

**Executive Summary – Enforcement Matter – Case No. 66386**  
**Blaine Larsen Farms, Inc.**  
**RN109220137**  
**Docket No. 2024-1155-AIR-E**

**Order Type:**

1660 Agreed Order

**Findings Order Justification:**

N/A

**Media:**

AIR

**Small Business:**

No

**Location(s) Where Violation(s) Occurred:**

Larsen Farms Power Generating Facility Plant 1, 12295 County Road 11, Dalhart,  
Hartley County

**Type of Operation:**

Power generating facility

**Other Significant Matters:**

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

**Texas Register Publication Date:** April 11, 2025

**Comments Received:** No

***Penalty Information***

**Total Penalty Assessed:** \$24,750

**Amount Deferred for Expedited Settlement:** \$4,950

**Total Paid to General Revenue:** \$19,800

**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:** June 11, 2024

**Date(s) of NOE(s):** July 3, 2024

**Executive Summary – Enforcement Matter – Case No. 66386**  
**Blaine Larsen Farms, Inc.**  
**RN109220137**  
**Docket No. 2024-1155-AIR-E**

***Violation Information***

Failed to comply with all representations with regard to construction plans, operating procedures, and maximum emissions rates in any certified registration. Specifically, the Respondent represented in the certified registration for Permit by Rule ("PBR") Registration No. 140767 that the operating hours for each electrical generating unit would not exceed 4,400 hours per year, but the Respondent exceeded the certified operating hours for Emissions Point Number ("EPN") GENSET-9 for the 12-month period ending November 2023 and for EPN GENSET-10 for the 12-month periods ending October 2023 and November 2023, resulting in 789 hours of unauthorized operation time for EPN GENSET-9 and 1,146 hours of unauthorized operation time for EPN GENSET-10 [30 TEX. ADMIN. CODE §§ 106.6(b) and 122.143(4), PBR Registration No. 140767, Federal Operating Permit No. O3896, General Terms and Conditions and Special Terms and Conditions No. 7, 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, either demonstrate compliance with the certified operating hours for EPNs GENSET-9 and GENSET-10 or submit an administratively complete PBR registration or permit application, to authorize the increased operating times for EPNs GENSET-9 and GENSET-10 and the associated emissions at the Plant;
- b. Within 45 days, submit written certification to demonstrate compliance with a.; and
- c. If a registration or permit application is submitted, within 180 days, submit written certification that either the authorization has been obtained or that operations have ceased until such time that the appropriate authorization is obtained to demonstrate compliance.

**Executive Summary – Enforcement Matter – Case No. 66386**  
**Blaine Larsen Farms, Inc.**  
**RN109220137**  
**Docket No. 2024-1155-AIR-E**

***Contact Information***

**TCEQ Attorney:** N/A

**TCEQ Enforcement Coordinator:** Rajesh Acharya, Enforcement Division, Enforcement Team 2, MC 219, (512) 239-0577; Michael Parrish, Enforcement Division, MC 219, (512) 239-2548

**Respondent:** Arturo Huaracha Escamilla, General Manager, Blaine Larsen Farms, Inc., 12295 County Road 11, Dalhart, Texas 79022-8354

**Respondent's Attorney:** N/A



# Penalty Calculation Worksheet (PCW)

Policy Revision 5 (January 28, 2021)

PCW Revision February 11, 2021

|              |                 |             |                  |             |                |  |
|--------------|-----------------|-------------|------------------|-------------|----------------|--|
| <b>DATES</b> | <b>Assigned</b> | 10-Jul-2024 | <b>Screening</b> | 11-Jul-2024 | <b>EPA Due</b> |  |
|              | <b>PCW</b>      | 7-Feb-2025  |                  |             |                |  |

## RESPONDENT/FACILITY INFORMATION

|                             |                           |
|-----------------------------|---------------------------|
| <b>Respondent</b>           | Blaine Larsen Farms, Inc. |
| <b>Reg. Ent. Ref. No.</b>   | RN109220137               |
| <b>Facility/Site Region</b> | 1-Amarillo                |
| <b>Major/Minor Source</b>   | Major                     |

