

Executive Summary – Enforcement Matter – Case No. 60724
Friendswood Energy Genco, LLC
RN106425242
Docket No. 2021-0610-AIR-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

AIR

Small Business:

No

Location(s) Where Violation(s) Occurred:

Friendswood Energy Generation, 12000 Hiram Clarke Road, Houston, Harris County

Type of Operation:

Electric power generation plant

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: September 10, 2021

Comments Received: No

Penalty Information

Total Penalty Assessed: \$7,501

Amount Deferred for Expedited Settlement: \$1,500

Total Paid to General Revenue: \$6,001

Total Due to General Revenue: \$0

Payment Plan: N/A

Compliance History Classifications:

Person/CN - Unclassified

Site/RN - Unclassified

Major Source: Yes

Statutory Limit Adjustment: N/A

Applicable Penalty Policy: April 2014

Investigation Information

Complaint Date(s): N/A

Complaint Information: N/A

Date(s) of Investigation: December 1, 2020 through March 10, 2021

Date(s) of NOE(s): April 16, 2021

Executive Summary – Enforcement Matter – Case No. 60724
Friendswood Energy Genco, LLC
RN106425242
Docket No. 2021-0610-AIR-E

Violation Information

1. Failed to submit a permit compliance certification ("PCC") within 30 days of any certification period. Specifically, the Respondent transferred ownership of the Plant on April 24, 2020 and the final PCC for the September 1, 2019 through April 23, 2020 certification period was due by May 23, 2020, but was not submitted until September 29, 2020 [30 TEX. ADMIN. CODE §§ 122.143(4) and 122.146(2), Federal Operating Permit ("FOP") No. O3999, General Terms and Conditions ("GTC") and Special Terms and Conditions No. 12, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

2. Failed to submit a deviation report no later than 30 days after the end of each reporting period. Specifically, the Respondent transferred ownership of the Plant on April 24, 2020 and the final deviation report for the March 1, 2020 through April 23, 2020 reporting period was due by May 23, 2020, but was not submitted until September 29, 2020 [30 TEX. ADMIN. CODE §§ 122.143(4) and 122.145(2)(C), FOP No. O3999, GTC, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

The Respondent implemented the following corrective measures:

- a. On April 24, 2020, transferred ownership of the Plant;

- b. On September 29, 2020, submitted the final PCC for the September 1, 2019 through April 23, 2020 certification period; and

- c. On September 29, 2020, submitted the final deviation report for the March 1, 2020 through April 23, 2020 reporting period.

Technical Requirements:

N/A

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Friendswood Energy Genco, LLC
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Docket No. 2021-0610-AIR-E

Contact Information

TCEQ Attorney: N/A

TCEQ Enforcement Coordinator: Mackenzie Mehlmann, Enforcement Division, Enforcement Team 5, MC 219, (512) 239-2572; Michael Parrish, Enforcement Division, MC 219, (512) 239-2548

Respondent: Matthew Borski, Vice President and Chief of Accounting, Friendswood Energy Genco, LLC, 800 Capitol Street, Houston, Texas 77002

Respondent's Attorney: N/A



Penalty Calculation Worksheet (PCW)

Policy Revision 4 (April 2014)

PCW Revision March 26, 2014

DATES	Assigned	21-Apr-2021	Screening	26-Apr-2021	EPA Due	
	PCW	7-Jun-2021				

RESPONDENT/FACILITY INFORMATION	
Respondent	Friendswood Energy Genco, LLC
Reg. Ent. Ref. No.	RN106425242
Facility/Site Region	12-Houston
Major/Minor Source	Major

CASE INFORMATION			
Enf./Case ID No.	60724	No. of Violations	2
Docket No.	2021-0610-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Mackenzie Mehlmann
		EC's Team	Enforcement Team 5
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$25,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$7,500
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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	25.0%	Adjustment	Subtotals 2, 3, & 7	\$1,875
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Notes: Enhancement for one NOV with same or similar violations and one order containing a denial of liability.

