

**EXECUTIVE SUMMARY - ENFORCEMENT MATTER**

**DOCKET NO.: 2008-1774-AIR-E TCEQ ID: RN100210962 CASE NO.: 36800  
RESPONDENT NAME: SALZGITTER MANNESMANN STAINLESS TUBES USA, INC.**

<b>ORDER TYPE:</b>		
<input type="checkbox"/> 1660 AGREED ORDER	<input type="checkbox"/> FINDINGS AGREED ORDER	<input type="checkbox"/> FINDINGS ORDER FOLLOWING SOAH HEARING
<input checked="" type="checkbox"/> FINDINGS DEFAULT ORDER	<input type="checkbox"/> SHUTDOWN ORDER	<input type="checkbox"/> IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER
<input type="checkbox"/> AMENDED ORDER	<input type="checkbox"/> EMERGENCY ORDER	

<b>CASE TYPE:</b>		
<input checked="" type="checkbox"/> AIR	<input type="checkbox"/> MULTI-MEDIA (check all that apply)	<input type="checkbox"/> INDUSTRIAL HAZARDOUS WASTE
<input type="checkbox"/> PUBLIC WATER SUPPLY	<input type="checkbox"/> PETROLEUM STORAGE TANKS	<input type="checkbox"/> OCCUPATIONAL CERTIFICATION
<input type="checkbox"/> WATER QUALITY	<input type="checkbox"/> SEWAGE SLUDGE	<input type="checkbox"/> UNDERGROUND INJECTION CONTROL
<input type="checkbox"/> MUNICIPAL SOLID WASTE	<input type="checkbox"/> RADIOACTIVE WASTE	<input type="checkbox"/> DRY CLEANER REGISTRATION

**SITE WHERE VIOLATION(S) OCCURRED:** 12050 West Little York Road, Houston, Harris County

**TYPE OF OPERATION:** steel pipe and tube manufacturing plant

**SMALL BUSINESS:**  Yes  No

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

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

**COMMENTS RECEIVED:** The *Texas Register* comment period expired September 21, 2009. No comments were received.

**CONTACTS AND MAILING LIST:**

**TCEQ Attorney:** Ms. Rebecca M. Combs, Litigation Division, MC 175, (512) 239-6939  
Ms. Lena Roberts, Litigation Division, MC 175, (512) 239-0019

**TCEQ Enforcement Coordinator:** Ms. Suzanne Walrath, Air Enforcement Section, MC 149, (512) 239-2134

**TCEQ Regional Contact:** Ms. Linda Vasse, Houston Regional Office, MC R-12, (713) 767-3637

**Respondent:** Mr. Paul Burdette, President, Salzgitter Mannesmann Stainless Tubes USA, Inc., 12050 West Little York Road, Houston, Texas 77041

**Respondent's Attorney:** Not represented by counsel on this enforcement matter.

**VIOLATION SUMMARY CHART:**

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p><b>Type of Investigation:</b></p> <p><input type="checkbox"/> Complaint  <input type="checkbox"/> Routine  <input type="checkbox"/> Enforcement Follow-up  <input checked="" type="checkbox"/> Records Review</p> <p><b>Date of Complaint Relating to this Case:</b> N/A</p> <p><b>Date of Investigation Relating to this Case:</b> October 13, 2008</p> <p><b>Date of NOE Relating to this Case:</b> October 28, 2008</p> <p><b>Background Facts:</b> The EDRP was filed March 18, 2009, and mailed to the Respondent via certified mail, return receipt requested, and via first class mail, postage prepaid. According to the return receipt "green card," the Respondent received notice of the EDRP on March 20, 2009, as evidenced by the signature on the card. The Respondent failed to answer the EDRP, failed to request a hearing, and failed to schedule a settlement conference.</p> <p><b>Current Compliance Status:</b> The Respondent paid the past-due fees, but has not submitted the Annual Emissions Inventory Updates.</p> <p><b>AIR:</b></p> <p>1. Failed to submit annual emissions inventory updates ("AEIU") for calendar years 2006 and 2007 [30 TEX. ADMIN. CODE § 101.10(e) and TEX. HEALTH &amp; SAFETY CODE § 382.085(b)].</p> <p>2. Failed to pay outstanding emissions inventory fees associated to TCEQ Financial Account No. 21002841 [30 TEX. ADMIN. CODE § 101.27, TEX. WATER CODE § 5.702, and TEX. HEALTH &amp; SAFETY CODE § 382.085(b)].</p>	<p><b>Total Assessed:</b> \$7,350</p> <p><b>Total Deferred:</b> \$0</p> <p><input type="checkbox"/> Expedited Order  <input type="checkbox"/> Financial Inability to Pay  <input type="checkbox"/> SEP Conditional Offset</p> <p><b>Total Due to General Revenue:</b> \$7,350</p> <p>This is a Default Order. The Respondent has not actually paid any of the assessed penalty but will be required to do so under the terms of this Order.</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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><b>Applicable Penalty Policy:</b> September 2002</p>	<p><b>Corrective Action Taken:</b></p> <p>The Executive Director recognizes that the Respondent paid the outstanding Annual Emissions Inventory Update fees for TCEQ Financial Account No. 21002841.</p> <p><b>Ordering Provisions:</b></p> <p>The Respondent shall undertake the following technical requirements:</p> <ol style="list-style-type: none"> <li>1. Within 30 days submit 2006 and 2007 Annual Emissions Inventory Updates.</li> <li>2. Within 45 days, submit written certification demonstrating compliance.</li> </ol>



## Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

<b>DATES</b>	Assigned	3-Nov-2008	<b>Screening</b>	4-Nov-2008	<b>EPA Due</b>	
	PCW	4-Nov-2008				

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

<b>CASE INFORMATION</b>			
Enf./Case ID No.	36800	No. of Violations	2
Docket No.	2008-1774-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Bryan Elliott
		EC's Team	Enforcement Team 4
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$10,000

<b>Penalty Calculation Section</b>			
<b>TOTAL BASE PENALTY (Sum of violation base penalties)</b>	<b>Subtotal 1</b>		<b>\$5,000</b>
<b>ADJUSTMENTS (+/-) TO SUBTOTAL 1</b>			
<small>Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.</small>			
<b>Compliance History</b>	47.0% Enhancement	<b>Subtotals 2, 3, &amp; 7</b>	<b>\$2,350</b>
Notes	Enhancement due to one NOV for the same violation, one NOV for a dissimilar violation, and two 1660 style orders.		
<b>Culpability</b>	No 0.0% Enhancement	<b>Subtotal 4</b>	<b>\$0</b>
Notes	The Respondent does not meet the culpability criteria.		
<b>Good Faith Effort to Comply Total Adjustments</b>		<b>Subtotal 5</b>	<b>\$0</b>
<b>Economic Benefit</b>	0.0% Enhancement*	<b>Subtotal 6</b>	<b>\$0</b>
Total EB Amounts	\$547	<small>*Capped at the Total EB \$ Amount</small>	
Approx. Cost of Compliance	\$5,000		
<b>SUM OF SUBTOTALS 1-7</b>		<b>Final Subtotal</b>	<b>\$7,350</b>
<b>OTHER FACTORS AS JUSTICE MAY REQUIRE</b>	0.0%	<b>Adjustment</b>	<b>\$0</b>
<small>Reduces or enhances the Final Subtotal by the indicated percentage.</small>			
Notes			
		<b>Final Penalty Amount</b>	<b>\$7,350</b>
<b>STATUTORY LIMIT ADJUSTMENT</b>		<b>Final Assessed Penalty</b>	<b>\$7,350</b>
<b>DEFERRAL</b>	0.0% Reduction	<b>Adjustment</b>	<b>\$0</b>
<small>Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)</small>			
Notes	Deferral not offered for non-expedited settlement.		
<b>PAYABLE PENALTY</b>			<b>\$7,350</b>

**Screening Date** 4-Nov-2008

**Docket No.** 2008-1774-AIR-E

**PCW**

**Respondent** Salzgitter Mannesmann Stainless Tubes USA, Inc.

Policy Revision 2 (September 2002)

**Case ID No.** 36800

PCW Revision October 30, 2008

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

**Media [Statute]** Air

**Enf. Coordinator** Bryan Elliott

### 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	1	2%
Orders	Any agreed final enforcement orders containing a denial of liability <i>(number of orders meeting criteria)</i>	2	40%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government <i>(number of judgements or consent decrees meeting criteria)</i>	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government <i>(number of counts)</i>	0	0%
Emissions	Chronic excessive emissions events <i>(number of events)</i>	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 <i>(number of audits for which notices were submitted)</i>	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 <i>(number of audits for which violations were disclosed)</i>	0	0%
<i>Please Enter Yes or No</i>			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

**Adjustment Percentage (Subtotal 2)** 47%

>> **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 due to one NOV for the same violation, one NOV for a dissimilar violation, and two 1660 style orders.

