

Executive Summary – Enforcement Matter – Case No. 61053
Arnold Oil Company Fuels, LLC dba Arnold Oil Fuels
RN107839136
Docket No. 2021-1044-MLM-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

MLM – IHW, PST, and Used Oil

Small Business:

Yes

Location(s) Where Violation(s) Occurred:

Arnold Oil Fuels, 5812 North Farm-to-Market Road 1788, Midland, Midland County

Type of Operation:

Aboveground storage tank ("AST") system and a petroleum products wholesale facility

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: The complainant has expressed an interest in this matter but does not wish to speak at Agenda.

Texas Register Publication Date: May 20, 2022

Comments Received: No

Penalty Information

Total Penalty Assessed: \$17,501

Amount Deferred for Expedited Settlement: \$3,500

Total Paid to General Revenue: \$14,001

Total Due to General Revenue: \$0

Payment Plan: N/A

Compliance History Classifications:

Person/CN - Unclassified

Site/RN - Unclassified

Major Source: No

Statutory Limit Adjustment: N/A

Applicable Penalty Policy: January 2021

Investigation Information

Complaint Date(s): January 28, 2021

Complaint Information: Alleged diesel fuel and oil spills were the result of improper storage.

Date(s) of Investigation: April 21, 2021

Date(s) of NOE(s): July 2, 2021

Executive Summary – Enforcement Matter – Case No. 61053
Arnold Oil Company Fuels, LLC dba Arnold Oil Fuels
RN107839136
Docket No. 2021-1044-MLM-E

Violation Information

1. Caused, suffered, allowed, or permitted the unauthorized disposal of industrial and solid waste. Specifically, numerous smaller spills of petroleum products were observed on the ground beneath partially empty totes, including a stained soil area of approximately 45 feet by 10 feet near tanks containing kerosene [30 TEX. ADMIN. CODE § 335.4].
2. Failed to immediately abate and contain a spill or discharge of petroleum products. Specifically, two separate discharges of petroleum products were observed on the ground beneath partially empty totes with oil-stained soil areas measuring approximately 25 feet by 25 feet and 16 feet by 40 feet [30 TEX. ADMIN. CODE § 327.5(a)].
3. Failed to notify the agency as soon as possible but not later than 24 hours after the discovery of a reportable spill or discharge. Specifically, two separate discharges of petroleum products were observed on the ground beneath partially empty totes that were not reported [30 TEX. ADMIN. CODE § 327.3(b)].
4. Failed to register all ASTs in existence on or after September 1, 1989 with the agency [30 TEX. ADMIN. CODE § 334.127(a)(1) and TEX. WATER CODE § 26.346(a)].
5. Failed to label or clearly mark containers used to store used oil with the words "Used Oil" [30 TEX. ADMIN. CODE § 324.6 and 40 CODE OF FEDERAL REGULATIONS ("CFR") § 279.22(c)(1)].
6. Failed to keep containers used to store used oil in good condition and not leaking. Specifically, an investigator observed that some containers used to store used oil at the Facility were next to areas of stained soil on the ground, and that some containers had been plugged with absorbent pads, indicating that the containers were not leak-proof [30 TEX. ADMIN. CODE § 324.4 and 40 CFR § 279.22(b)(1) and (b)(2)].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

The Respondent implemented the following corrective measures:

- a. Developed and implemented procedures to ensure that any spill or discharge is reported to the TCEQ within 24 hours on July 26, 2021;
- b. Submitted a properly completed AST registration form for all ASTs at the Facility on June 22, 2021;

Executive Summary – Enforcement Matter – Case No. 61053
Arnold Oil Company Fuels, LLC dba Arnold Oil Fuels
RN107839136
Docket No. 2021-1044-MLM-E

- c. Marked and clearly labelled all used oil containers with the words "Used Oil" on August 3, 2021; and
- d. Properly stored used oil in leak-proof containers that are in good condition on August 3, 2021.

