

**EXECUTIVE SUMMARY - ENFORCEMENT MATTER**

**DOCKET NO.: 2008-1640-PST-E TCEQ ID: RN101840072 CASE NO.: 36644**

**RESPONDENT NAME: KNJ ENTERPRISES INC. dba Speedy Express 3**

<b>ORDER TYPE:</b>		
<input checked="" type="checkbox"/> 1660 AGREED ORDER	<input type="checkbox"/> FINDINGS AGREED ORDER	<input type="checkbox"/> FINDINGS ORDER FOLLOWING SOAH HEARING
<input type="checkbox"/> FINDINGS DEFAULT ORDER	<input type="checkbox"/> SHUTDOWN ORDER	<input type="checkbox"/> IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER
<input type="checkbox"/> AMENDED ORDER	<input type="checkbox"/> EMERGENCY ORDER	
<b>CASE TYPE:</b>		
<input type="checkbox"/> AIR	<input type="checkbox"/> MULTI-MEDIA (check all that apply)	<input type="checkbox"/> INDUSTRIAL AND HAZARDOUS WASTE
<input type="checkbox"/> PUBLIC WATER SUPPLY	<input checked="" 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> Speedy Express 3, 301 South Main Street, Highlands, Harris County</p> <p><b>TYPE OF OPERATION:</b> Convenience store with retail sales of gasoline</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 no record of additional pending enforcement actions regarding this facility location.</p> <p><b>INTERESTED PARTIES:</b> No one other than the ED and the Respondent has expressed an interest in this matter.</p> <p><b>COMMENTS RECEIVED:</b> The <i>Texas Register</i> comment period expired on March 23, 2009. No comments were received.</p> <p><b>CONTACTS AND MAILING LIST:</b>  <b>TCEQ Attorney/SEP Coordinator:</b> None  <b>TCEQ Enforcement Coordinator:</b> Mr. Steven Lopez, Enforcement Division, Enforcement Team 6, MC 128, (512) 239-1896; Ms. Cari-Michel La Caille, Enforcement Division, MC 219, (512) 239-1387  <b>Respondent:</b> Mr. Abdul Kabani, President, KNJ ENTERPRISES INC., 4915 Shapiro Court, Missouri City, Texas 77459  <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>  <input type="checkbox"/> Complaint  <input checked="" type="checkbox"/> Routine  <input type="checkbox"/> Enforcement Follow-up  <input type="checkbox"/> Records Review</p> <p><b>Date(s) of Complaints Relating to this Case:</b> None</p> <p><b>Date of Investigation Relating to this Case:</b> July 3, 2008</p> <p><b>Date of NOV/NOE Relating to this Case:</b> September 9, 2008 (NOE)</p> <p><b>Background Facts:</b> This was a routine investigation.</p> <p><b>WASTE</b></p> <p>1) Failure to demonstrate acceptable financial assurance for taking corrective action and for compensating third parties for bodily injury and property damage caused by accidental releases arising from the operation of the petroleum underground storage tanks ("USTs") [30 TEX. ADMIN. CODE § 37.815(a) and (b)].</p> <p>2) Failure to maintain Stage II records at the Station and make them available for inspection upon request by agency personnel. Specifically, a maintenance log for all Stage II repairs/replacements, proof of attendance and completion of Stage II training for each employee, record of Stage II testing conducted and results, and the results of the daily Stage II inspections were not available for review [30 TEX. ADMIN. CODE § 115.246(7)(A) and TEX. HEALTH &amp; SAFETY CODE § 382.085(b)].</p> <p>3) Failure ensure that the UST system is operated, maintained, and managed in accordance with accepted industry practices [30 TEX. ADMIN. CODE § 334.48(b)].</p> <p>4) Failure to conduct effective manual or automatic inventory control procedures for the UST system [30 TEX. ADMIN. CODE § 334.48(c)].</p> <p>5) Failure to maintain the required UST records and make them immediately</p>	<p><b>Total Assessed:</b> \$20,195</p> <p><b>Total Deferred:</b> \$4,039  <input checked="" type="checkbox"/> Expedited Settlement  <input type="checkbox"/> Financial Inability to Pay</p> <p><b>SEP Conditional Offset:</b> \$0</p> <p><b>Total Paid (Due) to General Revenue:</b> \$511 (remaining \$15,645 due in 35 monthly payments of \$447 each)</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>Ordering Provisions:</b></p> <p>The Order will require the Respondent to:</p> <p>a. Immediately upon the effective date of this Agreed Order, begin conducting proper inventory control procedures for all USTs at the Station.</p> <p>b. Within 30 days after the effective date of this Agreed Order:</p> <p>i. Submit documentation that demonstrates acceptable financial assurance for taking corrective action and for compensating third parties for bodily injury and property damage caused by accidental releases arising from the operation of petroleum USTs;</p> <p>ii. Begin maintaining all Stage II records at the Station;</p> <p>iii. Begin maintaining all UST records;</p> <p>iv. Begin maintaining the UST system in proper operating condition including but not limited to replacing the regular unleaded fill gasket;</p> <p>v. Begin conducting bimonthly inspections of the cathodic protection system to ensure that the rectifier and other system components are functioning as designed, and conduct the required triennial testing of the cathodic protection system; and</p> <p>vi. Install and implement a release detection method for all USTs and the piping associated with the USTs, conduct annual testing of the line leak detectors for performance and operational reliability, and begin conducting volume measurement and reconciliation of inventory control records.</p> <p>c. Within 45 days after the effective date of this Agreed Order, submit written certification and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provisions a. through b.vi.</p>

