

Executive Summary – Enforcement Matter – Case No. 63769
Battleground Oil Specialty Terminal Company LLC
RN106057516
Docket No. 2023-0373-AIR-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

AIR

Small Business:

No

Location(s) Where Violation(s) Occurred:

Battleground Oil Specialty Terminal, located approximately 1.7 miles north of the intersection of Miller Cut Off Road and Highway 225, in La Porte on the western shore of the Houston Ship Channel at Barnes Island, La Porte, Harris County

Type of Operation:

Bulk petroleum liquid storage terminal

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Past-Due Fees: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: August 29, 2025

Comments Received: No

Penalty Information

Total Penalty Assessed: \$43,050

Amount Deferred for Expedited Settlement: \$8,610

Total Paid to General Revenue: \$17,220

Total Due to General Revenue: \$0

Payment Plan: N/A

Supplemental Environmental Project (“SEP”) Conditional Offset: \$17,220

Name of SEP: Texas City Independent School District (Third-Party Pre-Approved)

Compliance History Classifications:

Person/CN - High

Site/RN - High

Major Source: Yes

Statutory Limit Adjustment: N/A

Applicable Penalty Policy: January 2021

Investigation Information

Complaint Date(s): N/A

Complaint Information: N/A

Date(s) of Investigation: December 29, 2022 through February 17, 2023

Date(s) of NOE(s): February 27, 2023

Executive Summary – Enforcement Matter – Case No. 63769
Battleground Oil Specialty Terminal Company LLC
RN106057516
Docket No. 2023-0373-AIR-E

Violation Information

Failed to comply with the maximum allowable emissions rates ("MAERs"). Specifically, the Respondent exceeded the volatile organic compounds ("VOC") MAER of 1.75 tons per year ("tpy"), the particulate matter equal to or less than 2.5 microns ("PM2.5"), MAER of 2.42 tpy, and the PM10 MAER of 2.42 tpy based on a 12-month rolling period for the 12-month periods ending from April 2021 through December 2022 for Steam Boilers 8501 through 8512, Emissions Point Numbers ("EPNs") SB-8501 through SB-8512, respectively, resulting in the release of 0.50 ton of unauthorized VOC emissions, 0.68 ton of unauthorized PM2.5 emissions, and 0.68 ton of PM10 emissions [30 TEX. ADMIN. CODE §§ 116.115(b)(2)(F) and (c) and 122.143(4), New Source Review ("NSR") Permit No. 94384, Special Conditions No. 1, Federal Operating Permit No. O4254, General Terms and Conditions and Special Terms and Conditions No. 19, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

By April 17, 2023, the Respondent obtained an amendment for NSR Permit No. 94384 to increase the VOC, PM2.5, and PM10 annual MAERs for Steam Boilers 8501 through 8512, EPNs SB-8501 through SB-8512.

Technical Requirements:

The Order will require the Respondent to implement and complete a SEP (see SEP Attachment A).

Contact Information

TCEQ Attorney: N/A

TCEQ Enforcement Coordinator: Desmond Martin, Enforcement Division, Enforcement Team 2, MC 219, (512) 239-2814; Michael Parrish, Enforcement Division, R-12, (512) 239-2548

TCEQ SEP Coordinator: Stuart Beckley, Enforcement Division, MC 219, (512) 239-3565

SEP Third-Party Administrator: Texas City Independent School District, Griffith, Moseley, Johnson & Associates, Inc., 2901 Turtle Creek Drive, Suite 445, Port Arthur, Texas 77642

Respondent: Michael Breazeale, General Manager, Battleground Oil Specialty Terminal Company LLC, 300 Beltway Green Boulevard, Pasadena, Texas 77503

Respondent's Attorney: N/A



Penalty Calculation Worksheet (PCW)

Policy Revision 5 (January 28, 2021)

PCW Revision February 11, 2021

DATES	Assigned	6-Mar-2023	Screening	14-Mar-2023	EPA Due	26-Aug-2023
	PCW	3-Mar-2025				

