

**Executive Summary – Enforcement Matter – Case No. 61010**  
**BAZE CHEMICAL, INC. dba Baze Chemical Palestine**  
**RN106952518**  
**Docket No. 2021-0984-MLM-E**

**Order Type:**

1660 Agreed Order

**Findings Order Justification:**

N/A

**Media:**

MLM – IHW, Used Oil

**Small Business:**

Yes

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

Baze Chemical Palestine, 2187 East Farm-to-Market Road 323, Palestine, Anderson County

**Type of Operation:**

Chemical production facility

**Other Significant Matters:**

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

**Texas Register Publication Date:** May 27, 2022

**Comments Received:** No

***Penalty Information***

**Total Penalty Assessed:** \$68,183

**Amount Deferred for Expedited Settlement:** \$13,636

**Total Paid to General Revenue:** \$54,547

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

Payment Plan: N/A

**Compliance History Classifications:**

Person/CN - High

Site/RN - High

**Major Source:** Yes

**Statutory Limit Adjustment:** N/A

**Applicable Penalty Policy:** January 2021

***Investigation Information***

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

**Complaint Information:** N/A

**Date(s) of Investigation:** April 27, 2021

**Date(s) of NOE(s):** June 23, 2021

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***Violation Information***

1. Failed to conduct hazardous waste determinations and waste classifications. Specifically, hazardous waste determinations and waste classifications were not conducted on open top totes of stormwater basin sludge, old stored chemical products in the building on the southwest corner of the property, and skimmed liquid from the stormwater basin [30 TEX. ADMIN. CODE §§ 335.62, 335.503(a), and 335.504 and 40 CODE OF FEDERAL REGULATIONS (“CFR”) § 262.11].
2. Failed to submit to the Executive Director a complete and correct Annual Waste Summary ("AWS") detailing the management of each hazardous and Class 1 waste generated on-site during the reporting calendar year. Specifically, the Respondent generated and shipped approximately 600,000 pounds of distillate between November 2020 and March 2021 and did not submit an AWS for the 2020 calendar year [30 TEX. ADMIN. CODE § 335.9(a)(2)].
3. Failed to label all hazardous waste containers with the date upon which each period of accumulation begins and with the words "Hazardous Waste". Specifically, approximately 150 330-gallon totes containing distillate were not properly labeled [30 TEX. ADMIN. CODE § 335.69(a)(2) and (a)(3) and 40 CFR § 262.34(a)(2) and (a)(3)].
4. Failed to inspect areas where waste containers are stored at least weekly to look for leaking containers or deterioration of containers caused by corrosion or other factors [30 TEX. ADMIN. CODE §§ 335.69(a)(1)(A) and 335.112(a)(8) and 40 CFR § 265.174].
5. Failed to notify the Commission of the generation, storage, and disposal of IHW at least 90 days prior to engaging in such activities. Specifically, the Respondent had not submitted a Notice of Registration ("NOR") for waste activities involving the generation and processing of approximately 600,000 pounds of distillate from November 2020 through March 2021, the storage of approximately 150 totes of distillate, and the generation and storage of stormwater basin sludge, old stored chemical products in the building on the southwest corner of the property, and skimmed liquid from the stormwater basin [30 TEX. ADMIN. CODE § 335.6(a) and (c)].
6. Caused, suffered, allowed, or permitted the unauthorized disposal of industrial hazardous waste. Specifically, approximately 3.4 cubic yards of chemical waste was disposed of in the truck scale basin at the Facility which had spilled over onto the adjacent ground impacting approximately 1,500 square feet of soil. Additionally, an investigator documented leaking containers of chemical product at the Facility including but not limited to three 55-gallon drums containing clear liquid and a white powder substance with approximately 40 gallons of leaking chemical discharge and six five-gallon buckets containing a white powder, a blue powder, a thick white liquid, and dark oily liquids, with approximately 15 gallons of leaking chemical discharge onto the surrounding concrete [30 TEX. ADMIN. CODE § 335.4].

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7. Caused, suffered, allowed, or permitted the unauthorized storage of IHW. Specifically, the Respondent was storing 150 330-gallon totes of distillate at the Facility without authorization [30 TEX. ADMIN. CODE § 335.2(a) and (b)].

8. Failed to label or clearly mark containers used to store used oil with the words “Used Oil”. Specifically, four containers storing used oil were not labeled [30 TEX. ADMIN. CODE § 324.6 and 40 CFR § 279.22(c)(1)].

***Corrective Actions/Technical Requirements***

**Corrective Action(s) Completed:**

The Respondent properly labeled the four containers storing used oil with the words “Used Oil” at the Facility as of July 10, 2021.

**Technical Requirements:**

The Order will require the Respondent to:

a. Immediately:

- i. Cease discharging and/or disposing of any additional IHW; and
- ii. Cease storing any additional (i.e., newly generated) IHW in excess of 90 days until proper authorization is obtained.

b. Within 30 days:

- i. Conduct waste determinations and waste classifications on all waste streams;
- ii. Develop and implement procedures to ensure that the AWS is submitted timely;
- iii. Label all hazardous waste containers with the date upon which each period of accumulation began and with the words “Hazardous Waste”;
- iv. Develop and implement procedures to ensure weekly inspections of container storage areas are being conducted;
- v. Properly complete and submit an NOR to notify the TCEQ of waste activities conducted including but not limited to the generation, storage, and disposal of IHW;
- vi. Develop and implement procedures to prevent future spills and/or discharges of IHW;
- vii. Cleanup and remove all contaminated soils and discharges using appropriate corrective measures and dispose of it at an authorized facility; and

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**Docket No. 2021-0984-MLM-E**

viii. Collect and submit soil samples for analysis to verify that the area has been restored to pre-contaminated conditions.

c. Within 75 days:

i. Remove all unauthorized IHW and dispose of it at an authorized facility; and

ii. Develop and implement procedures to ensure IHW is not stored for longer than 90 days.

d. In lieu of c., within 365 days, obtain an IHW permit to store IHW.

e. Within 380 days, submit written certification to demonstrate compliance with a., b., and c.; or a., b., and d.

