

Order Type:
Agreed Order

Media:
IWD

Small Business:
Yes

Location Where Violation Occurred:
739 Independence Parkway South, on the west side of Independence Parkway South, approximately one mile north of the intersection of Independence Parkway South and State Highway 225 (Pasadena Highway), near Deer Park, Harris County

Type of Operation:
organic chemical manufacturing plant

Other Significant Matters:

Additional Pending Enforcement Actions:	Yes, 2022-0727-PWS-E
Past-Due Penalties:	\$0
Past-Due Fee:	\$105
Other:	None
Interested Third-Parties:	None

Texas Register Publication Date: December 30, 2022

Comments Received: None

Penalty Information

Total Penalty Assessed:	\$145,412
Total Paid to General Revenue:	\$72,706
Total Due to General Revenue:	\$0

**Supplemental Environmental Project:
("SEP") Conditional Offset:** \$72,706
Name of SEP: Residential Sewer Line Repair and Replacement Program

Compliance History Classifications:

Person/CN - Satisfactory
Site/RN - Satisfactory

Major Source: Yes

Statutory Limit Adjustment: None

Applicable Penalty Policy: April 2014

Investigation Information

Complaint Dates:	May 28, 2019; February 20, 2020
Complaint Information:	May 28, 2019 Alleged runoff of unknown chemicals to a ditch
Complaint Information:	February 20, 2020 Alleged an unauthorized discharge
Dates of Investigation:	April 28 - June 7, 2019 February 20 - 21, 2020
Date of NOV:	N/A
Dates of NOEs:	August 29, 2019 June 16, 2020

Violation Information

1. Failed to prevent an unauthorized discharge of industrial wastewater into or adjacent to any water in the state [TEX. WATER CODE § 26.121(a)(1), 30 TEX. ADMIN. CODE § 305.125(1) and (4), and Texas Pollutant Discharge Elimination System (“TPDES”) Permit No. WQ0002558000, Permit Conditions Nos. 2.(d) and 2.(g)].
2. Failed to install adequate safeguards to prevent the discharge of untreated or inadequately treated wastes during electrical power failures by means of alternate power sources, standby generators, and/or retention [TEX. WATER CODE § 26.121(a)(1), 30 TEX. ADMIN. CODE § 305.125(1), (4), and (5), and TPDES Permit No. WQ0002558000, Operation Requirements No. 4 and Permit Conditions Nos. 2.(d) and 2.(g)].
3. Failed to comply with permitted effluent limitations [TEX. WATER CODE § 26.121(a)(1), 30 TEX. ADMIN. CODE § 305.125(1), and TPDES Permit No. WQ0002558000, Effluent Limitations and Monitoring Requirements (Outfall No. 002) No. 1].
4. Failed to report an unauthorized discharge orally to the Regional Office within 24 hours of becoming aware of the noncompliance, and in writing to the Regional Office and the Enforcement Division within five working days of becoming aware of the noncompliance [30 TEX. ADMIN. CODE § 305.125(1) and (9), and TPDES Permit No. WQ0002558000, Monitoring and Reporting Requirements No. 7].
5. Failed to prevent an unauthorized discharge of other waste into or adjacent to any water in the state [TEX. WATER CODE § 26.121(a)(2), 30 TEX. ADMIN. CODE § 305.125(1) and (4), and TPDES Permit No. WQ0002558000, Permit Conditions Nos. 2.(d) and 2.(g) and Other Requirements No. 4].

Corrective Actions/Technical Requirements

Corrective Actions Completed:

1. As of May 24, 2022:
 - a. Replaced the leaking surface water clarifier tank with a frac tank as an approved temporary potable water source;
 - b. Ceased using water from the frac tank as a source of drinking water;
 - c. Installed a sump pump alarm in the breezeway;
 - d. Repaired the secondary containment structures and dikes;

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- e. Properly disposed of the contaminated stormwater that was being stored onsite;
- f. Ceased all unauthorized discharges of treated surface water from the firewater storage tank relief pipe; and
- g. Determined the source and ceased the discharge of sodium sulfite salt.

Technical Requirements:

1. Within 30 days, conduct an evaluation of the Facility by a Texas registered professional engineer, to determine the necessary upgrades to prevent the discharge of untreated or inadequately treated wastes from the Facility and its wastewater collection system during electrical power failures.
2. Within 60 days:
 - a. Clean and remediate any exceedances of risk-based exposure limits in soil that were caused by the discharge of flocculant treated surface water from the leak at the bottom of a surface water clarifying unit, and properly remove and dispose of all contaminated soil, including from the unnamed ditch upstream of stormwater Outfall No. 002.;
 - b. Clean and remediate any exceedances of risk-based exposure limits in soil that were caused by the discharge of contaminated stormwater that overflowed and seeped through cracks from the secondary containment for the west tank farm, and properly remove and dispose of all contaminated soil including from the ditch that is part of the Facility's stormwater conveyance system and the area just outside of the secondary containment around the west tank farm and the railcar loading area;
 - c. Clean and remediate any exceedances of risk-based exposure limits in soil that were caused by the discharge of treated surface water directly onto the ground from the firewater storage tank's relief pipe, and properly remove and dispose of all contaminated soil, including from area outside of the secondary containment measures;
 - d. Clean and remediate any exceedances of risk-based exposure limits in soil that were caused by the discharge of wastewater from the equalization basin and the flume box at the Facility's wastewater treatment plant, and properly remove and dispose of all contaminated soil, including from the stormwater conveyance system; and
 - e. Clean and remediate any exceedances of risk-based exposure limits in soil that were caused by the discharge of white material, which was identified as sodium sulfite salt, from the enclosed process unit. Properly remove and dispose of all contaminated soil, including from the sluice gate ditch and the unnamed ditch upstream of stormwater Outfall No. 002.
3. Within 130 days submit written certification of compliance with the permitted effluent limitations of TPDES Permit No. WQ0002558000, including specific corrective actions that were implemented at the Facility to achieve compliance and copies of the most current self-reported discharge monitoring reports, demonstrating at least three consecutive months of compliance with all permitted effluent limitations.
4. Within 180 days cease use of the temporarily approved frac tank as a source of potable water.
5. Submit written certification to demonstrate compliance:
 - a. Within 45 days for Technical Requirement No. 1.
 - b. Within 75 days for Technical Requirement Nos. 2.a. through 2.e.
 - c. Within 195 days for Technical Requirement No. 3.