<p>available for inspection upon request by agency personnel [30 TEX. ADMIN. CODE § 334.10(b)].</p> <p>6) Failure to inspect the impressed current cathodic protection system at least once every 60 days to ensure that the rectifier and other system components are operating properly [30 TEX. ADMIN. CODE § 334.49(c)(2)(C) and TEX. WATER CODE § 26.3475(d)].</p> <p>7) Failure to have the cathodic protection system inspected and tested for operability and adequacy of protection at a frequency of at least once every three years [30 TEX. ADMIN. CODE § 334.49(c)(4) and TEX. WATER CODE § 26.3475(d)].</p> <p>8) Failure to monitor USTs for releases at a frequency of at least once per month (not to exceed 35 days between each monitoring) [30 TEX. ADMIN. CODE § 334.50(b)(1)(A) and TEX. WATER CODE § 26.3475(c)(1)].</p> <p>9) Failure to provide proper release detection for the pressurized piping associated with the USTs. Specifically, the Respondent did not conduct the annual piping tightness test [30 TEX. ADMIN. CODE § 334.50(b)(2) and TEX. WATER CODE § 26.3475(a)].</p> <p>10) Failure to test the line leak detectors at least once per year for performance and operational reliability [30 TEX. ADMIN. CODE § 334.50(b)(2)(A)(i)(III) and TEX. WATER CODE § 26.3475(a)].</p> <p>11) Failure to conduct reconciliation of detailed inventory control records at least once each month, sufficiently accurate to detect a release which equals or exceeds the sum of 1.0% of the total substance flow-through for the month plus 130 gallons [30 TEX. ADMIN. CODE § 334.50(d)(1)(B)(ii) and TEX. WATER CODE § 26.3475(c)(1)].</p> <p>12) Failure to record inventory volume measurement for regulated substance inputs, withdrawals, and the amount still remaining in the tank each operating day [30 TEX. ADMIN. CODE § 334.50(d)(1)(B)(iii)(I) and TEX. WATER CODE § 26.3475(c)(1)].</p>		
--	--	--

Dear Sir,  
I have received your letter of the 10th inst.

and am sorry to hear that you are  
not satisfied with the work done  
by the firm. I have spoken to the  
managers and they are sorry to hear  
of this.

I have asked them to look into  
the matter and to see what can be  
done to improve the work.

I am sure that you will be  
satisfied with the results.

I am, Sir, very truly,  
Yours faithfully,  
J. H. Smith

Enclosed are the reports of the  
managers and the work done.

I am, Sir, very truly,  
Yours faithfully,  
J. H. Smith

I am, Sir, very truly,  
Yours faithfully,  
J. H. Smith

I am, Sir, very truly,  
Yours faithfully,  
J. H. Smith



Policy Revision 2 (September 2002)

# Penalty Calculation Worksheet (PCW)

PCW Revision June 12, 2008

**TCEQ**

<b>DATES</b>	<b>Assigned</b>	15-Sep-2008			
	<b>PCW</b>	14-Oct-2008	<b>Screening</b>	20-Sep-2008	<b>EPA Due</b>

<b>RESPONDENT/FACILITY INFORMATION</b>					
<b>Respondent</b>	KNJ ENTERPRISES INC. dba Speedy Express 3				
<b>Reg. Ent. Ref. No.</b>	RN101840072				
<b>Facility/Site Region</b>	12-Houston	<b>Major/Minor Source</b>	Minor		

<b>CASE INFORMATION</b>					
<b>Enf./Case ID No.</b>	36644	<b>No. of Violations</b>	7		
<b>Docket No.</b>	2008-1640-PST-E	<b>Order Type</b>	1660		
<b>Media Program(s)</b>	Petroleum Storage Tank	<b>Government/Non-Profit</b>	No		
<b>Multi-Media</b>		<b>Enf. Coordinator</b>	Steven Lopez		
		<b>EC's Team</b>	Enforcement Team 6		
<b>Admin. Penalty \$ Limit Minimum</b>	\$0	<b>Maximum</b>	\$10,000		

## Penalty Calculation Section

<b>TOTAL BASE PENALTY (Sum of violation base penalties)</b>	<b>Subtotal 1</b>	\$15,000
---	-------------------	----------

<b>ADJUSTMENTS (+/-) TO SUBTOTAL 1</b>		
Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.		

<b>Compliance History</b>	5.0% Enhancement	<b>Subtotals 2, 3, &amp; 7</b>	\$750
---------------------------	------------------	--------------------------------	-------

Notes: Enhancement for one previous NOV with same or similar violations.

<b>Culpability</b>	No	0.0% Enhancement	<b>Subtotal 4</b>	\$0
--------------------	----	------------------	-------------------	-----

Notes: The Respondent does not meet the culpability criteria.

<b>Good Faith Effort to Comply Total Adjustments</b>	<b>Subtotal 5</b>	\$0
--	-------------------	-----

<b>Economic Benefit</b>	0.0% Enhancement*	<b>Subtotal 6</b>	\$0
-------------------------	-------------------	-------------------	-----

Total EB Amounts \$4,630  
 Approx. Cost of Compliance \$7,550  
 \*Capped at the Total EB \$ Amount

<b>SUM OF SUBTOTALS 1-7</b>	<b>Final Subtotal</b>	\$15,750
-----------------------------	-----------------------	----------

<b>OTHER FACTORS AS JUSTICE MAY REQUIRE</b>	28.2%	<b>Adjustment</b>	\$4,445
---	-------	-------------------	---------

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes: Recommended enhancement to capture the avoided cost of compliance associated with violation nos. 1, 6 and 7.

<b>Final Penalty Amount</b>	\$20,195
-----------------------------	----------

<b>STATUTORY LIMIT ADJUSTMENT</b>	<b>Final Assessed Penalty</b>	\$20,195
-----------------------------------	-------------------------------	----------

<b>DEFERRAL</b>	20.0% Reduction	<b>Adjustment</b>	-\$4,039
-----------------	-----------------	-------------------	----------

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

Notes: Deferral offered for expedited settlement.

<b>PAYABLE PENALTY</b>	\$16,156
------------------------	----------

<b>Screening Date</b> 20-Sep-2008	<b>Docket No.</b> 2008-1640-PST-E	<b>PCW</b>
<b>Respondent</b> KNJ ENTERPRISES INC. dba Speedy Express 3	<i>Policy Revision 2 (September 2002)</i>	
<b>Case ID No.</b> 36644	<i>PCW Revision June 12, 2008</i>	
<b>Reg. Ent. Reference No.</b> RN101840072		
<b>Media [Statute]</b> Petroleum Storage Tank		
<b>Enf. Coordinator</b> Steven Lopez		

### Compliance History Worksheet

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

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written NOVs with same or similar violations as those in the current enforcement action <i>(number of NOVs meeting criteria)</i>	1	5%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability <i>(number of orders meeting criteria)</i>	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the 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)** 5%

>> **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**

Enhancement for one previous NOV with same or similar violations.

