

Executive Summary – Enforcement Matter – Case No. 51142
Trinity Tank Car, Inc.
RN100224435
Docket No. 2015-1274-AIR-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

AIR

Small Business:

No

Location(s) Where Violation(s) Occurred:

Trinity Tank Car Plant 19, 140 Shady Brook Lane near Longview, Harrison County

Type of Operation:

Railroad tank car manufacturing plant

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: December 4, 2015

Comments Received: No

Penalty Information

Total Penalty Assessed: \$112,500

Amount Deferred for Expedited Settlement: \$22,500

Amount Deferred for Financial Inability to Pay: \$0

Total Paid to General Revenue: \$90,000

Total Due to General Revenue: \$0

Payment Plan: N/A

Supplemental Environmental Project ("SEP") Conditional Offset: \$0

Name of SEP: N/A

Compliance History Classifications:

Person/CN - Satisfactory

Site/RN - High

Major Source: Yes

Statutory Limit Adjustment: N/A

Applicable Penalty Policy: April 2014

Investigation Information

Complaint Date(s): N/A

Complaint Information: N/A

Date(s) of Investigation: April 21, 2015

Date(s) of NOE(s): July 22, 2015

Executive Summary – Enforcement Matter – Case No. 51142
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RN100224435
Docket No. 2015-1274-AIR-E

Violation Information

1. Failed to comply with the annual volatile organic compounds ("VOC") combined maximum allowable emission rate ("MAER") per rolling 12 consecutive months for Paint Booths 2, 3, and 6, Emission Point Numbers ("EPNs") PB-2, PB-3, and PB-6, and failed to comply with the annual VOC MAER per rolling 12 consecutive months for the Plant, resulting in 27.75 tons of unauthorized VOC [30 TEX. ADMIN. CODE §§ 116.115(b)(2)(F) and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), New Source Review Permit No. 18553, General Conditions No. 8, and Federal Operating Permit ("FOP") No. O1648, Special Terms and Conditions No. 7].
2. Failed to obtain authorization to construct and operate a source of air emissions. Specifically, the Respondent failed to obtain authorization prior to operating Lining Station 3 [30 TEX. ADMIN. CODE §§ 116.110(a) and 122.143(4), TEX. HEALTH & SAFETY CODE §§ 382.0518(a) and 382.085(b), and FOP No. O1648, General Terms and Conditions].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

The Respondent has implemented the following corrective measures:

- a. On July 3, 2014:
 - i. Obtained authorization for Lining Station 3;
 - ii. Obtained authorization to construct and operate a regenerative thermal oxidizer ("RTO"), EPN TO (which is comprised of Paint Booth 6, Lining Station 3, and the RTO), to control VOC emissions; and
 - iii. Updated annual VOC MAERs for EPNs PB-2, PB-3, and PB-6 (PB-6 is now included in EPN TO).
- b. On September 3, 2014, began operating the RTO to control VOC emissions.

Technical Requirements:

N/A

**Executive Summary – Enforcement Matter – Case No. 51142
Trinity Tank Car, Inc.
RN100224435
Docket No. 2015-1274-AIR-E**

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: Kingsley Coppinger, Enforcement Division,
Enforcement Team 4, MC 149, (512) 239-6581; Candy Garrett, Enforcement Division,
MC 219, (512) 239-1456
TCEQ SEP Coordinator: N/A
Respondent: S. Theis Rice, Senior Vice President, Trinity Tank Car, Inc., 2525
Stemmons Freeway, Dallas, Texas 75207
David B. West, Senior Environmental Manager, Trinity Tank Car, Inc., 2525 Stemmons
Freeway, Dallas, Texas 75207
Respondent's Attorney: N/A



Penalty Calculation Worksheet (PCW)

Policy Revision 4 (April 2014)

PCW Revision March 26, 2014

DATES	Assigned	27-Jul-2015	Screening	20-Aug-2015	EPA Due	18-Jan-2016
	PCW	20-Aug-2015				

RESPONDENT/FACILITY INFORMATION	
Respondent	Trinity Tank Car, Inc.
Reg. Ent. Ref. No.	RN100224435
Facility/Site Region	5-Tyler
Major/Minor Source	Major

