

Executive Summary – Enforcement Matter – Case No. 65001
Utilities Investment Company, Inc.
RN107693087
Docket No. 2023-1628-PWS-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

PWS

Small Business:

Yes

Location(s) Where Violation(s) Occurred:

Montebello Utility, 42 County Road 347 near Cleveland, Liberty County

Type of Operation:

Public water supply

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: April 5, 2024

Comments Received: No

Penalty Information

Total Penalty Assessed: \$16,456

Amount Deferred for Expedited Settlement: \$3,291

Total Paid to General Revenue: \$13,165

Total Due to General Revenue: \$0

Payment Plan: N/A

Compliance History Classifications:

Person/CN - High

Site/RN - N/A

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: September 19, 2023

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

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Violation Information

1. Failed to provide an elevated storage capacity of 100 gallons per connection. Specifically, the Montebello Pressure Plane 2 (Santa Fe) had 2,755 connections requiring an elevated storage capacity of 275,500 gallons. However, no elevated storage capacity was provided, indicating a 100% deficiency [30 TEX. ADMIN. CODE § 290.45(b)(1)(D)(iv) and TEX. HEALTH & SAFETY CODE § 341.0315(c)].
2. Failed to provide a well casing vent for Well No. 1 that is covered with 16-mesh or finer corrosion-resistant screen, facing downward, elevated and located so as to minimize the drawing of contaminants into the well. Specifically, the casing vent on Well No. 1 at the Montebello Plant did not have a cover [30 TEX. ADMIN. CODE § 290.41(c)(3)(K)].
3. Failed to provide an overflow discharge opening on the ground storage tank ("GST") at the Montebello Plant with a gravity-hinged and weighted cover that closes automatically and fits tightly with no gap over 1/16 inch, and an elastomeric duckbill valve, or other approved device to prevent the entrance of insects and other nuisances. Specifically, the overflow cover on the GST had a gap greater than 1/16 inch [30 TEX. ADMIN. CODE § 290.43(c)(3)].
4. Failed to maintain all water treatment units, storage and pressure maintenance facilities, distribution system lines, and related appurtenances in a watertight condition and free of excessive solids. Specifically, the chlorine injection line on GST No. 1 at the Santa Fe Plant 3 was leaking water [30 TEX. ADMIN. CODE § 290.46(m)(4)].
5. Failed to provide an intruder-resistant fence or well house around each water treatment plant, well unit, potable water storage tank, pressure maintenance facility, and related appurtenances that remains locked during periods of darkness and when the Facility is unattended. Specifically, at Santa Fe Plant 6, the barbed wire was broken and there were several large gaps on the bottom of the fence [30 TEX. ADMIN. CODE §§ 290.41(c)(3)(O), 290.42(m) and 290.43(e)].
6. Failed to keep on file copies of well completion data for as long as the well remains in service. Specifically, the water system was not maintaining well completion data at the Montebello Plant Well No. 2 [30 TEX. ADMIN. CODE § 290.46(n)(3)].
7. Failed to obtain a sanitary control easement covering land within 150 feet of the Facility's Well No. 2. Specifically, in a letter dated January 4, 2018, the Respondent was granted a temporary exception to the sanitary control easement rule for Well No. 2 at the Montebello Plant. However, the temporary exception expired, and a permanent exception had not been obtained [30 TEX. ADMIN. CODE § 290.41(c)(1)(F)].
8. Failed to notify the Executive Director and receive approval prior to making any significant change or addition where the change in the existing distribution system results in an increase or decrease in production, treatment, storage, or pressure

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maintenance. Specifically, in a letter dated April 10, 2018, the Facility was approved for a 101,385-gallon GST at Santa Fe Plant 2, but had installed a 245,000-gallon GST. Additionally, the Facility was approved for a 9,980-gallon pressure tank, but installed a 15,000-gallon pressure tank [30 TEX. ADMIN. CODE § 290.39(j)(1)(A) and TEX. HEALTH & SAFETY CODE § 341.0351].

9. Failed to notify the Executive Director and receive approval prior to making any significant change or addition where the change in the existing distribution system results in an increase or decrease in production, treatment, storage, or pressure maintenance. Specifically, the Santa Fe Plant 6 contained one submersible well that tested at 710 gallons per minute ("gpm"), chlorine gas for disinfection, one 245,000-gallon GST, four service pumps rated at 850 gpm each, and two 15,000-gallon pressure tanks which were not approved [30 TEX. ADMIN. CODE § 290.39(j)(1)(A) and TEX. HEALTH & SAFETY CODE § 341.0351].

10. Failed to provide two or more pumps that have a total capacity of 2.0 gpm per connection or that have a total capacity of at least 1,000 gpm and the ability to meet peak hourly demands with the largest pump out of service, whichever is less, at each pump station or pressure plane. Specifically, the Montebello Utility Pressure Plane 1 had a total of 356 connections requiring a service pump capacity of 712 gpm. However, only 610 gpm of service pump capacity were provided, indicating a 14% deficiency [30 TEX. ADMIN. CODE § 290.45(b)(1)(D)(iii) and TEX. HEALTH & SAFETY CODE § 341.0315(c)].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

The Respondent implemented the following corrective measures:

- a. By October 5, 2023, provided the GST at the Montebello Plant with an overflow cover containing a gap of less than 1/16 inch; and
- b. By October 5, 2023, repaired the chlorine injection line leak on GST No. 1 at the Santa Fe Plant 3.

