

Executive Summary – Enforcement Matter – Case No. 64875
SPECTRUM QUALITY STANDARDS MANAGEMENT, L.L.C.
RN110471026
Docket No. 2023-1754-IHW-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

IHW

Small Business:

Yes

Location(s) Where Violation(s) Occurred:

Spectrum Quality Standards, 17360 Groschke Road, Houston, Harris County

Type of Operation:

Petrochemical standards manufacturing company

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: The complainant has expressed an interest in this matter but does not wish to speak at Agenda.

Texas Register Publication Date: April 18, 2025

Comments Received: No

Penalty Information

Total Penalty Assessed: \$26,478

Amount Deferred for Expedited Settlement: \$5,295

Total Paid to General Revenue: \$10,592

Total Due to General Revenue: \$0

Payment Plan: N/A

Supplemental Environmental Project (“SEP”) Conditional Offset: \$10,591

Name of SEP: Barbers Hill Independent School District (Third-Party Pre-Approved)

Compliance History Classifications:

Person/CN - Satisfactory

Site/RN - Satisfactory

Major Source: No

Statutory Limit Adjustment: N/A

Applicable Penalty Policy: January 2021

Investigation Information

Complaint Date(s): January 3, 2023

Complaint Information: Alleged chemicals were leaking into the ground from drums.

Date(s) of Investigation: January 20, 2023 through February 7, 2023

Date(s) of NOE(s): August 28, 2023

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RN110471026
Docket No. 2023-1754-IHW-E

Violation Information

1. Caused, suffered, allowed, or permitted the collection, handling, processing, or disposal of industrial hazardous waste in such a manner as to cause the creation and maintenance of a nuisance or the endangerment of the public's health and welfare. Specifically, several drums containing hazardous waste leaked on the ground creating nuisance. Air monitoring detected volatile organic compound ("VOC") readings ranging from 10 parts per billion ("ppb") to 10,000 ppb, throughout the Facility yard containing the drums, which exceeded the background VOC limit [30 TEX. ADMIN. CODE § 335.4(2) and (3)].
2. Failed to clearly label or mark containers of hazardous waste with the words "Hazardous Waste", with indication of the hazards of the contents of the waste, and the date upon which each period of accumulation began [30 TEX. ADMIN. CODE § 335.53(e) and 40 CODE OF FEDERAL REGULATIONS ("CFR") § 262.16(b)(6)(i)].
3. Failed to comply with 180-day accumulation time limit for a small quantity generator. Specifically, at the time of investigation, it was documented that the Respondent had accumulated containers storing hazardous waste at the Facility since January 2022, past the 180-day accumulation time limit [30 TEX. ADMIN. CODE § 335.53(e) and 40 CFR § 262.16(b)].
4. Failed to make arrangements with local authorities. Specifically, the Facility did not provide documentation and confirmation of local emergency response arrangements with the police, hospitals, or local emergency response personnel [30 TEX. ADMIN. CODE § 335.53(e) and 40 CFR §§ 262.16(b)(8)(vi) and 265.37(a)].
5. Failed to conduct inspections of all container accumulation areas at least weekly to look for leaking containers and deterioration of containers caused by corrosion or other factors [30 TEX. ADMIN. CODE § 335.53(e) and 40 CFR §§ 262.16(b)(2)(iv) and 265.174].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

The Respondent implemented the following corrective measures:

- a. On July 13, 2023, properly labeled all hazardous waste containers with the words "Hazardous Waste," with indication of the hazards of the contents of the waste, and the date upon which each period of accumulation began;
- b. On July 13, 2023, cleaned up and removed all industrial hazardous waste from the Facility and disposed of it at an authorized facility;

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c. On July 25, 2023, implemented consistent weekly hazardous waste container inspections; and

d. On September 5, 2023, provided proof of notification of local emergency response arrangement with the police and local hospital.

Technical Requirements:

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

2. The Order will also require the Respondent to:

a. Within 60 days:

i. Develop and implement procedures to ensure hazardous waste containers are not kept on-site for more than 180 days; and

ii. Develop and implement procedures to prevent future spills or discharges of industrial hazardous waste at the Facility.

b. Within 75 days, submit written certification to demonstrate compliance with a.

c. Within 60 days, conduct an investigation to determine whether response actions at the Facility are necessary under the Texas Risk Reduction Program ("TRRP") and submit the investigation results to the Executive Director.

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

e. If the Executive Director determines that response actions are necessary, within 120 days the Respondent shall submit, by the deadline prescribed by the Executive Director, an Affected Property Assessment Report ("APAR").

f. If the Executive Director determines that the APAR indicates that additional response actions are necessary, within 150 days the Respondent shall comply with, and perform, all applicable requirements of TRRP.

g. Within 180 days, submit written certification to demonstrate compliance with c. through f.

