

**Executive Summary – Enforcement Matter – Case No. 61896**  
**Texas Sigma Partners, LLC**  
**RN111126124**  
**Docket No. 2022-0166-AIR-E**

**Order Type:**

1660 Agreed Order

**Findings Order Justification:**

N/A

**Media:**

AIR

**Small Business:**

No

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

Texas Sigma Partners, 400 All Star Drive, Winnsboro, Wood County

**Type of Operation:**

Granulation fertilizer plant

**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:** July 15, 2022

**Comments Received:** No

***Penalty Information***

**Total Penalty Assessed:** \$18,750

**Amount Deferred for Expedited Settlement:** \$3,750

**Total Paid to General Revenue:** \$15,000

**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

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***Investigation Information***

**Complaint Date(s):** January 24, 2022

**Complaint Information:** Numerous complaints, alleging bad odors and air quality.

**Date(s) of Investigation:** November 30, 2021

**Date(s) of NOE(s):** January 26, 2022

***Violation Information***

1. Failed to prevent nuisance conditions. Specifically, TCEQ staff conducted odor surveys at off-site locations at the complainants' sites or equal distance on November 30, 2021, detected light to very strong and offensive burnt manure odors, and experienced coughing and gagging that resulted in the documentation of nuisance odor and health conditions [30 TEX. ADMIN. CODE § 101.4 and TEX. HEALTH & SAFETY CODE § 382.085(a) and (b)].
2. Failed to submit an initial notification no later than 24 hours after the discovery of an excess opacity event. Specifically, initial notifications for the excess opacity events that occurred on November 11, 2021 at 3:30 a.m. was due by November 12, 2021 at 3:30 a.m., on November 15, 2021 at 1:30 p.m. was due by November 16, 2021 at 1:30 p.m., on November 30, 2021 at 5:12 p.m. was due by December 1, 2021 at 5:12 p.m., and on December 16, 2021 at 1:58 p.m. was due by December 17, 2021 at 1:58 p.m., but the four initial notifications for the excess opacity events were not submitted [30 TEX. ADMIN. CODE § 101.201(e) and TEX. HEALTH & SAFETY CODE § 382.085(b)].
3. Failed to comply with all representations with regard to construction plans, operating procedures, and maximum emissions rates in any certified registration and failed to obtain authorization prior to construction or modification of a source of air emissions. Specifically, the Respondent represented chicken manure as the only process material in the certified registration for PBR Registration No. 163167, but on November 30, 2021, the Respondent used cow manure as the process material and continued to operate the Plant without the proper authorization [30 TEX. ADMIN. CODE §§ 106.6(b) and 116.110(a), Permit by Rule ("PBR") Registration No. 163167, and TEX. HEALTH & SAFETY CODE §§ 382.0518(a) and 382.085(b)].
4. Failed to comply with all representations with regard to construction plans, operating procedures, and maximum emissions rates in any certified registration and failed to obtain authorization prior to construction or modification of a source of air emissions. Specifically, the Respondent represented an operating schedule of five days per week and eight hours per day in the certified registration for PBR Registration No. 163167, but the Respondent operated for 20 hours per day from November 15, 2021 through November 21, 2021 [30 TEX. ADMIN. CODE §§ 106.6(b) and 116.110(a), PBR Registration No. 163167, and TEX. HEALTH & SAFETY CODE §§ 382.0518(a) and 382.085(b)].

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***Corrective Actions/Technical Requirements***

**Corrective Action(s) Completed:**

The Respondent implemented the following corrective measures:

- a. Submitting an updated registration to amend PBR Registration No. 163167 to reflect the use of cow manure and to revise the hours of Plant operations by March 31, 2022; and
- b. Adding a dampener and stack to the existing process to move the atmospheric release point higher in order to reduce the potential for odors by April 14, 2022.

**Technical Requirements:**

The Order will require the Respondent to:

- a. Within 30 days:
  - i. Implement additional measures and/or procedures designed to minimize odors from the Plant from causing nuisance odor or health conditions that impact off-site receptors; and
  - ii. Submit the initial notifications for the excess opacity events that occurred on November 11, 2021, November 15, 2021, November 30, 2021, and December 16, 2021.
- b. Within 45 days, submit written certification to demonstrate compliance with a.
- c. If a registration or permit application is submitted, respond completely and adequately, as determined by the TCEQ, to all requests for information concerning the registration or permit application by any deadline specified in writing.
- d. If a registration or permit application is submitted, within 180 days after the effective date of this Order, submit written certification that either the authorization has been obtained or that operations have ceased until such time that the appropriate authorization is obtained to demonstrate compliance.

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***Contact Information***

**TCEQ Attorney:** N/A

**TCEQ Enforcement Coordinator:** Johnnie Wu, Enforcement Division, Enforcement Team 2, MC 219, (512) 239-2524; Michael Parrish, Enforcement Division, MC 219, (512) 239-2548

**Respondent:** Ryan Hawkins, President, Texas Sigma Partners, LLC, 400 All Star Drive, Winnsboro, Texas 75494

Allen Warren, Vice President, Texas Sigma Partners, LLC, 400 All Star Drive, Winnsboro, Texas 75494

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

AIR CP\_111126124\_CP\_20221130\_Investigation\_1775819\_.pdf  
**Texas Commission on Environmental Quality**  
**Investigation Report**

The TCEQ is committed to accessibility. If you need assistance in accessing this document, please contact oee@tceq.texas.gov

**Customer: Texas Sigma Partners, LLC**  
**Customer Number: CN605827542**

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**Regulated Entity Name: TEXAS SIGMA PARTNERS**

**Regulated Entity Number: RN111126124**

**Investigation #** 1775819

**Incident Numbers**

370166	371882
370882	369742
371880	370467
370466	370884
371881	370473

**Investigator:** JORDAN BELZER

**Site Classification** PERMIT BY RULE

**Conducted:** 11/30/2021 -- 11/30/2021

**SIC Code:** 2873

**NAIC Code:** 325311

**Program(s):** AIR NEW SOURCE PERMITS

**Investigation Type:** Compliance Investigation

**Location:**

**Additional ID(s):** 163167

**Address:** 400 ALL STAR DR,  
WINNSBORO, TX , 75494

**Local Unit:** REGION 05 - TYLER

**Activity Type(s):** AIRCOMPL - AIR CMPL - AIR  
COMPLAINT INV  
AIR MNSR - MINOR SOURCE NEW  
SOURCE REVIEW

**Principal(s):**

<b>Role</b>	<b>Name</b>
RESPONDENT	TEXAS SIGMA PARTNERS LLC

**Contact(s):**

<b>Role</b>	<b>Title</b>	<b>Name</b>	<b>Phone</b>
REGULATED ENTITY CONTACT	PLANT MANAGER	MR CHARLIE LITTLE	Work (865) 202-4703
NOE CONTACT	PRESIDENT	Ryan Hawkins	Cell (903) 243-0064
PARTICIPATED IN	CONSULTANT	MS GAYLE KIRKLAND	Phone (903) 297-4673 x. 212 Phone (903) 297-4673