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Litigation Information

Date Petition Filed: N/A
Date Green Card Signed: N/A
Settlement Date: September 2, 2022

Contact Information

TCEQ Attorneys: David Keagle, Litigation Division, (512) 239-3400
Sheldon Wayne, Public Interest Counsel, (512) 239-6363
TCEQ Litigation Agenda Coordinator: Katherine McKenzie, Litigation Division, (512) 239-2575
TCEQ SEP Coordinator: Betty Sanders, Litigation Division, (512) 239-3992
SEP Third-Party Administrator: Frank O. Simoneaux, P.E, Director of Public Works, City of Baytown,
P.O. Box 424, Baytown, Texas 77522
TCEQ Enforcement Coordinator: Alejandro Laje, Enforcement Division, (512) 239-2547
TCEQ Regional Contact: Westin Massey, Houston Regional Office, (713) 767-3500
Respondent Contact: Kenneth Ghazey, President, GEO SPECIALTY CHEMICALS, INC., 401 South Earl
Avenue, Suite 3A, Lafayette, Indiana 47904
Respondent's Attorney: Timothy A. Wilkins, Bracewell, LLP, 111 Congress Ave., Ste. 2300, Austin,
Texas 78701-4061



Penalty Calculation Worksheet (PCW)

Policy Revision 4 (April 2014)

PCW Revision March 26, 2014

TCEQ

DATES	Assigned	3-Sep-2019	Screening	12-Sep-2019	EPA Due	
	PCW	10-May-2021				

RESPONDENT/FACILITY INFORMATION	
Respondent	GEO SPECIALTY CHEMICALS, INC.
Reg. Ent. Ref. No.	RN100219070
Facility/Site Region	12-Houston
Major/Minor Source	Major

CASE INFORMATION			
Enf./Case ID No.	58295	No. of Violations	6
Docket No.	2019-1322-IWD-E	Order Type	1660
Media Program(s)	Water Quality	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Alejandro Laje
		EC's Team	Enforcement Team 3
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$25,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$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.

Compliance History	2.0%	Adjustment	Subtotals 2, 3, & 7	\$2,550
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Notes: Enhancement for one NOV with a dissimilar violation.

Culpability	0.0%	Enhancement	Subtotal 4	\$0
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Notes: The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply Total Adjustments	Subtotal 5	\$0
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Economic Benefit	0.0%	Enhancement*	Subtotal 6	\$0
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Total EB Amounts	\$11,123
Estimated Cost of Compliance	\$80,561

*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7	Final Subtotal	\$130,050
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OTHER FACTORS AS JUSTICE MAY REQUIRE	0.0%	Adjustment	Adjustment	\$62
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes: Recommended enhancement to capture the avoided cost associated with Violation No. 6.

Final Penalty Amount	\$130,112
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$130,112
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DEFERRAL	0.0%	Reduction	Adjustment	\$0
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Reduces the Final Assessed Penalty by the indicated percentage.

Notes: Deferral not offered for non-expedited settlement.

PAYABLE PENALTY	\$130,112
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Screening Date 12-Sep-2019

Docket No. 2019-1322-IWD-E

PCW

Respondent GEO SPECIALTY CHEMICALS, INC.

Policy Revision 4 (April 2014)

Case ID No. 58295

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN100219070

Media Water Quality

Enf. Coordinator Alejandro Laje

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	1	2%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of 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) 2%

>> **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 Enhancement for one NOV with a dissimilar violation.

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

>> **Final Compliance History Adjustment**

Final Adjustment Percentage *capped at 100% 2%

Screening Date	12-Sep-2019	Docket No.	2019-1322-IWD-E	PCW
Respondent	GEO SPECIALTY CHEMICALS, INC.			<i>Policy Revision 4 (April 2014)</i>
Case ID No.	58295			<i>PCW Revision March 26, 2014</i>
Reg. Ent. Reference No.	RN100219070			
Media	Water Quality			
Enf. Coordinator	Alejandro Laje			
Violation Number	1			

Rule Cite(s)

Tex. Water Code § 26.121(a)(1), 30 Tex. Admin. Code § 305.125(1) and (4), and Texas Pollutant Discharge Elimination System ("TPDES") Permit No. WQ0002558000, Permit Conditions Nos. 2.(d) and 2.(g)

Violation Description

Failed to prevent an unauthorized discharge of industrial wastewater into or adjacent to any water in the state. Specifically, on April 29, 2019, flocculant treated surface water was observed discharging from a leak at the bottom of a surface water clarifying unit into an unnamed ditch which discharges from stormwater Outfall No. 002 thence to Harris County Flood Control District ("HCFCD") Ditch G111-00-00, thence to Tucker Bayou tidal. Laboratory analysis results from samples collected at the site on April 20, 2019 showed elevated levels of aluminum and total dissolved solids.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			X
Potential			

Percent 15.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

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

Adjustment \$21,250

\$3,750

Violation Events

Number of Violation Events **2** **136** Number of violation days

daily	
weekly	
monthly	
quarterly	X
semiannual	
annual	
single event	

Violation Base Penalty \$7,500

Two quarterly events are recommended, calculated from the date the discharge was documented (April 29, 2019) to the screening date (September 12, 2019).

Good Faith Efforts to Comply

0.0%

Reduction \$0

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

Extraordinary		
Ordinary		
N/A	X	

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

Violation Subtotal \$7,500

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$4,484

Violation Final Penalty Total \$7,654

This violation Final Assessed Penalty (adjusted for limits) \$7,654

Economic Benefit Worksheet

Respondent GEO SPECIALTY CHEMICALS, INC.
Case ID No. 58295
Reg. Ent. Reference No. RN100219070
Media Water Quality
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

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

Equipment	\$10,000	29-Apr-2019	15-Dec-2021	2.63	\$88	\$1,755	\$1,843
Buildings				0.00	\$0	\$0	\$0
Other (as needed)	\$5,000	29-Apr-2019	8-May-2019	0.02	\$0	\$8	\$8
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	\$20,000	29-Apr-2019	15-Dec-2021	2.63	\$2,633	n/a	\$2,633
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated Equipment cost to repair or replace the surface water clarifier tank. Date required is the date the discharge was documented and the final date is the estimated date of compliance.

Estimated Other cost to drain and remove the leaking surface water clarifier tank from service, and install a temporary treatment system consisting of two frac tanks. Date required is date the discharge was documented and the final date is the date of compliance.

Estimated Remediation/Disposal cost to clean and remediate all affected areas at the site, and submit a report demonstrating the applicability of the Texas Risk Reduction Program ("TRRP") to the Executive Director and to comply with all applicable requirements of TRRP. Date required is the date the discharge was documented and the final date is the estimated date 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 \$35,000

TOTAL \$4,484

Screening Date	12-Sep-2019	Docket No.	2019-1322-IWD-E	PCW
Respondent	GEO SPECIALTY CHEMICALS, INC.			<i>Policy Revision 4 (April 2014)</i>
Case ID No.	58295			<i>PCW Revision March 26, 2014</i>
Reg. Ent. Reference No.	RN100219070			
Media	Water Quality			
Enf. Coordinator	Alejandro Laje			

Violation Number

Rule Cite(s)

Violation Description

Base Penalty

>> Environmental, Property and Human Health Matrix

OR	Harm			
	Major	Moderate	Minor	
	Actual	X		Percent <input type="text" value="30.0%"/>
	Potential			

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	
				Percent <input type="text" value="0.0%"/>

