

**Executive Summary – Enforcement Matter – Case No. 62201**  
**South Texas Electric Cooperative, Inc.**  
**RN100222652**  
**Docket No. 2022-0427-AIR-E**

**Order Type:**

1660 Agreed Order

**Findings Order Justification:**

N/A

**Media:**

AIR

**Small Business:**

No

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

South Texas Electric Cooperative, 2849 Farm-to-Market Road 447, Nursery, Victoria County

**Type of Operation:**

Power plant

**Other Significant Matters:**

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

**Texas Register Publication Date:** August 19, 2022

**Comments Received:** No

***Penalty Information***

**Total Penalty Assessed:** \$30,825

**Amount Deferred for Expedited Settlement:** \$6,165

**Total Paid to General Revenue:** \$24,660

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

Payment Plan: N/A

**Compliance History Classifications:**

Person/CN - Satisfactory

Site/RN - Satisfactory

**Major Source:** Yes

**Statutory Limit Adjustment:** N/A

**Applicable Penalty Policy:** January 2021

***Investigation Information***

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

**Complaint Information:** N/A

**Date(s) of Investigation:** February 3, 2022 through March 9, 2022

**Date(s) of NOE(s):** April 5, 2022

**Executive Summary – Enforcement Matter – Case No. 62201**  
**South Texas Electric Cooperative, Inc.**  
**RN100222652**  
**Docket No. 2022-0427-AIR-E**

***Violation Information***

Failed to comply with the maximum allowable emissions rates ("MAERs"). Specifically, the Respondent exceeded the nitrogen oxides ("NOx") MAER of 8.97 pounds per hour ("lbs/hr") by a range from 1.53 to 14.23 lbs/hr for a total of 13 hours on 13 days from January 21, 2021 to March 19, 2021 for Gas Turbine 7: Natural Gas, Emissions Point Number, ("EPN") 15, resulting in 97.49 pounds ("lbs") of unauthorized NOx emissions; the NOx MAER of 8.97 lbs/hr by a range from 2.93 to 11.73 lbs/hr for a total of three hours on three days from January 26, 2021 to January 29, 2021 for Gas Turbine 8: Natural Gas, EPN 16, resulting in 21.69 lbs of unauthorized NOx emissions; and the NOx MAER of 8.97 lbs/hr by a range from 0.23 to 8.03 lbs/hr for a total of six hours on four days from January 21, 2021 to January 29, 2021 for Gas Turbine 9: Natural Gas, EPN 17, resulting in 19.48 lbs of unauthorized NOx emissions [30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(b)(2)(F) and (c), and 122.143(4), New Source Review Permit Nos. 48070 and PSDTX 1011, Special Conditions No. 1, Federal Operating Permit No. O799, General Terms and Conditions and Special Terms and Conditions No. 10, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

***Corrective Actions/Technical Requirements***

**Corrective Action(s) Completed:**

N/A

**Technical Requirements:**

The Order will require the Respondent to:

- a. Within 30 days, implement measures and/or procedures designed to comply with the NOx hourly MAERs for Gas Turbine 7: Natural Gas, EPN 15, Gas Turbine 8: Natural Gas, EPN 16, and Gas Turbine 9: Natural Gas, EPN 17; and
- b. Within 45 days, submit written certification to demonstrate compliance with a.

***Contact Information***

**TCEQ Attorney:** N/A

**TCEQ Enforcement Coordinator:** Amanda Diaz, Enforcement Division, Enforcement Team 2, MC R-12, (713) 422-8912; Michael Parrish, Enforcement Division, MC 219, (512) 239-2548

**Respondent:** John Packard, Manager of Power Supply, South Texas Electric Cooperative, Inc., P.O. Box 119, Nursery, Texas 77976

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



# Penalty Calculation Worksheet (PCW)

Policy Revision 5 (January 28, 2021)