**Other Staff Member(s):**

<b>Role</b>	<b>Name</b>
QA Reviewer	GREGGORY ORR
Supervisor	MICHELLE BAETZ
Investigator	MATTHEW HICKS

**Associated Check List**

<u>Checklist Name</u>	<u>Unit Name</u>
AIR GENERIC INVESTIGATION (10 ITEMS)	Violation List
AIR COMPLAINT INVESTIGATION	Complaints

**Investigation Comments:**

**I. INTRODUCTION/DAILY NARRATIVE**

**A. Introduction**

On November 5, 2021 a complaint concerning odors at Texas Sigma Partners in Winnsboro, TX (Wood County) was received by the Texas Commission on Environmental Quality (TCEQ) Region 5 Office (Incident #369742 - Complainant #1). The complaint was assigned to Mrs. Jordan Belzer, Environmental Investigator with the TCEQ, with a 30-day priority. Additional complaints regarding odors were received on the following dates and were worked as part of this investigation:

- November 9, 2021 – alleged odor coming from vent, blowing smoke (Incident #370166 - Complainant #6)
- November 20, 2021 – alleged plant had fire and smoke creating horrible smell, they have been sickened from it and believe livestock have as well, and cannot enjoy backyard (Incident #370466 - Complainant #4)
- November 22, 2021 – alleged the complainant experienced an odor while driving by the plant (Incident #370467 - Complainant #2)
- November 22, 2021 – alleged gagging odor from the plant (Incident #370473 – Complainant #7)
- November 29, 2021 – alleged very strong odor from plant (Incident #370882 – Complainant #3)
- November 29, 2021 – alleged terrible odor that leaves a fog from plant (Incident #370884 - Complainant #5)
- December 14, 2021 – alleged plant has had numerous emissions breaches, citizens are “fuming over the fetor”, seeking information on public health/environmental issues, impacting quality of life, property values, and realtor sales (Incident #371880 – Complainant #8)
- December 17, 2021 – alleged horrible smell that irritates eyes, nostrils, and lungs (Incident #371881 - Complainant #9)
- December 17, 2021 – alleged thick smoke coming from the fertilizer plant, have to keep children inside, respiratory issues (Incident #371882 - Complainant #10)

The complainants are labeled above based on order surveyed during the on-site investigation as stated below.

**B. Daily Narrative**

The weather conditions at the time of the investigation, per CAMS 82 in Tyler, were as follows: Wind speed 8.8 mph, wind direction 189 degrees (S), ambient temperature approximately 70 degrees F.

On November 30, 2021 at approximately 1415 hours (hrs), Mrs. Belzer and Mr. Matthew Hicks, TCEQ Investigator, arrived in the area of the plant. The investigators conducted a visible emissions and odor (VEO) survey around plant. Visible emissions were documented from the rotary kiln dryer vent that appeared to be steam. Strong odors, consistent with manure, were detected off-site, in front of the facility and northeast at the intersection of All Star Road and Highway 11. The investigators next began their surveys at each complainant’s property beginning at the furthest distance from the plant. The investigators located Complainant #1/#2 residences and documented no odors during the survey. Complainant #3 was surveyed next, and no odors were noted. On route to survey Complainant #4, the investigators drove through smoke that was crossing Highway 11, northeast of the plant. When near the intersection of Highway 11 and All Star Road, they noted the plant billowing thick smoke with a very strong, burnt manure odor. The investigators parked on Highway 11 and took a photograph (Attachment 1). At this time, the smoke and odor were so strong, the investigators were forced to drive up the highway due to coughing and gagging from the smoke/odor. Nuisance conditions were confirmed. Mrs. Belzer contacted Michelle Baetz, Air Section Manager, to update her on the situation. Mrs. Baetz reviewed the photograph, instructed the investigators to visit the facility when the smoke dissipated, and to request affidavits from nearby complainants.

While waiting for the smoke to dissipate, the investigators located Complainant #4’s residence where they documented moderate odors. Next, they proceeded to Complainants #5, 6, 7’s residences where they noted light odors. The investigators then proceeded to the facility. Moderate to strong odors were still present on-site at the time. The on-site vent had light visible emissions at this time, and it was noted that the unit was black in color

from what appeared to be multiple fires (Attachment 1). The investigators met with Mr. Charlie Little, Plant Manager. Mrs. Belzer provided him her business card and explained the reason for the visit. It was explained to Mr. Little that nuisance odors were documented off-site and that the company would be receiving a violation as a result of the investigation. When asked about the smoke, Mr. Little explained that they were drying cow manure in the kiln which caused a flash fire. He stated that if the kiln gets a few degrees over normal, a fire occurs. Mrs. Belzer questioned the previous fires on-site and he responded that the first two fires were while running chicken manure. These loads contained feathers and quills which caused the fires. He stated they have since corrected this issue by pre-screening the litter and removing the feathers/quills prior to drying. Pertaining to cow manure, the company is in a trial-and-error phase for drying temperature. It was confirmed that all fires have happened in the drying kiln. Mrs. Belzer questioned if they fires had been reported to the TCEQ in the State of Texas Environmental Electronic Reporting System (STEERS) as emissions events. Mr. Little was unaware of any reporting. Mrs. Belzer stated it is possible these instances would need to be reported to the agency and would speak to management. When asked about hours of operation, he stated they run 24/7. The investigators thanked him for his time, explained that Mrs. Belzer would be in contact, and that the investigation was still ongoing. The investigators departed the facility at approximately 1530 hrs.

On December 1, 2021, Mrs. Belzer contacted Mrs. Baetz to update her after speaking with plant personnel. It was determined that since the fires occurred at an authorized emissions point, they are required to be reported in STEERS as emissions events. This is a violation. Mrs. Belzer reviewed the facility's Permit No. 163167, Permit by Rule (PBR) under 30 TAC 106.261 and 30 TAC 106.262. The PBRs state visible emissions shall not exceed 5% opacity in any six-minute period. The fire observed during the on-site investigation exceeded these limitations. This is a violation. On the same day, Mrs. Belzer contacted Complainants #1, 2, 3 to update them on the complaint investigation. She explained at a minimum the facility would be receiving a violation for nuisance odors but that the investigation was still ongoing. She also contacted Complainants #4-7 on the same day and updated them on the investigation. Given Complainants #4, 5, 7's proximity to the facility, she requested notarized affidavits to be submitted as supporting documentation for the investigation. An email with a blank affidavit was sent to Complainants #4, 5, 7 to be returned to the regional office as soon as possible.