**Total Adjustment Percentage (Subtotals 2, 3, & 7)** 5%

**Screening Date** 20-Sep-2008 **Docket No.** 2008-1640-PST-E **PCW**  
**Respondent** KNJ ENTERPRISES INC. dba Speedy Express 3 *Policy Revision 2 (September 2002)*  
**Case ID No.** 36644 *PCW Revision June 12, 2008*  
**Reg. Ent. Reference No.** RN101840072  
**Media [Statute]** Petroleum Storage Tank  
**Enf. Coordinator** Steven Lopez  
**Violation Number**   
**Rule Cite(s)**   
**Violation Description** Failed to demonstrate acceptable financial assurance for taking corrective action and for compensating third parties for bodily injury and property damage caused by accidental releases arising from the operation of the petroleum USTs.  
**Base Penalty**

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

OR

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

**>> Programmatic Matrix**

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

**Matrix Notes**   
**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	<input checked="" type="checkbox"/>

**Violation Base Penalty**

**Good Faith Efforts to Comply**

	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	<input type="text" value="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** KNJ ENTERPRISES INC. dba Speedy Express 3

**Case ID No.** 36644

**Reg. Ent. Reference No.** RN101840072

**Media** Petroleum Storage Tank

**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**

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

**Avoided Costs**

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

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]	\$1,950	3-Jul-2007	3-Jul-2008	1.00	\$98	\$1,950	\$2,048
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Estimated cost to provide financial assurance for three USTs (\$650 per tank). The Date Required is one year prior to the investigation date. The Final Date is the investigation date.

Approx. Cost of Compliance

\$1,950

**TOTAL**

\$2,048

<b>Screening Date</b> 20-Sep-2008		<b>Docket No.</b> 2008-1640-PST-E		<b>PCW</b>	
<b>Respondent</b> KNJ ENTERPRISES INC. dba Speedy Express 3			<i>Policy Revision 2 (September 2002)</i>		
<b>Case ID No.</b> 36644			<i>PCW Revision June 12, 2008</i>		
<b>Reg. Ent. Reference No.</b> RN101840072					
<b>Media [Statute]</b> Petroleum Storage Tank					
<b>Enf. Coordinator</b> Steven Lopez					
<b>Violation Number</b>		<input type="text" value="2"/>			
<b>Rule Cite(s)</b>		<input type="text" value="30 Tex. Admin. Code § 115.246(7)(A) and Tex. Health &amp; Safety Code § 382.085(b)"/>			
<b>Violation Description</b>		<input type="text" value="Failed to maintain Stage II records at the Station and make them available for inspection upon request by agency personnel. Specifically, a maintenance log for all Stage II repairs/replacements, proof of attendance and completion of Stage II training for each employee, record of Stage II testing conducted and results, and the results of the daily Stage II inspections were not available for review."/>			
<b>Base Penalty</b>				<input type="text" value="\$10,000"/>	
<b>&gt;&gt; Environmental, Property and Human Health Matrix</b>					
OR	<b>Harm</b>				
	Release	Major	Moderate	Minor	
	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%"/>	
<b>&gt;&gt; Programmatic Matrix</b>					
		Falsification	Major	Moderate	Minor
		<input type="text"/>	<input type="text" value="x"/>	<input type="text"/>	<input type="text"/>
				<b>Percent</b> <input type="text" value="10%"/>	
<b>Matrix Notes</b>		<input type="text" value="100% of the rule requirement was not met."/>			
<b>Adjustment</b>				<input type="text" value="\$9,000"/>	
				<input type="text" value="\$1,000"/>	
<b>Violation Events</b>					
<b>Number of Violation Events</b>		<input type="text" value="1"/>	<b>Number of violation days</b> <input type="text" value="79"/>		
<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 type="text" value="x"/>			
				<b>Violation Base Penalty</b> <input type="text" value="\$1,000"/>	
<input type="text" value="One single event is recommended based on documentation of the violation during the July 3, 2008 investigation."/>					
<b>Good Faith Efforts to Comply</b>					
		<b>0.0% Reduction</b>		<input type="text" value="\$0"/>	
		Before NOV	NOV to EDPRP/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 type="text" value="x"/>	(mark with x)			
<b>Notes</b>		<input type="text" value="The Respondent does not meet the good faith criteria for this violation."/>			
<b>Violation Subtotal</b>				<input type="text" value="\$1,000"/>	
<b>Economic Benefit (EB) for this violation</b>					
<b>Statutory Limit Test</b>					
<b>Estimated EB Amount</b>		<input type="text" value="\$24"/>	<b>Violation Final Penalty Total</b> <input type="text" value="\$1,346"/>		
				<b>This violation Final Assessed Penalty (adjusted for limits)</b> <input type="text" value="\$1,346"/>	

## Economic Benefit Worksheet

**Respondent** KNJ ENTERPRISES INC. dba Speedy Express 3  
**Case ID No.** 36644  
**Reg. Ent. Reference No.** RN101840072  
**Media** Petroleum Storage Tank  
**Violation No.** 2

<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
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	\$500	3-Jul-2008	20-Jun-2009	0.96	\$24	n/a	\$24
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 maintain Stage II records at the Station. The Date Required is the investigation date. 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

