

EXECUTIVE SUMMARY – ENFORCEMENT MATTER – CASE No. 62939
SRC Water Supply Inc
RN101174894
Docket No. 2022-1163-UTL-E

Page 1 of 2

Order Type:
Default Order

Media:
PWS

Small Business:
Yes

Location(s) Where Violation(s) Occurred:
22 Christi Lane, Krum, Denton County (the Utility”)

Type of Operation:
a water utility

Other Significant Matters:

Additional Pending Enforcement Actions: Case No. 62546 (pending OAG referral);
2020-1072-PWS-E; 2021-1047-PWS-E;
2022-1259-UTL-E; 2022-1266-UTL-E;
2022-1277-UTL-E; 2022-1328-UTL-E;
2022-1329-UTL-E; 2022-1332-UTL-E;

Past-Due Penalties: \$228
Past-Due Fees: \$18,356.76
Other: None
Interested Third Parties: None

Texas Register Publication Date: August 25, 2023

Comments Received: None

Penalty Information

Total Penalty Assessed: \$500
Total Paid to General Revenue: \$0
Total Due to General Revenue: \$500

Compliance History Classifications:

Person/CN - High
Site/RN - Not Applicable

Major Source: No

Statutory Limit Adjustment: None

Applicable Penalty Policy: January 28, 2021

Investigation Information

Complaint Date(s): N/A
Date(s) of Investigation: September 9, 2022
Date(s) of NOV(s): July 8, 2022
Date(s) of NOE(s): September 9, 2022

**SRC Water Supply Inc
RN101174894
Docket No. 2022-1163-UTL-E**

Violation Information

Failed to adopt and submit to TCEQ for approval an emergency preparedness plan ("EPP") that demonstrates the Utility's ability to provide emergency operations [TEX. WATER CODE § 13.1394(b)(2)].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

None

Technical Requirements:

None

1. Within 90 days develop and submit to TCEQ for approval an EPP that demonstrates the Utility's ability to provide emergency operations. The EPP must demonstrate Respondent's ability to provide emergency operations.
Respond completely to all requests for information about the submitted or forthcoming EPP.
2. Within 105 days submit written certification to demonstrate compliance with Technical Requirement No. 1.
3. Within 270 days obtain approval from TCEQ for the EPP submitted pursuant to Technical Requirement No. 1.
4. Within 285 days submit written certification to demonstrate compliance with Technical Requirement No. 3.

Litigation Information

Date Petition(s) Filed: June 15, 2023

Date(s) of Service: June 20, 2023

Date Answer(s) Filed: N/A

Contact Information

TCEQ Attorneys: Megan L. Grace, Litigation Division, (512) 239-3400
Sheldon Wayne, Public Interest Counsel, (512) 239-6363

TCEQ Litigation Agenda Coordinator: Katherine McKenzie, Litigation Division, (512) 239-2575

TCEQ Enforcement Coordinator: Samantha Salas, Enforcement Division, (512) 239-1543

TCEQ Regional Contact: Brent Candler, Dallas/Fort Worth Regional Office, (817) 588-5800

Respondent Contact: Sandra Barbey, President, SRC Water Supply Inc, P.O. Box 385, Mount Enterprise, Texas 75681-0385

Respondent's Attorney: N/A



Penalty Calculation Worksheet (PCW)

Policy Revision 5 (January 28, 2021)

PCW Revision February 11, 2021

DATES	Assigned	12-Sep-2022	Screening	20-Sep-2022	EPA Due	
	PCW	25-Oct-2022				

RESPONDENT/FACILITY INFORMATION	
Respondent	SRC Water Supply Inc
Reg. Ent. Ref. No.	RN101174894
Facility/Site Region	4-Dallas/Fort Worth
Major/Minor Source	Minor

CASE INFORMATION			
Enf./Case ID No.	62939	No. of Violations	1
Docket No.	2022-1163-UTL-E	Order Type	1660
Media Program(s)	Public Water Supply	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Ecko Beggs
		EC's Team	Enforcement Team 4
Admin. Penalty \$ Limit Minimum	\$50	Maximum	\$5,000

Penalty Calculation Section

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

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

Compliance History	-10.0% Adjustment	Subtotals 2, 3, & 7	-\$50
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Notes	Reduction for high performer classification.
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Culpability	No	0.0% Enhancement	Subtotal 4	\$0
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Notes	The Respondent does not meet the culpability criteria.
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Good Faith Effort to Comply Total Adjustments	Subtotal 5	\$0
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Economic Benefit	0.0% Enhancement*	Subtotal 6	\$0
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Total EB Amounts	\$7	*Capped at the Total EB \$ Amount
Estimated Cost of Compliance	\$180	

SUM OF SUBTOTALS 1-7	Final Subtotal	\$450
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OTHER FACTORS AS JUSTICE MAY REQUIRE	11.1% Adjustment	\$50
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes	Enhancement to offset the reduction for high performer.
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Final Penalty Amount	\$500
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$500
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DEFERRAL	0.0% Reduction Adjustment	\$0
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Reduces the Final Assessed Penalty by the indicated percentage.