Matrix Notes

Adjustment

Violation Events

Number of Violation Events Number of violation days

daily	
weekly	
monthly	X
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty

Good Faith Efforts to Comply Reduction

	Before NOE/NOV	NOE/NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary		
N/A	X	
Notes	<input type="text" value="The Respondent does not meet the good faith criteria for this violation."/>	

Violation Subtotal

Economic Benefit (EB) for this violation	Statutory Limit Test
Estimated EB Amount <input type="text" value="\$403"/>	Violation Final Penalty Total <input type="text" value="\$30,615"/>
This violation Final Assessed Penalty (adjusted for limits) <input type="text" value="\$30,615"/>	

Economic Benefit Worksheet

Respondent GEO SPECIALTY CHEMICALS, INC.
Case ID No. 58295
Reg. Ent. Reference No. RN100219070
Media Water Quality
Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

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

Equipment (sump pump)	\$500	31-May-2019	6-Jun-2019	0.02	\$0	\$1	\$1
Equipment (sump pump alarm)	\$500	31-May-2019	15-Dec-2021	2.55	\$4	\$85	\$89
Other (as needed)				0.00	\$0	\$0	\$0
Construction	\$1,000	31-May-2019	15-Dec-2021	2.55	\$8	\$170	\$178
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Disposal	\$1,000	31-May-2019	15-Dec-2021	2.55	\$127	n/a	\$127
Remediation/Storage	\$5,000	31-May-2019	6-Jun-2019	0.02	\$4	n/a	\$4
Remediation/Storage	\$5,000	31-May-2019	6-Jun-2019	0.02	\$4	n/a	\$4
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated Equipment cost to repair the breezeway sump pump and install screens to keep solids out of the sump pump. Date required is the date the discharge was documented and the final date is the date of compliance.

Estimated Equipment cost to install a sump pump alarm in the breezeway. Date required is the date of the discharge and the final date is the estimated date of compliance.

Estimated Construction cost to repair the secondary containment to prevent industrial wastewater from discharging through cracks in the dike. Date required is the date of the discharge and the final date is the estimated date of compliance.

Estimated Disposal cost to properly dispose of the industrial wastewater that is being stored in the hold tank and the 18 frac tanks. Date required is the date of the discharge and the final date is the estimated date of compliance.

Estimated Remediation/Storage cost to cease the unauthorized discharge of industrial wastewater from the breezeway by installing a temporary diaphragm pump to pump the industrial wastewater into a temporary holding tank; remove the industrial wastewater from the breezeway, temporarily store the industrial wastewater in frac tanks, and clean the breezeway sump and trench drain. Date required is the date the discharge was documented and the final date is the date of compliance.

Estimated Remediation/Storage cost to aerate and treat approximately 380,000 gallons of industrial wastewater with a commercial bacteria product designed for bioremediation and pump the industrial wastewater from the stormwater ditch into 18 frac tanks for temporary storage. Date required is the date of the discharge and the final date is the compliance date.

Estimated cost to clean and remediate all affected areas at the site, and submit a report demonstrating the applicability of the Texas Risk Reduction Program ("TRRP") to the Executive Director and to comply with all applicable requirements of TRRP is captured in Violation No. 1.

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 \$13,000

TOTAL \$403

Screening Date 12-Sep-2019 **Docket No.** 2019-1322-IWD-E **PCW**
Respondent GEO SPECIALTY CHEMICALS, INC. *Policy Revision 4 (April 2014)*
Case ID No. 58295 *PCW Revision March 26, 2014*
Reg. Ent. Reference No. RN100219070
Media Water Quality
Enf. Coordinator Alejandro Laje

Violation Number 3
Rule Cite(s) Tex. Water Code § 26.121(a)(1), 30 Tex. Admin. Code § 305.125(1) and (4), and TPDES Permit No. WQ0002558000, Permit Conditions Nos. 2.(d) and 2.(g)
Violation Description Failed to prevent an unauthorized discharge of industrial wastewater into or adjacent to any water in the state. Specifically, a firewater storage tank located outside of the secondary containment measures was discharging treated surface water from a relief pipe directly onto the ground.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR	Harm			Percent 15.0%	
	Release	Major	Moderate		Minor
	Actual				X
Potential					

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent 0.0%

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

Adjustment \$21,250

\$3,750

Violation Events

Number of Violation Events 2 104 Number of violation days

daily	
weekly	
monthly	
quarterly	X
semiannual	
annual	
single event	

Violation Base Penalty \$7,500

Two quarterly events are recommended, calculated from the date of the discharge (May 31, 2019) to the screening date (September 12, 2019).

Good Faith Efforts to Comply 0.0% Reduction \$0

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

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

Violation Subtotal \$7,500

Economic Benefit (EB) for this violation **Statutory Limit Test**
Estimated EB Amount \$445 **Violation Final Penalty Total** \$7,654
This violation Final Assessed Penalty (adjusted for limits) \$7,654

Economic Benefit Worksheet

Respondent GEO SPECIALTY CHEMICALS, INC.
Case ID No. 58295
Reg. Ent. Reference No. RN100219070
Media Water Quality
Violation No. 3

Percent Interest	Years of Depreciation
5.0	15

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

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction	\$2,500	31-May-2019	15-Dec-2021	2.55	\$21	\$424	\$445
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to cease the unauthorized discharge of treated surface water from the firewater storage tank relief pipe. Date required is the date the discharge was documented and the final date is the estimated date of compliance.

Estimated cost to clean and remediate all affected areas at the site, and submit a report demonstrating the applicability of the Texas Risk Reduction Program ("TRRP") to the Executive Director and to comply with all applicable requirements of TRRP is captured in Violation No. 1.

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

\$2,500

TOTAL

\$445

Screening Date	12-Sep-2019	Docket No.	2019-1322-IWD-E	PCW
Respondent	GEO SPECIALTY CHEMICALS, INC.			<i>Policy Revision 4 (April 2014)</i>
Case ID No.	58295			<i>PCW Revision March 26, 2014</i>
Reg. Ent. Reference No.	RN100219070			
Media	Water Quality			
Enf. Coordinator	Alejandro Laje			
Violation Number	4			

Rule Cite(s) Tex. Water Code § 26.121(a)(1), 30 Tex. Admin. Code § 305.125(1), (4), and (5), and TPDES Permit No. WQ0002558000, Operational Requirements No. 4 and Permit Conditions Nos. 2.(d) and 2.(g)

Violation Description Failed to install adequate safeguards to prevent the discharge of untreated or inadequately treated wastes during electrical power failures by means of alternate power sources, standby generators, and/or retention. Specifically, on May 31, 2019, the equalization basin and the flume box at the Facility's industrial wastewater treatment plant were overflowing and discharging into the stormwater conveyance system which directly discharges to the unnamed ditch which discharges from stormwater Outfall No. 002 thence to HCFCD Ditch G111-00-00, thence to Tucker Bayou tidal, as a result of electrical issues that caused the pumps to cease working.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR		Harm			
	Release	Major	Moderate	Minor	Percent
	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 which 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 **8** **104** Number of violation days

daily	
weekly	
monthly	X
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty \$60,000

Eight monthly events are recommended, four monthly events for each unit of treatment. Calculated from the date of the unauthorized discharges (May 31, 2019) to the screening date (September 12, 2019).

