

**Executive Summary – Enforcement Matter – Case No. 42641**  
**Exterran Energy Solutions, L.P.**  
**RN101993830**  
**Docket No. 2011-1838-MLM-E**

**Order Type:**

1660 Agreed Order

**Findings Order Justification:**

N/A

**Media:**

MLM – WQ, IHW

**Small Business:**

Yes

**Location(s) Where Violation(s) Occurred:**

Exterran Victoria, 8193 Lone Tree Road North, Victoria, Victoria County

**Type of Operation:**

Oilfield equipment maintenance facility

**Other Significant Matters:**

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

**Texas Register Publication Date:** May 18, 2012

**Comments Received:** No

***Penalty Information***

**Total Penalty Assessed:** \$21,241

**Amount Deferred for Expedited Settlement:** \$4,248

**Amount Deferred for Financial Inability to Pay:** \$0

**Total Paid to General Revenue:** \$8,497

**Total Due to General Revenue:** \$0

Payment Plan: N/A

**SEP Conditional Offset:** \$8,496

Name of SEP: Houston Arboretum & Nature Center - Hurricane Ike Habitat

Restoration and Removal of Invasive Species

**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. 42641**  
**Exterran Energy Solutions, L.P.**  
**RN101993830**  
**Docket No. 2011-1838-MLM-E**

***Investigation Information***

**Complaint Date(s):** N/A

**Complaint Information:** N/A

**Date(s) of Investigation:** June 10, 2011

**Date(s) of NOE(s):** August 31, 2011

***Violation Information***

1. Failed to conduct the annual comprehensive compliance site evaluation in 2010 [30 TEX. ADMIN. CODE § 305.125(1) and Texas Pollutant Discharge Elimination System (“TPDES”) General Permit No. TXR05Y435, Part III, Section A.7].
2. Failed to conduct quarterly site inspections for the last three quarters in 2010 and the first quarter of 2011 [30 TEX. ADMIN. CODE § 305.125(1) and TPDES General Permit No. TXR005Y435, Part III, Section A.5(g)].
3. Caused, suffered, allowed, or permitted the shipment of industrial solid waste to an unauthorized facility. Specifically, 14 loads totaling 42,900 gallons of Class 1 industrial solid waste were picked up from the Facility and disposed of at American Disposal Services, which is not authorized to receive this type of waste [30 TEX. ADMIN. CODE § 335.2(b)].
4. Failed to summarize all data from the laboratory analysis of storm water discharge samples [30 TEX. ADMIN. CODE § 305.125(1) and TPDES General Permit No. TXR05Y435, Part III, Section A.4(e)].

***Corrective Actions/Technical Requirements***

**Corrective Action(s) Completed:**

Respondent has implemented the following corrective measures at the Facility:

- a. On June 14, 2011, conducted the annual comprehensive compliance site evaluation for 2011;
- b. On June 20, 2011, conducted the quarterly site inspection for the second quarter of 2011;
- c. On June 21, 2011, submitted a summary of all data from the laboratory analysis of storm water discharge samples for 2010; and
- d. On August 19, 2011, installed a pre-treatment unit and connected to the City of Victoria’s wastewater collection system.

**Executive Summary – Enforcement Matter – Case No. 42641  
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**Technical Requirements:**

The Order will require Respondent to implement and complete a Supplemental Environmental Project (“SEP”). (See SEP Attachment 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

***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:** Stuart Beckley, SEP Coordinator, Enforcement Division, MC 219, (512) 239-3565

**Respondent:** Edward F. Calderone, HSE Lead Texas, Exterran Energy Solutions, L.P., 16666 Northchase Drive, Houston, Texas 77060

**Respondent's Attorney:** N/A



**Attachment A**  
**Docket Number: 2011-1838-MLM-E**  
**SUPPLEMENTAL ENVIRONMENTAL PROJECT**

<b>Respondent:</b>	Exterran Energy Solutions, L.P.
<b>Penalty Amount:</b>	Sixteen Thousand Nine Hundred Ninety-Three Dollars (\$16,993)
<b>SEP Offset Amount:</b>	Eight Thousand Four Hundred Ninety-Six Dollars (\$8,496)
<b>Type of SEP:</b>	Contribution to a Pre-approved Third-Party Recipient
<b>Third-Party Recipient:</b>	Houston Arboretum & Nature Center
<b>Project Name:</b>	<i>Hurricane Ike Habitat Restoration and Removal of Invasive Species</i>
<b>Location of SEP:</b>	Harris County

The Texas Commission on Environmental Quality (“TCEQ”) agrees to offset a portion of the administrative Penalty Amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project (“SEP”). The SEP Offset Amount is set forth above and such offset is conditioned upon completion of the project in accordance with the terms of this Attachment A.