Culpability	No	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	-\$1,874
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Economic Benefit	0.0%	Enhancement*	Subtotal 6	\$0
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Total EB Amounts	\$8	*Capped at the Total EB \$ Amount
Estimated Cost of Compliance	\$500	

SUM OF SUBTOTALS 1-7	Final Subtotal	\$7,501
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OTHER FACTORS AS JUSTICE MAY REQUIRE	0.0%	Adjustment	\$0
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

Final Penalty Amount	\$7,501
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$7,501
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DEFERRAL	20.0%	Reduction	Adjustment	-\$1,500
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Reduces the Final Assessed Penalty by the indicated percentage.

Notes:

Deferral offered for expedited settlement.

PAYABLE PENALTY	\$6,001
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Screening Date 26-Apr-2021

Docket No. 2021-0610-AIR-E

PCW

Respondent Friendswood Energy Genco, LLC

Policy Revision 4 (April 2014)

Case ID No. 60724

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN106425242

Media Air

Enf. Coordinator Mackenzie Mehlmann

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>)	1	5%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	1	20%
	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) 25%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Unclassified

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

Enhancement for one NOV with same or similar violations and one order containing a denial of liability.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 25%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 25%

Screening Date 26-Apr-2021

Docket No. 2021-0610-AIR-E

PCW

Respondent Friendswood Energy Genco, LLC

Policy Revision 4 (April 2014)

Case ID No. 60724

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN106425242

Media Air

Enf. Coordinator Mackenzie Mehlmann

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code §§ 122.143(4) and 122.146(2), Federal Operating Permit ("FOP") No. O3999, General Terms and Conditions ("GTC") and Special Terms and Conditions No. 12, and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to submit a permit compliance certification ("PCC") within 30 days of any certification period. Specifically, the Respondent transferred ownership of the Plant on April 24, 2020 and the final PCC for the September 1, 2019 through April 23, 2020 certification period was due by May 23, 2020, but was not submitted until September 29, 2020.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual				0.0%
	Potential				

>> Programmatic Matrix

Matrix Notes	Falsification	Major	Moderate	Minor	Percent
			x		

Matrix Notes 100% of the rule requirements were not met.

Adjustment \$21,250

\$3,750

Violation Events

Number of Violation Events 1 129 Number of violation days

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$3,750

One single event is recommended.

Good Faith Efforts to Comply

25.0%

Reduction \$937

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

Notes The Respondent achieved compliance on September 29, 2020, prior to the Notice of Enforcement ("NOE") dated April 16, 2021.

Violation Subtotal \$2,813

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$4

Violation Final Penalty Total \$3,751

This violation Final Assessed Penalty (adjusted for limits) \$3,751

Economic Benefit Worksheet

Respondent Friendswood Energy Genco, LLC
Case ID No. 60724
Reg. Ent. Reference No. RN106425242
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
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)	\$250	23-May-2020	29-Sep-2020	0.35	\$4	n/a	\$4

Notes for DELAYED costs

Estimated cost to submit the final PCC for the September 1, 2019 through April 23, 2020 certification period. The Date Required is the date the PCC was due and the Final Date is the 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

\$250

TOTAL

\$4

Screening Date 26-Apr-2021
Respondent Friendswood Energy Genco, LLC
Case ID No. 60724
Reg. Ent. Reference No. RN106425242
Media Air
Enf. Coordinator Mackenzie Mehlmann

Docket No. 2021-0610-AIR-E

PCW

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

Violation Number

Rule Cite(s) 30 Tex. Admin. Code §§ 122.143(4) and 122.145(2)(C), FOP No. 03999, GTC, and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to submit a deviation report no later than 30 days after the end of each reporting period. Specifically, the Respondent transferred ownership of the Plant on April 24, 2020 and the final deviation report for the March 1, 2020 through April 23, 2020 reporting period was due by May 23, 2020, but was not submitted until September 29, 2020.