Technical Requirements:

The Order will require the Respondent to:

- a. Within 30 days, properly remove all contaminated soils from the Facility and dispose of it at an authorized facility using appropriate corrective measures;
- b. Within 45 days, submit written certification to demonstrate compliance with a.;
- c. Within 90 days, conduct an investigation to determine whether response actions at the Facility are necessary and submit the investigation results;
- d. Respond completely and adequately, as determined by the TCEQ, to all requests for information concerning the investigation results within 15 days after the date of such requests or by any other deadline specified in writing by the TCEQ;
- e. If the Executive Director ("ED") determines that response actions are necessary, the Respondent shall submit, by the deadline prescribed by the ED, an Affected Property Assessment Report ("APAR") to the Order Compliance Team and to any additional addresses as directed by the ED;
- f. If the ED determines that the APAR indicates that additional response actions are necessary, the Respondent shall comply with and perform, by the deadline prescribed by the ED, all applicable requirements of the Texas Risk Reduction Program; and
- g. If the ED determines that the APAR indicates that additional response actions are necessary, the Respondent shall submit, by the deadline prescribed by the ED, written certification to demonstrate compliance with f.

Executive Summary – Enforcement Matter – Case No. 61053
Arnold Oil Company Fuels, LLC dba Arnold Oil Fuels
RN107839136
Docket No. 2021-1044-MLM-E

Contact Information

TCEQ Attorney: N/A

TCEQ Enforcement Coordinator: Karolyn Kent, Enforcement Division,
Enforcement Team 3, MC 219, (512) 239-2536; Michael Parrish, Enforcement Division,
MC 219, (512) 239-2548

Respondent: Gary Gregory, Senior Vice President, Arnold Oil Company Fuels, LLC,
5909 Burleson Road, Austin, Texas 78744-1202

Respondent's Attorney: N/A



Penalty Calculation Worksheet (PCW)

Policy Revision 5 (January 28, 2021)

PCW Revision February 11, 2021

DATES	Assigned	6-Jul-2021	Screening	15-Jul-2021	EPA Due	
	PCW	22-Mar-2022				

RESPONDENT/FACILITY INFORMATION	
Respondent	Arnold Oil Company Fuels, LLC dba Arnold Oil Fuels
Reg. Ent. Ref. No.	RN107839136
Facility/Site Region	7-Midland
Major/Minor Source	Minor

CASE INFORMATION			
Enf./Case ID No.	61053	No. of Violations	3
Docket No.	2021-1044-MLM-E	Order Type	1660
Media Program(s)	Industrial and Hazardous Waste and Petroleum Storage Tank	Government/Non-Profit	No
Multi-Media	Used Oil	Enf. Coordinator	Karolyn Kent
		EC's Team	Enforcement Team 6
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$25,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$16,250
---	-------------------	-----------------

ADJUSTMENTS (+/-) TO SUBTOTAL 1		
Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.		
Compliance History	0.0% Adjustment	Subtotals 2, 3, & 7 \$0
Notes	No adjustment for compliance history.	
Culpability	No 0.0% Enhancement	Subtotal 4 \$0
Notes	The Respondent does not meet the culpability criteria.	
Good Faith Effort to Comply Total Adjustments		Subtotal 5 -\$875
Economic Benefit		0.0% Enhancement* Subtotal 6 \$0
Total EB Amounts	\$4,657	*Capped at the Total EB \$ Amount
Estimated Cost of Compliance	\$51,242	

SUM OF SUBTOTALS 1-7	Final Subtotal	\$15,375
-----------------------------	-----------------------	-----------------

OTHER FACTORS AS JUSTICE MAY REQUIRE	0.7% Adjustment	\$101
Reduces or enhances the Final Subtotal by the indicated percentage.		
Notes	Recommended enhancement to capture the avoided cost of compliance associated with Violation No. 2.	
	Final Penalty Amount	\$15,476

STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$15,476
-----------------------------------	-------------------------------	-----------------

DEFERRAL	20.0% Reduction Adjustment	-\$3,095
Reduces the Final Assessed Penalty by the indicated percentage.		
Notes	Deferral offered for expedited settlement.	

PAYABLE PENALTY	\$12,381
------------------------	-----------------

Screening Date 15-Jul-2021

Docket No. 2021-1044-MLM-E

PCW

Respondent Arnold Oil Company Fuels, LLC dba Arnold Oil Fuels

Policy Revision 5 (January 28, 2021)

Case ID No. 61053

PCW Revision February 11, 2021

Reg. Ent. Reference No. RN107839136

Media Industrial and Hazardous Waste and Petroleum Storage Tank

Enf. Coordinator Karolyn Kent

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)

Unclassified

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

No adjustment for compliance history.

