

Executive Summary – Enforcement Matter – Case No. 41473

Petroleum Wholesale, L.P.

RN100250133

Docket No. 2011-0571-IWD-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

IWD

Small Business:

No

Location(s) Where Violation(s) Occurred:

Light Products Terminal, 1801 Collingsworth Street, Houston, Harris County

Type of Operation:

Petroleum bulk terminal

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: September 23, 2011

Comments Received: No

Penalty Information

Total Penalty Assessed: \$13,125

Amount Deferred for Expedited Settlement: \$2,625

Amount Deferred for Financial Inability to Pay: \$0

Total Paid to General Revenue: \$10,500

Total Due to General Revenue: \$0

Payment Plan: N/A

SEP Conditional Offset: \$0

Name of SEP: N/A

Compliance History Classifications:

Person/CN - Average

Site/RN - Average

Major Source: No

Statutory Limit Adjustment: N/A

Applicable Penalty Policy: September 2002

Executive Summary – Enforcement Matter – Case No. 41473
Petroleum Wholesale, L.P.
RN100250133
Docket No. 2011-0571-IWD-E

Investigation Information

Complaint Date(s): N/A

Complaint Information: N/A

Date(s) of Investigation: March 23, 2011

Date(s) of NOE(s): March 30, 2011

Violation Information

Failed to submit monitoring results at the intervals specified in the permit. Specifically, discharge monitoring reports (“DMRs”) for the monitoring periods ending August 31, September 30, October 31, November 30, and December 31, 2010, were not submitted by the 20th day of the following month for the Facility’s five outfalls. In addition, the annual metals monitoring report and the annual whole effluent toxicity (“WET”) report were not submitted for the monitoring period ending July 31, 2010, for the Facility’s five outfalls [30 TEX. ADMIN. CODE §§ 305.125(1) and (17), 319.7(d), and Texas Pollutant Discharge Elimination System General Permit No. TXG341505, Standard Permit Conditions No. 7.(f)].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

The Executive Director recognizes that, by March 30, 2011, the Respondent submitted the DMRs for the monitoring periods ending August 31, September 30, October 31, November 30, and December 31, 2010, for the Facility’s five outfalls.

Technical Requirements:

The Order will require the Respondent to:

a. Within 30 days:

i. Submit the annual metals monitoring report and the WET report for the monitoring period ending July 31, 2010, for Outfalls 001, 002, 003, 004, and 005; and

ii. Update operational guidance and conduct employee training to ensure that all monitoring results are submitted at the required intervals.

b. Within 45 days, submit written certification demonstrating compliance.

Litigation Information

Date Petition(s) Filed: N/A

Date Answer(s) Filed: N/A

SOAH Referral Date: N/A

Hearing Date(s): N/A

Settlement Date: N/A

Executive Summary – Enforcement Matter – Case No. 41473

Petroleum Wholesale, L.P.

RN100250133

Docket No. 2011-0571-IWD-E

Contact Information

TCEQ Attorney: N/A

TCEQ Enforcement Coordinator: Steve Villatoro, Enforcement Division,
Enforcement Team 1, MC 169, (512) 239-4930; Debra Barber, Enforcement Division,
MC 219, (512) 239-0412

TCEQ SEP Coordinator: N/A

Respondent: Chris Smith, Environmental Manager, Petroleum Wholesale, L.P., 8550
Technology Forest Place, The Woodlands, Texas 77381

John Cook, Managing Partner, Petroleum Wholesale, L.P., 8550 Technology Forest
Place, The Woodlands, Texas 77381

Respondent's Attorney: N/A



Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

TCEQ

DATES	Assigned	4-Apr-2011	Screening	14-Apr-2011	EPA Due	
	PCW	14-Apr-2011				

RESPONDENT/FACILITY INFORMATION	
Respondent	Petroleum Wholesale, L.P.
Reg. Ent. Ref. No.	RN100250133
Facility/Site Region	12-Houston
Major/Minor Source	Minor

CASE INFORMATION			
Enf./Case ID No.	41473	No. of Violations	2
Docket No.	2011-0571-IWD-E	Order Type	1660
Media Program(s)	Water Quality	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Evette Alvarado
		EC's Team	Enforcement Team 1
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$10,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$12,500
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ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History	5.0% Enhancement	Subtotals 2, 3, & 7	\$625
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Notes: Enhancement for one NOV with same/similar violations.

