

EXECUTIVE SUMMARY – ENFORCEMENT MATTER – CASE NO. 56724  
CITGO PIPELINE COMPANY  
RN100224088  
Docket No. 2018-1309-AIR-E

**Order Type:**

Findings Agreed Order

**Findings Order Justification:**

People or environmental receptors have been exposed to pollutants which exceed levels that are protective.

**Media:**

AIR

**Small Business:**

No

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

530 Highway 326 North, Sour Lake, Hardin County

**Type of Operation:**

crude petroleum storage site

**Other Significant Matters:**

Additional Pending Enforcement Actions:	None
Past-Due Penalties:	None
Past-Due Fees:	None
Other:	None
Interested Third-Parties:	None

**Texas Register Publication Date:** December 10, 2021

**Comments Received:** None

**Penalty Information**

**Total Penalty Assessed:** \$40,800

**Total Paid to General Revenue:** \$40,800

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

**Compliance History Classifications:**

Person/CN - HIGH  
Site/RN - HIGH

**Major Source:** No

**Statutory Limit Adjustment:** None

**Applicable Penalty Policy:** April 2014

**Investigation Information**

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

**Date(s) of Investigation:** July 2, 2018

**Date(s) of NOV(s):** N/A

**Date(s) of NOE(s):** August 27, 2018

**Violation Information**

Failed to prevent unauthorized emissions. Specifically, Respondent released at least 134,627 pounds of volatile organic compounds from Tank 394, Emission Point No. T394, during an emissions event that began on August 29, 2017, and lasted 387 hours. The emissions event occurred when rain from Hurricane/Tropical Storm Harvey caused water to accumulate on Tank 394's external floating roof ("EFR"), which had been designed to drain with a passive, internal drain system that Respondent had closed due to corrosion concerns and replaced with a temporary pump system. The pump system was overwhelmed by the rainfall, the accumulated water weight caused the EFR to sink, and crude oil leaked onto the EFR and caused emissions to the atmosphere [TEX. HEALTH & SAFETY CODE § 382.085(b), 30 TEX. ADMIN. CODE § 116.115(c), and New Source Review Permit No. 56121, Special Condition No. 1].

**Corrective Actions/Technical Requirements**

**Corrective Action(s) Completed:**

By June 29, 2018, Respondent drained and cleaned Tank 394, updated emergency procedures to ensure stored product levels better facilitated EFR drainage rates, and installed additional drains for Tank 394's EFR.

**Technical Requirements:**

None

**Litigation Information**

**Date Petition(s) Filed:** N/A

**Date Green Card(s) Signed:** N/A

**Date Answer(s) Filed:** N/A

**Contact Information**

**TCEQ Attorneys:** Jess Robinson, Litigation Division, (512) 239-3400  
Garrett Arthur, Public Interest Counsel, (512) 239-6363

**TCEQ Litigation Agenda Coordinator:** Katherine McKenzie, Litigation Division, (512) 239-2575

**TCEQ Enforcement Coordinator:** Michaelle Garza, Enforcement, (210) 403-4076

**TCEQ Regional Contact:** Sarah Kirksey, Beaumont Regional Office, (409) 898-3838

**Respondent Contact:**

Karl D. Schmidt, President & CEO, CITGO PIPELINE COMPANY, 1293 Eldridge Parkway,  
Houston, Texas 77077

**Respondent's Attorneys:**

Joseph Guida, Guida, Slavich & Flores, P.C., 14679 Midway Road, Suite 115, Addison, Texas  
75001; and  
Paul Seals, Guida, Slavich & Flores, P.C., 901 Mopac Expressway South, Building 1, Suite 300,  
Austin, Texas 78746



# Penalty Calculation Worksheet (PCW)

Policy Revision 4 (April 2014)

PCW Revision March 26, 2014

TCEQ

<b>DATES</b>	<b>Assigned</b>	4-Sep-2018	<b>Screening</b>	17-Sep-2018	<b>EPA Due</b>	
	<b>PCW</b>	10-Jun-2021				

## RESPONDENT/FACILITY INFORMATION

<b>Respondent</b>	CITGO PIPELINE COMPANY				
<b>Reg. Ent. Ref. No.</b>	RN100224088				
<b>Facility/Site Region</b>	10-Beaumont	<b>Major/Minor Source</b>	Minor		

## CASE INFORMATION

<b>Enf./Case ID No.</b>	56724	<b>No. of Violations</b>	1
<b>Docket No.</b>	2018-1309-AIR-E	<b>Order Type</b>	Findings
<b>Media Program(s)</b>	Air	<b>Government/Non-Profit</b>	No
<b>Multi-Media</b>		<b>Enf. Coordinator</b>	Michaelle Garza
		<b>EC's Team</b>	Enforcement Team 4
<b>Admin. Penalty \$ Limit Minimum</b>	\$0	<b>Maximum</b>	\$25,000

## Penalty Calculation Section

<b>TOTAL BASE PENALTY (Sum of violation base penalties)</b>	<b>Subtotal 1</b>	\$127,500
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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>	-10.0% Adjustment	<b>Subtotals 2, 3, &amp; 7</b>	-\$12,750
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Notes: Reduction for High Performer Classification.