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RN110471026
Docket No. 2023-1754-IHW-E

Contact Information

TCEQ Attorney: N/A

TCEQ Enforcement Coordinator: Tiffany Chu, Enforcement Division, Enforcement Team 3, MC R-04, (817) 588-5891; Michael Parrish, Enforcement Division, MC 219, (512) 239-2548

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

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

Respondent: Gary Lew, Chief Executive Officer, SPECTRUM QUALITY STANDARDS MANAGEMENT, L.L.C., 17360 Groschke Road, Houston, Texas 77084

Respondent's Attorney: N/A



Penalty Calculation Worksheet (PCW)

Policy Revision 5 (January 28, 2021)

PCW Revision February 11, 2021

DATES	Assigned	5-Sep-2023	Screening	21-Sep-2023	EPA Due	
	PCW	22-Apr-2024				

RESPONDENT/FACILITY INFORMATION

Respondent	SPECTRUM QUALITY STANDARDS MANAGEMENT, L.L.C.
Reg. Ent. Ref. No.	RN110471026
Facility/Site Region	12-Houston
Major/Minor Source	Minor

CASE INFORMATION

Enf./Case ID No.	64875	No. of Violations	5
Docket No.	2023-1754-IHW-E	Order Type	1660
Media Program(s)	Industrial and Hazardous Waste	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Tiffany Chu
		EC's Team	Enforcement Team 3
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$25,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$23,750
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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	20.0%	Adjustment	Subtotals 2, 3, & 7	\$4,750
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Notes: Enhancement for one Agreed Order containing a denial of liability.

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	-\$2,125
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Economic Benefit	0.0%	Enhancement*	Subtotal 6	\$0
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Total EB Amounts: \$1,937
Estimated Cost of Compliance: \$33,988
*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7	Final Subtotal	\$26,375
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OTHER FACTORS AS JUSTICE MAY REQUIRE	0.4%	Adjustment	\$103
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes: Enhancement to capture the avoided cost of compliance associated with Violation No. 5.

Final Penalty Amount	\$26,478
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$26,478
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DEFERRAL	20.0%	Reduction	Adjustment	-\$5,295
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Reduces the Final Assessed Penalty by the indicated percentage.

Notes: Deferral offered for expedited settlement.

PAYABLE PENALTY	\$21,183
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Screening Date	21-Sep-2023	Docket No.	2023-1754-IHW-E	PCW
Respondent	SPECTRUM QUALITY STANDARDS MANAGEMENT, L.L.C.			Policy Revision 5 (January 28, 2021)
Case ID No.	64875			PCW Revision February 11, 2021
Reg. Ent. Reference No.	RN110471026			
Media	Industrial and Hazardous Waste			
Enf. Coordinator	Tiffany Chu			

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>)	1	20%
	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) 20%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Satisfactory Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

Enhancement for one Agreed Order containing a denial of liability.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 20%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 20%