## CASE INFORMATION

|  |                 |                              |                    |
|--|-----------------|------------------------------|--------------------|
| <b>Enf./Case ID No.</b>                | 66386           | <b>No. of Violations</b>     | 1                  |
| <b>Docket No.</b>                      | 2024-1155-AIR-E | <b>Order Type</b>            | 1660               |
| <b>Media Program(s)</b>                | Air             | <b>Government/Non-Profit</b> | No                 |
| <b>Multi-Media</b>                     |                 | <b>Enf. Coordinator</b>      | Rajesh Acharya     |
|  |                 | <b>EC's Team</b>             | Enforcement Team 2 |
| <b>Admin. Penalty \$ Limit Minimum</b> | \$0             | <b>Maximum</b>               | \$25,000           |

## Penalty Calculation Section

|   |                   |          |
|---|-------------------|----------|
| <b>TOTAL BASE PENALTY (Sum of violation base penalties)</b> | <b>Subtotal 1</b> | \$15,000 |
|---|-------------------|----------|

## ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

|                           |       |                   |                                |         |
|---------------------------|-------|-------------------|--------------------------------|---------|
| <b>Compliance History</b> | 65.0% | <b>Adjustment</b> | <b>Subtotals 2, 3, &amp; 7</b> | \$9,750 |
|---------------------------|-------|-------------------|--------------------------------|---------|

Notes

Enhancement for one NOV with the same or similar violations and three orders containing a denial of liability.

|                    |    |      |                    |                   |     |
|--------------------|----|------|--------------------|-------------------|-----|
| <b>Culpability</b> | No | 0.0% | <b>Enhancement</b> | <b>Subtotal 4</b> | \$0 |
|--------------------|----|------|--------------------|-------------------|-----|

Notes

The Respondent does not meet the culpability criteria.

|  |                   |     |
|--|-------------------|-----|
| <b>Good Faith Effort to Comply Total Adjustments</b> | <b>Subtotal 5</b> | \$0 |
|--|-------------------|-----|

|                         |      |                     |                   |     |
|-------------------------|------|---------------------|-------------------|-----|
| <b>Economic Benefit</b> | 0.0% | <b>Enhancement*</b> | <b>Subtotal 6</b> | \$0 |
|-------------------------|------|---------------------|-------------------|-----|

Total EB Amounts \$418  
Estimated Cost of Compliance \$5,000

\*Capped at the Total EB \$ Amount

|                             |                       |          |
|-----------------------------|-----------------------|----------|
| <b>SUM OF SUBTOTALS 1-7</b> | <b>Final Subtotal</b> | \$24,750 |
|-----------------------------|-----------------------|----------|

|   |      |                   |     |
|---|------|-------------------|-----|
| <b>OTHER FACTORS AS JUSTICE MAY REQUIRE</b> | 0.0% | <b>Adjustment</b> | \$0 |
|---|------|-------------------|-----|

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes

|                             |          |
|-----------------------------|----------|
| <b>Final Penalty Amount</b> | \$24,750 |
|-----------------------------|----------|

|                                   |                               |          |
|-----------------------------------|-------------------------------|----------|
| <b>STATUTORY LIMIT ADJUSTMENT</b> | <b>Final Assessed Penalty</b> | \$24,750 |
|-----------------------------------|-------------------------------|----------|

|                 |       |                  |                   |          |
|-----------------|-------|------------------|-------------------|----------|
| <b>DEFERRAL</b> | 20.0% | <b>Reduction</b> | <b>Adjustment</b> | -\$4,950 |
|-----------------|-------|------------------|-------------------|----------|

Reduces the Final Assessed Penalty by the indicated percentage.