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

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 0%

Screening Date 15-Jul-2021

Docket No. 2021-1044-MLM-E

PCW

Respondent Arnold Oil Company Fuels, LLC dba Arnold Oil Fuels

Policy Revision 5 (January 28, 2021)

Case ID No. 61053

PCW Revision February 11, 2021

Reg. Ent. Reference No. RN107839136

Media Industrial and Hazardous Waste and Petroleum Storage Tank

Enf. Coordinator Karolyn Kent

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code §§ 335.4 and 327.5(a)

Violation Description Caused, suffered, allowed, or permitted the unauthorized disposal of industrial and solid waste, and failed to immediately abate and contain a spill or discharge of petroleum products. Specifically, two separate discharges of petroleum products were observed on the ground beneath partially empty totes with oil-stained soil areas measuring approximately 25 feet by 25 feet and 16 feet by 40 feet, and numerous smaller spills of petroleum products were observed on the ground beneath partially empty totes, including a stained soil area of approximately 45 feet by 10 feet near tanks containing kerosene.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

Table with columns: Release (Actual, Potential), Harm (Major, Moderate, Minor), and Percent (15.0%).

>> Programmatic Matrix

Table with columns: Falsification, Major, Moderate, Minor, and Percent (0.0%).

Matrix Notes 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.

Adjustment \$21,250

\$3,750

Violation Events

Number of Violation Events 3 Number of violation days 85

Table with frequency categories: daily, weekly, monthly, quarterly, semiannual, annual, single event.

Violation Base Penalty \$11,250

Three quarterly events (one for each spill location) are recommended from the April 21, 2021 investigation date to the July 15, 2021 screening date.

Good Faith Efforts to Comply

0.0% Reduction \$0

Table with columns: Before NOE/NOV, NOE/NOV to EDPRP/Settlement Offer, and rows: Extraordinary, Ordinary, N/A.

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

Violation Subtotal \$11,250

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$4,555

Violation Final Penalty Total \$11,324

This violation Final Assessed Penalty (adjusted for limits) \$11,324

Economic Benefit Worksheet

Respondent Arnold Oil Company Fuels, LLC dba Arnold Oil Fuels
Case ID No. 61053
Reg. Ent. Reference No. RN107839136
Media Industrial and Hazardous Waste and Petroleum Storage Tank
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
------------------	-----------	---------------	------------	-----	----------------	-------------	-----------

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	\$50,000	21-Apr-2021	2-Feb-2023	1.79	\$4,466	n/a	\$4,466
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$1,002	21-Apr-2021	2-Feb-2023	1.79	\$89	n/a	\$89
Notes for DELAYED costs	Estimated delayed cost to remove all contaminated soils from the Facility and dispose of it at an authorized facility using appropriate corrective measures (\$1,002), and to conduct the affected property assessment (\$50,000). 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	\$51,002	TOTAL	\$4,555
-----------------------------------	----------	--------------	---------

Screening Date 15-Jul-2021 **Docket No.** 2021-1044-MLM-E **PCW**
Respondent Arnold Oil Company Fuels, LLC dba Arnold Oil Fuels *Policy Revision 5 (January 28, 2021)*
Case ID No. 61053 *PCW Revision February 11, 2021*
Reg. Ent. Reference No. RN107839136
Media Industrial and Hazardous Waste and Petroleum Storage Tank
Enf. Coordinator Karolyn Kent

Violation Number

Rule Cite(s)

Violation Description

Base Penalty

>> Environmental, Property and Human Health Matrix

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

Falsification	Major	Moderate	Minor	Percent
<input type="text"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text" value="10.0%"/>

Matrix Notes

Adjustment

Violation Events

Number of Violation Events Number of violation days

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

Violation Base Penalty

Good Faith Efforts to Comply Reduction

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

Notes

Violation Subtotal

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

Estimated EB Amount **Violation Final Penalty Total**

This violation Final Assessed Penalty (adjusted for limits)

Economic Benefit Worksheet

Respondent Arnold Oil Company Fuels, LLC dba Arnold Oil Fuels
Case ID No. 61053
Reg. Ent. Reference No. RN107839136
Media Industrial and Hazardous Waste and Petroleum Storage Tank
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
------------------	-----------	---------------	------------	-----	----------------	-------------	-----------

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)	\$100	21-Apr-2021	26-Jul-2021	0.26	\$1	n/a	\$1

Notes for DELAYED costs

Estimated delayed cost to develop and implement procedures to ensure that any spill or discharge is reported to the TCEQ within 24 hours. 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	\$100	21-Apr-2021	15-Jul-2021	0.23	\$1	\$100	\$101
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Estimated avoided cost to report a discharge of petroleum products to the TCEQ within 24 hours. The Date Required is the investigation date, and the Final Date is the screening date.