RESPONDENT/FACILITY INFORMATION

Respondent	Battleground Oil Specialty Terminal Company LLC				
Reg. Ent. Ref. No.	RN106057516				
Facility/Site Region	12-Houston	Major/Minor Source	Major		

CASE INFORMATION

Enf./Case ID No.	63769	No. of Violations	1
Docket No.	2023-0373-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Desmond Martin
		EC's Team	Enforcement Team 2
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$25,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$52,500
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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	-8.0%	Adjustment	Subtotals 2, 3, & 7	-\$4,200
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Notes: Enhancement for one NOV with same/similar violations. Reduction for one notice of intent to conduct an audit, one disclosure of violations, and for High Performer classification.

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

Good Faith Effort to Comply Total Adjustments	Subtotal 5	-\$5,250
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Economic Benefit	0.0%	Enhancement*	Subtotal 6	\$0
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Total EB Amounts \$511
Estimated Cost of Compliance \$5,000

*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7	Final Subtotal	\$43,050
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OTHER FACTORS AS JUSTICE MAY REQUIRE	0.0%	Adjustment	\$0
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

Final Penalty Amount	\$43,050
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$43,050
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DEFERRAL	20.0%	Reduction	Adjustment	-\$8,610
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Reduces the Final Assessed Penalty by the indicated percentage.

Notes:

Deferral offered for expedited settlement.

PAYABLE PENALTY	\$34,440
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Screening Date	14-Mar-2023	Docket No.	2023-0373-AIR-E	PCW
Respondent	Battleground Oil Specialty Terminal Company LLC			<i>Policy Revision 5 (January 28, 2021)</i>
Case ID No.	63769			<i>PCW Revision February 11, 2021</i>
Reg. Ent. Reference No.	RN106057516			
Media	Air			
Enf. Coordinator	Desmond Martin			

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>)	1	5%
	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>)	1	-1%
	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>)	1	-2%
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) 2%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

High Performer

Adjustment Percentage (Subtotal 7) -10%

>> Compliance History Summary

Compliance History Notes

Enhancement for one NOV with same/similar violations. Reduction for one notice of intent to conduct an audit, one disclosure of violations, and for High Performer classification.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) -8%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% -8%

Screening Date	14-Mar-2023	Docket No.	2023-0373-AIR-E	PCW	
Respondent	Battleground Oil Specialty Terminal Company LLC			Policy Revision 5 (January 28, 2021)	
Case ID No.	63769			PCW Revision February 11, 2021	
Reg. Ent. Reference No.	RN106057516				
Media	Air				
Enf. Coordinator	Desmond Martin				
Violation Number	1				
Rule Cite(s)	30 Tex. Admin. Code §§ 116.115(b)(2)(F) and (c) and 122.143(4), New Source Review ("NSR") Permit No. 94384, Special Conditions No. 1, Federal Operating Permit No. O4254, General Terms and Conditions and Special Terms and Conditions No. 19, and Tex. Health & Safety Code § 382.085(b)				
Violation Description	Failed to comply with the maximum allowable emissions rates ("MAERs"). Specifically, the Respondent exceeded the volatile organic compounds ("VOC") MAER of 1.75 tons per year ("tpy"), the particulate matter equal to or less than 2.5 microns ("PM2.5") MAER of 2.42 tpy, and the particulate the particulate matter equal to or less than 10 microns ("PM10") MAER of 2.42 tpy based on a 12-month rolling period for the 12-month periods ending from April 2021 through December 2022 for Steam Boilers 8501 through 8512, Emissions Point Numbers ("EPNs") SB-8501 through SB-8512, respectively, resulting in the release of 0.50 ton of unauthorized VOC emissions, 0.68 ton of unauthorized PM2.5 emissions, and 0.68 ton of PM10 emissions.				
		Base Penalty	\$25,000		
>> Environmental, Property and Human Health Matrix					
OR	Release	Harm			
		Major Moderate Minor			
	Actual			x	
	Potential			x	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 that do not exceed levels that are protective of human health or environmental receptors as a result of the violation.				
		Adjustment	\$17,500		
			\$7,500		
Violation Events					
	Number of Violation Events	7	640	Number of violation days	
	daily				
	weekly				
	monthly				
	quarterly		x		
	semiannual				
	annual				
	single event				
			Violation Base Penalty	\$52,500	
	Seven quarterly events are recommended for the period of non-compliance ending from April 1, 2021 through December 31, 2022.				
Good Faith Efforts to Comply		10.0%	Reduction	\$5,250	
		Before NOE/NOV	NOE/NOV to EDPRP/Settlement Offer		
	Extraordinary				
	Ordinary			x	
	N/A				
	Notes	The Respondent completed the corrective measures on April 17, 2023, after the Notice of Enforcement dated February 27, 2023.			
		Violation Subtotal	\$47,250		
Economic Benefit (EB) for this violation			Statutory Limit Test		
	Estimated EB Amount	\$511	Violation Final Penalty Total	\$43,050	
	This violation Final Assessed Penalty (adjusted for limits)			\$43,050	

