

**Executive Summary – Enforcement Matter – Case No. 44784  
Forged Products, Inc.  
RN100668722  
Docket No. 2012-1670-AIR-E**

**Order Type:**

1660 Agreed Order

**Findings Order Justification:**

N/A

**Media:**

AIR

**Small Business:**

No

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

Forged Products, 6505 North Houston Rosslyn Road, Houston, Harris County

**Type of Operation:**

Metal forging facility

**Other Significant Matters:**

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

**Texas Register Publication Date:** December 14, 2012

**Comments Received:** No

***Penalty Information***

**Total Penalty Assessed:** \$9,757

**Amount Deferred for Expedited Settlement:** \$1,951

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

**Total Paid to General Revenue:** \$7,806

**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. 44784  
Forged Products, Inc.  
RN100668722  
Docket No. 2012-1670-AIR-E**

***Investigation Information***

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

**Complaint Information:** N/A

**Date(s) of Investigation:** February 21, 2012

**Date(s) of NOE(s):** July 6, 2012

***Violation Information***

1. Failed to submit semi-annual deviation reports. Specifically, the deviation reports for the reporting periods of June 28, 2010 through December 27, 2010 and December 28, 2010 through June 27, 2011 were not submitted [30 TEX. ADMIN. CODE §§ 122.143(4), 122.145(2)(A), and 122.145(2)(B), TEX. HEALTH & SAFETY CODE § 382.085(b), and federal operating permit ("FOP") No. O3329, General Terms and Conditions ("GTC")].
2. Failed to submit a complete and accurate annual permit compliance certification ("PCC") within 30 days of the end of the certification period. Specifically, the PCC for the June 28, 2010 through June 27, 2011 certification period was due on July 27, 2011 but was not submitted [30 TEX. ADMIN. CODE §§ 122.143(4) and 122.146(2), TEX. HEALTH & SAFETY CODE § 382.085(b), and FOP No. O3329, GTC].
3. Failed to maintain records of quarterly visible emissions monitoring. Specifically, quarterly visible emissions monitoring records were not maintained between June 29, 2010 and February 28, 2012 [30 TEX. ADMIN. CODE §§ 122.143(4) and 122.144(1), TEX. HEALTH & SAFETY CODE § 382.085(b), and FOP No. O3329, GTC].
4. Failed to include applicable regulations in a permit application. Specifically, permits by rule ("PBRs") 30 TEX. ADMIN. CODE §§ 106.454 and 106.472 were not included in a permit application dated December 14, 2009 for FOP No. O3329 [30 TEX. ADMIN. CODE § 122.132, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

***Corrective Actions/Technical Requirements***

**Corrective Action(s) Completed:**

Respondent has implemented the following corrective measures:

- a. On February 28, 2012, submitted a letter stating that quarterly visible emissions observations will be documented; and
- b. On May 10, 2012, submitted a minor revision of FOP No. O3329 to incorporate PBRs 30 TEX. ADMIN. CODE §§ 106.454 and 106.472.

**Executive Summary – Enforcement Matter – Case No. 44784**  
**Forged Products, Inc.**  
**RN100668722**  
**Docket No. 2012-1670-AIR-E**

**Technical Requirements:**

The Order will require Respondent to:

- a. Respond completely and adequately, as determined by the TCEQ, to all requests for information concerning the permit revision application within 30 days after the date of such requests, or by any other deadline specified in writing.
- b. Within 30 days:
  - i. Submit a complete and accurate PCC for the June 28, 2010 through June 27, 2011 certification period;
  - ii. Submit complete and accurate deviation reports for the June 28, 2010 through December 27, 2010 and December 28, 2010 through June 27, 2011 reporting periods; and
  - iii. Implement procedures to ensure that PCC and deviation reports are submitted in a timely manner.
- c. Within 45 days, submit written certification demonstrating compliance with Ordering Provision b.

