

Annual Enforcement Report

Fiscal Year 2025

Prepared by Office of Compliance and Enforcement

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List of Abbreviations

AN Ammonia Nitrate

APO Aggregate Production Operation

CAP Corrective Action Plan

CO Carbon Monoxide

DOV Disclosure of Violation

ECU Environmental Crimes Unit

EDP Enforcement Diversion Program

EEE Excessive Emissions Event

EIC Enforcement Initiation Criteria
EPA Environmental Protection Agency

EPAct Energy Policy Act

FY Fiscal Year

HAA5 Haloacetic Acids

HRVOC Highly Reactive Volatile Organic Compound

LEPC Local Emergency Planning Committee

MSS Maintenance, Startup, and Shutdown

NAICS North American Industrial Classification System

NOA Notice of Intent to Audit
NOE Notice of Enforcement
NOV Notice of Violation
NOX Nitrogen Oxides

OAG Office of the Attorney General

PST Petroleum Storage Tank
RFA Request for Assistance

SB Senate Bill

SBLGA Small Business and Local Government Assistance

SEP Supplemental Environmental Project

SO₂ Sulfur Dioxide

TAC Texas Administrative Code

TCEQ Texas Commission on Environmental Quality

TCOT Take Care of Texas

THSC Texas Health and Safety Code

TTHM Total Trihalomethanes
TWC Texas Water Code

VOC Volatile Organic Compound

Introduction

The <u>Texas Commission on Environmental Quality</u> (TCEQ) is the state's primary environmental regulatory agency. Its mission is to protect our state's human and natural resources consistent with sustainable economic development. The agency regulates over 834,000 public and private facilities and individuals in Texas that affect, or have the potential to significantly affect, the environment.

Pursuant to Texas Water Code (TWC), Section 5.126, by Dec. 1 each year, the agency is required to prepare a report of enforcement actions for the preceding fiscal year, including a comparison of TCEQ's enforcement actions for the preceding five fiscal years. The report includes statistical indicators including the number of investigations; number of notices of violations; number of enforcement actions; type of enforcement actions; penalties assessed, deferred, or collected; and other information TCEQ determines is relevant.

The report also includes a comparative analysis of data evaluating the agency's performance over time, and that of entities that TCEQ regulates (pursuant to TWC Section 5.756); evaluations of complaints (pursuant to TWC Section 5.1773); emissions events (pursuant to Texas Health and Safety Code (THSC), Section 382.0215); aggregate production operations (pursuant to TWC Section 28A.054); and Tier II chemical reporting (pursuant to THSC Chapters 505-507).

This 29th edition of the report includes information from fiscal 2020-2025. TCEQ's fiscal year begins Sept. 1 and ends on Aug. 31 of the following year.

Environmental Toolbox

TCEQ approaches enforcement as a tool among the many available to achieve its mission. The agency pursues swift, fair, sensible, and responsive enforcement, used within an overall strategy for achieving timely compliance. TCEQ uses a broad range of methods to enable and require businesses and governments, large and small, to comply with environmental rules. These tools include on-site and off-site facility assistance, small business and local government assistance, advisory and stakeholder groups and committees², general education events, regulatory workshops, publications and guidance documents, telephone hotlines, the agency's expansive website, on-site and record review investigations, and civil and administrative enforcement.

Event Coordination and Education Activities

TCEQ provides educational opportunities and technical assistance through coordinated workshops, seminars, and educational events. These include the agency's keystone event, the Environmental Trade Fair and Conference. During fiscal 2025, 29 agency-sponsored seminars provided technical information and assistance to over 8,600 attendees.

TCEQ-Sponsored Seminars

- Advanced Air Permitting Seminar
- Emissions Inventory Seminar
- Environmental Trade Fair and Conference

- Dam Safety Workshop
- Public Drinking Water Conference
- Tier II Chemical Reporting Training (24 events)

¹ www.tceq.texas.gov

² www.tceq.texas.gov/agency/decisions/participation/advise

Additionally, TCEQ continues to sponsor the <u>Take Care of Texas</u>³ Program (TCOT), which provides Texans conservation, protection, and waste reduction tips that are simple and actionable. During fiscal 2025, the program garnered more than 12,500 pledges to TCOT and launched an <u>Ambassador Video Campaign</u>⁴ featuring educators using TCOT resources. This campaign delivered over 6.2 million impressions and resulted in more than 60,000 clicks through social media advertisements.

Assistance to Small Businesses and Local Governments

TCEQ annually reaches at least 110,000 Texas small businesses and local governments, keeping them informed about changes and trends in environmental regulations to help them comply. In fiscal 2025, the Small Business and Local Government Assistance Program (SBLGA) received 9,039 direct requests for assistance (RFAs) from customers. TCEQ staff presented compliance information to small businesses and local governments at events, workshops, and webinars with over 4,318 attendees. This assistance focused on up-to-date information that ultimately helps the regulated community understand environmental rules and how to comply with them. Figure 1 represents the number of direct RFAs received from small business and local government customers over the past six fiscal years.

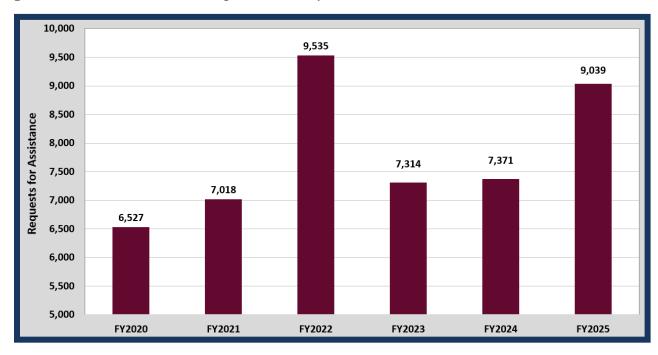


Figure 1 - Requests for Assistance From Small Businesses and Local Governments by FY

Through fiscal 2024, SBLGA administered TCEQ's Site Visit Program, which provided on-site visits to assess regulated entities' compliance with all aspects of environmental regulations—air, water, and waste. The Site Visit Program largely supported the agency's priority to meet the federal Energy Policy Act (EPAct) of 2005 requirements (EPAct, Sec. 1523) for petroleum storage tank (PST) facilities. SBLGA utilized a grant from the United States Environmental Protection Agency (EPA) to focus this work on potentially abandoned PST facilities in the counties impacted by 2017's Hurricane Harvey to determine whether releases had occurred at these facilities. The Site Visit Program and the Hurricane Harvey grant concluded at the end of fiscal 2024, so there is no data to report from fiscal 2025 forward.

³ takecareoftexas.org

⁴ www.tceq.texas.gov/goto/ambassador-video-campaign

During fiscal 2025, TCEQ continued its focus on abandoned PST sites. TCEQ uses the Abandoned PST Screening process developed in fiscal 2020, to establish when a PST can be considered abandoned and removed from the EPAct mandatory investigation cycle. This process also provides guidance to other parts of the agency for determining what additional assistance or action may be necessary to mitigate risks that may be presented by these abandoned PSTs. In fiscal 2025, 170 facilities were identified as EPAct Abandoned PST Facilities, including 10 facilities that have been referred to TCEQ's Remediation Division for tank removal. Since fiscal 2020, a total of 281 facilities have been identified as EPAct Abandoned PST Facilities, and an additional 221 facility registrations have been inactivated, either due to tank removal or research that resulted in the discovery of tank removal documentation.

TCEQ also has an <u>EnviroMentor</u>⁵ Program that matches participating small businesses and local governments with dedicated environmental professionals who volunteer their time and expertise to help these small entities achieve compliance. In fiscal 2025, this group tallied 266 volunteer hours and helped 23 small businesses and governments.

Enforcement Diversion Program (EDP)

Senate Bill (SB) 1397 ("Sunset Bill"), relating to the continuation and functions of TCEQ, passed in the 88th Texas Legislature in 2023 and directed TCEQ to establish the EDP. The program gives small businesses and local governments the opportunity to receive training, resources, and technical assistance before TCEQ initiates enforcement actions for qualifying violations.

TCEQ has progressed rapidly in developing the EDP, with input from and collaboration with multiple agency programs. Nineteen full-time employees have been hired, onboarded, and trained; program policy and standard operating procedures have been developed; and modifications to the agency's internal Consolidated Compliance and Enforcement Data System (CCEDS) application are underway and projected to be completed in fiscal 2026.

In January 2025, SBLGA launched an EDP pilot program in partnership with TCEQ Region 4 – Dallas-Fort Worth and TCEQ Region 15 – Harlingen, focusing on eligible small businesses and local governments with eligible violations in the PST program. This pilot program has provided the opportunity to evaluate and calibrate program policy and procedures. Once modifications to CCEDS are complete, SBLGA will launch the full EDP program in fiscal 2026. This launch will include comprehensive training for SBLGA staff and regional staff to ensure a strong partnership for program success.

Compliance and Enforcement Program

A strong enforcement program must ensure that enforcement mechanisms are applied and issued in an equitable manner. Equitable treatment means that violators of environmental requirements do not come out ahead economically to the disadvantage of those entities that spend substantial resources to comply with the law.

TCEQ continues to implement the provisions of the <u>Penalty Policy</u>⁶, which was last revised in January 2021. The cornerstone of this policy emphasizes compliance to protect our citizens and the environment from harm, coupled with ensuring consistent, just, and timely enforcement when environmental laws are violated. Compliance efforts often require significant costs from regulated entities above and beyond any penalties imposed by the agency.

TCEQ has the authority to levy penalties in 31 environmental program areas. Under TWC Chapter 7, penalties can be as much as \$25,000 per day, per violation for most administrative cases and \$25,000 per day, per violation for most civil judicial cases. Legislation passed during the 88th Legislative session increased the potential maximum administrative penalty to \$40,000 per day for certain specific violations [TWC Section 7.052(c)]. This statutory change was effective Sept. 1, 2023.

⁵ www.tceg.texas.gov/assistance/em

⁶ www.tceq.texas.gov/compliance/investigation/rg-253.html

There are specific statutory provisions for certain regulated program activities that authorize different administrative and civil penalty amounts. Some examples of these situations include, but are not limited to, the following:

- Limiting the statutory maximum to \$1,000 for levees.
- Limiting the statutory maximum to \$5,000 for occupational licensees, on-site sewage disposal, public water supplies, public water utilities, used oil and filters, and water rights.
- Applying a minimum penalty of \$2,500 and maximum penalty of \$25,000 per violation (unauthorized discharges from quarries).
- Applying a penalty of \$10,000 per day, per violation (with an exception), rather than defining a maximum (rock crusher or concrete plants that perform wet batching, dry batching, or central mixing and are operating without a permit).
- Applying a penalty based on the number of years an aggregate production operation has been operating without being registered and providing a maximum penalty.
- Providing different maximum penalty amounts based upon the specific violation cited (dry cleaners).
- Providing a particular penalty amount total per violation, as in some statutes, rather than per day (dry cleaners, computer equipment manufacturers).

When determining a penalty amount, TCEQ considers many factors including: the nature, circumstances, extent, duration, and gravity of the violation; the severity of impacts to human health and the environment; compliance history; culpability; good faith efforts to comply; economic benefit; deterrence; and other factors as justice may require (TWC Section 7.053).

Investigations

TCEQ's enforcement activities originate primarily from on-site investigations and facility record reviews. Scientific, technical, and environmental specialists in the agency's 16 regional offices are responsible for most investigations. In fiscal 2025, TCEQ conducted over 101,000 investigations, of which over 63,000 were on-site (see Figure 2).