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

Good Faith Effort to Comply Total Adjustments	Subtotal 5	\$0
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Economic Benefit	0.0% Enhancement*	Subtotal 6	\$0
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Total EB Amounts	\$58
Approx. Cost of Compliance	\$1,075

*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7	Final Subtotal	\$13,125
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OTHER FACTORS AS JUSTICE MAY REQUIRE	0.0%	Adjustment	\$0
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

Final Penalty Amount \$13,125

STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$13,125
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DEFERRAL	20.0% Reduction	Adjustment	-\$2,625
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Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes:

Deferral offered for expedited settlement.

PAYABLE PENALTY	\$10,500
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Screening Date 14-Apr-2011

Docket No. 2011-0571-IWD-E

PCW

Respondent Petroleum Wholesale, L.P.

Policy Revision 2 (September 2002)

Case ID No. 41473

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100250133

Media [Statute] Water Quality

Enf. Coordinator Evette Alvarado

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action (<i>number of NOVs meeting criteria</i>)	1	5%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgements or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were submitted</i>)	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	0	0%

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) 5%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Average Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

Enhancement for one NOV with same/similar violations.

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

Screening Date 14-Apr-2011

Docket No. 2011-0571-IWD-E

PCW

Respondent Petroleum Wholesale, L.P.

Policy Revision 2 (September 2002)

Case ID No. 41473

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100250133

Media [Statute] Water Quality

Enf. Coordinator Evette Alvarado

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code §§ 305.125(1) and (17), 319.7(d), and Texas Pollutant Discharge Elimination System ("TPDES") General Permit No. TXG341505, Standard Permit Conditions No. 7.(f)

Violation Description Failed to timely submit monitoring results at the intervals specified in the permit, as documented during a record review conducted on March 23, 2011. Specifically, discharge monitoring reports ("DMRs") for the monitoring periods ending August 31, September 30, October 31, November 30, and December 31, 2010, were not submitted by the 20th day of the following month for the Facility's five outfalls.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

Release	Harm			Percent
	Major	Moderate	Minor	
Actual				0%
Potential				

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
			x	1%

Matrix Notes At least 70% of the permit requirement was met.

Adjustment \$9,900

\$100

Violation Events

Number of Violation Events 25 191 Number of violation days

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

mark only one with an x

Violation Base Penalty \$2,500

Twenty-five single events are recommended, one event per DMR per outfall.

Good Faith Efforts to Comply

0.0% Reduction

\$0

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary		
N/A	x	(mark with x)

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

Violation Subtotal \$2,500

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$47

Violation Final Penalty Total \$2,625

This violation Final Assessed Penalty (adjusted for limits) \$2,625

Economic Benefit Worksheet

Respondent Petroleum Wholesale, L.P.
Case ID No. 41473
Reg. Ent. Reference No. RN100250133
Media Water Quality
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

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

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling	\$250	20-Sep-2010	14-Oct-2011	1.07	\$13	n/a	\$13
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$625	20-Sep-2010	14-Oct-2011	1.07	\$33	n/a	\$33

Notes for DELAYED costs

Estimated cost to update operational guidance and conduct employee training to ensure that all monitoring results are submitted at the required intervals (\$250). Estimated delayed cost of submitting DMRs (25 DMRs at \$25 each). Date required is the date the first DMR was due. Final date is the expected date of compliance.

Avoided Costs

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance

\$875

TOTAL

\$47

Screening Date 14-Apr-2011

Docket No. 2011-0571-IWD-E

PCW

Respondent Petroleum Wholesale, L.P.