**Total Adjustment Percentage (Subtotals 2, 3, & 7)** 47%

<b>Screening Date</b> 4-Nov-2008		<b>Docket No.</b> 2008-1774-AIR-E		<b>PCW</b>	
<b>Respondent</b> Salzgitter Mannesmann Stainless Tubes USA, Inc.		<small>Policy Revision 2 (September 2002)</small>			
<b>Case ID No.</b> 36800		<small>PCW Revision October 30, 2008</small>			
<b>Reg. Ent. Reference No.</b> RN100210962					
<b>Media [Statute]</b> Air					
<b>Enf. Coordinator</b> Bryan Elliott					
<b>Violation Number</b>	1				
<b>Rule Cite(s)</b>	30 Tex. Admin. Code § 101.10(e) and Tex. Health & Safety Code § 382.085(b)				
<b>Violation Description</b>	Failed to submit an emissions inventory ("EI") for calendar years 2006 and 2007, as documented during an investigation conducted on October 13, 2008.				
<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="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 checked="" type="checkbox"/>	<input type="text"/>	<input type="text"/>
				<b>Percent</b> <input type="text" value="25%"/>	
<b>Matrix Notes</b>	100% of the rule requirement was not met.				
<b>Adjustment</b>				\$7,500	
				\$2,500	
<b>Violation Events</b>					
<b>Number of Violation Events</b>		<input type="text" value="2"/>	<b>Number of violation days</b> <input type="text" value="730"/>		
<small>mark only one with an x</small>	daily	<input type="text"/>			
	weekly	<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"/>			
				<b>Violation Base Penalty</b> <input type="text" value="\$5,000"/>	
Two single events are recommended based on the two annual reports.					
<b>Good Faith Efforts to Comply</b>		0.0% Reduction		\$0	
		Before NOV	NOV to EDPRP/Settlement Offer		
Extraordinary	<input type="text"/>				
Ordinary	<input type="text"/>				
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>				\$5,000	
<b>Economic Benefit (EB) for this violation</b>		<b>Statutory Limit Test</b>			
<b>Estimated EB Amount</b> <input type="text" value="\$547"/>		<b>Violation Final Penalty Total</b> <input type="text" value="\$7,350"/>			
<b>This violation Final Assessed Penalty (adjusted for limits)</b>				\$7,350	

## Economic Benefit Worksheet

**Respondent** Salzgitter Mannesmann Stainless Tubes USA, Inc.  
**Case ID No.** 36800  
**Reg. Ent. Reference No.** RN100210962  
**Media** Air  
**Violation No.** 1

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

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

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	\$5,000	31-Mar-2007	7-Jun-2009	2.19	\$547	n/a	\$547
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 submit an emissions inventory for the years 2006 and 2007. Date Required is based on the date the first report was due and Final Date is the prospective 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

\$5,000

TOTAL

\$547

<b>Screening Date</b> 4-Nov-2008	<b>Docket No.</b> 2008-1774-AIR-E	<b>PCW</b>
<b>Respondent</b> Salzgitter Mannesmann Stainless Tubes USA, Inc.		<small>Policy Revision 2 (September 2002)</small>
<b>Case ID No.</b> 36800		<small>PCW Revision October 30, 2008</small>
<b>Reg. Ent. Reference No.</b> RN100210962		
<b>Media [Statute]</b> Air		
<b>Enf. Coordinator</b> Bryan Elliott		
<b>Violation Number</b>	2	
<b>Rule Cite(s)</b>	30 Tex. Admin. Code § 101.27, Tex. Water Code § 5.702, and Tex. Health & Safety Code § 382.085(b)	
<b>Violation Description</b>	Failed to pay outstanding emissions inventory fees associated to TCEQ Financial Account No. 21002841, as documented during a record review conducted on January 2, 2009.	
<b>Base Penalty</b>		\$10,000