***Contact Information***

**TCEQ Attorney:** N/A

**TCEQ Enforcement Coordinator:** Courtney Gooris, Enforcement Division, Enforcement Team 3, MC 219, (817) 588-5863; Michael Parrish, Enforcement Division, MC 219, (512) 239-2548

**Respondent:** Curtis Baze, President, BAZE CHEMICAL, INC., P.O. Box 13166, Odessa, Texas 79768

William J. McConnell, Chief Operating Officer, BAZE CHEMICAL, INC., P.O. Box 13166, Odessa, Texas 79768

**Respondent's Attorney:** N/A



# Penalty Calculation Worksheet (PCW)

Policy Revision 5 (January 28, 2021)

PCW Revision February 11, 2021

<b>DATES</b>	<b>Assigned</b>	28-Jun-2021			
	<b>PCW</b>	21-Jul-2021	<b>Screening</b>	8-Jul-2021	<b>EPA Due</b>

<b>RESPONDENT/FACILITY INFORMATION</b>					
<b>Respondent</b>	BAZE CHEMICAL, INC. dba Baze Chemical Palestine				
<b>Reg. Ent. Ref. No.</b>	RN106952518				
<b>Facility/Site Region</b>	5-Tyler	<b>Major/Minor Source</b>	Major		

<b>CASE INFORMATION</b>					
<b>Enf./Case ID No.</b>	61010	<b>No. of Violations</b>	7		
<b>Docket No.</b>	2021-0984-MLM-E	<b>Order Type</b>	1660		
<b>Media Program(s)</b>	Industrial and Hazardous Waste	<b>Government/Non-Profit</b>	No		
<b>Multi-Media</b>	Used Oil	<b>Enf. Coordinator</b>	Hailey Johnson		
		<b>EC's Team</b>	Enforcement Team 6		
<b>Admin. Penalty \$</b>	<b>Limit Minimum</b>	\$0	<b>Maximum</b>	\$25,000	

## Penalty Calculation Section

<b>TOTAL BASE PENALTY (Sum of violation base penalties)</b>	<b>Subtotal 1</b>	\$73,750
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### ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

<b>Compliance History</b>	-10.0%	Adjustment	<b>Subtotals 2, 3, &amp; 7</b>	-\$7,375
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<b>Notes</b>	Reduction for High Performer classification.			
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<b>Culpability</b>	No	0.0%	Enhancement	<b>Subtotal 4</b>	\$0
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<b>Notes</b>	The Respondent does not meet the culpability criteria.			
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<b>Good Faith Effort to Comply Total Adjustments</b>	<b>Subtotal 5</b>	\$0
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<b>Economic Benefit</b>	0.0%	Enhancement*	<b>Subtotal 6</b>	\$0
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Total EB Amounts	\$4,736	*Capped at the Total EB \$ Amount
Estimated Cost of Compliance	\$83,812	

<b>SUM OF SUBTOTALS 1-7</b>	<b>Final Subtotal</b>	\$66,375
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<b>OTHER FACTORS AS JUSTICE MAY REQUIRE</b>	0.9%	Adjustment	\$608
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes	Enhancement to capture the avoided cost of compliance associated with Violation Nos. 2 and 4.	
<b>Final Penalty Amount</b>		<b>\$66,983</b>

<b>STATUTORY LIMIT ADJUSTMENT</b>	<b>Final Assessed Penalty</b>	\$66,983
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<b>DEFERRAL</b>	20.0%	Reduction	Adjustment	-\$13,396
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Reduces the Final Assessed Penalty by the indicated percentage.

<b>Notes</b>	Deferral offered for expedited settlement.		
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<b>PAYABLE PENALTY</b>	\$53,587
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Screening Date

8-Jul-2021

Docket No.

2021-0984-MLM-E

PCW

Respondent

BAZE CHEMICAL, INC. dba Baze Chemical Palestine

Case ID No.

61010

Reg. Ent. Reference No.

RN106952518

Media

Industrial and Hazardous Waste

Enf. Coordinator

Hailey Johnson

Policy Revision 5 (January 28, 2021)

PCW Revision February 11, 2021

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Number	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action ( <i>number of NOVs meeting criteria</i> )	0	0%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability ( <i>number of orders meeting criteria</i> )	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government ( <i>number of judgments or consent decrees meeting criteria</i> )	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government ( <i>number of counts</i> )	0	0%
Emissions	Chronic excessive emissions events ( <i>number of events</i> )	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which notices were submitted</i> )	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which violations were disclosed</i> )	0	0%
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2)0%

>> Repeat Violator (Subtotal 3)

NoAdjustment Percentage (Subtotal 3)0%

>> Compliance History Person Classification (Subtotal 7)

High PerformerAdjustment Percentage (Subtotal 7)-10%

>> Compliance History Summary

Compliance History Notes

Reduction for High Performer classification.

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

>> Final Compliance History Adjustment

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

<b>Screening Date</b> 8-Jul-2021		<b>Docket No.</b> 2021-0984-MLM-E		<b>PCW</b>	
<b>Respondent</b> BAZE CHEMICAL, INC. dba Baze Chemical Palestine		<i>Policy Revision 5 (January 28, 2021)</i>			
<b>Case ID No.</b> 61010		<i>PCW Revision February 11, 2021</i>			
<b>Reg. Ent. Reference No.</b> RN106952518					
<b>Media</b> Industrial and Hazardous Waste					
<b>Enf. Coordinator</b> Hailey Johnson					
<b>Violation Number</b>		1			
<b>Rule Cite(s)</b>		30 Tex. Admin. Code §§ 335.62, 335.503(a), and 335.504 and 40 Code of Federal Regulations ("CFR") § 262.11			
<b>Violation Description</b>		Failed to conduct hazardous waste determinations and waste classifications. Specifically, hazardous waste determinations and waste classifications were not conducted on open top totes of stormwater basin sludge, old stored chemical products in the building on the southwest corner of the property, and skimmed liquid from the stormwater basin.			
		<b>Base Penalty</b>		\$25,000	
>> Environmental, Property and Human Health Matrix					
OR	<b>Release</b>		<b>Harm</b>		
		Major	Moderate	Minor	
	Actual				
	Potential	x			<b>Percent</b> 30.0%
>> Programmatic Matrix					
	Falsification	Major	Moderate	Minor	
					<b>Percent</b> 0.0%
Matrix Notes	Human health or the environment will or could be exposed to pollutants that would exceed levels that are protective of human health or environmental receptors as a result of the violation.				
		<b>Adjustment</b>		\$17,500	
				\$7,500	
>> Violation Events					
Number of Violation Events		3		72 Number of violation days	
	daily				
	weekly				
	monthly				
	quarterly				
	semiannual				
	annual				
	single event	x		<b>Violation Base Penalty</b> \$22,500	
		Three single events are recommended (one event per waste stream).			
<b>Good Faith Efforts to Comply</b>		0.0%		Reduction \$0	
	Extraordinary				
	Ordinary				
	N/A	x			
Notes	The Respondent does not meet the good faith criteria for this violation.				
		<b>Violation Subtotal</b>		\$22,500	
<b>Economic Benefit (EB) for this violation</b>			<b>Statutory Limit Test</b>		
<b>Estimated EB Amount</b>		\$625		<b>Violation Final Penalty Total</b> \$20,435	
		<b>This violation Final Assessed Penalty (adjusted for limits)</b>		\$20,435	