Approx. Cost of Compliance

\$200

TOTAL

\$102

Screening Date 15-Jul-2021 **Docket No.** 2021-1044-MLM-E **PCW**
Respondent Arnold Oil Company Fuels, LLC dba Arnold Oil Fuels *Policy Revision 5 (January 28, 2021)*
Case ID No. 61053 *PCW Revision February 11, 2021*
Reg. Ent. Reference No. RN107839136
Media Industrial and Hazardous Waste and Petroleum Storage Tank
Enf. Coordinator Karolyn Kent

Violation Number 3
Rule Cite(s) 30 Tex. Admin. Code § 334.127(a)(1) and Tex. Water Code § 26.346(a)
Violation Description Failed to register all aboveground storage tanks ("ASTs") in existence on or after September 1, 1989 with the agency.

Base Penalty \$25,000

>> **Environmental, Property and Human Health Matrix**

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual				0.0%
	Potential				

>> **Programmatic Matrix**

	Falsification	Major	Moderate	Minor	Percent
		X			10.0%

Matrix Notes 100% of the rule requirement was not met.

Adjustment \$22,500

\$2,500

Violation Events

Number of Violation Events 1 62 Number of violation days

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	X

Violation Base Penalty \$2,500

One single event is recommended.

Good Faith Efforts to Comply 25.0% Reduction \$625

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

Notes The Respondent came into compliance on June 22, 2021 by submitting a properly completed AST registration form for the AST system before the July 2, 2021 NOE.

Violation Subtotal \$1,875

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

Estimated EB Amount \$0 **Violation Final Penalty Total** \$1,887

This violation Final Assessed Penalty (adjusted for limits) \$1,887

Economic Benefit Worksheet

Respondent Arnold Oil Company Fuels, LLC dba Arnold Oil Fuels
Case ID No. 61053
Reg. Ent. Reference No. RN107839136
Media Industrial and Hazardous Waste and Petroleum Storage Tank
Violation No. 3

Percent Interest	Years of Depreciation
5.0	15

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

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)	\$40	21-Apr-2021	22-Jun-2021	0.17	\$0	n/a	\$0

Notes for DELAYED costs

Estimated delayed cost to submit a properly completed AST registration form for all ASTs at the Facility. 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

\$40

TOTAL

\$0



Penalty Calculation Worksheet (PCW)

Policy Revision 5 (January 28, 2021)

PCW Revision February 11, 2021

DATES	Assigned	6-Jul-2021			
	PCW	22-Mar-2022	Screening	15-Jul-2021	EPA Due

RESPONDENT/FACILITY INFORMATION	
Respondent	Arnold Oil Company Fuels, LLC dba Arnold Oil Fuels
Reg. Ent. Ref. No.	RN107839136
Facility/Site Region	7-Midland
Major/Minor Source	Minor

CASE INFORMATION			
Enf./Case ID No.	61053	No. of Violations	2
Docket No.	2021-1044-MLM-E	Order Type	1660
Media Program(s)	Used Oil	Government/Non-Profit	No
Multi-Media	Industrial and Hazardous Waste and Petroleum Storage Tank	Enf. Coordinator	Karolyn Kent
		EC's Team	Enforcement Team 6
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$5,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$2,250
---	-------------------	---------

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History	0.0% Adjustment	Subtotals 2, 3, & 7	\$0
---------------------------	-----------------	--------------------------------	-----

Notes: No adjustment for compliance history.

Culpability	No	0.0% Enhancement	Subtotal 4	\$0
--------------------	----	------------------	-------------------	-----

Notes: The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply Total Adjustments	Subtotal 5	-\$225
--	-------------------	--------

Economic Benefit	0.0% Enhancement*	Subtotal 6	\$0
-------------------------	-------------------	-------------------	-----

Total EB Amounts: \$8
 Estimated Cost of Compliance: \$545
 *Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7	Final Subtotal	\$2,025
-----------------------------	-----------------------	---------

OTHER FACTORS AS JUSTICE MAY REQUIRE	0.0%	Adjustment	\$0
---	------	-------------------	-----

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

Final Penalty Amount \$2,025

STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$2,025
-----------------------------------	-------------------------------	---------

DEFERRAL	20.0%	Reduction	Adjustment	-\$405
-----------------	-------	-----------	-------------------	--------

Reduces the Final Assessed Penalty by the indicated percentage.