CASE INFORMATION			
Enf./Case ID No.	51142	No. of Violations	2
Docket No.	2015-1274-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Rachel Bekowies
		EC's Team	Enforcement Team 4
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$25,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$90,000
ADJUSTMENTS (+/-) TO SUBTOTAL 1		
<small>Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.</small>		
Compliance History	0.0% Enhancement	Subtotals 2, 3, & 7 \$0
Notes	No adjustment for compliance history.	
Culpability	No 0.0% Enhancement	Subtotal 4 \$0
Notes	The Respondent does not meet the culpability criteria.	
Good Faith Effort to Comply Total Adjustments		Subtotal 5 -\$22,500
Economic Benefit	50.0% Enhancement*	Subtotal 6 \$45,000
<small>Total EB Amounts</small>	\$55,614	
<small>Estimated Cost of Compliance</small>	\$730,600	<small>*Capped at the Total EB \$ Amount</small>
SUM OF SUBTOTALS 1-7	Final Subtotal	\$112,500
OTHER FACTORS AS JUSTICE MAY REQUIRE	0.0%	Adjustment \$0
<small>Reduces or enhances the Final Subtotal by the indicated percentage.</small>		
Notes		
	Final Penalty Amount	\$112,500
STATUTORY LIMIT ADJUSTMENT		Final Assessed Penalty \$112,500
DEFERRAL	20.0% Reduction	Adjustment -\$22,500
<small>Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)</small>		
Notes	Deferral offered for expedited settlement.	
PAYABLE PENALTY		\$90,000

Screening Date 20-Aug-2015

Docket No. 2015-1274-AIR-E

PCW

Respondent Trinity Tank Car, Inc.

Policy Revision 4 (April 2014)

Case ID No. 51142

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN100224435

Media [Statute] Air

Enf. Coordinator Rachel Bekowies

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 judgments 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)

Satisfactory Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

No adjustment for compliance history.

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

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 0%

Screening Date 20-Aug-2015
Respondent Trinity Tank Car, Inc.
Case ID No. 51142
Reg. Ent. Reference No. RN100224435
Media [Statute] Air
Enf. Coordinator Rachel Bekowies

Docket No. 2015-1274-AIR-E

PCW

Policy Revision 4 (April 2014)
 PCW Revision March 26, 2014

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code §§ 116.115(b)(2)(F) and 122.143(4), Tex. Health & Safety Code § 382.085(b), New Source Review Permit No. 18553, General Conditions No. 8, and Federal Operating Permit ("FOP") No. O1648, Special Terms and Conditions No. 7

Violation Description Failed to comply with the annual volatile organic compounds ("VOC") combined maximum allowable emission rate ("MAER") per rolling 12 consecutive months for Paint Booths 2, 3, and 6, Emission Point Numbers ("EPNs") PB-2, PB-3, and PB-6, and failed to comply with the annual VOC MAER per rolling 12 consecutive months for the Plant, resulting in 27.75 tons of unauthorized VOC, as shown in the attached Emissions Table.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual		X		30.0%
	Potential				

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
				0.0%

Matrix Notes Human health or the environment has been exposed to significant amounts of pollutants that do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$17,500

\$7,500

Violation Events

Number of Violation Events Number of violation days

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

Violation Base Penalty \$30,000

Four quarterly events are recommended for the period of non-compliance from August 1, 2013 through June 30, 2014.

Good Faith Efforts to Comply

Reduction \$7,500

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

Notes The Respondent completed corrective actions on September 3, 2014, prior to the July 22, 2015 Notice of Enforcement ("NOE").