**1. Project Description**

A. Project

The Respondent shall contribute the SEP Offset Amount to the Third-Party Recipient named above. The contribution will be to the **Houston Arboretum & Nature Center** for the *Hurricane Ike Habitat Restoration and Removal of Invasive Species* project. The contribution will be used in accordance with the SEP between the Third-Party Recipient and the TCEQ (the “Project”). Specifically, the SEP Offset Amount will be used to clear hurricane debris and invasive species, conduct a forest inventory of existing vegetation in each acre, and then replant the areas of tree loss in a 155-acre non-profit urban nature sanctuary located on the western edge of Memorial Park in Houston, Texas (the “Arboretum”). Invasive Chinese Privet (*Ligustrum sinensis*) shall also be removed by cutting stems/trunks and treating with approved herbicide to retard subsequent growth. The Third-Party Recipient shall then conduct the forest inventory of existing vegetation in each acre, followed by replanting with native trees and shrubs at a rate of 100 plants per acre.

All dollars contributed will be used solely for the direct cost of the Project and no portion will be spent on administrative costs. The SEP will be performed in accordance with all federal, state, and local environmental laws and regulations.

The Respondent's signature affixed to this Agreed Order certifies that it has no prior commitment to make this contribution and that it is being contributed solely in an effort to settle this enforcement action.

**B. Environmental Benefit**

The Project will restore the native wildlife habitat at the Arboretum which is located in a highly urban area. The restored forest will enhance water quality by serving as a filter for nutrients and other heavy metals thereby reducing the amount of pollutants reaching Buffalo Bayou. This project will also contribute to public awareness of environmental matters since the Arboretum hosts nearly 200,000 visitors each year.

**C. Minimum Expenditure**

The Respondent shall contribute at least the SEP Offset Amount to the Third-Party Recipient and comply with all other provisions of this SEP.

**2. Performance Schedule**

Within 30 days after the effective date of this Agreed Order, the Respondent shall contribute the SEP Offset Amount to the Third-Party Recipient. The Respondent shall make the check payable to the Houston Arboretum & Nature Center SEP and shall mail the contribution with a copy of the Agreed Order to:

Deborah Markey, Executive Director  
Houston Arboretum & Nature Center  
4501 Woodway Drive  
Houston, Texas 77024

**3. Records and Reporting**

Concurrent with the payment of the SEP Offset Amount, the Respondent shall provide the Enforcement Division SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Offset Amount due to the Third-Party Recipient. The Respondent shall mail a copy of the check and transmittal letter to:

Texas Commission on Environmental Quality  
Enforcement Division  
Attention: SEP Coordinator, MC 219  
P.O. Box 13087  
Austin, Texas 78711-3087

**4. Failure to Fully Perform**

Exterran Energy Solutions, L.P.  
Attachment A

If the Respondent does not perform its obligations under this SEP agreement in any way, including full expenditure of the SEP Offset Amount and submittal of the required reporting described in Sections 2 and 3 above, the Executive Director (“ED”) may require immediate payment of all or part of the SEP Offset Amount.

In the event the ED determines that the Respondent failed to complete the project, the Respondent shall remit payment for all or a portion of the SEP Offset Amount, as determined by the ED, and shall include on the check the docket number of this Agreed Order and note that it is for reimbursement of a SEP. The Respondent shall make the check payable to “Texas Commission on Environmental Quality” and shall mail it to:

Texas Commission on Environmental Quality  
Litigation Division  
Attention: SEP Coordinator, MC 175  
P.O. Box 13087  
Austin, Texas 78711-3087

**5. Publicity**

Any public statements concerning this SEP made by or on behalf of the Respondent, must include a clear statement that the Project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.

**6. Clean Texas Program**

The Respondent shall not include this SEP in any application made to TCEQ under the “Clean Texas” (or any successor) program(s). Similarly, the Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

**7. Other SEPs by TCEQ or Other Agencies**

The SEP Offset Amount identified in this Agreed Order has not been, and shall not be, included as a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.





# Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

<b>DATES</b>	<b>Assigned</b>	6-Sep-2011	<b>Screening</b>	20-Sep-2011	<b>EPA Due</b>	
	<b>PCW</b>	29-Sep-2011				

<b>RESPONDENT/FACILITY INFORMATION</b>	
<b>Respondent</b>	Exterran Energy Solutions, L.P.
<b>Reg. Ent. Ref. No.</b>	RN101993830
<b>Facility/Site Region</b>	14-Corpus Christi
<b>Major/Minor Source</b>	Minor

<b>CASE INFORMATION</b>			
<b>Enf./Case ID No.</b>	42641	<b>No. of Violations</b>	4
<b>Docket No.</b>	2011-1838-MLM-E	<b>Order Type</b>	1660
<b>Media Program(s)</b>	Water Quality	<b>Government/Non-Profit</b>	No
<b>Multi-Media</b>	Industrial and Hazardous Waste	<b>Enf. Coordinator</b>	Steve Villatoro
		<b>EC's Team</b>	Enforcement Team 1
<b>Admin. Penalty \$ Limit Minimum</b>	\$0	<b>Maximum</b>	\$10,000

## Penalty Calculation Section

<b>TOTAL BASE PENALTY (Sum of violation base penalties)</b>	<b>Subtotal 1</b>	\$20,000
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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.

<b>Compliance History</b>	2.0% Enhancement	<b>Subtotals 2, 3, &amp; 7</b>	\$400
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Notes: Enhancement for one NOV with dissimilar violations.

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

<b>Good Faith Effort to Comply Total Adjustments</b>	<b>Subtotal 5</b>	\$5,000
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<b>Economic Benefit</b>	0.0% Enhancement*	<b>Subtotal 6</b>	\$0
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Total EB Amounts	\$6,513	*Capped at the Total EB \$ Amount
Approx. Cost of Compliance	\$55,040	

<b>SUM OF SUBTOTALS 1-7</b>	<b>Final Subtotal</b>	\$15,400
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<b>OTHER FACTORS AS JUSTICE MAY REQUIRE</b>	37.9%	<b>Adjustment</b>	\$5,841
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes: Enhancement to capture the avoided costs associated with Violation Nos. 1, 2, and 3.

<b>Final Penalty Amount</b>	\$21,241
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<b>STATUTORY LIMIT ADJUSTMENT</b>	<b>Final Assessed Penalty</b>	\$21,241
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<b>DEFERRAL</b>	20.0% Reduction	<b>Adjustment</b>	-\$4,248
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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.

<b>PAYABLE PENALTY</b>	\$16,993
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**Screening Date** 20-Sep-2011

**Docket No.** 2011-1838-MLM-E

**PCW**

**Respondent** Exterran Energy Solutions, L.P.

Policy Revision 2 (September 2002)

**Case ID No.** 42641

PCW Revision October 30, 2008

**Reg. Ent. Reference No.** RN101993830

**Media [Statute]** Water Quality

**Enf. Coordinator** Steve Villatoro

### 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> )	0	0%
	Other written NOVs	1	2%
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)** 2%

>> **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 dissimilar violations.

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

Screening Date 20-Sep-2011

Docket No. 2011-1838-MLM-E

PCW

Respondent Exterran Energy Solutions, L.P.

Policy Revision 2 (September 2002)

Case ID No. 42641

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN101993830

Media [Statute] Water Quality

Enf. Coordinator Steve Villatoro

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code § 305.125(1) and Texas Pollutant Discharge Elimination System ("TPDES") General Permit No. TXR05Y435, Part III, Section A.7

Violation Description Failed to conduct the annual comprehensive compliance site evaluation in 2010, as documented during an investigation conducted on June 10, 2011.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm			Percent
	Major	Moderate	Minor	
Actual				10%
Potential		X		

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
				0%

Matrix Notes

Human health or the environment will or could be exposed to a significant amount 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 1 172 Number of violation days

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	X
single event	

mark only one with an x

Violation Base Penalty \$1,000

One annual event is recommended.

Good Faith Efforts to Comply

25.0% Reduction

\$250

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

Notes The Respondent returned to compliance on June 14, 2011.