Good Faith Efforts to Comply **0.0%** Reduction \$0

	Before NOE/NOV	NOE/NOV to EDRP/Settlement Offer
Extraordinary		
Ordinary		
N/A	X	

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

Violation Subtotal \$60,000

Economic Benefit (EB) for this violation Statutory Limit Test

Estimated EB Amount \$1,782 **Violation Final Penalty Total** \$61,229

This violation Final Assessed Penalty (adjusted for limits) \$61,229

Economic Benefit Worksheet

Respondent GEO SPECIALTY CHEMICALS, INC.
Case ID No. 58295
Reg. Ent. Reference No. RN100219070
Media Water Quality
Violation No. 4

Percent Interest	Years of Depreciation
5.0	15

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

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction	\$10,000	31-May-2019	15-Dec-2021	2.55	\$85	\$1,697	\$1,782
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated Engineering/Construction cost to conduct an evaluation of the Facility by a Texas registered professional engineer, to determine the necessary upgrades to prevent the discharge of untreated or inadequately treated wastes from the Facility and its wastewater collection system during electrical power failures. The Date Required is the date the discharge was documented and the final date is the estimated date of compliance.

Estimated cost to clean and remediate all affected areas at the site, and submit a report demonstrating the applicability of the Texas Risk Reduction Program ("TRRP") to the Executive Director and to comply with all applicable requirements of TRRP is captured in Violation No. 1.

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 \$10,000

TOTAL \$1,782

Screening Date	12-Sep-2019	Docket No.	2019-1322-IWD-E	PCW
Respondent	GEO SPECIALTY CHEMICALS, INC.			<i>Policy Revision 4 (April 2014)</i>
Case ID No.	58295			<i>PCW Revision March 26, 2014</i>
Reg. Ent. Reference No.	RN100219070			
Media	Water Quality			
Enf. Coordinator	Alejandro Laje			
Violation Number	5			

Rule Cite(s)
 Tex. Water Code § 26.121(a)(1), 30 Tex. Admin. Code § 305.125(1) and TPDES Permit No. WQ0002558000, Effluent Limitations and Monitoring Requirements (Outfall No. 002) No. 1

Violation Description
 Failed to comply with permitted effluent limitations. Specifically, grab samples collected by the investigator revealed that the Total Organic Carbon single grab concentration limit of 55 milligrams per liter ("mg/L") was exceeded on May 31, 2019 (248 mg/L) and June 7, 2019 (67 mg/L).

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR	Harm			
	Major	Moderate	Minor	
	Actual		X	Percent 15.0%
Potential				

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent 0.0%

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

Adjustment \$21,250

\$3,750

Violation Events

Number of Violation Events Number of violation days

daily	
weekly	
monthly	
quarterly	X
semiannual	
annual	
single event	

Violation Base Penalty \$3,750

One quarterly event is recommended for the grab sample exceedances on May 31, 2019 and June 7, 2019.

Good Faith Efforts to Comply Reduction

	Before NOE/NOV	NOE/NOV to EDRP/Settlement Offer
Extraordinary		
Ordinary		
N/A	X	

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

Violation Subtotal \$3,750

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 GEO SPECIALTY CHEMICALS, INC.
Case ID No. 58295
Reg. Ent. Reference No. RN100219070
Media Water Quality
Violation No. 5

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
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction	\$20,000	31-May-2019	25-Mar-2022	2.82	\$188	\$3,759	\$3,947
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to determine the cause of noncompliance and make any necessary repairs/adjustments to the Facility to return to compliance with permitted effluent limitations. Date required is the initial date of noncompliance and the final date is the estimated date 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 \$20,000

TOTAL \$3,947

Screening Date	12-Sep-2019	Docket No.	2019-1322-IWD-E	PCW
Respondent	GEO SPECIALTY CHEMICALS, INC.			<i>Policy Revision 4 (April 2014)</i>
Case ID No.	58295			<i>PCW Revision March 26, 2014</i>
Reg. Ent. Reference No.	RN100219070			
Media	Water Quality			
Enf. Coordinator	Alejandro Laje			

Violation Number

Rule Cite(s)
30 Tex. Admin. Code § 305.125(1) and (9), and TPDES Permit No. WQ0002558000, Monitoring and Reporting Requirements No. 7

Violation Description
Failed to report an unauthorized discharge orally to the Regional Office within 24 hours of becoming aware of the noncompliance, and in writing to the Regional Office and the Enforcement Division within five working days of becoming aware of the noncompliance. Specifically, an unauthorized discharge of industrial wastewater occurred from the surface water clarifying unit on April 29, 2019; and unauthorized discharges of industrial wastewater occurred from the secondary containment for the west tank farm, the firewater storage tank, and the equalization basin and the flume box at the Facility's industrial wastewater treatment plant on May 31, 2019 and the Respondent did not submit noncompliance notifications to the TCEQ.

Base Penalty

>> Environmental, Property and Human Health Matrix

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

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor	Percent <input type="text" value="15.0%"/>
	<input type="text"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Matrix Notes

Adjustment

Violation Events

Number of Violation Events Number of violation days

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

Violation Base Penalty

Good Faith Efforts to Comply Reduction

	Before NOE/NOV	NOE/NOV to EDPRP/Settlement Offer
Extraordinary	<input type="text"/>	<input type="text"/>
Ordinary	<input type="text"/>	<input type="text"/>
N/A	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Notes

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 GEO SPECIALTY CHEMICALS, INC.
Case ID No. 58295
Reg. Ent. Reference No. RN100219070
Media Water Quality
Violation No. 6

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
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0
Notes for DELAYED costs							

Avoided Costs

ANNUALIZE 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	\$51	7-Jun-2019	12-Sep-2019	0.27	\$1	\$51	\$52
Other (as needed)	\$10	1-Jun-2019	12-Sep-2019	0.28	\$0	\$10	\$10

Notes for AVOIDED costs

Estimated Other avoided cost to notify the TCEQ of an unauthorized discharge within 24 hours of becoming aware of any noncompliance, orally or by facsimile transmission (\$5 x 2 oral notifications = \$10), including the accrued costs and interest of the prior period plus the item cost of the current period. Date required is 24 hours after the May 31, 2019 unauthorized discharges were documented and the final date is the screening date.

Estimated One-time avoided cost to submit written notification within five working days of becoming aware of any noncompliance (\$25 X 2 written notifications), including the accrued cost and interest of the prior period plus the item cost of the current period. Date required is the date the final notification was due and the final date is the screening date.