\$500

**TOTAL**

\$24

<b>Screening Date</b> 20-Sep-2008		<b>Docket No.</b> 2008-1640-PST-E		<b>PCW</b>	
<b>Respondent</b> KNJ ENTERPRISES INC. dba Speedy Express 3				<i>Policy Revision 2 (September 2002)</i>	
<b>Case ID No.</b> 36644				<i>PCW Revision June 12, 2008</i>	
<b>Reg. Ent. Reference No.</b> RN101840072					
<b>Media [Statute]</b> Petroleum Storage Tank					
<b>Enf. Coordinator</b> Steven Lopez					
<b>Violation Number</b>	<input type="text" value="3"/>				
<b>Rule Cite(s)</b>	<input type="text" value="30 Tex. Admin. Code § 334.48(b)"/>				
<b>Violation Description</b>	<input type="text" value="Failed to ensure that the UST system is operated, maintained, and managed in accordance with accepted industry practices. Specifically, the regular unleaded fill gasket was damaged."/>				
<b>Base Penalty</b>				<input type="text" value="\$10,000"/>	
<b>&gt;&gt; Environmental, Property and Human Health Matrix</b>					
OR	<b>Release</b>			<b>Harm</b>	
		Major	Moderate	Minor	
	Actual	<input type="text"/>	<input type="text"/>	<input type="text"/>	
	Potential	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Percent</b> <input type="text" value="25%"/>
<b>&gt;&gt; Programmatic Matrix</b>					
	Falsification	Major	Moderate	Minor	
	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<b>Percent</b> <input type="text" value="0%"/>
<b>Matrix Notes</b>	<input type="text" value="Human health or the environment will or could be exposed to pollutants which would exceed levels that are protective of human health or environmental receptors as a result of the violation."/>				
<b>Adjustment</b>				<input type="text" value="\$7,500"/>	
				<input type="text" value="\$2,500"/>	
<b>Violation Events</b>					
<b>Number of Violation Events</b>		<input type="text" value="1"/>	<b>Number of violation days</b> <input type="text" value="79"/>		
<i>mark only one with an x</i>	daily	<input type="text"/>			
	monthly	<input type="text"/>			
	quarterly	<input checked="" type="checkbox"/>	<b>Violation Base Penalty</b> <input type="text" value="\$2,500"/>		
	semiannual	<input type="text"/>			
	annual	<input type="text"/>			
	single event	<input type="text"/>			
<input type="text" value="One quarterly event is recommended from the investigation date of July 3, 2008 to the screening date of September 20, 2008."/>					
<b>Good Faith Efforts to Comply</b>		<b>0.0%</b> Reduction		<input type="text" value="\$0"/>	
		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)			
<b>Notes</b>	<input type="text" value="The Respondent does not meet the good faith criteria for this violation."/>				
<b>Violation Subtotal</b>				<input type="text" value="\$2,500"/>	
<b>Economic Benefit (EB) for this violation</b>		<b>Statutory Limit Test</b>			
<b>Estimated EB Amount</b>		<input type="text" value="\$34"/>	<b>Violation Final Penalty Total</b> <input type="text" value="\$3,366"/>		
			<b>This violation Final Assessed Penalty (adjusted for limits)</b> <input type="text" value="\$3,366"/>		

### Economic Benefit Worksheet

**Respondent:** KNJ ENTERPRISES INC. dba Speedy Express 3  
**Case ID No:** 36644  
**Reg. Ent. Reference No:** RN101840072  
**Media:** Petroleum Storage Tank  
**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
No commas or \$							

**Delayed Costs**

Equipment	\$500	3-Jul-2008	20-Jun-2009	0.96	\$2	\$32	\$34
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to repair fill gasket. The Date Required is the date of the investigation. 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

\$500

**TOTAL**

\$34

<b>Screening Date</b> 20-Sep-2008	<b>Docket No.</b> 2008-1640-PST-E
<b>Respondent</b> KNJ ENTERPRISES INC. dba Speedy Express 3	<b>PCW</b> <small>Policy Revision 2 (September 2002) PCW Revision June 12, 2008</small>
<b>Case ID No.</b> 36644	
<b>Reg. Ent. Reference No.</b> RN101840072	
<b>Media [Statute]</b> Petroleum Storage Tank	
<b>Enf. Coordinator</b> Steven Lopez	
<b>Violation Number</b> <input type="text" value="4"/>	
<b>Rule Cite(s)</b>	30 Tex. Admin. Code § 334.48(c)
<b>Violation Description</b>	Failed to conduct effective manual or automatic inventory control procedures for the UST system.
<b>Base Penalty</b>	\$10,000

<b>&gt;&gt; Environmental, Property and Human Health Matrix</b>					
<b>OR</b>	<b>Harm</b>				
	<b>Release</b>	<b>Major</b>	<b>Moderate</b>		<b>Minor</b>
	<b>Actual</b>				
	<b>Potential</b>	x			
			<b>Percent</b>	25%	
<b>&gt;&gt; Programmatic Matrix</b>					
	<b>Falsification</b>	<b>Major</b>	<b>Moderate</b>	<b>Minor</b>	
			<b>Percent</b>	0%	
<b>Matrix Notes</b>	Human health or the environment will or could be exposed to pollutants which would exceed levels that are protective of human health or environmental receptors as a result of the violation.				
	<b>Adjustment</b>	\$7,500			
		\$2,500			

<b>Violation Events</b>															
	<b>Number of Violation Events</b>	1													
		79	<b>Number of violation days</b>												
<small>mark only one with an x</small>	<table style="width:100%; border-collapse: collapse;"> <tr><td style="padding: 2px;">daily</td><td style="border: 1px solid black; width: 20px; height: 15px;"></td></tr> <tr><td style="padding: 2px;">monthly</td><td style="border: 1px solid black; width: 20px; height: 15px;"></td></tr> <tr><td style="padding: 2px;">quarterly</td><td style="border: 1px solid black; width: 20px; height: 15px; text-align: center;">x</td></tr> <tr><td style="padding: 2px;">semiannual</td><td style="border: 1px solid black; width: 20px; height: 15px;"></td></tr> <tr><td style="padding: 2px;">annual</td><td style="border: 1px solid black; width: 20px; height: 15px;"></td></tr> <tr><td style="padding: 2px;">single event</td><td style="border: 1px solid black; width: 20px; height: 15px;"></td></tr> </table>	daily		monthly		quarterly	x	semiannual		annual		single event			<b>Violation Base Penalty</b>
daily															
monthly															
quarterly	x														
semiannual															
annual															
single event															
			\$2,500												
	One quarterly event is recommended from the investigation date of July 3, 2008 to the screening date of September 20, 2008.														