Economic Benefit Worksheet

Respondent Case ID No. BAZE CHEMICAL, INC. dba Baze Chemical Palestine 61010  
Reg. Ent. Reference No. RN106952518  
Media Violation No. Industrial and Hazardous Waste 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)	\$12,600	27-Apr-2021	24-Apr-2022	0.99	\$625	n/a	\$625
Notes for DELAYED costs	Estimated delayed cost to conduct waste determinations and waste classifications on three waste streams (\$4,200 per waste stream). The Date Required is the investigation date 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	\$12,600	TOTAL	\$625
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<b>Screening Date</b>	8-Jul-2021	<b>Docket No.</b>	2021-0984-MLM-E	<b>PCW</b>
<b>Respondent</b>	BAZE CHEMICAL, INC. dba Baze Chemical Palestine			<i>Policy Revision 5 (January 28, 2021)</i>
<b>Case ID No.</b>	61010			<i>PCW Revision February 11, 2021</i>
<b>Reg. Ent. Reference No.</b>	RN106952518			
<b>Media</b>	Industrial and Hazardous Waste			
<b>Enf. Coordinator</b>	Hailey Johnson			
<b>Violation Number</b>	2			
<b>Rule Cite(s)</b>	30 Tex. Admin. Code § 335.9(a)(2)			
<b>Violation Description</b>	Failed to submit to the Executive Director a complete and correct Annual Waste Summary ("AWS") detailing the management of each hazardous and Class 1 waste generated on-site during the reporting calendar year. Specifically, the Respondent generated and shipped approximately 600,000 pounds of distillate between November 2020 and March 2021 and did not submit an AWS for the 2020 calendar year.			
	<b>Base Penalty</b>	\$25,000		

>> Environmental, Property and Human Health Matrix

OR

	<b>Release</b>	<b>Harm</b>		
		Major	Moderate	Minor
	Actual			
	Potential			

Percent 0.0%

>>Programmatic Matrix

	Falsification	Major	Moderate	Minor	
		x			

Percent 20.0%

Matrix Notes

100% of the rule requirement was not met.

Adjustment \$20,000

\$5,000

Violation Events

Number of Violation Events 1

98

Number of violation days

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$5,000

One single event is recommended.

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 \$5,000

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$532

Violation Final Penalty Total \$4,541

This violation Final Assessed Penalty (adjusted for limits) \$4,541

# Economic Benefit Worksheet

**Respondent** BAZE CHEMICAL, INC. dba Baze Chemical Palestine  
**Case ID No.** 61010  
**Reg. Ent. Reference No.** RN106952518  
**Media Violation No.** Industrial and Hazardous Waste  
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	\$500	27-Apr-2021	24-Apr-2022	0.99	\$25	n/a	\$25
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 delayed cost to develop and implement procedures to ensure that the AWS is submitted timely. The Date required is the investigation date 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	\$500	1-Apr-2021	8-Jul-2021	0.27	\$7	\$500	\$507
Other (as needed)				0.00	\$0	\$0	\$0
Notes for AVOIDED costs	Estimated avoided cost to complete and submit the AWS for the 2020 calendar year. The Date Required is the date the AWS was due for the 2020 calendar year and the Final Date is the screening date.						

Approx. Cost of Compliance	\$1,000	TOTAL	\$532
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<b>Screening Date</b>	8-Jul-2021	<b>Docket No.</b>	2021-0984-MLM-E	<b>PCW</b>
<b>Respondent</b>	BAZE CHEMICAL, INC. dba Baze Chemical Palestine			<i>Policy Revision 5 (January 28, 2021)</i>
<b>Case ID No.</b>	61010			<i>PCW Revision February 11, 2021</i>
<b>Reg. Ent. Reference No.</b>	RN106952518			
<b>Media</b>	Industrial and Hazardous Waste			
<b>Enf. Coordinator</b>	Hailey Johnson			
<b>Violation Number</b>	3			
<b>Rule Cite(s)</b>	30 Tex. Admin. Code § 335.69(a)(2) and (a)(3) and 40 CFR § 262.34(a)(2) and (a)(3)			
<b>Violation Description</b>	Failed to label all hazardous waste containers with the date upon which each period of accumulation begins and with the words "Hazardous Waste". Specifically, approximately 150 330-gallon totes containing distillate were not properly labeled.			
	<b>Base Penalty</b>	\$25,000		
<b>&gt;&gt; Environmental, Property and Human Health Matrix</b>				
<b>OR</b>	<b>Release</b>	<b>Harm</b>		
		Major Moderate Minor		
	Actual			
Potential				
	<b>Percent</b>	0.0%		
<b>&gt;&gt; Programmatic Matrix</b>				
	<b>Falsification</b>	<b>Major</b>	<b>Moderate</b>	<b>Minor</b>
		x		
<b>Percent</b>	20.0%			
<b>Matrix Notes</b>	100% of the rule requirement was not met.			
	<b>Adjustment</b>	\$20,000		
		\$5,000		
<b>Violation Events</b>				
	<b>Number of Violation Events</b>	3	<b>72</b>	<b>Number of violation days</b>
	<b>daily</b>			
	<b>weekly</b>			
	<b>monthly</b>	x		
	<b>quarterly</b>			
	<b>semiannual</b>			
	<b>annual</b>			
	<b>single event</b>			
	<b>Violation Base Penalty</b>	\$15,000		
	Three monthly events are recommended from the April 27, 2021 investigation date to the July 8, 2021 screening date.			
<b>Good Faith Efforts to Comply</b>		<b>0.0%</b>	<b>Reduction</b>	\$0
		<b>Before NOE/NOV</b>	<b>NOE/NOV to EDPRP/Settlement Offer</b>	
	<b>Extraordinary</b>			
	<b>Ordinary</b>			
	<b>N/A</b>	x		
	<b>Notes</b>	The Respondent does not meet the good faith criteria for this violation.		
	<b>Violation Subtotal</b>	\$15,000		
<b>Economic Benefit (EB) for this violation</b>		<b>Statutory Limit Test</b>		
	<b>Estimated EB Amount</b>	\$74	<b>Violation Final Penalty Total</b>	\$13,624
	<b>This violation Final Assessed Penalty (adjusted for limits)</b>			\$13,624