Screening Date	21-Sep-2023	Docket No. 2023-1754-IHW-E	PCW	
Respondent	SPECTRUM QUALITY STANDARDS MANAGEMENT, L.L.C.		Policy Revision 5 (January 28, 2021)	
Case ID No.	64875		PCW Revision February 11, 2021	
Reg. Ent. Reference No.	RN110471026			
Media	Industrial and Hazardous Waste			
Enf. Coordinator	Tiffany Chu			
Violation Number	<div style="border: 1px solid black; padding: 2px; text-align: center;">1</div>			
Rule Cite(s)	<div style="border: 1px solid black; padding: 5px; text-align: center;">30 Tex. Admin. Code § 335.4(2) and (3)</div>			
Violation Description	<div style="border: 1px solid black; padding: 5px;">Caused, suffered, allowed, or permitted the collection, handling, processing, or disposal of industrial and hazardous waste ("IHW") in such a manner as to cause the creation and maintenance of a nuisance or the endangerment of the public's health and welfare. Specifically, several drums containing hazardous waste leaked on the ground creating a nuisance. Air monitoring detected volatile organic compound ("VOC") readings ranging from 10 parts per billion ("ppb") to 10,000 ppb, throughout the Facility yard containing the drums, which exceeded the background VOC limit.</div>			
Base Penalty			<div style="border: 1px solid black; padding: 2px; text-align: center;">\$25,000</div>	
>> Environmental, Property and Human Health Matrix				
OR	Harm			
	Release	Major	Moderate	Minor
	Actual	<div style="border: 1px solid black; padding: 2px; text-align: center;">x</div>	<div style="border: 1px solid black; padding: 2px;"></div>	<div style="border: 1px solid black; padding: 2px;"></div>
	Potential	<div style="border: 1px solid black; padding: 2px;"></div>	<div style="border: 1px solid black; padding: 2px;"></div>	<div style="border: 1px solid black; padding: 2px;"></div>
			Percent <div style="border: 1px solid black; padding: 2px; text-align: center;">25.0%</div>	
>> Programmatic Matrix				
	Falsification	Major	Moderate	Minor
	<div style="border: 1px solid black; padding: 2px;"></div>	<div style="border: 1px solid black; padding: 2px;"></div>	<div style="border: 1px solid black; padding: 2px;"></div>	<div style="border: 1px solid black; padding: 2px;"></div>
			Percent <div style="border: 1px solid black; padding: 2px; text-align: center;">0.0%</div>	
Matrix Notes	<div style="border: 1px solid black; padding: 5px;">Human health or the environment has been exposed to significant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of the violation.</div>			
Adjustment			<div style="border: 1px solid black; padding: 2px; text-align: center;">\$18,750</div>	
			<div style="border: 1px solid black; padding: 2px; text-align: center;">\$6,250</div>	
Violation Events				
Number of Violation Events		<div style="border: 1px solid black; padding: 2px; text-align: center;">1</div>	Number of violation days	
		<div style="border: 1px solid black; padding: 2px; text-align: center;">1</div>		
	daily	<div style="border: 1px solid black; padding: 2px;"></div>		
	weekly	<div style="border: 1px solid black; padding: 2px;"></div>		
	monthly	<div style="border: 1px solid black; padding: 2px;"></div>		
	quarterly	<div style="border: 1px solid black; padding: 2px;"></div>		
	semiannual	<div style="border: 1px solid black; padding: 2px;"></div>		
	annual	<div style="border: 1px solid black; padding: 2px;"></div>		
	single event	<div style="border: 1px solid black; padding: 2px; text-align: center;">x</div>		
			Violation Base Penalty <div style="border: 1px solid black; padding: 2px; text-align: center;">\$6,250</div>	
<div style="border: 1px solid black; padding: 10px; text-align: center;">One single event is recommended.</div>				
Good Faith Efforts to Comply		<div style="border: 1px solid black; padding: 2px; text-align: center;">0.0%</div>	Reduction <div style="border: 1px solid black; padding: 2px; text-align: center;">\$0</div>	
		Before NOE/NOV	NOE/NOV to EDPRP/Settlement Offer	
	Extraordinary	<div style="border: 1px solid black; padding: 2px;"></div>	<div style="border: 1px solid black; padding: 2px;"></div>	
	Ordinary	<div style="border: 1px solid black; padding: 2px;"></div>	<div style="border: 1px solid black; padding: 2px;"></div>	
	N/A	<div style="border: 1px solid black; padding: 2px; text-align: center;">x</div>	<div style="border: 1px solid black; padding: 2px;"></div>	
Notes	<div style="border: 1px solid black; padding: 5px;">The Respondent does not meet the good faith criteria for this violation.</div>			
Violation Subtotal			<div style="border: 1px solid black; padding: 2px; text-align: center;">\$6,250</div>	
Economic Benefit (EB) for this violation		Statutory Limit Test		
Estimated EB Amount		<div style="border: 1px solid black; padding: 2px; text-align: center;">\$1,769</div>	Violation Final Penalty Total <div style="border: 1px solid black; padding: 2px; text-align: center;">\$7,529</div>	
This violation Final Assessed Penalty (adjusted for limits)			<div style="border: 1px solid black; padding: 2px; text-align: center;">\$7,529</div>	

Economic Benefit Worksheet

Respondent SPECTRUM QUALITY STANDARDS MANAGEMENT, L.L.C.
Case ID No. 64875
Reg. Ent. Reference No. RN110471026
Media Industrial and Hazardous Waste
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	\$10,000	20-Jan-2023	13-Jul-2025	2.48	\$1,240	n/a	\$1,240
Remediation/Disposal	\$21,688	20-Jan-2023	13-Jul-2023	0.48	\$517	n/a	\$517
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$100	20-Jan-2023	13-Jul-2025	2.48	\$12	n/a	\$12

Notes for DELAYED costs

Estimated delayed cost to cleanup and remove all IHW using appropriate corrective measures from the Facility and dispose of it at an authorized facility (\$21,688). The Date Required is the investigation date and the Final Date is the date of compliance.

Estimated delayed cost to submit a report demonstrating the applicability of the Texas Risk Reduction Program ("TRRP") to the Executive Director and comply with all applicable requirements of TRRP (\$10,000), and to develop and implement procedures to prevent future spills or discharges of IHW at the Facility (\$100). The Dates Required are the investigation date and the Final Dates are 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

\$31,788

TOTAL

\$1,769

Screening Date	21-Sep-2023	Docket No.	2023-1754-IHW-E	PCW
Respondent	SPECTRUM QUALITY STANDARDS MANAGEMENT, L.L.C.			
Case ID No.	64875	<i>Policy Revision 5 (January 28, 2021)</i>		
Reg. Ent. Reference No.	RN110471026	<i>PCW Revision February 11, 2021</i>		
Media	Industrial and Hazardous Waste			
Enf. Coordinator	Tiffany Chu			
Violation Number	2			
Rule Cite(s)	30 Tex. Admin. Code § 335.53(e) and 40 Code of Federal Regulations ("CFR") § 262.16(b)(6)(i)			
Violation Description	<div style="border: 1px solid black; padding: 5px;"> <p>Failed to clearly label or mark containers of hazardous waste with the words "Hazardous Waste", with indication of the hazards of the contents of the waste, and the date upon which each period of accumulation began.</p> </div>			
Base Penalty				\$25,000

