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UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 6

1201 Elm Street, Suite 500  
Dallas, Texas 75270

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REGIONAL HEARING CLERK  
EPA REGION VI

In the Matter of

Gulf Coast Growth Ventures, LLC,

Respondent.

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Docket No. CAA-06-2022-3359

**CONSENT AGREEMENT AND FINAL ORDER**

**Preliminary Statement**

The U.S. Environmental Protection Agency, Region 6 (“EPA” or “Complainant”), and Gulf Coast Growth Ventures, LLC (“Respondent”) have agreed to a settlement of this action before the filing of a complaint, and thus this action is simultaneously commenced and concluded pursuant to Rules 22.13(b) and 22.18(b)(2) of the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits, 40 C.F.R. §§ 22.13(b) and 22.18(b)(2).

**Jurisdiction**

1. This proceeding is an administrative action for the assessment of civil penalties instituted pursuant to Section 113(d) of the Clean Air Act (“CAA”), 42 U.S.C. § 7413(d).
2. This Consent Agreement and Final Order (“CAFO”) serves as notice that the EPA has reason to believe that Respondent has violated the Chemical Accident Prevention Provisions in 40 C.F.R. Part 68, promulgated pursuant to Section 112(r) of the CAA, 42 U.S.C. § 7412(r), and that Respondent is therefore in violation of Section 112(r)(7) of the CAA, 42 U.S.C. § 7412(r)(7). Furthermore, this CAFO serves as notice pursuant to Section 113(d)(2)(A) of the

CAA, 42 U.S.C. § 7413(d)(2)(A), and 40 C.F.R. § 22.34, of the EPA's intent to issue an order assessing penalties for these violations.

### **Parties**

3. Complainant is the Director of the Enforcement and Compliance Assurance Division of EPA, Region 6, as duly delegated by the Administrator of the EPA and the Regional Administrator, EPA, Region 6.

4. Respondent is Gulf Coast Growth Ventures, LLC, a company formed in the state of Texas and conducting business in the state of Texas.

### **Statutory and Regulatory Background**

5. On November 15, 1990, the President signed into law the CAA Amendments of 1990. The Amendments added Section 112(r) to Title I of the CAA, 42 U.S.C. § 7412(r). The objective of Section 112(r) is to prevent the accidental release and to minimize the consequences of any such release of any substance listed pursuant to Section 112(r)(3) of the CAA, 42 U.S.C. § 7412(r)(3), or any other extremely hazardous substance.

6. Section 112(r)(3) of the CAA, 42 U.S.C. § 7412(r)(3), requires the Administrator to promulgate a list of regulated substances which, in the case of an accidental release, are known to cause or may reasonably be anticipated to cause death, injury, or serious adverse effects to human health or the environment. Section 112(r)(5) of the CAA, 42 U.S.C. § 7412(r)(5), requires the Administrator to establish a threshold quantity for any substance listed pursuant to Section 112(r)(3) of the CAA, 42 U.S.C. § 7412(r)(3). The list of regulated substances and respective threshold quantities is codified at 40 C.F.R. § 68.130.

7. Section 112(r)(7) of the CAA, 42 U.S.C. § 7412(r)(7), requires the Administrator to promulgate regulations that address release prevention, detection, and correction requirements

for stationary sources with threshold quantities of regulated substances listed pursuant to Section 112(r)(3) of the CAA, 42 U.S.C. § 7412(r)(3). On June 20, 1996, EPA promulgated a final rule known as the Risk Management Program, 40 C.F.R. Part 68 – Chemical Accident Prevention Provisions, which implements Section 112(r)(7) of the CAA, 42 U.S.C. § 7412(r)(7).

8. The regulations at 40 C.F.R. Part 68 require owners and operators to develop and implement a Risk Management Program at each stationary source with over a threshold quantity of regulated substances. The Risk Management Program must include, among other things, a hazard assessment, a prevention program, and an emergency response program. The Risk Management Program is described in a Risk Management Plan (RMP) that must be submitted to the EPA.

9. Pursuant to Section 112(r)(7) of the CAA, 42 U.S.C. § 7412(r)(7), and 40 C.F.R. § 68.150, an RMP must be submitted for all covered processes by the owner or operator of a stationary source subject to 40 C.F.R. Part 68 no later than the latter of June 21, 1999, or the date on which a regulated substance is first present above the threshold quantity in a process.

10. The regulations at 40 C.F.R. § 68.10 set forth how the Chemical Accident Prevention Provisions of 40 C.F.R. Part 68 apply to each program level of covered processes. Pursuant to 40 C.F.R. § 68.10(i), a covered process is subject to Program 3 requirements if the process does not meet the requirements of Program 1, as described in 40 C.F.R. § 68.10(g), and if it is in a specified North American Industrial Classification System code or is subject to the Occupational Safety and Health Administration (OSHA) process safety management standard, 29 C.F.R. § 1910.119.

