

**Executive Summary – Enforcement Matter – Case No. 44108**  
**Jetta Operating Company, Inc.**  
**RN106214273**  
**Docket No. 2012-0951-AIR-E**

**Order Type:**

1660 Agreed Order

**Findings Order Justification:**

N/A

**Media:**

AIR

**Small Business:**

Yes

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

Davis 1H Well Site, located on the east side of Old Southmayd Road, 200 feet south of Stanford Court near Sherman, Grayson County

**Type of Operation:**

Oil and gas production well

**Other Significant Matters:**

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: The complainant has expressed an interest in this matter but does not wish to speak at Agenda.

**Texas Register Publication Date:** October 19, 2012

**Comments Received:** No

***Penalty Information***

**Total Penalty Assessed:** \$16,075

**Amount Deferred for Expedited Settlement:** \$3,215

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

**Total Paid to General Revenue:** \$12,860

**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 by Default

**Major Source:** Yes

**Statutory Limit Adjustment:** N/A

**Applicable Penalty Policy:** September 2002

**Executive Summary – Enforcement Matter – Case No. 44108**  
**Jetta Operating Company, Inc.**  
**RN106214273**  
**Docket No. 2012-0951-AIR-E**

***Investigation Information***

**Complaint Date(s):** August 2, 2011

**Complaint Information:** Alleged there was a strong natural gas odor at the complainant's home, resulting in a burning throat sensation.

**Date(s) of Investigation:** August 2, 2011 and March 30, 2012

**Date(s) of NOE(s):** December 6, 2011 and June 15, 2012

***Violation Information***

1. Failed to obtain authorization to construct and operate a source of air emissions. Specifically, Respondent failed to obtain authorization to operate the oil and gas production well or satisfy the conditions of a permit-by-rule [30 TEX. ADMIN. CODE § 116.110(a) and TEX. HEALTH & SAFETY CODE §§ 382.085(b) and 382.0518(a)].

2. Failed to obtain a federal operating permit ("FOP"). Specifically, Respondent had the potential to emit more than 100 tons per year of volatile organic compounds ("VOC") from February 1, 2011 to September 2, 2011 [30 TEX. ADMIN. CODE §§ 122.121 and 122.130(b) and TEX. HEALTH & SAFETY CODE §§ 382.054 and 382.085(b)].

***Corrective Actions/Technical Requirements***

**Corrective Action(s) Completed:**

Respondent has implemented the following corrective measures at the Plant:

- a. On August 12, 2011, shut in the well;
- b. On September 2, 2011, installed a vapor recovery unit to control the VOC emissions from the Plant and demonstrated that the Plant is no longer subject to the requirements for obtaining a FOP; and
- c. On October 10, 2011, obtained authorization to operate the Plant under 30 TEX. ADMIN. CODE § 106.352.

**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. 44108**  
**Jetta Operating Company, Inc.**  
**RN106214273**  
**Docket No. 2012-0951-AIR-E**

***Contact Information***

**TCEQ Attorney:** N/A

**TCEQ Enforcement Coordinator:** Nadia Hameed, Enforcement Division,  
Enforcement Team 5, MC R-12, (713) 767-3629; Debra Barber, Enforcement Division,  
MC 219, (512) 239-0412

**TCEQ SEP Coordinator:** N/A

**Respondent:** Richard L. Cornelius, Vice President, Jetta Operating Company, Inc.,  
Fort Worth Club Tower, 777 Taylor Street, Suite P1, Fort Worth, Texas 76102

Mary Starkey, Environmental Manager, Jetta Operating Company, Inc., Fort Worth  
Club Tower, 777 Taylor Street, Suite P1, Fort Worth, Texas 76102

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





# Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

**TCEQ**

<b>DATES</b>	<b>Assigned</b>	30-Apr-2012	<b>Screening</b>	3-May-2012	<b>EPA Due</b>	20-Jan-2013
	<b>PCW</b>	8-May-2012				

<b>RESPONDENT/FACILITY INFORMATION</b>	
<b>Respondent</b>	Jetta Operating Company, Inc.
<b>Reg. Ent. Ref. No.</b>	RN106214273
<b>Facility/Site Region</b>	4-Dallas/Fort Worth
<b>Major/Minor Source</b>	Major

<b>CASE INFORMATION</b>			
<b>Enf./Case ID No.</b>	44108	<b>No. of Violations</b>	2
<b>Docket No.</b>	2012-0951-AIR-E	<b>Order Type</b>	1660
<b>Media Program(s)</b>	Air	<b>Government/Non-Profit</b>	No
<b>Multi-Media</b>		<b>Enf. Coordinator</b>	Nadia Hameed
		<b>EC's Team</b>	Enforcement Team 5
<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>	0.0% Enhancement	<b>Subtotals 2, 3, &amp; 7</b>	\$0
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Notes: No adjustment for compliance history.

