

EXECUTIVE SUMMARY - ENFORCEMENT MATTER
DOCKET NO.: 2008-1657-WOC-E TCEQ ID: RN105599187 CASE NO.: 36658
RESPONDENT NAME: CHARLES E. SCHRAM III

| | | |
|---|---|--|
| 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 type="checkbox"/> AIR | <input type="checkbox"/> MULTI-MEDIA (check all that apply) | <input type="checkbox"/> INDUSTRIAL HAZARDOUS WASTE |
| <input type="checkbox"/> PUBLIC WATER SUPPLY | <input type="checkbox"/> PETROLEUM STORAGE TANKS | <input checked="" 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 OCCURRED: Phantom Hill Circle, Lot 362, May, Brown County</p> <p>TYPE OF OPERATION: Public water system</p> <p>SMALL BUSINESS: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>OTHER SIGNIFICANT MATTERS: There are no complaints. There is no record of additional pending enforcement actions regarding this individual.</p> <p>INTERESTED PARTIES: No one other than the ED and the Respondent expressed an interest in this matter.</p> <p>COMMENTS RECEIVED: The <i>Texas Register</i> comment period expired June 1, 2009. No comments were received.</p> <p>CONTACTS AND MAILING LIST: TCEQ Attorney: Mr. Phillip M. Goodwin, P.G., Litigation Division, MC 175, (512) 239-0675 Ms. Lena Roberts, Litigation Division, MC 175, (512) 239-0019 TCEQ Enforcement Coordinator: Ms. Yuliya Dunaway, Water Enforcement Section, MC R-13, (210) 490-3096 TCEQ Regional Contact: Mr. Cliff Moore, Abilene Regional Office, MC R-3, (325) 698-6115 Respondent: Mr. Charles E. Schram III, P.O. Box 795399, Dallas, Texas 75379 Respondent's Attorney: Not represented by counsel on this enforcement matter.</p> | | |

VIOLATION SUMMARY CHART:

| VIOLATION INFORMATION | PENALTY CONSIDERATIONS | CORRECTIVE ACTIONS TAKEN/REQUIRED |
|--|---|---|
| <p>Type of Investigation:</p> <p><input type="checkbox"/> Complaint <input checked="" type="checkbox"/> Routine <input type="checkbox"/> Enforcement Follow-up <input type="checkbox"/> Records Review</p> <p>Date of Complaint Relating to this Case: None</p> <p>Date of Investigation Relating to this Case: August 7, 2008</p> <p>Date of NOE Relating to this Case: August 8, 2008</p> <p>Background Facts: The EDPRP was filed on February 4, 2009. The agreed order was signed on March 3, 2009.</p> <p>Current Compliance Status: No outstanding Technical Requirements. The Respondent hired a licensed operator for the system.</p> <p>WOC: Failed to have a valid, effective public water system operator license issued by the Commission prior to performing process control duties for the production and distribution of drinking water [30 TEX. ADMIN. CODE §§ 30.5(a) and 30.381(b), TEX. WATER CODE § 37.003, and TEX. HEALTH & SAFETY CODE § 341.034(b)].</p> | <p>Total Assessed: \$1,992</p> <p>Total Deferred: \$0</p> <p><input type="checkbox"/> Expedited Order <input type="checkbox"/> Financial Inability to Pay <input type="checkbox"/> SEP Conditional Offset</p> <p>Total Paid/Due to General Revenue: \$192/\$1,800</p> <p>The Respondent paid \$192 of the administrative penalty. The remaining amount of \$1,800 shall be payable in 18 monthly payments of \$100 each.</p> <p>Site Compliance History Classification N/A</p> <p>Person Compliance History Classification N/A</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 hired a properly licensed Class "B" public water system operator and is no longer acting as the operator of the public water system.</p> |