PCW Revision February 11, 2021

<b>DATES</b>	<b>Assigned</b>	12-Apr-2022	
	<b>PCW</b>	11-May-2022	<b>Screening</b> 13-Apr-2022 <b>EPA Due</b>

<b>RESPONDENT/FACILITY INFORMATION</b>			
<b>Respondent</b>	South Texas Electric Cooperative, Inc.		
<b>Reg. Ent. Ref. No.</b>	RN100222652		
<b>Facility/Site Region</b>	14-Corpus Christi	<b>Major/Minor Source</b>	Major

<b>CASE INFORMATION</b>			
<b>Enf./Case ID No.</b>	62201	<b>No. of Violations</b>	3
<b>Docket No.</b>	2022-0427-AIR-E	<b>Order Type</b>	1660
<b>Media Program(s)</b>	Air	<b>Government/Non-Profit</b>	Yes
<b>Multi-Media</b>		<b>Enf. Coordinator</b>	Toni Red
		<b>EC's Team</b>	Enforcement Team 4
<b>Admin. Penalty \$</b>	<b>Limit Minimum</b>	\$0	<b>Maximum</b> \$25,000

## Penalty Calculation Section

<b>TOTAL BASE PENALTY (Sum of violation base penalties)</b>	<b>Subtotal 1</b>	\$22,500
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### ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

<b>Compliance History</b>	37.0%	Adjustment	<b>Subtotals 2, 3, &amp; 7</b>	\$8,325
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<b>Notes</b>	Enhancement for two NOV's with the same or similar violations, one NOV with dissimilar violations, and one agreed order without a denial of liability.			
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<b>Culpability</b>	No	0.0%	Enhancement	<b>Subtotal 4</b>	\$0
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<b>Notes</b>	The Respondent does not meet the culpability criteria.				
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<b>Good Faith Effort to Comply Total Adjustments</b>	<b>Subtotal 5</b>	\$0
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<b>Economic Benefit</b>	0.0%	Enhancement*	<b>Subtotal 6</b>	\$0
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Total EB Amounts	\$3,045
Estimated Cost of Compliance	\$30,000

\*Capped at the Total EB \$ Amount

<b>SUM OF SUBTOTALS 1-7</b>	<b>Final Subtotal</b>	\$30,825
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<b>OTHER FACTORS AS JUSTICE MAY REQUIRE</b>	0.0%	Adjustment	\$0
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Reduces or enhances the Final Subtotal by the indicated percentage.

<b>Notes</b>	
<b>Final Penalty Amount</b>	\$30,825

<b>STATUTORY LIMIT ADJUSTMENT</b>	<b>Final Assessed Penalty</b>	\$30,825
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<b>DEFERRAL</b>	20.0%	Reduction	<b>Adjustment</b>	-\$6,165
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Reduces the Final Assessed Penalty by the indicated percentage.

<b>Notes</b>	Deferral offered for expedited settlement.
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<b>PAYABLE PENALTY</b>	\$24,660
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Screening Date

13-Apr-2022

Docket No.

2022-0427-AIR-E

PCW

Respondent

South Texas Electric Cooperative, Inc.

Case ID No.

62201

Reg. Ent. Reference No.

RN100222652

Media

Air

Enf. Coordinator

Toni Red

Policy Revision 5 (January 28, 2021)

PCW Revision February 11, 2021

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Number	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action ( <i>number of NOVs meeting criteria</i> )	2	10%
	Other written NOVs	1	2%
Orders	Any agreed final enforcement orders containing a denial of liability ( <i>number of orders meeting criteria</i> )	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	1	25%
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)37%

>> Repeat Violator (Subtotal 3)

NoAdjustment Percentage (Subtotal 3)0%

>> Compliance History Person Classification (Subtotal 7)

Satisfactory PerformerAdjustment Percentage (Subtotal 7)0%

>> Compliance History Summary

Compliance History Notes

Enhancement for two NOVs with the same or similar violations, one NOV with dissimilar violations, and one agreed order without a denial of liability.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7)37%

>> Final Compliance History Adjustment

Final Adjustment Percentage \*capped at 100%37%

Screening Date

13-Apr-2022

Docket No.