11. Section 113(d) of the CAA, 42 U.S.C. § 7413(d), states that the Administrator may issue an administrative order against any person assessing a civil administrative penalty of

up to \$25,000 per day of violation whenever, on the basis of any available information, the Administrator finds that such person has violated or is violating any requirement or prohibition of Section 112(r) of the CAA, 42 U.S.C. § 7412(r), and its implementing regulations. The Debt Collection Improvement Act of 1996, 31 U.S.C. § 3701, as amended, and the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015, 28 U.S.C. § 2461, and implementing regulations at 40 C.F.R. Part 19, increased these statutory maximum penalties to \$37,500 for violations that occurred before November 2, 2015, and to \$51,796 for violations that occur after November 2, 2015, and are assessed after January 12, 2022.

### **Definitions**

12. Section 302(e) of the CAA, 42 U.S.C. § 7602(e), defines “person” to include any individual, corporation, partnership, association, State, municipality, political subdivision of a State, and any agency department, or instrumentality of the United States and any officer, agent, or employee thereof.

13. Section 112(r)(2)(A) of the CAA, 42 U.S.C. § 7412(r)(2)(A), and the regulation at 40 C.F.R. § 68.3 defines “accidental release” as an unanticipated emission of a regulated substance or other extremely hazardous substance into the ambient air from a stationary source.

14. Section 112(r)(2)(C) of the CAA, 42 U.S.C. § 7412(r)(2)(C), and the regulation at 40 C.F.R. § 68.3 defines “stationary source,” in part, as any buildings, structures, equipment, installations or substance-emitting stationary activities which belong to the same industrial group, which are located on one or more contiguous properties, which are under the control of the same person (or persons under common control), and from which an accidental release may occur.

15. Section 112(r)(2)(B) of the CAA, 42 U.S.C. § 7412(r)(2)(B), and the regulation at

40 C.F.R. § 68.3 define “regulated substance” as any substance listed pursuant to Section 112(r)(3) of the CAA, as amended, in 40 C.F.R. § 68.130.

16. The regulation at 40 C.F.R. § 68.3 defines “threshold quantity” as the quantity specified for regulated substances pursuant to Section 112(r)(5) of the CAA, as amended, listed in 40 C.F.R. § 68.130 and determined to be present at a stationary source as specified in 40 C.F.R. § 68.115.

17. The regulation at 40 C.F.R. § 68.3 defines “process” as any activity involving a regulated substance including any use, storage, manufacturing, handling or on-site movement of such substances, or combination of these activities. For the purposes of this definition, any group of vessels that are interconnected, or separate vessels that are located such that a regulated substance could be involved in a potential release, shall be considered a single process.

18. The regulation at 40 C.F.R. § 68.3 defines “covered process” as a process that has a regulated substance present in more than a threshold quantity as determined under 40 C.F.R. § 68.115.

#### **EPA Findings of Fact and Conclusions of Law**

19. Respondent is, and at all times referred to herein was, a “person” as defined by Section 302(e) of the CAA, 42 U.S.C. § 7602(e).

20. Respondent is the owner and operator of a facility located at: 4589 FM 2986, Gregory, TX 78359 (the “Facility”).

21. Incidents at the Facility that occurred on December 20, 2021, and May 3, 2022, resulted in accidental releases (the “Incidents”). Pursuant to Section 114 of the CAA, 42 U.S.C. § 7414, the EPA subsequently requested, and Respondent provided, documentation and information concerning the Incidents and Respondent’s compliance with Section 112(r) of the

CAA, 42 U.S.C. § 7412(r), and 40 C.F.R. Part 68 (the “Investigation”).

22. On April 11, 2022, the EPA sent Respondent a Notice of Potential Violation and Opportunity to Confer letter. On June 24 and August 9, 2022, the EPA responded to the documentation and information received from Respondent as a result of the opportunity to confer and articulated the EPA’s position concerning Respondent’s compliance with Section 112(r) of the CAA, 42 U.S.C. § 7412(r).

23. The Facility is a “stationary source” pursuant to Section 112(r)(2)(C) of the CAA, 42 U.S.C. § 7412(r)(2)(C), and the regulation at 40 C.F.R. § 68.3.

24. Respondent has an olefins unit process at the Facility, meeting the definition of “process”, as defined by 40 C.F.R. § 68.3.