Economic Benefit Worksheet

Respondent Battleground Oil Specialty Terminal Company LLC
Case ID No. 63769
Reg. Ent. Reference No. RN106057516
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				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	\$5,000	1-Apr-2021	17-Apr-2023	2.04	\$511	n/a	\$511
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to obtain an amendment for NSR Permit No. 94384 to increase the VOC, PM2.5, and PM10 annual MAERs for Steam Boilers 8501 through 8512, EPNs SB-8501 through SB-8512. The Date Required is the initial date of non-compliance and the Final Date is the date of compliance.

Avoided Costs

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance

\$5,000

TOTAL

\$511

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 CN603991928, RN106057516, Rating Year 2024 which includes Compliance History (CH) components from September 1, 2019, through August 31, 2024.

Customer, Respondent, or Owner/Operator: CN603991928, Battleground Oil Specialty Terminal Company LLC **Classification:** HIGH **Rating:** 0.00

Regulated Entity: RN106057516, Battleground Oil Specialty Terminal **Classification:** HIGH **Rating:** 0.00

Complexity Points: 11 **Repeat Violator:** NO

CH Group: 14 - Other

Location: Approximately 1.7 miles North of the intersection of Miller Cut Off Road and Highway 225, in La Porte on the Western shore of the Houston ship channel at Barnes Island, Harris County, Texas 77571

TCEQ Region: REGION 12 - HOUSTON

ID Number(s):