<b>Culpability</b>	No 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>	-\$31,875
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<b>Economic Benefit</b>	0.0% Enhancement*	<b>Subtotal 6</b>	\$0
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Total EB Amounts: \$10,466  
 Estimated Cost of Compliance: \$251,500  
 \*Capped at the Total EB \$ Amount

<b>SUM OF SUBTOTALS 1-7</b>	<b>Final Subtotal</b>	\$82,875
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<b>OTHER FACTORS AS JUSTICE MAY REQUIRE</b>	-50.8% Adjustment	-\$42,075
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes: Recommended 33% reduction of the Violation Base Penalty for the violation which occurred during Tropical Storm Harvey.

<b>Final Penalty Amount</b>	\$40,800
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<b>STATUTORY LIMIT ADJUSTMENT</b>	<b>Final Assessed Penalty</b>	\$40,800
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<b>DEFERRAL</b>	0.0% Reduction Adjustment	\$0
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Reduces the Final Assessed Penalty by the indicated percentage.

Notes: No deferral is recommended for Findings Orders.

<b>PAYABLE PENALTY</b>	\$40,800
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Screening Date 17-Sep-2018

Docket No. 2018-1309-AIR-E

PCW

Respondent CITGO PIPELINE COMPANY

Case ID No. 56724

Policy Revision 4 (April 2014)

Reg. Ent. Reference No. RN100224088

PCW Revision March 26, 2014

Media Air

Enf. Coordinator Michaëlle Garza

### Compliance History Worksheet

#### >> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Number	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%
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)

High Performer

**Adjustment Percentage (Subtotal 7)** -10%

#### >> Compliance History Summary

Compliance History Notes

Reduction for High Performer Classification.

**Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7)** -10%

#### >> Final Compliance History Adjustment

**Final Adjustment Percentage \*capped at 100%** -10%

**Screening Date** 17-Sep-2018 **Docket No.** 2018-1309-AIR-E **PCW**  
**Respondent** CITGO PIPELINE COMPANY *Policy Revision 4 (April 2014)*  
**Case ID No.** 56724 *PCW Revision March 26, 2014*  
**Reg. Ent. Reference No.** RN100224088  
**Media** Air  
**Enf. Coordinator** Michaelle Garza

**Violation Number** 1  
**Rule Cite(s)** 30 Tex. Admin. Code § 116.115(c), New Source Review Permit No. 56121, Special Conditions No. 1, and Tex. Health & Safety Code § 382.085(b)  
**Violation Description**  
 Failed to prevent unauthorized emissions. Specifically, Respondent released at least 134,627 pounds of volatile organic compounds from Tank 394, Emission Point No. T394, during an emissions event that began on August 29, 2017, and lasted 387 hours. The emissions event occurred when rain from Hurricane/Tropical Storm Harvey caused water to accumulate on Tank 394's external floating roof ("EFR"), which had been designed to drain with a passive, internal drain system that Respondent had closed due to corrosion concerns, and replaced with a temporary pump system. The pump system was overwhelmed by the rainfall, the accumulated water weight caused the EFR to sink, and crude oil leaked onto the EFR and caused emissions to the atmosphere.

**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 pollutants which 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 17 17 Number of violation days

daily	x
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	

**Violation Base Penalty** \$127,500

Seventeen daily events are recommended.

**Good Faith Efforts to Comply** 25.0% Reduction \$31,875

	Before NOE/NOV	NOE/NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary	x	
N/A		

**Notes**  
 The Respondent completed the corrective actions by June 29, 2018, prior to the Notice of Enforcement dated August 13, 2018.