>> Environmental, Property and Human Health Matrix

OR	Harm				
	Release	Major	Moderate	Minor	
	Actual				
	Potential				
					Percent 0.0%

>> Programmatic Matrix

OR	Falsification				
	Major	Moderate	Minor		
					Percent 10.0%

Matrix Notes	100% of the rule requirement was not met.
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Adjustment	\$22,500
\$2,500	

Violation Events

Number of Violation Events	2	Number of violation days	174														
	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>daily</td><td></td></tr> <tr><td>weekly</td><td></td></tr> <tr><td>monthly</td><td></td></tr> <tr><td>quarterly</td><td>x</td></tr> <tr><td>semiannual</td><td></td></tr> <tr><td>annual</td><td></td></tr> <tr><td>single event</td><td></td></tr> </table>	daily		weekly		monthly		quarterly	x	semiannual		annual		single event			
daily																	
weekly																	
monthly																	
quarterly	x																
semiannual																	
annual																	
single event																	
Violation Base Penalty			\$5,000														

Two quarterly events are recommended from the January 20, 2023 investigation date to the July 13, 2023 compliance date.

Good Faith Efforts to Comply

	25.0%	
	Before NOE/NOV	NOE/NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary	x	
N/A		
Notes	<div style="border: 1px solid black; padding: 5px;"> The Respondent came into compliance on July 13, 2023, prior to the August 28, 2023 Notice of Enforcement ("NOE"). </div>	
Violation Subtotal		\$3,750

Economic Benefit (EB) for this violation

Estimated EB Amount	\$24	Statutory Limit Test
Violation Final Penalty Total		\$4,769
This violation Final Assessed Penalty (adjusted for limits)		\$4,769

Economic Benefit Worksheet

Respondent SPECTRUM QUALITY STANDARDS MANAGEMENT, L.L.C.
Case ID No. 64875
Reg. Ent. Reference No. RN110471026
Media Industrial and Hazardous Waste
Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

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

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$1,000	20-Jan-2023	13-Jul-2023	0.48	\$24	n/a	\$24

Notes for DELAYED costs

Estimated delayed cost to properly label all hazardous waste containers with the words "Hazardous Waste", with indication of the hazards of the contents of the waste, and the date upon which each period of accumulation began (\$10 per container, 100 containers). The Date Required is the investigation date 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