Economic Benefit Worksheet

Respondent Case ID No. Reg. Ent. Reference No. Media Violation No. BAZE CHEMICAL, INC. dba Baze Chemical Palestine 61010 RN106952518 Industrial and Hazardous Waste 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				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)	\$1,500	27-Apr-2021	24-Apr-2022	0.99	\$74	n/a	\$74
Notes for DELAYED costs	Estimated delayed cost to properly label all hazardous waste containers with the date upon which each period of accumulation began and with the words "Hazardous Waste" (\$10 per container). The Date Required is the investigation date 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	\$1,500	TOTAL	\$74
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<b>Screening Date</b>	8-Jul-2021	<b>Docket No.</b>	2021-0984-MLM-E	<b>PCW</b>
<b>Respondent</b>	BAZE CHEMICAL, INC. dba Baze Chemical Palestine			<i>Policy Revision 5 (January 28, 2021)</i>
<b>Case ID No.</b>	61010			<i>PCW Revision February 11, 2021</i>
<b>Reg. Ent. Reference No.</b>	RN106952518			
<b>Media</b>	Industrial and Hazardous Waste			
<b>Enf. Coordinator</b>	Hailey Johnson			
<b>Violation Number</b>	4			
<b>Rule Cite(s)</b>	30 Tex. Admin. Code §§ 335.69(a)(1)(A) and 335.112(a)(8) and 40 CFR § 265.174			
<b>Violation Description</b>	Failed to inspect areas where waste containers are stored at least weekly to look for leaking containers or deterioration of containers caused by corrosion or other factors.			
	<b>Base Penalty</b>	\$25,000		
<b>&gt;&gt; Environmental, Property and Human Health Matrix</b>				
<b>OR</b>	<b>Release</b>	<b>Harm</b>		
		Major	Moderate	Minor
	Actual			
	Potential		x	
	<b>Percent</b>	15.0%		
<b>&gt;&gt; Programmatic Matrix</b>				
	Falsification	Major	Moderate	Minor
	<b>Percent</b>	0.0%		
Matrix Notes	Human health or the environment will or could be exposed to significant amounts of pollutants that would not exceed levels that are protective of human health or environmental receptors as a result of the violation.			
	<b>Adjustment</b>	\$21,250		
		\$3,750		
<b>Violation Events</b>				
	Number of Violation Events	1	72	Number of violation days
	daily			
	weekly			
	monthly			
	quarterly	x		
	semiannual			
	annual			
	single event			
	<b>Violation Base Penalty</b>	\$3,750		
	One quarterly event is recommended from the April 27, 2021 investigation date to the July 8, 2021 screening date.			
<b>Good Faith Efforts to Comply</b>		0.0%	<b>Reduction</b>	\$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.			
	<b>Violation Subtotal</b>	\$3,750		
<b>Economic Benefit (EB) for this violation</b>		<b>Statutory Limit Test</b>		
	<b>Estimated EB Amount</b>	\$126	<b>Violation Final Penalty Total</b>	\$3,406
	<b>This violation Final Assessed Penalty (adjusted for limits)</b>			\$3,406

Economic Benefit Worksheet

Respondent Case ID No. Reg. Ent. Reference No. Media Violation No. BAZE CHEMICAL, INC. dba Baze Chemical Palestine 61010 RN106952518 Industrial and Hazardous Waste 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				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System	\$500	27-Apr-2021	24-Apr-2022	0.99	\$25	n/a	\$25
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 delayed cost to develop and implement procedures to ensure weekly inspections of container storage areas are being conducted. The Date Required is the investigation date 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	\$100	27-Apr-2021	8-Jul-2021	0.20	\$1	\$100	\$101
Other (as needed)				0.00	\$0	\$0	\$0
Notes for AVOIDED costs	Estimated avoided cost to conduct weekly inspections of waste container storage areas. The Date Required is the investigation date and the Final Date is the screening date.						

Approx. Cost of Compliance	\$600	TOTAL	\$126
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Screening Date		8-Jul-2021		Docket No.		2021-0984-MLM-E		PCW	
Respondent		BAZE CHEMICAL, INC. dba Baze Chemical Palestine							
Case ID No.		61010		Policy Revision 5 (January 28, 2021)					
Reg. Ent. Reference No.		RN106952518		PCW Revision February 11, 2021					
Media		Industrial and Hazardous Waste							
Enf. Coordinator		Hailey Johnson							
Violation Number		5							
Rule Cite(s)		30 Tex. Admin. Code § 335.6(a) and (c)							
Violation Description		Failed to notify the Commission of the generation, storage, and disposal of industrial and hazardous waste ("IHW") at least 90 days prior to engaging in such activities. Specifically, the Respondent had not submitted a Notice of Registration ("NOR") for waste activities involving the generation of approximately 600,000 pounds of distillate from November 2020 through March 2021, the storage of approximately 150 totes of distillate, and the generation and storage of stormwater basin sludge, old stored chemical products in the building on the southwest corner of the property, and skimmed liquid from the stormwater basin.							
		Base Penalty		\$25,000					
>> Environmental, Property and Human Health Matrix									
OR		Release		Major		Moderate		Minor	
		Actual							
		Potential							
		Percent		0.0%					
>> Programmatic Matrix									
		Falsification		Major		Moderate		Minor	
				x					
		Percent		20.0%					
Matrix Notes		100% of the rule requirement was not met.							
		Adjustment		\$20,000					
				\$5,000					
Violation Events									
		Number of Violation Events		1		72		Number of violation days	
		daily							
		weekly							
		monthly							
		quarterly							
		semiannual							
		annual							
		single event		x					
		Violation Base Penalty		\$5,000					
				One single event is recommended.					
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		\$5,000					
Economic Benefit (EB) for this violation									
		Statutory Limit Test							
		Estimated EB Amount		\$5		Violation Final Penalty Total		\$4,541	
		This violation Final Assessed Penalty (adjusted for limits)		\$4,541					