On December 2, 2021, Mrs. Belzer emailed Mr. Little and requested the dates of the fires (Attachment 2). He responded the following:

November 11, 2021 – burner expert made adjustment to gas train  
November 15, 2021 – decision to screen all litter was made  
November 30, 2021 – drying cow manure caused flash fire

On December 7, 2021, Mrs. Belzer emailed the company requesting emission calculations and hours of operation. On December 9, 2021, the requested documentation was submitted by Ms. Gayle Kirkland, Sphere 3 Environmental – Consultant (Attachment 3). The calculations represented the period of June 6, 2021, date of start-up, through December 8, 2021. After reviewing the submittals and comparing them to the facility's Permit by Rule (PBR) application (dated October 30, 2020) and Air Permit Division's Tech Review (dated December 10, 2020), Mrs. Belzer questioned the hours of operation and emission calculations. As stated above, while on-site the plant manager told the investigators that the site runs 24 hours a day. The plant is currently authorized to operate 8 hours per day, 5 days a week as represented in the permit by rule application (Attachment 4). Also, it was noted that some calculations appeared to be exactly as represented. This concerned the investigator as the numbers should change since the plant has been operating since June 6, 2021 with varied hours of operation and process material. Mrs. Belzer responded to Ms. Kirkland with her concerns, and she stated she would look the document over and make sure the formulas were calculating properly.

On December 14, 2021, Complainant #8 was assigned as part of this investigation. Mrs. Belzer contacted them by phone and gave an update on the investigation. She stated the company will receive a violation for nuisance odors at a minimum and that the investigation was still ongoing. The complainant had a prior engagement and ended the phone conversation. On December 16, 2021, the complainant emailed Mrs. Belzer with additional questions and information. Email conversations were sent between Mrs. Belzer and the complainant between December 17, 2021 through December 28, 2021. During this time, Mrs. Baetz spoke with the complainant over the phone and provided contact information regarding their public meeting request.

On December 16, 2021, Mr. Little called to let the agency know that a fire started at 1358 hours and was extinguished at 1409 hours. This is the fourth fire documented during this investigation.

On December 17, 2021, Complainants #9 and 10 were assigned as part of this investigation. Mrs. Belzer responded to the emailed complaints and updated the complainants on the status of the investigation. On the same day, Mrs. Belzer emailed Complainants #4, 5, and 7 requesting an update on the affidavit submittals.

On December 17, 2021, hours of operation and updated calculations were submitted as requested by Ms. Kirkland (Attachment 3). It was discovered by the investigator that the company had operated outside of the authorized operating hours from November 15, 2021 through November 21, 2021, running 20 hours a day. This is a violation. On December 21, 2021, Mrs. Belzer contacted Ms. Kirkland by phone to discuss the updated emission calculations. It was confirmed that no permit by rule amendments had been made by the facility. When questioned regarding Section 4 in the spreadsheet, Ms. Kirkland stated these numbers are pre-scrubber and that the total emissions after reductions can be found in section C. Mrs. Belzer explained that while on-site Mr. Little mentioned the plant may need to get a scrubber if odors continue. Ms. Kirkland said she would need to check on this information and get back to her. Mrs. Belzer also explained that the plant is drying cow manure as process material. Ms. Kirkland was unaware of this change/additional media. The two concluded the phone call. Permit No. 163167 represented the facility would utilize chicken litter/manure exclusively. By drying cow manure as process material, the company failed to operate as represented. This is a violation.

On December 22, 2021, Ms. Kirkland contacted Mrs. Belzer by phone and explained that she had misspoke during their previous conversation the day before. She stated the Winnsboro plant does not have a scrubber as she was thinking of a sister plant. She also explained the emission reductions are taken based on the filter bags used in the baghouse. On December 27, 2021, she provided an explanation stating the DeNOx Catalytic Filter Bags used in the rotary kiln baghouse are rated to reduce emissions of NOx (Nitrogen Oxides) and NH<sub>3</sub> (Ammonia) by 99%. She emphasized that the plant utilized a 98% reduction in the permit application to account for any ammonia slip that may occur (Attachment 3). She also provided the most recent information from the application process and clarification on the Ammonia tons per year (tpy) as it was not updated on the calculation spreadsheet (Attachment 3). From the calculations provided by the company, it was discovered by the investigator that Particulate Matter (PM) and Ammonia certified limits were exceeded. This is a violation. The emissions are the following:

Particulate Matter pounds per hour (lbs/hr) - 3.041 lb/hr emitted, certified emission limit is 0.22 lb/hr  
Particulate Matter tpy - 3.134 tpy emitted, certified emission limit is 0.23 tpy  
Ammonia (tpy) - 0.6031 tpy emitted, certified emission limit is 0.24 tpy

PM lbs/hr also exceeded the authorized limits found in 30 TAC 106.261(3). This is a violation. The emissions are the following:

Particulate Matter (lbs/hr) - 3.041 lb/hr emitted, emissions limit is 1.00 lb/hr per 106.261(3)

On January 3, 2022, an affidavit from Complainant #5 was received in the regional office (Attachment 5).

On January 11, 2022, Mrs. Belzer reached out to Complainant #4 and 7 again requesting an update on their affidavit submittal. Complainant #4 responded that the affidavit has been mailed and should be received soon. On the same day, an affidavit from Complainant #4 was delivered to Mrs. Belzer in the regional office, stamped received on January 10, 2022 (Attachment 5).

On January 12, 2022, since a response has not been received by Complainant #7, it was determined their affidavit would not be included as part of the investigation. On the same day, Complainant #4 contacted Mrs. Belzer by phone and email to report a fire at the plant. They stated this was probably the second worst fire, smoke is across the highway, and the odor is very strong. Mrs. Belzer recommended that if the smoke is impeding the roadway, to contact local authorities. They stated they had already contacted 9-1-1. The complainant asked if they should file a new complaint and Mrs. Belzer responded that they could open a new complaint or that she could make this part of her investigation since the report was not yet finalized. The complainant agreed to have the complaint included as a part of the ongoing investigation and concluded the conversation.