**Violation Subtotal** \$95,625

**Economic Benefit (EB) for this violation** **Statutory Limit Test**

**Estimated EB Amount** \$10,466 **Violation Final Penalty Total** \$40,800

**This violation Final Assessed Penalty (adjusted for limits)** \$40,800

# Economic Benefit Worksheet

**Respondent** CITGO PIPELINE COMPANY  
**Case ID No.** 56724  
**Reg. Ent. Reference No.** RN100224088  
**Media** Air  
**Violation No.** 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Costs Saved	EB Amount
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### Delayed Costs

Equipment				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	\$1,500	29-Aug-2017	24-May-2018	0.73	\$55	n/a	\$55
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)	\$250,000	29-Aug-2017	29-Jun-2018	0.83	\$10,411	n/a	\$10,411

**Notes for DELAYED costs**  
 Estimated delayed costs to update the Emergency Procedure Manual for Hurricanes to increase the product height in external floating roof tanks (\$1,500) and install a new floating roof and two new roof drains for Tank No. 394 (\$250,000) in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 270844. The Dates Required are the date the emissions event began and the Final Dates are the dates of compliance.

### Avoided Costs

#### ANNUALIZE 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				0.00	\$0	\$0	\$0
ONE-TIME avoided costs				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

**Notes for AVOIDED costs**

Approx. Cost of Compliance \$251,500

**TOTAL** \$10,466

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

Compliance History Report for CN602419574, RN100224088, Rating Year 2018 which includes Compliance History (CH) components from September 1, 2013, through August 31, 2018.

**Customer, Respondent, or Owner/Operator:** CN602419574, CITGO PIPELINE COMPANY **Classification:** HIGH **Rating:** 0.00

**Regulated Entity:** RN100224088, SOUR LAKE TANK FARM **Classification:** HIGH **Rating:** 0.00

**Complexity Points:** 7 **Repeat Violator:** NO

**CH Group:** 13 - Pipeline Transportation of Natural Gas, Refined Petroleum, and All Other Products

**Location:** 530 HIGHWAY 326 NORTH, SOUR LAKE, HARDIN COUNTY, TEXAS

**TCEQ Region:** REGION 10 - BEAUMONT

**ID Number(s):**

**AIR NEW SOURCE PERMITS** ACCOUNT NUMBER HF0025L

**AIR NEW SOURCE PERMITS** PERMIT 56121

**AIR NEW SOURCE PERMITS** AFS NUM 4819900016

**AIR NEW SOURCE PERMITS** REGISTRATION 109508

**AIR NEW SOURCE PERMITS** REGISTRATION 111529

**AIR EMISSIONS INVENTORY** ACCOUNT NUMBER HF0025L

**INDUSTRIAL AND HAZARDOUS WASTE** EPA ID

**INDUSTRIAL AND HAZARDOUS WASTE** OTS REQUEST

TXP490353870

40105

**Compliance History Period:** September 01, 2013 to August 31, 2018 **Rating Year:** 2018 **Rating Date:** 09/01/2018

**Date Compliance History Report Prepared:** August 19, 2019

**Agency Decision Requiring Compliance History:** Enforcement

**Component Period Selected:** August 19, 2014 to August 19, 2019

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

**Name:** Michaelle Garza

**Phone:** (210) 403-4076

**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

**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.):** N/A

**E. Written notices of violations (NOV) (CCEDS Inv. Track. No.):** N/A

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.

**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

**Component Appendices**

**Appendix A**

**All NOV's Issued During Component Period 8/19/2014 and 8/19/2019**

N/A

For Informational Purposes Only

**Appendix B**

**All Investigations Conducted During Component Period August 19, 2014 and August 19, 2019**

(1460057)

Item 1

August 27, 2018\*\*

For Informational Purposes Only

(1512010)

Item 2

October 11, 2018

For Informational Purposes Only

\* No violations documented during this investigation

\*\*Investigation applicable for the Compliance History Rating period between 09/01/2013 and 08/31/2018.



# TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN ENFORCEMENT  
ACTION CONCERNING  
CITGO PIPELINE COMPANY;  
RN100224088

§  
§  
§  
§  
§

BEFORE THE  
TEXAS COMMISSION ON  
ENVIRONMENTAL QUALITY

## AGREED ORDER

DOCKET NO. 2018-1309-AIR-E

On \_\_\_\_\_, the Texas Commission on Environmental Quality ("Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding CITGO PIPELINE COMPANY ("Respondent") under the authority of TEX. WATER CODE ch. 7 and TEX. HEALTH & SAFETY CODE ch. 382. The Executive Director of the TCEQ, represented by the Litigation Division, and Respondent, represented by Joseph Guida and Paul Seals of the law firm Guida, Slavich & Flores, P.C., presented this Order to the Commission.

Respondent understands it has certain procedural rights at certain points in the enforcement process, including the right to formal notice of violations, to request an evidentiary hearing, receive notice of an evidentiary hearing, and a right to appeal. By entering into this Order, Respondent agrees to waive all notice and procedural rights which might otherwise be authorized or required in this action.

