

TCEQ Interoffice Memorandum

To: Mary Smith, General Counsel

Thru: *MH* Megan Hamilton, Acting Assistant Deputy Director
Enforcement Division

From: *MP* Michael Parrish, Agenda Special Assistant
Enforcement Division

Date: September 26, 2025

Subject: Backup Revision
October 8, 2025, Commission Agenda
Draft Item No. 9 – Lonestar Fiberglass Components of Texas, LLC
Docket No. 2024-0774-AIR-E

Enclosed please find the following:

Executive Summary:

- Page 1, Other Significant Matters – Changed “None” to add language referencing Respondent’s Bankruptcy filing.
- Page 1, Penalty Information: Correct deferral information to indicate deferral was offered for Expedited Settlement instead of Financial Inability to Pay.

Please do not hesitate to call Michael Parrish at (512) 239-2548 if you have any questions regarding this matter.

cc: Garrett Arthur, Public Interest Counsel
Melissa Schmidt, Public Interest Counsel
Gill Valls, Office of General Counsel
Katherine McKenzie, Agenda Coordinator, Litigation Division
Amy Settemeyer, Deputy Director, Enforcement Division
Megan Hamilton, Acting Assistant Deputy Director, Enforcement Division
Michael Parrish, Agenda Special Assistant, Enforcement Division
Johnny Bowers, Manager, Air, Enforcement Division
Maggie Dennis, Team Leader, Air, Enforcement Division
Johnnie Wu, Enforcement Coordinator Air, Enforcement Division

Executive Summary – Enforcement Matter – Case No. 65974
Lonestar Fiberglass Components of Texas, LLC
RN110860343
Docket No. 2024-0774-AIR-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

AIR

Small Business:

Yes

Location(s) Where Violation(s) Occurred:

Lonestar Fiberglass New Braunfels, 7150 North IH-35, New Braunfels, Comal County

Type of Operation:

Fiberglass pool production plant

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: Respondent filed a petition for bankruptcy relief under United States Code ch. 11 on or about December 19, 2024. So long as the automatic stay is in effect in the Respondent's bankruptcy proceedings, the TCEQ will not seek to execute upon monetary judgment without first approaching the United States Bankruptcy Court where the Respondent's bankruptcy case is pending as necessary.

Interested Third-Parties: None

Texas Register Publication Date: July 25, 2025

Comments Received: No

Penalty Information

Total Penalty Assessed: \$99,750

Amount Deferred for Expedited Settlement: \$19,950

Total Paid to General Revenue: \$0

Total Due to General Revenue: \$0

Payment Plan: N/A

Compliance History Classifications:

Person/CN - Satisfactory

Site/RN - Satisfactory

Major Source: Yes

Statutory Limit Adjustment: N/A

Applicable Penalty Policy: January 2021

Investigation Information

Complaint Date(s): N/A

Complaint Information: N/A

Date(s) of Investigation: February 29, 2024

Date(s) of NOE(s): April 26, 2024

Executive Summary – Enforcement Matter – Case No. 65974
Lonestar Fiberglass Components of Texas, LLC
RN110860343
Docket No. 2024-0774-AIR-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

AIR

Small Business:

Yes

Location(s) Where Violation(s) Occurred:

Lonestar Fiberglass New Braunfels, 7150 North IH-35, New Braunfels, Comal County

Type of Operation:

Fiberglass pool production plant

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: Respondent filed a petition for bankruptcy relief under United States Code ch. 11 on or about December 19, 2024. So long as the automatic stay is in effect in the Respondent's bankruptcy proceedings, the TCEQ will not seek to execute upon monetary judgment without first approaching the United States Bankruptcy Court where the Respondent's bankruptcy case is pending as necessary.