Base Penalty

>> Environmental, Property and Human Health Matrix

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

>> Programmatic Matrix

Matrix Notes	Falsification	Harm			Percent
		Major	Moderate	Minor	
	<input type="text"/>	<input type="text" value="x"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="15.0%"/>
<input type="text" value="100% of the rule requirements were not met."/>					

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 type="text" value="x"/>

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" value="x"/>	<input type="text"/>
N/A	<input type="text"/>	<input type="text"/>

Notes The Respondent achieved compliance on September 29, 2020, prior to the NOE dated April 16, 2021.

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 Friendswood Energy Genco, LLC
Case ID No. 60724
Reg. Ent. Reference No. RN106425242
Media Air
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				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)	\$250	23-May-2020	29-Sep-2020	0.35	\$4	n/a	\$4

Notes for DELAYED costs

Estimated cost to submit the final deviation report for the March 1, 2020 through April 23, 2020 reporting period. The Date Required is the date the deviation report was due and the Final Date is the 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

\$250

TOTAL

\$4



Compliance History Report

Compliance History Report for CN604090654, RN106425242, Rating Year 2020 which includes Compliance History (CH) components from September 1, 2015, through August 31, 2020.

Customer, Respondent, or Owner/Operator:	CN604090654, Friendswood Energy Genco, LLC	Classification: UNCLASSIFIED	Rating: -----
Regulated Entity:	RN106425242, FRIENDSWOOD ENERGY GENERATION	Classification: UNCLASSIFIED	Rating: -----
Complexity Points:	10	Repeat Violator:	NO
CH Group:	06 - Electric Power Generation		
Location:	12000 HIRAM CLARKE RD HOUSTON, TX, HARRIS COUNTY		
TCEQ Region:	REGION 12 - HOUSTON		

ID Number(s):			
AIR NEW SOURCE PERMITS REGISTRATION 103230		AIR NEW SOURCE PERMITS PERMIT AMOC132	
AIR NEW SOURCE PERMITS REGISTRATION 152680		AIR NEW SOURCE PERMITS AFS NUM 4820102042	
AIR OPERATING PERMITS PERMIT 3999			

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

Date Compliance History Report Prepared: April 29, 2021

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: April 29, 2016 to April 29, 2021

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

Name: Mackenzie Mehlmann **Phone:** (512) 239-2572

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:

- 1 Effective Date: 05/25/2020 ADMINORDER 2019-0579-AIR-E (1660 Order-Agreed Order With Denial)
Classification: Major
Citation: 30 TAC Chapter 116, SubChapter F 116.615(2)
30 TAC Chapter 117, SubChapter D 117.2010(i)(2)(A)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: Special Terms and Conditions (ST&C) # 11 OP
Description: Failure to comply with the maximum allowable emission rate (MAER) for Ammonia.
Classification: Minor
Citation: 30 TAC Chapter 117, SubChapter D 117.2035(e)(9)
5C THSC Chapter 382 382.085(b)
Description: Failure to submit a performance test report by the report submittal deadline.

B. Criminal convictions:

N/A

C. Chronic excessive emissions events:

N/A

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

Item 1 May 22, 2020 (1630863)