25. Propadiene, propylene, propane, vinyl acetylene, 1,3 butadiene, 1-butene, 2-butene-cis, butane, isoprene, isopentane, and 1-pentene (the “RMP Listed Chemicals”) are each a “regulated substance” pursuant to Section 112(r)(2)(B) of the CAA, 42 U.S.C. § 7412(r)(2)(B), and the regulation at 40 C.F.R. § 68.3. The threshold quantity for each of the RMP Listed Chemicals, as listed in 40 C.F.R. § 68.130, is 10,000 pounds.

26. Respondent has greater than a threshold quantity of the RMP Listed Chemicals, in a process at the Facility, which meets the definition of “covered process” as defined by 40 C.F.R. § 68.3.

27. From the time Respondent first had on-site greater than a threshold quantity of the RMP Listed Chemicals in a process, Respondent was subject to the requirements of Section 112(r)(7) of the CAA, 42 U.S.C. § 7412(r)(7), and 40 C.F.R. Part 68 because it was the owner or operator of a stationary source that had more than a threshold quantity of a regulated substance in a process.



28. From the time Respondent first had on-site greater than a threshold quantity of the RMP Listed Chemicals in a process, Respondent was required to submit an RMP pursuant to 40 C.F.R. § 68.12(a) and comply with the Program 3 prevention requirements because pursuant to 40 C.F.R. § 68.10(i), the covered process at the Facility did not meet the eligibility requirements of Program 1 or Program 2, is subject to Occupational Safety and Health Administration requirements for Process Safety Management pursuant to 29 C.F.R. 1910.119, and is in North American Industry Classification System code 325211.

**EPA Findings of Violation**

29. The facts stated in the EPA Findings of Fact and Conclusions of Law above are herein incorporated.

30. Complainant hereby states and alleges that Respondent has violated the CAA and federal regulations promulgated thereunder as follows:

**Count 1 – Operating Procedures**

31. The regulation at 40 C.F.R. § 68.12(d)(3) requires the owner or operator of a stationary source with a process subject to Program 3 to implement the prevention requirements of 40 C.F.R. §§ 68.65 through 68.87. Pursuant to 40 C.F.R. § 68.69(a)(1)(iii), (a)(2) and (a)(3)(v), the owner or operator shall develop and implement written operating procedures that provide clear instructions for safely conducting activities involved in each covered process consistent with the process safety information. The written operating procedures shall include the following elements: steps for temporary operations; operating limits and the consequences of deviation, and steps required to correct or avoid deviation; and safety considerations regarding any special or unique hazards.

32. For the December 20, 2021 incident, GCGV's flare drum pump out procedure

failed to provide clear instructions for safely conducting activities related to sending light hydrocarbons to the floating roof ATM slop tank (ZTTK04), did not provide instruction on how to properly heat the material in the warm flare drum (UFD02) to remove light hydrocarbons prior to pumping to the slop tank, did not include the consequences of deviating from the procedure, and did not include the potential risks and hazards for sending light hydrocarbons from the UFD02 flare drum to the ZTTK04 floating roof ATM slop tank.

33. Respondent's failure to develop and implement written operating procedures that provide clear instructions for safely conducting activities involved in each covered process, consistent with the process safety information pursuant to 40 C.F.R. § 68.69(a)(1)(iii), (a)(2) and (a)(3)(v), and as required by 40 C.F.R. § 68.12(d)(3), is a violation of Section 112(r)(7) of the CAA, 42 U.S.C. § 7412(r)(7).

#### **Count 2 – Mechanical Integrity**

34. The regulation at 40 C.F.R. § 68.12(d)(3) requires the owner or operator of a stationary source with a process subject to Program 3 to implement the prevention requirements of 40 C.F.R. §§ 68.65 through 68.87. Pursuant to 40 C.F.R. § 68.73(f)(2), appropriate quality assurance checks and inspections shall be performed to assure that equipment is installed properly and consistent with design specifications and the manufacturer's instructions.

35. For the May 3, 2022, incident, Respondent failed to conduct appropriate checks and inspection to assure that the bottom drain valves (bull plugs) for two (2) frac tanks had been tightened adequately when the tanks were delivered to the site, and which was also a responsibility required in the supplier's contract specifications to deliver equipment in a safe and operable condition.

36. Respondent's failure to conduct appropriate quality assurance checks and



inspection on the two frac tanks to assure that the equipment was installed properly in safe and operable condition, pursuant to 40 C.F.R. § 68.73(f)(2), as required by 40 C.F.R. § 68.12(d)(3), is a violation of Section 112(r)(7) of the CAA, 42 U.S.C. § 7412(r)(7).

