poor Performer classification.

Culpability	No	0.0% Enhancement	Subtotal 4	\$0
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Notes: The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply Total Adjustments	Subtotal 5	\$1,000
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Economic Benefit	0.0% Enhancement*	Subtotal 6	\$0
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Total EB Amounts	\$1,401	*Capped at the Total EB \$ Amount
Approx. Cost of Compliance	\$20,100	

SUM OF SUBTOTALS 1-7	Final Subtotal	\$26,750
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OTHER FACTORS AS JUSTICE MAY REQUIRE	0.0%	Adjustment	
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes

Final Penalty Amount	\$26,750
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$26,750
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DEFERRAL	20.0% Reduction	Adjustment	-\$5,350
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Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes

Deferral offered for expedited settlement.

PAYABLE PENALTY	\$21,400
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Screening Date 9-Sep-2008

Docket No. 2008-1459-AIR-E

PCW

Respondent LEADING EDGE AVIATION SERVICES AMARILLO, INC

Policy Revision 2 (September 2002)

Case ID No. 36509

PCW Revision June 12, 2008

Reg. Ent. Reference No. RN100611201

Media [Statute] Air

Enf. Coordinator Thomas Jecha

Compliance History Worksheet

>> **Compliance History Site Enhancement (Subtotal 2)**

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written NOVs with same or similar violations as those in the current enforcement action <i>(number of NOVs meeting criteria)</i>	0	0%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability <i>(number of orders meeting criteria)</i>	2	40%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government <i>(number of judgements or consent decrees meeting criteria)</i>	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government <i>(number of counts)</i>	0	0%
Emissions	Chronic excessive emissions events <i>(number of events)</i>	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 <i>(number of audits for which notices were submitted)</i>	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 <i>(number of audits for which violations were disclosed)</i>	0	0%
<i>Please Enter Yes or No</i>			
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) 40%

>> **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

Penalty enhancement for two agreed orders with denials of liability issued to the Respondent within the past five years and an upward adjustment for Poor Performer classification.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 50%

Screening Date	9-Sep-2008	Docket No.	2008-1459-AIR-E	PCW
Respondent	LEADING EDGE AVIATION SERVICES AMARILLO, INC.			<i>Policy Revision 2 (September 2002)</i>
Case ID No.	36509			<i>PCW Revision June 12, 2008</i>
Reg. Ent. Reference No.	RN100611201			
Media [Statute]	Air			
Enf. Coordinator	Thomas Jecha			
Violation Number	1			
Rule Cite(s)	30 Tex. Admin. Code § 116.115(c), New Source Review Permit ("NSRP") No. 28896, Special Condition No. 8, and Tex. Health & Safety Code § 382.085(b)			
Violation Description	Failed to store all waste paint, solvents, and cleanup rags in closed containers until removed from the site by a licensed disposal service unless reused or recycled. Specifically, the waste paint storage/collection container in Hangar 609 was not closed.			
Base Penalty	\$10,000			

>> Environmental, Property and Human Health Matrix

OR	Harm				Percent
	Release	Major	Moderate	Minor	
	Actual			x	
	Potential				10%

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor	Percent
					0%

Matrix Notes
Human health or the environment has been exposed to insignificant amounts of pollutants as a result of the violation.

Adjustment \$9,000

\$1,000

Violation Events

Number of Violation Events	1	55	Number of violation days
mark only one with an x	daily		Violation Base Penalty
	monthly		
	quarterly	x	
	semiannual		
	annual		
	single event		
One quarterly event is recommended from the March 27, 2008 investigation date until the May 21, 2008 compliance date.			

Good Faith Efforts to Comply 25.0% Reduction \$250

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary	x	
N/A		(mark with x)
Notes	Compliance was verified on May 21, 2008.	
Violation Subtotal	\$750	

Economic Benefit (EB) for this violation **Statutory Limit Test**

Estimated EB Amount	\$1	Violation Final Penalty Total	\$1,250
This violation Final Assessed Penalty (adjusted for limits)		\$1,250	

Economic Benefit Worksheet

Respondent LEADING EDGE AVIATION SERVICES AMARILLO, INC.
Case ID No. 36509
Reg. Ent. Reference No. RN100611201
Media Air
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

Delayed Costs

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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	27-Mar-2008	21-May-2008	0.15	\$1	n/a	\$1

Notes for DELAYED costs

Estimated cost to ensure waste paint storage containers remain closed. The date required is the investigation date and the final date is the date of the follow-up investigation that verified the container was closed.

Avoided Costs

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

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Disposal				0.00	\$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

\$1

Screening Date 9-Sep-2008 **Docket No.** 2008-1459-AIR-E **PCW**
Respondent LEADING EDGE AVIATION SERVICES AMARILLO, INC. *Policy Revision 2 (September 2002)*
Case ID No. 36509 *PCW Revision June 12, 2008*
Reg. Ent. Reference No. RN100611201
Media [Statute] Air
Enf. Coordinator Thomas Jecha
Violation Number 2
Rule Cite(s) 30 Tex. Admin. Code § 116.115(c), NSRP No. 28896, Special Condition No. 6E, and Tex. Health & Safety Code § 382.085(b)
Violation Description Failed to ensure that the height of exhaust stacks comply with the permit. Specifically, stacks H-5A and B at Hangar 5 are only 70.5 feet high instead of 79 feet as required by the permit.
Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

		Harm			
		Major	Moderate	Minor	
Release	Actual				Percent <input type="text" value="5%"/>
	Potential			x	

>> Programmatic Matrix

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

Matrix Notes Human health or the environment could be exposed to insignificant amounts of pollutants as a result of the violation.

Adjustment \$9,500

\$500

Violation Events

Number of Violation Events 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"/>
single event	<input checked="" type="text"/>

Violation Base Penalty \$1,000

Two single events are recommended (one event for each stack).

Good Faith Efforts to Comply Reduction

	Before NOV	NOV to EDRP/Settlement Offer
Extraordinary	<input type="text"/>	<input type="text"/>
Ordinary	<input type="text"/>	<input type="text"/>
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 **Statutory Limit Test**

Estimated EB Amount Violation Final Penalty Total

This violation Final Assessed Penalty (adjusted for limits)

Economic Benefit Worksheet

Respondent LEADING EDGE AVIATION SERVICES AMARILLO, INC.

