

**EXECUTIVE SUMMARY - ENFORCEMENT MATTER** Page 1 of 2  
**DOCKET NO.:** 2009-1459-PWS-E **TCEQ ID:** RN101459592 **CASE NO.:** 38315  
**RESPONDENT NAME:** Prairie Hill Water Supply Corporation

<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 checked="" type="checkbox"/> PUBLIC WATER SUPPLY	<input type="checkbox"/> PETROLEUM STORAGE TANKS	<input type="checkbox"/> OCCUPATIONAL CERTIFICATION
<input type="checkbox"/> WATER QUALITY	<input type="checkbox"/> SEWAGE SLUDGE	<input type="checkbox"/> UNDERGROUND INJECTION CONTROL
<input type="checkbox"/> MUNICIPAL SOLID WASTE	<input type="checkbox"/> RADIOACTIVE WASTE	<input type="checkbox"/> DRY CLEANER REGISTRATION
<p><b>SITE WHERE VIOLATION(S) OCCURRED:</b> Prairie Hill Water Supply Corporation, 5345 Farm-to-Market Road 339 North, Limestone County</p> <p><b>TYPE OF OPERATION:</b> Public water supply</p> <p><b>SMALL BUSINESS:</b> <input type="checkbox"/> Yes <input checked="" 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 January 18, 2010. No comments were received.</p> <p><b>CONTACTS AND MAILING LIST:</b>  TCEQ Attorney/SEP Coordinator: None  TCEQ Enforcement Coordinator: Ms. Amanda Henry, Enforcement Division, Enforcement Team 2, R-12, (713) 767-3672; Ms. Laurie Eaves, Enforcement Division, MC 219, (512) 239-4495  Respondent: Mr. Bruce Jordan, President, Prairie Hill Water Supply Corporation, P.O. Box 100, Prairie Hill, Texas 76678  Respondent's Attorney: 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 type="checkbox"/> Routine  <input type="checkbox"/> Enforcement Follow-up  <input checked="" 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> June 19, 2009</p> <p><b>Date of NOV/NOE Relating to this Case:</b> July 24, 2009 (NOE)</p> <p><b>Background Facts:</b> This was a record review.</p> <p><b>WATER</b></p> <p>Failure to provide emergency power that will deliver water at a rate of 0.35 gallons per minute ("gpm") per connection in the event of the loss of normal power supply [30 TEX. ADMIN. CODE § 290.45(b)(1)(D)(v) and TEX. HEALTH &amp; SAFETY CODE § 341.0315(c)].</p>	<p><b>Total Assessed:</b> \$930</p> <p><b>Total Deferred:</b> \$186  <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 to General Revenue:</b> \$744</p> <p><b>Site Compliance History Classification</b>  <input type="checkbox"/> High <input type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p><b>Person Compliance History Classification</b>  <input type="checkbox"/> High <input 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>Corrective Actions Taken:</b></p> <p>The Executive Director recognizes that the Respondent provided documentation that a generator was installed on November 16, 2009, in order to provide emergency power to the Facility.</p>

Additional ID No(s): PWS 1470011



# Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

<b>DATES</b>	Assigned	10-Aug-2009			
	PCW	8-Sep-2009	Screening	4-Sep-2009	EPA Due

<b>RESPONDENT/FACILITY INFORMATION</b>	
Respondent	Prairie Hill Water Supply Corporation
Reg. Ent. Ref. No.	RN101459592
Facility/Site Region	9-Waco
Major/Minor Source	Minor

<b>CASE INFORMATION</b>			
Enf./Case ID No.	38315	No. of Violations	1
Docket No.	2009-1459-PWS-E	Order Type	1660
Media Program(s)	Public Water Supply	Government/Non-Profit	Yes
Multi-Media		Enf. Coordinator	Christopher Keffer
		EC's Team	Enforcement Team 2
Admin. Penalty \$ Limit Minimum	\$50	Maximum	\$1,000

## Penalty Calculation Section

**TOTAL BASE PENALTY (Sum of violation base penalties)** **Subtotal 1**

**ADJUSTMENTS (+/-) TO SUBTOTAL 1**

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

**Compliance History**  **Subtotals 2, 3, & 7**

Notes: Enhancement is due to two NOVs with same or similar violations and seven NOVs with dissimilar violations as those in the current enforcement action.