Violation Subtotal \$750

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$274

Violation Final Penalty Total \$1,062

This violation Final Assessed Penalty (adjusted for limits) \$1,062

# Economic Benefit Worksheet

**Respondent** Exterran Energy Solutions, L.P.  
**Case ID No.** 42641  
**Red. Ent. Reference No.** RN101993830  
**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				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]	\$250	1-Jan-2010	31-Dec-2010	1.92	\$24	\$250	\$274
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Estimated avoided cost to conduct a comprehensive compliance site evaluation. Date required is the first date the evaluation could be conducted. Final date is the date the evaluation was due.

Approx. Cost of Compliance

\$250

**TOTAL**

\$274

Screening Date 20-Sep-2011

Docket No. 2011-1838-MLM-E

PCW

Respondent Exterran Energy Solutions, L.P.

Policy Revision 2 (September 2002)

Case ID No. 42641

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN101993830

Media [Statute] Water Quality

Enf. Coordinator Steve Villatoro

Violation Number 2

Rule Cite(s) 30 Tex. Admin. Code § 305.125(1) and TPDES General Permit No. TXR005Y435, Part III, Section A.5(g)

Violation Description Failed to conduct quarterly site inspections for the last three quarters in 2010 and the first quarter of 2011, as documented during an investigation conducted on June 10, 2011.

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 a significant amount 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 4

364 Number of violation days

daily	
weekly	
monthly	
quarterly	x
semiannual	
annual	
single event	

mark only one with an x

Violation Base Penalty \$4,000

Four quarterly events are recommended.

Good Faith Efforts to Comply

25.0% Reduction

\$1,000

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

Notes

The Respondent returned to compliance on June 20, 2011.

Violation Subtotal \$3,000

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$433

Violation Final Penalty Total \$4,248

This violation Final Assessed Penalty (adjusted for limits) \$4,248

## Economic Benefit Worksheet

**Respondent** Exterran Energy Solutions, L.P.  
**Case ID No.** 42641  
**Reg. Ent. Reference No.** RN101993830  
**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)				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]	\$400	30-Jun-2010	31-Mar-2011	1.67	\$33	\$400	\$433
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Estimated cost to conduct and document quarterly inspections. Date required is the date the first inspection was due. Final date is the date the last inspection was due.

Approx. Cost of Compliance \$400

**TOTAL** \$433

Screening Date 20-Sep-2011

Docket No. 2011-1838-MLM-E

PCW

Respondent Exterran Energy Solutions, L.P.

Policy Revision 2 (September 2002)

Case ID No. 42641

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN101993830

Media [Statute] Water Quality

Enf. Coordinator Steve Villatoro

Violation Number 3

Rule Cite(s)

30 Tex. Admin. Code § 335.2(b)

Violation Description

The Respondent has caused, suffered, allowed, or permitted the shipment of industrial solid waste to an unauthorized facility. Specifically, 14 loads totaling 42,900 gallons of Class 1 industrial solid waste were picked up from the Facility and disposed of at American Disposal Services, which is not authorized to receive this type of waste.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			x
Potential			

Percent 10%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes

Human health or the environment has been exposed to insignificant amounts of pollutants which do 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 14

416 Number of violation days

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

Violation Base Penalty \$14,000

Fourteen single events are recommended, one for each shipment.

Good Faith Efforts to Comply

25.0% Reduction

\$3,500

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

Notes

The Respondent returned to compliance on August 19, 2011.

Violation Subtotal \$10,500

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$5,805

Violation Final Penalty Total \$14,869

This violation Final Assessed Penalty (adjusted for limits) \$14,869

## Economic Benefit Worksheet

**Respondent** Exterran Energy Solutions, L.P.  
**Case ID No.** 42641  
**Req. Ent. Reference No.** RN101993830  
**Media** Water Quality  
**Violation No.** 3

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

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction	\$50,000	10-Jun-2011	19-Aug-2011	0.19	\$32	\$639	\$671
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

Estimated delayed cost to install a pre-treatment unit and connect to the City of Victoria's wastewater collection system. 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)

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Disposal	\$4,290	4-Jun-2010	25-Jul-2011	1.14	\$244	\$4,889	\$5,134
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

Estimated avoided cost is the difference between disposing of waste at an authorized facility and disposing of waste at a facility not authorized for this type of waste (\$0.10/gallon). Date required is the date of the first shipment. Final date is the date of the last shipment.