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

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

**>> Programmatic Matrix**

	<b>Falsification</b>	<b>Major</b>	<b>Moderate</b>	<b>Minor</b>	
	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	
				<b>Percent</b> <input type="text" value="0%"/>	
<b>Matrix Notes</b>	<input style="width:100%; height:100%;" type="text"/>				
<b>Adjustment</b>					\$10,000

\$0

**Violation Events**

<b>Number of Violation Events</b>	<input type="text"/>	<b>Number of violation days</b>	<input type="text"/>	
<small>mark only one with an x</small>	daily	<input type="text"/>	<b>Violation Base Penalty</b>	<input type="text" value="\$0"/>
	weekly	<input type="text"/>		
	monthly	<input type="text"/>		
	quarterly	<input type="text"/>		
	semiannual	<input type="text"/>		
	annual	<input type="text"/>		
	single event	<input type="text"/>		
No additional administrative penalty was calculated for this violation as penalties and interest will be assessed on the next fee billing.				

**Good Faith Efforts to Comply** 0.0% Reduction

	<small>Before NOV</small>	<small>NOV to EDRP/ Settlement Offer</small>	
<b>Extraordinary</b>	<input type="text"/>	<input type="text"/>	
<b>Ordinary</b>	<input type="text"/>	<input type="text"/>	
N/A	<small>(mark with x)</small>		
<b>Notes</b>	<input style="width:100%; height:100%;" type="text"/>		
<b>Violation Subtotal</b>			\$0

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

<b>Estimated EB Amount</b>	<input type="text" value="\$0"/>	<b>Violation Final Penalty Total</b>	<input type="text" value="\$0"/>
<b>This violation Final Assessed Penalty (adjusted for limits)</b>		<input type="text" value="\$0"/>	

### Economic Benefit Worksheet

**Respondent** Salzgitter Mannesmann Stainless Tubes USA, Inc.  
**Case ID No.** 36800  
**Reg. Ent. Reference No.** RN100210962  
**Media** Air  
**Violation No.** 2

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

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

N/A

**Avoided Costs**

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance

\$0

TOTAL

\$0

## Compliance History Report

Customer/Respondent/Owner-Operator:	CN600125132    Saizgitter Mannesmann Stainless Tubes USA, Inc.	Classification: AVERAGE	Rating: 17.71
Regulated Entity:	RN100210962    DMV STAINLESS USA	Classification: AVERAGE	Site Rating: 17.71
ID Number(s):	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	EPA ID	TXD987983152
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION # (SWR)	39154
	AIR NEW SOURCE PERMITS	PERMIT	19763
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	HG3179U
	AIR NEW SOURCE PERMITS	PERMIT	76509
	AIR NEW SOURCE PERMITS	REGISTRATION	76500
	AIR NEW SOURCE PERMITS	AFS NUM	4820101286
	AIR EMISSIONS INVENTORY	ACCOUNT NUMBER	HG3179U
Location:	12050 W LITTLE YORK RD, HOUSTON, TX, 77041		
TCEQ Region:	REGION 12 - HOUSTON		
Date Compliance History Prepared:	December 17, 2008		
Agency Decision Requiring Compliance History:	Enforcement		
Compliance Period:	November 07, 2003 to November 07, 2008		
TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History			
Name:	<u>Bryan Elliott</u>	Phone:	<u>239 - 6162</u>