Notes

Deferral offered for expedited settlement.

|                        |          |
|------------------------|----------|
| <b>PAYABLE PENALTY</b> | \$19,800 |
|------------------------|----------|

|                                |                           |                   |                 |   |
|--------------------------------|---------------------------|-------------------|-----------------|---|
| <b>Screening Date</b>          | 11-Jul-2024               | <b>Docket No.</b> | 2024-1155-AIR-E | <b>PCW</b>                                  |
| <b>Respondent</b>              | Blaine Larsen Farms, Inc. |                   |                 | <i>Policy Revision 5 (January 28, 2021)</i> |
| <b>Case ID No.</b>             | 66386                     |                   |                 | <i>PCW Revision February 11, 2021</i>       |
| <b>Reg. Ent. Reference No.</b> | RN109220137               |                   |                 |   |
| <b>Media</b>                   | Air                       |                   |                 |   |
| <b>Enf. Coordinator</b>        | Rajesh Acharya            |                   |                 |   |

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> )  | 3      | 60%     |
|                               | 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) 65%

>> 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 the same or similar violations and three orders containing a denial of liability. |
|--------------------------|--|

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 65%

>> Final Compliance History Adjustment

Final Adjustment Percentage \*capped at 100% 65%

|  |  |                                      |                                      |                          |                               |          |
|--|--|--------------------------------------|--------------------------------------|--------------------------|-------------------------------|----------|
| <b>Screening Date</b>  | 11-Jul-2024  | <b>Docket No.</b>                    | 2024-1155-AIR-E                      | <b>PCW</b>               |                               |          |
| <b>Respondent</b>  | Blaine Larsen Farms, Inc.  | Policy Revision 5 (January 28, 2021) |                                      |                          |                               |          |
| <b>Case ID No.</b>   | 66386  | PCW Revision February 11, 2021       |                                      |                          |                               |          |
| <b>Reg. Ent. Reference No.</b>   | RN109220137  |                                      |                                      |                          |                               |          |
| <b>Media</b>   | Air  |                                      |                                      |                          |                               |          |
| <b>Enf. Coordinator</b>  | Rajesh Acharya   |                                      |                                      |                          |                               |          |
| <b>Violation Number</b>  | 1  |                                      |                                      |                          |                               |          |
| <b>Rule Cite(s)</b>  | 30 Tex. Admin. Code §§ 106.6(b) and 122.143(4), Permit by Rule ("PBR")<br>Registration No. 140767, Federal Operating Permit No. 03896, General Terms<br>and Conditions and Special Terms and Conditions No. 7, and Tex. Health & Safety<br>Code § 382.085(b)   |                                      |                                      |                          |                               |          |
| <b>Violation Description</b>   | Failed to comply with all representations with regard to construction plans,<br>operating procedures, and maximum emissions rates in any certified registration.<br>Specifically, the Respondent represented in the certified registration for PBR<br>Registration No. 140767 that the operating hours for each electrical generating<br>unit would not exceed 4,400 hours per year, but the Respondent exceeded the<br>certified operating hours for Emissions Point Number ("EPN") GENSET-9 for the<br>12-month period ending November 2023 and for EPN GENSET-10 for the 12-<br>month periods ending October 2023 and November 2023, resulting in 789 hours<br>of unauthorized operation time for EPN GENSET-9 and 1,146 hours of<br>unauthorized operation time for EPN GENSET-10. |                                      |                                      |                          |                               |          |
| <b>Base Penalty</b>  |  |                                      | \$25,000                             |                          |                               |          |
| <b>&gt;&gt; Environmental, Property and Human Health Matrix</b>  |  |                                      |                                      |                          |                               |          |
| <b>OR</b>  | <b>Harm</b>  |                                      |                                      |                          |                               |          |
|  | Release  | Major                                | Moderate                             | Minor                    |                               |          |
|  | Actual   |                                      |                                      | x                        |                               |          |
|  | Potential  |                                      |                                      |                          |                               |          |
|  |  |                                      |                                      | <b>Percent</b>           | 30.0%                         |          |
| <b>&gt;&gt; Programmatic Matrix</b>  |  |                                      |                                      |                          |                               |          |
|  | Falsification  | Major                                | Moderate                             | Minor                    |                               |          |
|  |  |                                      |                                      |                          | <b>Percent</b>                | 0.0%     |
| Matrix<br>Notes  | Human health or the environment has been exposed to insignificant amounts of pollutants which<br>do not exceed levels that are protective of human health or environmental receptors as a result<br>of this violation.   |                                      |                                      |                          |                               |          |
| <b>Adjustment</b>  |  |                                      |                                      |                          | \$17,500                      |          |
|  |  |                                      |                                      |                          | \$7,500                       |          |
| <b>Violation Events</b>  |  |                                      |                                      |                          |                               |          |
| Number of Violation Events   |  | 2                                    | 61                                   | Number of violation days |                               |          |
|  | daily  |                                      |                                      |                          |                               |          |
|  | weekly   |                                      |                                      |                          |                               |          |
|  | monthly  |                                      |                                      |                          |                               |          |
|  | quarterly  | x                                    |                                      |                          |                               |          |
|  | semiannual   |                                      |                                      |                          |                               |          |
|  | annual   |                                      |                                      |                          |                               |          |
|  | single event   |                                      |                                      |                          |                               |          |
|  |  |                                      |                                      |                          | <b>Violation Base Penalty</b> | \$15,000 |
| Two quarterly events are recommended for the periods of noncompliance from November 1,<br>2023 through November 30, 2023 for EPN GENSET-9 and from October 1, 2023 through<br>November 30, 2023 for GENSET-10. |  |                                      |                                      |                          |                               |          |
| <b>Good Faith Efforts to Comply</b>  |  | 0.0%                                 | <b>Reduction</b>                     |                          | \$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<br>for this violation.  |                                      |                                      |                          |                               |          |
| <b>Violation Subtotal</b>  |  |                                      |                                      |                          | \$15,000                      |          |
| <b>Economic Benefit (EB) for this violation</b>  |  |                                      | <b>Statutory Limit Test</b>          |                          |                               |          |
| <b>Estimated EB Amount</b>   |  | \$418                                | <b>Violation Final Penalty Total</b> |                          | \$24,750                      |          |
| <b>This violation Final Assessed Penalty (adjusted for limits)</b>   |  |                                      |                                      |                          | \$24,750                      |          |