Notes:

Deferral offered for expedited settlement.

PAYABLE PENALTY	\$1,620
------------------------	---------

Screening Date 15-Jul-2021

Docket No. 2021-1044-MLM-E

PCW

Respondent Arnold Oil Company Fuels, LLC dba Arnold Oil Fuels

Policy Revision 5 (January 28, 2021)

Case ID No. 61053

PCW Revision February 11, 2021

Reg. Ent. Reference No. RN107839136

Media Used Oil

Enf. Coordinator Karolyn Kent

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)

Unclassified

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

No adjustment for compliance history.

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

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 0%

Screening Date 15-Jul-2021

Docket No. 2021-1044-MLM-E

PCW

Respondent Arnold Oil Company Fuels, LLC dba Arnold Oil Fuels

Policy Revision 5 (January 28, 2021)

Case ID No. 61053

PCW Revision February 11, 2021

Reg. Ent. Reference No. RN107839136

Media Used Oil

Enf. Coordinator Karolyn Kent

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code § 324.6 and 40 Code of Federal Regulations ("CFR") § 279.22(c)(1)

Violation Description Failed to label or clearly mark containers used to store used oil with the words "Used Oil".

Base Penalty \$5,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	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

85 Number of violation days

daily	
weekly	
monthly	X
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty \$1,500

Three monthly events are recommended from the April 21, 2021 investigation date to the July 15, 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 came into compliance by marking and clearly labelling all used oil containers with the words "Used Oil" on August 3, 2021, after the July 2, 2021 Notice of Enforcement ("NOE").

Violation Subtotal \$1,350

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$1

Violation Final Penalty Total \$1,350

This violation Final Assessed Penalty (adjusted for limits) \$1,350

Economic Benefit Worksheet

Respondent Arnold Oil Company Fuels, LLC dba Arnold Oil Fuels
Case ID No. 61053
Reg. Ent. Reference No. RN107839136
Media Violation No. 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
------------------	-----------	---------------	------------	-----	----------------	-------------	-----------

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)	\$45	21-Apr-2021	3-Aug-2021	0.28	\$1	n/a	\$1

Notes for DELAYED costs

Estimated delayed cost to mark or clearly label all used oil containers with the words "Used Oil". 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

\$45

TOTAL

\$1

Screening Date 15-Jul-2021 **Docket No.** 2021-1044-MLM-E **PCW**
Respondent Arnold Oil Company Fuels, LLC dba Arnold Oil Fuels *Policy Revision 5 (January 28, 2021)*
Case ID No. 61053 *PCW Revision February 11, 2021*
Reg. Ent. Reference No. RN107839136
Media Used Oil
Enf. Coordinator Karolyn Kent

Violation Number 2
Rule Cite(s) 30 Tex. Admin. Code § 324.4 and 40 CFR § 279.22(b)(1) and (b)(2)
Violation Description Failed to keep containers used to store used oil in good condition and not leaking. Specifically, an investigator observed that some containers used to store used oil at the Facility were next to areas of stained soil on the ground, and that some containers had been plugged with absorbent pads, indicating that the containers were not leak-proof.

Base Penalty \$5,000

>> Environmental, Property and Human Health Matrix

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

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor	
					Percent 0.0%

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

Adjustment \$4,250

\$750

Violation Events

Number of Violation Events 1 85 Number of violation days

daily	
weekly	
monthly	
quarterly	X
semiannual	
annual	
single event	

Violation Base Penalty \$750

One quarterly event is recommended from the April 21, 2021 investigation date to the July 15, 2021 screening date.

Good Faith Efforts to Comply 10.0% Reduction \$75

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

Notes The Respondent came into compliance by properly storing used oil in leak-proof containers that are in good condition on August 3, 2021, after the July 2, 2021 NOE.