Approx. Cost of Compliance \$61

TOTAL \$62



Penalty Calculation Worksheet (PCW)

Policy Revision 4 (April 2014)

PCW Revision March 26, 2014

TCEQ

DATES	Assigned	22-Jun-2020	Screening	16-Jul-2020	EPA Due	
	PCW	10-May-2021				

RESPONDENT/FACILITY INFORMATION	
Respondent	GEO SPECIALTY CHEMICALS, INC.
Reg. Ent. Ref. No.	RN100219070
Facility/Site Region	12-Houston
Major/Minor Source	Major

CASE INFORMATION			
Enf./Case ID No.	58295	No. of Violations	1
Docket No.	2019-1322-IWD-E	Order Type	1660
Media Program(s)	Water Quality	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Alejandro Laje
		EC's Team	Enforcement Team 3
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$25,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$15,000
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ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

Compliance History	2.0%	Adjustment	Subtotals 2, 3, & 7	\$300
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Notes: Enhancement for one NOV with a dissimilar violation.

Culpability	0.0%	Enhancement	Subtotal 4	\$0
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Notes: The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply Total Adjustments	Subtotal 5	\$0
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Economic Benefit	0.0%	Enhancement*	Subtotal 6	\$0
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Total EB Amounts	\$352	
Estimated Cost of Compliance	\$6,000	*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7	Final Subtotal	\$15,300
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OTHER FACTORS AS JUSTICE MAY REQUIRE	0.0%	Adjustment	Subtotal	\$0
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

	Final Penalty Amount	\$15,300
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$15,300
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DEFERRAL	0.0%	Reduction	Adjustment	\$0
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Reduces the Final Assessed Penalty by the indicated percentage.

Notes:

Deferral not offered for non-expedited settlement.

PAYABLE PENALTY	Final Assessed Penalty	\$15,300
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Screening Date 16-Jul-2020

Docket No. 2019-1322-IWD-E

PCW

Respondent GEO SPECIALTY CHEMICALS, INC.

Policy Revision 4 (April 2014)

Case ID No. 58295

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN100219070

Media Water Quality

Enf. Coordinator Alejandro Laje

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	1	2%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of 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) 2%

>> **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 Enhancement for one NOV with a dissimilar violation.

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

>> **Final Compliance History Adjustment**

Final Adjustment Percentage *capped at 100% 2%

Screening Date	16-Jul-2020	Docket No.	2019-1322-IWD-E	PCW
Respondent	GEO SPECIALTY CHEMICALS, INC.			<i>Policy Revision 4 (April 2014)</i>
Case ID No.	58295			<i>PCW Revision March 26, 2014</i>
Reg. Ent. Reference No.	RN100219070			
Media	Water Quality			
Enf. Coordinator	Alejandro Laje			
Violation Number	1			

Rule Cite(s)

Tex. Water Code § 26.121(a)(2), 30 Tex. Admin. Code § 305.125(1) and (4), and Texas Pollutant Discharge Elimination System ("TPDES") Permit No. WQ0002558000, Permit Conditions No. 2.(d), 2(g), and Other Requirements No. 4

Violation Description

Failed to prevent an unauthorized discharge of other waste into or adjacent to any water in the state. Specifically, on February 20 and 21, 2020, white liquid material which was identified as sodium sulfite salt was observed leaking from an enclosed process unit into an underground stormwater pipe, thence into a sluice gate ditch, thence to an unnamed ditch which discharges from stormwater Outfall No. 002, thence to Harris County Flood Control District ("HCFCD") Ditch G111-00-00, thence to Tucker Bayou tidal. Laboratory analysis results from samples collected at the site on February 21, 2020 showed elevated levels of aluminum.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual		X	
Potential			

Percent 30.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

Human health or the environment has been exposed to significant amounts of pollutants which 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

daily	
weekly	
monthly	
quarterly	X
semiannual	
annual	
single event	

Violation Base Penalty \$15,000

Two quarterly events are recommended, calculated from the date the discharge was documented (February 20, 2020) to the screening date (July 16, 2020).

Good Faith Efforts to Comply

0.0%

Reduction \$0

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

Extraordinary		
Ordinary		
N/A	X	

Notes

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

Violation Subtotal \$15,000

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$310

Violation Final Penalty Total \$15,300

This violation Final Assessed Penalty (adjusted for limits) \$15,300

Economic Benefit Worksheet

Respondent GEO SPECIALTY CHEMICALS, INC.
Case ID No. 58295
Reg. Ent. Reference No. RN100219070
Media Water Quality
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

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

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$5,000	20-Feb-2020	18-May-2021	1.24	\$310	n/a	\$310

Notes for DELAYED costs

Estimated Other cost to determine the source and cease the discharge of leaking white material which was identified as sodium sulfite salt. Date Required is the date the discharge was documented and the final date is the estimated date of compliance.

Estimated Remediation/Disposal cost clean and remediate all affected areas at the site, and submit a report demonstrating the applicability of the Texas Risk Reduction Program ("TRRP") to the Executive Director and to comply with all applicable requirements of TRRP is captured in Violation No. 1 of PCW No. 1 of 2.

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 \$5,000

TOTAL \$310

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 CN602953598, RN100219070, Rating Year 2020 which includes Compliance History (CH) components from September 1, 2015, through August 31, 2020.

Customer, Respondent, or Owner/Operator: CN602953598, GEO SPECIALTY CHEMICALS, INC. **Classification:** SATISFACTORY **Rating:** 0.13

Regulated Entity: RN100219070, GEO SPECIALTY CHEMICALS **Classification:** SATISFACTORY **Rating:** 0.13

Complexity Points: 21 **Repeat Violator:** NO

CH Group: 05 - Chemical Manufacturing

Location: 739 Independence Parkway South, on the west side of Independence Parkway South, approximately one mile north of the intersection of Independence Parkway South and State Highway 225 (Pasadena Highway) in the City of Deer Park, Harris County, Texas 77536

TCEQ Region: REGION 12 - HOUSTON

ID Number(s):

AIR OPERATING PERMITS ACCOUNT NUMBER HG4998P
AIR NEW SOURCE PERMITS PERMIT 8052
AIR NEW SOURCE PERMITS AFS NUM 4820101384
UNDERGROUND INJECTION CONTROL PERMIT WDW223
WASTEWATER EPA ID TX0089567

AIR OPERATING PERMITS PERMIT 1595
AIR NEW SOURCE PERMITS ACCOUNT NUMBER HG4998P
UNDERGROUND INJECTION CONTROL PERMIT WDW222
WASTEWATER PERMIT WQ0002558000
AIR EMISSIONS INVENTORY ACCOUNT NUMBER HG4998P
INDUSTRIAL AND HAZARDOUS WASTE SOLID WASTE REGISTRATION # (SWR) 81932

POLLUTION PREVENTION PLANNING ID NUMBER P00296

INDUSTRIAL AND HAZARDOUS WASTE EPA ID TX0000187823

Compliance History Period: September 01, 2015 to August 31, 2020 **Rating Year:** 2020 **Rating Date:** 09/01/2020

Date Compliance History Report Prepared: January 11, 2021

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: January 11, 2016 to January 11, 2021

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

Name: Alejandro Laje

Phone: (512) 239-2547

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.):