\$1,000

TOTAL

\$24

Screening Date 21-Sep-2023 Respondent SPECTRUM QUALITY STANDARDS MANAGEMENT, L.L.C. Case ID No. 64875 Reg. Ent. Reference No. RN110471026 Media Industrial and Hazardous Waste Enf. Coordinator Tiffany Chu	Docket No. 2023-1754-IHW-E <div style="border: 1px solid black; padding: 2px;">3</div>	PCW <i>Policy Revision 5 (January 28, 2021)</i> <i>PCW Revision February 11, 2021</i>		
Violation Number				
Rule Cite(s) 30 Tex. Admin. Code § 335.53(e) and 40 CFR § 262.16(b)				
Violation Description <div style="border: 1px solid black; padding: 5px; margin-top: 5px;"> Failed to comply with 180-day accumulation time limit for a small quantity generator. Specifically, at the time of investigation, it was documented that the Respondent had accumulated containers storing hazardous waste at the Facility since January 2022, past the 180-day accumulation time limit. </div>				
Base Penalty		\$25,000		
>> Environmental, Property and Human Health Matrix				
OR	Harm			
	Release	Major	Moderate	Minor
	Actual	<div style="border: 1px solid black; width: 50px; height: 15px;"></div>	<div style="border: 1px solid black; width: 50px; height: 15px;"></div>	<div style="border: 1px solid black; width: 50px; height: 15px;"></div>
	Potential	<div style="border: 1px solid black; width: 50px; height: 15px;"></div>	<div style="border: 1px solid black; width: 50px; height: 15px;"></div>	<div style="border: 1px solid black; width: 50px; height: 15px;"></div>
		Percent	<div style="border: 1px solid black; width: 50px; text-align: center;">0.0%</div>	
>> Programmatic Matrix				
OR	Harm			
	Falsification	Major	Moderate	Minor
	<div style="border: 1px solid black; width: 50px; height: 15px;"></div>	<div style="border: 1px solid black; width: 50px; height: 15px; text-align: center;">X</div>	<div style="border: 1px solid black; width: 50px; height: 15px;"></div>	<div style="border: 1px solid black; width: 50px; height: 15px;"></div>
	Potential	<div style="border: 1px solid black; width: 50px; height: 15px;"></div>	<div style="border: 1px solid black; width: 50px; height: 15px;"></div>	<div style="border: 1px solid black; width: 50px; height: 15px;"></div>
		Percent	<div style="border: 1px solid black; width: 50px; text-align: center;">10.0%</div>	
Matrix Notes	100% of the rule requirement was not met.			
Adjustment		<div style="border: 1px solid black; width: 100px; text-align: center;">\$22,500</div>		
		<div style="border: 1px solid black; width: 100px; text-align: center;">\$2,500</div>		
Violation Events				
Number of Violation Events		<div style="border: 1px solid black; width: 50px; text-align: center;">3</div>	Number of violation days	
		<div style="border: 1px solid black; width: 50px; text-align: center;">244</div>		
	daily	<div style="border: 1px solid black; width: 50px; height: 15px;"></div>		
	weekly	<div style="border: 1px solid black; width: 50px; height: 15px;"></div>		
	monthly	<div style="border: 1px solid black; width: 50px; height: 15px;"></div>		
	quarterly	<div style="border: 1px solid black; width: 50px; height: 15px; text-align: center;">x</div>		
	semiannual	<div style="border: 1px solid black; width: 50px; height: 15px;"></div>		
	annual	<div style="border: 1px solid black; width: 50px; height: 15px;"></div>		
	single event	<div style="border: 1px solid black; width: 50px; height: 15px;"></div>		
Violation Base Penalty		<div style="border: 1px solid black; width: 100px; text-align: center;">\$7,500</div>		
Three quarterly events are recommended from the January 20, 2023 investigation date to the September 21, 2023 screening date.				
Good Faith Efforts to Comply		<div style="border: 1px solid black; width: 50px; text-align: center;">0.0%</div>	Reduction	
		<div style="border: 1px solid black; width: 100px; text-align: center;">\$0</div>		
	Extraordinary	<div style="border: 1px solid black; width: 50px; height: 15px;"></div>		
	Ordinary	<div style="border: 1px solid black; width: 50px; height: 15px;"></div>		
	N/A	<div style="border: 1px solid black; width: 50px; height: 15px; text-align: center;">x</div>		
Notes	The Respondent does not meet the good faith criteria for this violation.			
Violation Subtotal		<div style="border: 1px solid black; width: 100px; text-align: center;">\$7,500</div>		
Economic Benefit (EB) for this violation		Statutory Limit Test		
Estimated EB Amount	<div style="border: 1px solid black; width: 100px; text-align: center;">\$12</div>	Violation Final Penalty Total	<div style="border: 1px solid black; width: 100px; text-align: center;">\$9,035</div>	
This violation Final Assessed Penalty (adjusted for limits)		<div style="border: 1px solid black; width: 100px; text-align: center;">\$9,035</div>		

Economic Benefit Worksheet

Respondent SPECTRUM QUALITY STANDARDS MANAGEMENT, L.L.C.
Case ID No. 64875
Reg. Ent. Reference No. RN110471026
Media Industrial and Hazardous Waste
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	\$100	20-Jan-2023	1-Jul-2025	2.45	\$12	n/a	\$12
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

Estimated delayed cost to develop and implement procedures to ensure hazardous waste containers are not kept on-Site for more than 180 days. The Date Required is the investigation date and the Final Date is the estimated date of compliance.

Avoided Costs

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance

\$100

TOTAL

\$12

Screening Date 21-Sep-2023 Respondent SPECTRUM QUALITY STANDARDS MANAGEMENT, L.L.C. Case ID No. 64875 Reg. Ent. Reference No. RN110471026 Media Industrial and Hazardous Waste Enf. Coordinator Tiffany Chu	Docket No. 2023-1754-IHW-E Base Penalty \$25,000	PCW <i>Policy Revision 5 (January 28, 2021)</i> <i>PCW Revision February 11, 2021</i>
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Violation Number	4		
Rule Cite(s)		30 Tex. Admin. Code § 335.53(e) and 40 CFR §§ 262.16(b)(8)(vi) and 265.37(a)	
Violation Description	Failed to make arrangements with local authorities. Specifically, the Facility did not provide documentation and confirmation of local emergency response arrangements with the police, hospitals, or local emergency response personnel.		

Base Penalty				\$25,000
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>> Environmental, Property and Human Health Matrix

OR		Harm			
	Release	Major	Moderate	Minor	
	Actual				Percent 0.0%
	Potential				

>> Programmatic Matrix

Matrix Notes		Falsification			
		Major	Moderate	Minor	
		x			Percent 10.0%
Greater than 70% of the rule requirement was not met.					

Adjustment				\$22,500
				\$2,500

Violation Events

Number of Violation Events	1	228	Number of violation days
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daily						Violation Base Penalty \$2,500
weekly						
monthly						
quarterly						
semiannual						
annual						
single event		x				

One single event is recommended.	
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Good Faith Efforts to Comply

10.0%		Reduction	\$250
	Before NOE/NOV	NOE/NOV to EDPRP/Settlement Offer	
Extraordinary			
Ordinary		x	
N/A			
Notes	The Respondent came into compliance on September 5, 2023, after the August 28, 2023 NOE.		