<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	\$4,923
Approx. Cost of Compliance	\$96,000

\*Capped at the Total EB \$ Amount

<b>SUM OF SUBTOTALS 1-7</b>	<b>Final Subtotal</b>	\$15,000
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<b>OTHER FACTORS AS JUSTICE MAY REQUIRE</b>	7.2%	<b>Adjustment</b>	\$1,075
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes: Enhancement to recover the avoided cost of compliance associated with violation no. 2.

<b>Final Penalty Amount</b>	\$16,075
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<b>STATUTORY LIMIT ADJUSTMENT</b>	<b>Final Assessed Penalty</b>	\$16,075
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<b>DEFERRAL</b>	20.0% Reduction	<b>Adjustment</b>	-\$3,215
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Reduces the Final Assessed Penalty by the indicted percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes: Deferral offered for expedited settlement.

<b>PAYABLE PENALTY</b>	\$12,860
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**Screening Date** 3-May-2012

**Docket No.** 2012-0951-AIR-E

**PCW**

**Respondent** Jetta Operating Company, Inc.

Policy Revision 2 (September 2002)

**Case ID No.** 44108

PCW Revision October 30, 2008

**Reg. Ent. Reference No.** RN106214273

**Media [Statute]** Air

**Enf. Coordinator** Nadia Hameed

**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	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)** 0%

>> **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**

No adjustment for compliance history.

**Total Adjustment Percentage (Subtotals 2, 3, & 7)** 0%

Screening Date 3-May-2012

Docket No. 2012-0951-AIR-E

PCW

Respondent Jetta Operating Company, Inc.

Policy Revision 2 (September 2002)

Case ID No. 44108

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN106214273

Media [Statute] Air

Enf. Coordinator Nadia Hameed

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code § 116.110(a) and Tex. Health & Safety Code §§ 382.085(b) and 382.0518(a)

Violation Description Failed to obtain authorization to construct and operate a source of air emissions. Specifically, the Respondent failed to obtain authorization to operate the oil and gas production well or satisfy the conditions of a permit-by-rule.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

Release	Harm			Percent
	Major	Moderate	Minor	
Actual				0%
Potential				

>> Programmatic Matrix

Matrix Notes	Falsification			Percent
	Major	Moderate	Minor	
	x			25%
100 percent of the rule requirement was not met.				

Adjustment \$7,500

\$2,500

Violation Events

Number of Violation Events 7 192 Number of violation days

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

Violation Base Penalty \$17,500

Seven monthly events are recommended from the date operations began on February 1, 2011 to August 12, 2011 when the well was shut in.

Good Faith Efforts to Comply

25.0% Reduction

\$4,375

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

Notes The Respondent completed the corrective actions on October 10, 2011, prior to the December 6, 2011, NOE.

Violation Subtotal \$13,125

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$3,848

Violation Final Penalty Total \$14,066

This violation Final Assessed Penalty (adjusted for limits) \$14,066

## Economic Benefit Worksheet

**Respondent** Jetta Operating Company, Inc.  
**Case ID No.** 44108  
**Reg. Ent. Reference No.** RN106214273  
**Media** Air  
**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	\$90,000	1-Feb-2011	2-Sep-2011	0.58	\$175	\$3,501	\$3,676
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	\$5,000	1-Feb-2011	10-Oct-2011	0.69	\$172	n/a	\$172
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to the install vapor recovery unit and to obtain authorization to conduct oil and gas operations. The date required is based on the date the operations began. The final dates are the dates the corrective actions were completed.

### 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

\$95,000

**TOTAL**

\$3,848

Screening Date 3-May-2012

Docket No. 2012-0951-AIR-E

PCW

Respondent Jetta Operating Company, Inc.

Policy Revision 2 (September 2002)

Case ID No. 44108

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN106214273

Media [Statute] Air

Enf. Coordinator Nadia Hameed

Violation Number 2

Rule Cite(s)

30 Tex. Admin. Code §§ 122.121 and 122.130(b) and Tex. Health & Safety Code §§ 382.054 and 382.085(b)

Violation Description

Failed to obtain a Federal Operating Permit ("FOP"). Specifically, the Respondent had the potential to emit more than 100 tons per year of volatile organic compounds from February 1, 2011 to September 2, 2011.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor
	X		

Percent 25%

Matrix Notes

100 percent of the rule requirement was not met.

Adjustment \$7,500

\$2,500

Violation Events

Number of Violation Events 1

213 Number of violation days

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	X

mark only one with an x

Violation Base Penalty \$2,500

One single event is recommended.

Good Faith Efforts to Comply

25.0% Reduction

\$625

Before NOV NOV to EDPRP/Settlement Offer

Extraordinary	
Ordinary	X
N/A	(mark with x)

Notes

The Respondent completed the corrective actions on September 2, 2011, prior to the December 6, 2011, NOE.