It is further understood and agreed that this Order represents the complete and fully-integrated agreement of the parties. The provisions of this Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Order unenforceable, the remaining provisions shall be valid and enforceable. The duties and responsibilities imposed by this Order are binding upon Respondent.

The Commission makes the following Findings of Fact and Conclusions of Law:

### FINDINGS OF FACT

1. Respondent owns and operates a crude petroleum storage site located at 530 Highway 326 North in Sour Lake, Hardin County, Texas (the "Site"). The Site consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
2. During an investigation conducted on and around July 2, 2018, an investigator documented that Respondent failed to prevent unauthorized emissions. Specifically, Respondent released at least 134,627 pounds of volatile organic compounds from Tank 394, Emission Point No. T394, during an emissions event that began on August 29, 2017, and lasted 387 hours. The emissions event occurred when rain from Hurricane/Tropical Storm Harvey caused water to accumulate on Tank 394's external floating roof ("EFR"), which had been designed to drain with a passive, internal drain system that Respondent had closed due to corrosion concerns and replaced with a temporary pump system. The pump system was overwhelmed by the rainfall, the accumulated water weight caused the EFR to sink, and crude oil leaked onto the EFR and caused emissions to the atmosphere.
3. The Executive Director recognizes that, by June 29, 2018, Respondent drained and cleaned Tank 394, updated emergency procedures to ensure stored product levels better facilitated EFR drainage rates, and installed additional drains for Tank 394's EFR.

### CONCLUSIONS OF LAW

1. As evidenced by Finding of Fact No. 1, Respondent is subject to the jurisdiction of the TCEQ pursuant to TEX. HEALTH & SAFETY CODE ch. 382 and the rules of the TCEQ.
2. As evidenced by Finding of Fact No. 2, Respondent failed to prevent unauthorized emissions, in violation of TEX. HEALTH & SAFETY CODE § 382.085(b), 30 TEX. ADMIN. CODE § 116.115(c), and New Source Review Permit No. 56121, Special Condition No. 1.
3. Pursuant to TEX. WATER CODE § 7.051, the TCEQ has the authority to assess an administrative penalty against Respondent for violations of state statutes within the TCEQ's jurisdiction, for violations of rules adopted under such statutes, or for violations of orders or permits issued under such statutes.
4. An administrative penalty in the amount of forty thousand eight hundred dollars (\$40,800.00) is justified by the facts recited in this Order, and considered in light of the factors set forth in TEX. WATER CODE § 7.053. Respondent paid forty thousand eight hundred dollars (\$40,800.00) of the penalty.

### ORDERING PROVISIONS

NOW, THEREFORE, THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY ORDERS that:

1. Respondent is assessed an administrative penalty as set forth in Conclusion of Law No. 4 for violations of state statutes and rules of the TCEQ. The payment of this penalty and Respondent's compliance with all requirements set forth in this Order resolve only the matters set forth by this Order in this action. The Commission shall not be constrained in any manner from requiring corrective actions or penalties for violations which are not raised here.
2. All relief not expressly granted in this Order is denied.
3. The duties and provisions imposed by this Order shall apply to and be binding upon Respondent. Respondent is ordered to give notice of this Order to personnel who maintain day-to-day control over the Site operations referenced in this Order.
4. This Order, issued by the Commission, shall not be admissible against Respondent in a civil proceeding, unless the proceeding is brought by the Office of the Attorney General of the State of Texas ("OAG") to: (1) enforce the terms of this Order, or (2) pursue violations of a statute within the TCEQ's jurisdiction, or of a rule adopted or an order or permit issued by the TCEQ under such a statute. The Executive Director may, without further notice or hearing, refer this matter to the OAG for further enforcement proceedings if the Executive Director determines Respondent has not complied with one or more of the terms or conditions in this Order.
5. The provisions of this Order are deemed severable, and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Order unenforceable, the remaining provisions shall be valid and enforceable.
6. This Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Order, whichever is later.
7. This Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this 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 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. 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

Frank E. Chamallop  
\_\_\_\_\_  
For the Executive Director

01/26/22  
\_\_\_\_\_  
Date

I, the undersigned, have read and understand the attached Order. I am authorized to agree to the attached Order, 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 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;
- 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
- The TCEQ seeking other relief as authorized by law.

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

Karl D. Schmidt  
\_\_\_\_\_  
Signature - Karl D. Schmidt, President & CEO  
CITGO PIPELINE COMPANY  
1293 Eldridge Parkway  
Houston, Texas 77077

November 9, 2021  
\_\_\_\_\_  
Date

*If mailing address has changed, please check this box and provide the new address below:*

\_\_\_\_\_