### 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 |
| 6. Rating Date: 9/1/2008 Repeat Violator: NO   |     |

### Components (Multimedia) for the Site :

- A. Final Enforcement Orders, court judgements, and consent decrees of the state of Texas and the federal government.
- |   |                                   |
|---|-----------------------------------|
| <b>Effective Date:</b> 07/01/2004   | <b>ADMINORDER 2002-1077-AIR-E</b> |
| Classification: Moderate  |                                   |
| Citation: 30 TAC Chapter 122, SubChapter B 122.145(2)(B)<br>5C THC Chapter 382, SubChapter A 382.085(b)   |                                   |
| Description: Failed to submit the semiannual deviation report for the February 26, 2002 to August 25, 2002 deviation reporting period.  |                                   |
| Classification: Moderate  |                                   |
| Citation: 30 TAC Chapter 122, SubChapter B 122.146(2)<br>5C THC Chapter 382, SubChapter A 382.085(b)  |                                   |
| Description: Failed to submit an annual compliance certification within 30 days after the end of the February 26, 2001 to February 25, 2002 certification period.                               |                                   |
|   |                                   |
| <b>Effective Date:</b> 08/29/2008   | <b>ADMINORDER 2006-1577-AIR-E</b> |
| Classification: Minor   |                                   |
| Citation: 30 TAC Chapter 122, SubChapter B 122.146(2)<br>5C THC Chapter 382, SubChapter D 382.085(b)  |                                   |
| Rqmt Prov: O-01340, General Terms and Conditions OP   |                                   |
| Description: Failure to submit a complete annual compliance certification for Federal Operating Permit No. O-01340 in a timely manner in compliance with the requirements of 30 TAC 122.146(2). |                                   |
- 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 | 06/28/2004 | (277624) |
| 2 | 06/29/2004 | (250929) |
| 3 | 08/11/2005 | (404768) |
| 4 | 08/31/2006 | (457392) |
| 5 | 04/24/2007 | (541749) |
| 6 | 06/29/2007 | (534320) |
| 7 | 10/28/2008 | (705491) |
- E. Written notices of violations (NOV). (CCEDS Inv. Track. No.)
- |   |                          |
|---|--------------------------|
| Date: 06/28/2004 (277624)   | CN600125132              |
| Self NO   | Classification: Moderate |
| Citation: 30 TAC Chapter 335, SubChapter Q 335.474  |                          |
| Description: Failure to update and maintain a certified copy of the Source Reduction/Waste Minimization plan. |                          |

Self NO Classification: Moderate  
 Citation: 30 TAC Chapter 335, SubChapter A 335.6(c)  
 Description: Failure to amend Notice of Registration to accurately reflect waste streams generated and waste management units utilized on-site.

Self NO Classification: Moderate  
 Citation: 30 TAC Chapter 335, SubChapter A 335.9(a)(2)  
 30 TAC Chapter 335, SubChapter A 335.9(a)(2)(A)  
 30 TAC Chapter 335, SubChapter A 335.9(a)(2)(B)  
 Description: Failure to file AWS for 1998, 1999, 2000, 2002, and 2003, in the timeframes required.

Self NO Classification: Moderate  
 Citation: 30 TAC Chapter 335, SubChapter C 335.62  
 30 TAC Chapter 335, SubChapter R 335.504  
 40 CFR Chapter 262, SubChapter I, PT 262, SubPT A 262.11  
 Description: Failure to perform adequate waste determinations on pickling liquor wastes.

Self NO Classification: Moderate  
 Citation: 30 TAC Chapter 335, SubChapter C 335.69(a)(4)  
 30 TAC Chapter 335, SubChapter E 335.112(a)(3)  
 40 CFR Chapter 262, SubChapter I, PT 262, SubPT C 262.34(a)(4)  
 40 CFR Chapter 262, SubChapter I, PT 262, SubPT E 262.54(g)  
 Description: Failure to appropriately update the Contingency Plan.

Self NO Classification: Minor  
 Citation: 30 TAC Chapter 335, SubChapter A 335.10(b)(22)  
 Description: Failure to use appropriate waste stream classification codes on manifests.  
 Date: 04/27/2007 (541749)

Self NO Classification: Moderate  
 Citation: 30 TAC Chapter 101, SubChapter A 101.10(e)  
 5C THC Chapter 382, SubChapter A 382.085(b)  
 Description: Failed to submit the 2002, 2003, and 2005 Emissions Inventory Updates.

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  
SALZGITTER MANNESMANN  
STAINLESS TUBES USA, INC.,  
RN100210962

§  
§  
§  
§  
§  
§

BEFORE THE  
TEXAS COMMISSION ON  
ENVIRONMENTAL QUALITY

**DEFAULT ORDER**  
**DOCKET NO. 2008-1774-AIR-E**

At its \_\_\_\_\_ agenda, the Texas Commission on Environmental Quality, (“Commission” or “TCEQ”) considered the Executive Director’s Preliminary Report and Petition filed pursuant to TEX. WATER CODE chs. 5 and 7, TEX. HEALTH & SAFETY CODE ch. 382 and the rules of the TCEQ, which requests appropriate relief, including the imposition of an administrative penalty and corrective action of the respondent. The respondent made the subject of this Order is Salzgitter Mannesmann Stainless Tubes USA, Inc. (“Mannesmann”).