***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:** Amancio R. Gutierrez, Enforcement Division, Enforcement Team 5, MC 149, (512) 239-3921; Debra Barber, Enforcement Division, MC 219, (512) 239-0412  
**TCEQ SEP Coordinator:** N/A  
**Respondent:** Kevin R. Crowley, President & Chief Executive Officer, Forged Products, Inc., 6505 North Houston Rosslyn Road, Houston, Texas 77091  
**Respondent's Attorney:** N/A



# Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

<b>TCEQ DATES</b>	<b>Assigned</b>	23-Jul-2012	<b>Screening</b>	13-Aug-2012	<b>EPA Due</b>	12-Apr-2013
	<b>PCW</b>	13-Aug-2012				

<b>RESPONDENT/FACILITY INFORMATION</b>			
<b>Respondent</b>	Forged Products, Inc.		
<b>Reg. Ent. Ref. No.</b>	RN100668722		
<b>Facility/Site Region</b>	12-Houston	<b>Major/Minor Source</b>	Major

<b>CASE INFORMATION</b>			
<b>Enf./Case ID No.</b>	44784	<b>No. of Violations</b>	4
<b>Docket No.</b>	2012-1670-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>	Amancio R. Gutierrez
		<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>	<b>\$10,100</b>
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<b>ADJUSTMENTS (+/-) TO SUBTOTAL 1</b>			
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>	<b>\$0</b>

Notes: No adjustment for compliance history.

<b>Culpability</b>	No	0.0% Enhancement	<b>Subtotal 4</b>	<b>\$0</b>
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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>	<b>\$625</b>
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<b>Economic Benefit</b>	0.0% Enhancement*	<b>Subtotal 6</b>	<b>\$0</b>
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Total EB Amounts	\$371
Approx. Cost of Compliance	\$1,350

\*Capped at the Total EB \$ Amount

<b>SUM OF SUBTOTALS 1-7</b>	<b>Final Subtotal</b>	<b>\$9,475</b>
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<b>OTHER FACTORS AS JUSTICE MAY REQUIRE</b>	3.0%	<b>Adjustment</b>	<b>\$282</b>
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes: Enhancement to capture the avoided costs of compliance associated with violation no. 3.

<b>Final Penalty Amount</b>	<b>\$9,757</b>
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<b>STATUTORY LIMIT ADJUSTMENT</b>	<b>Final Assessed Penalty</b>	<b>\$9,757</b>
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<b>DEFERRAL</b>	20.0% Reduction	<b>Adjustment</b>	<b>-\$1,951</b>
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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>	<b>\$7,806</b>
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Screening Date 13-Aug-2012

Docket No. 2012-1670-AIR-E

PCW

Respondent Forged Products, Inc.

Policy Revision 2 (September 2002)

Case ID No. 44784

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100668722

Media [Statute] Air

Enf. Coordinator Amancio R. Gutierrez

### 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%
<i>Please Enter Yes or No</i>			
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 13-Aug-2012

Docket No. 2012-1670-AIR-E

PCW

Respondent Forged Products, Inc.

Policy Revision 2 (September 2002)

Case ID No. 44784

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100668722

Media [Statute] Air

Enf. Coordinator Amancio R. Gutierrez

Violation Number 1

Rule Cite(s)

30 Tex. Admin. Code §§ 122.143(4), 122.145(2)(A), and 122.145(2)(B), Tex. Health & Safety Code § 382.085(b), and Federal Operating Permit ("FOP") No. O3329, General Terms and Conditions ("GTC")

Violation Description

Failed to submit semi-annual deviation reports. Specifically, the deviation reports for the reporting periods of June 28, 2010 through December 27, 2010 and December 28, 2010 through June 27, 2011 were not submitted.

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% of the rule requirement was not met.

Adjustment \$7,500

\$2,500

Violation Events

Number of Violation Events 2

595 Number of violation days

mark only one with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$5,000

Two single events are recommended for the two unsubmitted reports.