On January 13, 2022, Mr. Little contacted the regional office and informed the air investigator on duty that the facility had a fire on January 12, 2022 that began at 1:46pm and ended at 2:23pm. On the same day, Complainant #4 emailed Mrs. Belzer stating there was a medical emergency on-site the night before in which an ambulance responded. They were told "a person "passed out" and that this isn't the first time emergency medical was called to the plant." They also stated "my throat was on fire yesterday from the smoke. I can't imagine what it must be



like working in that environment.” They noted that the odor was strong currently. Mrs. Belzer stated she would update management and gave her the option of filing a new complaint. They expressed they wished this to be included in this complaint investigation and that they would file a complaint after this incident is closed if necessary.

The following violations were documented as a result of this investigation:

1. Failure to prohibit the discharge from any source whatsoever one or more air contaminants or combinations thereof, in such concentration and of such duration as are or may tend to be injurious to or to adversely affect human health or welfare, animal life, vegetation, or property, or as to interfere with the normal use and enjoyment of animal life, vegetation, or property. During the November 30, 2021 on-site investigation of Texas Sigma Partners, nuisance odor was confirmed off-site. This is a violation of 30 TAC 101.4. (Violation Tracking No. 800434)

2. Failure to maintain visible emissions under permitted opacity limit. During the November 30, 2021 on-site investigation, opacity was documented leaving the Rotary Kiln Dryer vent. This is a violation of 30 TAC 106.261(a)(5) and 30 TAC 106.262(a)(6) which states visible emissions, except uncombined water, to the atmosphere from any point or fugitive source shall not exceed 5.0% opacity in any six-minute period. NSR Permit-By-Rule (PBR) Registration No. 163167 requires compliance with 30 TAC 106.261 and 30 TAC 106.262. (Violation Tracking No. 800435)

3. Failure to report excess opacity events. During the November 30, 2021 on-site investigation, it was discovered by the investigator that the site had four instances where excess opacity occurred and was not reported as required. These events were caused by flash fires in the Rotary Kiln Dryer, authorized under Registration No. 163167. Per company personnel, the events occurred on November 11th, 15th, 30th, and December 16th. The fire durations were the following:

November 11th	3:30 am to 3:45 am, 15 minutes
November 15th	1:50 pm to 1:56 pm, 6 minutes
November 30th	5:12 pm to 6:00 pm, 48 minutes
December 16th	1:58 pm to 2:09 pm, 11 minutes

This is a violation of 30 TAC 101.201(e) which states excess opacity events must be reported no later than 24 hours after discovery. 30 TAC 106.4(c) requires compliance with 30 TAC 101.201 by stating the emissions from the facility shall comply with all rules and regulations of the commission and with the intent of the Texas Clean Air Act (TCAA). (Violation Tracking No. 800436)

4. Failure to operate as represented in Permit-By-Bule (PBR) application. During the November 30, 2021 on-site investigation, it was discovered by the investigator that the company was processing cow manure as process material. Representations in the application for PBR Registration No. 163167 do not include cow manure. This is a violation of 30 TAC 106.6(b) which states all representations with regard to construction plans, operating procedures, and maximum emission rates in any certified registration under this section become conditions upon which the facility permitted by rule shall be constructed and operated. (Violation Tracking No. 800437)

5. Failure to operate as represented in Permit-By-Bule (PBR) application. During the November 30, 2021 on-site investigation, it was discovered by the investigator that the company exceeded their authorized daily operating hours. The PBR certified permitted hours of operation are limited to 5 days a week, 8 hours a day. For November 15-20, 2021 and November 21, 2021, the company ran 20 hours each day, more than double their daily limit. This is a violation of 30 TAC 106.6(b) which states all representations with regard to construction plans, operating procedures, and maximum emission rates in any certified registration under this section become conditions upon which the facility permitted by rule shall be constructed and operated. (Violation Tracking No. 800438)

6. Failure to maintain emissions under certified emissions rate. As a result of the November 30, 2021 on-site investigation, it was discovered by the investigator that the certified total emissions for the June 7, 2021 through December 3, 2021 period were exceeded:

Particulate Matter (lbs/hr) - 3.041 lb/hr emitted, certified emission limit is 0.22 lb/hr  
Particulate Matter (tpy) - 3.134 tpy emitted, certified emission limit is 0.23 tpy  
Ammonia (tpy) - 0.6031 tpy emitted, certified emission limit is 0.24 tpy

This is a violation of 30 TAC 106.6(b) which states all representations regarding maximum emission rates in any certified registration become conditions upon which the facility permitted by rule shall be operated. 30 TAC 106.4 requires compliance with PBR emission limits. (Violation Tracking No. 800439)

7. Failure to maintain emissions under PBR emissions limit. As a result of the November 30, 2021 on-site investigation, it was discovered by the investigator that the PBR emissions limit for the June 7, 2021 through December 3, 2021 period was exceeded:

Particulate Matter (lbs/hr) - 3.041 lb/hr emitted, emission limit is 1.00 lb/hr per 106.261(a)(3)

This is a violation of 30 TAC 106.261(a)(3) which states total new or increased emissions, including fugitives, shall not exceed 1.0 lb/hr. 30 TAC 106.4 requires compliance with PBR emission limits. NSR Permit-By-Rule Registration No. 163167 requires compliance with 30 TAC 106.261. These emissions also exceeded the PM lbs/hr supplemental significant threshold (SST) of 3 lb/hr. (Violation Tracking No. 800440)

Based on the Enforcement Initiation Criteria (EIC), formal enforcement action is warranted. A NOE will be issued as a result of this investigation.

#### C. Exit Interview

An Exit Interview Form was sent via email to Mr. Ryan Hawkins on January 4, 2022 (Attachment 6). The company will receive a Notice of Enforcement as a result of the investigation. For more details on violations, see violation section below.

## II. GENERAL FACILITY AND PROCESS INFORMATION

### A. Process Description

This facility converts chicken manure into fertilizer products. Further details may be found in TCEQ central files.

## III. BACKGROUND

The compliance history ratings and performance classifications for Texas Sigma Partners can be located both below and in the attached Compliance History Report (Attachment 7).

Customer, Respondent, or Owner/Operator: CN605827542, Texas Sigma Partners, LLC  
Classification: Unclassified Rating: -----

Regulated Entity: RN11126124, Texas Sigma Partners  
Classification: Unclassified Rating: -----

### A. Agreed Orders, Court Orders, and Other Compliance Agreements

There are no previous Agreed Orders, Court Orders, and Other Compliance Agreements documented for this site in the last five years.

### B. Prior Compliance/Enforcement Issues

There are no previous violations of air quality regulations documented for this site in the last five years.