2022-0427-AIR-E

PCW

Respondent

South Texas Electric Cooperative, Inc.

Case ID No.

62201

Reg. Ent. Reference No.

RN100222652

Media

Air

Enf. Coordinator

Toni Red

Violation Number

1

Rule Cite(s)

30 Tex. Admin. Code §§ 101.20(3), 116.115(b)(2)(F) and (c), and 122.143(4), New Source Review ("NSR") Permit Nos. 48070 and PSDTX 1011, Special Conditions ("SC") No. 1, Federal Operating Permit ("FOP") No. 0799, General Terms and Conditions ("GTC") and Special Terms and Conditions ("STC") No. 10, and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to comply with the maximum allowable emissions rate ("MAER"). Specifically, the Respondent exceeded the nitrogen oxides ("NOx") MAER of 8.97 pounds per hour ("lbs/hr") by a range from 1.53 to 14.23 lbs/hr for a total of 13 hours on 13 days from January 21, 2021 to March 19, 2021 for Gas Turbine 7: Natural Gas, Emissions Point Number, ("EPN") 15, resulting in 97.49 pounds ("lbs") of unauthorized NOx emissions.

Base Penalty

\$25,000

>> Environmental, Property and Human Health Matrix

OR

Release

Major

Moderate

Minor

Actual

x

Potential

Percent

30.0%

>>Programmatic Matrix

Falsification

Major

Moderate

Minor

Percent

0.0%

Matrix Notes

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

Adjustment

\$17,500

\$7,500

Violation Events

Number of Violation Events

1

13

Number of violation days

daily

weekly

monthly

quarterly

semiannual

annual

single event

x

Violation Base Penalty

\$7,500

One quarterly event is recommended for the instances of non-compliance that occurred from January 21, 2021 to March 19, 2021.

Good Faith Efforts to Comply

0.0%

Reduction

\$0

Before NOE/NOV

NOE/NOV to EDPRP/Settlement Offer

Extraordinary

Ordinary

N/A

x

Notes

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

Violation Subtotal

\$7,500

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount

\$3,045

Violation Final Penalty Total

\$10,275

This violation Final Assessed Penalty (adjusted for limits)

\$10,275

Economic Benefit Worksheet

Respondent Case ID No. Reg. Ent. Reference No. Media Violation No. South Texas Electric Cooperative, Inc. 62201 RN100222652 Air 1

Percent Interest	Years of Depreciation
5.0	15

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

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$30,000	21-Jan-2021	1-Feb-2023	2.03	\$3,045	n/a	\$3,045

Notes for DELAYED costs

Estimated cost to implement measures and/or procedures designed to comply with the NOx hourly MAERs for Gas Turbine 7: Natural Gas, EPN 15, Gas Turbine 8: Natural Gas, EPN 16, and Gas Turbine 9: Natural Gas, EPN 17. 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	\$30,000	TOTAL	\$3,045
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<b>Screening Date</b> 13-Apr-2022		<b>Docket No.</b> 2022-0427-AIR-E		<b>PCW</b>	
<b>Respondent</b> South Texas Electric Cooperative, Inc.		<i>Policy Revision 5 (January 28, 2021)</i>			
<b>Case ID No.</b> 62201		<i>PCW Revision February 11, 2021</i>			
<b>Reg. Ent. Reference No.</b> RN100222652					
<b>Media</b> Air					
<b>Enf. Coordinator</b> Toni Red					
<b>Violation Number</b> 2					
<b>Rule Cite(s)</b>		30 Tex. Admin. Code §§ 101.20(3), 116.115(b)(2)(F) and (c), and 122.143(4), NSR Permit Nos. 48070 and PSDTX 1011, SC No. 1, FOP No. 0799, GTC and STC No. 10, and Tex. Health & Safety Code § 382.085(b)			
<b>Violation Description</b>		Failed to comply with the MAER. Specifically, the Respondent exceeded the NOx MAER of 8.97 lbs/hr by a range from 2.93 to 11.73 lbs/hr for a total of three hours on three days from January 26, 2021 to January 29, 2021 for Gas Turbine 8: Natural Gas, EPN 16, resulting in 21.69 lbs of unauthorized NOx emissions.			
		<b>Base Penalty</b>		\$25,000	