**CONSENT AGREEMENT**

37. For the purpose of this proceeding, as required by 40 C.F.R. § 22.18(b)(2),

Respondent:

- a. admits the jurisdictional allegations set forth herein;
- b. neither admits nor denies the specific factual allegations stated herein;
- c. consents to the assessment of a civil penalty, as stated herein;
- d. consents to the performance of the Supplemental Environmental Project (SEP) set forth herein;
- e. consents to the issuance of any specified compliance or corrective action order;
- f. consents to any conditions specified herein;
- g. consents to any stated Permit Action;
- h. waives any right to contest the allegations set forth herein; and
- i. waives its rights to appeal the Final Order accompanying this Consent Agreement.

38. Respondent consents to the issuance of this CAFO and consents for the purposes of settlement to the payment of the civil penalty specified herein.

39. Respondent and EPA agree that the CAFO resolves the violations alleged herein and agree to conciliate this matter without the necessity of a formal hearing and to bear their respective costs and attorneys' fees.

**Penalty Payment**

40. Respondent agrees that, in settlement of the claims alleged herein, Respondent shall pay a civil penalty of Nine Thousand Three Hundred Twenty-Seven Dollars (\$9,327.00), as set forth below.

41. Respondent shall pay the penalty within thirty (30) days of the effective date of the Final Order. Such payment shall identify Respondent by name and docket number and shall be by certified or cashier's check made payable to the "United States Treasury" and sent to:

U.S. Environmental Protection Agency  
Fines and Penalties  
Cincinnati Finance Center  
PO Box 979077  
St. Louis, Missouri 63197-9000

or by alternate payment method, such as electronic funds transfer, described at

*<http://www.epa.gov/financial/makepayment>*.

42. A copy of the check or other information confirming payment shall simultaneously be sent via email correspondence to the following:

Lorena S. Vaughn  
Regional Hearing Clerk  
U.S. Environmental Protection Agency, Region 6  
1201 Elm Street, Suite 500 (ORC)  
Dallas, Texas 75270-2102  
vaughn.loreana@epa.gov; and

Diana Lundelius  
Enforcement and Compliance Assurance Division  
Air Enforcement Branch  
U.S. Environmental Protection Agency, Region 6  
1201 Elm Street, Suite 500 (ECDAC)  
Dallas, Texas 75270-2101  
lundelius.diana@epa.gov

43. Respondent understands that its failure to timely pay any portion of the civil penalty may result in the commencement of a civil action in Federal District Court to recover the

full remaining balance, along with penalties and accumulated interest. In such case, interest shall begin to accrue on a civil or stipulated penalty from the date of delinquency until such civil or stipulated penalty and any accrued interest are paid in full. 31 C.F.R. § 901.9(b)(1). Interest will be assessed at a rate of the United States Treasury Tax and loan rates in accordance with 31 U.S.C. § 3717. Additionally, a charge will be assessed to cover the costs of debt collection including processing and handling costs, and a non-payment penalty charge of six percent (6%) per year compounded annually will be assessed on any portion of the debt which remains delinquent more than ninety (90) days after payment is due. 31 U.S.C. § 3717(e)(2).

**Supplemental Environmental Project**

44. Respondent shall implement a supplemental environmental project ("SEP"), which the parties agree is intended to secure significant environmental or public health protection and improvement. The SEP involves purchase and delivery of an air monitoring kit with daily calibration test station and 17 sets of new National Fire Protection Association-compliant emergency response bunker gear to the City of Gregory Volunteer Fire Department. The emergency response equipment SEP and Respondent's costs of performing the SEP are described in more detail in Attachment A to this CAFO. The emergency response equipment SEP will be completed no later than twelve (12) months from the effective date of this CAFO.

45. The SEP advances at least one of the objectives of 112(r) of the CAA, 42 U.S.C. § 7412(r), by supporting first responders to identify hazards which may result from release of hazardous substances and minimize consequences of accidental releases. The SEP is not inconsistent with any provision of 112(r) of the CAA, 42 U.S.C. § 7412(r). The SEP relates to the alleged violation(s) and is designed to reduce the adverse impact to public health and/or the environment to which the alleged violations contribute, specifically by replacing the City of

Gregory Volunteer Fire Department's outdated equipment with NFPA compliant responder gear needed to serve its residents and community in responding to fires, public safety, medical emergencies, and disasters.

46. The Respondent is responsible for the satisfactory completion of the SEP described in the foregoing Paragraph 44 and Attachment A. The total expenditure for the SEP described in Paragraph 44 shall be no less than Forty-Three Thousand Three Hundred Twenty-Three Dollars (\$43,323.00). The Respondent hereby certifies that the cost information provided to EPA in connection with EPA's approval of the SEP is complete and accurate, and that the Respondent in good faith estimates that the cost to implement the SEP is Forty-Three Thousand Three Hundred Twenty-Three Dollars (\$43,323.00). The Respondent shall include documentation of the expenditures made in connection with the SEP as part of the SEP Completion Report.