Approx. Cost of Compliance

\$54,290

**TOTAL**

\$5,805

Screening Date 20-Sep-2011

Docket No. 2011-1838-MLM-E

PCW

Respondent Exterran Energy Solutions, L.P.

Policy Revision 2 (September 2002)

Case ID No. 42641

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN101993830

Media [Statute] Water Quality

Enf. Coordinator Steve Villatoro

Violation Number 4

Rule Cite(s) 30 Tex. Admin. Code § 305.125(1) and TPDES General Permit No. TXR05Y435, Part III, Section A.4(e)

Violation Description Failed to summarize all data from the laboratory analysis of storm water discharge samples, as documented during an investigation conducted on June 10, 2011.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

Release	Harm			Percent
	Major	Moderate	Minor	
Actual				0%
Potential				

>> Programmatic Matrix

Falsification	Harm			Percent
	Major	Moderate	Minor	
	X			10%

Matrix Notes: 100% of the permit requirement was not met.

Adjustment \$9,000

\$1,000

Violation Events

Number of Violation Events 1 11 Number of violation days

mark only one with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	X

Violation Base Penalty \$1,000

One single event is recommended.

Good Faith Efforts to Comply

25.0% Reduction

\$250

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

Notes: The Respondent returned to compliance on June 21, 2011.

Violation Subtotal \$750

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$0

Violation Final Penalty Total \$1,062

This violation Final Assessed Penalty (adjusted for limits) \$1,062

# Economic Benefit Worksheet

**Respondent** Exterran Energy Solutions, L.P.  
**Case ID No.** 42641  
**Req. Ent. Reference No.** RN101993830  
**Media** Water Quality  
**Violation No.** 4

Percent Interest	Years of Depreciation
5.0	15

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

### Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$100	10-Jun-2011	21-Jun-2011	0.03	\$0	n/a	\$0

**Notes for DELAYED costs** Estimated delayed cost to summarize laboratory analysis of storm water discharge samples. Date required is the investigation date. Final date is 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**

<b>Approx. Cost of Compliance</b>	\$100	<b>TOTAL</b>	\$0
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## Compliance History

Customer/Respondent/Owner-Operator:	CN603241522    Exterran Energy Solutions L.P.	Classification: AVERAGE	Rating: 2.09
Regulated Entity:	RN101993830    EXTERRAN VICTORIA	Classification: AVERAGE	Site Rating: 1.00
ID Number(s):	INDUSTRIAL AND HAZARDOUS WASTE INDUSTRIAL AND HAZARDOUS WASTE  AIR NEW SOURCE PERMITS AIR NEW SOURCE PERMITS STORMWATER	EPA ID SOLID WASTE REGISTRATION # (SWR) REGISTRATION ACCOUNT NUMBER PERMIT	TX0000021261 82221  36228 VC0113S TXR05Y435
Location:	8193 Lone Tree Road North, Victoria, Victoria County, Texas		
TCEQ Region:	REGION 14 - CORPUS CHRISTI		
Date Compliance History Prepared:	October 04, 2011		
Agency Decision Requiring Compliance History:	Enforcement		
Compliance Period:	October 04, 2006 to October 04, 2011		
TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History			
Name:	<u>Steve Villatoro</u>	Phone:	<u>(512) 239-4930</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/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. Rating Date: 9/1/2011 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	08/25/2009	(762562)	
2	08/31/2011	(923220)	
- E. Written notices of violations (NOV). (CCEDS Inv. Track. No.)
 

Date:	08/25/2009 (762562)	CN603241522	
Self Report?	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)		
	30 TAC Chapter 335, SubChapter A 335.9(a)(2)(C)		
Description:	Failure to submit a complete and correct Annual Waste Summary on or before March 1 of the year following the reporting calendar year.		
- 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  
EXTERRAN ENERGY  
SOLUTIONS, L.P.  
RN101993830

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BEFORE THE  
TEXAS COMMISSION ON  
ENVIRONMENTAL QUALITY

AGREED ORDER  
DOCKET NO. 2011-1838-MLM-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 Exterran Energy Solutions, L.P. ("the Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 361 and 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 an oilfield equipment maintenance facility located at 8193 Lone Tree Road North in Victoria, Victoria County, Texas (the "Facility").
2. The Facility adjoins, is contiguous with, surrounds, or is near or adjacent to water in the state as defined in TEX. WATER CODE § 26.001(5).
3. The Facility involves or involved the management of industrial solid waste as defined in TEX. HEALTH & SAFETY CODE ch. 361.
4. 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.
5. The Respondent received notice of the violations alleged in Section II ("Allegations") on or about September 5, 2011.
6. 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.