>> Environmental, Property and Human Health Matrix

OR

	<b>Harm</b>			
<b>Release</b>	Major	Moderate	Minor	
Actual			x	<b>Percent</b> 30.0%
Potential				

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor	
					<b>Percent</b> 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 this violation.

**Adjustment** \$17,500

\$7,500

Violation Events

Number of Violation Events

1

3

Number of violation days

daily	
weekly	
monthly	x
quarterly	
semiannual	
annual	
single event	

**Violation Base Penalty** \$7,500

One monthly event is recommended for the instances of non-compliance that occurred from January 26, 2021 to January 29, 2021.

Good Faith Efforts to Comply

0.0%

Reduction

\$0

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

Notes

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

**Violation Subtotal** \$7,500

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount

\$0

Violation Final Penalty Total

\$10,275

This violation Final Assessed Penalty (adjusted for limits)

\$10,275

Economic Benefit Worksheet

Respondent Case ID No. Reg. Ent. Reference No. Media Violation No. South Texas Electric Cooperative, Inc. 62201 RN100222652 Air 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)				0.00	\$0	n/a	\$0
Notes for DELAYED costs	See the Economic Benefit in Violation No. 1.						

Avoided Costs ANNUALIZE avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance				0.00	\$0	\$0	\$0
ONE-TIME avoided costs				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Notes for AVOIDED costs							

Approx. Cost of Compliance	\$0	TOTAL	\$0
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<b>Screening Date</b>	13-Apr-2022	<b>Docket No.</b>	2022-0427-AIR-E	<b>PCW</b>
<b>Respondent</b>	South Texas Electric Cooperative, Inc.			<i>Policy Revision 5 (January 28, 2021)</i>
<b>Case ID No.</b>	62201			<i>PCW Revision February 11, 2021</i>
<b>Reg. Ent. Reference No.</b>	RN100222652			
<b>Media</b>	Air			
<b>Enf. Coordinator</b>	Toni Red			
<b>Violation Number</b>	3			
<b>Rule Cite(s)</b>	30 Tex. Admin. Code §§ 101.20(3), 116.115(b)(2)(F) and (c), and 122.143(4), NSR Permit Nos. 48070 and PSDTX 1011, SC No. 1, FOP No. 0799, GTC and STC No. 10, and Tex. Health & Safety Code § 382.085(b)			
<b>Violation Description</b>	Failed to comply with the MAER. Specifically, the Respondent exceeded the NOx MAER of 8.97 lbs/hr by a range from 0.23 to 8.03 lbs/hr for a total of six hours on four days from January 21, 2021 to January 29, 2021 for Gas Turbine 9: Natural Gas, EPN 17, resulting in 19.48 lbs of unauthorized NOx emissions.			
	<b>Base Penalty</b>	\$25,000		
<b>&gt;&gt; Environmental, Property and Human Health Matrix</b>				
<b>OR</b>	<b>Release</b>	<b>Harm</b>		
		Major	Moderate	Minor
	Actual			x
	Potential			
	<b>Percent</b>	30.0%		
<b>&gt;&gt; Programmatic Matrix</b>				
	Falsification	Major	Moderate	Minor
	<b>Percent</b>	0.0%		
<b>Matrix Notes</b>	Human health or the environment has been exposed to insignificant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of this violation.			
	<b>Adjustment</b>	\$17,500		
		\$7,500		
<b>Violation Events</b>				
	Number of Violation Events	1	4	Number of violation days
	daily			
	weekly			
	monthly	x		
	quarterly			
	semiannual			
	annual			
	single event			
	<b>Violation Base Penalty</b>	\$7,500		
	One monthly event is recommended for the instances of non-compliance that occurred from January 21, 2021 to January 29, 2021.			
<b>Good Faith Efforts to Comply</b>		0.0%	<b>Reduction</b>	\$0
	Extraordinary		Before NOE/NOV	NOE/NOV to EDPRP/Settlement Offer
	Ordinary			
	N/A	x		
	<b>Notes</b>	The Respondent does not meet the good faith criteria for this violation.		
	<b>Violation Subtotal</b>	\$7,500		
<b>Economic Benefit (EB) for this violation</b>		<b>Statutory Limit Test</b>		
	<b>Estimated EB Amount</b>	\$0	<b>Violation Final Penalty Total</b>	\$10,275
	<b>This violation Final Assessed Penalty (adjusted for limits)</b>			\$10,275