### C. Complaints

This is the second complaint investigation against this regulated entity within the last five years. For more information refer to Investigation #1774599 conducted on November 2, 2021 by Mr. Joseph Ethan Hughes.

## IV. ADDITIONAL INFORMATION

### A. Conclusions, Recommendations/Current Enforcement Issues

It was determined that seven violations of air quality were documented during this complaint investigation. The company will receive a Notice of Enforcement as a result of these violations. An Enforcement Coordinator will be assigned to this case and will complete the enforcement process.

## V. ATTACHMENTS

### 1. Photographs

2. Correspondence with Mr. Charlie Little, Plant Manager
3. Correspondence with Ms. Gayle Kirkland, Consultant for Company
4. Permit by Rule Application/Air Permits Tech Review
5. Citizen Affidavits
6. Exit Interview Form
7. Compliance History Report

**NOE Date: 1/26/2022**

**OUTSTANDING ALLEGED VIOLATION(S)  
ASSOCIATED TO A NOTICE OF ENFORCEMENT**

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**Track Number:** 800434      **Compliance Due Date: To Be Determined**

**Violation Start Date:** 11/30/2021

**30 TAC Chapter 101.4  
5C THSC Chapter 382.085(b)**

**Alleged Violation:**

**Investigation: 1775819**

Comment Date: 01/12/2022

Failure to prohibit the discharge from any source whatsoever one or more air contaminants or combinations thereof, in such concentration and of such duration as are or may tend to be injurious to or to adversely affect human health or welfare, animal life, vegetation, or property, or as to interfere with the normal use and enjoyment of animal life, vegetation, or property. During the November 30, 2021 on-site investigation of Texas Sigma Partners, nuisance odor was confirmed off-site. This is a violation of 30 TAC 101.4.

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**Track Number:** 800435      **Compliance Due Date: To Be Determined**

**Violation Start Date:** 11/30/2021

**30 TAC Chapter 106.261(a)(5)  
30 TAC Chapter 106.262(a)(6)  
5C THSC Chapter 382.085(b)**

**REG 163167, PBR Reg No. 163167**

NSR Permit-By-Rule (PBR) Registration No. 163167 requires compliance with 30 TAC 106.261 and 30 TAC 106.262.

**Alleged Violation:**

**Investigation: 1775819**

Comment Date: 01/12/2022

Failure to maintain visible emissions under permitted opacity limit. During the November 30, 2021 on-site investigation, opacity was documented leaving the Rotary Kiln Dryer vent. This is a violation of 30 TAC 106.261(a)(5) and 30 TAC 106.262(a)(6) which states visible emissions, except uncombined water, to the atmosphere from any point or fugitive source shall not exceed 5.0% opacity in any six-minute period. NSR Permit-By-Rule (PBR) Registration No. 163167 requires compliance with 30 TAC 106.261 and 30 TAC 106.262.

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**Track Number:** 800436      **Compliance Due Date: To Be Determined**

**Violation Start Date:** 11/11/2021

**30 TAC Chapter 101.201(e)  
30 TAC Chapter 106.4(c)  
5C THSC Chapter 382.085(b)**

**Alleged Violation:**

**Investigation: 1775819**

Comment Date: 01/12/2022

Failure to report excess opacity events. During the November 30, 2021 on-site investigation, it was discovered by the investigator that the site had four instances where excess opacity occurred and was not reported as required. These events were caused by flash fires in the Rotary Kiln Dryer, authorized under Registration No. 163167. Per company personnel, the events occurred on November 11th, 15th, 30th, and December 16th. The fire durations were the following:

November 11th	3:30 am to 3:45 am, 15 minutes
November 15th	1:50 pm to 1:56 pm, 6 minutes
November 30th	5:12 pm to 6:00 pm, 48 minutes
December 16th	1:58 pm to 2:09 pm, 11 minutes

This is a violation of 30 TAC 101.201(e) which states excess opacity events must be reported no later than 24 hours after discovery. 30 TAC 106.4(c) requires compliance with 30 TAC 101.201 by stating the emissions from the facility shall comply with all rules and regulations of the commission and with the intent of the Texas Clean Air Act (TCAA).

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**Track Number:** 800437

**Compliance Due Date: To Be Determined**

**Violation Start Date:** 11/30/2021

**30 TAC Chapter 106.6(b)**  
**5C THSC Chapter 382.085(b)**

**Alleged Violation:**

**Investigation: 1775819**

Comment Date: 01/12/2022

Failure to operate as represented in Permit-By-Bule (PBR) application. During the November 30, 2021 on-site investigation, it was discovered by the investigator that the company was processing cow manure as process material. Representations in the application for PBR Registration No. 163167 do not include cow manure. This is a violation of 30 TAC 106.6(b) which states all representations with regard to construction plans, operating procedures, and maximum emission rates in any certified registration under this section become conditions upon which the facility permitted by rule shall be constructed and operated.

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**Track Number:** 800438

**Compliance Due Date: To Be Determined**

**Violation Start Date:** 11/15/2021

**30 TAC Chapter 106.6(b)**  
**5C THSC Chapter 382.085(b)**

**Alleged Violation:**

**Investigation: 1775819**

Comment Date: 01/12/2022

Failure to operate as represented in Permit-By-Bule (PBR) application. During the November 30, 2021 on-site investigation, it was discovered by the investigator that the company exceeded their authorized daily operating hours. The PBR certified permitted hours of operation are limited to 5 days a week, 8 hours a day. For November 15-20, 2021 and November 21, 2021, the company ran 20 hours each day, more than double their daily limit. This is a violation of 30 TAC 106.6(b) which states all representations with regard to construction plans, operating procedures, and maximum emission rates in any certified registration under this section become conditions upon which the facility permitted by rule shall be constructed and operated.

**Track Number:** 800439

**Compliance Due Date:** To Be Determined

**Violation Start Date:** 6/7/2021

**30 TAC Chapter 106.4**

**30 TAC Chapter 106.6(b)**

**5C THSC Chapter 382.085(b)**

**Alleged Violation:**

**Investigation: 1775819**

Comment Date: 01/12/2022

Failure to maintain emissions under certified emissions rate. As a result of the November 30, 2021 on-site investigation, it was discovered by the investigator that the certified total emissions for the June 7, 2021 through December 3, 2021 period were exceeded:

Particulate Matter (lbs/hr) - 3.041 lb/hr emitted, certified emission limit is 0.22 lb/hr

Particulate Matter (tpy) - 3.134 tpy emitted, certified emission limit is 0.23 tpy

Ammonia (tpy) - 0.6031 tpy emitted, certified emission limit is 0.24 tpy

This is a violation of 30 TAC 106.6(b) which states all representations regarding maximum emission rates in any certified registration become conditions upon which the facility permitted by rule shall be operated. 30 TAC 106.4 requires compliance with PBR emission limits.