Case ID No. 36509

Reg. Ent. Reference No. RN100611201

Media Air

Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction	\$10,000	27-Mar-2008	29-May-2009	1.17	\$39	\$782	\$821
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	\$1,000	27-Mar-2008	29-May-2009	1.17	\$59	n/a	\$59
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to amend the permit or extend the two exhaust stacks. The date required is the investigation date and 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

\$11,000

TOTAL

\$879

Screening Date 9-Sep-2008	Docket No. 2008-1459-AIR-E	PCW
Respondent LEADING EDGE AVIATION SERVICES AMARILLO, INC.		<i>Policy Revision 2 (September 2002)</i>
Case ID No. 36509		<i>PCW Revision June 12, 2008</i>
Reg. Ent. Reference No. RN100611201		
Media [Statute] Air		
Enf. Coordinator Thomas Jecha		
Violation Number	<input type="text" value="3"/>	
Rule Cite(s)	30 Tex. Admin. Code § 116.115(c), NSRP No. 28896, Special Condition No. 6E, and Tex. Health & Safety Code § 382.085(b)	
Violation Description	Failed to ensure the exhaust stacks have no exhaust restrictions or obstructions. Specifically, rain caps on stacks H-606A and B at Hangar 606 do not open automatically when the fans are turned on.	
Base Penalty		<input type="text" value="\$10,000"/>

>> Environmental, Property and Human Health Matrix

OR	Harm				
		Major	Moderate	Minor	
	Actual	<input type="text"/>	<input type="text"/>	<input type="text"/>	
Potential	<input type="text"/>	<input type="text"/>	x	Percent	<input type="text" value="5%"/>

>> Programmatic Matrix

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

Matrix Notes

Human health or the environment could be exposed to insignificant amounts of pollutants as a result of the violation.

Adjustment

Violation Events

Number of Violation Events <input type="text" value="2"/>		Number of violation days <input type="text" value="55"/>
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<i>mark only one with an x</i>	<table border="1" style="width:100%; border-collapse: collapse;"> <tr><td style="text-align: center;">daily</td><td><input type="text"/></td></tr> <tr><td style="text-align: center;">monthly</td><td><input type="text"/></td></tr> <tr><td style="text-align: center;">quarterly</td><td><input type="text"/></td></tr> <tr><td style="text-align: center;">semiannual</td><td><input type="text"/></td></tr> <tr><td style="text-align: center;">annual</td><td><input type="text"/></td></tr> <tr><td style="text-align: center;">single event</td><td style="text-align: center;">x</td></tr> </table>	daily	<input type="text"/>	monthly	<input type="text"/>	quarterly	<input type="text"/>	semiannual	<input type="text"/>	annual	<input type="text"/>	single event	x	Violation Base Penalty <input type="text" value="\$1,000"/>
daily	<input type="text"/>													
monthly	<input type="text"/>													
quarterly	<input type="text"/>													
semiannual	<input type="text"/>													
annual	<input type="text"/>													
single event	x													

Two single events are recommended (one event for each stack).

Good Faith Efforts to Comply

	25.0% Reduction	
	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary	<input type="text"/>	<input type="text"/>
Ordinary	x	<input type="text"/>
N/A	<input type="text"/>	(mark with x)

Notes

Compliance was verified on May 21, 2008.

Violation Subtotal

Economic Benefit (EB) for this violation	Statutory Limit Test
Estimated EB Amount <input type="text" value="\$2"/>	Violation Final Penalty Total <input type="text" value="\$1,250"/>
This violation Final Assessed Penalty (adjusted for limits) <input type="text" value="\$1,250"/>	

Economic Benefit Worksheet

Respondent LEADING EDGE AVIATION SERVICES AMARILLO, INC.

Case ID No. 36509

Reg. Ent. Reference No. RN100611201

Media Air

Violation No. 3

Percent Interest	Years of Depreciation
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				0.00	\$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)	\$300	27-Mar-2008	21-May-2008	0.15	\$2	n/a	\$2

Notes for DELAYED costs

Estimated cost to remove the restrictive rain caps from stacks H-606A and B. The date required is the investigation date and the final date is the date removal of the rain caps was verified.

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

\$300

TOTAL

\$2

Screening Date 9-Sep-2008 **Docket No.** 2008-1459-AIR-E **PCW**
Respondent LEADING EDGE AVIATION SERVICES AMARILLO, INC. *Policy Revision 2 (September 2002)*
Case ID No. 36509 *PCW Revision June 12, 2008*
Reg. Ent. Reference No. RN100611201
Media [Statute] Air
Enf. Coordinator Thomas Jecha

Violation Number 4
Rule Cite(s) 30 Tex. Admin. Code §§ 116.115(b)(2)(E)(ii) and 116.115(c), NSRP No. 28896, General Condition No. 7 and Special Condition Nos. 7B1 and B2, 7C, and 7D, and Tex. Health & Safety Code § 382.085(b)
Violation Description Failed to maintain records at the Plant. Specifically, hourly volatile organic compound ("VOC") emission rates ("ERs"), ERs in tons per year based on a rolling 12-month period for each emission point number for VOCs and hazardous air pollutants ("HAP"), examples of methods of data reduction, and a record of procedures for following the manufacturer's recommended filter replacement, were not on file at the Plant.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

Release	Harm			Percent
	Major	Moderate	Minor	
Actual				0%
Potential				

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
		X		5%

Matrix Notes 50% of the rule requirement was not met.