Economic Benefit Worksheet

Respondent Case ID No. Reg. Ent. Reference No. Media Violation No. South Texas Electric Cooperative, Inc. 62201 RN100222652 Air 3

Percent Interest	Years of Depreciation
5.0	15

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

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0
Notes for DELAYED costs	See the Economic Benefit in Violation No. 1.						

Avoided Costs ANNUALIZE avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance				0.00	\$0	\$0	\$0
ONE-TIME avoided costs				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Notes for AVOIDED costs							

Approx. Cost of Compliance	\$0	TOTAL	\$0
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# Compliance History Report

Compliance History Report for CN600131254, RN100222652, Rating Year 2021 which includes Compliance History (CH) components from September 1, 2016, through August 31, 2021.

**Customer, Respondent, or Owner/Operator:** CN600131254, South Texas Electric Cooperative, Inc. **Classification:** SATISFACTORY **Rating:** 1.53

**Regulated Entity:** RN100222652, SOUTH TEXAS ELECTRIC COOPERATIVE **Classification:** SATISFACTORY **Rating:** 3.23

**Complexity Points:** 20 **Repeat Violator:** NO

**CH Group:** 06 - Electric Power Generation

**Location:** 2849 FARM-TO-MARKET ROAD 447 IN NURSERY, VICTORIA COUNTY, TEXAS

**TCEQ Region:** REGION 14 - CORPUS CHRISTI

## ID Number(s):

**AIR OPERATING PERMITS** ACCOUNT NUMBER VC00260  
**PUBLIC WATER SYSTEM/SUPPLY** REGISTRATION  
2350073

**AIR NEW SOURCE PERMITS** ACCOUNT NUMBER VC00260  
**AIR NEW SOURCE PERMITS** EPA PERMIT PSDTX1011

**STORMWATER** PERMIT TXR05DH05  
**WASTEWATER** EPA ID TX0005118

**INDUSTRIAL AND HAZARDOUS WASTE** SOLID WASTE  
REGISTRATION # (SWR) 31179  
**TAX RELIEF** ID NUMBER 24382

**AIR OPERATING PERMITS** PERMIT 799  
**AIR NEW SOURCE PERMITS** PERMIT 48070

**AIR NEW SOURCE PERMITS** AFS NUM 4846900009  
**PETROLEUM STORAGE TANK REGISTRATION**  
REGISTRATION 32662

**WASTEWATER** PERMIT WQ0001521000

**AIR EMISSIONS INVENTORY** ACCOUNT NUMBER  
VC00260

**INDUSTRIAL AND HAZARDOUS WASTE** EPA ID  
TXR000051797

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

**Date Compliance History Report Prepared:** April 13, 2022

**Agency Decision Requiring Compliance History:** Enforcement

**Component Period Selected:** April 13, 2017 to April 13, 2022

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

**Name:** Toni Red

**Phone:** (512) 239-1704

## Site and Owner/Operator History:

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

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

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