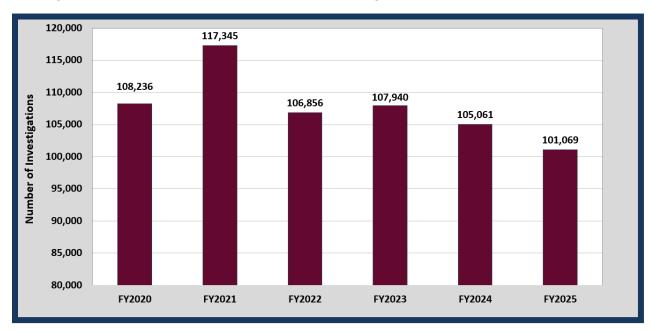


Figure 2 - Total Investigations by FY

FY 2021 total was revised to reflect corrected investigation numbers

The number of investigations in fiscal 2025 is similar to the average over the past six fiscal years—see <u>Appendix A (Total Investigations)</u>⁷ and <u>Appendix B (On-Site Investigations)</u>⁸ for six-year totals. In fiscal 2021, the number was higher due to restrictions imposed because of the COVID-19 pandemic. During this time, TCEQ was able to conduct more investigations with the same amount of resources using off-site virtual investigations and record reviews.

In fiscal 2022, TCEQ resumed pre-COVID-19 pandemic operations with on-site investigations, which take significantly more time than off-site virtual investigations or record reviews. The number of investigations since fiscal 2022 reflect typical workloads and reflect the current workforce climate that includes moderate turnover and a workforce with overall less experience than before the COVID-19 pandemic.

For routine, on-site compliance investigations, TCEQ typically provides advance notice to the entity. This ensures that proper personnel and records will be available at the time of the investigation. A single notice may be given when multiple activities contribute to the total investigation count. Investigations that do not receive advance notification include enforcement follow-up investigations, complaint-related investigations, emergency response activities, watermaster investigations, and investigations of sites classified as "Unsatisfactory" under the commission's Compliance History rule [Title 30, Texas Administrative Code (30 TAC), Chapter 60].

In fiscal 2025 the agency provided advance notice for 12,757 on-site investigations and conducted 50,379 unannounced on-site investigations. Approximately 75% of the unannounced investigations were conducted by the <u>Watermaster Programs</u>⁹ to ensure compliance with water rights in Texas.

Texas Audit Act

TCEQ's compliance efforts have been enhanced by voluntary environmental self-audits conducted at facilities under the <u>Texas Environmental</u>, <u>Health</u>, <u>and Safety Audit Privilege Act</u>¹⁰ (Audit Act). This law encourages businesses and governments subject to environmental regulation to perform comprehensive assessments of compliance with environmental laws, regulations, and permits for their own facilities. Organizations who participate in the Audit Act must notify TCEQ of their intent to self-audit and then fully disclose and resolve violations resulting from the audit. TCEQ ensures that all violations disclosed under this program are corrected and, provided that certain conditions of the Audit Act are complied with, the participants in this program may not be subject to civil and administrative penalties. Figure 3 depicts a summary of the Notices of Intent to Audit (NOAs) and Disclosures of Violation (DOVs) that TCEQ has received from fiscal 2020 through fiscal 2025.

⁷ www.tceq.texas.gov/fy2025-total-investigations

⁸ www.tceq.texas.gov/fy2025-onsite-investigations

⁹ www.tceq.texas.gov/permitting/water_rights/wmaster

¹⁰ www.tceq.texas.gov/downloads/rules/publications/rg-173.pdf

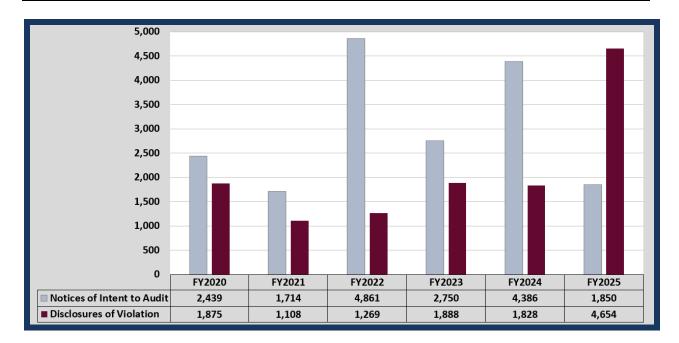


Figure 3 – Texas Environmental Health & Safety Audit Privilege Act: Notices and Disclosures by FY

In fiscal 2022, the increase in the number of NOAs received was attributed primarily to the oil and gas industry (approximately 80%), particularly in the Permian Basin. The increase in the number of NOAs for fiscal 2024 was the result of two separate companies listing over 500 sites in each of their multi-site NOAs. The higher number of DOVs in fiscal 2023 are the result of the increase in NOAs received from the previous fiscal year. The higher number of DOVs in fiscal 2025 are the result of the increase in NOAs received from the previous fiscal year.

Compliance Monitoring

The success of TCEQ's regulatory assistance through outreach, training, and the voluntary self-audit program—as well as consistent compliance monitoring and enforcement—is revealed in the high percentages of compliance documented following completed investigations. Table 1 depicts the compliance rates of facilities inspected from fiscal 2020 through fiscal 2025.

Table 1 - Percent of Facilities Inspected in Compliance

Facility Type	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Air Facilities	96%	94%	96%	97%	96%	97%
Water Facilities	99%	99%	99%	99%	99%	99%
Waste Facilities	97%	97%	97%	96%	96%	97%

The compliance rate is based on investigations resulting in violations that warranted formal enforcement action (e.g., administrative orders, civil judgments, or criminal investigations). Minor violations may have been documented during investigations that resulted in the issuance of a notice of violation (NOV), which achieved compliance.

Notices of Violation (Informal Enforcement)

The most common enforcement tool TCEQ uses to obtain compliance with environmental laws is the NOV. An NOV is a letter that is sent to a regulated entity when it is determined that an environmental violation may have occurred. An NOV is a multi-purpose, flexible tool that is used thousands of times each year.

In many cases, an NOV is enough to compel timely compliance. In other cases, it can be the first step in a process that ultimately results in formal administrative enforcement, civil enforcement, or possible criminal charges for violations of environmental laws. As depicted in Figure 4, TCEQ issued 19,049 NOVs in fiscal 2025. The increase in NOVs issued in fiscal 2025 is a result of amendments to the Lead and Copper Rule. Those amendments include violations for failure to develop and submit an initial lead service line inventory and failure to submit public notification regarding the failure to complete the initial lead service line inventory.

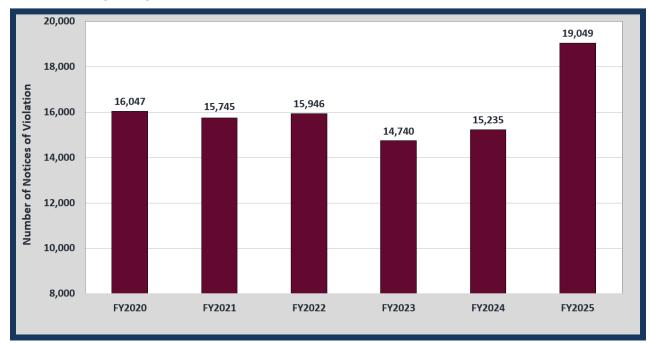


Figure 4 - Notices of Violation by FY

NOVs issued for the past six fiscal years are located in <u>Appendix C (Total Notices of Violation</u> Issued)¹¹.

¹¹ www.tceq.texas.gov/fy2025-novs-issued

Formal Enforcement Actions

Administrative Enforcement

The number of administrative orders issued by TCEQ varies each fiscal year and is dependent upon each violator's willingness to settle a case. If a violator refuses to settle a case, and requests a hearing, TCEQ must try the case through the administrative hearing process. This legal process is similar to trying a case in court and may extend the time it takes to obtain an order and reach compliance. TCEQ issued 1,170 administrative orders in fiscal 2025, as shown in Figure 5.

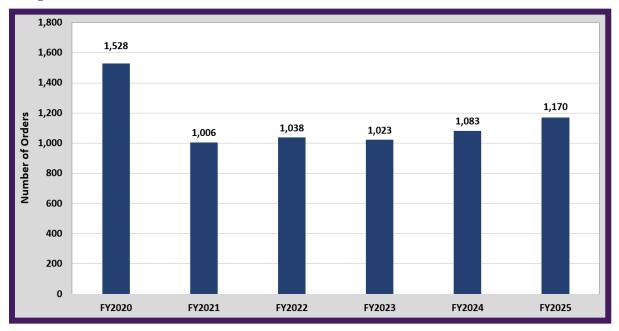


Figure 5 - Administrative Orders Issued by FY

The agency has consistently met its goal of issuing at least 1,000 administrative orders each fiscal year. Figure 6 summarizes the number of administrative orders issued by media for the last six fiscal years.

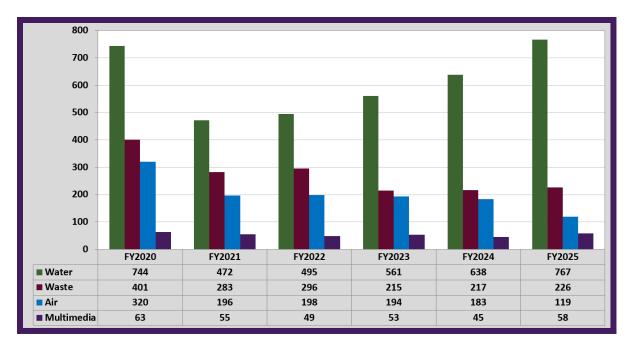


Figure 6 - Administrative Orders Issued by Media per FY

One of the most familiar indicators for the enforcement activities of a regulatory agency is penalties (the amount of money ordered to be paid). The administrative orders issued in fiscal 2025 required payments of \$8,378,575 in penalties and an additional \$2,827,302 required for Supplemental Environmental Projects 12 (SEPs). While penalties are an important deterrent, NOVs, administrative orders, and judgments require compliance and often impose significant costs upon regulated entities.

Assessed, deferred and payable penalties, as well as SEP costs associated with administrative orders issued over the past six fiscal years are shown in Figure 7.

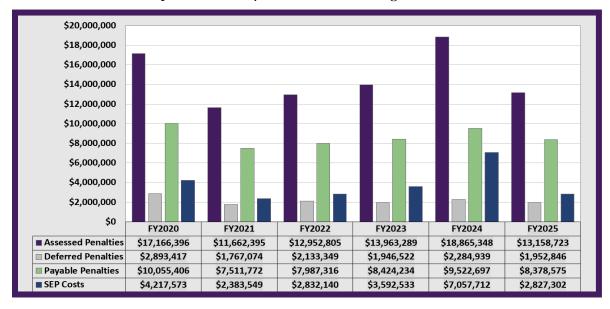


Figure 7 - Penalties and SEP Costs in Administrative Orders Issued by FY

¹² www.tceq.texas.gov/compliance/enforcement/sep

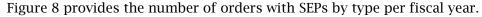
Supplemental Environmental Projects

SEPs are projects approved by the commission to benefit local Texas communities where environmental laws and regulations have been violated. Respondents in enforcement actions can put a portion of their penalty dollars to work to benefit the environment, rather than paying the entire penalty to the State's General Revenue Fund. Respondents can choose to perform a Custom SEP or contribute to a Pre-Approved SEP (Contribution SEP) performed by a third party. Additionally, respondents that are local governments can perform Compliance SEPs to achieve compliance with environmental laws or to remediate the harm caused by those violations.