# Economic Benefit Worksheet

**Respondent** Blaine Larsen Farms, Inc.  
**Case ID No.** 66386  
**Reg. Ent. Reference No.** RN109220137  
**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 |
|------------------|-----------|---------------|------------|-----|----------------|-------------|-----------|
|------------------|-----------|---------------|------------|-----|----------------|-------------|-----------|

## Delayed Costs

|                          |   |             |             |      |       |     |       |
|--------------------------|---|-------------|-------------|------|-------|-----|-------|
| Equipment                |   |             |             | 0.00 | \$0   | \$0 | \$0   |
| Buildings                |   |             |             | 0.00 | \$0   | \$0 | \$0   |
| Other (as needed)        |   |             |             | 0.00 | \$0   | \$0 | \$0   |
| Engineering/Construction |   |             |             | 0.00 | \$0   | \$0 | \$0   |
| Land                     |   |             |             | 0.00 | \$0   | n/a | \$0   |
| Record Keeping System    |   |             |             | 0.00 | \$0   | n/a | \$0   |
| Training/Sampling        |   |             |             | 0.00 | \$0   | n/a | \$0   |
| Remediation/Disposal     |   |             |             | 0.00 | \$0   | n/a | \$0   |
| Permit Costs             | \$5,000   | 23-Jun-2023 | 23-Feb-2025 | 1.67 | \$418 | n/a | \$418 |
| Other (as needed)        |   |             |             | 0.00 | \$0   | n/a | \$0   |
| Notes for DELAYED costs  | Estimated cost to obtain authorization to increase the operating hours for EPNs GENSET-9 and GENSET-10 and the associated emissions at the Plant. The Date Required is the initial date of non-compliance 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 \$5,000

**TOTAL** \$418



# Compliance History Report

Compliance History Report for CN604538777, RN109220137, Rating Year 2024 which includes Compliance History (CH) components from September 1, 2019, through August 31, 2024.