Violation Subtotal \$22,500

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$55,614 **Violation Final Penalty Total** \$37,500

This violation Final Assessed Penalty (adjusted for limits) \$37,500

Economic Benefit Worksheet

Respondent Trinity Tank Car, Inc.
Case ID No. 51142
Reg. Ent. Reference No. RN100224435
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	\$725,600	1-Aug-2013	3-Sep-2014	1.09	\$2,637	\$52,747	\$55,384
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-Aug-2013	3-Jul-2014	0.92	\$230	n/a	\$230
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost (\$5,000) to obtain authorization to construct and operate a regenerative thermal oxidizer ("RTO"), EPN TO (which is comprised of Paint Booth 6, Lining Station 3, and the RTO), to control VOC emissions and to update annual VOC MAERs for EPNs PB-2, PB-3, and PB-6 (PB-6 is now included in EPN TO) and estimated cost (\$725,600) for the RTO. The Date Required is the first date of non-compliance. The July 3, 2014 Final Date is the date the authorization was obtained. The September 3, 2014 Final Date is the date the Respondent began operating the RTO to control VOC emissions.

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	\$730,600	TOTAL	\$55,614
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Screening Date 20-Aug-2015
Respondent Trinity Tank Car, Inc.
Case ID No. 51142
Reg. Ent. Reference No. RN100224435
Media [Statute] Air
Enf. Coordinator Rachel Bekowies

Docket No. 2015-1274-AIR-E

PCW

Policy Revision 4 (April 2014)
 PCW Revision March 26, 2014

Violation Number

Rule Cite(s)
 30 Tex. Admin. Code §§ 116.110(a) and 122.143(4), Tex. Health & Safety Code §§ 382.0518(a) and 382.085(b), and FOP No. O1648, General Terms and Conditions

Violation Description
 Failed to obtain authorization to construct and operate a source of air emissions. Specifically, the Respondent failed to obtain authorization prior to operating Lining Station 3.

Base Penalty

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="0.0%"/>
	Potential	<input type="text"/>	<input type="text"/>	<input type="text"/>	

>> Programmatic Matrix

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

Adjustment

Violation Events

Number of Violation Events Number of violation days

mark only one with an x

daily	<input type="text"/>
weekly	<input type="text"/>
monthly	<input checked="" type="text" value="x"/>
quarterly	<input type="text"/>
semiannual	<input type="text"/>
annual	<input type="text"/>
single event	<input type="text"/>

Violation Base Penalty

Sixteen monthly events are recommended based on the April 2, 2013 non-compliance date as reported in the deviation report to the July 3, 2014 date of compliance.

Good Faith Efforts to Comply

Reduction

Before NOE/NOV NOE/NOV to EDPRP/Settlement Offer

Extraordinary	<input type="text"/>	<input type="text"/>
Ordinary	<input checked="" type="text" value="x"/>	<input type="text"/>
N/A	<input type="text"/>	(mark with x)

Notes: The Respondent completed corrective action on July 3, 2014, prior to the July 22, 2015 NOE.

Violation Subtotal

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount

Violation Final Penalty Total

This violation Final Assessed Penalty (adjusted for limits)

Economic Benefit Worksheet

Respondent Trinity Tank Car, Inc.
Case ID No. 51142
Reg. Ent. Reference No. RN100224435
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
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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				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

See the economic benefit for Violation No. 1.

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				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 \$0

TOTAL \$0

Trinity Tank Car, Inc.
Docket No. 2015-1274-AIR-E
RN100224435; NSR Permit No. 18553
Emissions Table

	EPNs PB-2, PB-3, and PB-6 Annual VOC MAER (tpy)	EPNs PB-2, PB-3, and PB-6 Actual VOC Emissions (tons)	Plantwide Annual VOC MAER (tpy)	Plantwide Actual VOC Emissions (tons)*
September 1, 2012 – August 31, 2013	n/a	n/a	199.2	211.92
October 1, 2012 – September 30, 2013	169.6	173.26	199.2	220.97
November 1, 2012 – October 31, 2013	169.6	179.61	199.2	225.68
December 1, 2012 – November 30, 2013	169.6	184.04	199.2	227.65
January 1, 2013 – December 31, 2013	169.6	187.83	199.2	231.03
February 1, 2013 – January 31, 2014	169.6	193.71	199.2	235.06
March 1, 2013 – February 28, 2014	169.6	200.90	199.2	238.86
April 1, 2013 – March 31, 2014	169.6	201.91	199.2	237.45
May 1, 2013 – April 30, 2014	149.6	200.83	199.2	236.39
June 1, 2013 – May 31, 2014	149.6	196.64	199.2	232.95
July 1, 2013 – June 30, 2014	149.6	190.45	199.2	226.95

NSR = New Source Review
EPN = Emission Point Number
VOC = volatile organic compounds
MAER = maximum allowable emission rate
tpy = tons per year
n/a = in compliance with the MAER

*Emissions from EPNs PB-2, PB-3, and PB-6 are included in the Plantwide emissions

The TCEQ is committed to accessibility.