AIR OPERATING PERMITS PERMIT 4254

AIR NEW SOURCE PERMITS PERMIT 94384

AIR NEW SOURCE PERMITS REGISTRATION 175842

STORMWATER PERMIT TXR05CM71

AIR EMISSIONS INVENTORY ACCOUNT NUMBER HGA148R

INDUSTRIAL AND HAZARDOUS WASTE EPA ID TXR000081629

TAX RELIEF ID NUMBER 17991

TAX RELIEF ID NUMBER 17950

TAX RELIEF ID NUMBER 17952

TAX RELIEF ID NUMBER 17948

TAX RELIEF ID NUMBER 17949

TAX RELIEF ID NUMBER 17956

TAX RELIEF ID NUMBER 17946

TAX RELIEF ID NUMBER 17958

TAX RELIEF ID NUMBER 17989

TAX RELIEF ID NUMBER 17941

TAX RELIEF ID NUMBER 17934

TAX RELIEF ID NUMBER 17973

TAX RELIEF ID NUMBER 17964

TAX RELIEF ID NUMBER 17988

TAX RELIEF ID NUMBER 17972

TAX RELIEF ID NUMBER 17969

TAX RELIEF ID NUMBER 17987

TAX RELIEF ID NUMBER 17962

TAX RELIEF ID NUMBER 17943

TAX RELIEF ID NUMBER 17959

PUBLIC WATER SYSTEM/SUPPLY REGISTRATION 1013509

AIR NEW SOURCE PERMITS REGISTRATION 160687

AIR NEW SOURCE PERMITS AFS NUM 4820102000

WASTEWATER PERMIT TXG670389

INDUSTRIAL AND HAZARDOUS WASTE SOLID WASTE REGISTRATION # (SWR) 95522

TAX RELIEF ID NUMBER 17947

TAX RELIEF ID NUMBER 17966

TAX RELIEF ID NUMBER 17942

TAX RELIEF ID NUMBER 17936

TAX RELIEF ID NUMBER 17937

TAX RELIEF ID NUMBER 17990

TAX RELIEF ID NUMBER 17968

TAX RELIEF ID NUMBER 17938

TAX RELIEF ID NUMBER 17944

TAX RELIEF ID NUMBER 17953

TAX RELIEF ID NUMBER 17951

TAX RELIEF ID NUMBER 17965

TAX RELIEF ID NUMBER 17961

TAX RELIEF ID NUMBER 17967

TAX RELIEF ID NUMBER 17957

TAX RELIEF ID NUMBER 17955

TAX RELIEF ID NUMBER 17960

TAX RELIEF ID NUMBER 18090

TAX RELIEF ID NUMBER 17963

TAX RELIEF ID NUMBER 17945

TAX RELIEF ID NUMBER 17933

Compliance History Period: September 01, 2019 to August 31, 2024

Rating Year: 2024

Rating Date: 09/01/2024

Date Compliance History Report Prepared: March 03, 2025

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: March 03, 2020 to March 03, 2025

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

Name: Desmond Martin

Phone: (512) 239-2814

Site and Owner/Operator History:

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

Components (Multimedia) for the Site Are Listed in Sections A - J**A. Final Orders, court judgments, and consent decrees:**

N/A

B. Criminal convictions:

N/A

C. Chronic excessive emissions events:

N/A

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

Item 1	August 02, 2021	(1745995)
Item 2	February 19, 2025	(2027918)

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:	10/04/2024	(2009064)	
	Self Report?	NO		Classification: Minor
	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) Special Condition 22E PERMIT Special Term and Condition 19 OP		
	Description:	Failure to prevent an open-ended line (OEL) on Tag Numbers: 00114.1, 00333.2, 00342.1, and 00331.2 (Category C10).		

F. Environmental audits:

Notice of Intent Date:	05/23/2022	(1817723)
Disclosure Date:	06/20/2022	
Viol.	Moderate	
Classification:		
Citation:	30 TAC Chapter 106, SubChapter A 106.6(b) 30 TAC Chapter 106, SubChapter A 106.6(c)	
Rqmt Prov:	OP ST&C I, 16, & 21,	
Description:	Failure to perform 28VHP LDAR monitoring and recordkeeping requirements as represented in 30 TAC 106.261 PBR application on RGP horizontal tank and railcar loading.	
Viol.	Moderate	
Classification:		
Citation:	30 TAC Chapter 122, SubChapter B 122.145(2) 40 CFR Chapter 70, SubChapter C, PT 70 70.5(d)	
Rqmt Prov:	OP General Terms and Conditions	
Description:	Failure to report noncompliance with required 28VHP monitoring and recordkeeping as represented in 30 TAC 106.261 PBR application on RGP horizontal tank and railcar loading components.	

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
BATTLEGROUND OIL SPECIALTY
TERMINAL COMPANY LLC
RN106057516

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

AGREED ORDER DOCKET NO. 2023-0373-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 Battleground Oil Specialty Terminal Company 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 bulk petroleum liquid storage terminal located approximately 1.7 miles north of the intersection of Miller Cut Off Road and Highway 225, in La Porte on the western shore of the Houston ship channel at Barnes Island, Harris County, Texas (the "Site"). The Site 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 \$43,050 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent paid \$17,220 of the penalty and \$8,610 of the penalty is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Order and shall be waived only upon full compliance with all the terms and conditions of this Order. If the Respondent fails to timely and satisfactorily comply with any of the terms and conditions contained in this Order, the Executive Director may demand payment of all or part of the deferred penalty amount.