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**Track Number:** 800440

**Compliance Due Date:** To Be Determined

**Violation Start Date:** 6/10/2021

**30 TAC Chapter 106.261(a)(3)**

**30 TAC Chapter 106.4**

**5C THSC Chapter 382.085(b)**

**REG 163167, NSR Reg No. 163167**

NSR Permit-By-Rule (PBR) Registration No. 163167 requires compliance with 30 TAC 106.261.

**Alleged Violation:**

**Investigation: 1775819**

Comment Date: 01/12/2022

Failure to maintain emissions under PBR emissions limit. As a result of the November 30, 2021 on-site investigation, it was discovered by the investigator that the PBR emissions limit for the June 7, 2021 through December 3, 2021 period was exceeded:

Particulate Matter (lbs/hr) - 3.041 lb/hr emitted, emission limit is 1.00 lb/hr per 106.261(3)

This is a violation of 30 TAC 106.261(3) which states total new or increased emissions, including fugitives, shall not exceed 1.0 lb/hr. 30 TAC 106.4 requires compliance with PBR emission limits. NSR Permit-By-Rule Registration No. 163167 requires compliance with 30 TAC 106.261.

Signed Jordan Balyer  
Environmental Investigator

Date 1/26/22

Signed Michelle M. Baetz  
Supervisor

Date 1/26/2022

**Attachments: (in order of final report submittal)**

- Enforcement Action Request (EAR)
- Letter to Facility (specify type) : NDE
- Investigation Report
- Sample Analysis Results
- Manifests
- Notice of Registration

- Maps, Plans, Sketches
- Photographs
- Correspondence from the facility
- Other (specify) :  
refer to attachments  
listed above.



# Penalty Calculation Worksheet (PCW)

Policy Revision 5 (January 28, 2021)

PCW Revision February 11, 2021

<b>DATES</b>	<b>Assigned</b>	2-Feb-2022	<b>Screening</b>	3-Feb-2022	<b>EPA Due</b>	
	<b>PCW</b>	6-May-2022				

<b>RESPONDENT/FACILITY INFORMATION</b>	
<b>Respondent</b>	Texas Sigma Partners, LLC
<b>Reg. Ent. Ref. No.</b>	RN111126124
<b>Facility/Site Region</b>	5-Tyler
<b>Major/Minor Source</b>	Minor

<b>CASE INFORMATION</b>			
<b>Enf./Case ID No.</b>	61896	<b>No. of Violations</b>	3
<b>Docket No.</b>	2022-0166-AIR-E	<b>Order Type</b>	1660
<b>Media Program(s)</b>	Air	<b>Government/Non-Profit</b>	No
<b>Multi-Media</b>		<b>Enf. Coordinator</b>	Johnnie Wu
		<b>EC's Team</b>	Enforcement Team 5
<b>Admin. Penalty \$ Limit Minimum</b>	\$0	<b>Maximum</b>	\$25,000

## Penalty Calculation Section

<b>TOTAL BASE PENALTY (Sum of violation base penalties)</b>	<b>Subtotal 1</b>	<b>\$18,750</b>
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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>	<b>0.0%</b> Adjustment	<b>Subtotals 2, 3, &amp; 7</b>	<b>\$0</b>
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Notes: No adjustments due to Compliance History.

<b>Culpability</b>	<b>No</b>	<b>0.0%</b> Enhancement	<b>Subtotal 4</b>	<b>\$0</b>
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Notes: The Respondent does not meet the culpability criteria.

<b>Good Faith Effort to Comply Total Adjustments</b>	<b>Subtotal 5</b>	<b>\$0</b>
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<b>Economic Benefit</b>	<b>0.0%</b> Enhancement*	<b>Subtotal 6</b>	<b>\$0</b>
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Total EB Amounts: \$1,930  
 Estimated Cost of Compliance: \$51,100  
 \*Capped at the Total EB \$ Amount

<b>SUM OF SUBTOTALS 1-7</b>	<b>Final Subtotal</b>	<b>\$18,750</b>
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<b>OTHER FACTORS AS JUSTICE MAY REQUIRE</b>	<b>0.0%</b> Adjustment	<b>\$0</b>
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

<b>Final Penalty Amount</b>	<b>\$18,750</b>
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<b>STATUTORY LIMIT ADJUSTMENT</b>	<b>Final Assessed Penalty</b>	<b>\$18,750</b>
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<b>DEFERRAL</b>	<b>20.0%</b> Reduction	<b>Adjustment</b>	<b>-\$3,750</b>
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Reduces the Final Assessed Penalty by the indicated percentage.

Notes: Deferral offered for expedited settlement.

<b>PAYABLE PENALTY</b>	<b>\$15,000</b>
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Screening Date 3-Feb-2022

Docket No. 2022-0166-AIR-E

PCW

Respondent Texas Sigma Partners, LLC

Policy Revision 5 (January 28, 2021)

Case ID No. 61896

PCW Revision February 11, 2021

Reg. Ent. Reference No. RN111126124

Media Air

Enf. Coordinator Johnnie Wu

### 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 adjustments due to Compliance History.

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

#### >> Final Compliance History Adjustment

**Final Adjustment Percentage \*capped at 100%** 0%



<b>Screening Date</b>	3-Feb-2022	<b>Docket No.</b>	2022-0166-AIR-E	<b>PCW</b>
<b>Respondent</b>	Texas Sigma Partners, LLC			<i>Policy Revision 5 (January 28, 2021)</i>
<b>Case ID No.</b>	61896			<i>PCW Revision February 11, 2021</i>
<b>Reg. Ent. Reference No.</b>	RN111126124			
<b>Media</b>	Air			
<b>Enf. Coordinator</b>	Johnnie Wu			

**Violation Number**

**Rule Cite(s)**

**Violation Description**

**Base Penalty**

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

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual	<input type="text"/>	<input type="text" value="x"/>	<input type="text"/>	<input type="text" value="25.0%"/>
	Potential	<input type="text"/>	<input type="text"/>	<input type="text"/>	