<b>Good Faith Efforts to Comply</b>		<b>0.0% Reduction</b>	\$0
		<small>Before NOV    NOV to EDRP/Settlement Offer</small>	
<b>Extraordinary</b>			
<b>Ordinary</b>			
<b>N/A</b>	x	<small>(mark with x)</small>	
<b>Notes</b>	The Respondent does not meet the good faith criteria for this violation.		
	<b>Violation Subtotal</b>	\$2,500	

<b>Economic Benefit (EB) for this violation</b>		<b>Statutory Limit Test</b>	
<b>Estimated EB Amount</b>	\$24	<b>Violation Final Penalty Total</b>	\$3,366
		<b>This violation Final Assessed Penalty (adjusted for limits)</b>	\$3,366

### Economic Benefit Worksheet

**Respondent:** KNJ ENTERPRISES INC. dba Speedy Express 3  
**Case ID No.:** 36644  
**Reg. Ent. Reference No.:** RN101840072  
**Media:** Petroleum Storage Tank  
**Violation No.:** 4

<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
------------------	-----------	---------------	------------	-----	----------------	---------------	-----------

**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	\$500	3-Jul-2008	20-Jun-2009	0.96	\$24	n/a	\$24
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 conduct proper inventory control procedures. The Date Required is the date of the investigation. 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: \$500
TOTAL \$24

<b>Screening Date</b> 20-Sep-2008	<b>Docket No.</b> 2008-1640-PST-E	<b>PCW</b>
<b>Respondent</b> KNJ ENTERPRISES INC. dba Speedy Express 3		<i>Policy Revision 2 (September 2002)</i>
<b>Case ID No.</b> 36644		<i>PCW Revision June 12, 2008</i>
<b>Reg. Ent. Reference No.</b> RN101840072		
<b>Media [Statute]</b> Petroleum Storage Tank		
<b>Enf. Coordinator</b> Steven Lopez		
<b>Violation Number</b> <input type="text" value="5"/>		
<b>Rule Cite(s)</b>	30 Tex. Admin. Code § 334.10(b)	
<b>Violation Description</b>	Failed to maintain the required UST records and make them immediately available for inspection upon request by agency personnel.	
	<b>Base Penalty</b>	<input type="text" value="\$10,000"/>
<b>&gt;&gt; Environmental, Property and Human Health Matrix</b>		
OR	<b>Harm</b>	
	Release    Major    Moderate    Minor	
	Actual	<input type="text"/>
	Potential	<input type="text"/>
	<b>Percent</b>	<input type="text" value="0%"/>
<b>&gt;&gt; Programmatic Matrix</b>		
	<b>Falsification</b>	
	Major    Moderate    Minor	
	<input type="text"/>	<input type="text" value="x"/>
	<b>Percent</b>	<input type="text" value="10%"/>
<b>Matrix Notes</b>	100% of the rule requirement was not met.	
	<b>Adjustment</b>	<input type="text" value="\$9,000"/>
		<input type="text" value="\$1,000"/>
<b>Violation Events</b>		
	<b>Number of Violation Events</b> <input type="text" value="1"/>	<input type="text" value="79"/> <b>Number of violation days</b>
<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 type="text" value="x"/>	
	<b>Violation Base Penalty</b>	<input type="text" value="\$1,000"/>
	One single event is recommended based on documentation of the violation during the July 3, 2008 investigation.	
<b>Good Faith Efforts to Comply</b>		
	<b>0.0% Reduction</b>	<input type="text" value="\$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 type="text" value="x"/>	(mark with x)
<b>Notes</b>	The Respondent does not meet the good faith criteria for this violation.	
	<b>Violation Subtotal</b>	<input type="text" value="\$1,000"/>
<b>Economic Benefit (EB) for this violation</b>		
<b>Statutory Limit Test</b>		
<b>Estimated EB Amount</b>	<input type="text" value="\$24"/>	<b>Violation Final Penalty Total</b> <input type="text" value="\$1,346"/>
		<b>This violation Final Assessed Penalty (adjusted for limits)</b> <input type="text" value="\$1,346"/>

### Economic Benefit Worksheet

**Respondent** KNJ ENTERPRISES INC. dba Speedy Express 3

**Case ID No.** 36644

**Reg. Ent. Reference No.** RN101840072

**Media** Petroleum Storage Tank

**Violation No.** 5

<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
------------------	-----------	---------------	------------	-----	----------------	---------------	-----------

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	\$500	3-Jul-2008	20-Jun-2009	0.96	\$24	n/a	\$24
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 maintain UST records. The Date Required is the date of investigation. 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

\$500

**TOTAL**

\$24

<b>Screening Date</b> 20-Sep-2008		<b>Docket No.</b> 2008-1640-PST-E		<b>PCW</b>
<b>Respondent</b> KNJ ENTERPRISES INC. dba Speedy Express 3		<i>Policy Revision 2 (September, 2002)</i>		
<b>Case ID No.</b> 36644		<i>PCW Revision June 12, 2008</i>		
<b>Reg. Ent. Reference No.</b> RN101840072				
<b>Media [Statute]</b> Petroleum Storage Tank				
<b>Enf. Coordinator</b> Steven Lopez				
<b>Violation Number</b>		6		
<b>Rule Cite(s)</b>		30 Tex. Admin. Code § 334.49(c)(2)(C) and 334.49(c)(4) and Tex. Water Code § 26.3475(d)		
<b>Violation Description</b>		Failed to inspect the impressed current cathodic protection system at least once every 60 days to ensure that the rectifier and other system components are operating properly. Failed to have the cathodic protection system inspected and tested for operability and adequacy of protection at a frequency of at least once every three years.		
<b>Base Penalty</b>				\$10,000
<b>&gt;&gt; Environmental, Property and Human Health Matrix</b>				
OR	<b>Release</b>			
		<b>Harm</b>		
		Major	Moderate	Minor
Actual	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Percent</b> <input type="text" value="25%"/>
Potential	x	<input type="checkbox"/>	<input type="checkbox"/>	
<b>&gt;&gt; Programmatic Matrix</b>				
	Falsification	Major	Moderate	Minor
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<b>Percent</b> <input type="text" value="0%"/>			
<b>Matrix Notes</b>	Human health or the environment will or could be exposed to pollutants which would exceed levels that are protective of human health or environmental receptors as a result of the violation.			
<b>Adjustment</b>				\$7,500
				\$2,500
<b>Violation Events</b>				
<b>Number of Violation Events</b> <input type="text" value="1"/>		<b>Number of violation days</b> <input type="text" value="79"/>		
<i>mark only one with an x</i>	daily	<input type="checkbox"/>		
	monthly	<input type="checkbox"/>		
	quarterly	x		
	semiannual	<input type="checkbox"/>		
	annual	<input type="checkbox"/>		
single event	<input type="checkbox"/>			
				<b>Violation Base Penalty</b> <input type="text" value="\$2,500"/>
One quarterly event is recommended from the July 3, 2008 investigation date to the September 20, 2008 screening date.				
<b>Good Faith Efforts to Comply</b>				
		<b>0.0% Reduction</b>		<b>\$0</b>
		Before NOV	NOV to EDPRP/Settlement Offer	
Extraordinary	<input type="checkbox"/>	<input type="checkbox"/>		
Ordinary	<input type="checkbox"/>	<input type="checkbox"/>		
N/A	x	(mark with x)		
<b>Notes</b>	The Respondent does not meet the good faith criteria for this violation.			
<b>Violation Subtotal</b>				\$2,500
<b>Economic Benefit (EB) for this violation</b>				
<b>Statutory Limit Test</b>				
<b>Estimated EB Amount</b> <input type="text" value="\$1,301"/>		<b>Violation Final Penalty Total</b> <input type="text" value="\$3,366"/>		
<b>This violation Final Assessed Penalty (adjusted for limits)</b>				\$3,366