Policy Revision 2 (September 2002)

Case ID No. 41473

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100250133

Media [Statute] Water Quality

Enf. Coordinator Evette Alvarado

Violation Number 2

Rule Cite(s) 30 Tex. Admin. Code §§ 305.125(1) and (17), 319.7(d), and TPDES General Permit No. TXG341505, Standard Permit Conditions No. 7.(f)

Violation Description

Failed to submit monitoring results at the intervals specified in the permit, as documented during a record review conducted on March 23, 2011. Specifically, the annual metals monitoring report and annual whole effluent toxicity ("WET") report were not submitted for the monitoring period ending July 31, 2010, for the Facility's five outfalls.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0%

>> Programmatic Matrix

Falsification	Harm		
	Major	Moderate	Minor
	x		

Percent 10%

Matrix Notes

100% of the permit requirement was not met.

Adjustment \$9,000

\$1,000

Violation Events

Number of Violation Events 10

237 Number of violation days

mark only one with an x	daily	
	weekly	
	monthly	
	quarterly	
	semiannual	
	annual	
	single event	x

Violation Base Penalty \$10,000

Ten single events are recommended, one event per outfall for each annual report not submitted.

Good Faith Efforts to Comply

0.0% Reduction

\$0

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary		
N/A	x	(mark with x)

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

Violation Subtotal \$10,000

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$12

Violation Final Penalty Total \$10,500

This violation Final Assessed Penalty (adjusted for limits) \$10,500

Economic Benefit Worksheet

Respondent Petroleum Wholesale, L.P.
Case ID No. 41473
Req. Ent. Reference No. RN100250133
Media Water Quality
Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

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

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$200	20-Aug-2010	14-Oct-2011	1.15	\$12	n/a	\$12

Notes for DELAYED costs

Estimated cost to submit the annual metals monitoring report and the annual WET report for the Facility's five outfalls. Date required is the date the reports were due. Final date is the expected date of compliance. Additional economic benefit costs for updating operational guidance are included in violation number 1.

Avoided Costs

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance

\$200

TOTAL

\$12

Compliance History

Customer/Respondent/Owner-Operator:	CN60154261	Petroleum Wholesale, L.P.	Classification: AVERAGE	Rating: 7.77
Regulated Entity:	RN100250133	LIGHT PRODUCTS TERMINAL	Classification: AVERAGE	Site Rating: 1.19
ID Number(s):	WASTE WATER GENERAL PERMIT PERMIT TXG341505 INDUSTRIAL AND HAZARDOUS WASTE EPA ID TXD000741884 INDUSTRIAL AND HAZARDOUS WASTE SOLID WASTE REGISTRATION 31671 # (SWR) AIR NEW SOURCE PERMITS REGISTRATION 93883 AIR NEW SOURCE PERMITS REGISTRATION 93282 AIR NEW SOURCE PERMITS PERMIT 2646 AIR NEW SOURCE PERMITS ACCOUNT NUMBER HG0494H AIR NEW SOURCE PERMITS AFS NUM 4820100104 AIR NEW SOURCE PERMITS REGISTRATION 70547 AIR NEW SOURCE PERMITS REGISTRATION 93073 PETROLEUM STORAGE TANK REGISTRATION 40915 REGISTRATION AIR EMISSIONS INVENTORY ACCOUNT NUMBER HG0494H			
Location:	1801 COLLINGSWORTH ST, HOUSTON, HARRIS CO.,TX			
TCEQ Region:	REGION 12 - HOUSTON			
Date Compliance History Prepared:	April 14, 2011			
Agency Decision Requiring Compliance History:	Enforcement			
Compliance Period:	April 14, 2006 to April 14, 2011			
TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History				
Name:	Evette Alvarado		Phone:	(512) 239 - 2573

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? | Yes | |
| 3. If Yes, who is the current owner/operator? | OWNOPR | Petroleum Wholesale, L.P. |
| 4. If Yes, who was/were the prior owner(s)/operator(s)? | OPR | Petroleum Wholesale, Inc. |
| 5. When did the change(s) in owner or operator occur? | 07/24/2007 | OPR
N/A
Petroleum Wholesale, Inc. |
| 6. Rating Date: 9/1/2010 Repeat Violator: | NO | |