Violation Subtotal \$675

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

Estimated EB Amount \$7 **Violation Final Penalty Total** \$675

This violation Final Assessed Penalty (adjusted for limits) \$675

Economic Benefit Worksheet

Respondent Arnold Oil Company Fuels, LLC dba Arnold Oil Fuels
Case ID No. 61053
Reg. Ent. Reference No. RN107839136
Media Violation No. Used Oil
 2

Percent Interest	Years of Depreciation
5.0	15

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

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)	\$500	21-Apr-2021	3-Aug-2021	0.28	\$7	n/a	\$7

Notes for DELAYED costs

Estimated delayed cost to properly store used oil in leak-proof containers that are in good condition. 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

\$500

TOTAL

\$7

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 CN604162933, RN107839136, Rating Year 2021 which includes Compliance History (CH) components from September 1, 2016, through August 31, 2021.

Customer, Respondent, or Owner/Operator: CN604162933, Arnold Oil Company Fuels, LLC **Classification:** UNCLASSIFIED **Rating:** -----

Regulated Entity: RN107839136, Arnold Oil Fuels **Classification:** UNCLASSIFIED **Rating:** -----

Complexity Points: 1 **Repeat Violator:** NO

CH Group: 14 - Other

Location: 5812 North Farm-to-Market Road 1788, Midland, Midland County, Texas 79707-2171

TCEQ Region: REGION 07 - MIDLAND

ID Number(s):

PETROLEUM STORAGE TANK REGISTRATION REGISTRATION 87277 **USED OIL REGISTRATION** C89444

Compliance History Period: September 01, 2016 to August 31, 2021 **Rating Year:** 2021 **Rating Date:** 09/01/2021

Date Compliance History Report Prepared: December 03, 2021

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: December 03, 2016 to December 03, 2021

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

Name: Karolyn Kent

Phone: (512) 239-2536

Site and Owner/Operator History:

- 1) Has the site been in existence and/or operation for the full five year compliance period? YES
- 2) Has there been a (known) change in ownership/operator of the site during the compliance period? NO

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

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

N/A

B. Criminal convictions:

N/A

C. Chronic excessive emissions events:

N/A

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

Item 1	August 10, 2017	(1430028)
Item 2	October 30, 2017	(1447577)

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
ARNOLD OIL COMPANY FUELS,
LLC DBA ARNOLD OIL FUELS
RN107839136**

**§
§
§
§
§
§**

**BEFORE THE

TEXAS COMMISSION ON

ENVIRONMENTAL QUALITY**

**AGREED ORDER
DOCKET NO. 2021-1044-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 Arnold Oil Company Fuels, LLC dba Arnold Oil Fuels (the "Respondent") under the authority of TEX. HEALTH & SAFETY CODE chs. 361 and 371 and TEX. WATER CODE chs. 7 and 26. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent together stipulate that:

1. The Respondent owns and operates, as defined in 30 TEX. ADMIN. CODE § 334.2(78) and (75), an aboveground storage tank ("AST") system and a petroleum products wholesale facility located at 5812 North Farm-to-Market Road 1788 in Midland, Midland County, Texas (the "Facility"). The Facility involves or involved the management of industrial and solid waste ("ISW") as defined in TEX. HEALTH & SAFETY CODE ch. 361. The Facility involves or involved the management of used oil as defined in TEX. HEALTH & SAFETY CODE ch. 371. The AST system at the Facility is not exempt or excluded from regulation under the Texas Water Code or the rules of the Commission, and contains or contained a regulated petroleum substance as defined in the rules of the TCEQ.
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, TEX. WATER CODE ch. 26, and the rules of the TCEQ.
3. The occurrence of any violation is in dispute and the entry of this Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
4. An administrative penalty in the amount of \$17,501 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent paid \$14,001 of the penalty and \$3,500 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 Facility:
 - a. Developed and implemented procedures to ensure that any spill or discharge is reported to the TCEQ within 24 hours on July 26, 2021;
 - b. Submitted a properly completed AST registration form for all ASTs at the Facility on June 22, 2021;
 - c. Marked and clearly labelled all used oil containers with the words "Used Oil" on August 3, 2021; and
 - d. Properly stored used oil in leak-proof containers that are in good condition on August 3, 2021.

II. ALLEGATIONS

During an investigation conducted on April 21, 2021, an investigator documented that the Respondent:

1. Caused, suffered, allowed, or permitted the unauthorized disposal of ISW, in violation of 30 TEX. ADMIN. CODE § 335.4. Specifically, numerous smaller spills of petroleum products were observed on the ground beneath partially empty totes, including a stained soil area of approximately 45 feet by 10 feet near tanks containing kerosene.
2. Failed to immediately abate and contain a spill or discharge of petroleum products, in violation of 30 TEX. ADMIN. CODE § 327.5(a). Specifically, two separate discharges of

petroleum products were observed on the ground beneath partially empty totes with oil-stained soil areas measuring approximately 25 feet by 25 feet and 16 feet by 40 feet.