Adjustment \$9,500

\$500

Violation Events

Number of Violation Events 1 166 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 **Statutory Limit Test**

Estimated EB Amount \$22 Violation Final Penalty Total \$750

This violation Final Assessed Penalty (adjusted for limits) \$750

Economic Benefit Worksheet

Respondent LEADING EDGE AVIATION SERVICES AMARILLO, INC.
Case ID No. 36509
Reg. Ent. Reference No. RN100611201
Media Air
Violation No. 4

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

Delayed Costs

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	\$400	27-Mar-2008	29-Apr-2009	1.09	\$22	n/a	\$22
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 keep the reports at the Plant. The date required is the investigation date and 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

\$400

TOTAL

\$22

Screening Date 9-Sep-2008	Docket No. 2008-1459-AIR-E	PCW
Respondent LEADING EDGE AVIATION SERVICES AMARILLO, INC.		<i>Policy Revision 2 (September 2002)</i>
Case ID No. 36509		<i>PCW Revision June 12, 2008</i>
Reg. Ent. Reference No. RN100611201		
Media [Statute] Air		
Enf. Coordinator Thomas Jecha		
Violation Number	5	
Rule Cite(s)	30 Tex. Admin. Code § 116.115(c); NSRP No. 28896, Special Condition No. 6B; 40 Code of Federal Regulations § 63.745(g)(2)(i)(A); and Tex. Health & Safety Code § 382.085(b)	
Violation Description	Failed to equip each hangar with dry filters that meet the particulate matter removal efficiency requirements of 40 CFR § 63.745(g)(2)(i)(A). Specifically, particulate filters used in Hangars 5, 606, 608, and 609 did not comply with the filter efficiency requirements because they were not certified according to EPA Method 319.	
Base Penalty		\$10,000

>> Environmental, Property and Human Health Matrix

OR	Harm				
	Release	Major	Moderate		Minor
	Actual	<input type="text"/>	<input type="text"/>		<input type="text"/>
	Potential	<input type="text"/>	<input type="text"/>		x
				Percent <input type="text" value="5%"/>	

>> Programmatic Matrix

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

Matrix Notes
Human health or the environment could be exposed to insignificant amounts of pollutants as a result of the violation.

Adjustment

Violation Events

Number of Violation Events 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"/>
single event	x

Violation Base Penalty

Four single events are recommended (one event for each hangar).

Good Faith Efforts to Comply Reduction

	Before NOV	NOV to EDRP/Settlement Offer
Extraordinary	<input type="text"/>	<input type="text"/>
Ordinary	x	<input type="text"/>
N/A	<input type="text"/>	(mark with x)

Notes Compliant filters were verified to be in place on May 21, 2008.

Violation Subtotal

Economic Benefit (EB) for this violation **Statutory Limit Test**

Estimated EB Amount Violation Final Penalty Total

This violation Final Assessed Penalty (adjusted for limits)

Economic Benefit Worksheet

Respondent LEADING EDGE AVIATION SERVICES AMARILLO, INC.
Case ID No. 36509
Reg. Ent. Reference No. RN100611201
Media Air
Violation No. 5

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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No commas or \$

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)	\$2,000	27-Mar-2008	21-May-2008	0.15	\$15	n/a	\$15

Notes for DELAYED costs

Estimated cost to replace filters with compliant filter material. The date required is the investigation date and the final date is the date compliance was verified.

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

\$2,000

TOTAL

\$15

Screening Date 9-Sep-2008	Docket No. 2008-1459-AIR-E	PCW
Respondent LEADING EDGE AVIATION SERVICES AMARILLO, INC.		<i>Policy Revision 2 (September 2002)</i>
Case ID No. 36509		<i>PCW Revision June 12, 2008</i>
Reg. Ent. Reference No. RN100611201		
Media [Statute] Air		
Enf. Coordinator Thomas Jecha		
Violation Number	6	
Rule Cite(s)	40 Code of Federal Regulations §§ 63.9(b)(2) and 63.753(a)(1) and Tex. Health & Safety Code § 382.085(b)	
Violation Description	Failed to submit initial notification for existing sources not later than September 1, 1997.	
Base Penalty		\$10,000

>> Environmental, Property and Human Health Matrix

OR	Harm				
	Release	Major	Moderate		Minor
	Actual	<input type="text"/>	<input type="text"/>		<input type="text"/>
	Potential	<input type="text"/>	<input type="text"/>		<input type="text"/>
				Percent <input type="text" value="0%"/>	

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor	
	<input type="text"/>	<input checked="" type="checkbox"/>	<input type="text"/>	<input type="text"/>	
					Percent <input type="text" value="10%"/>

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

Adjustment

Violation Events

	<input type="text" value="1"/>		<input type="text" value="166"/>	Number of violation days
<i>mark only one with an x</i>	daily	<input type="text"/>	monthly	<input type="text"/>
	quarterly	<input type="text"/>	semiannual	<input type="text"/>
	annual	<input type="text"/>	single event	<input checked="" type="checkbox"/>

Violation Base Penalty

One single event is recommended.

Good Faith Efforts to Comply Reduction

		Before NOV	NOV to EDRP/Settlement Offer
Extraordinary	<input type="text"/>	<input type="text"/>	<input type="text"/>
Ordinary	<input type="text"/>	<input type="text"/>	<input type="text"/>
N/A	<input checked="" type="checkbox"/>	(mark with x)	

Notes The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal

Economic Benefit (EB) for this violation **Statutory Limit Test**

Estimated EB Amount Violation Final Penalty Total

This violation Final Assessed Penalty (adjusted for limits)

Economic Benefit Worksheet

Respondent LEADING EDGE AVIATION SERVICES AMARILLO, INC.
Case ID No. 36509
Reg. Ent. Reference No. RN100611201
Media Air
Violation No. 6

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Overtime Costs	EB Amount
No commas or \$							

Delayed Costs

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Overtime Costs	EB Amount
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	1-Sep-1997	29-Apr-2009	11.67	\$58	n/a	\$58

Notes for DELAYED costs

Estimated cost to submit notification. The date required is the date initial notification was due and the final date is the expected date of compliance.