**Culpability**   **Subtotal 4**

Notes: The Respondent does not meet the culpability criteria.

**Good Faith Effort to Comply Total Adjustments** **Subtotal 5**

**Economic Benefit**  **Subtotal 6**

Total EB Amounts	\$805
Approx. Cost of Compliance	\$28,000

\*Capped at the Total EB \$ Amount

**SUM OF SUBTOTALS 1-7** **Final Subtotal**

**OTHER FACTORS AS JUSTICE MAY REQUIRE**  **Adjustment**

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes

**Final Penalty Amount**

**STATUTORY LIMIT ADJUSTMENT** **Final Assessed Penalty**

**DEFERRAL**  Reduction **Adjustment**

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

Notes

Deferral offered for expedited settlement.

**PAYABLE PENALTY**

Screening Date 4-Sep-2009

Docket No. 2009-1459-PWS-E

PCW

Respondent Prairie Hill Water Supply Corporation

Policy Revision 2 (September 2002)

Case ID No. 38315

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN101459592

Media [Statute] Public Water Supply

Enf. Coordinator Christopher Keffer

## Compliance History Worksheet

## &gt;&gt; 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)	2	10%
	Other written NOVs	7	14%
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%
Please Enter Yes or No			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 24%

## &gt;&gt; Repeat Violator (Subtotal 3)

N/A

Adjustment Percentage (Subtotal 3) 0%

## &gt;&gt; Compliance History Person Classification (Subtotal 7)

N/A

Adjustment Percentage (Subtotal 7) 0%

## &gt;&gt; Compliance History Summary

Compliance  
History  
Notes

Enhancement is due to two NOVs with same or similar violations and seven NOVs with dissimilar violations as those in the current enforcement action.

Total Adjustment Percentage (Subtotals 2, 3, &amp; 7) 24%

<b>Screening Date</b> 4-Sep-2009	<b>Docket No.</b> 2009-1459-PWS-E	<b>PCW</b>
<b>Respondent</b> Prairie Hill Water Supply Corporation	<i>Policy Revision 2 (September 2002)</i>	
<b>Case ID No.</b> 38315	<i>PCW Revision October 30, 2008</i>	
<b>Reg. Ent. Reference No.</b> RN101459592		
<b>Media [Statute]</b> Public Water Supply		
<b>Enf. Coordinator</b> Christopher Keffer		
<b>Violation Number</b> <input type="text" value="1"/>		
<b>Rule Cite(s)</b>	<input type="text" value="30 Tex. Admin. Code § 290.45(b)(1)(D)(v) and Tex. Health &amp; Safety Code § 341.0315(c)"/>	
<b>Violation Description</b>	<input 250="" a="" an="" and="" as="" at="" back-up="" connection="" connections."="" documented="" elevated="" emergency="" event="" facility="" facility's="" failed="" for="" generator,="" gpm")="" have="" in="" is="" it="" loss="" more="" no="" normal="" of="" or="" per="" power="" provide="" record="" required="" review,="" serves="" service="" source,="" specifically,="" storage="" such="" supply.="" that="" the="" time="" to="" type="text" value="Failed to provide emergency power that will deliver water at a rate of 0.35 gallons per minute (" was="" which=""/>	
	<b>Base Penalty</b>	<input type="text" value="\$1,000"/>
<b>&gt;&gt; Environmental, Property and Human Health Matrix</b>		
<b>OR</b>	<b>Harm</b>	
	Release      Major      Moderate      Minor	
	Actual <input type="text"/> <input type="text"/> <input type="text"/>	<b>Percent</b> <input type="text" value="25%"/>
Potential <input type="text" value="x"/> <input type="text"/> <input type="text"/>		
<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="Without any emergency power, customers of the Facility could experience water outages and the Facility's ability to provide a safe and reliable water supply could be compromised."/>	
	<b>Adjustment</b>	<input type="text" value="\$750"/>
		<input type="text" value="\$250"/>
<b>Violation Events</b>		
	Number of Violation Events <input type="text" value="3"/>	<input type="text" value="77"/> Number of violation days
<i>mark only one with an x</i>	daily <input type="text"/>	<b>Violation Base Penalty</b> <input type="text" value="\$750"/>
	weekly <input type="text"/>	
	monthly <input type="text" value="x"/>	
	quarterly <input type="text"/>	
	semiannual <input type="text"/>	
	annual <input type="text"/>	
	single event <input type="text"/>	
	<input type="text" value="Three monthly events are recommended from the date of the record review, June 19, 2009, to the date of screening, September 4, 2009."/>	
<b>Good Faith Efforts to Comply</b>		
	<input type="text" value="0.0%"/> Reduction	<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>	<input type="text" value="The Respondent does not meet the good faith criteria for this violation."/>	
	<b>Violation Subtotal</b>	<input type="text" value="\$750"/>
<b>Economic Benefit (EB) for this violation</b>		
	<b>Estimated EB Amount</b> <input type="text" value="\$805"/>	<b>Violation Final Penalty Total</b> <input type="text" value="\$930"/>
	<b>This violation Final Assessed Penalty (adjusted for limits)</b> <input type="text" value="\$930"/>	