SEPs that have been approved during fiscal 2025 include the following:

- Repairing structures or equipment that may be the cause of violations (e.g., repairs to faulty lift stations or installing backup generators)
- Cleanups of abandoned illegal dump sites
- Events for collecting community household hazardous waste and tires
- Air and water quality monitoring networks
- Wetlands and habitat restoration
- Establishment of nature preserves
- Cleanups of bays and watersheds
- Purchasing of emergency response equipment for first responders

- Installing and repairing on-site sewage facilities, municipal sewer lines, and potable water service for low-income households
- Replacing older school buses with newer ones that emit fewer air contaminants for school districts
- Energy efficient upgrades and retrofits for public buildings or low-income homeowners
- Purchasing specialized vehicles for responding to emergencies to rescue and rehabilitate wildlife
- Environmental education and outreach projects



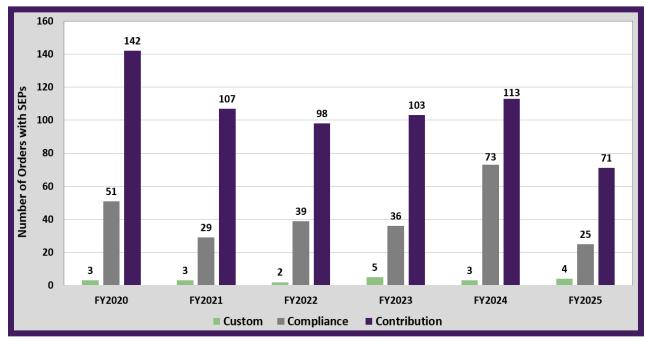


Figure 8 - Orders With SEPs by Type per FY

Civil Enforcement

In circumstances where compliance is not achieved through the agency's administrative process, or in instances where more immediate action is required, such as an emergency event, the agency may refer matters to the Texas Office of the Attorney General (OAG) for civil enforcement. Under TWC Section 7.105, TCEQ has discretion to refer any matter, and an obligation to refer certain matters, to the OAG for civil enforcement. During fiscal 2025, the OAG obtained 18 judgments in cases referred from TCEQ and for which TCEQ was a necessary and indispensable party to enforcement initiated by another entity. These civil judgments resulted in \$65,877,887 to be paid in penalties. Table 2 shows a summary of the civil judgments that have been issued for the past six fiscal years.

Table 2 - Civil Judgments Issued by FY

FY	Civil Judgments	Civil Penalties to be Paid
2020	18	\$2,314,630
2021	24	\$16,555,128
2022	24	\$6,845,268
2023	19	\$5,572,592
2024	19	\$85,806,876
2025	18	\$65,877,887

A successful enforcement program, combined with a strong regulatory assistance program, ensures that the public and the environment receive the benefits of the protections embodied in environmental statutes, regulations, and permits.

Comparative Analysis

TWC Section 5.756 requires that TCEQ evaluate the performance over time of the agency and of entities regulated by the agency. This section of the report addresses the comparison of entities regulated by TCEQ. An analysis has been performed on the types of businesses associated with orders and judgments issued, those issued to regulated entities with prior orders and judgments, orders and judgments issued to regulated entities with the same or similar violations, the violations included in the orders and judgments, and the size of businesses or municipalities that had orders and judgments issued during the fiscal year.

Comparison of Orders and Judgments Issued by Media Type

In fiscal 2025, TCEQ issued 1,170 administrative orders and assisted the OAG in obtaining 18 civil judgments. Figure 9 displays the percentage of orders and judgments issued during fiscal 2025 by media type (air, waste, water, and multimedia).

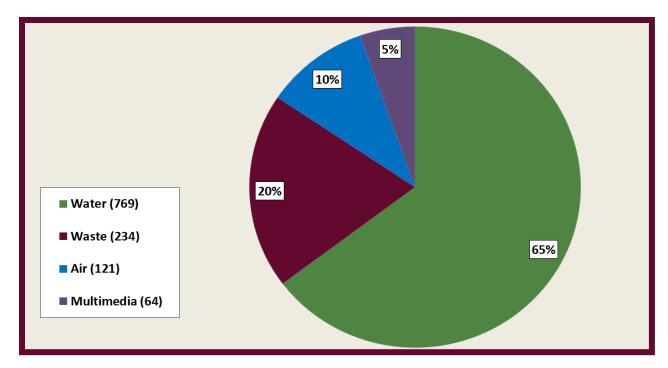


Figure 9 - Number and Percent of Orders and Judgments Issued in FY 2025 by Media Type

Comparison of Orders and Judgments Issued by Industry Type

The percent of regulated entities with orders and judgments issued for fiscal 2025 based upon the North American Industrial Classification System (NAICS) are shown in Figure 10. The industry types with the highest percentages were Water Supply and Irrigation Systems, Gasoline Stations with Convenience Stores, and Sewage Treatment Facilities. Approximately 35% of the regulated entities represented NAICS categories of less than two percent.

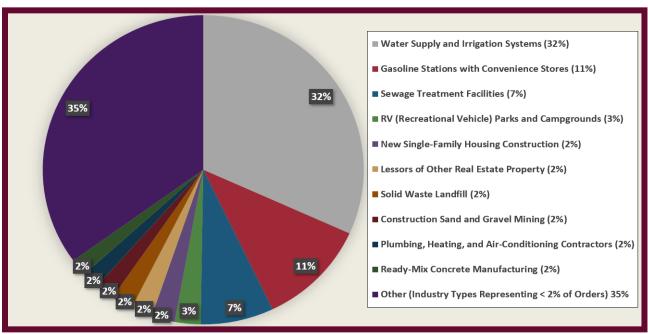


Figure 10 - Percent of Industry Types With Orders and Judgments Issued in FY 2025

In fiscal 2025, 1,146 regulated entities were issued a total of 1,188 administrative orders and civil judgments. These numbers differ because it is not a one-to-one relationship. A single order may address violations at more than one regulated site and more than one order may be issued to the same responsible party during the fiscal year.

Of the regulated entities that were issued orders in fiscal 2025, 285 (25%) had previous enforcement orders or judgments and 321 (27%) of orders and judgments had violations that were the same or similar to those included in prior orders or judgments over the past five fiscal years. The highest percentage of industry types with prior orders and judgments included: Water Supply and Irrigation Systems, Sewage Treatment Facilities, Gasoline Stations with Convenience Stores, and Petroleum Refineries, as shown in Figure 11.

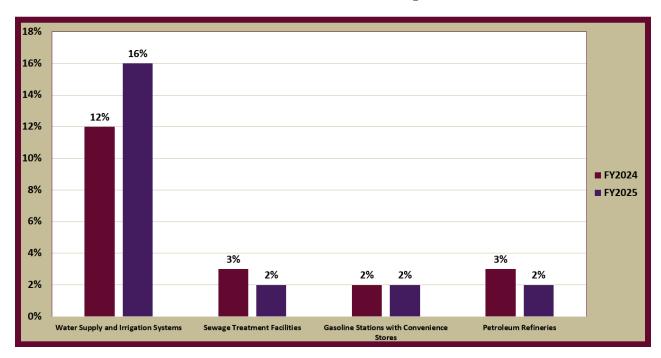


Figure 11 - Percent of Industry Types With Previous Orders and Judgments

The highest percentage of industry types for regulated entities with same or similar violations included in prior enforcement orders and judgments were as follows: Water Supply and Irrigation Systems, Sewage Treatment Facilities, Gasoline Stations with Convenience Stores, and All Other Basic Organic Chemical Manufacturing, as shown in Figure 12.

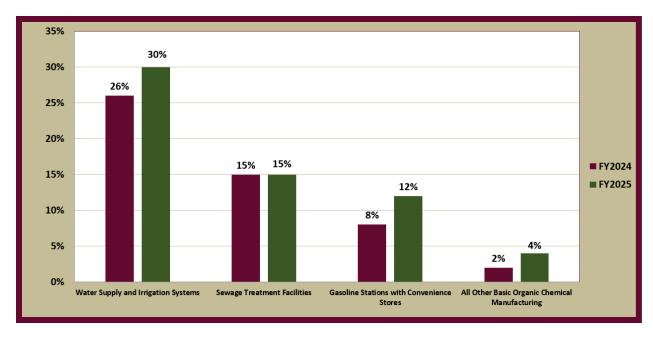


Figure 12 - Percent of Orders and Judgments With Same or Similar Violations

Comparison of Orders and Judgments Issued by Legal Entity Size

Enforcement orders and judgments are issued to legal entities of varying sizes. For orders and judgments issued in fiscal 2025, 56% were issued to small businesses, 32% were issued to large businesses, 8% were issued to small governments, and 4% were issued to large governments. Figure 13 depicts the number of orders and judgments issued based on the size of the business and local government. For purposes of this report, a small business is defined as any person, firm, or business that employs fewer than 100 full-time employees. A small government is defined as a city with a population of less than 5,000 or a county with a population of less than 25,000.

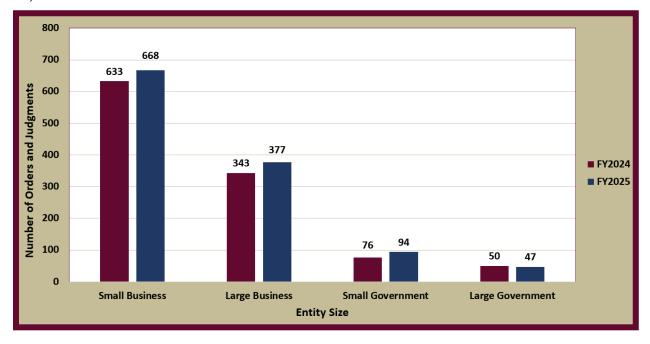


Figure 13 - Size of Legal Entities With Orders and Judgments Issued in FY 2025

Comparison of Citations in Orders and Judgments Issued

Of the 1,188 administrative orders and civil judgments issued in fiscal 2025, there were 3,267 violations alleged with 6,349 citations of rules, statutes, permits, or orders. Of all the citations documented, 86% were for violations of rules or statutes, 13% were for violations of permit provisions, and 1% were for violations of orders previously issued.

Table 3 lists the highest percentage of common rule or statutory citations included in orders and judgments issued in fiscal 2025. Citations of less than 1% frequency are not included.

Table 3 - Percent of Citations in Orders and Judgments Issued in FY 2025

Media	Section	Percent
WATER	30 TAC § 290.46 - Minimum Acceptable Operating Practices for Public Drinking Water Systems	12%
WATER	THSC § 341.0315 - Public Drinking Water Supply System Requirements	6%
AIR	THSC § 382.085 - Unauthorized Emissions Prohibited	6%
MULTIMEDIA	30 TAC § 305.125 - Consolidated Permits: Standard Permit Conditions	5%
WASTE	TWC § 26.3475 - Release Detection; Spill and Overfill Prevention; Corrosion Protection	5%
AIR	30 TAC § 116.115 - General and Special Conditions of New Source Review Permits	4%
WATER	30 TAC § 290.45 - Minimum Water System Capacity Requirements	4%
WASTE	30 TAC § 334.50 - Release Detection	3%
AIR	30 TAC § 122.143 - General Terms and Conditions of Permits	3%
WATER	TWC § 26.121 - Unauthorized Discharges Prohibited	3%
WATER	30 TAC § 290.115 - Stage 2 Disinfection Byproducts (TTHM and HAA5)	2%
WATER	30 TAC § 290.39 - General Public Drinking Water Provisions	2%
WATER	30 TAC § 290.42 - Water Treatment	2%
WATER	30 TAC § 290.117 - Regulation of Lead and Copper	2%
WATER	30 TAC § 290.110 - Disinfectant Residuals	2%
WATER	30 TAC § 290.41 - Water Sources	2%
WATER	30 TAC § 281.25 - Texas Pollutant Discharge Elimination System Permit Application Requirements	2%
WATER	30 TAC § 290.43 - Water Storage	2%
WATER	30 TAC § 290.106 - Inorganic Contaminants	2%
WASTE	30 TAC § 334.48 - General Operating and Monitoring Requirements	1%
WATER	30 TAC § 290.121 - Monitoring Plans	1%
WASTE	30 TAC § 330.15 - General Prohibitions	1%
WATER	30 TAC § 290.122 - Public Notification	1%
WASTE	30 TAC § 334.8 - Certification for Underground Storage Tanks and Systems	1%
WATER	30 TAC § 290.44 - Water Distribution	1%

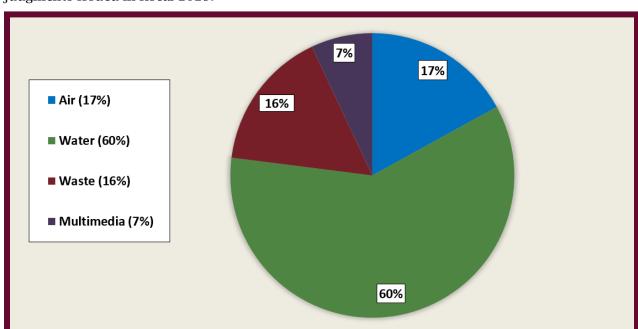


Figure 14 depicts the most frequently cited rules or statutes by media type for orders and judgments issued in fiscal 2025.