Violation Subtotal				\$2,250
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Economic Benefit (EB) for this violation

Statutory Limit Test	
Estimated EB Amount	\$16
Violation Final Penalty Total	\$2,761
This violation Final Assessed Penalty (adjusted for limits)	
	\$2,761

Economic Benefit Worksheet

Respondent SPECTRUM QUALITY STANDARDS MANAGEMENT, L.L.C.
Case ID No. 64875
Reg. Ent. Reference No. RN110471026
Media Industrial and Hazardous Waste
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
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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	\$500	20-Jan-2023	5-Sep-2023	0.62	\$16	n/a	\$16
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

Estimated delayed cost to provide documentation and confirmation of local emergency response arrangements with the police, hospitals, or local emergency response personnel. The Date required is the investigation date 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

\$500

TOTAL

\$16

Screening Date 21-Sep-2023	Docket No. 2023-1754-IHW-E	PCW
Respondent SPECTRUM QUALITY STANDARDS MANAGEMENT, L.L.C.	<i>Policy Revision 5 (January 28, 2021)</i>	
Case ID No. 64875	<i>PCW Revision February 11, 2021</i>	
Reg. Ent. Reference No. RN110471026		
Media Industrial and Hazardous Waste		
Enf. Coordinator Tiffany Chu		
Violation Number	5	
Rule Cite(s)	30 Tex. Admin. Code § 335.53(e) and 40 CFR §§ 262.16(b)(2)(iv) and 265.174	
Violation Description	Failed to conduct inspections of all container accumulation areas at least weekly to look for leaking containers and deterioration of containers caused by corrosion or other factors.	
Base Penalty		\$25,000

>> Environmental, Property and Human Health Matrix

OR		Harm			
	Release	Major	Moderate	Minor	
	Actual				
	Potential		x		
				Percent	5.0%

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor	
Percent					0.0%

Matrix Notes	Human health or the environment will or could be exposed to significant amounts of pollutants that would not exceed levels that are protective of human health or environmental receptors as a result of the violation.
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Adjustment	\$23,750
\$1,250	

Violation Events

Number of Violation Events	2		186	Number of violation days
----------------------------	---	--	-----	--------------------------

	daily			
	weekly			
	monthly			
	quarterly			
	semiannual	x		
	annual			
	single event			

Violation Base Penalty	\$2,500
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Two semiannual events are recommended from the January 20, 2023 investigation date to the July 25, 2023 compliance date.
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Good Faith Efforts to Comply

	25.0%			
	Before NOE/NOV	NOE/NOV to EDPRP/Settlement Offer		
Extraordinary				
Ordinary	x			
N/A				
Notes	The Respondent came into compliance on July 25, 2023, prior to the August 28, 2023 NOE.			
Violation Subtotal			\$1,875	

Economic Benefit (EB) for this violation

Estimated EB Amount	\$116	Statutory Limit Test	
		Violation Final Penalty Total	\$2,384
This violation Final Assessed Penalty (adjusted for limits)		\$2,384	

Economic Benefit Worksheet

Respondent SPECTRUM QUALITY STANDARDS MANAGEMENT, L.L.C.
Case ID No. 64875
Reg. Ent. Reference No. RN110471026
Media Industrial and Hazardous Waste
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
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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	\$500	20-Jan-2023	25-Jul-2023	0.51	\$13	n/a	\$13
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

Estimated delayed cost to develop and implement procedures to ensure weekly inspections of container storage areas are being conducted. The Date Required is the investigation date 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	\$100	20-Jan-2023	25-Jul-2023	0.51	\$3	\$100	\$103
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Estimated avoided cost to conduct weekly inspections of waste container storage areas. The Date Required is the investigation date and the Final Date is the date of compliance.

Approx. Cost of Compliance

\$600

TOTAL

\$116



Compliance History Report

Compliance History Report for CN605557461, RN110471026, Rating Year 2023 which includes Compliance History (CH) components from September 1, 2018, through August 31, 2023.

Customer, Respondent, or Owner/Operator:	CN605557461, SPECTRUM QUALITY STANDARDS MANAGEMENT, L.L.C.	Classification: SATISFACTORY	Rating: 2.33
Regulated Entity:	RN110471026, Spectrum Quality Standards	Classification: SATISFACTORY	Rating: 2.33
Complexity Points:	3	Repeat Violator:	NO
CH Group:	05 - Chemical Manufacturing		
Location:	17360 GROSCHKE ROAD, HOUSTON, HARRIS COUNTY, TEXAS 77084-4626		
TCEQ Region:	REGION 12 - HOUSTON		

ID Number(s):

INDUSTRIAL AND HAZARDOUS WASTE EPA ID
TXR000085274

STORMWATER PERMIT TXR05GG56

INDUSTRIAL AND HAZARDOUS WASTE SOLID WASTE
REGISTRATION # (SWR) 97752

POLLUTION PREVENTION PLANNING ID NUMBER
P10905

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

Date Compliance History Report Prepared: March 18, 2024

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: March 18, 2019 to March 18, 2024

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

Name: Tiffany Chu

Phone: (817) 588-5891

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:

See addendum for information regarding federal actions.