Pursuant to TEX. WATER CODE § 7.067, \$17,220 of the penalty shall be conditionally offset by the Respondent's timely and satisfactory completion of a Supplemental Environmental Project ("SEP") as defined in the attached SEP Agreement ("Attachment A",

incorporated herein by reference). The Respondent's obligation to pay the conditionally offset portion of the penalty shall be discharged upon full compliance with all the terms and conditions of this Order, which includes the timely and satisfactory completion of all provisions of the SEP Agreement, as determined by the Executive Director.

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 by April 17, 2023, the Respondent obtained an amendment for New Source Review ("NSR") Permit No. 94384 to increase the volatile organic compounds ("VOC"), particulate matter equal to or less than 2.5 microns ("PM2.5"), and particulate matter equal to or less than 10 microns ("PM10") annual maximum allowable emissions rates ("MAERs) for Steam Boilers 8501 through 8512, Emissions Point Numbers ("EPNs) SB-8501 through SB-8512.

II. ALLEGATIONS

During a record review for the Site conducted from December 29, 2022 through February 17, 2023, an investigator documented that the Respondent failed to comply with the MAERs, in violation of 30 TEX. ADMIN. CODE §§ 116.115(b)(2)(F) and (c) and 122.143(4), NSR Permit No. 94384, Special Conditions No. 1, Federal Operating Permit No. O4254, General Terms and Conditions and Special Terms and Conditions No. 19, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent exceeded the VOC MAER of 1.75 tons per year ("tpy"), the PM2.5 MAER of 2.42 tpy, and the PM10 MAER of 2.42 tpy based on a 12-month rolling period for the 12-month periods ending from April 2021 through December 2022 for Steam Boilers 8501 through 8512, EPNs SB-8501 through SB-8512, respectively, resulting in the release of 0.50 ton of unauthorized VOC emissions, 0.68 ton of unauthorized PM2.5 emissions, and 0.68 ton of PM10 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: Battleground Oil Specialty Terminal Company LLC, Docket No. 2023-0373-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 implement and complete the SEP as set forth in Section I, Paragraph No. 4. The amount of \$17,220 of the assessed penalty is conditionally offset based on the Respondent's implementation and completion of the SEP pursuant to the terms of the SEP Agreement, as defined in Attachment A. Penalty payments for any portion of the SEP deemed by the Executive Director as not complete shall be paid within 30 days after the date the Executive Director demands payment.
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 Site operations referenced in this Order.
5. 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 Enforcement Division at the address listed above.
6. 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.
7. 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.

8. 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

Krista Mello-Jurack

10/03/2025

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.

Michael Breazeale

Signature

7-21-25

Date

Michael Breazeale

GENERAL MANAGER

Name (Printed or typed)

Title

Authorized Representative of

Battleground Oil Specialty Terminal Company LLC

☐ 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.

Attachment A
Docket Number: 2023-0373-AIR-E
SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	Battleground Oil Specialty Terminal Company LLC
Payable Penalty Amount:	\$34,440
SEP Offset Amount:	\$17,220
Type of SEP:	Contribution to a Third-Party Pre-Approved SEP
Third-Party Administrator:	Texas City Independent School District
Project Name:	<i>TCISD Alternative Fuel School Bus Program</i>
Location of SEP:	Texas Air Quality Control Region 216: Houston-Galveston

The Texas Commission on Environmental Quality (“TCEQ”) agrees to offset a portion of the administrative penalty amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project (“SEP”). The offset is equal to the SEP Offset Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project Description

a. Project

The Respondent shall contribute the SEP Offset Amount to the Third-Party Administrator named above. The contribution will be to the **Texas City Independent School District** for the *TCISD Alternative Fuel School Bus Program* project. The contribution will be used in accordance with the SEP between the Third-Party Administrator and the TCEQ (the “Project”). Specifically, the SEP Offset Amount will be used to purchase lower-emission propane fueled school buses that are model year 2010 or newer (“Replacement Bus(es)”) to replace buses currently in the fleet that are model year 2006 or older (“Older Bus(es)”). The Older Buses will then be decommissioned, thus permanently removing them from the roads. The SEP Offset Amount shall only be used for the purchase of a base model propane fueled Replacement Bus. The Third-Party Administrator shall own and operate each Replacement Bus for at least five years following the date of purchase.