Economic Benefit Worksheet

Respondent Case ID No. Reg. Ent. Reference No. Media Violation No. BAZE CHEMICAL, INC. dba Baze Chemical Palestine 61010 RN106952518 Industrial and Hazardous Waste 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				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	\$100	27-Apr-2021	24-Apr-2022	0.99	\$5	n/a	\$5
Other (as needed)				0.00	\$0	n/a	\$0
Notes for DELAYED costs	Estimated delayed cost to properly complete and submit an NOR to notify the TCEQ of waste activities conducted at the Facility including but not limited to the generation, storage, and disposal of IHW. The Date required is the investigation date 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	\$100	TOTAL	\$5
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<b>Screening Date</b>	8-Jul-2021	<b>Docket No.</b>	2021-0984-MLM-E	<b>PCW</b>
<b>Respondent</b>	BAZE CHEMICAL, INC. dba Baze Chemical Palestine			<i>Policy Revision 5 (January 28, 2021)</i>
<b>Case ID No.</b>	61010			<i>PCW Revision February 11, 2021</i>
<b>Reg. Ent. Reference No.</b>	RN106952518			
<b>Media</b>	Industrial and Hazardous Waste			
<b>Enf. Coordinator</b>	Hailey Johnson			
<b>Violation Number</b>	6			
<b>Rule Cite(s)</b>	30 Tex. Admin. Code § 335.4			
<b>Violation Description</b>	<p>Caused, suffered, allowed, or permitted the unauthorized disposal of industrial hazardous waste. Specifically, approximately 3.4 cubic yards of chemical waste was disposed of in the truck scale basin at the Facility which had spilled over onto the adjacent ground impacting approximately 1,500 square feet of soil.</p> <p>Additionally, an investigator documented leaking containers of chemical product at the Facility including but not limited to three 55-gallon drums containing clear liquid and a white powder substance with approximately 40 gallons of leaking chemical discharge and six five-gallon buckets containing a white power, a blue powder, a thick white liquid, and dark oily liquids, with approximately 15 gallons of leaking chemical discharge onto the surrounding concrete.</p>			
		<b>Base Penalty</b>	\$25,000	
<b>&gt;&gt; Environmental, Property and Human Health Matrix</b>				
<b>OR</b>	<b>Release</b>	<b>Harm</b>		
		Major Moderate Minor		
	Actual			x
Potential				
		<b>Percent</b>	30.0%	
<b>&gt;&gt; Programmatic Matrix</b>				
	Falsification	Major	Moderate	Minor
	<b>Percent</b>	0.0%		
<b>Matrix Notes</b>	Human health or the environment has been exposed to insignificant amounts of pollutants that do not exceed levels that are protective of human health or environmental receptors as a result of the violation.			
	<b>Adjustment</b>	\$17,500		
			\$7,500	
<b>Violation Events</b>				
	Number of Violation Events	1	72	Number of violation days
	daily			
	weekly			
	monthly			
	quarterly	x		
	semiannual			
	annual			
	single event			
	<b>Violation Base Penalty</b>	\$7,500		
	One quarterly event is recommended from the April 27, 2021 investigation date to the July 8, 2021 screening date.			
<b>Good Faith Efforts to Comply</b>	0.0%	Reduction \$0		
	Before NOE/NOV	NOE/NOV to EDPRP/Settlement Offer		
Extraordinary				
Ordinary				
N/A	x			
<b>Notes</b>	The Respondent does not meet the good faith criteria for this violation.			
	<b>Violation Subtotal</b>	\$7,500		
<b>Economic Benefit (EB) for this violation</b>		<b>Statutory Limit Test</b>		
<b>Estimated EB Amount</b>	\$3,257	<b>Violation Final Penalty Total</b>	\$6,812	
<b>This violation Final Assessed Penalty (adjusted for limits)</b>		\$6,812		

Economic Benefit Worksheet

Respondent Case ID No. Reg. Ent. Reference No. Media Violation No. BAZE CHEMICAL, INC. dba Baze Chemical Palestine 61010 RN106952518 Industrial and Hazardous Waste 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	\$1,000	27-Apr-2021	24-Apr-2022	0.99	\$50	n/a	\$50
Remediation/Disposal	\$64,562	27-Apr-2021	24-Apr-2022	0.99	\$3,202	n/a	\$3,202
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$100	27-Apr-2021	24-Apr-2022	0.99	\$5	n/a	\$5
Notes for DELAYED costs	Estimated delayed cost to cleanup and remove all contaminated soils and discharges using appropriate corrective measures from the Facility and dispose of it at an authorized facility (\$64,562), collect and submit soil samples for analysis to verify that the contaminated area has been restored to pre-contaminated conditions (\$1,000), and to develop and implement procedures to prevent future spills or discharges of IHW at the Facility (\$100). The Dates Required are the investigation date and the Final Dates are 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	\$65,662	TOTAL	\$3,257
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<b>Screening Date</b>	8-Jul-2021	<b>Docket No.</b>	2021-0984-MLM-E	<b>PCW</b>
<b>Respondent</b>	BAZE CHEMICAL, INC. dba Baze Chemical Palestine			<i>Policy Revision 5 (January 28, 2021)</i>
<b>Case ID No.</b>	61010			<i>PCW Revision February 11, 2021</i>
<b>Reg. Ent. Reference No.</b>	RN106952518			
<b>Media</b>	Industrial and Hazardous Waste			
<b>Enf. Coordinator</b>	Hailey Johnson			
<b>Violation Number</b>	7			
<b>Rule Cite(s)</b>	30 Tex. Admin. Code § 335.2(a) and (b)			
<b>Violation Description</b>	Caused, suffered, allowed, or permitted the unauthorized storage of IHW. Specifically, the Respondent was storing 150 330-gallon totes of distillate at the Facility without authorization.			
		<b>Base Penalty</b>	\$25,000	

>> Environmental, Property and Human Health Matrix

OR

		<b>Release</b>	Major	Moderate	Minor	
		Actual				
		Potential				

Percent 0.0%

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor	
		x			

Percent 20.0%

Matrix Notes

100% of the rule requirement was not met.