Penalty Calculation Worksheet (PCW)

| | | | | | | |
|-------|----------|-------------|-----------|-------------|---------|--|
| DATES | Assigned | 29-Sep-2008 | Screening | 10-Oct-2008 | EPA Due | |
| | PCW | 22-Dec-2008 | | | | |

| | | | |
|--|-----------------------|--------------------|-------|
| RESPONDENT/FACILITY INFORMATION | | | |
| Respondent | Charles E. Schram III | | |
| Reg. Ent. Ref. No. | RN105599187 | | |
| Facility/Site Region | 3-Abilene | Major/Minor Source | Minor |

| | | | |
|---------------------------------|---------------------------|-----------------------|--------------------|
| CASE INFORMATION | | | |
| Enf./Case ID No. | 36658 | No. of Violations | 1 |
| Docket No. | 2008-1657-WOC-E | Order Type | 1660 |
| Media Program(s) | All Occupational Licenses | Government/Non-Profit | No |
| Multi-Media | | Enf. Coordinator | Yuliya Dunaway |
| | | EC's Team | Enforcement Team 2 |
| Admin. Penalty \$ Limit Minimum | \$0 | Maximum | \$2,500 |

Penalty Calculation Section

| | | |
|---|-------------------|---------|
| TOTAL BASE PENALTY (Sum of violation base penalties) | <i>Subtotal 1</i> | \$1,875 |
|---|-------------------|---------|

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

| | | | |
|---------------------------|------------------|--------------------------------|-----|
| Compliance History | 0.0% Enhancement | <i>Subtotals 2, 3, & 7</i> | \$0 |
|---------------------------|------------------|--------------------------------|-----|

Notes: No change due to no previous compliance history.

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

Notes: The Respondent does not meet the culpability criteria.

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

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

| | |
|----------------------------|-------|
| Total EB Amounts | \$117 |
| Approx. Cost of Compliance | \$111 |

*Capped at the Total EB \$ Amount

| | | |
|-----------------------------|-----------------------|---------|
| SUM OF SUBTOTALS 1-7 | <i>Final Subtotal</i> | \$1,875 |
|-----------------------------|-----------------------|---------|

| | | | |
|---|------|-------------------|-------|
| OTHER FACTORS AS JUSTICE MAY REQUIRE | 6.2% | <i>Adjustment</i> | \$117 |
|---|------|-------------------|-------|

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes: Enhancement recommended for recovery of avoided costs of compliance.

Final Penalty Amount \$1,992

| | | |
|-----------------------------------|-------------------------------|---------|
| STATUTORY LIMIT ADJUSTMENT | <i>Final Assessed Penalty</i> | \$1,992 |
|-----------------------------------|-------------------------------|---------|

| | | | |
|-----------------|----------------|-------------------|-----|
| DEFERRAL | 0.0% Reduction | <i>Adjustment</i> | \$0 |
|-----------------|----------------|-------------------|-----|

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

Notes: Deferral not offered for non-expedited settlement.

| | |
|------------------------|---------|
| PAYABLE PENALTY | \$1,992 |
|------------------------|---------|

Screening Date 10-Oct-2008

Docket No. 2008-1657-WOC-E

PCW

Respondent Charles E. Schram III

Policy Revision 2 (September 2002)

Case ID No. 36658

PCW Revision June 12, 2008

Reg. Ent. Reference No. RN105599187

Media [Statute] All Occupational Licenses

Enf. Coordinator Yuliya Dunaway

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

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

>> Repeat Violator (Subtotal 3)

N/A

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

N/A

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance
History
Notes

No change due to no previous compliance history.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 0%