To request a more accessible version of this report, please contact the TCEQ Help Desk at (512) 239-4357.



Compliance History Report

PUBLISHED Compliance History Report for CN601657091, RN100224435, Rating Year 2014 which includes Compliance History (CH) components from September 1, 2009, through August 31, 2014.

Customer, Respondent, or Owner/Operator:	CN601657091, Trinity Tank Car, Inc.	Classification:	SATISFACTORY	Rating:	6.11
Regulated Entity:	RN100224435, TRINITY TANK CAR PLANT 19	Classification:	HIGH	Rating:	0.00
Complexity Points:	13	Repeat Violator:	NO		
CH Group:	14 - Other				
Location:	140 SHADY BROOK LANE, NEAR LONGVIEW, HARRISON COUNTY, TEXAS				
TCEQ Region:	REGION 05 - TYLER				

ID Number(s):

AIR OPERATING PERMITS ACCOUNT NUMBER HH0017L
POLLUTION PREVENTION PLANNING ID NUMBER P00731
AIR NEW SOURCE PERMITS REGISTRATION 31408
AIR NEW SOURCE PERMITS REGISTRATION 38177
AIR NEW SOURCE PERMITS AFS NUM 4820300027

AIR OPERATING PERMITS PERMIT 1648
AIR NEW SOURCE PERMITS PERMIT 18553
AIR NEW SOURCE PERMITS REGISTRATION 24210
AIR NEW SOURCE PERMITS ACCOUNT NUMBER HH0017L
PETROLEUM STORAGE TANK REGISTRATION REGISTRATION 23725
INDUSTRIAL AND HAZARDOUS WASTE SOLID WASTE REGISTRATION # (SWR) 31993
WASTEWATER PERMIT WQ0014249001
AIR EMISSIONS INVENTORY ACCOUNT NUMBER HH0017L

INDUSTRIAL AND HAZARDOUS WASTE EPA ID TXD980626980
STORMWATER PERMIT TXR05K549
WASTEWATER EPA ID TX0111465

Compliance History Period: September 01, 2009 to August 31, 2014 **Rating Year:** 2014 **Rating Date:** 09/01/2014
Date Compliance History Report Prepared: August 18, 2015
Agency Decision Requiring Compliance History: Enforcement
Component Period Selected: August 18, 2010 to August 18, 2015

TCEQ Staff Member to Contact for Additional Information Regarding This Compliance History.

Name: Rachel Bekowies

Phone: (512) 239-2608

Site and Owner/Operator History:

- 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** for #2, who is the current owner/operator? N/A
- 4) If **YES** for #2, 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

Components (Multimedia) for the Site Are Listed in Sections A - J

A. Final Orders, court judgments, and consent decrees:
N/A

B. Criminal convictions:
N/A

C. Chronic excessive emissions events:
N/A

D. The approval dates of investigations (CCEDS Inv. Track. No.):

Item 1	October 04, 2010	(864650)
Item 2	November 29, 2011	(969085)
Item 3	October 16, 2012	(1037138)
Item 4	July 01, 2013	(1100599)
Item 5	October 11, 2013	(1122181)
Item 6	March 17, 2015	(1230185)
Item 7	April 22, 2015	(1240940)

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

A notice of violation represents a written allegation of a violation of a specific regulatory requirement from the commission to a regulated entity. A notice of violation is not a final enforcement action, nor proof that a violation has actually occurred.