Adjustment \$20,000

\$5,000

Violation Events

Number of Violation Events	3	72	Number of violation days
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daily	
weekly	
monthly	x
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty \$15,000

Three monthly events are recommended from the April 27, 2021 investigation date to the July 8, 2021 screening date.

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	\$117	Violation Final Penalty Total	\$13,624
This violation Final Assessed Penalty (adjusted for limits)		\$13,624	

Economic Benefit Worksheet

Respondent Case ID No. BAZE CHEMICAL, INC. dba Baze Chemical Palestine  
Reg. Ent. Reference No. 61010  
Media RN106952518  
Violation No. Industrial and Hazardous Waste  
7

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	\$2,350	27-Apr-2021	24-Apr-2022	0.99	\$117	n/a	\$117
Other (as needed)				0.00	\$0	n/a	\$0
Notes for DELAYED costs	Estimated delayed cost to obtain a permit to store IHW at the Facility. The Date Required is the investigation date and the Final Date is the estimated date of compliance.						

Avoided CostsANNUALIZE 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	\$2,350	TOTAL	\$117
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# Penalty Calculation Worksheet (PCW)

Policy Revision 5 (January 28, 2021)

PCW Revision February 11, 2021

<b>DATES</b>	<b>Assigned</b>	28-Jun-2021			
	<b>PCW</b>	21-Jul-2021	<b>Screening</b>	8-Jul-2021	<b>EPA Due</b>

<b>RESPONDENT/FACILITY INFORMATION</b>	
<b>Respondent</b>	BAZE CHEMICAL, INC. dba Baze Chemical Palestine
<b>Reg. Ent. Ref. No.</b>	RN106952518
<b>Facility/Site Region</b>	5-Tyler
<b>Major/Minor Source</b>	Minor

<b>CASE INFORMATION</b>				
<b>Enf./Case ID No.</b>	61010	<b>No. of Violations</b>	1	
<b>Docket No.</b>	2021-0984-MLM-E	<b>Order Type</b>	1660	
<b>Media Program(s)</b>	Used Oil	<b>Government/Non-Profit</b>	No	
<b>Multi-Media</b>	Industrial and Hazardous Waste	<b>Enf. Coordinator</b>	Hailey Johnson	
		<b>EC's Team</b>	Enforcement Team 6	
<b>Admin. Penalty \$</b>	<b>Limit Minimum</b>	\$0	<b>Maximum</b>	\$5,000

## Penalty Calculation Section

<b>TOTAL BASE PENALTY (Sum of violation base penalties)</b>	<b>Subtotal 1</b>	\$1,500
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### ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

<b>Compliance History</b>	-10.0%	Adjustment	<b>Subtotals 2, 3, &amp; 7</b>	-\$150
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<b>Notes</b>	Reduction for High Performer classification.
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<b>Culpability</b>	No	0.0%	Enhancement	<b>Subtotal 4</b>	\$0
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<b>Notes</b>	The Respondent does not meet the culpability criteria.
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<b>Good Faith Effort to Comply Total Adjustments</b>	<b>Subtotal 5</b>	-\$150
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<b>Economic Benefit</b>	0.0%	Enhancement*	<b>Subtotal 6</b>	\$0
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Total EB Amounts \$0  
Estimated Cost of Compliance \$20  
\*Capped at the Total EB \$ Amount

<b>SUM OF SUBTOTALS 1-7</b>	<b>Final Subtotal</b>	\$1,200
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<b>OTHER FACTORS AS JUSTICE MAY REQUIRE</b>	0.0%	Adjustment	\$0
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Reduces or enhances the Final Subtotal by the indicated percentage.

<b>Notes</b>	
<b>Final Penalty Amount</b>	\$1,200

<b>STATUTORY LIMIT ADJUSTMENT</b>	<b>Final Assessed Penalty</b>	\$1,200
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<b>DEFERRAL</b>	20.0%	Reduction	Adjustment	-\$240
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Reduces the Final Assessed Penalty by the indicated percentage.

<b>Notes</b>	Deferral offered for expedited settlement.
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<b>PAYABLE PENALTY</b>	\$960
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Screening Date

8-Jul-2021

Docket No.

2021-0984-MLM-E

PCW

Respondent

BAZE CHEMICAL, INC. dba Baze Chemical Palestine

Case ID No.

61010

Reg. Ent. Reference No.

RN106952518

Media

Used Oil

Enf. Coordinator

Hailey Johnson

Policy Revision 5 (January 28, 2021)

PCW Revision February 11, 2021

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Number	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action ( <i>number of NOVs meeting criteria</i> )	0	0%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability ( <i>number of orders meeting criteria</i> )	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government ( <i>number of judgments or consent decrees meeting criteria</i> )	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government ( <i>number of counts</i> )	0	0%
Emissions	Chronic excessive emissions events ( <i>number of events</i> )	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which notices were submitted</i> )	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which violations were disclosed</i> )	0	0%
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2)

0%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3)

0%

>> Compliance History Person Classification (Subtotal 7)

High Performer

Adjustment Percentage (Subtotal 7)

-10%

>> Compliance History Summary

Compliance History Notes

Reduction for High Performer classification.

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

-10%

>> Final Compliance History Adjustment

Final Adjustment Percentage \*capped at 100%

-10%

Screening Date

8-Jul-2021

Docket No.