Violation Subtotal \$1,875

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$1,075

Violation Final Penalty Total \$2,009

This violation Final Assessed Penalty (adjusted for limits) \$2,009

## Economic Benefit Worksheet

**Respondent** Jetta Operating Company, Inc.  
**Case ID No.** 44108  
**Req. Ent. Reference No.** RN106214273  
**Media** Air  
**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]	\$1,000	1-Feb-2011	2-Sep-2011	1.50	\$75	\$1,000	\$1,075
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Avoided cost for obtaining a Federal Operating Permit. The date required is based on the date the operations began. The final date is the date the vapor recovery unit began operations and the date the Plant was no longer subject to the requirements for obtaining a FOP.

Approx. Cost of Compliance

\$1,000

**TOTAL**

\$1,075

# Compliance History Report

Customer/Respondent/Owner-Operator: CN600946156 Jetta Operating Company, Inc. Classification: AVERAGE Rating: 5.96  
Regulated Entity: RN106214273 DAVIS 1H WELL SITE Classification: AVERAGE Site Rating: 3.01  
BY DEFAULT  
ID Number(s): AIR NEW SOURCE PERMITS REGISTRATION 98318  
AIR QUALITY NON PERMITTED ID NUMBER R04106214273  
Location: ON THE EAST SIDE OF OLD SOUTHMAYD RD 200 FEET  
SOUTH OF STANFORD CT NEAR SHERMAN TEXAS  
TCEQ Region: REGION 04 - DFW METROPLEX  
Date Compliance History Prepared: May 02, 2012  
Agency Decision Requiring Compliance History: Enforcement  
Compliance Period: May 02, 2007 to May 02, 2012

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

Name: Nadia Hameed Phone: 713-767-3629

## Site Compliance History Components

1. Has the site been in existence and/or operation for the full five year compliance period? NO
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. If YES, 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.)  
N/A
- E. Written notices of violations (NOV). (CCEDS Inv. Track. No.)  
N/A
- 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  
JETTA OPERATING COMPANY,  
INC.  
RN106214273**

§  
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**BEFORE THE  
  
TEXAS COMMISSION ON  
  
ENVIRONMENTAL QUALITY**

**AGREED ORDER  
DOCKET NO. 2012-0951-AIR-E**

**I. JURISDICTION AND STIPULATIONS**

On \_\_\_\_\_, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Jetta Operating Company, Inc. ("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 together stipulate that:

1. The Respondent owns and operates an oil and gas production well located on the east side of Old Southmayd Road, 200 feet south of Stanford Court near Sherman, Grayson County, Texas (the "Plant").
2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
3. The Executive Director 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 December 11, 2011 and June 20, 2012.
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 Sixteen Thousand Seventy-Five Dollars (\$16,075) is assessed by the Commission in settlement of the violations alleged in Section

II ("Allegations"). The Respondent has paid Twelve Thousand Eight Hundred Sixty Dollars (\$12,860) of the administrative penalty and Three Thousand Two Hundred Fifteen Dollars (\$3,215) 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 and the Respondent agree on a settlement of the matters alleged in this enforcement action, subject to final approval in accordance with 30 TEX. ADMIN. CODE § 70.10(a).
9. The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Plant:
  - a. On August 12, 2011, shut in the well;
  - b. On September 2, 2011, installed a vapor recovery unit ("VRU") to control the volatile organic compound ("VOC") emissions from the Plant and demonstrated that the Plant is no longer subject to the requirements for obtaining a federal operating permit ("FOP"); and
  - c. On October 10, 2011, obtained authorization to operate the Plant under 30 TEX. ADMIN. CODE § 106.352.
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 Plant, the Respondent is alleged to have:

1. Failed to obtain authorization to construct and operate a source of air emissions, in violation of 30 TEX. ADMIN. CODE § 116.110(a) and TEX. HEALTH & SAFETY CODE §§ 382.085(b) and 382.0518(a), as documented during an investigation conducted on August 2, 2011 and a record review conducted on March 30, 2012. Specifically, the

Respondent failed to obtain authorization to operate the oil and gas production well or satisfy the conditions of a permit-by-rule.

2. Failed to obtain a FOP, in violation of 30 TEX. ADMIN. CODE §§ 122.121 and 122.130(b) and TEX. HEALTH & SAFETY CODE §§ 382.054 and 382.085(b), as documented during a record review conducted on March 30, 2012. Specifically, the Respondent had the potential to emit more than 100 tons per year of VOC from February 1, 2011 to September 2, 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: Jetta Operating Company, Inc., Docket No. 2012-0951-AIR-E" to:

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

2. 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 Plant 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.

## SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

\_\_\_\_\_  
For the Commission

*Pam D. Jovic Jr.*  
For the Executive Director

12/21/12  
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.

*Richard L. Cornelius*  
Signature

8/9/2012  
Date

Richard L. Cornelius  
Name (Printed or typed)  
Authorized Representative of  
Jetta Operating Company, Inc.

Vice 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.