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	11/29/2006	(553365)
2	01/08/2007	(592466)
3	06/10/2008	(699494)
4	02/06/2009	(758628)
5	02/06/2009	(758629)
6	02/06/2009	(758630)
7	02/06/2009	(758631)
8	02/06/2009	(758632)
9	02/06/2009	(758633)
10	02/06/2009	(758634)
11	02/06/2009	(758635)
12	02/06/2009	(758636)
13	02/06/2009	(758637)
14	02/06/2009	(758638)
15	02/06/2009	(758639)
16	02/06/2009	(758640)
17	02/06/2009	(758641)
18	02/06/2009	(758642)
19	02/06/2009	(758643)
20	02/06/2009	(758644)
21	02/06/2009	(758645)
22	08/13/2009	(759231)
23	06/04/2009	(774765)
24	06/04/2009	(774766)
25	06/04/2009	(774767)
26	02/19/2010	(840208)
27	03/30/2010	(840209)
28	08/31/2009	(840210)
29	08/31/2009	(840211)
30	09/08/2009	(840212)

31	09/22/2009	(840213)
32	10/29/2009	(840214)
33	12/18/2009	(840215)
34	01/15/2010	(840216)
35	08/11/2010	(863229)
36	08/11/2010	(863230)
37	08/11/2010	(863231)
38	08/11/2010	(863232)
39	08/11/2010	(863233)
40	08/11/2010	(869732)
41	03/31/2011	(907158)
42	03/30/2011	(911770)
43	03/30/2011	(911771)
44	03/30/2011	(911772)
45	03/30/2011	(911773)
46	03/30/2011	(911774)
47	03/30/2011	(911775)

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

	Date:	06/10/2008	(699494)	CN601542616		
	Self Report?	NO		Classificatio	Moderate	
	Citation:	30 TAC Chapter 305, SubChapter F 305.125(1)				
		30 TAC Chapter 305, SubChapter F 305.125(17)				
	Description:	NON-RPT VIOS FOR MONIT PER OR PIPE				
	Self Report?	NO		Classificatio	Moderate	
	Citation:	30 TAC Chapter 305, SubChapter F 305.125(1)				
		30 TAC Chapter 305, SubChapter F 305.125(17)				
	Description:	NON-RPT VIOS FOR MONIT PER OR PIPE				
Self	NO			Classificatio	Moderate	
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1)					
	30 TAC Chapter 305, SubChapter F 305.125(17)					
Descriptio	NON-RPT VIOS FOR MONIT PER OR PIPE					
Self	NO			Classificatio	Moderate	
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1)					
	30 TAC Chapter 305, SubChapter F 305.125(17)					
Descriptio	NON-RPT VIOS FOR MONIT PER OR PIPE					
Self	NO			Classificatio	Moderate	
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1)					
	30 TAC Chapter 305, SubChapter F 305.125(17)					
Descriptio	NON-RPT VIOS FOR MONIT PER OR PIPE					
Self	NO			Classificatio	Moderate	
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1)					
	30 TAC Chapter 305, SubChapter F 305.125(17)					
Descriptio	NON-RPT VIOS FOR MONIT PER OR PIPE					
Self	NO			Classificatio	Moderate	
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1)					
	30 TAC Chapter 305, SubChapter F 305.125(17)					
Descriptio	NON-RPT VIOS FOR MONIT PER OR PIPE					
Self	NO			Classificatio	Moderate	
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1)					
	30 TAC Chapter 305, SubChapter F 305.125(17)					
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Self	NO			Classificatio	Moderate	
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1)					
	30 TAC Chapter 305, SubChapter F 305.125(17)					
Descriptio	NON-RPT VIOS FOR MONIT PER OR PIPE					
Self	NO			Classificatio	Moderate	
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1)					
	30 TAC Chapter 305, SubChapter F 305.125(17)					
Descriptio	NON-RPT VIOS FOR MONIT PER OR PIPE					
Self	NO			Classificatio	Moderate	
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1)					
	30 TAC Chapter 305, SubChapter F 305.125(17)					
Descriptio	NON-RPT VIOS FOR MONIT PER OR PIPE					

