

Executive Summary – Enforcement Matter – Case No. 41384
Shanil Oil Company dba Sunshine Beaumont
RN102408614
Docket No. 2011-0477-PST-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

PST

Small Business:

Yes

Location(s) Where Violation(s) Occurred:

Sushine Beaumont, 3310 Concord Road, Beaumont, Jefferson County

Type of Operation:

Convenience store with retail sales of gasoline

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: May 20, 2011

Comments Received: No

Penalty Information

Total Penalty Assessed: \$3,884

Amount Deferred for Expedited Settlement: \$776

Amount Deferred for Financial Inability to Pay: \$0

Total Paid to General Revenue: \$3,108

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. 41384
Shanil Oil Company dba Sunshine Beaumont
RN102408614
Docket No. 2011-0477-PST-E**

Investigation Information

Complaint Date(s): N/A

Complaint Information: N/A

Date(s) of Investigation: February 18, 2011

Date(s) of NOE(s): March 17, 2011

Violation Information

1. Failed to verify proper operation of the Stage II equipment at least once every 12 months. Specifically, the Stage II annual testing was not conducted by the test due date of May 1, 2010 [30 TEX. ADMIN. CODE § 115.245(2) and TEX. HEALTH & SAFETY CODE § 382.085(b)].
2. Failed to ensure that at least one Station representative received training in the operation and maintenance of the Stage II vapor recovery system by successfully completing a training course approved by the Executive Director, and each current employee receives in-house Stage II vapor recovery training regarding the purpose and correct operation of the Stage II vapor recovery system [30 TEX. ADMIN. CODE § 115.248(1) and TEX. HEALTH & SAFETY CODE § 382.085(b)].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Station:

- a. Conducted the annual testing of the Stage II equipment on January 23, 2011 with passing results; and
- b. Submitted documentation demonstrating that the Stage II representative training and employee awareness training were completed on March 7, 2011.

Technical Requirements:

N/A

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. 41384
Shanil Oil Company dba Sunshine Beaumont
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Docket No. 2011-0477-PST-E

Contact Information

TCEQ Attorney: N/A

TCEQ Enforcement Coordinator: Rajesh Acharya, Enforcement Division,
Enforcement Team 6, MC 128, (512) 239-0577; Laurie Eaves, Enforcement Division,
MC 219, (512) 239-4495

TCEQ SEP Coordinator: N/A

Respondent: Karam Ali, President, Shanil Oil Company, 3310 Concord Road,
Beaumont, Texas 77703

Respondent's Attorney: N/A



Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

TCEQ

DATES	Assigned	21-Mar-2011	Screening	23-Mar-2011	EPA Due	
	PCW	23-Mar-2011				

RESPONDENT/FACILITY INFORMATION	
Respondent	Shanil Oil Company dba Sunshine Beaumont
Reg. Ent. Ref. No.	RN102408614
Facility/Site Region	10-Beaumont
Major/Minor Source	Minor

CASE INFORMATION			
Enf./Case ID No.	41384	No. of Violations	2
Docket No.	2011-0477-PST-E	Order Type	1660
Media Program(s)	Petroleum Storage Tank	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Rajesh Acharya
		EC's Team	Enforcement Team 6
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$10,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties) **Subtotal 1** **\$3,500**

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History **27.0%** Enhancement **Subtotals 2, 3, & 7** **\$945**

Notes: Enhancement for one NOV with same/similar violations, one NOV with dissimilar violations and one order containing a denial of liability.

Culpability **No** **0.0%** Enhancement **Subtotal 4** **\$0**

Notes: The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply Total Adjustments **Subtotal 5** **\$875**

Economic Benefit **0.0%** Enhancement* **Subtotal 6** **\$0**

Total EB Amounts \$315
Approx. Cost of Compliance \$790
*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7 **Final Subtotal** **\$3,500**

OTHER FACTORS AS JUSTICE MAY REQUIRE **8.8%** **Adjustment** **\$314**

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes: Recommended enhancement to capture the avoided cost of compliance associated with violation no. 1.