Technical Requirements:

The Order will require the Respondent to:

- a. Within 90 days:
 - i. Provide a cover on the well casing vent for Montebello Plant, Well No. 1 so as to minimize the drawing of contaminants into the well;
 - ii. Keep on file copies of well completion data for Montebello Plant, Well No. 2;

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- iii. Replace or repair the intruder-resistant fence at Santa Fe Plant 6; and
 - iv. Obtain a sanitary control easement that covers the land within 150 feet of Montebello Plant, Well No. 2 or obtain Commission approval of an exception to the easement requirement.
- b. Within 105 days, submit written certification to demonstrate compliance with a.
- c. Within 180 days:
- i. Provide two or more service pumps that have a total capacity of at least 2.0 gpm per connection at the Montebello Utility Pressure Plane 1; and
 - ii. Provide an elevated storage capacity of 100 gallons per connection at the Montebello Pressure Plane 2 (Santa Fe).
 - iii. Submit accurate, up-to-date, and detailed as-built plans, specifications, and engineering reports for the significant changes made to the Facility’s production and treatment, including but not limited to, the 245,000-gallon GST and the 15,000-gallon pressure tanks at Santa Fe Plant 2, and the submersible well that tested at 710 gpm, chlorine gas for disinfection, the 245,000-gallon GST, the four service pumps rated at 850 gpm each, and the two 15,000-gallon pressure tanks at Santa Fe Plant 6.
- d. Within 195 days, submit written certification to demonstrate compliance with c.
- e. Within 270 days, obtain written approval of the as-built plans and specifications for the significant changes made to the Facility from the Executive Director.
- f. Within 285 days, submit written certification to demonstrate compliance with e.

Contact Information

TCEQ Attorney: N/A

TCEQ Enforcement Coordinator: Ronica Rodriguez Scott, Enforcement Division, Enforcement Team 5, MC R-14, (361) 881-6990; Michael Parrish, Enforcement Division, MC 219, (512) 239-2548

Respondent: Shannon Marsh, President, Utilities Investment Company, Inc., P.O. Box 279, Waverly, Texas 77358

Respondent's Attorney: N/A



Penalty Calculation Worksheet (PCW)

Policy Revision 5 (January 28, 2021)

PCW Revision February 11, 2021

DATES	Assigned	30-Oct-2023	Screening	2-Nov-2023	EPA Due	
	PCW	21-Nov-2023				

RESPONDENT/FACILITY INFORMATION

Respondent	Utilities Investment Company, Inc.				
Reg. Ent. Ref. No.	RN107693087				
Facility/Site Region	12-Houston	Major/Minor Source	Major		

CASE INFORMATION

Enf./Case ID No.	65001	No. of Violations	10	
Docket No.	2023-1628-PWS-E	Order Type	1660	
Media Program(s)	Public Water Supply	Government/Non-Profit	No	
Multi-Media		Enf. Coordinator	Ronica Rodriguez Scott	
		EC's Team	5	
Admin. Penalty \$ Limit	Minimum	\$50	Maximum	\$5,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$18,700
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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	-\$1,870
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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	-\$374
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Economic Benefit	0.0%	Enhancement*	Subtotal 6	\$0
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Total EB Amounts	\$3,237	*Capped at the Total EB \$ Amount
Estimated Cost of Compliance	\$37,455	

SUM OF SUBTOTALS 1-7	Final Subtotal	\$16,456
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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	
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Final Penalty Amount	\$16,456
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$16,456
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DEFERRAL	20.0%	Reduction	Adjustment	-\$3,291
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Reduces the Final Assessed Penalty by the indicated percentage.

Notes	Deferral offered for expedited settlement.
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PAYABLE PENALTY	\$13,165
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Screening Date 2-Nov-2023

Docket No. 2023-1628-PWS-E

PCW

Respondent Utilities Investment Company, Inc.

Policy Revision 5 (January 28, 2021)

Case ID No. 65001

PCW Revision February 11, 2021

Reg. Ent. Reference No. RN107693087

Media Public Water Supply

Enf. Coordinator Ronica Rodriguez Scott

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	2-Nov-2023	Docket No.	2023-1628-PWS-E	PCW
Respondent	Utilities Investment Company, Inc.			<i>Policy Revision 5 (January 28, 2021)</i>
Case ID No.	65001			<i>PCW Revision February 11, 2021</i>
Reg. Ent. Reference No.	RN107693087			
Media	Public Water Supply			
Enf. Coordinator	Ronica Rodriguez Scott			

Violation Number

Rule Cite(s)

Violation Description

Base Penalty

>> Environmental, Property and Human Health Matrix

OR		Harm			
	Release	Major	Moderate	Minor	
	Actual	<input type="text"/>	<input type="text"/>	<input type="text"/>	Percent <input type="text" value="30.0%"/>
Potential	<input type="text" value="x"/>	<input type="text"/>	<input type="text"/>		

>> Programmatic Matrix

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

Matrix Notes

Adjustment

Violation Events

Number of Violation Events Number of violation days

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

Violation Base Penalty

Good Faith Efforts to Comply

Reduction

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

Notes

Violation Subtotal

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount

Violation Final Penalty Total

This violation Final Assessed Penalty (adjusted for limits)

Economic Benefit Worksheet

Respondent Utilities Investment Company, Inc.
Case ID No. 65001
Reg. Ent. Reference No. RN107693087
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	\$25,000	19-Sep-2023	7-Jan-2025	1.30	\$109	\$2,174	\$2,283
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

The delayed cost includes the estimated amount to provide an elevated storage capacity of 100 gallons per connection, 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

\$25,000

TOTAL

\$2,283

Screening Date 2-Nov-2023

Docket No. 2023-1628-PWS-E

PCW

Respondent Utilities Investment Company, Inc.