Notes	Deferral not offered for non-expedited settlement.
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PAYABLE PENALTY	\$500
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Screening Date 20-Sep-2022

Docket No. 2022-1163-UTL-E

PCW

Respondent SRC Water Supply Inc

Policy Revision 5 (January 28, 2021)

Case ID No. 62939

PCW Revision February 11, 2021

Reg. Ent. Reference No. RN101174894

Media Public Water Supply

Enf. Coordinator Ecko Beggs

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)

N/A

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

High Performer

Adjustment Percentage (Subtotal 7) -10%

>> Compliance History Summary

Compliance History Notes

Reduction for high performer classification.

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

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% -10%

Screening Date 20-Sep-2022
Respondent SRC Water Supply Inc
Case ID No. 62939
Reg. Ent. Reference No. RN101174894
Media Public Water Supply
Enf. Coordinator Ecko Beggs

Docket No. 2022-1163-UTL-E

PCW

Policy Revision 5 (January 28, 2021)

PCW Revision February 11, 2021

Violation Number 1

Rule Cite(s)

Tex. Water Code § 13.1394(b)(2)

Violation Description

Failed to adopt and submit to the TCEQ for approval an emergency preparedness plan ("EPP") that demonstrates the Facility's ability to provide emergency operations.

Base Penalty \$5,000

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

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0.0%

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor
	x		

Percent 10.0%

Matrix Notes

100% of the rule requirements were not met.

Adjustment \$4,500

\$500

Violation Events

Number of Violation Events 1 11 Number of violation days

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$500

One single event is recommended.

Good Faith Efforts to Comply

0.0%

Reduction \$0

Before NOE/NOV NOE/NOV to EDPRP/Settlement Offer

Extraordinary		
Ordinary		
N/A	x	

Notes

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

Violation Subtotal \$500

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$7

Violation Final Penalty Total \$500

This violation Final Assessed Penalty (adjusted for limits) \$500

Economic Benefit Worksheet

Respondent SRC Water Supply Inc
Case ID No. 62939
Reg. Ent. Reference No. RN101174894
Media Public Water Supply
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

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

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$180	9-Sep-2022	24-Jun-2023	0.79	\$7	n/a	\$7

Notes for DELAYED costs

The delayed cost includes the estimated amount to develop and submit to the TCEQ for approval an EPP that demonstrates the Facility's ability to provide emergency operations, calculated from the date of the investigation to 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

\$180

TOTAL

\$7



Compliance History Report

Compliance History Report for CN604841528, RN101174894, Rating Year 2022 which includes Compliance History (CH) components from September 1, 2017, through August 31, 2022.

Customer, Respondent, or Owner/Operator: CN604841528, SRC Water Supply Inc **Classification:** HIGH **Rating:** 0.00
Regulated Entity: RN101174894, DENTON ESTATES MOBILE HOME PARK **Classification:** NOT APPLICABLE **Rating:** N/A
Complexity Points: N/A **Repeat Violator:** N/A
CH Group: 14 - Other
Location: 22 CHRISTI LANE IN KRUM, DENTON COUNTY, TEXAS
TCEQ Region: REGION 04 - DFW METROPLEX
ID Number(s):
PUBLIC WATER SYSTEM/SUPPLY REGISTRATION 0610016

Compliance History Period: September 01, 2017 to August 31, 2022 **Rating Year:** 2022 **Rating Date:** 09/01/2022
Date Compliance History Report Prepared: September 15, 2022
Agency Decision Requiring Compliance History: Enforcement
Component Period Selected: September 15, 2017 to September 15, 2022

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

Name: Ecko Beggs

Phone: (512) 239-2905

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? YES
- 3) Who is the current owner/operator? SRC WATER SUPPLY INC OWNER since 7/8/2020
- 4) Who was/were the prior owner(s)/operator(s)? Lass Utility Service Company Inc, OWNER, 9/2/2011 to 7/7/2020
LASS WATER COMPANY INC, OWNER, 5/20/2014 to 7/7/2020
BARBEY, SANDRA R, OWNER, 1/1/2015 to 7/7/2020