3. Failed to notify the agency as soon as possible but not later than 24 hours after the discovery of a reportable spill or discharge, in violation of 30 TEX. ADMIN. CODE § 327.3(b). Specifically, two separate discharges of petroleum products were observed on the ground beneath partially empty totes that were not reported.
4. Failed to register all ASTs in existence on or after September 1, 1989 with the agency, in violation of 30 TEX. ADMIN. CODE § 334.127(a)(1) and TEX. WATER CODE § 26.346(a).
5. 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 CODE OF FEDERAL REGULATIONS ("CFR") § 279.22(c)(1).
6. Failed to keep containers used to store used oil in good condition and not leaking, in violation of 30 TEX. ADMIN. CODE § 324.4 and 40 CFR § 279.22(b)(1) and (b)(2). Specifically, an investigator observed that some containers used to store used oil at the Facility were next to areas of stained soil on the ground, and that some containers had been plugged with absorbent pads, indicating that the containers were not leak-proof.

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: Arnold Oil Company Fuels, LLC dba Arnold Oil Fuels, Docket No. 2021-1044-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. Within 30 days after the effective date of this Order, properly remove all contaminated soils from the Facility and dispose of it at an authorized facility using appropriate corrective measures, in accordance with 30 TEX. ADMIN. CODE §§ 327.5 and 335.4.

- b. Within 45 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 No. 2.a, in accordance with Ordering Provision No. 2.h below.
- c. Within 90 days after the effective date of this Order, conduct an investigation to determine whether response actions at the Facility are necessary under the Texas Risk Reduction Program ("TRRP"), 30 TEX. ADMIN. CODE ch. 350, and submit the investigation results to the Executive Director, via the Order Compliance Team, to the address listed in Ordering Provision No. 2.h. The investigation results shall be accompanied by detailed supporting documentation, including photographs, receipts, and/or other records, shall be signed by the Respondent, and shall include the certification language found in Ordering Provision No. 2.h.
- d. Respond completely and adequately, as determined by the TCEQ, to all requests for information concerning the investigation results within 15 days after the date of such requests or by any other deadline specified in writing by the TCEQ.
- e. If the Executive Director determines that response actions pursuant to 30 TEX. ADMIN. CODE ch. 350 are necessary, the Respondent shall submit, by the deadline prescribed by the Executive Director, an Affected Property Assessment Report ("APAR"), pursuant to 30 TEX. ADMIN. CODE § 350.91, to the Order Compliance Team at the address listed in Ordering Provision No. 2.h, and to any additional addresses as directed by the Executive Director.
- f. If the Executive Director determines that the APAR indicates that additional response actions are necessary, the Respondent shall comply with and perform, by the deadline prescribed by the Executive Director, all applicable requirements of TRRP, which may include plans, reports, and notices under Subchapter E (30 TEX. ADMIN. CODE §§ 350.92 to 350.96); financial assurance (30 TEX. ADMIN. CODE § 350.33(l)); and institutional controls under Subchapter F (30 TEX. ADMIN. CODE § 350.111).
- g. If the Executive Director determines that the APAR indicates that additional response actions are necessary, the Respondent shall submit, by the deadline prescribed by the Executive Director, written certification, in accordance with Ordering Provision No. 2.h, to demonstrate compliance with Ordering Provision No. 2.f.
- h. The certifications required by these Ordering Provisions shall be accompanied by detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance, 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
Midland Regional Office
Texas Commission on Environmental Quality
9900 West IH-20, Suite 100
Midland, Texas 79706

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



For the Executive Director

9/28/2022

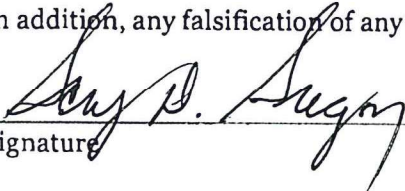
Date

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

4/18/22

Date

Gary D. Gregory

Executive Vice President/General Manager

Name (Printed or typed)

Title

Authorized Representative of

Arnold Oil Company Fuels, LLC dba Arnold Oil Fuels

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.