Policy Revision 5 (January 28, 2021)

Case ID No. 65001

PCW Revision February 11, 2021

Reg. Ent. Reference No. RN107693087

Media Public Water Supply

Enf. Coordinator Ronica Rodriguez Scott

Violation Number 2

Rule Cite(s) 30 Tex. Admin. Code § 290.41(c)(3)(K)

Violation Description

Failed to provide a well casing vent for Well No. 1 that is covered with 16-mesh or finer corrosion-resistant screen, facing downward, elevated and located so as to minimize the drawing of contaminants into the well. Specifically, the casing vent on Well No. 1 at the Montebello Plant did not have a cover.

Base Penalty \$5,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual				7.0%
	Potential			x	

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor	Percent
					0.0%

Matrix Notes

Failure to properly seal the wellhead and provide a well casing vent could expose persons served by the Facility to an insignificant amount of contaminants which would not exceed levels protective of human health.

Adjustment \$4,650

\$350

Violation Events

Number of Violation Events 1 Number of violation days 44

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$350

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 \$350

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$12

Violation Final Penalty Total \$315

This violation Final Assessed Penalty (adjusted for limits) \$315

Economic Benefit Worksheet

Respondent Utilities Investment Company, Inc.
Case ID No. 65001
Reg. Ent. Reference No. RN107693087
Media Public Water Supply
Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

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

Equipment	\$150	19-Sep-2023	9-Oct-2024	1.06	\$1	\$11	\$12
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

The delayed cost includes the estimated amount to provide a cover on the casing vent at Well No. 1, calculated from the investigation date 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

\$150

TOTAL

\$12

Screening Date 2-Nov-2023

Docket No. 2023-1628-PWS-E

PCW

Respondent Utilities Investment Company, Inc.

Policy Revision 5 (January 28, 2021)

Case ID No. 65001

PCW Revision February 11, 2021

Reg. Ent. Reference No. RN107693087

Media Public Water Supply

Enf. Coordinator Ronica Rodriguez Scott

Violation Number 3

Rule Cite(s) 30 Tex. Admin. Code § 290.43(c)(3)

Violation Description

Failed to provide an overflow discharge opening on the ground storage tank ("GST") at the Montebello Plant with a gravity-hinged and weighted cover that closes automatically and fits tightly with no gap over 1/16 inch, and an elastomeric duckbill valve, or other approved device to prevent the entrance of insects and other nuisances. Specifically, the overflow cover on the GST had a gap greater than 1/16 inch.

Base Penalty \$5,000

>> Environmental, Property and Human Health Matrix

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

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
				0.0%

Matrix Notes

Failure to ensure that the overflow on the GST is covered could result in persons served by the Facility being exposed to a significant amount of contaminants which would not exceed levels protective of human health.

Adjustment \$4,250

\$750

Violation Events

Number of Violation Events 1 Number of violation days 16

daily	
weekly	
monthly	
quarterly	x
semiannual	
annual	
single event	

Violation Base Penalty \$750

One quarterly event is recommended, calculated from the September 19, 2023 investigation date to the October 5, 2023 compliance date.

Good Faith Efforts to Comply

25.0%

Reduction \$187

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

Extraordinary	
Ordinary	x
N/A	

Notes

The Respondent achieved compliance on October 5, 2023.

Violation Subtotal \$563

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$1

Violation Final Penalty Total \$488

This violation Final Assessed Penalty (adjusted for limits) \$488

Economic Benefit Worksheet

Respondent Utilities Investment Company, Inc.
Case ID No. 65001
Reg. Ent. Reference No. RN107693087
Media Public Water Supply
Violation No. 3

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Costs Saved	EB Amount
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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)	\$500	19-Sep-2023	5-Oct-2023	0.04	\$1	n/a	\$1

Notes for DELAYED costs

The delayed cost includes the estimated amount to provide an overflow pipe for the GST at the Montebello Plant that fits tightly with no gap over 1/16 inch, calculated from the investigation date to the date of compliance.

Avoided Costs

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance

\$500

TOTAL

\$1

Screening Date 2-Nov-2023

Docket No. 2023-1628-PWS-E

PCW

Respondent Utilities Investment Company, Inc.

Policy Revision 5 (January 28, 2021)

Case ID No. 65001

PCW Revision February 11, 2021

Reg. Ent. Reference No. RN107693087

Media Public Water Supply

Enf. Coordinator Ronica Rodriguez Scott

Violation Number 4

Rule Cite(s) 30 Tex. Admin. Code § 290.46(m)(4)

Violation Description Failed to maintain all water treatment units, storage and pressure maintenance facilities, distribution system lines, and related appurtenances in a watertight condition and free of excessive solids. Specifically, the chlorine injection line on GST No. 1 at the Santa Fe Plant 3 was leaking water.