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

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

N/A

B. Criminal convictions:

N/A

C. Chronic excessive emissions events:

N/A

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

Item 1 May 13, 2021 (1704681)

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

Component Appendices

Appendix A

All NOVs Issued During Component Period 9/15/2017 and 9/15/2022

1	<p>Date: 04/04/2018 (1525072)</p> <p>Self Report? NO Classification: Moderate</p> <p>Citation:</p> <p style="padding-left: 20px;">30 TAC Chapter 290, SubChapter D 290.46(f)(4) 30 TAC Chapter 290, SubChapter F 290.106(c)(6) 30 TAC Chapter 290, SubChapter F 290.106(c)(9) 30 TAC Chapter 290, SubChapter F 290.106(e)</p> <p>Description: NO3 MR YR2017 - The system failed to monitor and/or report nitrate levels to the TCEQ for the annual monitoring period from 01/01/2017 to 12/31/2017 within the required timeline.</p> <p>Self Report? NO Classification: Moderate</p> <p>Citation:</p> <p style="padding-left: 20px;">30 TAC Chapter 290, SubChapter D 290.46(f)(4) 30 TAC Chapter 290, SubChapter F 290.107(c)(1) 30 TAC Chapter 290, SubChapter F 290.107(e)</p> <p>Description: SOC5 MR 3Y2017 - The system failed to monitor and/or report synthetic organic contaminants (Group SOC5) levels to the TCEQ for the triennial monitoring period from 01/01/2015 to 12/31/2017 within the required timeline.</p> <p>Self Report? NO Classification: Moderate</p> <p>Citation:</p> <p style="padding-left: 20px;">30 TAC Chapter 290, SubChapter D 290.46(f)(4) 30 TAC Chapter 290, SubChapter F 290.107(c)(2) 30 TAC Chapter 290, SubChapter F 290.107(e)</p> <p>Description: VOC MR YR2017 - The system failed to monitor and/or report volatile organic contaminants levels to the TCEQ for the annual monitoring period from 01/01/2017 to 12/31/2017 within the required timeline.</p> <p>Self Report? NO Classification: Moderate</p> <p>Citation:</p> <p style="padding-left: 20px;">30 TAC Chapter 290, SubChapter D 290.46(f)(4) 30 TAC Chapter 290, SubChapter F 290.115(e) 30 TAC Chapter 290, SubChapter F 290.115(f)(2) 30 TAC Chapter 290, SubChapter F 290.115(f)(4)</p> <p>Description: DBP2 MR YR2017 - This system failed to monitor and/or report disinfectant byproduct levels in its distribution system to the TCEQ for the annual monitoring period from 01/01/2017 to 12/31/2017.</p>
2	<p>Date: 03/15/2019 (1539867)</p> <p>Self Report? NO Classification: Moderate</p> <p>Citation:</p> <p style="padding-left: 20px;">30 TAC Chapter 290, SubChapter F 290.110(c)(4)(A)</p> <p>Description: Failure to monitor the chlorine residual within the distribution system at least once every seven days. EIF: B1, MOD(2)(A)</p> <p>Self Report? NO Classification: Moderate</p> <p>Citation:</p>

Description: 30 TAC Chapter 290, SubChapter D 290.41(c)(1)(A)
 Failure to locate Well No. 1 at least 150' from a septic tank drain field.
 EIC: B19c4, MOD(2)(G)

Self Report? NO Classification: Minor
 Citation:

Description: 30 TAC Chapter 290, SubChapter D 290.44(d)(4)
 Failure to provide metering devices for each service connection.
 EIC: C4, MIN(3)(D)

Self Report? NO Classification: Minor
 Citation:

Description: 30 TAC Chapter 290, SubChapter D 290.41(c)(3)(J)
 Failure to provide a sealing block that extends at least three feet in all directions
 from the well head.
 EIC: C4, MIN(3)(D)

Self Report? NO Classification: Moderate
 Citation:

Description: 30 TAC Chapter 290, SubChapter D 290.42(j)
 Failure to use NSF 60 Certified sodium hypochlorite solution for disinfection.
 EIC: B17, MOD(2)(G)

Self Report? NO Classification: Moderate
 Citation:

Description: 30 TAC Chapter 290, SubChapter D 290.46(s)(2)(C)(i)
 Failure to verify the calibration of the disinfectant residual analyzer at least once
 every 90 days.
 EIC: B1, MOD(2)(A)