Item 1	January 14, 2016	(1316893)
Item 2	February 06, 2016	(1326257)
Item 3	February 24, 2016	(1312234)
Item 4	March 10, 2016	(1333012)
Item 5	March 30, 2016	(1321584)

Item 6	April 08, 2016	(1340150)
Item 7	May 06, 2016	(1346962)
Item 8	June 09, 2016	(1353390)
Item 9	July 01, 2016	(1343710)
Item 10	July 18, 2016	(1360363)
Item 11	August 09, 2016	(1351903)
Item 12	September 15, 2016	(1373499)
Item 13	September 21, 2016	(1358908)
Item 14	October 05, 2016	(1364379)
Item 15	October 17, 2016	(1379674)
Item 16	November 07, 2016	(1385619)
Item 17	December 09, 2016	(1391750)
Item 18	January 17, 2017	(1398375)
Item 19	February 13, 2017	(1405277)
Item 20	February 14, 2017	(1393615)
Item 21	March 13, 2017	(1412350)
Item 22	April 11, 2017	(1418856)
Item 23	May 09, 2017	(1426513)
Item 24	June 08, 2017	(1432512)
Item 25	July 05, 2017	(1423426)
Item 26	July 17, 2017	(1441069)
Item 27	July 28, 2017	(1428515)
Item 28	July 31, 2017	(1420699)
Item 29	August 17, 2017	(1444747)
Item 30	September 15, 2017	(1451337)
Item 31	October 09, 2017	(1457207)
Item 32	November 11, 2017	(1462658)
Item 33	December 08, 2017	(1469062)
Item 34	December 12, 2017	(1438899)
Item 35	January 17, 2018	(1475767)
Item 36	February 16, 2018	(1487942)
Item 37	March 15, 2018	(1491629)
Item 38	April 12, 2018	(1494878)
Item 39	April 16, 2018	(1480493)
Item 40	May 11, 2018	(1501831)
Item 41	June 14, 2018	(1508938)
Item 42	July 03, 2018	(1498303)
Item 43	July 09, 2018	(1481809)
Item 44	July 12, 2018	(1515257)
Item 45	August 16, 2018	(1521307)
Item 46	September 05, 2018	(1493514)
Item 47	September 17, 2018	(1528489)
Item 48	October 02, 2018	(1518960)
Item 49	October 11, 2018	(1534827)
Item 50	November 14, 2018	(1542680)
Item 51	December 15, 2018	(1546423)
Item 52	January 11, 2019	(1563347)
Item 53	February 14, 2019	(1563345)
Item 54	February 25, 2019	(1549553)
Item 55	March 18, 2019	(1563346)
Item 56	April 12, 2019	(1573046)
Item 57	May 17, 2019	(1585694)
Item 58	June 18, 2019	(1585695)
Item 59	July 15, 2019	(1594403)
Item 60	August 16, 2019	(1600696)
Item 61	August 30, 2019	(1591574)
Item 62	September 12, 2019	(1607611)
Item 63	October 04, 2019	(1614481)
Item 64	October 21, 2019	(1602740)
Item 65	November 08, 2019	(1620270)
Item 66	December 12, 2019	(1627619)

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN ENFORCEMENT
ACTION CONCERNING
GEO SPECIALTY CHEMICALS, INC.;
RN100219070

§
§
§
§

BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY

AGREED ORDER

DOCKET NO. 2019-1322-IWD-E

I. JURISDICTION AND STIPULATIONS

On _____, the Texas Commission on Environmental Quality ("Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding GEO SPECIALTY CHEMICALS, INC. ("Respondent") under the authority of TEX. WATER CODE chs. 7 and 26. The Executive Director of the TCEQ, represented by the Litigation Division, and Respondent, represented by Timothy Wilkins of the law firm Bracewell LLP, together stipulate that:

1. Respondent owns and operates an organic chemical manufacturing plant located at 739 Independence Parkway South, on the west side of Independence Parkway South, approximately one mile north of the intersection of Independence Parkway South and State Highway 225 (Pasadena Highway) near Deer Park, Harris County, Texas (the "Facility"). The Facility is near or adjacent to water in the state, as defined in TEX. WATER CODE § 26.001(5).
2. The Executive Director and Respondent agree that TCEQ has jurisdiction to enter this Order pursuant to TEX. WATER CODE §§ 7.002, 7.051, and 7.073, and that Respondent is subject to TCEQ's jurisdiction. The TCEQ has jurisdiction in this matter pursuant to TEX. WATER CODE § 5.013 because it alleges violations of TEX. WATER CODE ch. 26 and the rules of the TCEQ.
3. The occurrence of any violation is in dispute and the entry of this Order shall not constitute an admission by Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
4. An administrative penalty in the amount of one hundred forty-five thousand four hundred twelve dollars (\$145,412.00) is assessed by the Commission in settlement of the violations alleged in Section II. Respondent has paid seventy-two thousand seven hundred six dollars (\$72,706.00) of the penalty. Pursuant to TEX. WATER CODE § 7.067, seventy-two thousand seven hundred six dollars (\$72,706.00) of the penalty shall be conditionally offset by Respondent's timely and satisfactory completion of a Supplemental Environmental Project ("SEP") as defined in the SEP Agreement ("Attachment A" - incorporated herein by reference). Respondent's obligation to pay the conditionally offset portion of the penalty shall be discharged upon full compliance with all the terms and conditions of this Order, which includes any payment schedule and the timely and satisfactory completion of all provisions of the SEP Agreement, as determined by the Executive Director.
5. The Executive Director and Respondent agree on a settlement of the matters addressed in this Order, subject to final approval in accordance with 30 TEX. ADMIN. CODE § 70.10(a). 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.

6. 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 Respondent has not complied with one or more of the terms or conditions contained in this Order.
7. 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.
8. This Order shall terminate five years from its effective date or upon full compliance with all the terms and conditions set forth in this Order, whichever is later.
9. The Executive Director recognizes that Respondent implemented the following corrective measures at the Facility as of May 24, 2022:
 - a. Replaced the leaking surface water clarifier tank with a frac tank as an approved temporary potable water source;
 - b. Ceased using water from the frac tank as a source of drinking water;
 - c. Installed a sump pump alarm in the breezeway;
 - d. Repaired the secondary containment structures and dikes;
 - e. Properly disposed of the contaminated stormwater that was being stored onsite;
 - f. Ceased all unauthorized discharges of treated surface water from the firewater storage tank relief pipe; and
 - g. Determined the source and ceased the discharge of sodium sulfite salt.
10. The Executive Director recognizes that Respondent received conditional approval to construct a well to source potable water at the Facility as of August 8, 2022 (P-06032022-036).