Interested Third-Parties: None

Texas Register Publication Date: July 25, 2025

Comments Received: No

Penalty Information

Total Penalty Assessed: \$99,750

Amount Deferred for Expedited Settlement: \$19,950

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Total Due to General Revenue: \$0

Payment Plan: N/A

Compliance History Classifications:

Person/CN - Satisfactory

Site/RN - Satisfactory

Major Source: Yes

Statutory Limit Adjustment: N/A

Applicable Penalty Policy: January 2021

Investigation Information

Complaint Date(s): N/A

Complaint Information: N/A

Date(s) of Investigation: February 29, 2024

Date(s) of NOE(s): April 26, 2024

Executive Summary – Enforcement Matter – Case No. 65974
Lonestar Fiberglass Components of Texas, LLC
RN110860343
Docket No. 2024-0774-AIR-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

AIR

Small Business:

Yes

Location(s) Where Violation(s) Occurred:

Lonestar Fiberglass New Braunfels, 7150 North IH-35, New Braunfels, Comal County

Type of Operation:

Fiberglass pool production plant

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: July 25, 2025

Comments Received: No

Penalty Information

Total Penalty Assessed: \$99,750

Amount Deferred for Financial Inability to Pay: \$19,950

Confidential information, which may include financial or medical information, has been provided to the Commission for their consideration.

Total Paid to General Revenue: \$0

Total Due to General Revenue: \$0

Payment Plan: N/A

Compliance History Classifications:

Person/CN - Satisfactory

Site/RN - Satisfactory

Major Source: Yes

Statutory Limit Adjustment: N/A

Applicable Penalty Policy: January 2021

Investigation Information

Complaint Date(s): N/A

Complaint Information: N/A

Date(s) of Investigation: February 29, 2024

Date(s) of NOE(s): April 26, 2024

Executive Summary – Enforcement Matter – Case No. 65974
Lonestar Fiberglass Components of Texas, LLC
RN110860343
Docket No. 2024-0774-AIR-E

Violation Information

1. Failed to maintain records containing the information and data sufficient to demonstrate compliance with the permit. Specifically, the Respondent did not provide requested records of the permit compliance certification ("PCC"); deviation reports; emission fees paid; emissions inventories; daily usage of materials; daily hours of operation; monthly summaries that reflect volatile organic compounds ("VOC") emissions as daily averages and in tons per year; compliance for the introduction of any new materials; performance tests, design, and evaluations; materials used for dry abrasive cleaning; total solvent makeup and usage for degreasing units; hours of fuel oil firing; resin and acetone usage; maintenance, start-up, and shutdown activities; operating hours for portable and emergency engines; and engine maintenance, hours of operation, and fuel hydrogen sulfide ("H₂S") content for stationary engines [30 TEX. ADMIN. CODE §§ 116.115(b)(2)(E)(i) and (c) and 122.143(4), New Source Review ("NSR") Permit No. 159174, Special Conditions ("SC") No. 11, Federal Operating Permit ("FOP") No. O4216, General Terms and Conditions ("GTC") and Special Terms and Conditions ("STC") Nos. 6 and 8, and TEX. HEALTH & SAFETY CODE § 382.085(b)].
2. Failed to submit a deviation report no later than 30 days after the end of each reporting period. Specifically, the deviation reports for the January 1, 2023 through June 30, 2023 and July 1, 2023 through December 31, 2023 reporting periods were due by July 30, 2023 and January 30, 2024 respectively, but were not submitted [30 TEX. ADMIN. CODE §§ 122.143(4) and 122.145(2)(C), FOP No. O4216, GTC, and TEX. HEALTH & SAFETY CODE § 382.085(b)].
3. Failed to certify compliance with the terms and conditions of the permit for at least each 12-month period following initial permit issuance and failed to submit a PCC within 30 days of any certification period. Specifically, the PCC for the January 1, 2023 through December 31, 2023 certification period was due by January 30, 2024, but was not submitted [30 TEX. ADMIN. CODE §§ 122.143(4) and 122.146(1) and (2), FOP No. O4216, GTC and STC No. 9, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

N/A

Technical Requirements:

The Order will require the Respondent to:

a. Within 30 days:

- i. Submit the complete records of the PCC; deviation reports; emission fees paid; emissions inventories; daily usage of materials; daily hours of operation; monthly

Executive Summary – Enforcement Matter – Case No. 65974
Lonestar Fiberglass Components of Texas, LLC
RN110860343
Docket No. 2024-0774-AIR-E

summaries that reflect VOC emissions as daily averages and in tons per year; compliance for the introduction of any new materials; performance tests, design, and evaluations; materials used for dry abrasive cleaning; total solvent makeup and usage for degreasing units; hours of fuel oil firing; resin and acetone usage; maintenance, start-up, and shutdown activities; operating hours for portable and emergency engines; and engine maintenance, hours of operation, and fuel H₂S content for stationary engines;

ii. Submit the deviation reports for the January 1, 2023 through June 30, 2023 and July 1, 2023 through December 31, 2023 reporting periods;

iii. Submit the PCC for the January 1, 2023 through December 31, 2023 certification period; and

iv. Implement procedures designed to ensure that the PCCs are submitted in a timely manner.

b. Within 45 days, submit written certification to demonstrate compliance with a.