Self Report? NO Classification: Moderate
 Citation:

Description: 30 TAC Chapter 290, SubChapter D 290.46(j)
 Failure to conduct Customer Service Inspections prior to providing continuous
 service at all newly constructed homes.
 EIC: B1, MOD(2)(A)

Self Report? NO Classification: Moderate
 Citation:

Description: 30 TAC Chapter 290, SubChapter D 290.44(h)(4)
 Failure to inspect and test all backflow prevention assemblies (BPAs) upon
 installation and to conduct annual inspections of all BPAs that are protecting
 against health hazards.
 EIC: B1, MOD(2)(A)

Self Report? NO Classification: Minor
 Citation:

Description: 30 TAC Chapter 290, SubChapter D 290.45(b)(1)(C)
 30 TAC Chapter 290, SubChapter D 290.45(b)(1)(C)(iv)
 Failure to provide a pressure tank capacity of at least 20 gallons per connection.
 EIC: B18c9, MIN(3)(D)

Self Report? NO Classification: Minor
 Citation:

Description: 30 TAC Chapter 290, SubChapter D 290.45(b)(1)(C)
 30 TAC Chapter 290, SubChapter D 290.45(b)(1)(C)(i)
 Failure to provide a well production capacity of at least 0.6 gallons per minute per
 connection.
 EIC: C7, MIN(3)(D)

3 Date: 05/30/2019 (1665680)

Self Report? NO Classification: Moderate
 Citation:

Description: 30 TAC Chapter 290, SubChapter F 290.106(e)
 CN MR YR2018 - The system failed to monitor and/or report cyanide levels to the
 TCEQ for the annual monitoring period from 01/01/2018 to 12/31/2018 within
 the required timeline.

Self Report? NO Classification: Moderate
 Citation:

Description: 30 TAC Chapter 290, SubChapter F 290.108(e)
 RAD MR 6Y2018 - The system failed to monitor and/or report radionuclide levels
 to the TCEQ for the 6 year monitoring period from 01/01/2013 to 12/31/2018
 within the required timeline.

- 4 Date: 01/15/2020 (1665680)
 Self Report? NO Classification: Moderate
 Citation:
 30 TAC Chapter 290, SubChapter F 290.110(e)(4)(A)
 30 TAC Chapter 290, SubChapter F 290.110(f)(3)
 Description: DLQOR MR 3Q2019 - The system failed to monitor and/or report distribution disinfectant residuals to the TCEQ for the 3rd quarter of 2019 within the required timeline.
- 5 Date: 02/24/2020 (1665680)
 Self Report? NO Classification: Moderate
 Citation:
 30 TAC Chapter 290, SubChapter F 290.110(e)(4)(A)
 30 TAC Chapter 290, SubChapter F 290.110(f)(3)
 Description: DLQOR MR 4Q2019 - The system failed to monitor and/or report distribution disinfectant residuals to the TCEQ for the 4th quarter of 2019 within the required timeline.
- 6 Date: 04/16/2020 (1665680)
 Self Report? NO Classification: Moderate
 Citation:
 30 TAC Chapter 290, SubChapter F 290.106(e)
 Description: NO2 MR YR2019 - The system failed to monitor and/or report nitrite levels to the TCEQ for the annual monitoring period from 01/01/2019 to 12/31/2019 within the required timeline.
- 7 Date: 07/02/2020 (1665680)
 Self Report? NO Classification: Moderate
 Citation:
 30 TAC Chapter 290, SubChapter F 290.110(e)(4)(A)
 30 TAC Chapter 290, SubChapter F 290.110(f)(3)
 Description: DLQOR MR 1Q2020 - The system failed to monitor and/or report distribution disinfectant residuals to the TCEQ for the 1st quarter of 2020 within the required timeline.