Figure 14 - Percentage of Most Frequently Cited Rules or Statutes by Media Types

Compliance History Program

TWC Chapter 5, Subchapter Q, requires TCEQ to "develop standards for evaluating and using compliance history." This statute also requires the agency to track and consider the compliance history of businesses and industries.

Under the <u>Compliance History</u>¹³ Program, each regulated entity, along with its owner or operator, are classified using a three-tiered rating system. "High" performers are those with an above-average compliance record. "Satisfactory" performers have generally complied with environmental regulations, and "Unsatisfactory" performers have a below-average record.

The Compliance History Program sets up a point system for various violations, criminal convictions, and federal orders. These points may be offset by mitigating factors, such as the implementation of a voluntary pollution-reduction program or the voluntary disclosure of violations. The point system is based on several factors, including whether a documented violation of an applicable legal requirement is of major, moderate, or minor significance as defined in 30 TAC Subsection 60.2(d).

Figure 15 depicts the percentage of major, moderate, and minor violations included in all orders and judgments issued in fiscal 2025. The most common violation types are those of moderate severity (70% of violations). Examples of violations based on their compliance history category are depicted in Table 4.

¹³ www.tceq.texas.gov/compliance/enforcement/compliance-history

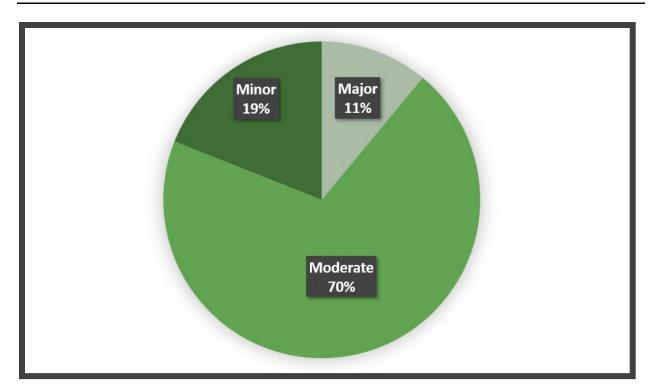


Figure 15 - Severity of Violations Included in Orders and Judgments Issued in FY 2025

Table 4 - Examples of Violations Based on Compliance History Categories

MAJOR

- A violation of a commission enforcement order, court order, or consent decree.
- Operating without required authorization or using a facility that does not possess required authorization.
- An unauthorized release, emission, or discharge of pollutants that caused, or occurred at levels or volumes sufficient to cause, adverse effects on human health, safety, or the environment.

MODERATE

- A complete or substantial failure to monitor, analyze, or test a release, emission, or discharge, as required by a commission rule or permit.
- A complete or substantial failure to submit or maintain records, as required by a commission rule or permit.
- Not having an operator whose level of license, certification, or other authorization is adequate to meet applicable rule requirements.

MINOR

- Performing most, but not all, of a monitoring or testing requirement, including required unit or facility inspections.
- Performing most, but not all, of a requirement addressing the submittal or maintenance of required data, documents, notifications, plans, or reports.

Status of Compliance History Exigent Circumstances

No sites were placed under review or reclassified as suspended under 30 TAC Section 60.4 during fiscal 2025.

Status of Compliance History Legislative Updates

SB 1397 ("Sunset Bill"), relating to the continuation and functions of TCEQ, passed in the 88th Texas Legislature in 2023. It amended TWC Section 5.754 and took effect on Sept. 1, 2023. Throughout fiscal 2024, TCEQ developed recommendations to implement this Sunset Bill and associated Sunset management actions. During fiscal 2025, TCEQ proposed rulemaking to revise 30 TAC Chapter 60 relating to Compliance History to address the legislative directives.

Criminal Enforcement

Texas Environmental Enforcement Task Force

Texas is a leader and national model in investigating and prosecuting environmental crime. Created in 1991, the Texas Environmental Enforcement Task Force has included participants from more than 25 local, state, and federal agencies. TCEQ, and particularly the Environmental Crimes Unit (ECU), play a key investigative role and head the Task Force. Members include TCEQ, the Governor's Office, the Texas Parks and Wildlife Department, the OAG, the Railroad Commission of Texas, and the General Land Office. These agencies coordinate activities with the EPA's Criminal Investigation Division, the U.S. Attorney's Office, the Federal Bureau of Investigation, and local district and county attorneys. Numerous other federal, state, and local agencies also participate in Task Force investigations. TCEQ's ECU, with assistance from other members of the Task Force, also conducts environmental crimes enforcement training for local law enforcement officers.

Criminal Investigations

In fiscal 2025, the agency participated in 12 search warrants and obtained resolutions on 19 cases, which included convictions, probation, and deferred adjudications. Convictions were obtained against 19 individuals and three corporations. The finalized cases include 12 felony counts and 12 misdemeanor counts (see Table 5).

Table 5 – Summary of Criminal Investigation Info	rmation by FY
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FY	Search Warrants	Cases Resulting in Resolutions	Convictions against Individuals	Convictions against Corporations	Total Convictions	Felony Counts	Misdemeanor Counts
2020	6	9	10	3	13	9	8
2021	7	7	6	2	8	1	7
2022	3	17	17	3	20	14	13
2023	7	11	14	4	18	5	60
2024	8	13	10	3	13	7	7
2025	12	19	19	3	22	12	12

Several cases focused on conduct that negatively impacted the integrity of various TCEQ programs. The criminal conduct included multiple offenses of tampering with a government record involving falsified scrap tire manifests and falsified emission testing data. There was also a tampering with governmental record case involving a falsified annual water tank inspection certification and accompanying tank inspection reports. Two individuals were

ordered to pay restitution to the city of Bryan for the fraudulent certification and water tank inspection reports. Additionally, a conviction was obtained for deceptive business practices related to advertisements placed by an individual who falsely claimed they were licensed by TCEQ to install septic systems.

Environmental offenses include several illegal dumping cases and two outdoor burning cases. One individual was found guilty of felony illegal dumping and received special conditions to clean up the property and comply with a TCEQ order. On a separate illegal dumping case, an individual was sentenced to three days in jail. The trucking company the individual worked for remediated the dump site located on state of Texas property. ECU continued to support local and state law enforcement with investigative and technical assistance on environmental offenses.

One case was resolved with a pre-trial intervention agreement. The agreement required the company to properly document remediation of the environmental harm that included receipts and manifests for the disposal of waste and contaminated soil. The company spent \$134,000 on remediation costs. The agreement also required the company to hire an environmental consultant, conduct a site inspection, and train the defendant and its employees to properly handle industrial waste. The company was required to submit the consultant's report, which documented who was included in the training, the substance of training provided, and when the training occurred.

Federal lead cases resulted in the conviction of three corporations and one individual. One of the cases involved the death of two individuals. This resulted in two corporate pleas and one individual ordered to serve five months' incarceration.

The overall case resolutions in fiscal 2025 resulted in a total of \$1,515,606 in criminal fines, \$2,653 in restitution to the city of Bryan, 18 years and one month of deferred adjudication, 17 years of probation, and five years, eight months, and five days of jail time. Appendix D (FY 2025 Criminal Convictions)¹⁴ provides additional details for ECU's case resolutions.

Environmental Complaints

TCEQ receives approximately 10,000 complaints each fiscal year from Texans concerned about a situation or event in which a possible environmental, health, or regulatory violation has occurred. TCEQ reviews each complaint and conducts investigations on those within agency jurisdiction as appropriate.

TCEQ must analyze complaints received based on:

- Environmental media (air. waste, or water)
- Regional jurisdiction
- Priority classification
- Enforcement action taken
- Commission response
- Complaint type

¹⁴ www.tceq.texas.gov/fy2025-criminal-convictions

TWC Section 5.1773 requires that TCEQ annually conduct a comprehensive analysis of the complaints it receives and assess the impact of any changes made to the agency's complaint policy. This information is included in Appendix A of the TCEQ Biennial Report to the Texas Legislature¹⁵, which is completed by Dec. 1 of even-numbered years. In fiscal 2024 TCEQ updated its complaint procedures to satisfy Sunset Advisory Committee Recommendation 2.6 regarding nuisance complaints and SB 471, filed in the 88th Legislative Session [TWC Section 5.176(c)], which outlined criteria for not investigating certain complaints. These updates were incorporated into TCEQ's Complaint Investigation Manual.

Complaint Data Collection and Reporting

TCEQ receives complaints through direct notifications to the regional offices. Specifically, the public may report an environmental problem to TCEQ through an online form, available in English¹⁶ and Spanish¹⁷, a 24-hour toll-free hotline (888-777-3186), in person at a regional office, or by written correspondence. All complaints are handled per the Complaint Investigation Manual¹⁸, available on the TCEQ website. This manual reflects the agency's current complaint response policy and is revised when there are policy changes.

When TCEQ receives an environmental complaint, information about the complaint is typically recorded in the agency's database. When the complaint is determined to be more appropriately handled by another agency, it may be referred to an agency that has jurisdiction. Upon completion of the complaint investigation, the findings will be documented in TCEQ's enforcement database. If violations are identified, the investigation could result in an enforcement action.

Complaint Trends

TCEQ analyzes complaints received and investigated using several different attributes. These include media (e.g., air, water, waste), region (e.g., Amarillo, Houston), program (e.g., drinking water, municipal solid waste), and the nature of complaint (e.g., odor, dust). The results of this analysis are included in the following sections.

Overall, the number of complaints received in fiscal 2025 was lower than the previous five fiscal years with fiscal 2025 having 3% fewer complaints (9,198) than fiscal 2020 (9,519), as shown in Figure 16.

¹⁵ www.tceq.texas.gov/publications/sfr/tceq-biennial-report

¹⁶ www.surveymonkey.com/r/Environmental_Complaints

¹⁷ www.surveymonkey.com/r/Environmental_Complaints?lang=es_US

¹⁸ www.tceq.texas.gov/downloads/compliance/complaints/protocols/gi-602.pdf



Figure 16 - Complaints Received by FY

Analysis by Environmental Media

Total complaints were analyzed by environmental media (air, waste, water, and no media) statewide, as shown in Figure 17. "No media" refers to complaints that do not fit within one of the established medias (for example, multimedia or referred complaints). The media with the most complaints in fiscal 2025 was water (43%), similar to the last fiscal year. Air complaints made up 37% of all complaints received, which is also similar to fiscal 2024. Waste complaints made up 19% of all complaints received, remaining consistent with fiscal 2024.

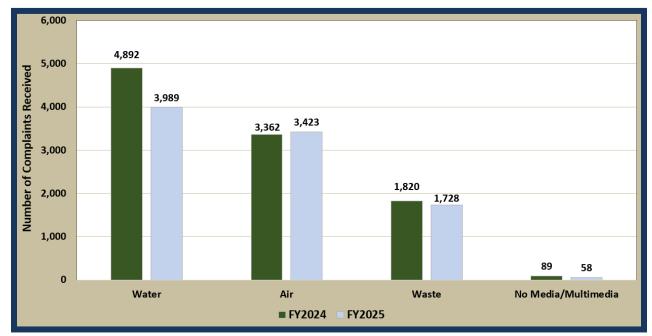


Figure 17 - Complaints Received by Media

Analysis by Region

The number of complaints varies according to regional population. In fiscal 2025, 41% of all complaints came from regions with the two largest metropolitan areas—TCEQ Region 4 – Dallas-Fort Worth (22%) and TCEQ Region 12 – Houston (19%), as shown in Figure 18.