Contact Information

TCEQ Attorney: N/A

TCEQ Enforcement Coordinator: Johnnie Wu, Enforcement Division, Enforcement Team 2, MC 219, (512) 239-2524; Michael Parrish, Enforcement Division, MC 219, (512) 239-2548

Respondent: Chris Owens, Operator/Owner, Lonestar Fiberglass Components of Texas, LLC, 7150 North IH-35, New Braunfels, Texas 78130

Respondent's Attorney: N/A



Penalty Calculation Worksheet (PCW)

Policy Revision 5 (January 28, 2021)

PCW Revision February 11, 2021

DATES	Assigned	1-May-2024	Screening	1-May-2024	EPA Due	
	PCW	28-Apr-2025				

RESPONDENT/FACILITY INFORMATION			
Respondent	Lonestar Fiberglass Components of Texas, LLC		
Reg. Ent. Ref. No.	RN110860343		
Facility/Site Region	13-San Antonio	Major/Minor Source	Major

CASE INFORMATION			
Enf./Case ID No.	65974	No. of Violations	3
Docket No.	2024-0774-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Johnnie Wu
		EC's Team	Enforcement Team 2
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$25,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$95,000
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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	5.0%	Adjustment	Subtotals 2, 3, & 7	\$4,750
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Notes	Enhancement for one NOV with same/similar violations.			
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Culpability	No	0.0%	Enhancement	Subtotal 4	\$0
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Notes	The Respondent does not meet the culpability criteria.				
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Good Faith Effort to Comply Total Adjustments	Subtotal 5	\$0
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Economic Benefit	0.0%	Enhancement*	Subtotal 6	\$0
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Total EB Amounts	\$592	*Capped at the Total EB \$ Amount
Estimated Cost of Compliance	\$6,250	

SUM OF SUBTOTALS 1-7	Final Subtotal	\$99,750
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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	\$99,750
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$99,750
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DEFERRAL	20.0%	Reduction	Adjustment	-\$19,950
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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	\$79,800
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Screening Date	1-May-2024	Docket No.	2024-0774-AIR-E	PCW
Respondent	Lonestar Fiberglass Components of Texas, LLC			<i>Policy Revision 5 (January 28, 2021)</i>
Case ID No.	65974			<i>PCW Revision February 11, 2021</i>
Reg. Ent. Reference No.	RN110860343			
Media	Air			
Enf. Coordinator	Johnnie Wu			

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Number	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action (<i>number of NOVs meeting criteria</i>)	1	5%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgments or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were submitted</i>)	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) 5%

>> 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 NOV with same/similar violations.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 5%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 5%