The Third-Party Administrator shall give preference to replacing the oldest, most polluting buses within its fleet. Only Older Buses that are currently in regular use, driven on a regular route on a weekly basis for at least the past two years are eligible for replacement.

The Third-Party Administrator shall ensure that each Replacement Bus purchased has an engine that meets the Environmental Protection Agency’s 2010 emissions standards. Additionally, all Older Buses that are replaced shall be fully decommissioned as required in the SEP Vehicle Disposition Form. All funds received for the scrap value of the Older Bus shall be deposited into the SEP Account and become part of the SEP. The SEP will be done in accordance with all federal, state, and local environmental laws and regulations.

All dollars contributed will be used solely for the direct cost of implementing the Project, including, but not limited to supplies, materials, and equipment. Any portion of this contribution that is not spent on the specifically identified SEP may, at the discretion of the Executive Director ("ED"), be applied to another pre-approved SEP.

The Respondent's signature affixed to this Agreed Order certifies that the Respondent has no prior commitment to make this contribution and that it is being contributed solely to settle this enforcement action. The Respondent shall not profit from this SEP.

b. Environmental Benefit

The Project will directly benefit air quality in Third-Party Administrator's region by reducing harmful exhaust emissions from older school buses by replacing them with lower-emission propane buses. Older school bus engines emit greater amounts of harmful pollutants such as nitrous oxides, particulate matter, volatile organic compounds, and carbon monoxide than newer, lower-emission buses. These pollutants contribute to the formation of ground level ozone which damages vegetation and ecosystems and may cause or exacerbate a number of respiratory diseases, including asthma, especially in children.

c. Minimum Expenditure

The Respondent shall contribute at least the SEP Offset Amount to the Third-Party Administrator and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Offset Amount to the Third-Party Administrator. The Respondent shall make the check payable to **Texas City Independent School District SEP** and shall mail the contribution with a copy of the Agreed Order to:

Texas City Independent School District SEP
Megan Gallien, Chief Financial Officer
Griffith, Moseley, Johnson & Associates, Inc.
2901 Turtle Creek Drive, Suite 445
Port Arthur, Texas 77642

3. Records and Reporting

Concurrent with the payment of the SEP Offset Amount, the Respondent shall provide the Enforcement SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Offset Amount to the Third-Party Administrator. The Respondent shall mail a copy of the check and transmittal letter to:

Texas Commission on Environmental Quality
Enforcement Division
Attention: SEP Coordinator, MC 219
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If the Respondent does not perform its obligations under this Attachment A, including full expenditure of the SEP Offset Amount and submittal of the required reporting described in Sections 2 and 3 above, the ED may require immediate payment of all or part of the SEP Offset Amount.

In the event the ED determines that the Respondent failed to fully implement and complete the Project, the Respondent shall remit payment for all or a portion of the SEP Offset Amount, as determined by the ED, and as set forth in the attached Agreed Order. After receiving notice of failure to complete the SEP, the Respondent shall include the docket number of the attached Agreed Order and a note that the enclosed payment is for the reimbursement of a SEP, shall make the check payable to "Texas Commission on Environmental Quality," and shall mail it to:

Texas Commission on Environmental Quality
Litigation Division
Attention: SEP Coordinator, MC 175
P.O. Box 13087
Austin, Texas 78711-3087

5. Publicity

Any public statements concerning this SEP and/or project, made by or on behalf of the Respondent must include a clear statement that **the project was performed as part of the settlement of an enforcement action brought by the TCEQ**. Such statements include advertising, public relations, and press releases.

6. Recognition

The Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP Offset Amount identified in this Attachment A and in the attached Agreed Order has not been, and shall not be, included as a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.