47. The Respondent hereby certifies that as of the date of this CAFO, the Respondent is not required to perform or develop the SEP by any federal, state, or local law or regulation; nor is the Respondent required to perform or develop the SEP by any other agreement, grant, or as injunctive relief in this or any other case. The Respondent further certifies that the SEP is not a project that the Respondent was planning or intending to construct, perform, or implement other than in settlement of this action. Finally, the Respondent certifies that it has not received, and is not presently negotiating to receive credit in any other enforcement action for this SEP, and that the Respondent will not receive reimbursement for any portion of the SEP from another person or entity.

48. The Respondent also certifies that it is not a party to any open federal financial assistance transaction that is funding or could fund the same activity as the SEP described in

Paragraph 44 and Attachment A.

49. Any public statement, oral or written, in print, film, or other media, made by the Respondent making reference to the SEP under this CAFO from the date of its execution of this CAFO shall include the following language: "This project was undertaken in connection with the settlement of an enforcement action against Gulf Coast Growth Ventures, LLC taken on behalf of the EPA to enforce federal laws."

50. For federal income tax purposes, the Respondent agrees that it will neither capitalize into inventory or basis nor deduct any costs or expenditures incurred in performing the SEP.

#### **SEP Completion Report**

51. The Respondent shall submit a SEP Completion Report to EPA within thirty (30) days after completion of the SEP under this CAFO. The SEP Completion Report shall contain the following information:

- A. A detailed description of the SEP as implemented;
- B. A description of any operating or logistical problems encountered and the solutions thereto;
- C. Itemized final costs with copies of receipts for all expenditures;
- D. Certification that the SEP has been fully implemented pursuant to the provisions of this CAFO; and,
- E. A description of the environmental, emergency preparedness, and/or public health benefits resulting from implementation of the SEP.

52. The Respondent agrees that failure to timely submit the final SEP Completion Report shall be deemed a violation of this CAFO subject to stipulated penalties pursuant to

Paragraphs 57-61.

53. In itemizing its costs in the SEP Completion Report, Respondent shall clearly identify and provide acceptable documentation for all eligible SEP costs. Where the SEP Completion Report includes costs not eligible for SEP credit, those costs must be clearly identified as such. For purposes of this Paragraph, “acceptable documentation” includes invoices, purchase orders, or other documentation that specifically identifies and itemizes the individual costs of the goods and/or services for which payment is being made. Canceled drafts do not constitute acceptable documentation unless such drafts specifically identify and itemize the individual costs of the goods and/or services for which payment is being made.

54. The Respondent shall submit the following certification in the SEP Completion Report, signed by a responsible corporate official:

I certify under penalty of law that I have examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the 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.

55. After receipt of the SEP Completion Report described in Paragraph 51 above, EPA will notify the Respondent, in writing: (a) regarding any deficiencies in the SEP Report itself along with a grant of an additional thirty (30) days for Respondent to correct any deficiencies; or (b) to indicate that EPA concludes that the SEP has been completed satisfactorily; or (c) to determine that the SEP has not been completed satisfactorily and seek stipulated penalties in accordance with Paragraphs 57-61 below.

56. If EPA elects to exercise option (a) in Paragraph 55 above, i.e., if the SEP Report is determined to be deficient but EPA has not yet made a final determination about the adequacy of SEP completion itself, then EPA shall permit the Respondent the opportunity to object in



writing to the notification of deficiency given pursuant to Paragraph 55 within fifteen (15) days of receipt of such notification. EPA and the Respondent shall have an additional thirty (30) days from the receipt by EPA of the notification of objection to reach agreement on changes necessary to the SEP Report. If agreement cannot be reached on any such issue within this thirty (30) day period, EPA shall provide a written statement of its decision on adequacy of the completion of the SEP to Respondent, which decision shall be final and binding upon the Respondent. The Respondent agrees to comply with any requirements imposed by EPA necessary to comply with the terms of this CAFO. In the event the SEP is not completed as reasonably contemplated herein, stipulated penalties shall be due and payable by Respondent to EPA in accordance with Paragraphs 57-61 herein.

**Stipulated Penalties for Failure to Complete SEP/Failure to Spend Agreed-On Amount**

57. In the event that the Respondent fails to comply with any of the terms or provisions of this CAFO relating to the performance of the SEP described in Paragraph 44 and Attachment A of this CAFO and/or to the extent that the actual expenditures for the SEP does not equal or exceed the cost of the SEP described in Paragraph 46 above, the Respondent shall be liable for stipulated penalties according to the provisions set forth below:

A. Except as provided in subparagraph (B) immediately below, if the SEP has not been completed, or has not been completed satisfactorily, pursuant to this CAFO, the Respondent shall pay a stipulated penalty to the United States in the amount of \$43,323.00.