Screening Date	1-May-2024	Docket No.	2024-0774-AIR-E	PCW
Respondent	Lonestar Fiberglass Components of Texas, LLC			Policy Revision 5 (January 28, 2021)
Case ID No.	65974			PCW Revision February 11, 2021
Reg. Ent. Reference No.	RN110860343			
Media	Air			
Enf. Coordinator	Johnnie Wu			
Violation Number	1			
Rule Cite(s)	30 Tex. Admin. Code §§ 116.115(b)(2)(E)(i) and (c) and 122.143(4), New Source Review ("NSR") Permit No. 159174, Special Conditions ("SC") No. 11, Federal Operating Permit ("FOP") No. O4216, General Terms and Conditions ("GTC") and Special Terms and Conditions ("STC") Nos. 6 and 8, and Tex. Health & Safety Code § 382.085(b)			
Violation Description	Failed to maintain records containing the information and data sufficient to demonstrate compliance with the permit. Specifically, the Respondent did not provide requested records of the permit compliance certification ("PCC"); deviation reports; emission fees paid; emissions inventories; daily usage of materials; daily hours of operation; monthly summaries that reflect volatile organic compounds ("VOC") emissions as daily averages and in tons per year; compliance for the introduction of any new materials; performance tests, design, and evaluations; materials used for dry abrasive cleaning; total solvent makeup and usage for degreasing units; hours of fuel oil firing; resin and acetone usage; maintenance, start-up, and shutdown activities; operating hours for portable and emergency engines; and engine maintenance, hours of operation, and fuel hydrogen sulfide ("H2S") content for stationary engines.			
		Base Penalty	\$25,000	
>> Environmental, Property and Human Health Matrix				
OR	Release	Major	Harm Moderate	Minor
	Actual			
	Potential			
			Percent	0.0%
>> Programmatic Matrix				
	Falsification	Major	Moderate	Minor
		x		
			Percent	20.0%
Matrix Notes	More than 70% of the rule requirements were not met.			
		Adjustment	\$20,000	
			\$5,000	
Violation Events				
	Number of Violation Events	16	62	Number of violation days
	daily			
	weekly			
	monthly			
	quarterly			
	semiannual			
	annual			
	single event	x		
			Violation Base Penalty	\$80,000
	16 single events are recommended (one event for each missing record).			
Good Faith Efforts to Comply				
		0.0%	Reduction	\$0
	Extraordinary	Before NOE/NOV	NOE/NOV to EDPRP/Settlement Offer	
	Ordinary			
	N/A	x		
Notes	The Respondent does not meet the good faith criteria for this violation.			
		Violation Subtotal	\$80,000	
Economic Benefit (EB) for this violation				
	Estimated EB Amount	\$365	Violation Final Penalty Total	\$84,000
	This violation Final Assessed Penalty (adjusted for limits)			\$84,000

Economic Benefit Worksheet

Respondent Lonestar Fiberglass Components of Texas, LLC
Case ID No. 65974
Reg. Ent. Reference No. RN110860343
Media Air
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

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

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$4,000	29-Feb-2024	27-Dec-2025	1.83	\$365	n/a	\$365

Notes for DELAYED costs

Estimated costs to submit complete records of the PCC; deviation reports; emission fees paid; emissions inventories; daily usage of materials; daily hours of operation; monthly summaries that reflect VOC emissions as daily averages and in tons per year; compliance for the introduction of any new materials; performance tests, design, and evaluations; materials used for dry abrasive cleaning; total solvent makeup and usage for degreasing units; hours of fuel oil firing; resin and acetone usage; maintenance, start-up, and shutdown activities; operating hours for portable and emergency engines; and engine maintenance, hours of operation, and fuel H2S content for stationary engines. The Date Required is the investigation date and the Final Date is 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

\$4,000

TOTAL

\$365

Screening Date 1-May-2024 Respondent Lonestar Fiberglass Components of Texas, LLC Case ID No. 65974 Reg. Ent. Reference No. RN110860343 Media Air Enf. Coordinator Johnnie Wu	Docket No. 2024-0774-AIR-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	2	Rule Cite(s)	
		30 Tex. Admin. Code §§ 122.143(4) and 122.145(2)(C), FOP No. 04216, GTC, and Tex. Health & Safety Code § 382.085(b)	
Violation Description	Failed to submit a deviation report no later than 30 days after the end of each reporting period. Specifically, the deviation reports for the January 1, 2023 through June 30, 2023 and July 1, 2023 through December 31, 2023 reporting periods were due by July 30, 2023 and January 30, 2024 respectively, but were not submitted.		

Base Penalty

>> Environmental, Property and Human Health Matrix

OR			Harm			
	Release	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

Violation Events

Number of Violation Events	2	276	Number of violation days
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daily		Violation Base Penalty \$10,000
weekly		
monthly		
quarterly		
semiannual		
annual		
single event	x	

Two single events are recommended (one event for each missing deviation report).