Base Penalty \$5,000

>> Environmental, Property and Human Health Matrix

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

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor	Percent
					0.0%

Matrix Notes Failure to maintain the GST in a watertight condition could expose persons served by the Facility to a significant amount of contaminants which would not exceed levels protective of human health.

Adjustment \$4,250

\$750

Violation Events

Number of Violation Events 1 Number of violation days 16

daily	
weekly	
monthly	
quarterly	x
semiannual	
annual	
single event	

Violation Base Penalty \$750

One quarterly event is recommended, calculated from the September 19, 2023 investigation date to the October 5, 2023 compliance date.

Good Faith Efforts to Comply

25.0% Reduction \$187

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

Notes The Respondent achieved compliance on October 5, 2023.

Violation Subtotal \$563

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$1

Violation Final Penalty Total \$488

This violation Final Assessed Penalty (adjusted for limits) \$488

Economic Benefit Worksheet

Respondent Utilities Investment Company, Inc.
Case ID No. 65001
Reg. Ent. Reference No. RN107693087
Media Public Water Supply
Violation No. 4

Percent Interest	Years of Depreciation
5.0	15

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

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$500	19-Sep-2023	5-Oct-2023	0.04	\$1	n/a	\$1

Notes for DELAYED costs

The delayed cost includes the estimated amount to repair the leak on the chlorine injection line, calculated from the date of the investigation to the date of compliance.

Avoided Costs

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance

\$500

TOTAL

\$1

Screening Date 2-Nov-2023

Docket No. 2023-1628-PWS-E

PCW

Respondent Utilities Investment Company, Inc.

Policy Revision 5 (January 28, 2021)

Case ID No. 65001

PCW Revision February 11, 2021

Reg. Ent. Reference No. RN107693087

Media Public Water Supply

Enf. Coordinator Ronica Rodriguez Scott

Violation Number 5

Rule Cite(s) 30 Tex. Admin. Code §§ 290.41(c)(3)(O), 290.42(m), and 290.43(e)

Violation Description Failed to provide an intruder-resistant fence or well house around each water treatment plant, well unit, potable water storage tank, pressure maintenance facility, and related appurtenances that remains locked during periods of darkness and when the Facility is unattended. Specifically, at Santa Fe Plant 6, the barbed wire was broken and there were several large gaps on the bottom of the fence.

Base Penalty \$5,000

>> Environmental, Property and Human Health Matrix

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

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor	Percent
					0.0%

Matrix Notes

Failure to provide an intruder-resistant fence or lockable well house could result in contamination of the facilities by trespassers exposing persons served by the Facility to a significant amount of contaminants which would not exceed levels protective of human health.

Adjustment \$4,250

\$750

Violation Events

Number of Violation Events 1 Number of violation days 44

daily	
weekly	
monthly	
quarterly	x
semiannual	
annual	
single event	

Violation Base Penalty \$750

One quarterly event is recommended, calculated from the September 19, 2023 investigation date to the November 2, 2023 screening date.

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 \$750

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$7

Violation Final Penalty Total \$675

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

Economic Benefit Worksheet

Respondent Utilities Investment Company, Inc.
Case ID No. 65001
Reg. Ent. Reference No. RN107693087
Media Public Water Supply
Violation No. 5

Percent Interest	Years of Depreciation
5.0	15

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

Delayed Costs

Equipment	\$100	19-Sep-2023	9-Oct-2024	1.06	\$0	\$7	\$7
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

The delayed cost includes the estimated amount to replace or repair the intruder-resistant fence at Santa Fe Plant 6, calculated from the investigation date 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 \$100

TOTAL \$7

Screening Date 2-Nov-2023

Docket No. 2023-1628-PWS-E

PCW

Respondent Utilities Investment Company, Inc.

Policy Revision 5 (January 28, 2021)

Case ID No. 65001

PCW Revision February 11, 2021

Reg. Ent. Reference No. RN107693087

Media Public Water Supply

Enf. Coordinator Ronica Rodriguez Scott

Violation Number 6

Rule Cite(s) 30 Tex. Admin. Code § 290.46(n)(3)

Violation Description Failed to keep on file copies of well completion data as defined in 30 Tex. Admin. Code § 290.41(c)(3)(A) for as long as the well remains in service. Specifically, the water system was not maintaining well completion data at the Montebello Plant Well No. 2.

Base Penalty \$5,000

>> Environmental, Property and Human Health Matrix

Table with columns: Release (Actual, Potential), Harm (Major, Moderate, Minor), and Percent (0.0%).

>> Programmatic Matrix

Table with columns: Falsification, Major, Moderate, Minor, and Percent (20.0%).

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

Adjustment \$4,000

\$1,000

Violation Events

Number of Violation Events 1 Number of violation days 44

Table with frequency options: daily, weekly, monthly, quarterly, semiannual, annual, single event (marked with x).

Violation Base Penalty \$1,000

One single event is recommended.