|   |   |   |                                |
|---|---|---|--------------------------------|
| <b>Customer, Respondent, or Owner/Operator:</b>   | CN604538777, Blaine Larsen Farms, Inc.                      | <b>Classification:</b> SATISFACTORY                   | <b>Rating:</b> 24.04           |
| <b>Regulated Entity:</b>  | RN109220137, LARSEN FARMS POWER GENERATING FACILITY PLANT 1 | <b>Classification:</b> SATISFACTORY                   | <b>Rating:</b> 24.04           |
| <b>Complexity Points:</b>   | 4   | <b>Repeat Violator:</b> NO                            |                                |
| <b>CH Group:</b>  | 06 - Electric Power Generation                              |   |                                |
| <b>Location:</b>  | 12295 COUNTY ROAD 11, DALHART, HARTLEY COUNTY, TX           |   |                                |
| <b>TCEQ Region:</b>   | REGION 01 - AMARILLO  |   |                                |
| <b>ID Number(s):</b>  |   |   |                                |
| <b>AIR OPERATING PERMITS</b> PERMIT 3896  |   | <b>AIR NEW SOURCE PERMITS</b> REGISTRATION 140752     |                                |
| <b>AIR NEW SOURCE PERMITS</b> AFS NUM 4820500006  |   | <b>AIR EMISSIONS INVENTORY</b> ACCOUNT NUMBER HIA001A |                                |
| <b>Compliance History Period:</b>   | September 01, 2019 to August 31, 2024                       | <b>Rating Year:</b> 2024                              | <b>Rating Date:</b> 09/01/2024 |
| <b>Date Compliance History Report Prepared:</b>   | February 07, 2025   |   |                                |
| <b>Agency Decision Requiring Compliance History:</b>  | Enforcement   |   |                                |
| <b>Component Period Selected:</b>   | February 07, 2020 to February 07, 2025                      |   |                                |
| <b>TCEQ Staff Member to Contact for Additional Information Regarding This Compliance History.</b> |   |   |                                |
| <b>Name:</b> Rajesh Acharya   |   | <b>Phone:</b> (512) 239-0577                          |                                |

**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:**

- 1

Effective Date: 02/14/2020

ADMINORDER 2018-1616-AIR-E (1660 Order-Agreed Order With Denial)

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)  
30 TAC Chapter 116, SubChapter F 116.615(2)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.11(g)  
5C THSC Chapter 382 382.085(b)

Rqmt Prov: FOP Special Terms and Conditions No. 4 OP

Description: Failure to comply with emission standards of 40 CFR Part 60, Subpart JJJJ §60.4233(e), a violation of Title 30 of the Texas Administrative Code Chapter 106, Subchapter A §106.4(a)(6), and 5C of the Texas Health and Safety Code, Subtitle C, Chapter 382, Subchapter A §382.085(b).

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)  
30 TAC Chapter 116, SubChapter F 116.615(2)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.11(g)  
5C THSC Chapter 382 382.085(b)

Rqmt Prov: FOP Special Terms and Conditions No. 4 OP

Description: Failure to comply with emission standards of 40 CFR Part 60, Subpart JJJJ §60.4233(e), a violation of Title 30 of the Texas Administrative Code Chapter 106, Subchapter A §106.4(a)(6), and 5C of the Texas Health and



Safety Code, Subtitle C, Chapter 382, Subchapter A §382.085(b).

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)  
30 TAC Chapter 116, SubChapter F 116.615(2)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.11(g)  
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30 TAC Chapter 116, SubChapter F 116.615(2)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
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30 TAC Chapter 116, SubChapter F 116.615(2)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.11(g)  
5C THSC Chapter 382 382.085(b)

Rqmt Prov: FOP Special Terms and Conditions No. 4 OP

Description: Failure to comply with emission standards of 40 CFR Part 60, Subpart JJJJ §60.4233(e), a violation of Title 30 of the Texas Administrative Code Chapter 106, Subchapter A §106.4(a)(6), and 5C of the Texas Health and Safety Code, Subtitle C, Chapter 382, Subchapter A §382.085(b).