| | | | |
|---|---|---------------------------------------|--|
| Screening Date 10-Oct-2008 | Docket No. 2008-1657-WOC-E | PCW | |
| Respondent Charles E. Schram III | <i>Policy Revision 2 (September 2002)</i> | | |
| Case ID No. 36658 | <i>PCW Revision June 12, 2008</i> | | |
| Reg. Ent. Reference No. RN105599187 | | | |
| Media [Statute] All Occupational Licenses | | | |
| Enf. Coordinator Yuliya Dunaway | | | |
| Violation Number <input type="text" value="1"/> | | | |
| Rule Cite(s) | 30 Tex. Admin. Code §§ 30.5(a) and 30.381(b), Tex. Water Code § 37.003, and Tex. Health & Safety Code § 341.034(b) | | |
| Violation Description | Failed to have a valid, effective public water system operator license issued by the Commission prior to performing process control duties for the production and distribution of drinking water. Specifically, on the date of the investigation, the Respondent was operating the water system at Thunderbird Bay Subdivision without the required operator license. The water system is required to be operated under the direct supervision of an operator with a valid Class "B" license. | | |
| | Base Penalty | <input type="text" value="\$2,500"/> | |
| >> Environmental, Property and Human Health Matrix | | | |
| OR | Release | Harm | |
| | | Major Moderate Minor | |
| | Actual | <input type="text"/> | <input type="text"/> |
| | Potential | <input checked="" type="checkbox"/> x | <input type="text"/> |
| | | | Percent <input type="text" value="25%"/> |
| >> Programmatic Matrix | | | |
| | Falsification | Major | Moderate |
| | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| | | | Percent <input type="text" value="0%"/> |
| Matrix Notes | Failing to have the required license could result in improper operation of the water system and improper treatment of the water which could cause customers of the water system to be exposed to significant amounts of contaminants which would exceed levels protective of human health. | | |
| | Adjustment | <input type="text" value="\$1,875"/> | |
| | | | <input type="text" value="\$625"/> |
| Violation Events | | | |
| | Number of Violation Events | <input type="text" value="3"/> | Number of violation days |
| | | <input type="text" value="64"/> | |
| <i>mark only one with an x</i> | daily | <input type="text"/> | Violation Base Penalty <input type="text" value="\$1,875"/> |
| | monthly | <input checked="" type="checkbox"/> x | |
| | quarterly | <input type="text"/> | |
| | semiannual | <input type="text"/> | |
| | annual | <input type="text"/> | |
| | single event | <input type="text"/> | |
| Three monthly events are recommended from the date of the investigation, August 7, 2008, to the screening date, October 10, 2008. | | | |
| Good Faith Efforts to Comply | | | \$0 |
| | 0.0% Reduction | | |
| | 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"/> x | (mark with x) | |
| Notes | The Respondent does not meet the good faith criteria for this violation. | | |
| | | | Violation Subtotal <input type="text" value="\$1,875"/> |
| Economic Benefit (EB) for this violation | | Statutory Limit Test | |
| Estimated EB Amount | <input type="text" value="\$117"/> | Violation Final Penalty Total | <input type="text" value="\$1,992"/> |
| This violation Final Assessed Penalty (adjusted for limits) | | | <input type="text" value="\$1,992"/> |

Economic Benefit Worksheet

Respondent: Charles E. Schram III

Case ID No.: 36658

Reg. Ent. Reference No.: RN105599187

Media: All Occupational Licenses

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 |
|--------------------------------|-----------|---------------|------------|-----|----------------|---------------|-----------|
| <small>No commas or \$</small> | | | | | | | |

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] | | | | 0.00 | \$0 | \$0 | \$0 |
| Other (as needed) | \$111 | 7-Aug-2008 | 10-Oct-2008 | 1.09 | \$6 | \$111 | \$117 |

Notes for AVOIDED costs

The avoided cost includes the amount to obtain a Class "B" water supply operator license, calculated from the date of the investigation to the screening date.

Approx. Cost of Compliance

\$111

TOTAL

\$117

Compliance History Report

| | | | | |
|---|---|-----------------------|-----------------|--------------|
| Customer/Respondent/Owner-Operator: | CN603394727 | SCHRAM, CHARLES E III | Classification: | Rating: |
| Regulated Entity: | RN105599187 | SCHRAM CHARLES E III | Classification: | Site Rating: |
| ID Number(s): | | | | |
| Location: | 100 OAK POINT DRIVE, MAY, BROWN COUNTY, TX, 76857 | | | |
| TCEQ Region: | REGION 03 - ABILENE | | | |
| Date Compliance History Prepared: | October 10, 2008 | | | |
| Agency Decision Requiring Compliance History: | Enforcement | | | |
| Compliance Period: | October 10, 2003 to October 10, 2008 | | | |
| TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History | | | | |
| Name: | Yulya Dunaway | Phone: | 210-403-4077 | |

Site Compliance History Components

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

Components (Multimedia) for the Site :

- A. Final Enforcement Orders, court judgments, 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 09/23/2008 (688471)
- E. Written notices of violations (NOV). (CCEDS Inv. Track. No.)
N/A
- 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
CHARLES E. SCHRAM III;
RN105599187**