Avoided Costs

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

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Overtime Costs	EB Amount
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

\$58

Screening Date 9-Sep-2008	Docket No. 2008-1459-AIR-E	PCW		
Respondent LEADING EDGE AVIATION SERVICES AMARILLO, INC.		<small>Policy Revision 2 (September 2002)</small>		
Case ID No. 36509		<small>PCW Revision June 12, 2008</small>		
Reg. Ent. Reference No. RN100611201				
Media [Statute] Air				
Enf. Coordinator Thomas Jecha				
Violation Number 7				
Rule Cite(s) 40 Code of Federal Regulations § 63.753(c)(1) and (c)(2) and Tex. Health & Safety Code § 382.085(b)				
Violation Description Failed to submit semiannual reports stating compliance or listing noncompliances with applicable standards for control devices and an annual report listing the number of times the pressure drop for each dry filter was outside the limit(s) specified by the filter manufacturer. Specifically, the annual report due on September 1, 2007 and semiannual reports due on September 1, 2007 and March 1, 2008, were not submitted to the TCEQ.				
Base Penalty		\$10,000		
>> Environmental, Property and Human Health Matrix				
OR	Harm			
	Release	Major	Moderate	Minor
	Actual	<input type="text"/>	<input type="text"/>	<input type="text"/>
	Potential	<input type="text"/>	<input type="text"/>	<input type="text"/>
Percent				0%
>> Programmatic Matrix				
	Falsification	Major	Moderate	Minor
	<input type="text"/>	<input checked="" type="checkbox"/>	<input type="text"/>	<input type="text"/>
Percent				10%
Matrix Notes	100% of the rule requirement was not met.			
Adjustment		\$9,000		
		\$1,000		
Violation Events				
		3	367	Number of violation days
<small>mark only one with an x</small>	daily	<input type="text"/>		
	monthly	<input type="text"/>		
	quarterly	<input type="text"/>		
	semiannual	<input type="text"/>		
	annual	<input type="text"/>		
	single event	<input checked="" type="checkbox"/>		
Violation Base Penalty		\$3,000		
Three single events are recommended (one for each report that was not submitted).				
Good Faith Efforts to Comply		0.0%	Reduction	
		\$0		
		Before NOV	NOV to EDRP/Settlement Offer	
Extraordinary	<input type="text"/>	<input type="text"/>		
Ordinary	<input type="text"/>	<input type="text"/>		
N/A	<input checked="" type="checkbox"/>	(mark with x)		
Notes	The Respondent does not meet the good faith criteria for this violation.			
Violation Subtotal		\$3,000		
Economic Benefit (EB) for this violation		Statutory Limit Test		
Estimated EB Amount	\$50	Violation Final Penalty Total	\$4,500	
		This violation Final Assessed Penalty (adjusted for limits) \$4,500		

Economic Benefit Worksheet

Respondent: LEADING EDGE AVIATION SERVICES AMARILLO, INC.
Case ID No.: 36509
Reg. Ent. Reference No.: RN100611201
Media: Air
Violation No.: 7

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

Delayed Costs

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Equipment				0.00	\$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)	\$600	1-Sep-2007	29-Apr-2009	1.66	\$50	n/a	\$50

Notes for DELAYED costs

Estimated cost to submit the missing reports and develop a procedure to ensure reports are submitted timely. The date required is the report due date and the final date is the expected date of compliance.

Avoided Costs

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

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Disposal				0.00	\$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

\$600

TOTAL

\$50

Screening Date 9-Sep-2008	Docket No. 2008-1459-AIR-E	PCW
Respondent LEADING EDGE AVIATION SERVICES AMARILLO, INC.		<i>Policy Revision 2 (September 2002)</i>
Case ID No. 36509		<i>PCW Revision June 12, 2008</i>
Reg. Ent. Reference No. RN100611201		
Media [Statute] Air		
Enf. Coordinator Thomas Jecha		
Violation Number	8	
Rule Cite(s)	40 Code of Federal Regulations § 63.745(g)(2)(iv) and Tex. Health & Safety Code § 382.085(b)	
Violation Description	Failed to install differential pressure gauges across filter banks to continuously monitor the pressure drop across the filters. Specifically, filter systems in Hangars 5, 606, 608, and 609 are not equipped with differential pressure gauges.	
Base Penalty		\$10,000

>> Environmental, Property and Human Health Matrix				
OR	Harm			
	Release	Major	Moderate	Minor
	Actual	<input type="text"/>	<input type="text"/>	<input type="text"/>
	Potential	<input type="text"/>	<input type="text"/>	<input checked="" type="checkbox"/>
				Percent <input type="text" value="5%"/>
>> Programmatic Matrix				
	Falsification	Major	Moderate	Minor
	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
				Percent <input type="text" value="0%"/>
Matrix Notes	Human health or the environment could be exposed to insignificant amounts of pollutants as a result of the violation.			
Adjustment				\$9,500
				<input type="text" value="\$500"/>

Violation Events				
	Number of Violation Events	<input type="text" value="4"/>		Number of violation days
		<input type="text" value="166"/>		
<i>mark only one with an x</i>	daily	<input type="text"/>		
	monthly	<input type="text"/>		
	quarterly	<input type="text"/>		
	semiannual	<input type="text"/>		
	annual	<input type="text"/>		
	single event	<input checked="" type="checkbox"/>		
				Violation Base Penalty <input type="text" value="\$2,000"/>
Four single events are recommended (one for each hangar).				

Good Faith Efforts to Comply			0.0% Reduction	\$0
	Before NOV	NOV to EDPRP/Settlement Offer		
Extraordinary	<input type="text"/>	<input type="text"/>		
Ordinary	<input type="text"/>	<input type="text"/>		
N/A	<input checked="" type="checkbox"/>	(mark with x)		
Notes	The Respondent does not meet the good faith criteria for this violation.			
Violation Subtotal				<input type="text" value="\$2,000"/>

Economic Benefit (EB) for this violation		Statutory Limit Test	
Estimated EB Amount	<input type="text" value="\$176"/>	Violation Final Penalty Total	<input type="text" value="\$3,000"/>
		This violation Final Assessed Penalty (adjusted for limits)	<input type="text" value="\$3,000"/>

Economic Benefit Worksheet

Respondent: LEADING EDGE AVIATION SERVICES AMARILLO, INC.
Case ID No.: 36509
Reg. Ent. Reference No.: RN100611201
Media: Air
Violation No.: 8

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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No commas or \$

Delayed Costs

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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	27-Mar-2008	29-May-2009	1.17	\$176	n/a	\$176

Notes for DELAYED costs

Estimated cost to install differential pressure gauges on the filter banks. The date required is the investigation date and the final date is the estimated date of compliance.