B. If the SEP is not completed in accordance with Paragraph 44 and Attachment A, but EPA determines that the Respondent: a) made good faith and timely efforts to complete the project; and b) certifies, with supporting documentation, that at least 95 percent of the

amount of money which was required to be spent was expended on the SEP, the Respondent shall not be liable for any stipulated penalty.

C. If the SEP is completed in accordance with Paragraph 44 and Attachment A, but the Respondent spent less than 95 percent of the amount of money required to be spent for the project, the Respondent shall pay a stipulated penalty, along with accrued interest, to the United States that shall reflect, dollar for dollar, the difference between the cost expended on the SEP and the agreed cost of \$43,323.00.

D. If the Respondent fails to timely complete the SEP (not including the SEP Completion Report) for any reason, the Respondent shall pay stipulated penalties as follows:

<u>Period of Noncompliance</u>	<u>Penalty Per Violation Per Day</u>
1st through 15th day	\$ 500
16th through 30th day	\$ 1,000
31st day and beyond	\$ 2,500

E. For failure to submit the SEP Completion Report required by Paragraph 51 above, the Respondent shall pay a stipulated penalty in the amount of \$500 for each day after the report was originally due, until the report is submitted.

58. The determinations of whether the SEP has been satisfactorily completed, and whether the Respondent has made a good faith, timely effort to implement the SEP shall be in the sole determination of EPA.

59. Stipulated penalties for Paragraphs 57.D and 57.E above shall begin to accrue on the day after performance is due and shall continue to accrue through the final day of the completion of the activity.

60. Respondent shall pay stipulated penalties not more than thirty (30) days after receipt of written demand by EPA for such penalties. Method of payment shall be in accordance with the provisions of Paragraphs 41-42 herein.

61. The EPA may, in its unreviewable exercise of its discretion, reduce or waive stipulated penalties otherwise due under this CAFO.

**Dispute Resolution**

62. If the Respondent objects to any decision or directive of EPA, the Respondent shall notify the following persons in writing of its objections, and the basis for those objections, within fifteen (15) calendar days of receipt of EPA's decision or directive:

Chief, Chemical Accident Enforcement Section  
Compliance Assurance and Enforcement Division  
U.S. EPA - Region 6  
1201 Elm St, Suite 500  
Dallas, TX 75270-2101

Chief, RCRA & Toxics Enforcement Branch  
Office of Regional Counsel  
U.S. EPA - Region 6  
1201 Elm St., Suite 500  
Dallas, TX 75270-2101

63. The Chemical Accident Enforcement Section Chief (Chief) or his designee, and the Respondent shall then have an additional fifteen (15) calendar days from receipt by EPA of the Respondent's written objections to attempt to resolve the dispute. If an agreement is reached between the Chief and the Respondent, the agreement shall be reduced to writing and signed by the Chief and the Respondent and incorporated by reference into this CAFO.

64. If no agreement is reached between the Chief and the Respondent within that time period, the dispute shall be submitted to the Director of the Compliance Assurance and Enforcement Division (Division Director) or his designee. The Division Director and the

Respondent shall then have a second 15-day period to resolve the dispute. If an agreement is reached between the Division Director and the Respondent, the resolution shall be reduced to writing and signed by the Division Director and Respondent and incorporated by reference into this CAFO. If the Division Director and the Respondent are unable to reach agreement within this second 15-day period, the Division Director shall provide a written statement of EPA's decision to the Respondent, which shall be binding upon the Respondent and incorporated by reference into the CAFO.

**Notification**

65. Unless otherwise specified elsewhere in this CAFO, whenever notice is required to be given, whenever a report or other document is required to be forwarded by one party to another, or whenever a submission or demonstration is required to be made, it shall be directed to the individuals specified below at the electronic email addresses given (in addition to any action specified by law or regulation), unless these individuals or their successors give notice in writing to the other parties that another individual has been designated to receive the communication:

EPA: Diana Lundelius  
Enforcement and Compliance Assurance Division  
Air Enforcement Branch  
U.S. Environmental Protection Agency, Region 6  
1201 Elm Street, Suite 500 (ECDAC)  
Dallas, Texas 75270-2101  
lundelius.diana@epa.gov

Respondent: Lisa Dyar  
Partner, McGinnis Lochridge  
1111 W. 6th St., Bldg. B, Ste. 400  
Austin, TX 78703  
ldyar@mcginnislaw.com

**Modification**

66. The terms, conditions, and compliance requirements of this CAFO may not be

modified or amended except as otherwise specified in this CAFO, or upon the written agreement of EPA and Respondent, and such modification or amendment being filed with the Regional Hearing Clerk.