- 1 Effective Date: 09/11/2017 ADMINORDER 2015-1685-IWD-E (Findings Order-Agreed Order Without Denial)
- Classification: Moderate
- Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)(1)  
30 TAC Chapter 305, SubChapter F 305.125(1)
- Rqmt Prov: Effluent Limitations-1., Pg.2 PERMIT
- Description: Failed to maintain compliance with the permitted effluent limits.
- Classification: Moderate
- Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)  
30 TAC Chapter 305, SubChapter F 305.125(9)(A)
- Rqmt Prov: Reporting Requirements; 7.c.; Pg. 5 PERMIT
- Description: Failed to provide notification of any effluent violation which deviates from the permitted effluent limitation by more than 40%.

**B. Criminal convictions:**

N/A

**C. Chronic excessive emissions events:**

N/A

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

Item 1	April 17, 2017	(1417614)
Item 2	May 18, 2017	(1425203)
Item 3	June 13, 2017	(1431206)
Item 4	July 11, 2017	(1439815)
Item 5	August 10, 2017	(1443503)
Item 6	September 19, 2017	(1450130)
Item 7	October 09, 2017	(1455950)
Item 8	November 13, 2017	(1461431)
Item 9	December 19, 2017	(1467810)
Item 10	January 09, 2018	(1474515)
Item 11	February 13, 2018	(1486741)
Item 12	April 10, 2018	(1493655)
Item 13	May 07, 2018	(1500573)
Item 14	June 11, 2018	(1507690)
Item 15	August 09, 2018	(1520069)
Item 16	August 14, 2018	(1461197)
Item 17	September 13, 2018	(1527234)
Item 18	October 17, 2018	(1533592)
Item 19	December 11, 2018	(1545211)
Item 20	January 10, 2019	(1559608)
Item 21	February 04, 2019	(1559606)
Item 22	March 05, 2019	(1559607)
Item 23	April 09, 2019	(1571808)
Item 24	May 15, 2019	(1583225)
Item 25	June 11, 2019	(1583226)
Item 26	July 17, 2019	(1593121)
Item 27	July 30, 2019	(1575252)
Item 28	August 12, 2019	(1599467)
Item 29	September 13, 2019	(1606372)
Item 30	October 18, 2019	(1613218)
Item 31	November 14, 2019	(1619032)
Item 32	December 20, 2019	(1626384)
Item 33	January 16, 2020	(1634025)
Item 34	February 07, 2020	(1640644)
Item 35	April 16, 2020	(1653500)
Item 36	May 13, 2020	(1660086)
Item 37	June 12, 2020	(1666591)
Item 38	July 15, 2020	(1673548)
Item 39	August 18, 2020	(1680323)
Item 40	August 25, 2020	(1671606)
Item 41	September 14, 2020	(1686892)
Item 42	October 15, 2020	(1693239)
Item 43	November 16, 2020	(1712407)
Item 44	December 09, 2020	(1712408)
Item 45	January 14, 2021	(1712409)
Item 46	March 16, 2021	(1725463)
Item 47	April 12, 2021	(1725464)
Item 48	May 12, 2021	(1740041)
Item 49	June 07, 2021	(1740042)
Item 50	July 08, 2021	(1751688)
Item 51	September 10, 2021	(1766232)
Item 52	October 11, 2021	(1776635)

Item 53	November 09, 2021	(1783604)
Item 54	December 08, 2021	(1790628)
Item 55	January 12, 2022	(1798423)
Item 56	February 04, 2022	(1806298)