Final Penalty Amount **\$3,884**

STATUTORY LIMIT ADJUSTMENT **Final Assessed Penalty** **\$3,884**

DEFERRAL **20.0%** Reduction **Adjustment** **-\$776**

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

Notes: Deferral offered for expedited settlement.

PAYABLE PENALTY **\$3,108**

Screening Date 23-Mar-2011

Docket No. 2011-0477-PST-E

PCW

Respondent Shanil Oil Company dba Sunshine Beaumont

Policy Revision 2 (September 2002)

Case ID No. 41384

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN102408614

Media [Statute] Petroleum Storage Tank

Enf. Coordinator Rajesh Acharya

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code § 115.245(2) and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to verify proper operation of the Stage II equipment at least once every 12 months. Specifically, the Stage II annual testing was not conducted by the test due date of May 1, 2010.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Table with columns: Release (Actual, Potential), Harm (Major, Moderate, Minor), and Percent (25%).

>> Programmatic Matrix

Table with columns: Falsification, Major, Moderate, Minor, and Percent (0%).

Matrix Notes Human health or the environment will or could be exposed to pollutants which would exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$7,500

\$2,500

Violation Events

Number of Violation Events 1 Number of violation days 268

Table for frequency selection: daily, weekly, monthly, quarterly, semiannual, annual (marked with x), single event.

Violation Base Penalty \$2,500

One annual event is recommended.

Good Faith Efforts to Comply

25.0% Reduction

\$625

Table for Good Faith Efforts: Extraordinary, Ordinary (marked with x), N/A.

Notes The Respondent came into compliance on January 23, 2011, before the Notice of Enforcement ("NOE") dated March 17, 2011.

Violation Subtotal \$1,875

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$314

Violation Final Penalty Total \$2,774

This violation Final Assessed Penalty (adjusted for limits) \$2,774

Economic Benefit Worksheet

Respondent Shanil Oil Company dba Sunshine Beaumont
Case ID No. 41384
Reg. Ent. Reference No. RN102408614
Media Petroleum Storage Tank
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

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

Delayed Costs

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

Notes for DELAYED costs

Avoided Costs

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

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]	\$290	1-May-2010	23-Jan-2011	1.65	\$24	\$290	\$314
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Actual avoided cost to conduct the Stage II annual testing per the receipt submitted. Date Required is the test due date. Final Date is the compliance date.

Approx. Cost of Compliance \$290

TOTAL \$314

Screening Date 23-Mar-2011

Docket No. 2011-0477-PST-E

PCW

Respondent Shanil Oil Company dba Sunshine Beaumont

Policy Revision 2 (September 2002)

Case ID No. 41384

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN102408614

Media [Statute] Petroleum Storage Tank

Enf. Coordinator Rajesh Acharya

Violation Number 2

Rule Cite(s) 30 Tex. Admin. Code § 115.248(1) and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to ensure that at least one Station representative received training in the operation and maintenance of the Stage II vapor recovery system by successfully completing a training course approved by the Executive Director, and each current employee receives in-house Stage II vapor recovery training regarding the purpose and correct operation of the Stage II vapor recovery system.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential		x	

Percent 10%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes

Human health or the environment will or could be exposed to significant amounts of pollutants which would not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$9,000

\$1,000

Violation Events

Number of Violation Events 1

17 Number of violation days

mark only one with an x

daily	
weekly	
monthly	
quarterly	x
semiannual	
annual	
single event	

Violation Base Penalty \$1,000

One quarterly event is recommended based on documentation of the violation during the February 18, 2011 investigation to the March 7, 2011 compliance date.

Good Faith Efforts to Comply

25.0% Reduction Before NOV NOV to EDPRP/Settlement Offer

\$250

Extraordinary	
Ordinary	x
N/A	(mark with x)

Notes

The Respondent came into compliance on March 7, 2011, before the NOE dated March 17, 2011.