* NOVs applicable for the Compliance History rating period 9/1/2017 to 8/31/2022

Appendix B

All Investigations Conducted During Component Period September 15, 2017 and September 15, 2022

Item 1	October 30, 2018**	(1525072)
Item 2	November 02, 2018**	(1525506)
Item 3	March 14, 2019**	(1539867)
Item 4	July 25, 2019**	(1576999)
Item 5	August 04, 2020**	(1665680)
Item 6	August 07, 2020**	(1666140)
Item 7*	May 13, 2021**	(1704681)
Item 8	September 09, 2022	(1841576)

* No violations documented during this investigation

**Investigation applicable for the Compliance History Rating period between 09/01/2017 and 08/31/2022.

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
SRC WATER SUPPLY INC;
RN101174894

§
§
§
§
§

BEFORE THE

TEXAS COMMISSION ON

ENVIRONMENTAL QUALITY

DEFAULT ORDER

DOCKET NO. 2022-1163-UTL-E

On _____, the Texas Commission on Environmental Quality (“Commission” or “TCEQ”) considered the Executive Director’s Preliminary Report and Petition, filed pursuant to TEX. WATER CODE ch. 13, TEX. HEALTH & SAFETY CODE ch. 341, and the rules of TCEQ, which requests appropriate relief, including the imposition of an administrative penalty and corrective action of the respondent. The respondent made the subject of this Order is SRC Water Supply Inc (“Respondent”).

The Commission makes the following Findings of Fact and Conclusions of Law:

FINDINGS OF FACT

1. Respondent owns and/or operates a retail public utility, exempt utility, or provider or conveyor of potable or raw water service located at 22 Christi Lane in Krum, Denton County, Texas (the "Utility"). The Utility furnishes water service to more than one customer and is not located in a county with a population of 3.3 million or more or in a county with a population of 550,000 or more adjacent to a county with a population of 3.3 million or more.
2. During a record review conducted on September 9, 2022, an investigator documented that Respondent failed to adopt and submit to TCEQ for approval an emergency preparedness plan ("EPP") that demonstrates the Utility’s ability to provide emergency operations.
3. The Executive Director filed the “Executive Director’s Preliminary Report and Petition Recommending that the Texas Commission on Environmental Quality Enter an Enforcement Order Assessing an Administrative Penalty Against and Requiring Certain Actions of SRC Water Supply Inc” (the “EDPRP”) in the TCEQ Chief Clerk’s office on June 15, 2023.
4. By letter dated June 15 2023, sent to Respondent’s last known address via certified mail, return receipt requested, postage prepaid, the Executive Director served Respondent with notice of the EDPRP. According to the return receipt “green card,” Respondent received notice of the EDPRP on June 20, 2023, as evidenced by the signature on the card.
5. More than 20 days have elapsed since Respondent received notice of the EDPRP. Respondent failed to file an answer and failed to request a hearing.

CONCLUSIONS OF LAW

1. As evidenced by Finding of Fact No. 1, Respondent is subject to the jurisdiction of the TCEQ pursuant to TEX. WATER CODE ch. 13 and TEX. HEALTH & SAFETY CODE ch. 341, and the rules of the TCEQ.
2. As evidenced by Finding of Fact No. 2, Respondent failed to adopt and submit to TCEQ for approval an EPP that demonstrates the Utility’s ability to provide emergency operations, in violation of TEX. WATER CODE § 13.1394(b)(2).

3. As evidenced by Findings of Fact Nos. 3 and 4, the Executive Director timely served Respondent with proper notice of the EDPRP, as required by TEX. WATER CODE § 13.4151, TEX. HEALTH & SAFETY CODE § 341.049, and 30 TEX. ADMIN. CODE § 70.104(b)(1).
4. As evidenced by Finding of Fact No. 5, Respondent failed to file a timely answer as required by TEX. WATER CODE § 13.4151, TEX. HEALTH & SAFETY CODE § 341.049, and 30 TEX. ADMIN. CODE § 70.105. Pursuant to TEX. WATER CODE § 13.4151, TEX. HEALTH & SAFETY CODE § 341.049, and 30 TEX. ADMIN. CODE § 70.106, the Commission may enter a Default Order against Respondent and assess the penalty recommended by the Executive Director.
5. Pursuant to TEX. WATER CODE § 13.4151 and TEX. HEALTH & SAFETY CODE § 341.049, the Commission has the authority to assess an administrative penalty against Respondent for violations of state statutes within TCEQ's jurisdiction, for violations of rules adopted under such statutes, or for violations of orders or permits issued under such statutes.
6. An administrative penalty in the amount of five hundred dollars (\$500.00) is justified by the facts recited in this Order, and considered in light of the factors set forth in TEX. WATER CODE § 13.4151(b).
7. TEX. WATER CODE §§ 5.102 and 7.002 authorize the Commission to issue orders and make determinations necessary to effectuate the purposes of the statutes within its jurisdiction.