Avoided Costs

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

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Disposal				0.00	\$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

\$176

Screening Date 9-Sep-2008 **Docket No.** 2008-1459-AIR-E **PCW**
Respondent LEADING EDGE AVIATION SERVICES AMARILLO, INC. *Policy Revision 2 (September 2002)*
Case ID No. 36509 *PCW Revision June 12, 2008*
Reg. Ent. Reference No. RN100611201
Media [Statute] Air
Enf. Coordinator Thomas Jecha

Violation Number 9
Rule Cite(s) 30 Tex. Admin. Code § 116.115(c), NSRP No. 28896, General Condition No. 7 and Special Condition Nos. 7A1 and 7B1, and Tex. Health & Safety Code § 382.085(b)
Violation Description Failed to maintain information and data sufficient to demonstrate compliance with the permit. Specifically, the Material Safety Data Sheets ("MSDS") do not show the maximum HAP composition for methyl alcohol, ethyl benzene, toluene, and hydrogen fluoride in "CA 100/B707X Anti-Chafe Gloss Gray (B&S)"; methyl alcohol in "CA 7755 BE Urethane Compt FR HS Slow Activator"; and methyl isobutyl, ketone, and toluene in "CA 8800/B707 esothane HS Buffable Gloss Gray". Also, hourly VOC emissions for EPNs listed on the Maximum Allowable Emission Rate Table were underestimated for products PG-6-C93601, PG-6-BK701, and EP-2-Y1 because the HAP emissions used to estimate VOC emissions were not calculated correctly.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual				0%
	Potential				

>> Programmatic Matrix

Matrix Notes	Falsification	Harm			Percent
		Major	Moderate	Minor	
		X			10%
100% of the rule requirement was not met.					

Adjustment \$9,000

\$1,000

Violation Events

Number of Violation Events 1 Number of violation days 166

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 **Statutory Limit Test**

Estimated EB Amount \$11 Violation Final Penalty Total \$1,500

This violation Final Assessed Penalty (adjusted for limits) \$1,500

Economic Benefit Worksheet

Respondent LEADING EDGE AVIATION SERVICES AMARILLO, INC.

Case ID No. 36509

Reg. Ent. Reference No. RN100611201

Media Air

Violation No. 9

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

Delayed Costs

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)	\$200	27-Mar-2008	29-Apr-2009	1.09	\$11	n/a	\$11

Notes for DELAYED costs

Estimated cost to show the estimated HAPs in the MSDS for three materials and the correct hourly VOC emissions for three products. The date required is the investigation date and the final date is the expected 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

\$200

TOTAL

\$11

Screening Date 9-Sep-2008 **Docket No.** 2008-1459-AIR-E **PCW**
Respondent LEADING EDGE AVIATION SERVICES AMARILLO, INC. *Policy Revision 2 (September 2002)*
Case ID No. 36509 *PCW Revision June 12, 2008*
Reg. Ent. Reference No. RN100611201
Media [Statute] Air
Enf. Coordinator Thomas Jecha

Violation Number 10
Rule Cite(s) 30 Tex. Admin. Code § 116.116(b)(1) and Tex. Health & Safety Code § 382.085(b)
Violation Description
 Failed to not vary from any representation when a change will cause a change in the method of control of emissions. Specifically, the Respondent represented that the exhaust stacks on Hangars 606 through 609 would be tapered and have exhaust exit velocities of 715 feet/second. However, stacks H-606A and B and H-608A and B for Hangars 606 and 608 are not tapered and their exit velocities are less than 715 feet/second. A decrease in exit velocity qualifies as a change in the method of control of emissions because it results in an increase in ground level concentrations at any given distance downwind of the emission point.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm			Percent
	Major	Moderate	Minor	
Actual			X	10%
Potential				

>> Programmatic Matrix

Falsification	Harm			Percent
	Major	Moderate	Minor	
				0%

Matrix Notes
Human health or the environment has been exposed to insignificant amounts of pollutants as a result of the violation.

Adjustment \$9,000

\$1,000

Violation Events

Number of Violation Events 4 166 Number of violation days

mark only one with an x

daily	
monthly	
quarterly	
semiannual	X
annual	
single event	

Violation Base Penalty \$4,000

Four semiannual events are recommended from the March 27, 2008 investigation until screening on September 9, 2008 (one event for each stack).

Good Faith Efforts to Comply

0.0% Reduction \$0

	Reduction	
	Before NOV	NOV to EDRP/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

Statutory Limit Test

Estimated EB Amount \$176 Violation Final Penalty Total \$6,000

This violation Final Assessed Penalty (adjusted for limits) \$6,000

Economic Benefit Worksheet

Respondent: LEADING EDGE AVIATION SERVICES AMARILLO, INC.
Case ID No.: 36509
Reg. Ent. Reference No.: RN100611201
Media: Air
Violation No.: 10

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

Delayed Costs

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction	\$2,000	27-Mar-2008	29-May-2009	1.17	\$8	\$156	\$164
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)	\$200	27-Mar-2008	29-May-2009	1.17	\$12	n/a	\$12

Notes for DELAYED costs

Estimated cost to revise representations made in the letter dated February 22, 1999 or install tapered tips on four exhaust stacks. The date required is the investigation date and the final date is the estimated date of compliance.