II. ALLEGATIONS

1. During investigations conducted on April 28 through June 7, 2019, and February 20 through 21, 2020, TCEQ investigators determined that Respondent:
 - a. Failed to prevent an unauthorized discharge of industrial wastewater into or adjacent to any water in the state, in violation of TEX. WATER CODE § 26.121(a)(1), 30 TEX. ADMIN. CODE § 305.125(1) and (4), and Texas Pollutant Discharge Elimination System ("TPDES") Permit No. WQ0002558000, Permit Conditions Nos. 2.(d) and 2.(g). Specifically, on April 29, 2019, flocculant treated surface water was observed discharging from a leak at the bottom of a surface water clarifying unit into an unnamed ditch which discharges from stormwater Outfall No. 002 thence to Harris County Flood Control District ("HCFCD") Ditch G111-00-00, thence to Tucker Bayou tidal. Laboratory analysis results from samples collected at the site on April 20, 2019, showed elevated levels of aluminum and total dissolved solids;
 - b. Failed to prevent an unauthorized discharge of industrial wastewater into or adjacent to any water in the state, in violation of TEX. WATER CODE § 26.121(a)(1), 30 TEX. ADMIN. CODE § 305.125(1) and (4), and TPDES Permit No. WQ0002558000, Permit Conditions Nos. 2.(d) and 2.(g). Specifically, on May 31, 2019, the breezeway sump pump failed and an estimated 8,000 to 12,000 gallons of contaminated stormwater overflowed the secondary containment for the west tank farm and flowed into a ditch that is part of the Facility's stormwater conveyance system. A visible sheen in the ditch was observed flowing southward exiting the property at a fence. Additionally, industrial wastewater seeped through cracks in the secondary

containment and puddles of dark brown liquid, containing elevated levels of ammonia as nitrogen, were observed just outside of the secondary containment around the west tank farm and the railcar loading area;

- c. Failed to prevent an unauthorized discharge of industrial wastewater into or adjacent to any water in the state, in violation of TEX. WATER CODE § 26.121(a)(1), 30 TEX. ADMIN. CODE § 305.125(1) and (4), and TPDES Permit No. WQ0002558000, Permit Conditions Nos. 2.(d) and 2.(g). Specifically, a firewater storage tank located outside of the secondary containment measures was discharging treated surface water from a relief pipe directly onto the ground;
- d. Failed to install adequate safeguards to prevent the discharge of untreated or inadequately treated wastes during electrical power failures by means of alternate power sources, standby generators, and/or retention, in violation of TEX. WATER CODE § 26.121(a)(1), 30 TEX. ADMIN. CODE § 305.125(1), (4), and (5), and TPDES Permit No. WQ0002558000, Operation Requirements No. 4 and Permit Conditions Nos. 2.(d) and 2.(g). Specifically, on May 31, 2019, the equalization basin and the flume box at the Facility's wastewater treatment plant were overflowing and discharging into the stormwater conveyance system which directly discharges to the unnamed ditch which discharges from stormwater Outfall No. 002 thence to HCFC Ditch G111-00-00, thence to Tucker Bayou tidal, as a result of electrical issues that caused the pumps to cease working;
- e. Failed to comply with permitted effluent limitations, in violation of TEX. WATER CODE § 26.121(a)(1), 30 TEX. ADMIN. CODE § 305.125(1), and TPDES Permit No. WQ0002558000, Effluent Limitations and Monitoring Requirements (Outfall No. 002) No. 1. Specifically, grab samples collected by the investigator revealed that the Total Organic Carbon single grab concentration limit of 55 milligrams per liter ("mg/L") was exceeded on May 31, 2019 (248 mg/L) and June 7, 2019 (67 mg/L);
- f. Failed to report an unauthorized discharge orally to the Regional Office within 24 hours of becoming aware of the noncompliance, and in writing to the Regional Office and the Enforcement Division within five working days of becoming aware of the noncompliance, in violation of 30 TEX. ADMIN. CODE § 305.125(1) and (9), and TPDES Permit No. WQ0002558000, Monitoring and Reporting Requirement No. 7. Specifically, an unauthorized discharge of industrial wastewater occurred from the surface water clarifying unit on April 29, 2019; and unauthorized discharges of industrial wastewater occurred from the secondary containment for the west tank farm, the firewater storage tank, and the equalization basin and the flume box at the Facility's industrial wastewater treatment plant on May 31, 2019, and Respondent did not submit noncompliance notifications to the TCEQ, and
- g. Failed to prevent an unauthorized discharge of other waste into or adjacent to any water in the state, in violation of TEX. WATER CODE § 26.121(a)(2), 30 TEX. ADMIN. CODE § 305.125(1) and (4), and TPDES Permit No. WQ0002558000, Permit Conditions Nos. 2.(d) and 2.(g) and Other Requirements No. 4. Specifically, on February 20 and 21, 2020, white liquid material which was identified as sodium sulfite salt was observed leaking from an enclosed process unit into an underground stormwater pipe, thence into a sluice gate ditch, thence to an unnamed ditch which discharges from stormwater Outfall No. 002, thence to HCFC Ditch G111-00-00, thence to Tucker Bayou tidal. Laboratory analysis results from samples collected at the site on February 21, 2020, showed elevated levels of aluminum.

III. DENIALS

Respondent generally denies each Allegation in Section II.

IV. ORDERING PROVISIONS

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

1. Respondent is assessed an administrative penalty as set forth in Section I, Paragraph 4. The payment of this penalty and Respondent's compliance with all of the requirements set forth in this Order resolve only the Allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective actions or penalties for violations which are not raised here.
2. Respondent shall implement and complete a SEP as set forth in Section I, Paragraph 4. The amount of seventy-two thousand seven hundred six dollars (\$72,706.00) of the assessed administrative penalty is conditionally offset based on Respondent's implementation and completion of a SEP pursuant to the terms and conditions contained in the SEP Agreement, as defined in Attachment A. Penalty payments for any portion of the SEP deemed by the Executive Director as not complete shall be paid within 30 days after the date the Executive Director demands payment.
3. Respondent shall undertake the following technical requirements:
 - a. Within 30 days after the effective date of this Order, Respondent shall conduct an evaluation of the Facility by a Texas registered professional engineer, to determine the necessary upgrades to prevent the discharge of untreated or inadequately treated wastes from the Facility and its wastewater collection system during electrical power failures.
 - b. Within 45 days after the effective date of this Order, submit written certification, as described in Ordering Provision No. 3.h, to demonstrate compliance with Ordering Provision No. 3.a.
 - c. Within 60 days of the effective date of this Order:
 - i. Clean and remediate any exceedances of risk-based exposure limits in soil that were caused by the discharge of flocculant treated surface water from the leak at the bottom of a surface water clarifying unit, and properly remove and dispose of any such contaminated soil, including from the unnamed ditch upstream of stormwater Outfall No. 002;
 - ii. Clean and remediate any exceedances of risk-based exposure limits in soil that were caused by the discharge of contaminated stormwater that overflowed and seeped through cracks from the secondary containment for the west tank farm, and properly remove and dispose of any such contaminated soil including from the ditch that is part of the Facility's stormwater conveyance system and the area just outside of the secondary containment around the west tank farm and the railcar loading area;
 - iii. Clean and remediate any exceedances of risk-based exposure limits in soil that were caused by the discharge of treated surface water directly onto the ground from the firewater storage tank's relief pipe, and properly remove and dispose of any such contaminated soil, including from area outside of the secondary containment measures;
 - iv. Clean and remediate any exceedances of risk-based exposure limits in soil that were caused by the discharge of wastewater from the equalization basin and the flume box at the Facility's wastewater treatment plant, and properly remove and dispose of any such contaminated soil, including from the stormwater conveyance system, and
 - v. Clean and remediate any exceedances of risk-based exposure limits in soil that were caused by the discharge of white material, which was identified as

sodium sulfite salt, from the enclosed process unit. Properly remove and dispose of any such contaminated soil, including from the sluice gate ditch and the unnamed ditch upstream of stormwater Outfall No. 002.