Good Faith Efforts to Comply

0.0% Reduction \$0

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

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

Violation Subtotal \$1,000

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$10

Violation Final Penalty Total \$900

This violation Final Assessed Penalty (adjusted for limits) \$900

Economic Benefit Worksheet

Respondent Utilities Investment Company, Inc.
Case ID No. 65001
Reg. Ent. Reference No. RN107693087
Media Public Water Supply
Violation No. 6

Percent Interest	Years of Depreciation
5.0	15

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

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System	\$180	19-Sep-2023	9-Oct-2024	1.06	\$10	n/a	\$10
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

The delayed cost includes the estimated amount to keep on file well completion data at the Facility, calculated from the investigation date 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 \$10

Screening Date 2-Nov-2023

Docket No. 2023-1628-PWS-E

PCW

Respondent Utilities Investment Company, Inc.

Policy Revision 5 (January 28, 2021)

Case ID No. 65001

PCW Revision February 11, 2021

Reg. Ent. Reference No. RN107693087

Media Public Water Supply

Enf. Coordinator Ronica Rodriguez Scott

Violation Number 7

Rule Cite(s) 30 Tex. Admin. Code § 290.41(c)(1)(F)

Violation Description

Failed to obtain a sanitary control easement covering land within 150 feet of the Facility's Well No. 2. Specifically, in a letter dated January 4, 2018, the Respondent was granted a temporary exception to the sanitary control easement rule for Well No. 2 at the Montebello Plant. However, the temporary exception expired and a permanent exception had not been obtained.

Base Penalty \$5,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual				7.0%
	Potential			x	

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor	Percent
					0.0%

Matrix Notes

Failure to have a sanitary control easement in place could expose persons served by the Facility to an insignificant amount of contaminants which would not exceed levels protective of human health.

Adjustment \$4,650

\$350

Violation Events

Number of Violation Events 1 Number of violation days 44

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$350

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 \$350

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$1

Violation Final Penalty Total \$315

This violation Final Assessed Penalty (adjusted for limits) \$315

Economic Benefit Worksheet

Respondent Utilities Investment Company, Inc.
Case ID No. 65001
Reg. Ent. Reference No. RN107693087
Media Public Water Supply
Violation No. 7

Percent Interest	Years of Depreciation
5.0	15

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

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$25	19-Sep-2023	9-Oct-2024	1.06	\$1	n/a	\$1

Notes for DELAYED costs

The delayed cost includes the estimated amount to obtain and record a sanitary control easement for the Facility's Montebello Well No. 2, or obtain an exception to the requirement, calculated from the investigation date 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

\$25

TOTAL

\$1

Screening Date 2-Nov-2023

Docket No. 2023-1628-PWS-E

PCW

Respondent Utilities Investment Company, Inc.

Policy Revision 5 (January 28, 2021)

Case ID No. 65001

PCW Revision February 11, 2021

Reg. Ent. Reference No. RN107693087

Media Public Water Supply

Enf. Coordinator Ronica Rodriguez Scott

Violation Number 8

Rule Cite(s) 30 Tex. Admin. Code § 290.39(j)(1)(A) and Tex. Health & Safety Code § 341.0351

Violation Description

Failed to notify the Executive Director and receive approval prior to making any significant change or addition where the change in the existing distribution system results in an increase or decrease in production, treatment, storage, or pressure maintenance. Specifically, in a letter dated April 10, 2018, the Facility was approved for a 101,385-gallon GST at Santa Fe Plant 2, but had installed a 245,000-gallon GST. Additionally, the Facility was approved for a 9,980-gallon pressure tank, but installed a 15,000-gallon pressure tank.

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 20.0%

Matrix Notes

100% of the rule requirements were not met.

Adjustment \$4,000

\$1,000

Violation Events

Number of Violation Events 2

44 Number of violation days

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$2,000

Two single events are recommended, one for each unapproved component.

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 \$2,000

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$233

Violation Final Penalty Total \$1,800

This violation Final Assessed Penalty (adjusted for limits) \$1,800

Economic Benefit Worksheet

Respondent Utilities Investment Company, Inc.
Case ID No. 65001
Reg. Ent. Reference No. RN107693087
Media Public Water Supply
Violation No. 8

Percent Interest	Years of Depreciation
5.0	15

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

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$3,000	19-Sep-2023	7-Apr-2025	1.55	\$233	n/a	\$233

Notes for DELAYED costs

The delayed cost includes the estimated amount to notify and receive approval from the Executive Director prior to making any significant changes to the Facility's production and treatment, including but not limited to the use of the 245,000-gallon GST and 15,000-gallon pressure tank, calculated from the investigation date 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

\$3,000

TOTAL

\$233

Screening Date 2-Nov-2023

Docket No. 2023-1628-PWS-E

PCW

Respondent Utilities Investment Company, Inc.

Policy Revision 5 (January 28, 2021)

Case ID No. 65001

PCW Revision February 11, 2021

Reg. Ent. Reference No. RN107693087

Media Public Water Supply

Enf. Coordinator Ronica Rodriguez Scott

Violation Number 9

Rule Cite(s) 30 Tex. Admin. Code § 290.39(j)(1)(A) and Tex. Health & Safety Code § 341.0351

Violation Description

Failed to notify the Executive Director and receive approval prior to making any significant change or addition where the change in the existing distribution system results in an increase or decrease in production, treatment, storage, or pressure maintenance. Specifically, the Santa Fe Plant 6 contained one submersible well that tested at 710 gallons per minute ("gpm"), chlorine gas for disinfection, one 245,000-gallon GST, four service pumps rated at 850 gpm each, and two 15,000-gallon pressure tanks which were not approved.