**>> Programmatic Matrix**

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

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

**Violation Base Penalty**

**Good Faith Efforts to Comply**  Reduction

	Before NOE/NOV	NOE/NOV to EDPRP/Settlement Offer
Extraordinary	<input type="text"/>	<input type="text"/>
Ordinary	<input type="text"/>	<input type="text"/>
N/A	<input type="text" value="x"/>	<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** Texas Sigma Partners, LLC  
**Case ID No.** 61896  
**Reg. Ent. Reference No.** RN111126124  
**Media** Air  
**Violation No.** 1

Percent Interest	Years of Depreciation
5.0	15

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

Equipment	\$30,000	30-Nov-2021	14-Apr-2022	0.37	\$37	\$740	\$777
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)	\$20,000	30-Nov-2021	1-Jan-2023	1.09	\$1,088	n/a	\$1,088

#### Notes for DELAYED costs

Estimated cost to add a dampener and stack to the existing process to move the atmospheric release point higher in order to reduce the potential for odors (\$30,000) and to implement additional measures and/or procedures designed to minimize odors from the Plant from causing nuisance odor or health conditions that impact off-site receptors (\$20,000). Dates Required are the date of the documented nuisance odor or health conditions and the Final Dates are the date the dampener and stack were added and 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

\$50,000

**TOTAL**

\$1,865

**Screening Date** 3-Feb-2022 **Docket No.** 2022-0166-AIR-E **PCW**  
**Respondent** Texas Sigma Partners, LLC *Policy Revision 5 (January 28, 2021)*  
**Case ID No.** 61896 *PCW Revision February 11, 2021*  
**Reg. Ent. Reference No.** RN111126124  
**Media** Air  
**Enf. Coordinator** Johnnie Wu

**Violation Number**

**Rule Cite(s)** 30 Tex. Admin. Code § 101.201(e) and Tex. Health & Safety Code § 382.085(b)

**Violation Description**  
 Failed to submit an initial notification no later than 24 hours after the discovery of an excess opacity event. Specifically, initial notifications for the excess opacity events that occurred on November 11, 2021 at 3:30 a.m. was due by November 12, 2021 at 3:30 a.m., on November 15, 2021 at 1:30 p.m. was due by November 16, 2021 at 1:30 p.m., on November 30, 2021 at 5:12 p.m. was due by December 1, 2021 at 5:12 p.m., and on December 16, 2021 at 1:58 p.m. was due by December 17, 2021 at 1:58 p.m., but the four initial notifications for the excess opacity events were not submitted.

**Base Penalty**

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

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

**>> Programmatic Matrix**

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

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

**Adjustment**

**Violation Events**

Number of Violation Events   Number of violation days

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

**Violation Base Penalty**

Four single events are recommended (one event for each missing initial notification).

**Good Faith Efforts to Comply**  Reduction

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

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

**Violation Subtotal**

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

**Estimated EB Amount**  **Violation Final Penalty Total**

**This violation Final Assessed Penalty (adjusted for limits)**

## Economic Benefit Worksheet

**Respondent** Texas Sigma Partners, LLC  
**Case ID No.** 61896  
**Reg. Ent. Reference No.** RN111126124  
**Media** Air  
**Violation No.** 2

Percent Interest	Years of Depreciation
5.0	15

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

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$1,000	12-Nov-2021	1-Jan-2023	1.14	\$57	n/a	\$57

**Notes for DELAYED costs**

Estimated cost to submit the initial notifications for the excess opacity events that occurred on November 11, 2021, November 15, 2021, November 30, 2021, and December 16, 2021. The Date Required is the date the first initial notification was due 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**

\$1,000

**TOTAL**

\$57

<b>Screening Date</b>	3-Feb-2022	<b>Docket No.</b>	2022-0166-AIR-E	<b>PCW</b>
<b>Respondent</b>	Texas Sigma Partners, LLC			<i>Policy Revision 5 (January 28, 2021)</i>
<b>Case ID No.</b>	61896			<i>PCW Revision February 11, 2021</i>
<b>Reg. Ent. Reference No.</b>	RN111126124			
<b>Media</b>	Air			
<b>Enf. Coordinator</b>	Johnnie Wu			

**Violation Number**

**Rule Cite(s)** 30 Tex. Admin. Code §§ 106.6(b) and 116.110(a), Permit by Rule ("PBR") Registration No. 163167, and Tex. Health & Safety Code §§ 382.0518(a) and 382.085(b)

**Violation Description**  
 Failed to comply with all representations with regard to construction plans, operating procedures, and maximum emissions rates in any certified registration and failed to obtain authorization prior to construction or modification of a source of air emissions. Specifically, the Respondent represented chicken manure as the only process material in the certified registration for PBR Registration No. 163167, but on November 30, 2021, the Respondent was using cow manure as the process material and continued to operate the Plant without the proper authorization. The Respondent represented an operating schedule of five days per week and eight hours per day in the certified registration for PBR Registration No. 163167, but the Respondent operated for 20 hours per day from November 15, 2021 through November 21, 2021.

**Base Penalty**

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

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

**>> Programmatic Matrix**

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

Matrix Notes

100% of the rule requirements were not met.

**Adjustment**

**Violation Events**

Number of Violation Events   Number of violation days

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

**Violation Base Penalty**

One quarterly event is recommended from the November 15, 2021 non-compliance date to the February 3, 2022 screening date.

**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 type="text"/>
N/A	x	<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** Texas Sigma Partners, LLC  
**Case ID No.** 61896  
**Reg. Ent. Reference No.** RN111126124  
**Media** Air  
**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	\$100	15-Nov-2021	1-Jul-2023	1.62	\$8	n/a	\$8
Other (as needed)				0.00	\$0	n/a	\$0

**Notes for DELAYED costs**

Actual cost to obtain the revision for PBR Registration No. 163167 to authorize the use of cow manure as a process material and to increase the hours of operation. The Date Required is the first date of non-compliance 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**

\$8

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 CN605827542, RN111126124, Rating Year 2021 which includes Compliance History (CH) components from September 1, 2016, through August 31, 2021.