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
PETROLEUM WHOLESALE, L.P.
RN100250133**

§
§
§
§
§

**BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY**

**AGREED ORDER
DOCKET NO. 2011-0571-IWD-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 Petroleum Wholesale, L.P. ("the Respondent") under the authority of TEX. WATER CODE chs. 7 and 26. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent appear before the Commission and together stipulate that:

1. The Respondent owns and operates a petroleum bulk terminal located at 1801 Collingsworth Street in Houston, Harris County, Texas (the "Facility").
2. The Respondent has caused, suffered, allowed or permitted the discharge of any waste or the performance of any activity in violation of TEX. WATER CODE ch. 26 or any rule, permit, or order of the Commission.
3. The Commission and the Respondent agree that the Commission has jurisdiction to enter this Agreed Order, and that the Respondent is subject to the Commission's jurisdiction.
4. The Respondent received notice of the violations alleged in Section II ("Allegations") on or about April 4, 2011.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
6. An administrative penalty in the amount of Thirteen Thousand One Hundred Twenty-Five Dollars (\$13,125) is assessed by the Commission in settlement of the violations

alleged in Section II ("Allegations"). The Respondent has paid Ten Thousand Five Hundred Dollars (\$10,500) of the administrative penalty and Two Thousand Six Hundred Twenty-Five Dollars (\$2,625) is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If the Respondent fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require the Respondent to pay all or part of the deferred penalty.

7. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
8. The Executive Director of the TCEQ and the Respondent have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.
9. The Executive Director recognizes that, by March 30, 2011, the Respondent submitted the discharge monitoring reports ("DMRs") for the monitoring periods ending August 31, September 30, October 31, November 30, and December 31, 2010, for the Facility's five outfalls.
10. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
11. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
12. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

II. ALLEGATIONS

As owner and operator of the Facility, the Respondent is alleged to have failed to submit monitoring results at the intervals specified in the permit, in violation of 30 TEX. ADMIN. CODE §§ 305.125(1) and (17), 319.7(d), and Texas Pollutant Discharge Elimination System ("TPDES") General Permit No. TXG341505, Standard Permit Conditions No. 7.(f), as documented during a record review conducted on March 23, 2011. Specifically, DMRs for the monitoring periods ending August 31, September 30, October 31, November 30, and December 31, 2010, were not submitted by the 20th day of the following month for the Facility's five outfalls. In addition, the annual metals monitoring report and the annual whole effluent toxicity ("WET") report were not submitted for the monitoring period ending July 31, 2010, for the Facility's five outfalls.

III. DENIALS

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

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that the Respondent pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Petroleum Wholesale, L.P., Docket No. 2011-0571-IWD-E" to:

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

2. It is further ordered that the Respondent shall undertake the following technical requirements:
 - a. Within 30 days after the effective date of this Agreed Order:
 - i. Submit the annual metals monitoring report and the WET report for the monitoring period ending July 31, 2010, for Outfall Nos. 001, 002, 003, 004, and 005; and
 - ii. Update operational guidance and conduct employee training to ensure that all monitoring results are submitted at the required intervals, in accordance with TPDES General Permit No. TXG341505.
 - b. Within 45 days after the effective date of this Agreed Order, submit written certification as described below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision Nos. 2.a.i and 2.a.ii. 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 fines and imprisonment for knowing violations."

The certification shall be submitted to:

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

with a copy to:

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

3. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Facility operations referenced in this Agreed Order.
4. If the Respondent fails to comply with any of the Ordering Provisions in this Agreed Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, the Respondent's failure to comply is not a violation of this Agreed Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
5. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
6. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
7. This Agreed Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Agreed Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature

affixed to this Agreed Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms "electronic transmission", "owner", "person", "writing", and "written" shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.

8. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to the Respondent, or three days after the date on which the Commission mails notice of the Order to the Respondent, whichever is earlier. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission



For the Executive Director

10/14/11

Date

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

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

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

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



Signature

07/08/11

Date

Chris Smith

Name (Printed or typed)
Authorized Representative of
Petroleum Wholesale, L.P.

Environmental Manager

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.