Base Penalty \$5,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual				0.0%
	Potential				

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor	Percent
		x			20.0%

Matrix Notes

100% of the rule requirements were not met.

Adjustment \$4,000

\$1,000

Violation Events

Number of Violation Events 9 Number of violation days 44

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$9,000

Nine single events are recommended, one for each unapproved component.

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 \$9,000

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$233

Violation Final Penalty Total \$8,100

This violation Final Assessed Penalty (adjusted for limits) \$8,100

Economic Benefit Worksheet

Respondent Utilities Investment Company, Inc.
Case ID No. 65001
Reg. Ent. Reference No. RN107693087
Media Public Water Supply
Violation No. 9

Percent Interest	Years of Depreciation
5.0	15

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

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$3,000	19-Sep-2023	7-Apr-2025	1.55	\$233	n/a	\$233

Notes for DELAYED costs

The delayed cost includes the estimated amount to notify and receive approval from the Executive Director prior to making any significant changes to the Facility's production and treatment, including but not limited to one submersible well at 710 gpm, chlorine gas for disinfection, 245,000-gallon GST, four service pumps rated at 850 gpm each, and two 15,000-gallon pressure tanks, calculated from the investigation date 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

\$3,000

TOTAL

\$233

Screening Date 2-Nov-2023

Docket No. 2023-1628-PWS-E

PCW

Respondent Utilities Investment Company, Inc.

Policy Revision 5 (January 28, 2021)

Case ID No. 65001

PCW Revision February 11, 2021

Reg. Ent. Reference No. RN107693087

Media Public Water Supply

Enf. Coordinator Ronica Rodriguez Scott

Violation Number 10

Rule Cite(s) 30 Tex. Admin. Code § 290.45(b)(1)(D)(iii) and Tex. Health & Safety Code § 341.0315(c)

Violation Description Failed to provide two or more pumps that have a total capacity of 2.0 gpm per connection or that have a total capacity of at least 1,000 gpm and the ability to meet peak hourly demands with the largest pump out of service, whichever is less, at each pump station or pressure plane. Specifically, the Montebello Utility Pressure Plane 1 had a total of 356 connections requiring a service pump capacity of 712 gpm. However, only 610 gpm of service pump capacity were provided, indicating a 14% deficiency.

Base Penalty \$5,000

>> Environmental, Property and Human Health Matrix

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

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor	Percent
					0.0%

Matrix Notes Failure to provide adequate service pump capacity could result in water outages and low pressure problems, exposing persons served by the Facility to a significant amount of contaminants which would not exceed levels protective of human health.

Adjustment \$4,250

\$750

Violation Events

Number of Violation Events 1 Number of violation days 44

daily	
weekly	
monthly	
quarterly	x
semiannual	
annual	
single event	

Violation Base Penalty \$750

One quarterly event is recommended, calculated from the September 19, 2023 investigation date to the November 2, 2023 screening date.

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 \$750

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$457

Violation Final Penalty Total \$675

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

Economic Benefit Worksheet

Respondent Utilities Investment Company, Inc.
Case ID No. 65001
Reg. Ent. Reference No. RN107693087
Media Public Water Supply
Violation No. 10

Percent Interest	Years of Depreciation
5.0	15

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

Delayed Costs

Equipment	\$5,000	19-Sep-2023	7-Jan-2025	1.30	\$22	\$435	\$457
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

The delayed cost includes the estimated amount to provide two or more service pumps with a capacity of at least 2.0 gpm per connection, calculated from the investigation date 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

\$5,000

TOTAL

\$457

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 CN600633093, RN107693087, Rating Year 2023 which includes Compliance History (CH) components from September 1, 2018, through August 31, 2023.

Customer, Respondent, or Owner/Operator: CN600633093, Utilities Investment Company, Inc. **Classification:** HIGH **Rating:** 0.00
Regulated Entity: RN107693087, MONTEBELLO UTILITY **Classification:** NOT APPLICABLE **Rating:** N/A
Complexity Points: N/A **Repeat Violator:** N/A
CH Group: 14 - Other
Location: 42 COUNTY ROAD 3479C NEAR CLEVELAND, LIBERTY COUNTY, TEXAS
TCEQ Region: REGION 12 - HOUSTON
ID Number(s):
PUBLIC WATER SYSTEM/SUPPLY REGISTRATION 1460174

Compliance History Period: September 01, 2018 to August 31, 2023 **Rating Year:** 2023 **Rating Date:** 09/01/2023

Date Compliance History Report Prepared: January 09, 2024

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: January 09, 2019 to January 09, 2024

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

Name: Ronica Rodriguez Scott

Phone: (361) 881-6990

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.):

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

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

N/A

F. Environmental audits:

N/A

G. Type of environmental management systems (EMSs):

N/A

H. Voluntary on-site compliance assessment dates:

N/A

I. Participation in a voluntary pollution reduction program:

N/A

J. Early compliance:

N/A

Sites Outside of Texas:

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
UTILITIES INVESTMENT COMPANY,
INC.
RN107693087