### Economic Benefit Worksheet

**Respondent:** KNJ ENTERPRISES INC. dba Speedy Express 3  
**Case ID No.:** 36644  
**Reg. Ent. Reference No.:** RN101840072  
**Media:** Petroleum Storage Tank  
**Violation No.:** 6

<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
------------------	-----------	---------------	------------	-----	----------------	---------------	-----------

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)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

**Avoided Costs**

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

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]	\$100	3-May-2008	3-Jul-2008	1.08	\$5	\$100	\$105
Other (as needed)	\$1,000	3-Jul-2005	3-Jul-2008	3.92	\$196	\$1,000	\$1,196

Notes for AVOIDED costs

Avoided cost for conducting bimonthly inspection (\$100) and completing the triennial test (\$1,000). The Dates Required are 60 days before the investigation and three years before the investigation respectively.

Approx. Cost of Compliance

\$1,100

**TOTAL**

\$1,301

<b>Screening Date</b> 20-Sep-2008	<b>Docket No.</b> 2008-1640-PST-E	<b>PCW</b>		
<b>Respondent</b> KNJ ENTERPRISES INC. dba Speedy Express 3	<small>Policy Revision 2 (September 2002)</small>			
<b>Case ID No.</b> 36644	<small>PCW Revision June 12, 2008</small>			
<b>Reg. Ent. Reference No.</b> RN101840072				
<b>Media [Statute]</b> Petroleum Storage Tank				
<b>Enf. Coordinator</b> Steven Lopez				
<b>Violation Number</b> 7				
<b>Rule Cite(s)</b>	30 Tex. Admin. Code § 334.50(b)(1)(A), (b)(2), (b)(2)(A)(i)(III), (d)(1)(B)(ii), (d)(1)(B)(iii)(I) and Tex. Water Code § 26.3475(a) and (c)(1)			
<b>Violation Description</b>	Failed to monitor USTs for releases at a frequency of at least once per month (not to exceed 35 days between each monitoring). Failed to provide proper release detection for the pressurized piping associated with the USTs. Specifically, the Respondent did not conduct the annual piping tightness test. Failed to test the line leak detectors at least once per year for performance and operational reliability. Failed to conduct reconciliation of detailed inventory control records at least once each month, sufficiently accurate to detect a release which equals or exceeds the sum of 1.0% of the total substance flow-through for the month plus 130 gallons. Failed to record inventory volume measurement for regulated substance inputs, withdrawals, and the amount still remaining in the tank each operating day.			
<b>Base Penalty</b>		\$10,000		
<b>&gt;&gt; Environmental, Property and Human Health Matrix</b>				
OR	<b>Harm</b>			
	Release	Major	Moderate	Minor
	Actual	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Potential	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Percent</b>				25%
<b>&gt;&gt; Programmatic Matrix</b>				
	Falsification	Major	Moderate	Minor
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Percent</b>				0%
<b>Matrix Notes</b>	Human health or the environment will or could be exposed to pollutants which would exceed levels that are protective of human health or environmental receptors as a result of the violation.			
<b>Adjustment</b>		\$7,500		
		\$2,500		
<b>Violation Events</b>				
	<input type="checkbox"/> 1	<input type="checkbox"/> 79	Number of violation days	
<small>mark only one with an x</small>	daily	<input type="checkbox"/>	<b>Violation Base Penalty</b>	
	monthly	<input type="checkbox"/>		
	quarterly	<input checked="" type="checkbox"/>		
	semiannual	<input type="checkbox"/>		
	annual	<input type="checkbox"/>		
	single event	<input type="checkbox"/>		
One quarterly event is recommended from the investigation date of July 3, 2008 to the screening date of September 20, 2008.			\$2,500	
<b>Good Faith Efforts to Comply</b>		0.0% Reduction	\$0	
	Before NOV	NOV to EDPRP/Settlement Offer		
Extraordinary	<input type="checkbox"/>	<input type="checkbox"/>		
Ordinary	<input type="checkbox"/>	<input type="checkbox"/>		
N/A	<input checked="" type="checkbox"/>	(mark with x)		
<b>Notes</b>	The Respondent does not meet the good faith criteria for this violation.			
<b>Violation Subtotal</b>		\$2,500		
<b>Economic Benefit (EB) for this violation</b>		<b>Statutory Limit Test</b>		
<b>Estimated EB Amount</b>	\$1,175	<b>Violation Final Penalty Total</b>	\$3,366	
<b>This violation Final Assessed Penalty (adjusted for limits)</b>		\$3,366		

### Economic Benefit Worksheet

**Respondent** KNJ ENTERPRISES INC. dba Speedy Express 3  
**Case ID No.** 36644  
**Reg. Ent. Reference No.** RN101840072  
**Media** Petroleum Storage Tank  
**Violation No.** 7

<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
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)	\$1,500	3-Jul-2008	20-Jul-2009	1.05	\$78	n/a	\$78

**Notes for DELAYED costs**

Estimated cost to provide release detection for the USTs to include volume measurement and reconciliation of inventory control records. The Date Required is the date of investigation. 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]	\$1,000	3-Jul-2007	3-Jul-2008	1.92	\$96	\$1,000	\$1,096
Other (as needed)				0.00	\$0	\$0	\$0

**Notes for AVOIDED costs**

Estimated cost to conduct annual piping tightness and line leak detector tests. The Date Required is one year prior to the investigation. The Final Date is the investigation date.