The Commission makes the following Findings of Fact and Conclusions of Law:

**FINDINGS OF FACT**

1. Mannesmann owns and operates a steel pipe and tube manufacturing plant located at 12050 West Little York Road, Houston, Harris County, Texas (the “Plant”).
2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
3. During a record review inspection conducted on October 13, 2008, a TCEQ Central Office investigator documented that Mannesmann:
  - a. Failed to submit Annual Emissions Inventory Updates (“AEIU”) for calendar years 2006 and 2007; and
  - b. Failed to pay outstanding emissions inventory fees associated to TCEQ Financial Account No. 21002841.
4. Mannesmann received notice of the violations on or about November 2, 2008.

5. The Executive Director recognizes that Mannesmann paid the outstanding AEIU fees associated to TCEQ Financial Account No. 21002841.
6. The Executive Director filed the "Executive Director's Preliminary Report and Petition Recommending that the Texas Commission on Environmental Quality Enter an Enforcement Order Assessing an Administrative Penalty Against and Requiring Certain Actions of Salzgitter Mannesmann Stainless Tubes USA, Inc." (the "EDPRP") in the TCEQ Chief Clerk's office on March 18, 2009.
7. By letter dated March 18, 2009, sent via certified mail, return receipt requested, and via first class mail, postage prepaid, the Executive Director served Mannesmann with notice of the EDPRP. According to the return receipt "green card", Mannesmann received notice of the EDPRP on March 20, 2009, as evidenced by the signature on the card.
8. More than 20 days have elapsed since Mannesmann received notice of the EDPRP, provided by the Executive Director. Mannesmann failed to file an answer, failed to request a hearing, and failed to schedule a settlement conference.

### CONCLUSIONS OF LAW

1. As evidenced by Finding of Fact Nos. 1 and 2, Mannesmann is subject to the jurisdiction of the TCEQ pursuant to TEX. WATER CODE chs. 5 and 7, TEX. HEALTH & SAFETY CODE ch. 382 and the rules of the Commission.
2. As evidenced by Finding of Fact No. 3.a., Mannesmann failed to submit AEIUs for calendar years 2006 and 2007, in violation of 30 TEX. ADMIN. CODE § 101.10(e) and TEX. HEALTH & SAFETY CODE § 382.085(b).
3. As evidenced by Finding of Fact No. 3.b., Mannesmann failed to pay outstanding emissions inventory fees associated to TCEQ Financial Account No. 21002841 in violation of 30 TEX. ADMIN. CODE § 101.27, TEX. WATER CODE § 5.702 and TEX. HEALTH & SAFETY CODE § 382.085(b).
4. As evidenced by Finding of Fact Nos. 6 and 7, the Executive Director timely served Mannesmann with proper notice of the EDPRP, as required by TEX. WATER CODE § 7.055 and 30 TEX. ADMIN. CODE § 70.104(a).

5. As evidenced by Finding of Fact No. 8, Mannesmann failed to file a timely answer as required by TEX. WATER CODE § 7.056 and 30 TEX. ADMIN. CODE § 70.105. Pursuant to TEX. WATER CODE § 7.057 and 30 TEX. ADMIN. CODE § 70.106, the Commission may enter a Default Order against Mannesmann and assess the penalty recommended by the Executive Director.
6. Pursuant to TEX. WATER CODE § 7.051, the Commission has the authority to assess an administrative penalty against Mannesmann for violations of the Texas Water Code and the Texas Health and Safety Code, within the Commission's jurisdiction, for violations of rules adopted under such statutes, or for violations of orders or permits issued under such statutes.
7. An administrative penalty in the amount of seven thousand three hundred fifty dollars (\$7,350.00) is justified by the facts recited in this Order, and considered in light of the factors set forth in TEX. WATER CODE § 7.053.
8. TEX. WATER CODE §§ 5.102 and 7.002 authorize the Commission to issue orders and make determinations necessary to effectuate the purposes of the statutes within its jurisdiction.