B. Criminal convictions:

N/A

C. Chronic excessive emissions events:

N/A

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

N/A

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

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

N/A

F. Environmental audits:

N/A

G. Type of environmental management systems (EMSs):

N/A

H. Voluntary on-site compliance assessment dates:

N/A

I. Participation in a voluntary pollution reduction program:

N/A

J. Early compliance:

N/A

Sites Outside of Texas:

N/A

Addendum to Compliance History Federal Enforcement Actions

Reg Entity Name: **SPECTRUM QUALITY STANDARDS**

Reg Entity Add: 17360 GROESCHKE ROAD

Reg Entity City: HOUSTON

Reg Entity No: **RN110471026**

EPA Case No: **06-2020-0969**

Order Issue Date (yyyymmdd): 20200709

Case Result: Final Order No Penalty

Statute: RCRA

Sect of Statute: 3002

Classification: Minor

Program: Gen Hazardous Waste M

Citation:

Violation Type:

Cite Sect:

Cite Part:

Enforcement Action: Administrative Compliance Orders

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
SPECTRUM QUALITY STANDARDS
MANAGEMENT, L.L.C.
RN110471026

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

AGREED ORDER DOCKET NO. 2023-1754-IHW-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 SPECTRUM QUALITY STANDARDS MANAGEMENT, L.L.C. (the "Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 361 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 petrochemical standards manufacturing company located at 17360 Groschke Road in Houston, Harris County, Texas (the "Facility"). The Facility involves or involved the management of industrial and hazardous waste ("IHW") as defined in TEX. HEALTH & SAFETY CODE ch. 361.
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. 361 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 \$26,478 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent paid \$10,592 of the penalty and \$5,295 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, \$10,591 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 the Respondent implemented the following corrective measures at the Facility:
 - a. On July 13, 2023, properly labeled all hazardous waste containers with the words "Hazardous Waste," with indication of the hazards of the contents of the waste, and the date upon which each period of accumulation began;
 - b. On July 13, 2023, cleaned up and removed all IHW from the Facility and disposed of it at an authorized facility;
 - c. On July 25, 2023, implemented consistent weekly hazardous waste container inspections; and
 - d. On September 5, 2023, provided proof of notification of local emergency response arrangement with the police and local hospital.

II. ALLEGATIONS

During an investigation at the Facility conducted on January 20, 2023 through February 7, 2023, an investigator documented that the Respondent:

1. Caused, suffered, allowed, or permitted the collection, handling, processing, or disposal of IHW in such a manner as to cause the creation and maintenance of a nuisance or the endangerment of the public's health and welfare, in violation of 30 TEX. ADMIN. CODE § 335.4(2) and (3). Specifically, several drums containing hazardous waste leaked on the ground creating nuisance. Air monitoring detected volatile organic compound ("VOC") readings ranging from 10 parts per billion ("ppb") to 10,000 ppb, throughout the Facility yard containing the drums, which exceeded the background VOC limit.

2. Failed to clearly label or mark containers of hazardous waste with the words "Hazardous Waste", with indication of the hazards of the contents of the waste, and the date upon which each period of accumulation began, in violation of 30 TEX. ADMIN. CODE § 335.53(e) and 40 CODE OF FEDERAL REGULATIONS ("CFR") § 262.16(b)(6)(i).
3. Failed to comply with 180-day accumulation time limit for a small quantity generator, in violation of 30 TEX. ADMIN. CODE § 335.53(e) and 40 CFR § 262.16(b). Specifically, at the time of investigation, it was documented that the Respondent had accumulated containers storing hazardous waste at the Facility since January 2022, past the 180-day accumulation time limit.
4. Failed to make arrangements with local authorities, in violation of 30 TEX. ADMIN. CODE § 335.53(e) and 40 CFR §§ 262.16(b)(8)(vi) and 265.37(a). Specifically, the Facility did not provide documentation and confirmation of local emergency response arrangements with the police, hospitals, or local emergency response personnel.
5. Failed to conduct inspections of all container accumulation areas at least weekly to look for leaking containers and deterioration of containers caused by corrosion or other factors, in violation of 30 TEX. ADMIN. CODE § 335.53(e) and 40 CFR §§ 262.16(b)(2)(iv) and 265.174.

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: SPECTRUM QUALITY STANDARDS MANAGEMENT, L.L.C., Docket No. 2023-1754-IHW-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 \$10,591 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. The Respondent shall undertake the following technical requirements.