**§
§
§
§
§
§**

**BEFORE THE

TEXAS COMMISSION ON

ENVIRONMENTAL QUALITY**

AGREED ORDER DOCKET NO. 2008-1657-WOC-E

I. JURISDICTION AND STIPULATIONS

At its _____ agenda, the Texas Commission on Environmental Quality ("Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Charles E. Schram III ("Mr. Schram") under the authority of TEX. WATER CODE chs. 7 and 37 and TEX. HEALTH & SAFETY CODE ch. 341. The Executive Director of the TCEQ, represented by the Litigation Division, and Mr. Schram appear before the Commission and together stipulate that:

1. Mr. Schram operated a public water system at Phantom Hill Circle, lot 362, May, Brown County, Texas (the "Plant"). Mr. Schram performs process control duties in the production or distribution of drinking water for a public water system.
2. This Agreed Order is entered into pursuant to TEX. WATER CODE §§ 7.051 and 7.070, and TEX. HEALTH & SAFETY CODE § 341.049. The Commission has jurisdiction of this matter pursuant to TEX. WATER CODE § 5.013 because it alleges violations of TEX. WATER CODE ch. 37, TEX. HEALTH & SAFETY CODE ch. 341 and TCEQ rules.
3. The Commission and Mr. Schram agree that the Commission has jurisdiction to enter this Agreed Order, and that Mr. Schram is subject to the Commission's jurisdiction.
4. Mr. Schram received notice of the violations alleged in Section II ("Allegations") on or about August 13, 2008.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by Mr. Schram of any violation alleged in Section II ("Allegations"), nor of any statute or rule.

6. An administrative penalty in the amount of one thousand nine hundred ninety-two dollars (\$1,992.00) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). Mr. Schram paid one hundred ninety-two dollars (\$192.00) of the administrative penalty. The remaining amount of one thousand eight hundred dollars (\$1,800.00) of the administrative penalty shall be payable in 18 monthly payments of one hundred dollars (\$100.00) each, pursuant to 30 TEX. ADMIN. CODE § 70.9(a). The first monthly payment shall be paid within 30 days after the effective date of this Agreed Order. The subsequent payments shall be paid not later than 30 days following the due date of the previous payment. If Mr. Schram fails to timely and satisfactorily comply with the payment requirements of this Agreed Order, including the payment schedule, the Executive Director may, at his 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, Mr. Schram's failure to meet the payment schedule of this Agreed Order constitutes the failure by Mr. Schram to timely and satisfactorily comply with all of 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 Mr. Schram 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 Mr. Schram hired a properly licensed Class "B" public water system operator at the Plant in response to this enforcement action and is no longer acting as the operator of the public water system.
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 Mr. Schram 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

During an investigation conducted on August 7, 2008, a TCEQ Abilene Regional Office investigator documented that Mr. Schram violated 30 TEX. ADMIN. CODE §§ 30.5(a) and 30.381(b), TEX. WATER CODE § 37.003, and TEX. HEALTH & SAFETY CODE § 341.034(b) by failing to have a valid, effective public water system operator license issued by the Commission prior to performing process control duties for the production and distribution of drinking water. Specifically, on the date of the investigation, Mr. Schram was operating the water system at Thunderbird Bay Subdivision without the required operator license. The water system is required to be operated under the direct supervision of an operator with a valid Class "B" license.

III. DENIALS

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

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that Mr. Schram pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and Mr. Schram'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 considering or requiring corrective action or penalties for violations which are not raised here. Administrative penalty payments shall be made payable to "Texas Commission on Environmental Quality" and shall be sent with the notation "Re: Charles E. Schram III, Docket No. 2008-1657-WOC-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. The provisions of this Agreed Order shall apply to and be binding upon Mr. Schram. Mr. Schram 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.

3. This Agreed Order, issued by the Commission, shall not be admissible against Mr. Schram 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.
4. This Agreed Order may be executed in multiple counterparts, which together shall constitute a single original instrument. Any executed signature page to this Agreed Order may be transmitted by facsimile transmission to the other parties, which shall constitute an original signature for all purposes.
5. Under 30 TEX. ADMIN. CODE § 70.10(b) and TEX. GOV'T CODE § 2001.142, the effective date of this Agreed Order is the date of hand-delivery of the Order to Mr. Schram, or three days after the date on which the Commission mails notice of the Order to Mr. Schram, 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

Robertson Perdue

For the Executive Director

6/12/2009

Date

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

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

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

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

Charles E Schram III
Signature

6/13/09
Date

Charles E. Schram III
Name

PRESIDENT
Title