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
TRINITY TANK CAR, INC.
RN100224435**

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§
§
§
§

**BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY**

**AGREED ORDER
DOCKET NO. 2015-1274-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 Trinity Tank Car, 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 railroad tank car manufacturing plant at 140 Shady Brook Lane near Longview, Harrison 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 27, 2015.
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 One Hundred Twelve Thousand Five Hundred Dollars (\$112,500) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Ninety Thousand Dollars (\$90,000) of the administrative penalty and Twenty-Two Thousand

Five Hundred Dollars (\$22,500) 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 July 3, 2014:
 - i. Obtained authorization for Lining Station 3;
 - ii. Obtained authorization to construct and operate a regenerative thermal oxidizer ("RTO"), Emission Point Number ("EPN") TO (which is comprised of Paint Booth 6, Lining Station 3, and the RTO), to control volatile organic compounds ("VOC") emissions; and
 - iii. Updated annual VOC maximum allowable emission rates ("MAERs") for EPNs PB-2, PB-3, and PB-6 (PB-6 is now included in EPN TO).
 - b. On September 3, 2014, began operating the RTO to control VOC emissions.
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:

- Failed to comply with the annual VOC combined MAER per rolling 12 consecutive months for Paint Booths 2, 3, and 6, EPNs PB-2, PB-3, and PB-6, and failed to comply with the annual VOC MAER per rolling 12 consecutive months for the Plant, resulting in 27.75 tons of unauthorized VOC, in violation of 30 TEX. ADMIN. CODE §§ 116.115(b)(2)(F) and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), New Source Review Permit No. 18553, General Conditions No. 8, and Federal Operating Permit ("FOP") No. O1648, Special Terms and Conditions No. 7, as documented during an investigation conducted on April 21, 2015, and shown in the table below:

	EPNs PB-2, PB-3, and PB-6 Annual VOC MAER (tpy)	EPNs PB-2, PB-3, and PB-6 Actual VOC Emissions (tons)	Plantwide Annual VOC MAER (tpy)	Plantwide Actual VOC Emissions (tons)*
September 1, 2012 – August 31, 2013	n/a	n/a	199.2	211.92
October 1, 2012 – September 30, 2013	169.6	173.26	199.2	220.97
November 1, 2012 – October 31, 2013	169.6	179.61	199.2	225.68
December 1, 2012 – November 30, 2013	169.6	184.04	199.2	227.65
January 1, 2013 – December 31, 2013	169.6	187.83	199.2	231.03
February 1, 2013 – January 31, 2014	169.6	193.71	199.2	235.06
March 1, 2013 – February 28, 2014	169.6	200.90	199.2	238.86
April 1, 2013 – March 31, 2014	169.6	201.91	199.2	237.45
May 1, 2013 – April 30, 2014	149.6	200.83	199.2	236.39
June 1, 2013 – May 31, 2014	149.6	196.64	199.2	232.95
July 1, 2013 – June 30, 2014	149.6	190.45	199.2	226.95

tpy = tons per year

n/a = in compliance with the MAER

* Emissions from EPNs PB-2, PB-3, and PB-6 are included in the Plantwide emissions

2. Failed to obtain authorization to construct and operate a source of air emissions, in violation of 30 TEX. ADMIN. CODE §§ 116.110(a) and 122.143(4), TEX. HEALTH & SAFETY CODE §§ 382.0518(a) and 382.085(b), and FOP No. 01648, General Terms and Conditions, as documented during an investigation conducted on April 21, 2015. Specifically, the Respondent failed to obtain authorization prior to operating Lining Station 3.

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: Trinity Tank Car, Inc., Docket No. 2015-1274-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. 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. The effective date of this Order is the date it is signed by the Commission. A copy of this fully executed Order shall be provided to each of the parties.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

Date



For the Executive Director

1/8/16

Date

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

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

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

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



Signature

10.14.2015

Date

S. Theis Rice

Name (Printed or typed)
Authorized Representative of
Trinity Tank Car, Inc.

Sr. Vice-President

Title

Instructions: Send the original, signed Agreed Order with penalty payment to the Financial Administration Division, Revenue Operations Section at the address in Section IV, Paragraph 1 of this Agreed Order.