**Termination**

67. At such time as Respondent believes that it has complied with all terms and conditions of this CAFO, Respondent may request that EPA advise whether this CAFO has been satisfied and terminated. EPA will respond to said request as expeditiously as possible. This CAFO shall terminate when all actions required to be taken by this CAFO have been completed, and Respondent has been notified by the EPA in writing that this CAFO has been satisfied and terminated.

**No EPA Liability**

68. Neither EPA nor the United States Government shall be liable for any injuries or damages to persons or property resulting from acts or omissions of the Respondent, their officers, directors, employees, agents, receivers, trustees, successors, assigns or contractors in carrying out activities pursuant to this CAFO, nor shall the EPA or the United States Government be held out as a party to any contract entered into by the Respondent in carrying out activities pursuant to this CAFO.

**Effect of Settlement and Reservation of Rights**

69. Full payment of the penalty proposed in this Consent Agreement shall only resolve Respondent's liability for federal civil penalties for the violations alleged herein. Complainant reserves the right to take any enforcement action with respect to any other violations of the CAA or any other applicable law.

70. The effect of settlement described in the immediately preceding paragraph is

conditioned upon the accuracy of Respondent's representations to the EPA, as memorialized in paragraph directly below.

71. Full payment of the penalty proposed in this Consent Agreement shall not in any case affect the right of the Agency or the United States to pursue appropriate injunctive or other equitable relief or criminal sanctions for any violations of law. This Consent Agreement and Final Order does not waive, extinguish, or otherwise affect Respondent's obligation to comply with all applicable provisions of the CAA and regulations promulgated thereunder.

72. Complainant reserves the right to enforce the terms and conditions of this CAFO.

**General Provisions**

73. By signing this Consent Agreement, the undersigned representative of Respondent certifies that it is fully authorized to execute and enter into the terms and conditions of this Consent Agreement and has the legal capacity to bind the party it represents to this Consent Agreement.

74. This Consent Agreement shall not dispose of the proceeding without a final order from the Regional Judicial Officer or Regional Administrator ratifying the terms of this Consent Agreement. This CAFO shall be effective upon filing of the Final Order by the Regional Hearing Clerk for EPA, Region 6. Unless otherwise stated, all time periods stated herein shall be calculated in calendar days from such date.

75. The penalty specified herein shall represent civil penalties assessed by EPA and shall not be deductible for purposes of Federal, State, and local taxes.

76. This CAFO shall apply to and be binding upon Respondent and Respondent's agents, successors and/or assigns. Respondent shall ensure that all contractors, employees, consultants, firms, or other persons or entities acting for Respondent with respect to matters



included herein comply with the terms of this CAFO.

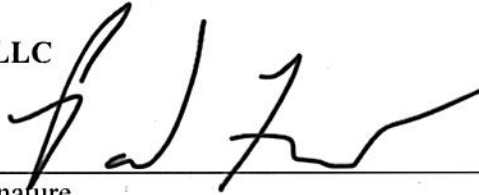
77. The EPA and Respondent agree to the use of electronic signatures for this matter pursuant to 40 C.F.R. § 22.6. The EPA and Respondent further agree to electronic service of this CAFO by email to the following:

To EPA: *George.Elizabeth.A@epa.gov*

To Respondent: *ldyar@mcginnislaw.com*

**RESPONDENT:**  
**GULF COAST GROWTH VENTURES, LLC**

Date: Nov 1, 2022



Signature

Paul Fritsch

Print Name

President

Title

**COMPLAINANT:**  
**U.S. ENVIRONMENTAL PROTECTION AGENCY**



Digitally signed by CHERYL  
SEAGER  
Date: 2022.11.01 17:26:59  
-05'00'

Cheryl T. Seager  
Director  
Enforcement and  
Compliance Assurance Division  
U.S. EPA, Region 6

**FINAL ORDER**

Pursuant to Section 113(d) of the CAA, 42 U.S.C. § 7413(d), and the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits, 40 C.F.R. Part 22, the foregoing Consent Agreement resolving this matter is hereby ratified and incorporated by reference into this Final Order.

Respondent is ORDERED to comply with all of the terms of the Consent Agreement. In accordance with 40 C.F.R. § 22.31(b), the effective date of the foregoing Consent Agreement and this Final Order is the date on which this Final Order is filed with the Regional Hearing Clerk.

This Final Order shall resolve only those causes of action alleged in the Consent Agreement. Nothing in this Final Order shall be construed to waive, extinguish, or otherwise affect Respondent's (or its officers, agents, servants, employees, successors, or assigns) obligation to comply with all applicable federal, state, and local statutes and regulations, including the regulations that were the subject of this action.