2 Effective Date: 07/20/2020 ADMINORDER 2019-0690-AIR-E (1660 Order-Agreed Order With Denial)

Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
30 TAC Chapter 122, SubChapter B 122.144(1)(A)  
5C THSC Chapter 382 382.085(b)

Rqmt Prov: SOP 3896 STC 3A(iv)(1) PERMIT

Description: Failure to conduct quarterly visible emission observations.

Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)  
30 TAC Chapter 116, SubChapter F 116.615(6)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.8(a)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT JJJJ 60.4245(d)  
5C THSC Chapter 382 382.085(b)

Rqmt Prov: FOP Special Terms and Conditions No. 4.B OP

Description: Failure to submit a copy of the EPN: MWM1 September 18, 2018, performance test report within 60 days of completion of the test, a requirement of 40 CFR Part 60, Subpart JJJJ §60.4245(d), 40 CFR Part 60, Subpart A §60.8(a), and Federal Operating Permit O3896, Special Terms and Conditions No. 4.B, a violation of 30 TAC §122.143(4) and 5C THSC Chapter 382, Subchapter D §382.085(b).

Classification: Major

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)  
30 TAC Chapter 116, SubChapter F 116.615(2)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT JJJJ 60.4233(e)  
5C THSC Chapter 382 382.085(b)

Rqmt Prov: FOP Special Terms and Conditions No. 1.A OP

Description: Failure to comply with the NOx emission limit of 40 CFR Part 60, Subpart JJJJ. Specifically, the RE failed to meet 1.0 g/hp-hr emission limit for NOx during the September 18, 2018, performance test, as required by 40 CFR Part 60, Subpart JJJJ §60.4233(e) and Federal Operating Permit No. O3896, Special Terms and Conditions No. 1.A.,

a violation of 30 TAC §122.143(4) and Title 5 Subtitle C of the Texas Health and Safety Code (5C THSC) Chapter

- 3 Effective Date: 02/01/2021 ADMINORDER 2020-0927-AIR-E (1660 Order-Agreed Order With Denial)  
 Classification: Moderate  
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
 30 TAC Chapter 122, SubChapter B 122.145(2)(C)  
 5C THSC Chapter 382 382.085(b)  
 Rqmt Prov: General Terms and Conditions OP  
 Description: Failed to submit a deviation report no later than 30 days after the end of each reporting period  
 Classification: Moderate  
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
 30 TAC Chapter 122, SubChapter B 122.146(2)  
 5C THSC Chapter 382 382.085(b)  
 Rqmt Prov: General Terms and Conditions OP  
 SOP 3896 OP  
 Description: Failed to submit a PCC within 30 days of any certification period

**B. Criminal convictions:**

N/A

**C. Chronic excessive emissions events:**

N/A

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

|        |                  |           |
|--------|------------------|-----------|
| Item 1 | January 30, 2021 | (1698885) |
| Item 2 | May 10, 2021     | (1711615) |
| Item 3 | August 03, 2022  | (1797392) |
| Item 4 | August 22, 2022  | (1834598) |
| Item 5 | March 07, 2023   | (1881151) |
| Item 6 | May 23, 2024     | (1965621) |

**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: 07/03/2024 (1994723)  
 Self Report? NO Classification: Moderate  
 Citation: 140767 PERMIT  
 30 TAC Chapter 106, SubChapter A 106.6(b)  
 30 TAC Chapter 122, SubChapter B 122.143(4)  
 5C THSC Chapter 382 382.085(b)  
 O-3896 OP  
 Description: Failure to comply with PBR Registration No. 140767 representation.  
 Specifically, Larsen Farms reported on the semiannual deviation report for the compliance period of June 23, 2023, through December 22, 2023, one instance where unit GENSET-7 exceeded the maximum registered annual operating hours.  
 Self Report? NO Classification: Moderate  
 Citation: 140767 PERMIT  
 30 TAC Chapter 106, SubChapter A 106.6(b)  
 30 TAC Chapter 122, SubChapter B 122.143(4)  
 5C THSC Chapter 382 382.085(b)  
 O-3896 OP  
 Description: Failure to comply with PBR Registration No. 140767 representation.  
 Specifically, Larsen Farms reported on the semiannual deviation report for the compliance period of June 23, 2023, through December 22, 2023, instances where unit GENSET-11 exceeded the maximum registered annual operating hours.