Good Faith Efforts to Comply

	0.0%	
	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

Economic Benefit (EB) for this violation
Statutory Limit Test

Estimated EB Amount	\$60	Violation Final Penalty Total	\$10,500
This violation Final Assessed Penalty (adjusted for limits)			\$10,500

Economic Benefit Worksheet

Respondent Lonestar Fiberglass Components of Texas, LLC
Case ID No. 65974
Reg. Ent. Reference No. RN110860343
Media Air
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)	\$500	30-Jul-2023	27-Dec-2025	2.41	\$60	n/a	\$60

Notes for DELAYED costs

Estimated costs to submit the deviation reports for the January 1, 2023 through June 30, 2023 and July 1, 2023 through December 31, 2023 reporting periods. The Date Required is the date the first deviation report was due 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

\$500

TOTAL

\$60

Screening Date 1-May-2024 Respondent Lonestar Fiberglass Components of Texas, LLC Case ID No. 65974 Reg. Ent. Reference No. RN110860343 Media Air Enf. Coordinator Johnnie Wu	Docket No. 2024-0774-AIR-E Policy Revision 5 (January 28, 2021) PCW Revision February 11, 2021	PCW
Violation Number 3		
Rule Cite(s) 30 Tex. Admin. Code §§ 122.143(4) and 122.146(1) and (2), FOP No. O4216, GTC and STC No. 9, and Tex. Health & Safety Code § 382.085(b)		
Violation Description Failed to certify compliance with the terms and conditions of the permit for at least each 12-month period following initial permit issuance and failed to submit a PCC within 30 days of any certification period. Specifically, the PCC for the January 1, 2023 through December 31, 2023 certification period was due by January 30, 2024, but was not submitted.		
Base Penalty		\$25,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
		Actual			
Potential				0.0%	

>> Programmatic Matrix

Matrix Notes	Falsification	Major	Moderate	Minor	Percent
		x			
	100% of the rule requirements were not met.				
Adjustment					\$20,000

\$5,000

Violation Events

Number of Violation Events	1	92	Number of violation days
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daily		Violation Base Penalty	\$5,000
weekly			
monthly			
quarterly			
semiannual			
annual			
single event	x		

One single event is recommended.

Good Faith Efforts to Comply

	Before NOE/NOV	NOE/NOV to EDPRP/Settlement Offer		
Extraordinary			Reduction	\$0
Ordinary				
N/A	x			
Notes	The Respondent does not meet the good faith criteria for this violation.			
Violation Subtotal			\$5,000	

Economic Benefit (EB) for this violation

Estimated EB Amount	\$167	Statutory Limit Test
		Violation Final Penalty Total
		\$5,250
This violation Final Assessed Penalty (adjusted for limits)		\$5,250

Economic Benefit Worksheet

Respondent Lonestar Fiberglass Components of Texas, LLC
Case ID No. 65974
Reg. Ent. Reference No. RN110860343
Media Air
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	\$1,500	30-Jan-2024	27-Dec-2025	1.91	\$143	n/a	\$143
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$250	30-Jan-2024	27-Dec-2025	1.91	\$24	n/a	\$24
Notes for DELAYED costs	Estimated costs to submit the PCC for the January 1, 2023 through December 31, 2023 certification period (\$250) and to implement procedures designed to ensure that the PCCs are submitted in a timely manner (\$1,500). The Date Required is the date the PCC was due 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 \$1,750

TOTAL \$167



Compliance History Report

Compliance History Report for CN605704360, RN110860343, Rating Year 2024 which includes Compliance History (CH) components from September 1, 2019, through August 31, 2024.

Customer, Respondent, or Owner/Operator:	CN605704360, Lonestar Fiberglass Components of Texas, LLC	Classification: SATISFACTORY	Rating: 0.36
Regulated Entity:	RN110860343, LONESTAR FIBERGLASS NEW BRAUNFELS	Classification: SATISFACTORY	Rating: 0.36
Complexity Points:	10	Repeat Violator:	NO
CH Group:	14 - Other		
Location:	7150 North Interstate Highway 35, New Braunfels, Comal County, Texas 78130-7249		
TCEQ Region:	REGION 13 - SAN ANTONIO		
ID Number(s):			
AIR OPERATING PERMITS	PERMIT 4216	AIR NEW SOURCE PERMITS	PERMIT 159174
AIR NEW SOURCE PERMITS	AFS NUM 4809100643	STORMWATER	PERMIT TXRNEBU46
AIR EMISSIONS INVENTORY	ACCOUNT NUMBER CSA007G	POLLUTION PREVENTION PLANNING	ID NUMBER P10819
Compliance History Period:	September 01, 2019 to August 31, 2024	Rating Year:	2024
		Rating Date:	09/01/2024
Date Compliance History Report Prepared:	April 28, 2025		
Agency Decision Requiring Compliance History:	Enforcement		
Component Period Selected:	April 28, 2020 to April 28, 2025		
TCEQ Staff Member to Contact for Additional Information Regarding This Compliance History.			
Name:	Johnnie Wu	Phone:	(512) 239-2524