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

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

- 1
 

Date:	07/16/2021	(1724000)	
Self Report?	YES		Classification: Moderate
Citation:	30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F) 30 TAC Chapter 116, SubChapter B 116.115(c) 30 TAC Chapter 122, SubChapter B 122.143(4) 5C THSC Chapter 382 382.085(b) General Terms and Conditions OP Special Condition No. 1 PERMIT Special Term and Condition No. 10 OP		
Description:	Failure to comply with the "Maximum Allowable Emissions Rate" Table (MAERT) limits established in New Source Review Permit No. 48070.		
Self Report?	YES		Classification: Moderate
Citation:	30 TAC Chapter 116, SubChapter B 116.115(c) 30 TAC Chapter 122, SubChapter B 122.143(4) 5C THSC Chapter 382 382.085(b) General Terms and Conditions OP Special Condition No. 11(A) PERMIT Special Term and Condition No. 10 OP		
Description:	Failure to comply with the stack emissions limitation of 5 parts per million by volume dry basis (ppmvd) for NOx for Emission Point Nos. (EPNs) 15, 16, and 17 defined in New Source Review Permit No. 48070 Special Condition No. 11(A).		
Self Report?	NO		Classification: Moderate
Citation:	30 TAC Chapter 116, SubChapter B 116.115(c) 30 TAC Chapter 122, SubChapter B 122.143(4) 5C THSC Chapter 382 382.085(b) General Terms and Conditions OP Special Condition NO. 11(B) PERMIT Special Term and Condition No. 10 OP		
Description:	Failure to comply with the stack emissions limitation of 15 parts per millions by volume dry basis (ppmvd) for Carbon Monoxide (CO) for Emission Point Nos. (EPNs) 15, 16, and 17 defined in New Source Review Permit No. 48070 Special Condition No. 11 (B).		
Self Report?	NO		Classification: Moderate
Citation:	30 TAC Chapter 116, SubChapter B 116.115(c) 30 TAC Chapter 122, SubChapter B 122.143(4) 5C THSC Chapter 382 382.085(b) General Terms and Conditions OP Special Condition No. 1 PERMIT Special Term and Condition No. 10 OP		
Description:	Failure to prevent unauthorized emissions to the atmosphere during the reporting periods of September 21, 2018 through September 20, 2019.		
- 2
 

Date:	07/31/2021	(1757152)	
Self Report?	YES		Classification: Moderate
Citation:	2D TWC Chapter 26, SubChapter A 26.121(a) 30 TAC Chapter 305, SubChapter F 305.125(1)		
Description:	Failure to meet the limit for one or more permit parameter		
- 3
 

Date:	04/05/2022	(1797350)	
Self Report?	NO		Classification: Moderate
Citation:	30 TAC Chapter 116, SubChapter B 116.115(c) 30 TAC Chapter 122, SubChapter B 122.143(4) 48070 PERMIT 5C THSC Chapter 382 382.085(b) 799 OP		
Description:	Failure to comply with the stack emissions limitation of NOx.		
Self Report?	NO		Classification: Moderate
Citation:	30 TAC Chapter 116, SubChapter B 116.115(c) 30 TAC Chapter 122, SubChapter B 122.143(4) 48070 PERMIT 5C THSC Chapter 382 382.085(b) 799 OP		
Description:	Failure to comply with the stack emissions limitation of NOx.		

Self Report?	NO	Classification:	Moderate
Citation:	30 TAC Chapter 116, SubChapter B 116.115(c) 30 TAC Chapter 122, SubChapter B 122.143(4) 48070 PERMIT 5C THSC Chapter 382 382.085(b) 799 OP		
Description:	Failure to comply with the stack emissions limitation of NOx.		
Self Report?	NO	Classification:	Moderate
Citation:	30 TAC Chapter 116, SubChapter B 116.115(c) 30 TAC Chapter 122, SubChapter B 122.143(4) 48070 PERMIT 5C THSC Chapter 382 382.085(b) 799 OP		
Description:	Failure to comply with the stack emissions limitation of NOx.		
Self Report?	NO	Classification:	Moderate
Citation:	30 TAC Chapter 116, SubChapter B 116.115(c) 30 TAC Chapter 122, SubChapter B 122.143(4) 48070 PERMIT 5C THSC Chapter 382 382.085(b) 799 OP		
Description:	Failure to comply with the stack emissions limitation of NH3.		
Self Report?	NO	Classification:	Moderate
Citation:	30 TAC Chapter 116, SubChapter B 116.115(c) 30 TAC Chapter 122, SubChapter B 122.143(4) 40 CFR Chapter 60, SubChapter C, PT 60, SubPT KKKK 60.4335(b)(1) 48070 PERMIT 5C THSC Chapter 382 382.085(b) 799 OP		
Description:	Failure to maintain a continuous emission monitoring system (CEMS).		
Self Report?	NO	Classification:	Minor
Citation:	30 TAC Chapter 122, SubChapter B 122.143(4) 30 TAC Chapter 122, SubChapter B 122.145(2)(A) 5C THSC Chapter 382 382.085(b) 799 OP		
Description:	Failure to report all instances of deviation.		