- a. Within 60 days after the effective date of this Order:
 - i. Develop and implement procedures to ensure hazardous waste containers are not kept on-site for more than 180 days, in accordance with 30 TEX. ADMIN. CODE § 335.53 and 40 CFR § 262.16; and
 - ii. Develop and implement procedures to prevent future spills or discharges of IHW at the Facility, in accordance with 30 TEX. ADMIN. CODE § 335.4.
- b. Within 75 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 Nos. 3.a.i and 3.a.ii, in accordance with Ordering Provision No. 3.g below.
- c. Within 60 days after the effective date of this Order, conduct an investigation to determine whether response actions at the Facility are necessary under the Texas Risk Reduction Program ("TRRP"), 30 TEX. ADMIN. CODE ch. 350, and submit the investigation results to the Executive Director, via the Enforcement Division, to the address listed in Ordering Provision No. 3.g. The investigation results shall be accompanied by detailed supporting documentation, including photographs, receipts, and/or other records, shall be signed by the Respondent, and shall include the certification language found in Ordering Provision No. 3.g.
- d. Respond completely and adequately, as determined by the TCEQ, to all requests for information concerning the investigation results within 15 days after the date of such requests or by any other deadline specified in writing by the TCEQ.
- e. If the Executive Director determines that response actions pursuant to 30 TEX. ADMIN. CODE ch. 350 are necessary, within 120 days the Respondent shall submit, by the deadline prescribed by the Executive Director, an Affected Property Assessment Report ("APAR"), pursuant to 30 TEX. ADMIN. CODE § 350.91, to the Enforcement Division at the address listed in Ordering Provision No. 3.g, and to any additional addresses as directed by the Executive Director.
- f. If the Executive Director determines that the APAR indicates that additional response actions are necessary, within 150 days the Respondent shall comply with, and perform, all applicable requirements of TRRP, which may include plans, reports, and notices under Subchapter E (30 TEX. ADMIN. CODE §§ 350.92 to 350.96); financial assurance (30 TEX. ADMIN. CODE § 350.33(l)); and institutional controls under Subchapter F (30 TEX. ADMIN. CODE § 350.111).
- g. Within 180 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 Nos. 3.c through 3.f. 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:

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

4. All relief not expressly granted in this Order is denied.
5. 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.
6. The Executive Director may grant an extension of any deadline in this Order or in any plan, report, or other document submitted pursuant to this Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director. Extension requests shall be sent to the Enforcement Division at the address listed above.
7. This Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
8. This Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively,

the terms: electronic transmission, owner, person, writing, and written, shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.

9. The effective date of this Order is the date it is signed by the Commission. A copy of this fully executed Order shall be provided to each of the parties.

SPECTRUM QUALITY STANDARDS MANAGEMENT, L.L.C.
DOCKET NO. 2023-1754-IHW-E
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SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

Date

Krista Mello-Jurack

07/21/2025

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.

DocuSigned by:

G. N. L.

6/27/2025

Signature

Date

Gary Lew

CEO

Name (Printed or typed)

Title

Authorized Representative of

SPECTRUM QUALITY STANDARDS MANAGEMENT, L.L.C.

☐ *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: 2023-1754-IHW-E
SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	SPECTRUM QUALITY STANDARDS MANAGEMENT, L.L.C.
Payable Penalty Amount:	\$21,183
SEP Offset Amount:	\$10,591
Type of SEP:	Contribution to a Third-Party Administrator SEP
Third-Party Administrator:	Barbers Hill Independent School District
Project Name:	<i>Alternative Fuel School Bus Replacement</i>
Total Project Budget:	\$1,590,000
Location of SEP:	Chambers County

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 **Barbers Hill Independent School District** for the *Alternative Fuel School Bus Replacement* program (the “Project”). The Project is to reduce carbon monoxide (“CO”), nitrogen oxides (“NO_x”), particulate matter (“PM”), and volatile organic compounds (“VOCs”) emissions by replacing older school buses with new propane-fueled buses. The Third-Party Administrator is obligated to ensure that each Replacement Bus purchased has an engine that meets 2010 EPA Standards. The Project will be performed in accordance with all federal, state, and local environmental laws and regulations.

The contribution will be used in accordance with the SEP Agreement between the Third-Party Administrator and the TCEQ. 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 able to be 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 it has no prior commitment to make this contribution and that it is being contributed solely in an effort to settle this enforcement action. The Respondent shall not profit in any manner from this SEP.

B. Environmental Benefit

This SEP will directly benefit air quality by reducing harmful exhaust emissions that contribute to the formation of ozone and may cause or exacerbate a number of respiratory diseases, including asthma. For example, by replacing a 1989 diesel bus with a new 2010 ultra-low emission model, passengers’ exposures to NO_x may be reduced by 98 percent; VOCs by 93 percent; CO by 83 percent; and PM by 99 percent.

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 **Barbers Hill ISD SEP** and shall mail the contribution with a copy of the Agreed Order to:

John Johnson, Consultant
Carl R. Griffith & 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 Division 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 or email 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
SEPReports@tceq.texas.gov

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 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
Office of Legal Services Litigation Division
Attention: SEP Coordinator, MC 175
P.O. Box 13087
Austin, Texas 78711-3087

5. Publicity

Any public statements concerning this SEP 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 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.