Site and Owner/Operator History:

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

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

- A. Final Orders, court judgments, and consent decrees:**
N/A
- B. Criminal convictions:**
N/A
- C. Chronic excessive emissions events:**
N/A
- D. The approval dates of investigations (CCEDS Inv. Track. No.):**
Item 1 February 28, 2023 (1878816)
- E. Written notices of violations (NOV) (CCEDS Inv. Track. No.):**
A notice of violation represents a written allegation of a violation of a specific regulatory requirement from the commission to a regulated entity. A notice of violation is not a final enforcement action, nor proof that a violation has actually occurred.
- | | | | | |
|---|--------------|---|-----------|--------------------------|
| 1 | Date: | 07/08/2024 | (1996172) | |
| | Self Report? | NO | | Classification: Moderate |
| | Citation: | 30 TAC Chapter 101, SubChapter A 101.10(b)(2) | | |
| | | 30 TAC Chapter 101, SubChapter A 101.10(e) | | |
| | | 5C THSC Chapter 382 382.085(b) | | |

Description: Failure to submit a 2023 Emissions Inventory. CATEGORY B18 (g)(3).

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
LONESTAR FIBERGLASS
COMPONENTS OF TEXAS, LLC
RN110860343

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

AGREED ORDER DOCKET NO. 2024-0774-AIR-E

I. JURISDICTION AND STIPULATIONS

On _____, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Lonestar Fiberglass Components of Texas, LLC (the "Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent together stipulate that:

1. The Respondent owns and operates a fiberglass pool production plant located at 7150 North Interstate Highway 35 in New Braunfels, Comal County, Texas (the "Plant"). The Plant consists or consisted of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
2. The Executive Director and the Respondent agree that the TCEQ has jurisdiction to enter this Order pursuant to TEX. WATER CODE §§ 7.002, 7.051, and 7.073, and that the Respondent is subject to TCEQ's jurisdiction. The TCEQ has jurisdiction in this matter pursuant to TEX. WATER CODE § 5.013 because it alleges violations of TEX. HEALTH & SAFETY CODE ch. 382 and the rules of the TCEQ.
3. The occurrence of any violation is in dispute and the entry of this Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
4. An administrative penalty in the amount of \$99,750 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). On or about December 19, 2024, the Respondent filed a petition for bankruptcy relief pursuant to Chapter 11 of the United States Code. The automatic stay imposed by the Bankruptcy Code does not apply to the commencement or continuation of an action or proceeding by a governmental unit to enforce such governmental unit's police or regulatory power, by virtue of the exception set out at 11 USC § 362(b)(4). Accordingly, the TCEQ (a governmental unit as defined under 11 USC § 101(27)) is expressly excepted from the automatic stay in pursuing enforcement of the State's environmental protection laws and in seeking to enter a monetary judgment for such violations. However, so long as the automatic stay is in effect in the Respondent's bankruptcy proceedings, the TCEQ will not seek to execute upon any monetary judgment obtained without first approaching the United States Bankruptcy Court where the Respondent's bankruptcy

cases are pending, as necessary. The amount of \$19,950 is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Order. Any 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 assess all or part of the deferred penalty.

5. The Executive Director and the Respondent agree on a settlement of the matters alleged in this enforcement action, subject to final approval in accordance with 30 TEX. ADMIN. CODE § 70.10(a). Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
6. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Order.
7. This Order represents the complete and fully integrated agreement of the parties. The provisions of this Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Order unenforceable, the remaining provisions shall be valid and enforceable.
8. This Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Order, whichever is later.