**Approx. Cost of Compliance**

\$2,500

**TOTAL**

\$1,175

# Compliance History Report

Customer/Respondent/Owner-Operator: CN603004524 KNJ ENTERPRISES INC. Classification: AVERAGE Rating: 3.33  
Regulated Entity: RN101840072 SPEEDY EXPRESS 3 Classification: AVERAGE Site Rating: 3.33  
ID Number(s): PETROLEUM STORAGE TANK REGISTRATION 40109  
REGISTRATION  
Location: 301 S MAIN ST, HIGHLANDS, TX, 77562 Rating Date: 9/1/2008 Repeat Violator: NO  
TCEQ Region: REGION 12 - HOUSTON  
Date Compliance History Prepared: October 14, 2008  
Agency Decision Requiring Compliance History: Enforcement  
Compliance Period: October 14, 2003 to October 14, 2008  
TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History  
Name: Steven Lopez Phone: 512-239-1896

## Site Compliance History Components

1. Has the site been in existence and/or operation for the full five year compliance period? Yes
2. Has there been a (known) change in ownership of the site during the compliance period? Yes
3. If Yes, who is the current owner? KNJ ENTERPRISES INC.
4. If Yes, who was/were the prior owner(s)?  
Houston Convenience Stores, Inc.  
E - Z INTERNATIONAL INC.  
Raising Investor, Inc.
5. When did the change(s) in ownership occur? 02/20/2006

## Components (Multimedia) for the Site :

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

N/A

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

N/A

- C. Chronic excessive emissions events.

N/A

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

1 11/16/2007 (600156)  
2 03/12/2008 (636730)  
3 09/09/2008 (680557)

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

Date: 11/16/2007 (600156)

Self Report? NO

Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter C 115.246(7)(A)  
5C THSC Chapter 382 382.085(b)

Description: Failure to maintain records on-site at facilities ordinarily manned during business hours, and made immediately available for review upon request by authorized representatives of the TCEQ, EPA, or any local air pollution control program with jurisdiction.

Self Report? NO

Classification: Minor

Citation: 30 TAC Chapter 115, SubChapter C 115.246(6)

Description: Failure to maintain a daily inspection log according to 115.244 (Inspection Requirements).

Self Report? NO

Classification: Minor

Citation: 30 TAC Chapter 115, SubChapter C 115.246(4)

Description: Failure to maintain proof of attendance and completion of training as specified in 115.248 (state approved Stage II training course) and documentation of all Stage II training for each employee.

Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 115, SubChapter C 115.246(3)

Description: Failure to maintain a maintenance log for all repair/replacements conducted at the facility.

Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 115, SubChapter C 115.246(5)

Description: Failure to maintain a record of the results of testing conducted at the facility according to 115.245 (Testing Requirements).

Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 334, SubChapter C 334.48(a)

Description: Failure to ensure that UST systems are operated, maintained, and managed in a manner that will prevent releases of regulated substances from such systems.

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  
KNJ ENTERPRISES INC. DBA  
SPEEDY EXPRESS 3  
RN101840072

§  
§  
§  
§  
§  
§

BEFORE THE  
TEXAS COMMISSION ON  
ENVIRONMENTAL QUALITY

AGREED ORDER  
DOCKET NO. 2008-1640-PST-E

I. JURISDICTION AND STIPULATIONS

At its \_\_\_\_\_ agenda, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding KNJ ENTERPRISES INC. dba Speedy Express 3 ("the Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE chs. 7 and 26. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent appear before the Commission and together stipulate that:

1. The Respondent owns and operates a convenience store with retail sales of gasoline at 301 South Main Street in Highlands, Harris County, Texas (the "Station").
2. The Respondent's three underground storage tanks ("USTs") are not exempt or excluded from regulation under the Texas Water Code or the rules of the Commission. The Station 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 September 14, 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 Thousand One Hundred Ninety-Five Dollars (\$20,195) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Five Hundred Eleven Dollars (\$511) of the administrative penalty and Four Thousand Thirty-Nine Dollars (\$4,039) is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Agreed Order. If the Respondent fails to timely and satisfactorily comply with all requirements of this Agreed Order, including the payment schedule, the Executive Director may require the Respondent to pay all or part of the deferred penalty.

The remaining amount of Fifteen Thousand Six Hundred Forty-Five Dollars (\$15,645) of the administrative penalty shall be payable in 35 monthly payments of Four Hundred Forty-Seven Dollars (\$447) each. The next monthly payment shall be paid within 30 days after the effective date of this Agreed Order. The subsequent payments shall each be paid not later than 30 days following the due date of the previous payment until paid in full. If the Respondent fails to timely and satisfactorily comply with the payment requirements of this Agreed Order, the Executive Director may, at the Executive Director's option, accelerate the maturity of the remaining installments, in which event the unpaid balance shall become immediately due and payable without demand or notice. In addition, the failure of the Respondent to meet the payment schedule of this Agreed Order constitutes the failure by the Respondent to timely and satisfactorily comply with all the terms of this Agreed Order.

7. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
8. The Executive Director of the TCEQ and the Respondent have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.
9. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
10. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
11. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

## II. ALLEGATIONS

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

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

2. Failed to maintain Stage II records at the Station and make them available for inspection upon request by agency personnel, in violation of 30 TEX. ADMIN. CODE § 115.246(7)(A) and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on July 3, 2008. Specifically, a maintenance log for all Stage II repairs/replacements, proof of attendance and completion of Stage II training for each employee, record of Stage II testing conducted and results, and the results of the daily Stage II inspections were not available for review.
3. Failed ensure that the UST system is operated, maintained, and managed in accordance with accepted industry practices, in violation of 30 TEX. ADMIN. CODE § 334.48(b), as documented during an investigation conducted on July 3, 2008.
4. Failed to conduct effective manual or automatic inventory control procedures for the UST system, in violation of 30 TEX. ADMIN. CODE § 334.48(c), as documented during an investigation conducted on July 3, 2008.
5. Failed to maintain the required UST records and make them immediately available for inspection upon request by agency personnel, in violation of 30 TEX. ADMIN. CODE § 334.10(b), as documented during an investigation conducted on July 3, 2008.
6. Failed to inspect the impressed current cathodic protection system at least once every 60 days to ensure that the rectifier and other system components are operating properly, in violation of 30 TEX. ADMIN. CODE § 334.49(c)(2)(C) and TEX. WATER CODE § 26.3475(d), as documented during an investigation conducted on July 3, 2008.
7. Failed to have the cathodic protection system inspected and tested for operability and adequacy of protection at a frequency of at least once every three years, in violation of 30 TEX. ADMIN. CODE § 334.49(c)(4) and TEX. WATER CODE § 26.3475(d), as documented during an investigation conducted on July 3, 2008.
8. Failed to monitor USTs for releases at a frequency of at least once per month (not to exceed 35 days between each monitoring), in violation of 30 TEX. ADMIN. CODE § 334.50(b)(1)(A) and TEX. WATER CODE § 26.3475(c)(1), as documented during an investigation conducted on July 3, 2008.
9. Failed to provide proper release detection for the pressurized piping associated with the USTs, in violation of 30 TEX. ADMIN. CODE § 334.50(b)(2) and TEX. WATER CODE § 26.3475(a), as documented during an investigation conducted on July 3, 2008. Specifically, the Respondent did not conduct the annual piping tightness test.
10. Failed to test the line leak detectors at least once per year for performance and operational reliability, in violation of 30 TEX. ADMIN. CODE § 334.50(b)(2)(A)(i)(III) and TEX. WATER CODE § 26.3475(a), as documented during an investigation conducted on July 3, 2008.
11. Failed to conduct reconciliation of detailed inventory control records at least once each month, sufficiently accurate to detect a release which equals or exceeds the sum of 1.0% of the total substance flow-through for the month plus 130 gallons, in violation of 30 TEX. ADMIN. CODE § 334.50(d)(1)(B)(ii) and TEX. WATER CODE § 26.3475(c)(1), as documented during an investigation conducted on July 3, 2008.

12. Failed to record inventory volume measurement for regulated substance inputs, withdrawals, and the amount still remaining in the tank each operating day, in violation of 30 TEX. ADMIN. CODE § 334.50(d)(1)(B)(iii)(I) and TEX. WATER CODE § 26.3475(c)(1), as documented during an investigation conducted on July 3, 2008.

### III. DENIALS

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

### IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that the Respondent pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: KNJ ENTERPRISES INC. dba Speedy Express 3, Docket No. 2008-1640-PST-E" to:

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

2. It is further ordered that the Respondent shall undertake the following technical requirements:
  - a. Immediately upon the effective date of this Agreed Order, begin conducting proper inventory control procedures for all USTs at the Station, in accordance with 30 TEX. ADMIN. CODE § 334.48.
  - b. Within 30 days after the effective date of this Agreed Order:
    - i. Submit documentation that demonstrates acceptable financial assurance for taking corrective action and for compensating third parties for bodily injury and property damage caused by accidental releases arising from the operation of petroleum USTs, in accordance with the 30 TEX. ADMIN. CODE § 37.815;
    - ii. Begin maintaining all Stage II records at the Station, in accordance with 30 TEX. ADMIN. CODE § 115.246;
    - iii. Begin maintaining all UST records, in accordance with 30 TEX. ADMIN. CODE § 334.10;

- iv. Begin maintaining the UST system in proper operating condition including but not limited to replacing the regular unleaded fill gasket, in accordance with 30 TEX. ADMIN. CODE § 334.48;
  - v. Begin conducting bimonthly inspections of the cathodic protection system to ensure that the rectifier and other system components are functioning as designed, and conduct the required triennial testing of the cathodic protection system, in accordance with 30 TEX. ADMIN. CODE § 334.49; and
  - vi. Install, and implement a release detection method for all USTs and the piping associated with the USTs, conduct annual testing of the line leak detectors for performance and operational reliability, and begin conducting volume measurement and reconciliation of inventory control records, in accordance with TEX. ADMIN. CODE § 334.50.
- c. Within 45 days after the effective date of this Agreed Order, submit written certification as described below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision Nos. 2.a. through 2.b.vi. 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 I have personally examined and am familiar with the information submitted and all attached documents, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations."

The certification shall be submitted to:

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

with a copy to:

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

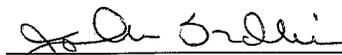
3. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Station operations referenced in this Agreed Order.

4. If the Respondent fails to comply with any of the Ordering Provisions in this Agreed Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, the Respondent's failure to comply is not a violation of this Agreed Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
5. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
6. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
7. This agreement may be executed in multiple counterparts, which together shall constitute a single original instrument. Any executed signature page to this Agreement may be transmitted by facsimile transmission to the other parties, which shall constitute an original signature for all purposes.
8. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to the Respondent, or three days after the date on which the Commission mails notice of the Order to the Respondent, whichever is earlier. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties.

## SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

\_\_\_\_\_  
For the Commission

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

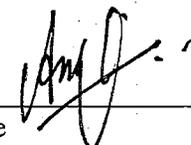
2/27/2009  
Date

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

01-08-09  
Date

KABANI ABDYL  
Name (Printed or typed)  
Authorized Representative of  
KNJ ENTERPRISES INC. dba Speedy Express 3

PRESIDENT.  
Title

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