2021-0984-MLM-E

PCW

Respondent

BAZE CHEMICAL, INC. dba Baze Chemical Palestine

Policy Revision 5 (January 28, 2021)

Case ID No.

61010

PCW Revision February 11, 2021

Reg. Ent. Reference No.

RN106952518

Media

Used Oil

Enf. Coordinator

Hailey Johnson

Violation Number

1

Rule Cite(s)

30 Tex. Admin. Code § 324.6 and 40 Code of Federal Regulations § 279.22(c)(1)

Violation Description

Failed to label or clearly mark containers used to store used oil with the words "Used Oil". Specifically, four containers storing used oil were not labeled.

Base Penalty

\$5,000

>> Environmental, Property and Human Health Matrix

OR

Release

Major

Moderate

Minor

Actual

Potential

Percent

0.0%

>>Programmatic Matrix

Falsification

Major

Moderate

Minor

x

Percent

10.0%

Matrix Notes

100% of the rule requirement was not met.

Adjustment

\$4,500

\$500

Violation Events

Number of Violation Events

3

72

Number of violation days

daily

weekly

monthly

quarterly

semiannual

annual

single event

x

Violation Base Penalty

\$1,500

Three monthly events are recommended from the April 27, 2021 investigation date to the July 8, 2021 screening date.

Good Faith Efforts to Comply

10.0%

Reduction

\$150

Before NOE/NOV

NOE/NOV to EDPRP/Settlement Offer

Extraordinary

Ordinary

x

N/A

Notes

The Respondent properly labeled the four containers storing used oil with the words "Used Oil" at the Facility as of July 10, 2021, prior to the June 23, 2021 Notice of Enforcement.

Violation Subtotal

\$1,350

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount

\$0

Violation Final Penalty Total

\$1,200

This violation Final Assessed Penalty (adjusted for limits)

\$1,200

Economic Benefit Worksheet

Respondent Case ID No. Reg. Ent. Reference No. Media Violation No. BAZE CHEMICAL, INC. dba Baze Chemical Palestine 61010 RN106952518 Used Oil 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)	\$20	27-Apr-2021	10-Jul-2021	0.20	\$0	n/a	\$0
Notes for DELAYED costs	Estimated delayed cost to properly label four containers storing used oil with the words "Used Oil" at the Facility (\$5 per container). The Date Required is the investigation date 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	\$20	TOTAL	\$0
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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 CN603213661, RN106952518, Rating Year 2020 which includes Compliance History (CH) components from September 1, 2015, through August 31, 2020.

**Customer, Respondent, or Owner/Operator:** CN603213661, BAZE CHEMICAL, INC. **Classification:** HIGH **Rating:** 0.00

**Regulated Entity:** RN106952518, Baze Chemical Palestine **Classification:** HIGH **Rating:** 0.00

**Complexity Points:** 6 **Repeat Violator:** NO

**CH Group:** 09 - Construction

**Location:** 2187 East Farm-to-Market Road 323, Palestine, Anderson County, Texas 75801-8867

**TCEQ Region:** REGION 05 - TYLER

**ID Number(s):**  
**AIR NEW SOURCE PERMITS REGISTRATION** 114620 **STORMWATER PERMIT** TXR05ED97  
**INDUSTRIAL AND HAZARDOUS WASTE SOLID WASTE REGISTRATION # (SWR)** 97981

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

**Date Compliance History Report Prepared:** August 16, 2021

**Agency Decision Requiring Compliance History:** Enforcement

**Component Period Selected:** August 16, 2016 to August 16, 2021

**TCEQ Staff Member to Contact for Additional Information Regarding This Compliance History.**  
**Name:** Hailey Johnson **Phone:** (512) 239-1756

## 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 2 December 08, 2020 (1685643)

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

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

N/A

### **F. Environmental audits:**

N/A

### **G. Type of environmental management systems (EMSs):**

N/A

**H. Voluntary on-site compliance assessment dates:**

N/A

**I. Participation in a voluntary pollution reduction program:**

N/A

**J. Early compliance:**

N/A

**Sites Outside of Texas:**

N/A

# TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN  
ENFORCEMENT ACTION  
CONCERNING**

**BAZE CHEMICAL, INC. DBA  
BAZE CHEMICAL PALESTINE  
RN106952518**

§  
§  
§  
§  
§  
§

**BEFORE THE**

**TEXAS COMMISSION ON**

**ENVIRONMENTAL QUALITY**

## **AGREED ORDER DOCKET NO. 2021-0984-MLM-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 BAZE CHEMICAL, INC. dba Baze Chemical Palestine (the "Respondent") under the authority of TEX. HEALTH & SAFETY CODE chs. 361 and 371 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent together stipulate that:

1. The Respondent owns and operates a chemical production facility located at 2187 East Farm-to-Market Road 323 in Palestine, Anderson County, Texas (the "Facility"). The Facility involves or involved the management of industrial and hazardous waste ("IHW"), as defined in TEX. HEALTH & SAFETY CODE ch. 361, and used oil, as defined in TEX. HEALTH & SAFETY CODE ch. 371.
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 chs. 361 and 371 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 \$68,183 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent paid \$54,547 of the penalty and \$13,636 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 properly labeled the four containers storing used oil with the words "Used Oil" at the Facility as of July 10, 2021.

## **II. ALLEGATIONS**

During an investigation conducted on April 27, 2021, an investigator documented that the Respondent:

1. Failed to conduct hazardous waste determinations and waste classifications, in violation of 30 TEX. ADMIN. CODE §§ 335.62, 335.503(a), and 335.504 and 40 CODE OF FEDERAL REGULATIONS ("CFR") § 262.11. Specifically, hazardous waste determinations and waste classifications were not conducted on open top totes of stormwater basin sludge, old stored chemical products in the building on the southwest corner of the property, and skimmed liquid from the stormwater basin.
2. Failed to submit to the Executive Director a complete and correct Annual Waste Summary ("AWS") detailing the management of each hazardous and Class 1 waste generated on-site during the reporting calendar year, in violation of 30 TEX. ADMIN. CODE § 335.9(a)(2). Specifically, the Respondent generated and shipped approximately 600,000 pounds of distillate between November 2020 and March 2021 and did not submit an AWS for the 2020 calendar year.
3. Failed to label all hazardous waste containers with the date upon which each period of accumulation begins and with the words "Hazardous Waste", in violation of 30 TEX. ADMIN. CODE § 335.69(a)(2) and (a)(3) and 40 CFR § 262.34(a)(2) and (a)(3). Specifically, approximately 150 330-gallon totes containing distillate were not properly labeled.
4. Failed to inspect areas where waste containers are stored at least weekly to look for leaking containers or deterioration of containers caused by corrosion or other factors, in

violation of 30 TEX. ADMIN. CODE §§ 335.69(a)(1)(A) and 335.112(a)(8) and 40 CFR § 265.174.