Avoided Costs

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

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Disposal				0.00	\$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

\$2,200

TOTAL

\$176

Screening Date 9-Sep-2008	Docket No. 2008-1459-AIR-E	PCW	
Respondent LEADING EDGE AVIATION SERVICES AMARILLO, INC.	<small>Policy Revision 2 (September 2002)</small>		
Case ID No. 36509	<small>PCW Revision June 12, 2008</small>		
Reg. Ent. Reference No. RN100611201			
Media [Statute] Air			
Enf. Coordinator Thomas Jecha			
Violation Number <input type="text" value="11"/>			
Rule Cite(s)	30 Tex. Admin. Code § 116.115(b), NSRP No. 28896, General Condition No. 1, and Tex. Health & Safety Code § 382.085(b)		
Violation Description	Failed to not vary from representations contained in a permit application. Specifically, the September 2005 permit renewal application represented potential to emit ("PTE") percentages for HAP compounds in raw materials and wastewater treatment using an "evaporator". However, wastewater is currently treated by an "electro-coagulation" system and the actual HAP PTE percentages are higher than the permit application representations for several materials by the following percentages: Axon "Epoxy Hardener" (xylene 60% and toluene 25%); Axon "Fast Dry Solvent Catalyst" (methyl isobutyl ketone ("MIK") 10%); Axon "High Solids Gold PU Topcoat" (xylene 25% and toluene 10%); Axon "FC PU TC BAC 701", "HS GRAY PU TOPCOAT - BAC 707", and Axon "HS Epoxy Yellow Primer" (xylene 10%); "CA 8800CTI Desothane HS Medium Flow Control Thinner Component" and "CA 8100C Anti-Chafe Thinner" (MIK 60%); "CA 8100/B707X Anti-Chafe Gloss Gray (B&S)" (xylene and MIK 5%); "CA 7755BE Urethane Compt FR HS Slow Activator" (xylene 30%); and "CA8800/B707 Desothane HS Buffable Gloss Gray" (xylene 5%).		
	Base Penalty	<input type="text" value="\$10,000"/>	
>> Environmental, Property and Human Health Matrix			
OR	Release	Harm	
		Major Moderate Minor	
	Actual	<input type="text"/>	<input checked="" type="checkbox"/>
	Potential	<input type="text"/>	<input type="text"/>
		Percent	<input type="text" value="10%"/>
>> Programmatic Matrix			
	Falsification	Major	Moderate
	<input type="text"/>	<input type="text"/>	<input type="text"/>
		Percent	<input type="text" value="0%"/>
Matrix Notes	Human health or the environment has been exposed to insignificant amounts of pollutants as a result of the violation.		
	Adjustment	<input type="text" value="\$9,000"/>	
			<input type="text" value="\$1,000"/>
Violation Events			
	Number of Violation Events	<input type="text" value="2"/>	Number of violation days
		<input type="text" value="166"/>	
	<small>mark only one with an x</small>	daily	<input type="text"/>
		monthly	<input type="text"/>
		quarterly	<input checked="" type="checkbox"/>
		semiannual	<input type="text"/>
		annual	<input type="text"/>
		single event	<input type="text"/>
		Violation Base Penalty	<input type="text" value="\$2,000"/>
	Two quarterly events are recommended from the March 27, 2008 investigation date until screening on September 9, 2008.		
Good Faith Efforts to Comply			
		0.0% Reduction	<input type="text" value="\$0"/>
		<small>Before NOV NOV to EDRP/Settlement Offer</small>	
	Extraordinary	<input type="text"/>	
	Ordinary	<input type="text"/>	
	N/A	<input checked="" type="checkbox"/> (mark with x)	
	Notes	The Respondent does not meet the good faith criteria for this violation.	
		Violation Subtotal	<input type="text" value="\$2,000"/>
Economic Benefit (EB) for this violation			
	Estimated EB Amount	<input type="text" value="\$11"/>	Violation Final Penalty Total
			<input type="text" value="\$3,000"/>
		This violation Final Assessed Penalty (adjusted for limits)	
		<input type="text" value="\$3,000"/>	

Economic Benefit Worksheet

Respondent: LEADING EDGE AVIATION SERVICES AMARILLO, INC.
Case ID No.: 36509
Reg. Ent. Reference No.: RN100611201
Media: Air
Violation No.: 11
Violation Number:

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

Delayed Costs

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Equipment				0.00	\$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)	\$200	27-Mar-2008	29-Apr-2009	1.09	\$11	n/a	\$11

Notes for DELAYED costs

Estimated cost to revise representations made in the September 2005 permit renewal application. The date required is the investigation date and the final date is the estimated date of compliance.

Avoided Costs

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

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Disposal				0.00	\$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

\$200

TOTAL

\$11

Citation: 30 TAC Chapter 335, SubChapter A 335.6(c)
Description: Failed to provide notice to the TCEQ of changes or additional information within 90 days of the occurrence.

Classification: Moderate

Citation: 30 TAC Chapter 335, SubChapter H 335.262(c)(2)(B)

40 CFR Chapter 265, SubChapter I, PT 265, SubPT I 265.171

Rqmt Prov: 2004-0444-IHW-E; OP 2a.i. ORDER

Description: Failed to ensure that containers are structurally sound and compatible with the waste.

Classification: Moderate

Citation: 30 TAC Chapter 335, SubChapter H 335.261(b)(20)

40 CFR Chapter 265, SubChapter I, PT 265, SubPT I 265.174

Description: Failed to inspect storage area and containers on a weekly basis.

Classification: Moderate

Citation: 30 TAC Chapter 335, SubChapter H 335.262(c)(2)(A)

40 CFR Chapter 265, SubChapter I, PT 265, SubPT I 265.173(a)

40 CFR Chapter 265, SubChapter I, PT 265, SubPT I 265.173(b)

Rqmt Prov: 2004-0444-IHW-E; OP 2.a.ii. ORDER

Description: Failed to keep waste containers closed, except when adding or removing waste.

Classification: Moderate

Citation: 30 TAC Chapter 335, SubChapter H 335.262(c)(1)

40 CFR Chapter 273, SubChapter I, PT 273, SubPT C 273.35(a)

Rqmt Prov: 2004-0444-IHW-E; OP 2.a.iv. ORDER

Description: Failed to ship universal waste for disposal within one year of the date of accumulation.