## Economic Benefit Worksheet

**Respondent** Prairie Hill Water Supply Corporation  
**Case ID No.** 38315  
**Reg. Ent. Reference No.** RN101459592  
**Media** Public Water Supply  
**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	Overtime Costs	EB Amount
No commas or \$							

**Delayed Costs**

Equipment	\$28,000	19-Jun-2009	16-Nov-2009	0.41	\$38	\$767	\$805
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**  
 The delayed cost includes the amount to provide sufficient emergency power to deliver a minimum of 0.35 gpm per connection to each of the 645 connections, calculated from the date of the record review to the 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 \$28,000

**TOTAL** \$805

# Compliance History Report

Customer/Respondent/Owner-Operator: CN600641070 Prairie Hill Water Supply Corporation Classification: Rating:  
Regulated Entity: RN101459592 Prairie Hill Water Supply Corporation Classification: Site Rating:

ID Number(s): PUBLIC WATER SYSTEM/SUPPLY REGISTRATION 1470011

WATER LICENSING LICENSE 1470011

Location: 5345 FARM-TO-MARKET ROAD 339 NORTH, LIMESTONE COUNTY

TCEQ Region: REGION 09 - WACO

Date Compliance History Prepared: September 10, 2009

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: September 10, 2004 to September 10, 2009

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

Name: Christopher Keffer Phone: 239 - 5610

## 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/operator of the site during the compliance period? No
3. If Yes, who is the current owner/operator? N/A
4. If Yes, who was/were the prior owner(s)/operator(s) ? N/A
5. When did the change(s) in owner or operator occur? N/A
- 6.

## 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	11/06/2006	(598905)
2	01/24/2007	(534744)
3	05/21/2007	(599683)
4	05/21/2007	(652417)
5	08/10/2007	(599699)
6	08/10/2007	(652721)
7	11/12/2007	(652981)
8	11/13/2007	(600567)
9	04/10/2008	(670533)
10	04/01/2009	(740449)
11	04/16/2009	(738851)
12	08/03/2009	(759320)

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

Date: 11/06/2006 (598905)

CN600641070

Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 290, SubChapter F 290.106(f)(3)(C)  
5A THSC Chapter 341, SubChapter A 341.0315(c)  
Description: Violated the maximum contaminant level for arsenic during the third quarter of 2006.

Date: 12/20/2006 (534744) CN600641070

Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 290, SubChapter D 290.46(t)

Description: Failure to post a legible sign at the water plant.

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 290, SubChapter D 290.41(c)(3)(O)  
30 TAC Chapter 290, SubChapter D 290.43(e)

Description: Failure to provide an intruder-resistant fence in order to protect the well, the pressure tank, and ground storage tanks.

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 290, SubChapter D 290.46(m)(1)

Description: Failure to inspect the pressure tanks and ground storage tanks annually.

Date: 01/30/2007 (534744) CN600641070

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 290, SubChapter D 290.44(d)(1)

Description: Failure to properly screen the air release devices in the distribution system.