**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  
SOUTH TEXAS ELECTRIC  
COOPERATIVE, INC.  
RN100222652

§ BEFORE THE  
§  
§ TEXAS COMMISSION ON  
§  
§ ENVIRONMENTAL QUALITY  
§

## AGREED ORDER DOCKET NO. 2022-0427-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 South Texas Electric Cooperative, Inc. (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 power plant located at 2849 Farm-to-Market Road 447 in Nursery, Victoria 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 \$30,825 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent paid \$24,660 of the penalty and \$6,165 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.

## **II. ALLEGATIONS**

During an investigation conducted from February 3, 2022 through March 9, 2022, an investigator documented that the Respondent failed to comply with the maximum allowable emissions rates ("MAERs"), in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(b)(2)(F) and (c), and 122.143(4), New Source Review Permit Nos. 48070 and PSDTX 1011, Special Conditions No. 1, Federal Operating Permit No. 0799, General Terms and Conditions and Special Terms and Conditions No. 10, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent exceeded the nitrogen oxides ("NOx") MAER of 8.97 pounds per hour ("lbs/hr") by a range from 1.53 to 14.23 lbs/hr for a total of 13 hours on 13 days from January 21, 2021 to March 19, 2021 for Gas Turbine 7: Natural Gas, Emissions Point Number, ("EPN") 15, resulting in 97.49 pounds ("lbs") of unauthorized NOx emissions; the NOx MAER of 8.97 lbs/hr by a range from 2.93 to 11.73 lbs/hr for a total of three hours on three days from January 26, 2021 to January 29, 2021 for Gas Turbine 8: Natural Gas, EPN 16, resulting in 21.69 lbs of unauthorized NOx emissions; and the NOx MAER of 8.97 lbs/hr by a range from 0.23 to 8.03 lbs/hr for a total of six hours on four days from January 21, 2021 to January 29, 2021 for Gas Turbine 9: Natural Gas, EPN 17, resulting in 19.48 lbs of unauthorized NOx emissions.

## **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: South Texas Electric Cooperative, Inc., Docket No. 2022-0427-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, implement measures and/or procedures designed to comply with the NOx hourly MAERs for Gas Turbine 7: Natural Gas, EPN 15, Gas Turbine 8: Natural Gas, EPN 16, and Gas Turbine 9: Natural Gas, EPN 17.
  - 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. 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  
Corpus Christi Regional Office  
Texas Commission on Environmental Quality  
500 North Shoreline Boulevard, Suite 500  
Corpus Christi, Texas 78401-0318

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

-----  
For the Commission

-----  
Date



-----  
2/27/2023

-----  
For the Executive Director

-----  
Date

I, the undersigned, have read and understand the attached Order. I am authorized to agree to the attached Order, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

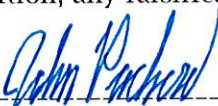
I also understand that failure to comply with the Ordering Provisions, if any, in this Order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- Referral of this case to the OAG 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 OAG 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

-----  
Date



-----  
1/27/2023

-----  
John Packard  
Name (Printed or typed)  
Authorized Representative of  
South Texas Electric Cooperative, Inc.

-----  
Manager of Power Supply  
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.