Classification: Minor

Citation: 30 TAC Chapter 335, SubChapter H 335.262(c)(2)(F)

40 CFR Chapter 273, SubChapter I, PT 273, SubPT C 273.34

Rqmt Prov: 2004-0444-IHW-E; OP 2.a.iii. ORDER

Description: Failed to label waste containers with the words to identify contents

Classification: Moderate

Citation: 30 TAC Chapter 335, SubChapter H 335.262(c)(1)

40 CFR Chapter 273, SubChapter I, PT 273, SubPT C 273.39(c)(2)

Description: Failure to maintain records of waste management activities.

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 08/16/2008 (685104)

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

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
LEADING EDGE AVIATION
SERVICES AMARILLO, INC.
RN100611201

§
§
§
§
§
§

BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY

AGREED ORDER
DOCKET NO. 2008-1459-AIR-E

I. JURISDICTION AND STIPULATIONS

At its _____ agenda, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding ~~LEADING EDGE AVIATION SERVICES AMARILLO, INC.~~ ("the Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent appear before the Commission and together stipulate that:

1. The Respondent owns and operates an aircraft painting plant at 10801 Baker Street in Amarillo, Potter County, Texas (the "Plant").
2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
3. The Commission and the Respondent agree that the Commission has jurisdiction to enter this Agreed Order, and that the Respondent is subject to the Commission's jurisdiction.
4. The Respondent received notice of the violations alleged in Section II ("Allegations") on or about August 23, 2008.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.



6. An administrative penalty in the amount of Twenty-Six Thousand Seven Hundred Fifty Dollars (\$26,750) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Twenty-One Thousand Four Hundred Dollars (\$21,400) of the administrative penalty and Five Thousand Three Hundred Fifty Dollars (\$5,350) is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If the Respondent fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require the Respondent to pay all or part of the deferred penalty.
7. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
8. The Executive Director of the TCEQ and the Respondent have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.
9. The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Plant:
 - a. Submitted records of hourly volatile organic compound emission rates and examples of methods of data reduction on April 7, 2008;
 - b. Removed restrictive rain caps from stacks H-606A and B by May 21, 2008;
 - c. Closed all waste paint, solvent, and clean-up rag containers by May 21, 2008; and
 - d. Equipped the hangars with proper filters by May 21, 2008.

10. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
11. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
12. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

II. ALLEGATIONS

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

1. Failed to store all waste paint, solvents, and clean-up rags in closed containers until removed from the site by a licensed disposal service unless reused or recycled, in violation of 30 TEX. ADMIN. CODE § 116.115(c), New Source Review Permit ("NSRP") No. 28896, Special Condition No. 8, and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation

- conducted from March 27 through May 21, 2008. Specifically, a waste paint storage container in Hangar 609 was not closed.
2. Failed to ensure that the height of exhaust stacks comply with the permit, in violation of 30 TEX. ADMIN. CODE § 116.115(c), NSRP No. 28896, Special Condition No. 6E, and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from March 27 through May 21, 2008. Specifically, stacks H-5A and B at Hangar 5 are only 70.5 feet high instead of 79 feet specified by the permit.
 3. Failed to ensure the exhaust stacks have no exhaust restrictions or obstructions, in violation of 30 TEX. ADMIN. CODE § 116.115(c), NSRP No. 28896, Special Condition No. 6E, and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from March 27 through May 21, 2008. Specifically, rain caps on stacks H-606A and B at Hangar 606 do not open automatically when the fans are turned on.
 4. Failed to maintain records at the Plant, in violation of 30 TEX. ADMIN. CODE §§ 116.115(b)(2)(E)(ii) and 116.115(c), NSRP No. 28896, General Condition No. 7 and Special Condition Nos. 7B1 and B2, 7C, and 7D, and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from March 27 through May 21, 2008. Specifically, hourly volatile organic compound ("VOC") emission rates ("ERs"), ERs in tons per year based on a rolling 12-month period for each emission point number for VOCs and hazardous air pollutants ("HAP"), examples of methods of data reduction, and a record of procedures for following the manufacturer's recommended filter replacement, were not on file at the Plant.
 5. Failed to equip each hangar with dry filters that meet the particulate matter removal efficiency requirements of 40 CODE OF FEDERAL REGULATIONS § 63.745(g)(2)(i)(A), in violation of 30 TEX. ADMIN. CODE § 116.115(c), NSRP No. 28896, Special Condition No. 6B, 40 CODE OF FEDERAL REGULATIONS § 63.745(g)(2)(i)(A), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from March 27 through May 21, 2008. Specifically, particulate filters used in Hangars 5, 606, 608, and 609 did not comply with the filter efficiency requirements because they were not certified according to EPA Method 319.
 6. Failed to submit initial notification for existing sources not later than September 1, 1997, in violation of 40 CODE OF FEDERAL REGULATIONS §§ 63.9(b)(2) and 63.753(a)(1) and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from March 27 through May 21, 2008.
 7. Failed to submit semiannual reports stating compliance or listing noncompliances with applicable standards for control devices and annual reports listing the number of times the pressure drop for each dry filter was outside the limit(s) specified by the filter manufacturer, in violation of 40 CODE OF FEDERAL REGULATIONS § 63.753(c)(1) and (c)(2) and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from March 27 through May 21, 2008. Specifically, the annual report due on September 1, 2007 and semiannual reports due on September 1, 2007 and March 1, 2008, were not submitted to the TCEQ.
 8. Failed to install differential pressure gauges across filter banks to continuously monitor the pressure drop across the filters, in violation of 40 CODE OF FEDERAL REGULATIONS § 63.745(g)(2)(iv) and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an

investigation conducted from March 27 through May 21, 2008. Specifically, filter systems in Hangars 5, 606, 608, and 609 are not equipped with differential pressure gauges.