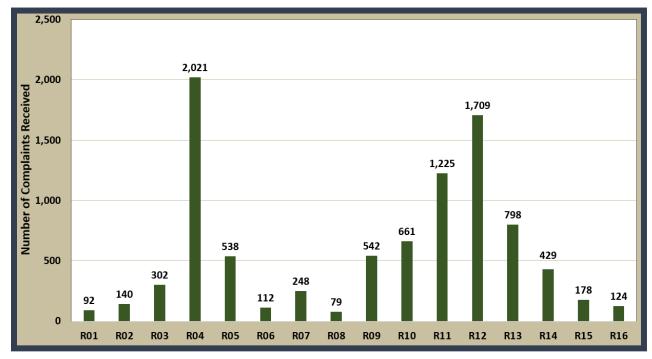


Figure 18 - Complaints Received by TCEQ Region

Analysis by Nature of Complaint

The nature of a complaint refers to the type of complaint, such as "odor" or "dust." This is identified during intake of a complaint and is used to describe the incident. This classification allows TCEQ to assign the most appropriate investigator based on skill set. The two most reported complaint natures are odor (cited in 25% of complaints received) and wastewater (cited in 9% of complaints received). Odor complaints are generally related to allegations of nuisance conditions. Figure 19 depicts the number of complaints received by nature of complaint.

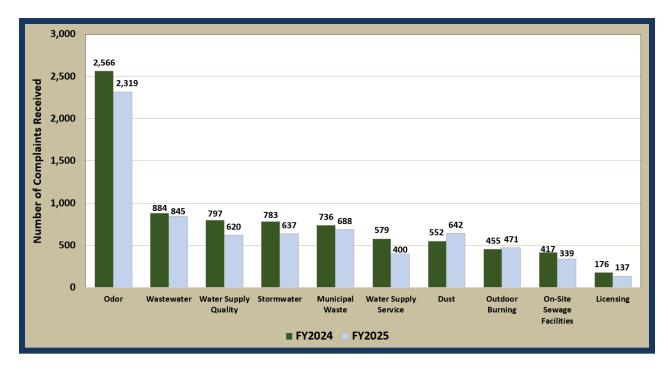


Figure 19 - Top 10 Complaints Received by Nature of Complaint

TCEQ Response to Complaints Received

Complaint investigations are prioritized based on a complaint's relative threat to public health, safety, or the environment. Each assigned priority represents a prescribed response time. Of the complaints that were received in fiscal 2025, 3% required immediate response (one working day or less), 64% required response between 5 and 30 days, and 3% were assigned a response time of more than 30 calendar days. Of the complaints received, 30% were not investigated either because the complaint was not within TCEQ jurisdiction and was referred to another agency, including to a local government in which TCEQ has an agreement to refer such complaints, or because there was inadequate information to investigate the complaint. Figure 20 depicts TCEQ's response to received complaints.

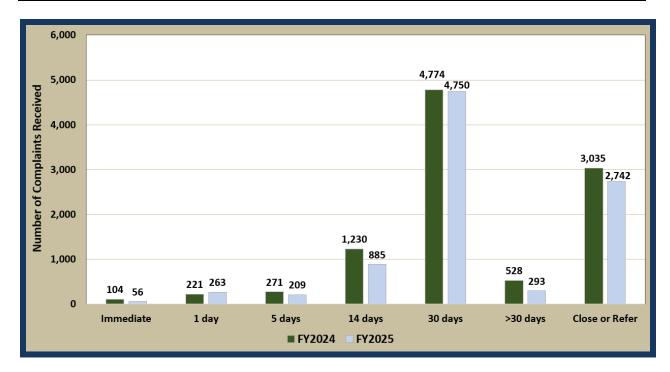


Figure 20 - TCEQ Response to Complaints Received

Figure 21 provides a summary of the number of investigations conducted by TCEQ in response to complaints received. When multiple complaints are received for the same or similar issue, they may be addressed in a single investigation. A copy of the final investigation report is provided to each non-anonymous complainant.

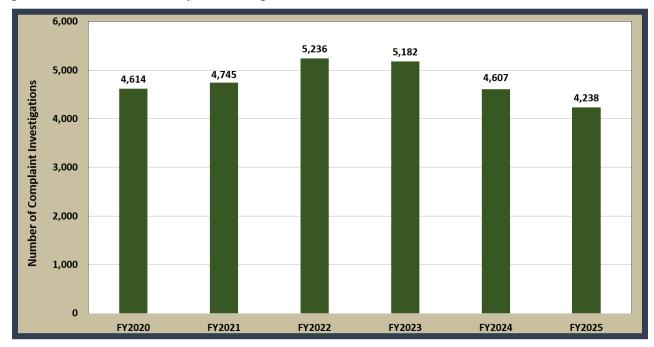


Figure 21 - Complaint Investigations by FY

Analysis by Program

The program for a complaint investigation refers to a specific group of regulatory requirements that apply to the complaint, such as "wastewater," "industrial and hazardous waste," or "emergency response." The applicable program(s) is identified during the investigation. Figure 22 shows the number of complaint investigations for the most common programs. There were 27 complaint investigations associated with other miscellaneous programs.

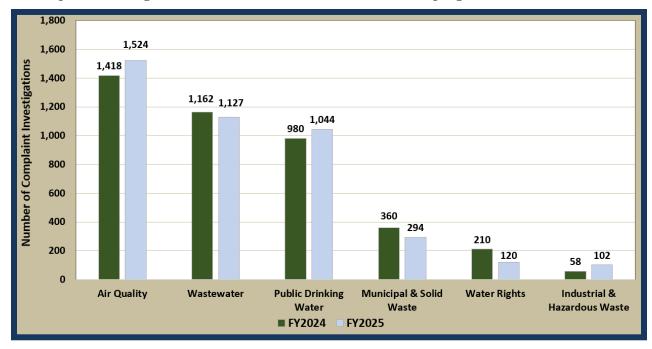


Figure 22 - Most Common Programs for Complaint Investigations

Results of Complaint Investigations

Complaint investigations can result in violations that may or may not be directly related to the allegation described in the complaint. In fiscal 2025, 38% of complaint investigations cited at least one violation. Approximately 32% of those complaint investigations resulted in an NOV and approximately 6% resulted in a notice of enforcement (NOE). Approximately 62% of complaint investigations resulted in "no findings," which means that the complaint allegation or other violations could not be substantiated. Figure 23 depicts the results of complaint investigations conducted in fiscal 2024 and fiscal 2025.

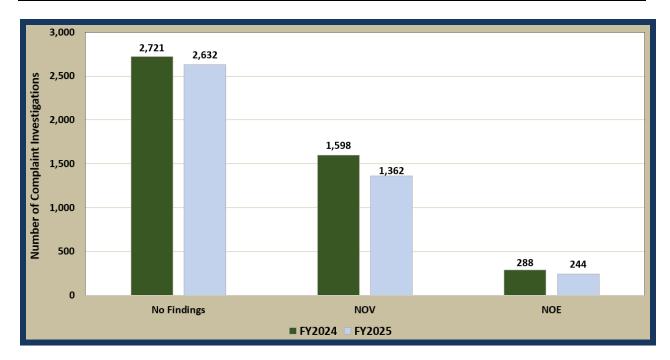


Figure 23 - Results of Complaint Investigations

Effects of Changes to Complaint Policy

When there are changes to the complaint policy, the effect of these changes is evaluated for effectiveness. For example, since an alternate language option was added for the complaint form in June 2023, TCEQ has tracked the number of complaints submitted in Spanish as shown in Figure 24.

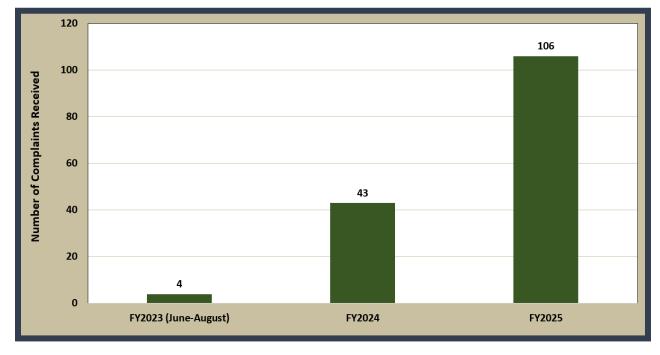


Figure 24 - Complaints Received in Spanish by FY

Emissions Incidents

Certain incidents that result in unauthorized emissions, as defined in 30 TAC Chapter 101, Subchapter F, are required to be recorded or reported to TCEQ. This includes:

- Emissions events Air upset events or unscheduled maintenance, startup, and shutdown (MSS) activities from a common cause that result in unauthorized emissions of air contaminants.
- Scheduled MSS Activities performed by a regulated entity owner or operator that require prior notice and a final report per TCEQ rules.
- Excess opacity events An event that occurs when an opacity reading is equal to or exceeds 15% above an applicable opacity limit averaged over a six-minute period.

Effective Sept. 1, 2022, TCEQ formed the Emissions Event Review Section, a central section for the assessment of emissions incidents within the Office of Compliance and Enforcement's Critical Infrastructure Division. Centralizing the Emissions Incidents Program ensures statewide consistency for investigations of incidents and consistent enforcement of violations related to them. The Emissions Event Review Section conducts investigations of all emissions incidents reported to TCEO, regardless of the incident location. Upon formation of the section, internal processes were assessed to determine areas where enhancements could be made to improve consistency in the review of emissions incidents across the state. The section improved external communications regarding emissions incident reporting requirements and affirmative defense demonstrations, including developing two documents, Affirmative Defense Questions Guidance¹⁹ and Emissions Events Commonly Asked Questions²⁰, available on TCEQ's website. Additionally, in fiscal 2024 TCEQ fulfilled the Sunset Implementation Action Item for creating affirmative defense guidance and a centralized committee (Sunset Recommendation 2.5) as approved in SB 1397 from the 88th Regular Legislative Session in 2023. Recommendation 2.5 directed TCEO to develop and implement clear guidance to evaluate affirmative defense requests for air emissions and to establish a centralized committee of agency staff authorized to review and approve all applications for an affirmative defense.

Total Number of Reported Incidents

As shown in Figure 25, the overall number of emissions incidents reported under 30 TAC Chapter 101, Subchapter F, decreased by 4% from 2,088 in fiscal 2024 to 2,008 in fiscal 2025. However, there were 54 events that were reported in fiscal 2025 that occurred in other fiscal years representing an overall decrease of 6%.

¹⁹ www.tceg.texas.gov/goto/affirmative-defense-questions-guidance

²⁰ www.tceq.texas.gov/goto/emissions-events-commonly-asked-questions

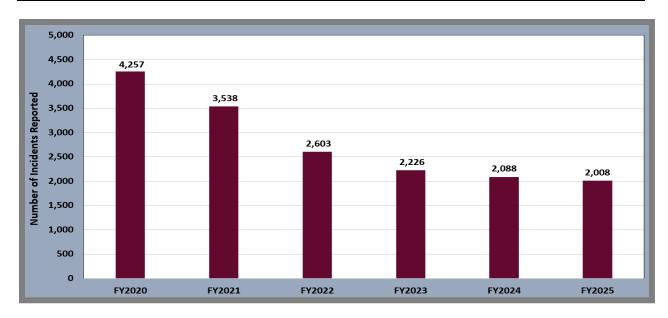


Figure 25 - Total Incidents Reported Statewide by FY

The total number of emissions incidents reported has decreased over the last six fiscal years, which may be attributed to TCEQ's focus and outreach to regulated entities on proper reporting, authorization, and enforcement. One outreach example is TCEQ's "Find It and Fix It" initiative for oil and gas operations in the Permian Basin, initiated in fiscal 2021 and concluded in fiscal 2024. Additionally, TCEQ conducted outreach to industry groups in the oil, gas, and pipeline sectors with an emphasis on properly authorizing, minimizing, and controlling predictable emissions. The Emissions Event Review Section also participated in multiple meetings with industry groups and met individually with companies across all sectors to discuss reporting requirements and authorizations. The total number of emissions incidents includes emissions events, scheduled MSS activities, and excess opacity events as shown Figure 26.