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

AGREED ORDER DOCKET NO. 2023-1628-PWS-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 Utilities Investment Company, Inc. (the "Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 341. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent together stipulate that:

1. The Respondent owns and operates a public water supply located at 42 County Road 3479C near Cleveland, Liberty County, Texas (the "Facility"). The Facility provides water for human consumption, has approximately 3,111 service connections, and serves at least 25 people per day for at least 60 days per year. As such, the Facility is a public water system as defined in 30 TEX. ADMIN. CODE § 290.38(73).
2. The Executive Director and the Respondent agree that the TCEQ has jurisdiction to enter this Order pursuant to TEX. WATER CODE § 7.002 and TEX. HEALTH & SAFETY CODE § 341.049, and that the Respondent is subject to TCEQ's jurisdiction. The TCEQ has jurisdiction in this matter pursuant to TEX. WATER CODE § 5.013 and TEX. HEALTH & SAFETY CODE § 341.031 because it alleges violations of TEX. HEALTH & SAFETY CODE ch. 341 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 \$16,456 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent paid \$13,165 of the penalty and \$3,291 is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Order. The deferred amount shall be waived only upon full compliance with all the terms and conditions contained in this Order. If the Respondent fails to timely and satisfactorily comply with any of the terms or requirements contained in this Order, the Executive Director may demand payment of all or part of the deferred penalty amount.
5. The Executive Director and the Respondent agree on a settlement of the matters alleged in this enforcement action, subject to final approval in accordance with 30 TEX. ADMIN. CODE § 70.10(a). Any notice and procedures, which might otherwise be authorized or

required in this action, are waived in the interest of a more timely resolution of the matter.

6. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Order.
7. This Order represents the complete and fully integrated agreement of the parties. The provisions of this Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Order unenforceable, the remaining provisions shall be valid and enforceable.
8. This Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Order, whichever is later.
9. The Executive Director recognizes that the Respondent implemented the following corrective measures at the Facility:
 - a. By October 5, 2023, provided the ground storage tank ("GST") at the Montebello Plant with an overflow cover containing a gap of less than 1/16 inch; and
 - b. By October 5, 2023, repaired the chlorine injection line leak on GST No. 1 at the Santa Fe Plant 3.

II. ALLEGATIONS

During an investigation at the Facility conducted on September 19, 2023, an investigator documented that the Respondent:

1. Failed to provide an elevated storage capacity of 100 gallons per connection, in violation of 30 TEX. ADMIN. CODE § 290.45(b)(1)(D)(iv) and TEX. HEALTH & SAFETY CODE § 341.0315(c). Specifically, the Montebello Pressure Plane 2 (Santa Fe) had 2,755 connections requiring an elevated storage capacity of 275,500 gallons. However, no elevated storage capacity was provided, indicating a 100% deficiency.
2. Failed to provide a well casing vent for Well No. 1 that is covered with 16-mesh or finer corrosion-resistant screen, facing downward, elevated and located so as to minimize the drawing of contaminants into the well, in violation of 30 TEX. ADMIN. CODE § 290.41(c)(3)(K). Specifically, the casing vent on Well No. 1 at the Montebello Plant did not have a cover.
3. Failed to provide an overflow discharge opening on the GST at the Montebello Plant with a gravity-hinged and weighted cover that closes automatically and fits tightly with no gap over 1/16 inch, and an elastomeric duckbill valve, or other approved device to prevent the entrance of insects and other nuisances, in violation of 30 TEX. ADMIN. CODE § 290.43(c)(3). Specifically, the overflow cover on the GST had a gap greater than 1/16 inch.
4. Failed to maintain all water treatment units, storage and pressure maintenance facilities, distribution system lines, and related appurtenances in a watertight condition and free