**Customer, Respondent, or Owner/Operator:** CN605827542, Texas Sigma Partners, LLC **Classification:** UNCLASSIFIED **Rating:** -----

**Regulated Entity:** RN111126124, TEXAS SIGMA PARTNERS **Classification:** UNCLASSIFIED **Rating:** -----

**Complexity Points:** 4 **Repeat Violator:** NO

**CH Group:** 05 - Chemical Manufacturing

**Location:** 400 All Star Drive, Winnsboro, Wood County, Texas

**TCEQ Region:** REGION 05 - TYLER

**ID Number(s):**  
**AIR NEW SOURCE PERMITS REGISTRATION** 163167

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

**Date Compliance History Report Prepared:** April 04, 2022

**Agency Decision Requiring Compliance History:** Enforcement

**Component Period Selected:** April 04, 2017 to April 04, 2022

**TCEQ Staff Member to Contact for Additional Information Regarding This Compliance History.**  
**Name:** Johnnie Wu **Phone:** (512) 239-2524

## Site and Owner/Operator History:

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

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

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

N/A

### **B. Criminal convictions:**

N/A

### **C. Chronic excessive emissions events:**

N/A

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

N/A

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

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  
TEXAS SIGMA PARTNERS, LLC  
RN111126124

§  
§  
§  
§  
§

BEFORE THE  
TEXAS COMMISSION ON  
ENVIRONMENTAL QUALITY

## AGREED ORDER DOCKET NO. 2022-0166-AIR-E

### I. JURISDICTION AND STIPULATIONS

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

1. The Respondent owns and operates a granulation fertilizer plant located at 400 All Star Drive in Winnsboro, Wood County, Texas (the "Plant"). The Plant consists or consisted of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
2. The Executive Director and the Respondent agree that the TCEQ has jurisdiction to enter this Order pursuant to TEX. WATER CODE §§ 7.002, 7.051, and 7.073, and that the Respondent is subject to TCEQ's jurisdiction. The TCEQ has jurisdiction in this matter pursuant to TEX. WATER CODE § 5.013 because it alleges violations of TEX. HEALTH & SAFETY CODE ch. 382 and the rules of the TCEQ.
3. The occurrence of any violation is in dispute and the entry of this Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
4. An administrative penalty in the amount of \$18,750 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent paid \$15,000 of the penalty and \$3,750 is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Order. The deferred amount shall be waived only upon full compliance with all the terms and conditions contained in this Order. If the Respondent fails to timely and satisfactorily comply with any of the terms or requirements contained in this Order, the Executive Director may demand payment of all or part of the deferred penalty amount.
5. The Executive Director and the Respondent agree on a settlement of the matters alleged in this enforcement action, subject to final approval in accordance with 30 TEX. ADMIN. CODE § 70.10(a). Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.

6. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Order.
7. This Order represents the complete and fully-integrated agreement of the parties. The provisions of this Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Order unenforceable, the remaining provisions shall be valid and enforceable.
8. This Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Order, whichever is later.
9. The Executive Director recognizes that the Respondent implemented the following corrective measures at the Plant:
  - a. By submitting a registration for Permit by Rule ("PBR") Registration No. 163167 to authorize the use of cow manure as a process material and to increase the hours of operation on March 31, 2022; and
  - b. By adding a dampener and stack to the existing process to move the atmospheric release point higher in order to reduce the potential for odors by April 14, 2022.

## II. ALLEGATIONS

During an investigation conducted on November 30, 2021, an investigator documented that the Respondent:

1. Failed to prevent nuisance conditions, in violation of 30 TEX. ADMIN. CODE § 101.4 and TEX. HEALTH & SAFETY CODE § 382.085(a) and (b). Specifically, TCEQ staff conducted odor surveys at off-site locations at the complainants' sites or equal distance on November 30, 2021, detected light to very strong and offensive burnt manure odors, and experienced coughing and gagging that resulted in the documentation of nuisance odor and health conditions.
2. Failed to submit an initial notification no later than 24 hours after the discovery of an excess opacity event, in violation of 30 TEX. ADMIN. CODE § 101.201(e) and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, initial notifications for the excess opacity events that occurred on November 11, 2021 at 3:30 a.m. was due by November 12, 2021 at 3:30 a.m., on November 15, 2021 at 1:30 p.m. was due by November 16, 2021 at 1:30 p.m., on November 30, 2021 at 5:12 p.m. was due by December 1, 2021 at 5:12 p.m., and on December 16, 2021 at 1:58 p.m. was due by December 17, 2021 at 1:58 p.m., but the four initial notifications for the excess opacity events were not submitted.
3. Failed to comply with all representations with regard to construction plans, operating procedures, and maximum emissions rates in any certified registration and failed to obtain authorization prior to construction or modification of a source of air emissions, in violation of 30 TEX. ADMIN. CODE §§ 106.6(b) and 116.110(a), Permit by Rule ("PBR") Registration No. 163167, and TEX. HEALTH & SAFETY CODE §§ 382.0518(a) and 382.085(b). Specifically, the Respondent represented chicken manure as the only process material in the certified registration for PBR Registration No. 163167, but on November 30, 2021,

the Respondent used cow manure as the process material and continued to operate the Plant without the proper authorization.

4. Failed to comply with all representations with regard to construction plans, operating procedures, and maximum emissions rates in any certified registration and failed to obtain authorization prior to construction or modification of a source of air emissions, in violation of 30 TEX. ADMIN. CODE §§ 106.6(b) and 116.110(a), PBR Registration No. 163167, and TEX. HEALTH & SAFETY CODE §§ 382.0518(a) and 382.085(b). Specifically, the Respondent represented an operating schedule of five days per week and eight hours per day in the certified registration for PBR Registration No. 163167, but the Respondent operated for 20 hours per day from November 15, 2021 through November 21, 2021.

### 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: Texas Sigma Partners, LLC, Docket No. 2022-0166-AIR-E" to:

Financial Administration Division, Revenue Operations Section  
Attention: Cashier's Office, MC 214  
Texas Commission on Environmental Quality  
P.O. Box 13088  
Austin, Texas 78711-3088
2. The Respondent shall undertake the following technical requirements:
  - a. Within 30 days after the effective date of this Order:
    - i. Implement additional measures and/or procedures designed to minimize odors from the Plant from causing nuisance odor or health conditions that impact off-site receptors; and
    - ii. Submit the initial notifications for the excess opacity events that occurred on November 11, 2021, November 15, 2021, November 30, 2021, and December 16, 2021.
  - b. Within 45 days after the effective date of this Order, submit written certification to demonstrate compliance with Ordering Provision No. 2.a, as described in Ordering Provision No. 2.d.

- c. Respond completely and adequately, as determined by the TCEQ, to all requests for information concerning the registration for PBR Registration No. 163167 by any deadline specified in writing.
- d. Within 180 days after the effective date of this Order, submit written certification that either the revision for PBR Registration No. 163167 has been obtained or that operations have ceased until such time that the appropriate authorization is obtained, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance. 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:

Air 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 Plant 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

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For the Commission

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Date



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10/24/2022

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For the Executive Director

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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.

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Signature

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May 26, 2022

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Date

-----  
Alan Warren

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Vice President

-----  
Name (Printed or typed)  
Authorized Representative of  
Texas Sigma Partners, LLC

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Title

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

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