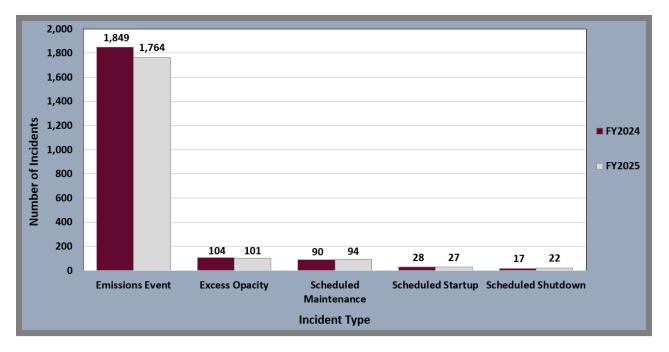


Figure 26 - Total Incidents Reported Statewide by Type

The distribution of FY 2024 incidents was revised to accurately reflect the type of event.

Table 6 provides the complete set of data from TCEQ regions related to the total number of reported emissions incidents in fiscal 2024 and fiscal 2025. Note that TCEQ regions listed in the Emissions Incidents section of this report are based on where the facility is, not the location of the investigator reviewing the incident.

Table 6 - Total Incidents Reported Statewide per TCEQ Region

Region	FY2024	FY2025
Region 01 - Amarillo	101	62
Region 02 - Lubbock	43	50
Region 03 - Abilene	22	9
Region 04 - DFW Metroplex	54	35
Region 05 - Tyler	50	36
Region 06 - El Paso	33	34
Region 07 - Midland	1000	997
Region 08 - San Angelo	39	62
Region 09 - Waco	21	25
Region 10 - Beaumont	118	112
Region 11 - Austin	16	18
Region 12 - Houston	402	367
Region 13 - San Antonio	22	47
Region 14 - Corpus Christi	152	137
Region 15 - Harlingen	3	2
Region 16 - Laredo	12	15
Total	2,088	2,008

Total Quantity of Air Emissions

The total quantity of reported emissions incidents increased from 38.4 million pounds in fiscal 2024 to 60.8 million pounds in fiscal 2025. Quantities released in each region fluctuate year to year based on the presence or absence of large emissions incidents. One large emissions incident can result in a noticeable spike when comparing two fiscal years, but the overall trend across multiple fiscal years has remained consistent. For example, three initial notifications for commissioning events (startups) at a site in TCEQ Region 14 - Corpus Christi accounted for 16.0 million pounds of emissions, 93% of the reported total for that region in fiscal 2025. These commissioning activities are ongoing, and the quantities will be updated at the time of completion. For TCEQ Region 2 - Lubbock, the quantity increased significantly due to one company conducting an audit and discovering 28 previously unreported emissions events, which combined totaled 9.6 million pounds. The emissions incidents were all reported in February 2025. TCEO Region 3 - Abilene saw an increase during fiscal 2025 from one emissions incident that involved a sales gas line that ruptured and released 557,240 pounds of volatile organic compounds (VOCs). Finally, TCEQ Region 16 - Laredo had one emissions incident that released 258,679 pounds of VOCs during pigging operations. Figure 27 depicts the total quantity of emissions in pounds reported to TCEO.

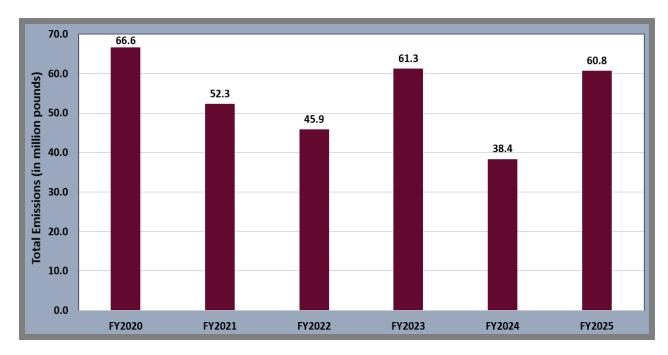


Figure 27 - Total Quantity of Emissions Reported Statewide by FY

FY 2024 quantities were revised to reflect final reportable emissions, including the multi-year release of 16.5 million pounds reported to TCEQ the last week of August 2024.

Table 7 depicts the total quantity of emissions in pounds per TCEQ region.

Table 7 – Total Quantity of Emissions Reported Statewide Under 30 TAC Chapter 101, Subchapter F, per TCEQ Region

TCEQ Region	FY2024	FY2025
Region 01 - Amarillo	1,885,802	1,342,561
Region 02 - Lubbock	1,831,591	10,502,936*
Region 03 - Abilene	35,506	557,940
Region 04 - DFW Metroplex	488,629	126,550
Region 05 - Tyler	208,598	21,584
Region 06 - El Paso	320,682	345,310
Region 07 - Midland	22,599,518	17,290,807
Region 08 - San Angelo	997,486	1,949,917
Region 09 - Waco	93,071	34,779
Region 10 - Beaumont	3,323,742	6,295,438
Region 11 - Austin	11,430	1,949
Region 12 - Houston	5,205,788	4,547,691
Region 13 - San Antonio	61,675	251,296
Region 14 - Corpus Christi	1,258,258	17,147,428
Region 15 - Harlingen	11,191	56,996
Region 16 - Laredo	56,963	328,412
Total	38,389,930	60,801,594

FY 2024 quantities were revised to reflect final reportable emissions, including the multi-year release of 16.5 million pounds reported to TCEQ the last week of August 2024.

The quantities of emissions are rounded to the nearest pound.

Opacity events are not included, as opacity is reported as a percentage.

^{*}This includes 25 events and 8.9 million pounds that were reported in fiscal 2025 but occurred in fiscal 2024.

Top Contributing Air Contaminants

Figure 28 displays the quantity of emissions by contaminant group for fiscal 2024 and fiscal 2025. Carbon monoxide (CO) had the highest reported quantity of the contaminants reported under 30 TAC Chapter 101, Subchapter F, for fiscal 2025, with 22.9 million pounds, followed by VOCs at 17.1 million pounds. The CO total includes 12.2 million pounds for the initial commissioning events in TCEQ Region 14 – Corpus Christi. There was an increase in the total amount of each contaminant released between fiscal 2024 and fiscal 2025; however, the quantity is on average with previous years.

Total VOCs include propane, natural gas, and highly reactive volatile organic compounds (HRVOCs), in addition to VOCs as defined in 30 TAC Section 101.1. HRVOCs include the following groups of contaminants: 1,3-butadiene, butene, ethylene, and propylene.

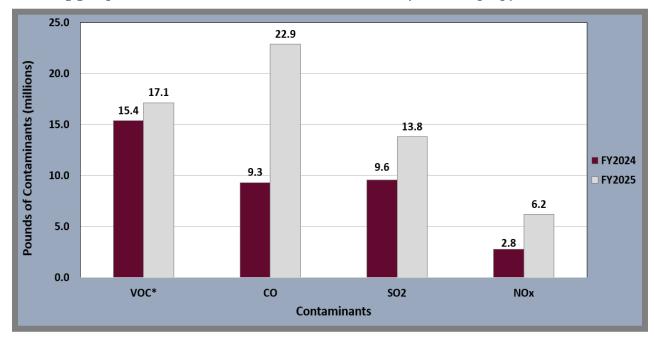


Figure 28 - Top Contributing Air Contaminants Reported Statewide by Pollutant

FY 2024 quantities were revised to reflect final reportable emissions, including the multi-year release of 16.5 million pounds reported to TCEQ the last week of August 2024.

The final reported quantities of emissions are included in the totals, where available. Initial reported quantities are included where final reports were not available at the time this report was prepared. The complete set of data related to the major contaminants released and reported in fiscal 2025 is recorded in Table 8.

^{*} VOC includes propane, natural gas, and HRVOC.

Table 8 - Total Quantity of Air Contaminants Reported Statewide by Pollutant

Contaminant Reported	Emissions Events	Scheduled Maintenance	Scheduled Startup	Scheduled Shutdown	Total
Volatile Organic Compounds (VOC)	15,770,287	572,874	745,612	49,343	17,138,116
Carbon monoxide (CO)	9,860,975	428,870	12,440,171	139,904	22,869,920
Sulfur dioxide (SO2)	13,280,981	404,841	82,521	6,133	13,774,476
Nitrogen oxides (NOX)	2,781,980	50,545	3,295,147	46,688	6,174,360
HRVOCs	Emissions Events	Scheduled Maintenance	Scheduled Startup	Scheduled Shutdown	Total
1,3 Butadienes	21,058	0	6,733	0	27,791
Butenes	51,455	0	1,693	0	53,148
Ethylene	417,223	5,630	72,337	0	495,190
Propylene	151,210	0	4,232	0	155,442
HRVOCs Total	640,946	5,630	84,995	0	731,571

HRVOCs are included in the VOC total.

The quantities of emissions are rounded to the nearest pound.

Emissions Incident Investigations

All emissions incidents that are reported to TCEQ are reviewed and evaluated. If a regulated entity claims an affirmative defense and the incident is not an Excessive Emissions Event (discussed further in the Excessive Emissions Events section), this review will also include an evaluation of the affirmative defense criteria in 30 TAC Section 101.222. In general, all emissions incidents that are above the reportable quantity for any constituent are investigated to determine root cause, review response activities, identify patterns of similar emissions incidents, and review preventive and corrective actions.

Figure 29, ordered by fiscal year, depicts the number of emissions incident investigations that include a review of the affirmative defense criteria. Investigations are not conducted until after the final report for the emissions incident is submitted, which in some instances may occur in the following fiscal year. Some investigations include multiple incidents.

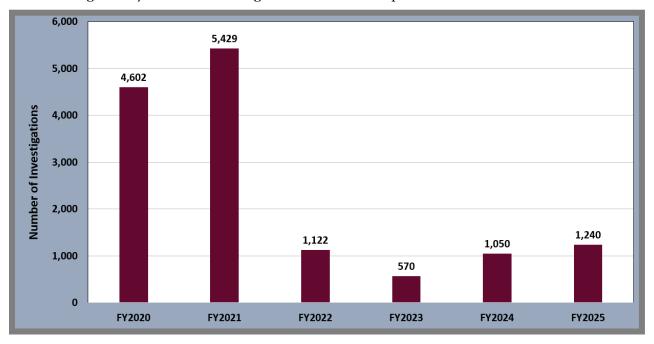


Figure 29 - Emissions Incident Investigations by FY

The total number of emissions incident investigations increased from 1,050 in fiscal 2024 to 1,240 in fiscal 2025. More investigations were conducted in fiscal 2024 and fiscal 2025 as a result of the new Emissions Event Review Section developing new processes and being fully staffed. However, the investigation numbers have been lower from fiscal 2022 through fiscal 2025 than in previous fiscal years for various reasons:

- Reorganization of the program.
- The "Find It and Fix It" initiative.
- Elimination of investigation backlogs in prior fiscal years.
- A decrease in the number of emissions incidents reported.

Emissions incidents received that were nonreportable were excluded from data for fiscal 2022-2025 though they had been included in previous reports. A nonreportable emissions incident is one that is below the reportable quantity or one that does not meet the definition (30 TAC Section 101.1) of an unauthorized emissions event, unplanned MSS activity, or excess opacity event. There were 716 investigations conducted to close received incidents that were later determined to be nonreportable incidents.

Of the investigations conducted to review affirmative defense claims, NOEs decreased from 273 in fiscal 2024 (26% of all approved investigations) to 201 in fiscal 2025 (16% of all approved investigations) and NOVs increased from 152 in fiscal 2024 (14% of all approved investigations) to 243 in fiscal 2025 (20% of all approved investigations). The TCEQ Enforcement Initiation Criteria²¹ (EIC) was updated in fiscal 2025, expanding the number of emissions incidents that could qualify for an NOV versus an NOE. Specifically, the criteria for NOVs and NOEs is now based on the quantity released relative to the individual contaminants' reportable quantity; emissions incidents exceeding the reportable quantity by a larger amount will receive an NOE and the smaller exceedances will receive an NOV. For more information, see EIC Categories A12.i(1) and B18.g(13).

The total number of incidents meeting the affirmative defense criteria increased from 60% in fiscal 2024 to 64% in fiscal 2025. This increase can be attributed to companies providing more detailed responses to support their claims of an affirmative defense as a result of the guidance provided by the agency. Additionally, efforts made by companies in the previous years to improve operations has resulted in a decrease in repeated issues and an increase in better reporting practices. Figure 30 shows the results of emissions incident investigations conducted in fiscal 2024 and fiscal 2025.