7. An administrative penalty in the amount of Twenty-One Thousand Two Hundred Forty-One Dollars (\$21,241) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Eight Thousand Four Hundred Ninety-Seven Dollars (\$8,497) of the administrative penalty and Four Thousand Two Hundred Forty-Eight Dollars (\$4,248) 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. Eight Thousand Four Hundred Ninety-Six Dollars (\$8,496) shall be conditionally offset by the Respondent's completion of a Supplemental Environmental Project ("SEP").
8. 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.
9. 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.
10. The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Facility:
  - a. On June 14, 2011, conducted the annual comprehensive compliance site evaluation for 2011;
  - b. On June 20, 2011, conducted the quarterly site inspection for the second quarter of 2011;
  - c. On June 21, 2011, submitted a summary of all data from the laboratory analysis of storm water discharge samples for 2010; and
  - d. On August 19, 2011, installed a pre-treatment unit and connected to the City of Victoria's wastewater collection system.
11. 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.
12. 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.
13. 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:

1. Failed to conduct the annual comprehensive compliance site evaluation in 2010, in violation of 30 TEX. ADMIN. CODE § 305.125(1) and Texas Pollutant Discharge Elimination System ("TPDES") General Permit No. TXR05Y435, Part III, Section A.7, as documented during an investigation conducted on June 10, 2011.
2. Failed to conduct quarterly site inspections for the last three quarters in 2010 and the first quarter of 2011, in violation of 30 TEX. ADMIN. CODE § 305.125(1) and TPDES General Permit No. TXR005Y435, Part III, Section A.5(g), as documented during an investigation conducted on June 10, 2011.
3. Caused, suffered, allowed, or permitted the shipment of industrial solid waste to an unauthorized facility, in violation of 30 TEX. ADMIN. CODE § 335.2(b), as documented during an investigation conducted on June 10, 2011. Specifically, 14 loads totaling 42,900 gallons of Class 1 industrial solid waste were picked up from the Facility and disposed of at American Disposal Services, which is not authorized to receive this type of waste.
4. Failed to summarize all data from the laboratory analysis of storm water discharge samples, in violation of 30 TEX. ADMIN. CODE § 305.125(1) and TPDES General Permit No. TXR05Y435, Part III, Section A.4(e), as documented during an investigation conducted on June 10, 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 7 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: Exterran Energy Solutions, L.P., Docket No. 2011-1838-MLM-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 Respondent shall implement and complete a SEP in accordance with TEX. WATER CODE § 7.067. As set forth in Section I Paragraph 7 above, Eight Thousand Four Hundred Ninety-Six Dollars (\$8,496) of the assessed administrative penalty shall be offset with the condition that the Respondent implements the SEP defined in Attachment A, incorporated herein by reference. The Respondent's obligation to pay the conditionally offset portion of the administrative penalty assessed shall be discharged upon final completion of all provisions of the SEP agreement.
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

*Romance Garcia Jr.*  
For the Executive Director

7/13/12  
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.

*Edward F. Calderone*  
Signature

3-26-12  
Date

Edward F. Calderone  
Name (Printed or typed)  
Authorized Representative of  
Exterran Energy Solutions, L.P.

HSE Lead Texas  
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.

**Attachment A**  
**Docket Number: 2011-1838-MLM-E**  
**SUPPLEMENTAL ENVIRONMENTAL PROJECT**

<b>Respondent:</b>	Exterran Energy Solutions, L.P.
<b>Penalty Amount:</b>	Sixteen Thousand Nine Hundred Ninety-Three Dollars (\$16,993)
<b>SEP Offset Amount:</b>	Eight Thousand Four Hundred Ninety-Six Dollars (\$8,496)
<b>Type of SEP:</b>	Contribution to a Pre-approved Third-Party Recipient
<b>Third-Party Recipient:</b>	Houston Arboretum & Nature Center
<b>Project Name:</b>	<i>Hurricane Ike Habitat Restoration and Removal of Invasive Species</i>
<b>Location of SEP:</b>	Harris County

The Texas Commission on Environmental Quality (“TCEQ”) agrees to offset a portion of the administrative Penalty Amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project (“SEP”). The SEP Offset Amount is set forth above and such offset is conditioned upon completion of the project in accordance with the terms of this Attachment A.