- of excessive solids, in violation of 30 TEX. ADMIN. CODE § 290.46(m)(4). Specifically, the chlorine injection line on GST No. 1 at the Santa Fe Plant 3 was leaking water.
5. Failed to provide an intruder-resistant fence or well house around each water treatment plant, well unit, potable water storage tank, pressure maintenance facility, and related appurtenances that remains locked during periods of darkness and when the Facility is unattended., in violation of 30 TEX. ADMIN. CODE §§ 290.41(c)(3)(O), 290.42(m) and 290.43(e). Specifically, at Santa Fe Plant 6, the barbed wire was broken and there were several large gaps on the bottom of the fence.
 6. Failed to keep on file copies of well completion data as defined in 30 TEX. ADMIN. CODE § 290.41(c)(3)(A) for as long as the well remains in service, in violation of 30 TEX. ADMIN. CODE § 290.46(n)(3). Specifically, the water system was not maintaining well completion data at the Montebello Plant Well No. 2.
 7. Failed to obtain a sanitary control easement covering land within 150 feet of the Facility's Well No. 2, in violation of 30 TEX. ADMIN. CODE § 290.41(c)(1)(F). Specifically, in a letter dated January 4, 2018, the Respondent was granted a temporary exception to the sanitary control easement rule for Well No. 2 at the Montebello Plant. However, the temporary exception expired, and a permanent exception had not been obtained.
 8. Failed to notify the Executive Director and receive approval prior to making any significant change or addition where the change in the existing distribution system results in an increase or decrease in production, treatment, storage, or pressure maintenance, in violation of 30 TEX. ADMIN. CODE § 290.39(j)(1)(A) and TEX. HEALTH & SAFETY CODE § 341.0351. Specifically, in a letter dated April 10, 2018, the Facility was approved for a 101,385-gallon GST at Santa Fe Plant 2, but had installed a 245,000-gallon GST. Additionally, the Facility was approved for a 9,980-gallon pressure tank, but installed a 15,000-gallon pressure tank.
 9. Failed to notify the Executive Director and receive approval prior to making any significant change or addition where the change in the existing distribution system results in an increase or decrease in production, treatment, storage, or pressure maintenance, in violation of 30 TEX. ADMIN. CODE § 290.39(j)(1)(A) and TEX. HEALTH & SAFETY CODE § 341.0351. Specifically, the Santa Fe Plant 6 contained one submersible well that tested at 710 gallons per minute ("gpm"), chlorine gas for disinfection, one 245,000-gallon GST, four service pumps rated at 850 gpm each, and two 15,000-gallon pressure tanks which were not approved.
 10. Failed to provide two or more pumps that have a total capacity of 2.0 gpm per connection or that have a total capacity of at least 1,000 gpm and the ability to meet peak hourly demands with the largest pump out of service, whichever is less, at each pump station or pressure plane, in violation of 30 TEX. ADMIN. CODE § 290.45(b)(1)(D)(iii) and TEX. HEALTH & SAFETY CODE § 341.0315(c). Specifically, the Montebello Utility Pressure Plane 1 had a total of 356 connections requiring a service pump capacity of 712 gpm. However, only 610 gpm of service pump capacity were provided, indicating a 14% deficiency.

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: Utilities Investment Company, Inc., Docket No. 2023-1628-PWS-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 90 days after the effective date of this Order:

- i. Provide a cover on the well casing vent for Montebello Plant, Well No. 1, so as to minimize the drawing of contaminants into the well, in accordance with 30 TEX. ADMIN. CODE § 290.41;
- ii. Keep on file copies of well completion data for Montebello Plant, Well No. 2, as defined in 30 TEX. ADMIN. CODE § 290.41(c)(3)(A), in accordance with 30 TEX. ADMIN. CODE § 290.46;
- iii. Replace or repair the intruder-resistant fence at Santa Fe Plant 6, in accordance with 30 TEX. ADMIN. CODE § 290.41 and 30 TEX. ADMIN. CODE § 290.43; and
- iv. Obtain a sanitary control easement that covers the land within 150 feet of Montebello Plant, Well No. 2, in accordance with 30 TEX. ADMIN. CODE § 290.41, or obtain Commission approval of an exception to the easement requirement pursuant to 30 TEX. ADMIN. CODE § 290.39(l). The exception request shall be submitted to:

Technical Review and Oversight Team
Water Supply Division, MC 159
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

- b. Within 105 days after the effective date of this Order, submit written certification, as described in Ordering Provision No. 2.f below, and include

detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 2.a.i through 2.a.iv.

- c. Within 180 days after the effective date of this Order:
- i. Provide two or more service pumps that have a total capacity of at least 2.0 gpm per connection at the Montebello Utility Pressure Plane 1, in accordance with 30 TEX. ADMIN. CODE § 290.45; and
 - ii. Provide an elevated storage capacity of 100 gallons per connection at the Montebello Pressure Plane 2 (Santa Fe), in accordance with 30 TEX. ADMIN. CODE § 290.45.
 - iii. Submit accurate, up-to-date, and detailed as-built plans, specifications, and engineering reports for the significant changes made to the Facility's production and treatment, including but not limited to, the 245,000-gallon GST and the 15,000-gallon pressure tanks at Santa Fe Plant 2, and the submersible well that tested at 710 gpm, chlorine gas for disinfection, the 245,000-gallon GST, the four service pumps rated at 850 gpm each, and the two 15,000-gallon pressure tanks at Santa Fe Plant 6, in accordance with 30 TEX. ADMIN. CODE § 290.39. The plans, specifications, and reports shall be submitted to:

Plan Review Team
Water Supply Division, MC 159
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-0387

Respond completely and adequately, as determined by the TCEQ, to all requests for information concerning plans and specifications within 15 days after the date of such requests, or by any other deadline Specified in writing.

- d. Within 195 days after the effective date of this Order, submit written certification, as described in Ordering Provision No. 2.f below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 2.c.i through 2.c.iii.
- e. Within 270 days after the effective date of this Order, obtain written approval of the as-built plans and specifications for the significant changes made to the Facility from the Executive Director, in accordance with 30 TEX. ADMIN. CODE § 290.39.
- f. Within 285 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.e. 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:

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

with a copy to:

Water Section Manager
Houston Regional Office
Texas Commission on Environmental Quality
5425 Polk Street, Suite H
Houston, Texas 77023-1452

3. All relief not expressly granted in this Order is denied.
4. The duties and provisions imposed by this Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of this Order to personnel who maintain day-to-day control over the Facility operations referenced in this Order.
5. 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



For the Executive Director

4/22/2024

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.



Signature

3/1/24

Date

Shannon Marsh

Name (Printed or typed)
Authorized Representative of
Utilities Investment Company, Inc.

Pres

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.