- d. Within 75 days after the effective date of this Order, submit written certification, as described in Ordering Provision No. 3.h, to demonstrate compliance with Ordering Provision Nos. 3.c.i, through 3.c.v.
- e. Within 130 days after the effective date of this Order, submit written certification, as described in Ordering Provision No. 3.h, of compliance with the permitted effluent limitations of TPDES Permit No. WQ0002558000, including specific corrective actions that were implemented at the Facility to achieve compliance and copies of the most current self-reported discharge monitoring reports, demonstrating at least three consecutive months of compliance with all permitted effluent limitations.
- f. Within 180 days after the effective date of this Order, cease use of the temporarily approved frac tank referenced in Section I.9.a. of this Order as a source of potable water.
- g. Within 195 days after the effective date of this Order, submit written certification as described in Ordering Provision No. 3.h. to demonstrate compliance with compliance with Ordering Provision No. 3.f.
- h. All certifications required under this Order shall be accompanied by detailed supporting documentation, including photographs, receipts, and/or other records, shall be signed by Respondent, and shall 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 fine and imprisonment for knowing violations.”

The written certification and supporting documentation necessary to demonstrate compliance with these Ordering Provisions shall be sent to:

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

and:

Water Section Manager
Houston Regional Office
Texas Commission on Environmental Quality
5425 Polk Street, Suite H
Houston, Texas 77023-1452

4. All relief not expressly granted in this Order is denied.
5. 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 Facility operations referenced in this Order.
6. The Executive Director may grant an extension of any deadline in this Order or in any plan, report, or other document submitted pursuant to this Order, upon a written and

- substantiated showing of good cause. All requests for extensions by Respondent shall be made in writing to the Executive Director. Extensions are not effective until Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director. Extension requests shall be sent to the Enforcement Division at the address listed above.
7. If Respondent fails to comply with any of the Ordering Provisions in this Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, Respondent's failure to comply is not a violation of this Order. Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. Respondent shall notify the Executive Director within seven days after Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
 8. This Order, issued by the Commission, shall not be admissible against Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Order, or (2) pursue violations of a statute within TCEQ's jurisdiction or of a rule adopted or an order or permit issued by the TCEQ under such a statute.
 9. 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 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.
 10. 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

1/23/23

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
- TCEQ seeking other relief as authorized by law.

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



Signature - Steve Outlaw,
Deer Park Site Manager
GEO SPECIALTY CHEMICALS, INC.
401 South Earl Avenue, Suite 3A
Lafayette, Indiana 47904

9-2-2022

Date

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

Attachment A

Docket Number: 2019-1322-IWD-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	GEO SPECIALTY CHEMICALS, INC.
Penalty Amount:	\$145,412
SEP Offset Amount:	\$72,706
Type of SEP:	Contribution to a Third-Party Administrator SEP
Third-Party Administrator:	City of Baytown
Project Name:	<i>Residential Sewer Line Repair and Replacement Program</i>
Total Project Budget:	\$19,959,000
Location of SEP:	Fort Bend, Grimes, Harris, Liberty, Montgomery, San Jacinto, Walker, and Waller Counties

The Texas Commission on Environmental Quality (“TCEQ”) agrees to offset a portion of the administrative Penalty Amount assessed in this Agreed Order in exchange for Respondent’s contribution to a Supplemental Environmental Project (“SEP”). The offset is equal to the SEP Offset Amount set forth above and is conditioned upon timely submittal of the same amount to the above-named Third-Party Administrator, in accordance with the terms of this Attachment A.

1. Project Description

A. Project

Respondent shall contribute the SEP Offset Amount to the Third-Party Administrator named above. The contribution will be to **City of Baytown** for the *Residential Sewer Line Repair and Replacement Program* (the “Project”). The Project is to repair or replace eligible homeowners' private sewer lines, thereby reducing inflow and infiltration (“I&I”) of storm water into the Third-Party Administrator's wastewater system. The SEP will be performed in accordance with all federal, state, and local environmental laws and regulations. The contribution will be used in accordance with the SEP Agreement between the Third-Party Administrator and the TCEQ.

All dollars contributed will be used solely for the direct cost of implementing the Project, including for supplies, materials, and equipment. Any portion of this contribution that is not spent on the specifically identified SEP may, at the discretion of the Executive Director (“ED”), be applied to another pre-approved SEP.

Respondent’s signature affixed to this Agreed Order certifies that Respondent has no prior commitment to make this contribution and that it is being contributed solely in an effort to settle this enforcement action. Respondent shall not profit in any manner from this SEP.

B. Environmental Benefit

The City of Baytown had 164 Sanitary Sewer Overflows (“SSOs”) in 2017, which included 3,406,735 gallons of untreated wastewater polluting waterways. It is a common industry estimate that 50% of I&I originates from private sewer laterals. This program could effectively address over 1.5 million gallons of untreated wastewater that pollutes Texas waterways each year.

C. Minimum Expenditure

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

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, Respondent must contribute the SEP Offset Amount to Third-Party Administrator. Respondent shall make the check payable to **City of Baytown SEP** and shall mail the contribution with a copy of the Agreed Order to:

Frank O. Simoneaux, P.E.
Director of Public Works
P.O. Box 424
Baytown, Texas 77522

3. Records and Reporting

Concurrent with the payment of the SEP Offset Amount, Respondent shall provide to the Litigation Division SEP Coordinator a copy of the check and transmittal letter indicating full payment of the SEP Offset Amount to the Third-Party Administrator. Respondent shall mail or email a copy of the check and transmittal letter to:

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

4. Failure to Fully Perform

If Respondent does not perform its obligations under this Attachment A, including full expenditure of the SEP Offset Amount and submittal of the required reporting described in Sections 2 and 3 above, the ED may require immediate payment of all or part of the SEP Offset Amount.

In the event the ED determines that Respondent failed to fully implement and complete its obligations herein, Respondent shall remit payment for all or a portion of the SEP Offset Amount, as determined by the ED, and as set forth in the attached Agreed Order. After receiving notice of failure to complete the SEP, Respondent shall include the docket number of the attached Agreed Order and a note that the enclosed payment is for the reimbursement of a SEP, shall make the check payable to "Texas Commission on Environmental Quality," and shall mail it to:

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

5. Publicity

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

6. Recognition

Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

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