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 290, SubChapter D 290.46(f)(2)

Description: Failure to provide water system records that needed to be reviewed at the time of the investigation.

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 288, SubChapter C 288.30(5)

Description: Failure to provide a copy of an adopted drought contingency plan.

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 290, SubChapter D 290.42(l)

Description: Failure to provide a plant operations manual.

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 290, SubChapter D 290.46(s)(1)

Description: Failure to calibrate the flow measuring devices.

Date: 05/21/2007 (599683) CN600641070

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 290, SubChapter F 290.106(f)(3)(C)  
5A THSC Chapter 341, SubChapter A 341.0315(c)

Description: Violated the maximum contaminant level for arsenic during the first quarter of 2007.

Date: 08/10/2007 (599699) CN600641070

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 290, SubChapter F 290.106(f)(3)(C)  
5A THSC Chapter 341, SubChapter A 341.0315(c)

Description: Violated the maximum contaminant level for arsenic during the second quarter of

2007.

Date: 11/12/2007 (652981) CN600641070

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 290, SubChapter F 290.106(f)(3)

Description: ARSENIC

Date: 04/10/2008 (670533) CN600641070

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 290, SubChapter F 290.109(f)(4)

Description: BACT - MONITORING/REPORTING VIOLATIONS

Date: 03/27/2009 (740449) CN600641070

Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 290, SubChapter D 290.45(b)(1)(D)(v)  
Description: Failure to provide emergency power.

Date: 04/23/2009 (738851) CN600641070

Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 290, SubChapter D 290.46(f)(2)  
Description: Failure to provide water system records that needed to be reviewed at the time of the investigation.

Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 290, SubChapter D 290.42(l)  
Description: Failure to provide a plant operations manual.

Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 290, SubChapter D 290.44(d)  
Description: Failure to provide at all times a minimum pressure of 35 pounds per square inch (psi) in the distribution system.

Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 290, SubChapter D 290.46(m)(1)(B)  
Description: Failure to inspect the interior of the pressure tank at least once every five years.

Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 290, SubChapter D 290.45(b)(1)(D)(v)  
Description: Failure to provide emergency power.

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  
PRAIRIE HILL WATER SUPPLY  
CORPORATION  
RN101459592**

§  
§  
§  
§  
§  
§

**BEFORE THE  
TEXAS COMMISSION ON  
ENVIRONMENTAL QUALITY**

**AGREED ORDER  
DOCKET NO. 2009-1459-PWS-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 Prairie Hill Water Supply Corporation ("the Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 341. 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 public water supply located at 5345 Farm-to-Market Road 339 North, in Limestone County, Texas (the "Facility") that has approximately 645 service connections and serves at least 25 people per day for at least 60 days per year.
2. 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.
3. The Respondent received notice of the violations alleged in Section II ("Allegations") on or about July 29, 2009.
4. 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.
5. An administrative penalty in the amount of Nine Hundred Thirty Dollars (\$930) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Seven Hundred Forty-Four Dollars (\$744) of the administrative penalty and One Hundred Eighty-Six Dollars (\$186) is deferred contingent upon the Respondent's timely and

satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If the Respondent fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require the Respondent to pay all or part of the deferred penalty.

6. 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.
7. 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.
8. The Executive Director recognizes that the Respondent provided documentation that a generator was installed on November 16, 2009, in order to provide emergency power to the Facility.
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 Facility, the Respondent is alleged to have failed to provide emergency power that will deliver water at a rate of 0.35 gallons per minute ("gpm") per connection in the event of the loss of normal power supply, in violation of 30 TEX. ADMIN. CODE § 290.45(b)(1)(D)(v) and TEX. HEALTH & SAFETY CODE § 341.0315(c), as documented during a record review conducted on June 19, 2009.

## **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 5 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: Prairie Hill Water Supply Corporation, Docket No. 2009-1459-PWS-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 the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Facility operations referenced in this Agreed Order.
3. 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.
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 under this Agreed Order.
5. 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

John Szelen  
For the Executive Director

1/29/2010  
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.

Bruce Jordan  
Signature

1-20-2010  
Date

Bruce Jordan  
Name (Printed or typed)  
Authorized Representative of  
Prairie Hill Water Supply Corporation

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.