²¹ www.tceq.texas.gov/compliance/enforcement/eic.html

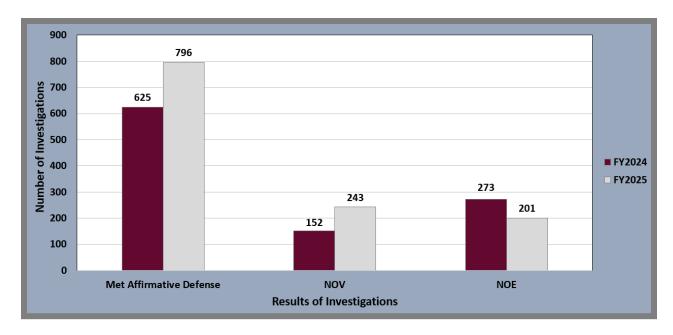


Figure 30 - Emissions Incident Investigation Results

An NOV or NOE may include multiple violations.

Table 9 provides the complete data set for results related to investigations in response to emissions events, scheduled MSS activities, and excess opacity events during fiscal 2025.

Table 9 - Emissions Incident Investigation Results by Incident Type

Incident Type	Met Affirmative Defense	NOV	NOE	Total Investigations
Emissions Events	713	221	195	1,129
Excess Opacity	60	11	0	71
Scheduled Maintenance	16	11	4	31
Scheduled Startup	4	0	2	6
Scheduled Shutdown	3	0	0	3
Total	796	243	201	1,240

Excessive Emissions Events

Emissions events are not authorized through the permitting process and are categorized as either an Excessive Emissions Event (EEE) or a Non-Excessive Emissions Event. Determining whether an emissions incident is excessive or non-excessive is made by evaluating six criteria:

- The frequency of the facility's (i.e., piece of equipment's) emissions incidents.
- The cause of the emissions incident.
- The quantity and impact on human health or the environment of the emissions incident.
- The duration of the emissions incident.
- The percentage of a facility's total annual operating hours during which emissions incidents occur.
- The need for MSS activities.

The number of EEE determinations decreased from 21 in fiscal 2024 to 11 in fiscal 2025. Figure 31 represents the total EEE determinations that were approved each fiscal over the past six fiscal years. Incidents associated with these determinations may have occurred in fiscal years prior to the fiscal year in which the determination was made. The 11 EEE determinations in fiscal 2025 were comprised of one incident that occurred in fiscal 2023, eight incidents in fiscal 2024, and two incidents in fiscal 2025.

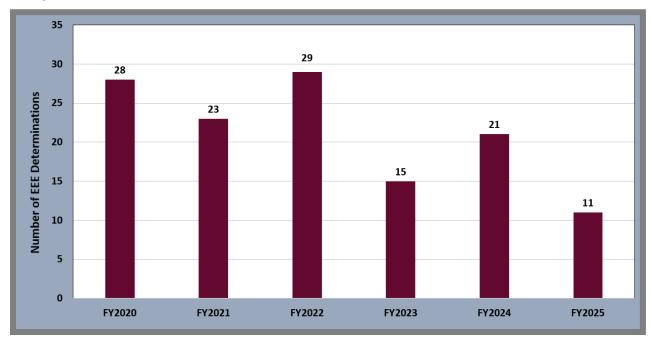


Figure 31 - Excessive Emissions Events by FY

If an emissions incident is determined to be excessive, the owner or operator must submit a Corrective Action Plan (CAP) within 60 days of receiving notification of the EEE determination. The CAP must identify the following:

- 1. The cause or causes of the emissions incident (including all contributing factors that led to the emissions incident).
- 2. The control devices or other measures that are reasonably designed to prevent or minimize similar emissions incidents in the future.
- 3. Operational changes the owner or operator will take to prevent or minimize similar emissions incidents in the future.
- 4. Time frames within which the owner or operator will implement the components of the CAP.

Aggregate Production Operations

TWC Chapter 28A requires that TCEQ conduct an annual survey to identify all active <u>aggregate production operations</u>²² (APOs) in the state, and to ensure each active APO is registered. TCEQ must also report the results of the survey, the number and general location of the registered APOs, the number of investigators trained in multiple areas related to the investigations, the number of investigations conducted, and the results of them. Additionally, TCEQ must conduct routine on-site investigations.

Training Program

The statute requires that APO inspections be conducted by investigators trained in all applicable regulatory requirements. TCEQ has implemented a training curriculum specific to the performance of APO investigations. In fiscal 2025 a total of 30 active investigators completed the required training and 11 active investigators were in the process of completing their training.

Registered Facilities

For fiscal 2025, 999 APOs have active registrations with TCEQ. The number of registered APOs per region is provided in Table 10.

Table 10 - Registered APOs p	per TCEQ	Region by FY
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TCEQ Region	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Region 01 - Amarillo	26	28	26	21	29	23
Region 02 - Lubbock	19	19	18	20	15	14
Region 03 - Abilene	60	62	63	66	59	53
Region 04 - DFW Metroplex	129	135	124	131	146	134
Region 05 - Tyler	40	37	37	29	30	34
Region 06 - El Paso	29	33	34	34	28	33
Region 07 - Midland	91	88	88	102	108	101
Region 08 - San Angelo	42	34	33	33	26	24
Region 09 - Waco	80	76	68	77	69	74
Region 10 - Beaumont	62	61	59	59	55	44
Region 11 - Austin	94	97	97	93	95	100
Region 12 - Houston	169	167	156	164	162	159
Region 13 - San Antonio	114	110	106	109	102	109
Region 14 - Corpus Christi	61	65	58	63	57	48
Region 15 - Harlingen	19	19	22	22	24	27
Region 16 - Laredo	21	18	20	15	23	22
Total	1,056	1,049	1,009	1,038	1,028	999

Investigations and Results

TCEQ conducted a survey of the state to identify all active APOs and to ensure that each active APO is registered with the commission. This survey utilized tools such as aerial imagery, contracted helicopter flyovers, and a review of TCEQ registration databases including the 999 active registrations. If an APO site's operational and registration status were unable to be

²² www.tceq.texas.gov/assistance/industry/aggregate-production

determined, on-site investigations were conducted. APO sites that had expired, cancelled, or withdrawn registration statuses were reviewed to confirm each site's operational status. A total of 19 active sites were identified that either were not registered or had an expired registration.

A total of 1,311 APO investigations were conducted in fiscal 2025 including 458 comprehensive investigations to meet statutory frequency requirements and 853 other survey activities and investigations, including complaints, reviews of unregistered sites, violation follow-ups, and other on-demand investigations. Table 11 displays the breakdown of comprehensive investigations by TCEQ regional office.

Table 11 - APO Comprehensive Investigations per TCEQ Region by FY

TCEQ Region	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Region 01 - Amarillo	7	8	13	8	14	13
Region 02 - Lubbock	10	3	9	9	7	7
Region 03 - Abilene	41	24	31	32	34	27
Region 04 - DFW Metroplex	12	15	43	38	63	61
Region 05 - Tyler	13	31	16	15	22	17
Region 06 - El Paso	6	3	13	15	16	15
Region 07 - Midland	4	49	32	22	46	48
Region 08 - San Angelo	19	18	17	12	17	14
Region 09 - Waco	45	46	33	33	38	30
Region 10 - Beaumont	40	16	29	29	26	23
Region 11 - Austin	36	15	34	43	44	39
Region 12 - Houston	37	59	74	64	81	78
Region 13 - San Antonio	51	45	54	49	48	39
Region 14 - Corpus Christi	15	28	20	28	36	29
Region 15 - Harlingen	8	1	7	5	12	9
Region 16 - Laredo	9	9	8	5	10	9
Total	353	370	433	407	514	458

These investigations resulted in 137 NOVs and 29 NOEs. This includes investigations at APO facilities that resulted in either an NOV or an NOE with one or more violations of a rule under TCEQ jurisdiction. However, violations cited may include other programs not directly related to 30 TAC Chapter 342.

In addition, 33 administrative orders were issued in fiscal 2025, including 19 administrative orders with violations for failure to register or renew an existing registration. There was a total of \$398,677 in assessed penalties associated with these orders. Table 12 lists the enforcement history for APOs for the past six fiscal years.

Table 12 - Enforcement by FY

FY	NOVs	NOEs	Administrative Orders Issued
2020	150	25	27
2021	99	20	15
2022	100	42	9
2023	140	37	25
2024	88	22	38
2025	137	29	33

Tier II Chemical Reporting Program

TCEQ oversees the Texas Tier II Chemical Reporting Program (Tier II Program) and is the state repository for hazardous chemical inventory reports (Texas Tier II Reports) that are required to be submitted under THSC Chapters 505, 506, and 507 (Community Right-to-Know Act²³).

Texas Tier II Reports are inventories that provide detailed information on hazardous substances or chemicals stored at a facility, as well as emergency contact information. Tier II Report information is used by emergency response personnel (fire, police, and emergency medical services) in responding to accidents and other community emergencies and by Local Emergency Planning Committees (LEPCs), who use the information for developing community emergency response plans.

Four types of Tier II Reports may be required when meeting or exceeding chemical thresholds:

- 1. **Tier II Annual Reports** Must be submitted between Jan. 1 and March 1 annually and include information on hazardous substances or chemicals stored at a facility during the previous calendar year.
- 2. **Tier II Update Reports** Required when information has changed on a previously submitted Tier II Report.
- 3. **Tier II Initial Reports** Required when new hazardous substances or chemicals are added at an existing facility, or a new facility begins storing hazardous substances or chemicals.
- 4. **Tier II Deficiency Correction Reports** Required when program area staff find noncompliance issues on a submitted Tier II Report that needs to be corrected.

Tier II Program Investigations

On average, TCEQ receives about 100,000 Tier II Reports each fiscal year. In fiscal 2025, the agency received 95,874 reports with 80,526 unique facility reports. Figure 32 summarizes the number of Tier II Reports received by fiscal year. The total number of Tier II Reports is higher than the number of unique Tier II facility reports because some facilities submit more than just their Annual Report (e.g., Update, Initial, or Deficiency Correction Reports) or have a change in ownership.

²³ www.tceq.texas.gov/permitting/tier2/laws-and-regulations.html

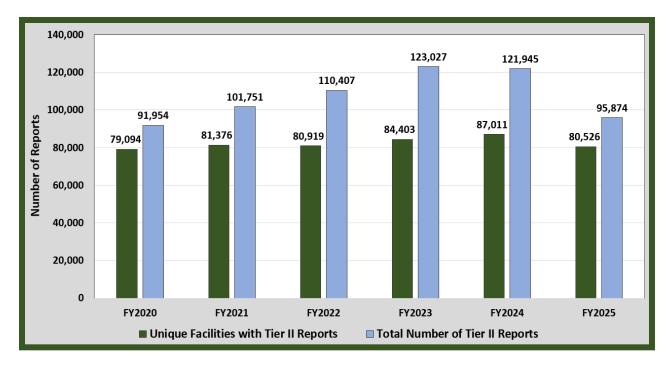


Figure 32 - Tier II Reports Received by FY

Tier II staff reviewed over 29% of all submitted reports and found deficiencies in approximately 4% of reports. In fiscal 2025, the team created an effective approach to pinpoint facilities that have never been reviewed before, enabling compliance reviews that strengthen oversite and accountability. The number of reports reviewed by staff varies annually and is dependent upon other team priorities and projects. In fiscal 2025, Tier II Program staff also managed the LEPC grant program to prioritize awards to first-time grantees that were unfunded and requesting items that preserve life and safety. A total of 25 grants were awarded in fiscal 2025. Tier II staff also took on researching Battery Energy Storage Sites (BESS) to determine their applicability to Tier II requirements and conducted outreach to obtain contact information for facilities in preparation for issuing guidance on Tier II reporting requirements. Figure 33 compares the number of Tier II Reports reviewed by fiscal year to the percentage found to be deficient.