**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  
BLAINE LARSEN FARMS, INC.  
RN109220137

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

## AGREED ORDER DOCKET NO. 2024-1155-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 Blaine Larsen Farms, Inc. (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 power generating facility located at 12295 County Road 11 in Dalhart, Hartley 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 \$24,750 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent paid \$19,800 of the penalty and \$4,950 is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Order. The deferred amount shall be waived only upon full compliance with all the terms and conditions contained in this Order. If the Respondent fails to timely and satisfactorily comply with any of the terms or requirements contained in this Order, the Executive Director may demand payment of all or part of the deferred penalty amount.
5. The Executive Director and the Respondent agree on a settlement of the matters alleged in this enforcement action, subject to final approval in accordance with 30 TEX. ADMIN. CODE § 70.10(a). Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.

6. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Order.
7. This Order represents the complete and fully integrated agreement of the parties. The provisions of this Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Order unenforceable, the remaining provisions shall be valid and enforceable.
8. This Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Order, whichever is later.

## **II. ALLEGATIONS**

During an investigation at the Plant conducted on June 11, 2024, an investigator documented that the Respondent failed to comply with all representations with regard to construction plans, operating procedures, and maximum emissions rates in any certified registration, in violation of 30 TEX. ADMIN. CODE §§ 106.6(b) and 122.143(4), Permit by Rule ("PBR") Registration No. 140767, Federal Operating Permit No. 03896, General Terms and Conditions and Special Terms and Conditions No. 7, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent represented in the certified registration for PBR Registration No. 140767 that the operating hours for each electrical generating unit would not exceed 4,400 hours per year, but the Respondent exceeded the certified operating hours for Emissions Point Number ("EPN") GENSET-9 for the 12-month period ending November 2023 and for EPN GENSET-10 for the 12-month periods ending October 2023 and November 2023, resulting in 789 hours of unauthorized operation time for EPN GENSET-9 and 1,146 hours of unauthorized operation time for EPN GENSET-10.

## **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: Blaine Larsen Farms, Inc., Docket No. 2024-1155-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, either demonstrate compliance with the certified operating hours for EPNs GENSET-9 and GENSET-10 or submit an administratively complete PBR registration, in accordance with 30 TEX. ADMIN. CODE ch. 106, or permit application, in accordance with 30 TEX. ADMIN. CODE § 116.111, to authorize the increased operating times for EPNs GENSET-9 and GENSET-10 and the associated emissions at the Plant, to:

Air Permits Division, MC 163  
Texas Commission on Environmental Quality  
P.O. Box 13087  
Austin, Texas 78711-3087

- b. If a registration or permit application is submitted, respond completely and adequately, as determined by the TCEQ, to all requests for information concerning the permit application by any deadline specified in writing.
- c. Within 45 days after the effective date of this Order, submit written certification to demonstrate compliance with Ordering Provision No. 2.a, as described in Ordering Provision No. 2.d
- d. If a registration or permit application is submitted, within 180 days after the effective date of this Order, submit written certification that either the authorization has been obtained or that operations have ceased until such time that the appropriate authorization is obtained, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance. 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  
Amarillo Regional Office  
Texas Commission on Environmental Quality  
3918 Canyon Drive  
Amarillo, Texas 79109-4933

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

5/9/2025

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, 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.

Antonio Huarecha

Signature

05/17/2025

Date

Antonio Huarecha Escamilla

Name (Printed or typed)  
Authorized Representative of  
Blaine Larsen Farms, Inc.

General Manager

Title

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

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