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

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

1	Date:	07/20/2020	(1612521)		
	Self Report?	NO		Classification:	Moderate
	Citation:	30 TAC Chapter 122, SubChapter B 122.143(4) 30 TAC Chapter 122, SubChapter B 122.146(1)(A) 5C THSC Chapter 382 382.085(b) General Terms and Conditions PERMIT Special Terms and Conditions (ST&C) 12 PERMIT			
	Description:	Failure to certify compliance for at least each 12-month period following permit issuance. (Category B3)			
	Self Report?	NO		Classification:	Moderate
	Citation:	30 TAC Chapter 122, SubChapter B 122.143(4) 30 TAC Chapter 122, SubChapter B 122.145(2)(B) 5C THSC Chapter 382 382.085(b) General Terms and Conditions PERMIT			
	Description:	Failure to submit a deviation report (DR) for at least each six-month period following initial permit issuance. (Category B3)			
	Self Report?	NO		Classification:	Moderate
	Citation:	30 TAC Chapter 116, SubChapter B 116.115(c) 30 TAC Chapter 116, SubChapter F 116.615(2) 30 TAC Chapter 122, SubChapter B 122.143(4) 5C THSC Chapter 382 382.085(b) General Condition (2) REG Special Terms and Conditions (ST&C) 11B PERMIT Special Terms and Conditions (ST&C) 8 PERMIT			
	Description:	Failure to operate Gas Turbine Unit 1 [Emission Point Number (EPN) GT-1] as represented. (Category B18g(1))			
	Self Report?	NO		Classification:	Moderate
	Citation:	30 TAC Chapter 116, SubChapter B 116.115(c) 30 TAC Chapter 122, SubChapter B 122.143(4) 5C THSC Chapter 382 382.085(b) Condition (4)(E)(i) REG Special Terms and Conditions (ST&C) 11C PERMIT Special Terms and Conditions (ST&C) 8 PERMIT			
	Description:	Failure to prevent the exceedance of the nitrogen oxide (NOx) emission limit, in pounds per megawatt hour (lb/MWh), for Gas Turbine Unit 1 [Emission Point Number (EPN) GT-1]. (Category B13)			
	Self Report?	NO		Classification:	Moderate
	Citation:	30 TAC Chapter 117, SubChapter D 117.2010(i)(2)(A) 30 TAC Chapter 122, SubChapter B 122.143(4) 5C THSC Chapter 382 382.085(b) Special Terms and Conditions 4A(iii) PERMIT			
	Description:	Failure to prevent the exceedance of the ammonia (NH3) concentration limit, in parts per million, volumetric dry (ppmvd), for Gas Turbine Unit 1 [Emission Point Number (EPN) GT-1]. (Category C4)			
	Self Report?	NO		Classification:	Moderate
	Citation:	30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F) 30 TAC Chapter 116, SubChapter B 116.115(c) 30 TAC Chapter 122, SubChapter B 122.143(4) 5C THSC Chapter 382 382.085(b) Special Terms and Conditions (ST&C) 11C PERMIT Special Terms and Conditions (ST&C) 8 PERMIT			
	Description:	Failure to prevent the exceedance of the nitrogen oxide (NOx) Maximum Allowable Emission Rate (MAER) for Gas Turbine Unit 1 [Emission Point Number (EPN) GT-1]. (Category B13)			
	Self Report?	NO		Classification:	Moderate
	Citation:	30 TAC Chapter 122, SubChapter B 122.143(4) 30 TAC Chapter 122, SubChapter B 122.145(2)(A) 5C THSC Chapter 382 382.085(b) General Terms and Conditions PERMIT			
	Description:	Failure to report all instances of deviations for the reporting period of March 01, 2019 through August 31, 2019. (Category B3)			
	Self Report?	NO		Classification:	Moderate
	Citation:	30 TAC Chapter 101, SubChapter F 101.201(b)(2) 30 TAC Chapter 122, SubChapter B 122.143(4) 5C THSC Chapter 382 382.085(b) Special Terms and Conditions (ST&C) 2F PERMIT			

Description: Failure to include all required information in the final record for a non-reportable emissions event. (Category C3)
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
Special Terms and Conditions (ST&C) 2F PERMIT
Description: Failure to create a final record for a non-reportable emissions event no later than two weeks after the end of the emissions event. (Category C3)

F. Environmental audits:

N/A

G. Type of environmental management systems (EMSs):

N/A

H. Voluntary on-site compliance assessment dates:

N/A

I. Participation in a voluntary pollution reduction program:

N/A

J. Early compliance:

N/A

Sites Outside of Texas:

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
FRIENDSWOOD ENERGY
GENCO, LLC
RN106425242**

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§**

**BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY**

AGREED ORDER DOCKET NO. 2021-0610-AIR-E

I. JURISDICTION AND STIPULATIONS

On _____, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Friendswood Energy Genco, LLC (the "Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent together stipulate that:

1. The Respondent owned and operated an electric power generation plant located at 12000 Hiram Clarke Road in Houston, Harris County, Texas (the "Plant"). The Plant consists or consisted of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
2. The Executive Director and the Respondent agree that the TCEQ has jurisdiction to enter this Order pursuant to TEX. WATER CODE §§ 7.002, 7.051, and 7.073, and that the 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. HEALTH & SAFETY CODE ch. 382 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 the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
4. An administrative penalty in the amount of \$7,501 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent paid \$6,001 of the penalty and \$1,500 is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Order. The deferred amount shall be waived only upon full compliance with all the terms and conditions contained in this Order. If the Respondent fails to timely and satisfactorily comply with any of the terms or requirements contained in this Order, the Executive Director may demand payment of all or part of the deferred penalty amount.
5. The Executive Director and the Respondent agree on a settlement of the matters alleged in this enforcement action, subject to final approval in accordance with 30 TEX. ADMIN.

CODE § 70.10(a). 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 the Respondent has not complied with one or more of the terms or conditions 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 compliance with all the terms and conditions set forth in this Order, whichever is later.
9. The Executive Director recognizes that the Respondent implemented the following corrective measures at the Plant:
 - a. On April 24, 2020, transferred ownership of the Plant.
 - b. On September 29, 2020, submitted the final permit compliance certification ("PCC") for the September 1, 2019 through April 23, 2020 certification period.
 - c. On September 29, 2020, submitted the final deviation report for the March 1, 2020 through April 23, 2020 reporting period.

II. ALLEGATIONS

During a record review conducted from December 1, 2020 through March 10, 2021, an investigator documented that the Respondent:

1. Failed to submit a PCC within 30 days of any certification period, in violation of 30 TEX. ADMIN. CODE §§ 122.143(4) and 122.146(2), Federal Operating Permit ("FOP") No. O3999, General Terms and Conditions ("GTC") and Special Terms and Conditions No. 12, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent transferred ownership of the Plant on April 24, 2020 and the final PCC for the September 1, 2019 through April 23, 2020 certification period was due by May 23, 2020, but was not submitted until September 29, 2020.
2. Failed to submit a deviation report no later than 30 days after the end of each reporting period, in violation of 30 TEX. ADMIN. CODE §§ 122.143(4) and 122.145(2)(C), FOP No. O3999, GTC, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent transferred ownership of the Plant on April 24 2020 and the final deviation report for the March 1, 2020 through April 23, 2020 reporting period was due by May 23, 2020, but was not submitted until September 29, 2020.

III. DENIALS

The Respondent generally denies each allegation in Section II ("Allegations").

IV. ORDERING PROVISIONS

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

1. The Respondent is assessed a penalty as set forth in Section I, Paragraph No. 4. The payment of this penalty and the 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 action or penalties for violations which are not raised here. Penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Friendswood Energy Genco, LLC, Docket No. 2021-0610-AIR-E" to:

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

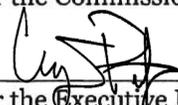
2. All relief not expressly granted in this Order is denied.
3. The duties and provisions imposed by this Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of this Order to personnel who maintain day-to-day control over the Plant operations referenced in this Order.
4. 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 the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
5. This Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
6. 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.

7. 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	2/11/2022 _____ 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, if any, in this Order and/or failure to timely pay the penalty amount, may result in:

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

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

 _____ Signature	7/20/2021 _____ Date
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Matthew G. Borski

Name (Printed or typed)
Authorized Representative of
Friendswood Energy Genco, LLC

Authorized Representative of Friendswood
Energy Genco LLC

Title

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

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