Good Faith Efforts to Comply

0.0% Reduction

\$0

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

Notes

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

Violation Subtotal \$5,000

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$9

Violation Final Penalty Total \$5,149

This violation Final Assessed Penalty (adjusted for limits) \$5,149

# Economic Benefit Worksheet

**Respondent** Forged Products, Inc.

**Case ID No.** 44784

**Reg. Ent. Reference No.** RN100668722

**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
<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	\$100	26-Jan-2011	26-Oct-2012	1.75	\$9	n/a	\$9
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 expense to implement measures and procedures to ensure the submittal of timely and accurate semi-annual deviation reports. The Date Required is the date the deviation report was due and the Final Date is the expected date of compliance.

**Avoided Costs**

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

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

**Notes for AVOIDED costs**

**Approx. Cost of Compliance**

\$100

**TOTAL**

\$9

Screening Date 13-Aug-2012

Docket No. 2012-1670-AIR-E

PCW

Respondent Forged Products, Inc.

Policy Revision 2 (September 2002)

Case ID No. 44784

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100668722

Media [Statute] Air

Enf. Coordinator Amancio R. Gutierrez

Violation Number 2

Rule Cite(s) 30 Tex. Admin. Code §§ 122.143(4) and 122.146(2), Tex. Health & Safety Code § 382.085(b), and FOP No. O3329, GTC

Violation Description

Failed to submit a complete and accurate annual permit compliance certification ("PCC") within 30 days of the end of the certification period. Specifically, the PCC for the June 28, 2010 through June 27, 2011 certification period was due on July 27, 2011 but was not submitted.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm			Percent
	Major	Moderate	Minor	
Actual				0%
Potential				

>> Programmatic Matrix

Falsification	Harm			Percent
	Major	Moderate	Minor	
	x			25%

Matrix Notes

100% of the rule requirement was not met.

Adjustment \$7,500

\$2,500

Violation Events

Number of Violation Events 1 Number of violation days 198

mark only one with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$2,500

One single event is recommended.

Good Faith Efforts to Comply

0.0% Reduction

\$0

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

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

Violation Subtotal \$2,500

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$18

Violation Final Penalty Total \$2,574

This violation Final Assessed Penalty (adjusted for limits) \$2,574

## Economic Benefit Worksheet

**Respondent** Forged Products, Inc.  
**Case ID No.** 44784  
**Reg. Ent. Reference No.** RN100668722  
**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
<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	\$250	27-Jul-2011	27-Dec-2012	1.42	\$18	n/a	\$18
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 cost for preparation and submittal of a complete and accurate PCC. The Date Required is the date the report was due and the Final Date is the estimated date of compliance.

### Avoided Costs

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance

\$250

**TOTAL**

\$18

Screening Date 13-Aug-2012

Docket No. 2012-1670-AIR-E

PCW

Respondent Forged Products, Inc.

Policy Revision 2 (September 2002)

Case ID No. 44784

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100668722

Media [Statute] Air

Enf. Coordinator Amancio R. Gutierrez

Violation Number 3

Rule Cite(s) 30 Tex. Admin. Code §§ 122.143(4) and 122.144(1), Tex. Health & Safety Code § 382.085(b), and FOP No. O3329, GTC

Violation Description Failed to maintain records of quarterly visible emissions monitoring. Specifically, quarterly visible emissions monitoring records were not maintained between June 29, 2010 and February 28, 2012.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

Release	Harm			Percent
	Major	Moderate	Minor	
Actual				0%
Potential				

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
	x			25%

Matrix Notes 100% of the rule requirement was not met.

Adjustment \$7,500

\$2,500

Violation Events

Number of Violation Events 1 Number of violation days 7

mark only one with an x	daily	
	weekly	
	monthly	
	quarterly	
	semiannual	
	annual	
	single event	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 submitted compliance documentation on February 28, 2012, prior to the July 6, 2012 NOE date.