**1. Project Description**

A. Project

The Respondent shall contribute the SEP Offset Amount to the Third-Party Recipient named above. The contribution will be to the **Houston Arboretum & Nature Center** for the *Hurricane Ike Habitat Restoration and Removal of Invasive Species* project. The contribution will be used in accordance with the SEP between the Third-Party Recipient and the TCEQ (the “Project”). Specifically, the SEP Offset Amount will be used to clear hurricane debris and invasive species, conduct a forest inventory of existing vegetation in each acre, and then replant the areas of tree loss in a 155-acre non-profit urban nature sanctuary located on the western edge of Memorial Park in Houston, Texas (the “Arboretum”). Invasive Chinese Privet (*Ligustrum sinensis*) shall also be removed by cutting stems/trunks and treating with approved herbicide to retard subsequent growth. The Third-Party Recipient shall then conduct the forest inventory of existing vegetation in each acre, followed by replanting with native trees and shrubs at a rate of 100 plants per acre.

All dollars contributed will be used solely for the direct cost of the Project and no portion will be spent on administrative costs. The SEP will be performed in accordance with all federal, state, and local environmental laws and regulations.

The Respondent's signature affixed to this Agreed Order certifies that it has no prior commitment to make this contribution and that it is being contributed solely in an effort to settle this enforcement action.

**B. Environmental Benefit**

The Project will restore the native wildlife habitat at the Arboretum which is located in a highly urban area. The restored forest will enhance water quality by serving as a filter for nutrients and other heavy metals thereby reducing the amount of pollutants reaching Buffalo Bayou. This project will also contribute to public awareness of environmental matters since the Arboretum hosts nearly 200,000 visitors each year.

**C. Minimum Expenditure**

The Respondent shall contribute at least the SEP Offset Amount to the Third-Party Recipient and comply with all other provisions of this SEP.

**2. Performance Schedule**

Within 30 days after the effective date of this Agreed Order, the Respondent shall contribute the SEP Offset Amount to the Third-Party Recipient. The Respondent shall make the check payable to the Houston Arboretum & Nature Center SEP and shall mail the contribution with a copy of the Agreed Order to:

Deborah Markey, Executive Director  
Houston Arboretum & Nature Center  
4501 Woodway Drive  
Houston, Texas 77024

**3. Records and Reporting**

Concurrent with the payment of the SEP Offset Amount, the Respondent shall provide the Enforcement Division SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Offset Amount due to the Third-Party Recipient. The Respondent shall mail a copy of the check and transmittal letter to:

Texas Commission on Environmental Quality  
Enforcement Division  
Attention: SEP Coordinator, MC 219  
P.O. Box 13087  
Austin, Texas 78711-3087

**4. Failure to Fully Perform**

Exterran Energy Solutions, L.P.  
Attachment A

If the Respondent does not perform its obligations under this SEP agreement in any way, including full expenditure of the SEP Offset Amount and submittal of the required reporting described in Sections 2 and 3 above, the Executive Director (“ED”) may require immediate payment of all or part of the SEP Offset Amount.

In the event the ED determines that the Respondent failed to complete the project, the Respondent shall remit payment for all or a portion of the SEP Offset Amount, as determined by the ED, and shall include on the check the docket number of this Agreed Order and note that it is for reimbursement of a SEP. The Respondent shall make the check payable to “Texas Commission on Environmental Quality” and shall mail it to:

Texas Commission on Environmental Quality  
Litigation Division  
Attention: SEP Coordinator, MC 175  
P.O. Box 13087  
Austin, Texas 78711-3087

**5. Publicity**

Any public statements concerning this SEP made by or on behalf of the Respondent, must include a clear statement that the Project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.

**6. Clean Texas Program**

The Respondent shall not include this SEP in any application made to TCEQ under the “Clean Texas” (or any successor) program(s). Similarly, the Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

**7. Other SEPs by TCEQ or Other Agencies**

The SEP Offset Amount identified in this Agreed Order has not been, and shall not be, included as a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.