Violation Subtotal \$750

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$1

Violation Final Penalty Total \$1,110

This violation Final Assessed Penalty (adjusted for limits) \$1,110

Economic Benefit Worksheet

Respondent Shanil Oil Company dba Sunshine Beaumont
Case ID No. 41384
Reg. Ent. Reference No. RN102408614
Media Petroleum Storage Tank
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	\$500	18-Feb-2011	7-Mar-2011	0.05	\$1	n/a	\$1
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 train a Stage II Station representative and all employees. Date Required is the investigation date. Final Date is the compliance date.

Avoided Costs

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance

\$500

TOTAL

\$1

Compliance History

Customer/Respondent/Owner-Operator: CN603437542 Shanil Oil Company Classification: AVERAGE Rating: 23.56
Regulated Entity: RN102408614 SUNSHINE BEAUMONT Classification: AVERAGE Site Rating: 41.80

ID Number(s): PETROLEUM STORAGE TANK REGISTRATION 40082
REGISTRATION

Location: 3310 CONCORD RD, BEAUMONT, TX, 77703

TCEQ Region: REGION 10 - BEAUMONT

Date Compliance History Prepared: March 25, 2011

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: March 25, 2006 to March 25, 2011

TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History
Name: Rajesh Acharya Phone: (512) 239-0577

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? shanil oil company
4. If Yes, who was/were the prior owner(s)/operator(s)? Tab Convenient Stores, Inc.
5. When did the change(s) in owner or operator occur? 02/01/2008
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.

Effective Date: 09/21/2007

ADMINORDER 2007-0194-PST-E

Classification: Moderate

Citation: 30 TAC Chapter 334, SubChapter A 334.7(d)(3)

Description: Failed to provide an amended UST registration to the Commission for any change or additional information regarding USTs within 30 days from the date of the occurrence of the change or addition, as applicable.

Classification: Moderate

Citation: 30 TAC Chapter 334, SubChapter C 334.54(b)

Description: Failed to assure that, with the exception of vent lines, all piping, pumps, manways, and ancillary equipment shall be capped, plugged, locked, and/or otherwise secured to prevent access, tampering, or vandalism by unauthorized persons.

Classification: Major

Citation: 30 TAC Chapter 334, SubChapter C 334.47(a)(2)

30 TAC Chapter 334, SubChapter C 334.54(d)(2)

Description: Failed to permanently remove from service, no later than 60 days, 3 USTs not brought into timely compliance with the upgrade requirements or ensure that any residue from stored reg. substances

which remained shall not exceed 2.5 cent at the deepest point.

- 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 02/02/2007 (536157)
- 2 12/20/2007 (610844)
- 3 01/16/2009 (723349)
- 4 07/08/2009 (748706)
- 5 03/17/2011 (902037)

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

Date: 12/20/2007 (610844) CN603437542

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 334, SubChapter A 334.7(d)(3)
Description: Failed to provide amended registration and notification to the agency for any change or additional information regarding underground storage tanks (USTs) within 30 days from the date of the occurrence of the change or addition, or within 30 days of the date on which the owner or operator first became aware of the change or addition, as applicable.

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 334, SubChapter C 334.47(a)(2)
Description: Failure to permanently remove from service, no later than 60 days after the prescribed upgrade implementation date, an existing underground storage tank (UST) system for which any applicable component of the system is not brought into timely compliance with the upgrade requirements.

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 334, SubChapter C 334.54(b)(2)
Description: Failure to assure that all piping, pumps, manways, tank access points, and ancillary equipment are capped, plugged, locked, and/or otherwise secured to prevent access, tampering, or vandalism by unauthorized persons.

Date: 01/16/2009 (723349) CN603437542

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 334, SubChapter C 334.48(c)
30 TAC Chapter 334, SubChapter C 334.50(d)(1)(B)(ii)
30 TAC Chapter 334, SubChapter C 334.50(d)(1)(B)(iii)(I)
Description: Failure to conduct reconciliation (leak check) of detailed inventory control records at least once each month.