II. ALLEGATIONS

During an investigation at the Plant conducted on February 29, 2024, an investigator documented that the Respondent:

1. Failed to maintain records containing the information and data sufficient to demonstrate compliance with the permit, in violation of 30 TEX. ADMIN. CODE §§ 116.115(b)(2)(E)(i) and (c) and 122.143(4), New Source Review ("NSR") Permit No. 159174, Special Conditions ("SC") No. 11, Federal Operating Permit ("FOP") No. O4216, General Terms and Conditions ("GTC") and Special Terms and Conditions ("STC") Nos. 6 and 8, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent did not provide requested records of the permit compliance certification ("PCC"); deviation reports; emission fees paid; emissions inventories; daily usage of materials; daily hours of operation; monthly summaries that reflect volatile organic compounds ("VOC") emissions as daily averages and in tons per year; compliance for the introduction of any new materials; performance tests, design, and evaluations; materials used for dry abrasive cleaning; total solvent makeup and usage for degreasing units; hours of fuel oil firing; resin and acetone usage; maintenance, start-up, and shutdown activities; operating hours for portable and emergency engines; and engine maintenance, hours of operation, and fuel hydrogen sulfide ("H₂S") content for stationary engines.
2. Failed to submit a deviation report no later than 30 days after the end of each reporting period, in violation of 30 TEX. ADMIN. CODE §§ 122.143(4) and 122.145(2)(C), FOP No. O4216, GTC, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the deviation reports for the January 1, 2023 through June 30, 2023 and July 1, 2023 through

December 31, 2023 reporting periods were due by July 30, 2023 and January 30, 2024 respectively, but were not submitted.

3. Failed to certify compliance with the terms and conditions of the permit for at least each 12-month period following initial permit issuance and failed to submit a PCC within 30 days of any certification period, in violation of 30 TEX. ADMIN. CODE §§ 122.143(4) and 122.146(1) and (2), FOP No. 04216, GTC and STC No. 9, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the PCC for the January 1, 2023 through December 31, 2023 certification period was due by January 30, 2024, but was not submitted.

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 assessment 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 may be made payable to "TCEQ" and sent with the notation "Re: Lonestar Fiberglass Components of Texas, LLC, Docket No. 2024-0774-AIR-E" to:

Financial Administration Division, Revenue Operations Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088

2. The Respondent shall undertake the following technical requirements:

- a. Within 30 days after the effective date of this Order:
 - i. Submit the complete records of the PCC; deviation reports; emission fees paid; emissions inventories; daily usage of materials; daily hours of operation; monthly summaries that reflect VOC emissions as daily averages and in tons per year; compliance for the introduction of any new materials; performance tests, design, and evaluations; materials used for dry abrasive cleaning; total solvent makeup and usage for degreasing units; hours of fuel oil firing; resin and acetone usage; maintenance, start-up, and shutdown activities; operating hours for portable and emergency engines; and engine maintenance, hours of operation, and fuel H2S content for stationary engines;
 - ii. Submit the deviation reports for the January 1, 2023 through June 30, 2023 and July 1, 2023 through December 31, 2023 reporting periods;

- iii. Submit the PCC for the January 1, 2023 through December 31, 2023 certification period; and
 - iv. Implement procedures designed to ensure that the PCCs are submitted in a timely manner.
- b. Within 45 days after the effective date of this Order, submit written certification, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 2.a. The certification shall be signed by the Respondent and shall include the following certification language:

"I certify under penalty of law that I have personally examined and am familiar with the information submitted and all attached documents, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing violations."

The certification shall be submitted to:

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

with a copy to:

Air Section Manager
San Antonio Regional Office
Texas Commission on Environmental Quality
14250 Judson Road
San Antonio, Texas 78233-4480

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

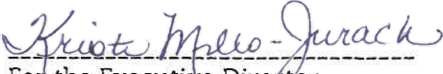
7. This Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic 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

08/24/2025

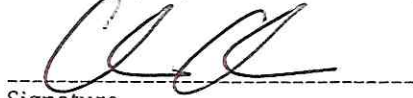
Date

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 is materially relying on such representation.

I also understand that failure to comply with the Ordering Provisions, if any, in this Order 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;
- 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

6-9-25

Date

Chris Owen

Name (Printed or typed)
Authorized Representative of
Lonestar Fiberglass Components of Texas, LLC

Rollowner

Title

☐ If mailing address has changed, please check this box and provide the new address below:

Instructions: Send the original, signed Order to the Financial Administration Division, Revenue Operations Section at the address in Ordering Provision 1 of this Order.