9. Failed to maintain information and data sufficient to demonstrate compliance with No. 7 and Special Condition Nos. 7A1 and 7B1, and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from March 27 through May 21, 2008. Specifically, the Material Safety Data Sheets do not show the maximum HAP composition for methyl alcohol, ethyl benzene, toluene, and hydrogen fluoride in "CA 100/B707X Anti-Chafe Gloss Gray (B&S)"; methyl alcohol in "CA 7755 BE Urethane Compt FR HS Slow Activator"; and methyl isobutyl, ketone, and toluene in "CA 8800/B707 Desothane HS Buffable Gloss Gray". Also, hourly VOC emissions for EPNs listed on the Maximum Allowable Emission Rate Table were underestimated for products PG-6-C93601, PG-6-BK701, and EP-2-Y1 because the HAP emissions used to estimate VOC emissions were not calculated correctly.
10. Failed to not vary from any representation when a change will cause a change in the method of control of emissions, in violation of 30 TEX. ADMIN. CODE § 116.116(b)(1) and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from March 27 through May 21, 2008. Specifically, the Respondent represented that the exhaust stacks on Hangars 606 through 609 would be tapered and have exhaust exit velocities of 715 feet/second. However, stacks H-606A and B and H-608A and B for Hangars 606 and 608 are not tapered and their exit velocities are less than 715 feet/second. A decrease in exit velocity qualifies as a change in the method of control of emissions because it results in an increase in ground level concentrations at any given distance downwind of the emission point.
11. Failed to not vary from representations contained in a permit application, in violation of 30 TEX. ADMIN. CODE § 116.115(b), NSRP No. 28896, General Condition No. 1., and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from March 27 through May 21, 2008. Specifically, the September 2005 permit renewal application represented potential to emit ("PTE") percentages for HAP compounds in raw materials and wastewater treatment using an "evaporator". However, wastewater is currently treated by an "electro-coagulation" system and the actual HAP PTE percentages are higher than the permit application representations for several materials by the following percentages: Axon "Epoxy Hardener" (xylene 60% and toluene 25%); Axon "Fast Dry Solvent Catalyst" (methyl isobutyl ketone ("MIK") 10%); Axon "High Solids Gold PU Topcoat" (xylene 25% and toluene 10%); Axon "FC PU TC BAC 701", "HS GRAY PU TOPCOAT - BAC 707", and Axon "HS Epoxy Yellow Primer" (xylene 10%); "CA 8800CTI-Desothane HS Medium Flow Control Thinner Component" and "CA 8100C Anti-Chafe Thinner" (MIK 60%); "CA 8100/B707X Anti-Chafe Gloss Gray (B&S)" (xylene and MIK 5%); "CA 7755BE Urethane Compt FR HS Slow Activator" (xylene 30%); and "CA 8800/B707 Desothane HS Buffable Gloss Gray" (xylene 5%).

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: LEADING EDGE AVIATION SERVICES AMARILLO, INC., Docket No. 2008-1459-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. It is further ordered that the Respondent shall undertake the following technical requirements:
 - a. Immediately upon the effective date of this Agreed Order, begin submitting semiannual reports every six months and annual reports every 12 months from the date of notification, in accordance with 40 CODE OF FEDERAL REGULATIONS § 63.753(c)(1) and (c)(2).
 - b. Within 30 days after the effective date of this Agreed Order:
 - i. Begin maintaining emission rate records for VOCs and HAPs at the Plant for each emission point number, in tons per year based on a rolling 12-month period, and a record of procedures for following the manufacturer's recommended filter replacement; and
 - ii. Submit the initial compliance status notification for an existing source, in accordance with 40 CODE OF FEDERAL REGULATIONS §§ 63.9(b)(2) and 63.753(a)(1).
 - c. Within 45 days after the effective date of this Agreed Order, certify compliance with Ordering Provisions 2.a. and 2.b., as described in Ordering Provision 2.g.
 - d. Within 60 days after the effective date of this Agreed Order:
 - i. Install differential pressure gauges across the filter banks in all active hangars to continuously monitor the pressure drop across the filters;
 - ii. Update the Material Safety Data Sheets to show the correct maximum HAP composition in all materials including: "CA 100/B707X Anti-Chafe Gloss Gray (B&S)", "CA 7755 BE Urethane Compt FR HS Slow Activator", and "CA 8800/B707 esothane HS Buffable Gloss Gray"; and
 - iii. Correct hourly VOC emissions that were underestimated for EPNs listed on the Maximum Allowable Emission Rate Table, using the correct HAP emissions for products PG-6-C93601, PG-6-BK701, and EP-2-Y1.

- e. Within 75 days after the effective date of this Agreed Order, certify compliance with Ordering Provision 2.d. as described in Ordering Provision 2.g.
- f. Within 120 days after the effective date of this Agreed Order:
- i. Amend the permit or ensure that the height of exhaust stacks H-5A and B at Hangar 5 are in accordance with the stack height specified in the permit;
 - ii. Amend the representations made in the February 22, 1999 letter or ensure that stacks H-606A and B and H-608A and B for Hangars 606 and 608 comply with all representations contained in that letter; and
 - iii. Amend the PTE and wastewater treatment representations made in the September 2005 permit renewal application or ensure that the PTE percentages for HAP compounds in raw materials including: Axon "Epoxy Hardener", Axon "Fast Dry Solvent Catalyst", Axon "High Solids Gold PU Topcoat", Axon "FC PU TC BAC 701", "HS GRAY PU TOPCOAT - BAC 707", Axon "HS Epoxy Yellow Primer", "CA 8800CTI Desothane HS Medium Flow Control Thinner Component", "CA 8100C Anti-Chafe Thinner", "CA 8100/B707X Anti-Chafe Gloss Gray (B&S)", "CA 7755BE Urethane Compt FR HS Slow Activator", and "CA 8800/B707 esothane HS Buffable Gloss Gray" and the method of wastewater treatment, comply with the permit renewal application.
- g. Within 135 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 No. 2.f. 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:

Air Section, Manager
Amarillo Regional Office
Texas Commission on Environmental Quality
3918 Canyon Drive
Amarillo, Texas 79109-4933

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 Plant 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

Joel Sztein

For the Executive Director

3/12/2009

Date

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

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

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

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

[Signature]

Signature

12-23-08

Date

CRISTINA BUTLER

Name (Printed or typed)
Authorized Representative of
LEADING EDGE AVIATION SERVICES AMARILLO, INC.

GM

Title

Instructions: Send the original, signed Agreed Order with penalty payment to the Financial Administration Division, Revenues Section at the address in Section IV, Paragraph 1 of this Agreed Order.