IT IS SO ORDERED.

**THOMAS  
RUCKI**

Digitally signed by THOMAS RUCKI  
DN: c=US, o=U.S. Government,  
ou=Environmental Protection Agency,  
cn=THOMAS RUCKI,  
0 9 2342 19200300 100 1 1-68001003655804  
Date: 2022.11.07 12:15:37 -0500

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Thomas Rucki  
Regional Judicial Officer

**CERTIFICATE OF SERVICE**

I certify that a true and correct copy of the foregoing Consent Agreement and Final Order was delivered to the Regional Hearing Clerk, U.S. EPA, Region 6, 1201 Elm Street, Dallas, Texas 75270-2102, and that a true and correct copy was sent this day in the following manner to the addressees:

Copy via Email to Complainant:

*George.Elizabeth.A@epa.gov*

Copy via Email to Respondent:

*ldyar@mcginnislaw.com*

Lisa Dyar  
Partner, McGinnis Lochridge  
1111 W. 6th St., Bldg. B, Ste. 400  
Austin, TX 78703

Copy via Email to Regional Hearing Clerk:

*Vaughn.lorena@epa.gov*

Dated this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

**ELIZABETH  
GEORGE**

Digitally signed by ELIZABETH  
GEORGE  
Date: 2022.11.02 09:05:35  
-05'00'

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Signed  
Office of Regional Counsel  
U.S. EPA, Region 6

**ATTACHMENT A**

**CONSENT AGREEMENT AND FINAL ORDER**

**EPA Docket No. CAA 06-2022-3359**

**Respondent: Gulf Coast Growth Ventures, LLC**

**SUPPLEMENTAL ENVIRONMENTAL PROJECT**

**SEP DESCRIPTION**

Gulf Coast Growth Ventures, LLC (GCGV) is partnering with the City of Gregory Volunteer Fire Department (Department) to identify equipment needs that will expand the Department's ability to serve the residents and community of Gregory, San Patricio County, Texas. As first responders to fires, public safety and medical emergencies, disasters, and terrorist acts, the Department's purpose is to protect the lives and property within the City of Gregory. GCGV will purchase and deliver the equipment described in the following table to the Department to support the Department in fulfilling its mission.

<b>Equipment Description</b>	<b>Projected Community Benefit</b>	<b>Number of Units</b>
BW Technologies gas monitoring kit with accessories and daily calibration test station	A monitoring kit will enable the Department to conduct air monitoring in the community that can aid in leak detection for natural gas, propane or other flammable or toxic gases.	1
Innotex Energy bunker gear set	The Department's current protective bunker gear for its firefighting responders does not currently meet NFPA standards. Replacing outdated equipment with new bunker gear for all Department responders that complies with NFPA standards will provide ten years of service life and protection to fire fighters responding to emergencies in the community.	17

GCGV is a facility subject to Program 3 of the RMP regulations and as such is required to comply with the chemical accident prevention requirements of 40 CFR Part 68. The alleged violations are related to the facility's compliance with 40 CFR Part 68, including obligations for emergency preparedness required by Subpart E. Therefore, this SEP is related to the underlying alleged violations. Providing emergency response equipment to the Department is designed to reduce the adverse impact to public health and/or the environment to which the alleged violations contribute. The GCGV's fire chief contacted the Gregory Volunteer Fire Department and confirmed the Department has not received state or federal funds that could be used to purchase the equipment proposed for inclusion in this SEP. As a result of this inquiry, GCGV hereby certifies that:

- a. GCGV is not a party to any open federal financial assistance transaction that is funding or could fund the same activity as described in this SEP Proposal; and
- b. GCGV inquired of the Gregory Volunteer Fire Department, the SEP recipient, whether it is a party to an open federal financial assistance transaction that is funding or could fund the same activity as the SEP and has been informed by the Gregory Volunteer Fire Department that the Department is not a party to such a transaction.



**PROJECT TIMELINE AND MAJOR MILESTONES**

DATE	CAFO/SEP approved and signed by GCGV and EPA
DATE + 30 DAYS	GCGV order equipment for delivery to Department
DATE + 90 DAYS	Equipment delivered to Department GREGORY VOLUNTEER FIRE DEPARTMENT CITY OF GREGORY 404 AYERS ST GREGORY TX 78359

**COST ESTIMATE**

<b>Equipment Description</b>	<b>Number of Units</b>	<b>Estimated Cost Per Unit</b>	<b>Estimated Total Cost</b>
BW Technologies gas monitoring kit with accessories and daily calibration test station	1	\$1,469.00	\$1,469.00
Innotex Energy bunker gear set	17	\$2,462.00	\$41,854.00

**Total Value** **\$43,323.00**