Violation Subtotal \$1,875

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$282

Violation Final Penalty Total \$1,931

This violation Final Assessed Penalty (adjusted for limits) \$1,931

## Economic Benefit Worksheet

**Respondent** Forged Products, Inc.

**Case ID No.** 44784

**Reg. Ent. Reference No.** RN100668722

**Media** Air

**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
<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	\$250	21-Feb-2012	28-Feb-2012	0.02	\$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 cost of implementing recordkeeping for visible emissions observations. The Date Required is the date of the investigation and the 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)	\$250	29-Jun-2010	21-Feb-2012	2.57	\$32	\$250	\$282

**Notes for AVOIDED costs**

Estimated avoided cost of maintaining visible emissions monitoring records. The Date Required is the date of non-compliance and the Final Date is the date of the investigation.

**Approx. Cost of Compliance**

\$500

**TOTAL**

\$282

**Screening Date** 13-Aug-2012  
**Respondent** Forged Products, Inc.  
**Case ID No.** 44784  
**Reg. Ent. Reference No.** RN100668722  
**Media [Statute]** Air  
**Enf. Coordinator** Amancio R. Gutierrez  
**Violation Number** 4

**Docket No.** 2012-1670-AIR-E

**PCW**

Policy Revision 2 (September 2002)  
 PCW Revision October 30, 2008

**Rule Cite(s)** 30 Tex. Admin. Code § 122.132 and Tex. Health & Safety Code § 382.085(b)  
**Violation Description** Failed to include applicable regulations in a permit application. Specifically, permits by rule ("PBRs") 30 Tex. Admin. Code §§ 106.454 and 106.472 were not included in a permit application dated December 14, 2009 for FOP No. O3329.

**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	1%

**Matrix Notes** Less than 30% of the rule requirement was not met.

**Adjustment** \$9,900

\$100

**Violation Events**

Number of Violation Events  Number of violation days

mark only one with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	X

**Violation Base Penalty** \$100

One single event is recommended.

**Good Faith Efforts to Comply**

Reduction

\$0

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

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

**Violation Subtotal** \$100

**Economic Benefit (EB) for this violation**

**Statutory Limit Test**

**Estimated EB Amount** \$63

**Violation Final Penalty Total** \$103

**This violation Final Assessed Penalty (adjusted for limits)** \$103

## Economic Benefit Worksheet

**Respondent** Forged Products, Inc.  
**Case ID No.** 44784  
**Reg. Ent. Reference No.** RN100668722  
**Media** Air  
**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
<i>No commas or \$</i>							

### 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	\$500	28-Jun-2010	28-Dec-2012	2.50	\$63	n/a	\$63
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to submit a minor permit revision to incorporate the two PBRs. The Date Required is the date the FOP was issued and the Final Date is the expected date of compliance.

### Avoided Costs

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance

\$500

**TOTAL**

\$63

# Compliance History Report

Customer/Respondent/Owner-Operator:	CN601259674 Forged Products, Inc.	Classification: AVERAGE	Rating: 3.01
Regulated Entity:	RN100668722 FORGED PRODUCTS	Classification: AVERAGE BY DEFAULT	Site Rating: 3.01
ID Number(s):	INDUSTRIAL AND HAZARDOUS WASTE INDUSTRIAL AND HAZARDOUS WASTE PETROLEUM STORAGE TANK REGISTRATION AIR NEW SOURCE PERMITS AIR NEW SOURCE PERMITS STORMWATER AIR OPERATING PERMITS AIR OPERATING PERMITS AIR EMISSIONS INVENTORY POLLUTION PREVENTION PLANNING	EPA ID SOLID WASTE REGISTRATION # (SWR) REGISTRATION  ACCOUNT NUMBER AFS NUM PERMIT PERMIT ACCOUNT NUMBER ACCOUNT NUMBER ID NUMBER	TXD056250814 30270 41070  HG2752R 4820101674 TXR05Q239 3329 HG2752R HG2752R P07234

Location: 6505 N HOUSTON ROSSLYN RD, HOUSTON, TX, 77091  
 TCEQ Region: REGION 12 - HOUSTON

Date Compliance History Prepared: August 16, 2012  
 Agency Decision Requiring Compliance History: Enforcement

Compliance Period: August 16, 2007 to August 16, 2012

TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History  
 Name: Amancio R. Gutierrez Phone: (512) 239-3921