### ORDERING PROVISIONS

NOW, THEREFORE, THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY ORDERS that:

1. Mannesmann is assessed an administrative penalty in the amount of seven thousand three hundred fifty dollars (\$7,350.00) for violations of state statutes and TCEQ rules. The payment of this administrative penalty and Mannesmann's compliance with all the terms and conditions set forth in this Order completely resolve the matters set forth by this Order in this action. The Commission shall not be constrained in any manner from requiring corrective actions or penalties for other violations which are not raised here. All checks submitted to pay the penalty imposed by this Order shall be made out to the "Texas Commission on Environmental Quality". The administrative penalty assessed by this Order shall be paid within 30 days after the effective date of this Order and shall be sent with the notation "Re: Salzgitter Mannesmann Stainless Tubes USA, Inc.; Docket No. 2008-1774-AIR-E" to:

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

2. Mannesmann shall implement the following corrective measures:

- a. Within 30 days after the effective date of this Order, Mannesmann shall submit the 2006 and 2007 AEIUs to:

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

- b. Within 45 days after the effective date of this Order, Mannesmann shall submit written certification and detailed supporting documentation, including photographs, receipts, and other records, to demonstrate compliance with Ordering Provision No. 2.a.. 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."

Mannesmann shall submit the written certification and copies of documentation necessary to demonstrate compliance with Ordering Provision No. 2.a. 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:

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

3. All relief not expressly granted in this Order is denied.
4. The provisions of this Order shall apply to and be binding upon Mannesmann. Mannesmann is ordered to give notice of this Order to personnel who maintain day-to-day control over the Plant operations referenced in this Order.
5. If Mannesmann fails to comply with any of the Ordering Provisions in this Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, Mannesmann's failure to comply is not a violation of this Order. Mannesmann shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. Mannesmann shall notify the Executive Director within seven days after Mannesmann becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
6. The Executive Director may grant an extension of any deadline in this Order or in any plan, report, or other document submitted pursuant to this Order, upon a written and substantiated showing of good cause. All requests for extensions by Mannesmann shall be made in writing to the Executive Director. Extensions are not effective until Mannesmann receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
7. The Executive Director may refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings without notice to Mannesmann if the Executive Director determines that Mannesmann has not complied with one or more of the terms or conditions in this Order.
8. This Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Order, whichever is later.
9. The Chief Clerk shall provide a copy of this Order to each of the parties. By law, the effective date of this Order shall be the date the Order is final, as provided by 30 TEX. ADMIN. CODE § 70.106(d) and TEX. GOV'T CODE § 2001.144.

## SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

---

For the Commission

**AFFIDAVIT OF REBECCA M. COMBS**

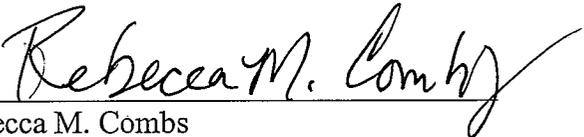
STATE OF TEXAS           §  
  §  
COUNTY OF TRAVIS       §

“My name is Rebecca M. Combs. I am of sound mind, capable of making this affidavit, and the facts stated in this affidavit are within my personal knowledge and are true and correct.

On behalf of the Executive Director of the Texas Commission on Environmental Quality, the ‘Executive Director’s Preliminary Report and Petition Recommending that the Texas Commission on Environmental Quality Enter an Enforcement Order Assessing an Administrative Penalty Against and Requiring Certain Actions of Salzgitter Mannesmann Stainless Tubes USA, Inc.’ (the ‘EDPRP’) was filed with the Office of the Chief Clerk on March 18, 2009.

I sent the EDPRP to Mannesmann at its last known address on March 18, 2009 via certified mail, return receipt requested, and via first class mail, postage prepaid. According to the return receipt ‘green card’, Mannesmann received notice of the EDPRP on March 20, 2009, as evidenced by the signature on the card.

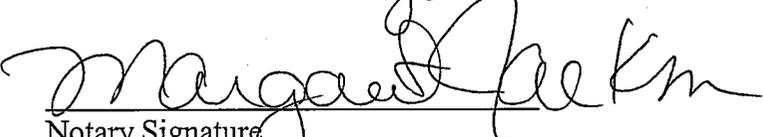
More than 20 days have elapsed since Mannesmann received notice of the EDPRP. Mannesmann failed to file an answer, failed to request a hearing, and failed to schedule a settlement conference”.

  
\_\_\_\_\_  
Rebecca M. Combs  
Attorney  
Texas Commission on Environmental Quality

Before me, the undersigned authority, on this day personally appeared Rebecca M. Combs, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that she executed the same for the purposes and consideration herein expressed.

Given under my hand and seal of office this 19 day of August 2009.



  
\_\_\_\_\_  
Notary Signature