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 334, SubChapter A 334.6(b)(1)(C)
Description: Failure to submit a notice of construction (NOC) form to the TCEQ before returning an underground storage tank (UST) system to service.

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 334, SubChapter C 334.50(d)(1)(B)(iii)(IV)
Description: Failure to make adjustments to inventory control records.

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 334, SubChapter A 334.8(c)(5)(C)
Description: Failure to identify the regular and super unleaded gasoline and diesel USTs according to the identification listed on the facility's UST Registration and Self-Certification Form filed with the TCEQ.

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 334, SubChapter C 334.51(b)(2)(C)
Description: Failure to maintain documentation indicating the facility is equipped with overfill prevention equipment.

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 115, SubChapter C 115.246(1)
Description: Failure to maintain the correct California Air Resources Board (CARB) Executive Order for the Stage II vapor recovery system.

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 115, SubChapter C 115.245(2)
Description: Failure to conduct an initial Stage II vapor recovery system test.

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 115, SubChapter C 115.242(9)

Description: Failure to post operating instructions on the front of each gasoline dispensing pump equipped with a Stage II vapor recovery system.
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 115, SubChapter C 115.222(3)
30 TAC Chapter 115, SubChapter C 115.242(4)
Description: Failure to prevent avoidable gasoline leaks at a facility equipped with a Stage II vapor recovery system.
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 115, SubChapter C 115.242(3)(D)
Description: Failure to maintain faceplates in good condition.

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
SHANIL OIL COMPANY DBA
SUNSHINE BEAUMONT
RN102408614**

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**BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY**

AGREED ORDER DOCKET NO. 2011-0477-PST-E

I. JURISDICTION AND STIPULATIONS

At its _____ agenda, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Shanil Oil Company dba Sunshine Beaumont ("the Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent appear before the Commission and together stipulate that:

1. The Respondent owns and operates a convenience store with retail sales of gasoline at 3310 Concord Road in Beaumont, Jefferson County, Texas (the "Station").
2. The Station consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
3. The Commission and the Respondent agree that the Commission has jurisdiction to enter this Agreed Order, and that the Respondent is subject to the Commission's jurisdiction.
4. The Respondent received notice of the violations alleged in Section II ("Allegations") on or about March 22, 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 Three Thousand Eight Hundred Eighty-Four Dollars (\$3,884) is assessed by the Commission in settlement of the violations alleged in

Section II ("Allegations"). The Respondent has paid Three Thousand One Hundred Eight Dollars (\$3,108) of the administrative penalty and Seven Hundred Seventy-Six Dollars (\$776) 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 the Respondent has implemented the following corrective measures at the Station:
 - a. Conducted the annual testing of the Stage II equipment on January 23, 2011 with passing results; and
 - b. Submitted documentation demonstrating that the Stage II representative training and employee awareness training were completed on March 7, 2011.
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 Station, the Respondent is alleged to have:

1. Failed to verify proper operation of the Stage II equipment at least once every 12 months, in violation of 30 TEX. ADMIN. CODE § 115.245(2) and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on February 18, 2011. Specifically, the Stage II annual testing was not conducted by the test due date of May 1, 2010.
2. Failed to ensure that at least one Station representative received training in the operation and maintenance of the Stage II vapor recovery system by successfully completing a training course approved by the Executive Director, and each current employee receives

in-house Stage II vapor recovery training regarding the purpose and correct operation of the Stage II vapor recovery system, in violation of 30 TEX. ADMIN. CODE § 115.248(1) and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on February 18, 2011.

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: Shanil Oil Company dba Sunshine Beaumont, Docket No. 2011-0477-PST-E" to:

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

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

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 Srdlien
For the Executive Director

6/2/2011
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.

Karany
Signature

4/18/11
Date

Karam Ali
Name (Printed or typed)
Authorized Representative of
Shanil Oil Company dba Sunshine Beaumont

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.