5. Failed to notify the Commission of the generation, storage, and disposal of IHW at least 90 days prior to engaging in such activities, in violation of 30 TEX. ADMIN. CODE § 335.6(a) and (c). Specifically, the Respondent had not submitted a Notice of Registration ("NOR") for waste activities involving the generation and processing of approximately 600,000 pounds of distillate from November 2020 through March 2021, the storage of approximately 150 totes of distillate, and the generation and storage of stormwater basin sludge, old stored chemical products in the building on the southwest corner of the property, and skimmed liquid from the stormwater basin.
6. Caused, suffered, allowed, or permitted the unauthorized disposal of industrial hazardous waste, in violation of 30 TEX. ADMIN. CODE § 335.4. Specifically, approximately 3.4 cubic yards of chemical waste was disposed of in the truck scale basin at the Facility which had spilled over onto the adjacent ground impacting approximately 1,500 square feet of soil. Additionally, an investigator documented leaking containers of chemical product at the Facility including but not limited to three 55-gallon drums containing clear liquid and a white powder substance with approximately 40 gallons of leaking chemical discharge and six five-gallon buckets containing a white powder, a blue powder, a thick white liquid, and dark oily liquids, with approximately 15 gallons of leaking chemical discharge onto the surrounding concrete.
7. Caused, suffered, allowed, or permitted the unauthorized storage of IHW, in violation of 30 TEX. ADMIN. CODE § 335.2(a) and (b). Specifically, the Respondent was storing 150 330-gallon totes of distillate at the Facility without authorization.
8. Failed to label or clearly mark containers used to store used oil with the words "Used Oil, " in violation of 30 TEX. ADMIN. CODE § 324.6 and 40 CFR § 279.22(c)(1). Specifically, four containers storing used oil were not labeled.

### **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: BAZE CHEMICAL, INC. dba Baze Chemical Palestine, Docket No. 2021-0984-MLM-E" to:

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

2. The Respondent shall undertake the following technical requirements:
  - a. Immediately upon the effective date of this Order:
    - i. Cease discharging and/or disposing of any additional IHW at the Facility; and
    - ii. Cease storing any additional (i.e., newly generated) IHW at the Facility in excess of 90 days until proper authorization is obtained.
  - b. Within 30 days after the effective date of this Order:
    - i. Conduct waste determinations and waste classifications on all waste streams, in accordance with 30 TEX. ADMIN. CODE §§ 335.62, 335.503, and 335.504, and 40 CFR § 262.11;
    - ii. Develop and implement procedures to ensure that the AWS is submitted timely, in accordance with 30 TEX. ADMIN. CODE § 335.9;
    - iii. Label all hazardous waste containers with the date upon which each period of accumulation began and with the words "Hazardous Waste", in accordance with 30 TEX. ADMIN. CODE § 335.69 and 40 CFR § 262.34;
    - iv. Develop and implement procedures to ensure weekly inspections of container storage areas are being conducted, in accordance with 30 TEX. ADMIN. CODE §§ 335.69 and 335.112 and 40 CFR § 265.174;
    - v. Properly complete and submit an NOR to notify the TCEQ of waste activities conducted at the Facility including but not limited to the generation, storage, and disposal of IHW, in accordance with 30 TEX. ADMIN. CODE § 335.6, to:

Texas Commission on Environmental Quality  
Registration and Reporting Section MC-129  
P.O. Box 13087  
Austin, Texas 78711-3087
    - vi. Develop and implement procedures to prevent future spills and/or discharges of IHW at the Facility;
    - vii. Cleanup and remove all contaminated soils and discharges at the Facility using appropriate corrective measures and dispose of it at an authorized facility; and

- viii. Collect and submit soil samples for analysis to verify that the area has been restored to pre-contaminated conditions at the addresses listed in Ordering Provision No. 2.e.
- c. Within 75 days after the effective date of this Order:
  - i. Remove all unauthorized IHW at the Facility and dispose of it at an authorized facility; and
  - ii. Develop and implement procedures to ensure IHW is not stored at the Facility for longer than 90 days and the waste unit meets requirements of 30 TEX. ADMIN. CODE § 335.69.
- d. In lieu of Ordering Provision No. 2.c, within 365 days after the effective date of this Order, obtain an IHW permit to store IHW at the Facility, in accordance with 30 TEX. ADMIN. CODE § 335.2.
- e. Within 380 days after the effective date of this Order, submit written certification, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision Nos. 2.a, 2.b, and 2.c; or 2.a, 2.b, and 2.d. The certification shall be signed by the 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 fines and imprisonment for knowing violations."

The certification shall be submitted to:

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

with a copy to:

Waste Section Manager  
Tyler Regional Office  
Texas Commission on Environmental Quality  
2916 Teague Drive  
Tyler, Texas 75701-3734

- 3. All relief not expressly granted in this Order is denied.

4. 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 Facility operations referenced in this Order.
5. If the 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, the Respondent's failure to comply is not a violation of this Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
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 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. Extension requests shall be sent to the Order Compliance Team at the address listed above.
7. 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.
8. 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.
9. 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



12/5/2022

For the Executive Director

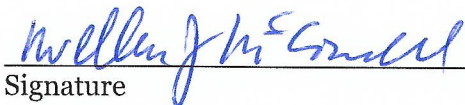
Date

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

10/21/2022

Date

William J. McConnell

Name (Printed or typed)

Chief Operating Officer

Title

Authorized Representative of

BAZE CHEMICAL, INC. dba Baze Chemical Palestine

☐ 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.