ORDERING PROVISIONS

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

1. Respondent is assessed an administrative penalty in the amount of five hundred dollars (\$500.00) for violations of state statutes and rules of the TCEQ. The payment of this penalty and Respondent's compliance with all the requirements set forth in this Order resolve only the matters set forth by this Order in this action. The Commission shall not be constrained in any manner from requiring corrective actions or penalties for violations which are not raised here.
2. The penalty assessed by this Order shall be paid within 30 days after the effective date of this Order. All checks submitted to pay the penalty imposed by this Order shall be made out to TCEQ and shall be sent with the notation "Re: SRC Water Supply Inc; Docket No. 2022-1163-UTL-E" to:

Financial Administration Division
Revenue Operations Section
Texas Commission on Environmental Quality
Attention: Cashier's Office, MC 214
P.O. Box 13088
Austin, Texas 78711-3088
3. Respondent shall undertake the following technical requirements:
 - a. Within 90 days after the effective date of this Order, develop and submit to TCEQ for approval an EPP that demonstrates the Utility's ability to provide emergency operations, in accordance with TEX. WATER CODE § 13.1394(b)(2). The EPP must demonstrate Respondent's ability to provide emergency operations, as described by TEX. WATER CODE § 13.1394(b)(1), and shall be submitted to:

Emergency Response and Preparedness Section, MC 155
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711

Respondent shall respond completely and adequately, as determined by TCEQ, within 10 days or by any other deadline specified in writing, to all requests for

information about the submitted or forthcoming EPP.

- b. Within 105 days after the effective date of this Order, submit written certification, in accordance with Ordering Provision No. 3.e., to demonstrate compliance with Ordering Provision No. 3.a.
- c. Within 270 days after the effective date of this Order, obtain approval from TCEQ for the EPP submitted pursuant to Ordering Provision No. 3.a., in accordance with TEX. WATER CODE § 13.1394(b)(2).
- d. Within 285 days after the effective date of this Order, submit written certification, in accordance with Ordering Provision No. 3.e., to demonstrate compliance with Ordering Provision No. 3.c.
- e. The certifications required by these Ordering Provisions shall be accompanied by detailed supporting documentation including photographs, receipts, and/or other records, shall be signed by 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 fine and imprisonment for knowing violations.”

The written certifications and supporting documentation necessary to demonstrate compliance with these Ordering Provisions shall be sent to:

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

and:

Drinking Water Special Functions Section Manager
Water Supply Division, MC 155
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

4. All relief not expressly granted in this Order is denied.
5. The provisions of this Order shall apply to and be binding upon Respondent. Respondent is ordered to give notice of this Order to personnel who maintain day-to-day control over the Utility operations referenced in this Order.
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 Respondent shall be made in writing to the Executive Director. Extensions are not effective until 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 Enforcement Division at the address listed above.
7. If 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, Respondent's failure to comply is not a violation of this Order.

Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. Respondent shall notify the Executive Director within seven days after Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.

8. The Executive Director may refer this matter to the Office of the Attorney General of the State of Texas for further enforcement proceedings without notice to Respondent if the Executive Director determines that Respondent has not complied with one or more of the terms or conditions in this Order.
9. 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.
10. 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.
11. The Chief Clerk shall provide a copy of this fully executed Order to each of the parties. By law, the effective date of this Order shall be the date the Order is final, as provided by 30 TEX. ADMIN. CODE § 70.106(d) and TEX. GOV'T CODE § 2001.144.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

Date

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



UNSWORN DECLARATION OF MEGAN L. GRACE

"On behalf of the Executive Director of the Texas Commission on Environmental Quality, the 'Executive Director's Preliminary Report and Petition Recommending that the Texas Commission on Environmental Quality Enter an Enforcement Order Assessing an Administrative Penalty Against and Requiring Certain Actions of SRC Water Supply Inc' (the 'EDPRP') was filed in the TCEQ Chief Clerk's office on June 15, 2023.

The EDPRP was mailed to Respondent's last known address on June 15, 2023, via certified mail, return receipt requested, postage prepaid. According to the return receipt 'green card,' Respondent received notice of the EDPRP on June 20, 2023, as evidenced by the signature on the card.

More than 20 days have elapsed since Respondent received notice of the EDPRP. Respondent failed to file an answer and failed to request a hearing."

"My name is Megan L. Grace, and I am an employee of the following governmental agency: Texas Commission on Environmental Quality. I am executing this declaration as part of my assigned duties and responsibilities. I declare under penalty of perjury that the foregoing is true and correct."

Executed in Travis County,
State of Texas,
on the 2nd day of August, 2023

A handwritten signature in black ink, appearing to read "Megan L. Grace", written over a horizontal line.

Declarant