### 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. 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.)  
1 07/18/2012 (970558)
- 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  
FORGED PRODUCTS, INC.  
RN100668722**

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

**AGREED ORDER  
DOCKET NO. 2012-1670-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 Forged Products, 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 a metal forging facility at 6505 North Houston Rosslyn Road in Houston, Harris 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 July 11, 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 Nine Thousand Seven Hundred Fifty-Seven Dollars (\$9,757) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Seven Thousand Eight Hundred Six Dollars (\$7,806) of the administrative penalty and One Thousand Nine Hundred Fifty-

One Dollars (\$1,951) 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 February 28, 2012, submitted a letter stating that quarterly visible emissions observations will be documented; and
  - b. On May 10, 2012, submitted a minor revision of federal operating permit ("FOP") No. O3329 to incorporate permits by rule ("PBRs") 30 TEX. ADMIN. CODE §§ 106.454 and 106.472.
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 submit semi-annual deviation reports, in violation of 30 TEX. ADMIN. CODE §§ 122.143(4), 122.145(2)(A), and 122.145(2)(B), TEX. HEALTH & SAFETY CODE § 382.085(b), and FOP No. O3329, General Terms and Conditions ("GTC"), as documented during an investigation conducted on February 21, 2012. Specifically, the deviation reports for the reporting periods of June 28, 2010 through December 27, 2010 and December 28, 2010 through June 27, 2011 were not submitted.
2. Failed to submit a complete and accurate annual permit compliance certification ("PCC") within 30 days of the end of the certification period, in violation of 30 TEX. ADMIN. CODE

§§ 122.143(4) and 122.146(2), TEX. HEALTH & SAFETY CODE § 382.085(b), and FOP No. O3329, GTC, as documented during an investigation conducted on February 21, 2012. Specifically, the PCC for the June 28, 2010 through June 27, 2011 certification period was due on July 27, 2011 but was not submitted.

3. Failed to maintain records of quarterly visible emissions monitoring, in violation of 30 TEX. ADMIN. CODE §§ 122.143(4) and 122.144(1), TEX. HEALTH & SAFETY CODE § 382.085(b), and FOP No. O3329, GTC, as documented during an investigation conducted on February 21, 2012. Specifically, quarterly visible emissions monitoring records were not maintained between June 29, 2010 and February 28, 2012.
4. Failed to include applicable regulations in a permit application, in violation of 30 TEX. ADMIN. CODE § 122.132, and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on February 21, 2012. Specifically, PBRs 30 TEX. ADMIN. CODE §§ 106.454 and 106.472 were not included in a permit application dated December 14, 2009 for FOP No. O3329.

### 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: Forged Products, Inc., Docket No. 2012-1670-AIR-E" to:

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

2. It is further ordered that the Respondent shall undertake the following technical requirements:
  - a. Respond completely and adequately, as determined by the TCEQ, to all requests for information concerning the permit revision application within 30 days after the date of such requests, or by any other deadline specified in writing;
  - b. Within 30 days after the effective date of this Agreed Order, the Respondent shall:

- i. Submit a complete and accurate PCC for the June 28, 2010 through June 27, 2011 certification period;
  - ii. Submit complete and accurate deviation reports for the June 28, 2010 through December 27, 2010 and December 28, 2010 through June 27, 2011 reporting periods; and
  - iii. Implement procedures to ensure that PCC and deviation reports are submitted in a timely manner.
- c. Within 45 days after the effective date of this Agreed Order, submit written certification as described below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 2.b. The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

"I certify under penalty of law that I have personally examined and am familiar with the information submitted and all attached documents, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing violations."

The certification shall be submitted to:

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

with a copy to:

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

3. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Plant 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.

## SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

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

Pam Dawkins Jr  
For the Executive Director

2/7/13  
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.

J. Crowley  
Signature

15 Oct 2012  
Date

Kevin B. Crowley  
Name (Printed or typed)  
Authorized Representative of  
Forged Products, Inc.

President & CEO  
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.