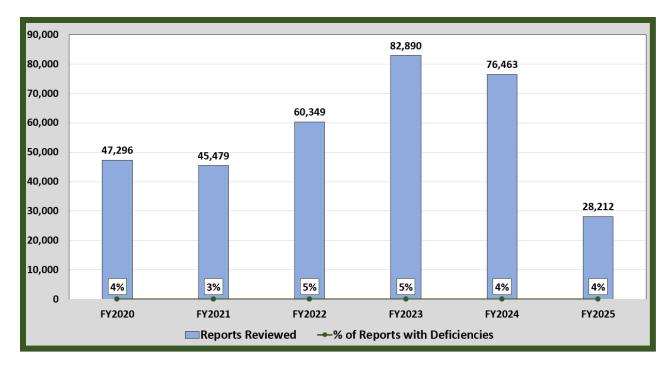


Figure 33 - Tier II Reviews by FY

TCEQ also conducts on-site investigations at Tier II facilities. In fiscal 2025, TCEQ conducted 69 on-site Tier II investigations and performed three Tier II record review investigations. Additionally, TCEQ conducted eight on-site investigations at ammonium nitrate (AN) facilities. The AN storage facility designation is specific to facilities meeting the requirements in Texas Agriculture Code, Section 63.151²⁴, and does not include all facilities reporting AN in Texas.

Tier II Program Customer Assistance

The Tier II Program also provides support to customers via email, phone calls, and online help forms to support the program. Figure 34 shows the number of customer contacts (emails, phone calls, and online help forms) received from customers by fiscal year. The reduction in customer contacts can likely be attributed to greater customer proficiency with the online system, coupled with the demonstrated effectiveness of the training program and guidance materials.

²⁴ statutes.capitol.texas.gov/Docs/AG/htm/AG.63.htm

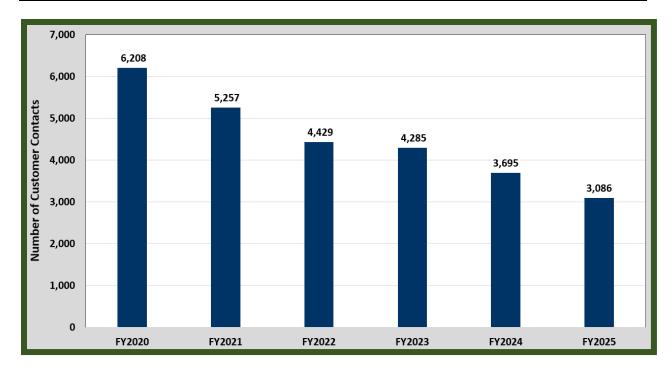


Figure 34 - Tier II Customer Contacts by FY

Tier II Program Fees

The statutes under the Texas Community Right to Know Act require a fee to be submitted with each Tier II Report. These fees are used to fund the Tier II Program and provide grants for LEPCs. In fiscal 2025, TCEQ received over \$1.8 million in fees (see Figure 35). The increase in revenues starting in fiscal 2021 was due to a restructuring of fee discounts that went into effect in November 2020, when amendments were adopted to the Tier II Rules in 30 TAC Chapter 325.

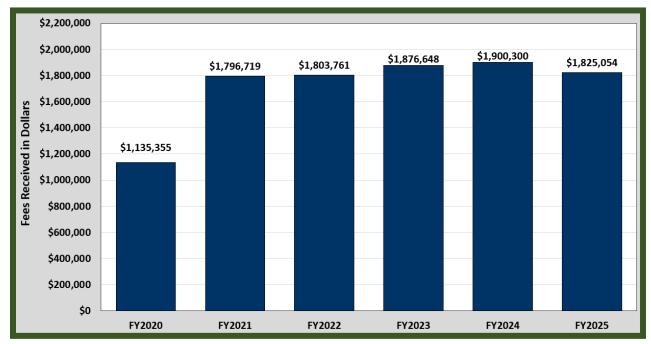


Figure 35 - Tier II Fees Received by FY

A summary of all Tier II program activities for the last six fiscal years is located in <u>Appendix E</u> (Summary of Tier II Activities by FY)²⁵.

Texas LEPC Grant Program

Under the Tier II Program, TCEQ is authorized to oversee the Texas LEPC Grant Program. LEPCs are largely unfunded, and the THSC authorizes up to 20% of chemical reporting fees to be awarded as grants to LEPCs to assist them in fulfilling their responsibilities under the Emergency Planning and Community Right-to-Know Act. The Tier II Program has awarded over \$5.3 million in grant funding to LEPCs since 2017 and is awarding \$509,965 in its fourth grant round in fiscal 2025 and fiscal 2026.

Results of Enforcement Actions

Since fiscal 1998, TCEQ has compiled statistical information to capture the results and environmental benefits of concluded enforcement actions initiated by TCEQ and from cases referred to the OAG. Once administrative orders and civil judgments are finalized, each case is analyzed to document if the enforcement action involved an impact or potential impact on human health protection, worker protection, or ecosystem protection. These impacts can include compliance actions that address risks posed to human health or the environment; training, or updates to operating procedures that reduce or eliminate the risk posed to workers; and compliance actions that prevent releases to the environment.

EPA's *Guide to Calculating Environmental Benefits from EPA Enforcement Cases: 2014 Update* and *Case Conclusion Data Sheet Training Booklet: November 2000* are used to classify the compliance actions of each enforcement case. A compliance action is any action that is taken by an entity in response to an issued administrative order or civil judgment that helps to return the facility to compliance, reduce or eliminate current or future threats to human health or the environment, or improves management of environmental programs at the facility. Compliance actions are broken into the following categories:

- **Pollution Reduction** Actions that result in the reduction or elimination of pollutants.
- **Pollution Prevention** Actions that result in preventing future releases of pollutants.
- Work Practices Actions that result in work practices that generate an environmental benefit that cannot always be quantified.

An enforcement case can have more than one compliance action. The data represented in this section is not a one-to-one ratio but rather a compilation of all compliance actions for every enforcement case. Therefore, the total number of compliance actions represented do not equal the total number of administrative orders and civil judgments for fiscal 2025.

²⁵ www.tceq.texas.gov/fy2025-summary-tier-ii-activities

In fiscal 2025, approximately 54% of administrative orders and civil judgments involved an impact to Human Health Protection, 29% involved an impact to Ecosystem Protection, and 16% involved an impact to Worker Protection.

Of these, there were **actual impacts** documented in orders and judgments:

- 75 for Human Health Protection
- 177 for Ecosystem Protection
- 23 for Worker Protection

There were also **potential impacts** documented in orders and judgments:

- 762 for Human Health Protection
- 277 for Ecosystem Protection
- 225 for Worker Protection

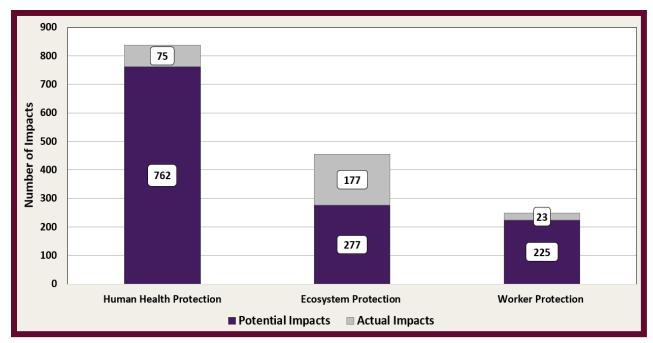


Figure 36 – Impact Analysis of Orders and Judgments in FY 2025 (Human Health and Environmental Protection)

Figure 37 depicts the number of orders and judgments for each compliance action category addressed by enforcement cases.

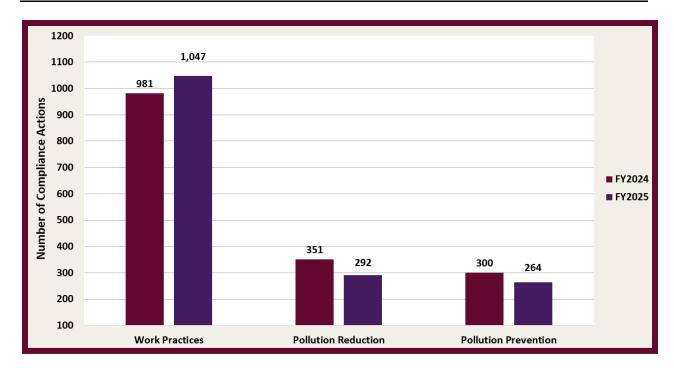


Figure 37 – Impact Analysis of Orders and Judgments (Compliance Actions)

Work practices are actions that a facility conducts to better manage their environmental program and to inform TCEQ and the public of their discharges or emissions. Examples of work practice actions include training, labeling, record-keeping, sampling, permitting, and reporting.

Pollution reduction actions are those that reduce or eliminate an on-going discharge, emission, or release of pollutants into the environment. Examples of pollution reduction actions include implementing best management practices to stop a discharge, waste disposal changes, equipment repairs, and changes to pollution-control technologies to reduce or eliminate emissions or discharges.

Pollution prevention actions apply to instances where there is no current release of pollutants, but a release could occur in the future without the enforcement action. These compliance actions are intended to prevent future releases. Examples of pollution prevention actions include proper waste containment, equipment maintenance and repair, and the installation of leak and release detection equipment.

For pollution reduction compliance actions, TCEQ documents the total quantity and type of pollutants that are reduced, expected to be reduced, or eliminated in response to an order or judgment. Table 13 provides a summary of the top pollutant reductions expected to occur through enforcement actions finalized in fiscal 2025. Overall, it is generally estimated that TCEQ final enforcement actions resulted in, or will result in, over 320 million pounds of pollutants eliminated or reduced, or the routes of exposure reduced, in the environment. In those cases where remediation was not yet completed, estimates of the contaminants to be removed were used. In those cases where emissions and discharges were reduced or eliminated by the enforcement action, the estimation was based upon an assumption that the violations would have continued at least for one year if TCEQ had not acted.

Table 13 - Top 10 Estimated Pollutant Reductions From Orders and Judgments Issued

POLLUTANT NAME	AMOUNT REDUCED (LBS)	MEDIUM
Asphalt (Shingles)	107,760,666	LAND
Municipal Solid Waste	95,825,821	AIR, LAND, WATER
Scrap Tires	82,740,036	AIR, LAND
Wastewater Discharge (Industrial and Municipal)	21,786,618	WATER
Carbon Monoxide	2,521,484	AIR
Chlorinated Water	2,195,221	WATER
Volatile Organic Compounds	827,187	AIR
Industrial Waste	777,399	LAND
Nitrogen Oxides	350,279	AIR
Oil and Grease	200,745	LAND, WATER

Links to Appendices

- Appendix A: Total Investigations
 www.tceq.texas.gov/fy2025-total-investigations
- Appendix B: On-Site Investigations
 www.tceq.texas.gov/fy2025-onsite-investigations
- Appendix C: Total Notices of Violation Issued www.tceq.texas.gov/fy2025-novs-issued
- Appendix D: FY 2025 Criminal Convictions
 www.tceq.texas.gov/fy2025-criminal-convictions
- Appendix E: Summary of Tier II Activities by FY www.tceq.texas.gov/fy2025-summary-tier-ii-activities

Other Resources

Annual Enforcement Reports for the Previous Five Fiscal Years

 $\underline{2024}^{26} \, | \underline{2023}^{27} \, | \, \underline{2022}^{28} \, | \, \underline{2021}^{29} \, | \, \underline{2020}^{30}$

²⁶ www.tceq.texas.gov/goto/enforcement-report-2024

²⁷ www.tceq.texas.gov/goto/enforcement-report-2023

²⁸ www.tceq.texas.gov/goto/enforcement-report-2022

²⁹ www.tceq.texas.gov/goto/enforcement-report-2021

³⁰ www.tceq.texas.gov/goto/enforcement-report-2020

Texas Open Data Portal

Visit the <u>Texas Open Data Portal</u>³¹ for datasets pertaining to:

- Administrative Orders Issued
- Civil Judgments Issued
- Supplemental Environmental Projects
- Compliance History
- Complaints

³¹ data.texas.gov/stories/s/frip-h998