UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 6
1445 ROSS AVENUE, SUITE 1200
DALLAS, TEXAS 75202-2733

December 5, 2012

CERTIFIED MAIL - RETURN RECEIPT REQUESTED: 7007 3020 0002 5102 0939

Mr. Billy Steward
BLS RE1, LLC
d/b/a Steward Cable Water System
P.O. Box 11270
Midland, TX 79702-8270

Re: Administrative Order Docket Number: SDWA-06-2013-1211
PWS ID Number: TX1650126

Dear Mr. Steward:

Enclosed is an Order issued to BLS RE1, LLC, doing business as Steward Cable Water System, for violation of the Safe Drinking Water Act (Act), 42 U.S.C. § 300f, et seq., and its implementing regulations, 40 C.F.R. Part 141. The Environmental Protection Agency (EPA) finds that you own or operate the public water system (PWS) identified in the Order and are therefore subject to these regulations. This Order also requires certain actions and information demands.

This Order requires compliance with the MCL for arsenic as set forth in Section 1412 of the Act, 42 U.S.C. § 300g-1. If immediate compliance is not possible, you must submit a treatment alternative with a construction and/or repair schedule that will achieve compliance no later than eighteen (18) months from the effective date of the enclosed Order. Compliance with the MCL is based on a running annual average. As described in the enclosed Order, Steward Cable Water System is required to deliver drinking water that meets the national standard for arsenic and to conduct quarterly monitoring to ensure compliance with the MCL. Please be aware that failure to comply with this Order may subject you to additional enforcement action by EPA, including the initiation of legal proceedings to seek monetary penalties.

EPA also wants you to be aware of a new process in Texas that was created to help facilities secure technical assistance and funding to address these types of issues. The Texas Water Infrastructure Coordination Committee (TWICC) was formed with representation from stakeholders, funding entities, and federal and state partners to identify water and wastewater infrastructure and compliance issues and to seek affordable, sustainable and innovative funding strategies for the protection of public health. If you feel your system could benefit from the TWICC, please let us know so that we can discuss the matter with you.

The PWS is also required to comply with all applicable Texas regulations in Title 30 Texas Administrative Code (TAC) Chapter 290, Subchapter D. Most treatment options require the submittal of engineering plans and specifications to the Texas Commission on Environmental Quality (TCEQ) for review and approval as indicated in 30 TAC § 290.39(j). The engineering plans and specifications and any pilot study report must be prepared by a Texas licensed professional engineer as required in 30 TAC §§ 290.39(d)(1) and 290.42(g), respectively. Please send engineering submittals to the TCEQ's Public Drinking Water Section address, as referenced in paragraph K of the Order and include the EPA Docket Number.

If you need assistance, or have questions regarding the Order, please contact Mr. Mehdi Taheri, of my staff, at (214) 665-2298.

Sincerely,

John Blevins
Director
Compliance Assurance and
Enforcement Division

Enclosure

cc: Mr. Bryan Sinclair, Director
Office of Compliance and Enforcement
Texas Commission on Environmental Quality

Ms. Linda Brookins
Director, Water Supply Division
Texas Commission on Environmental Quality

U.S. ENVIRONMENTAL PROTECTION AGENCY-REGION 6
FINDINGS OF VIOLATION, COMPLIANCE ORDER AND INFORMATION DEMAND

In the Matter of Steward Cable Public Water System
Owned/Operated by BLS RE1, LLC, Respondent
Docket No. SDWA-06-2013-1211, PWS ID # TX1650126

STATUTORY AUTHORITY

The following findings are made and Order issued under the authority vested in the Administrator of the United States Environmental Protection Agency ("EPA"), by Sections 1414(g) and 1445 of the Safe Drinking Water Act ("the Act"), 42 U.S.C. §§ 300g-3(g) and 300j-4. The Administrator delegated the authority to issue this Order to the Regional Administrator of EPA Region 6 who delegated such authority to the Director of the Compliance Assurance and Enforcement Division.

FINDINGS

1. BLS RE1, LLC, doing business as Steward Cable Water System ("Respondent"), is a "person," as defined by Section 1401(12) of the Act, 42 U.S.C. § 300f(12).

2. At all times relevant to the violations alleged herein ("relevant time period"), Respondent owned or operated the Steward Cable Water System, a public water system ("PWS"), as defined by Section 1401(4) of the Act, 42 U.S.C. § 300f(4), located in Midland, Midland County, Texas ("facility"), designated as PWS number TX1650126.

3. As a PWS and a "supplier of water," Respondent is subject to the regulations promulgated by EPA pursuant to Section 1412 of the Act, 42 U.S.C. § 300g-1, entitled "National Primary Drinking Water Regulations."

4. During the relevant time period, Respondent's PWS served as a "non-transient non-community water system" as defined by Section 1401(15) of the Act, 42 U.S.C. § 300f(15).

5. The Texas Commission on Environmental Quality ("TCEQ") and the EPA have enforcement authority for the PWS provisions of the Act in the State of Texas. TCEQ and EPA have consulted regarding this Order, and it has been agreed that EPA would initiate this enforcement action.

6. Respondent monitored for arsenic in July 2011, resulting in 0.0494 mg/L at sampling point "EP005 which exceeded the arsenic maximum contaminant level ("MCL") of 0.010 mg/L, in violation of 40 C.F.R. § 141.62(b)(16).

7. Respondent is required to comply with the arsenic requirements of the Act, as set forth in Section 1412 of the Act, 42 U.S.C. § 300g-1.

SECTION 1414(g) COMPLIANCE ORDER

Based on these findings and pursuant to the authority of Section 1414(g) of the Act, 42 U.S.C. § 300g-3(g), EPA orders Respondent to take the following actions:

A. Respondent shall comply with 40 C.F.R. § 141.31(b) and notify both EPA and TCEQ within forty-eight (48) hours in the event of arsenic MCL violations.

B. In the event that public notice, as required by 40 C.F.R. § 141.201, has not been given by Respondent regarding the violations specified in paragraph 6, the Respondent shall, within thirty (30) days of issuance of this Order, provide a public notice of the violations as set forth in 40 C.F.R. § 141.201. Respondent shall submit a copy of the public notice to EPA and TCEQ within forty (40) days of issuance of this Order.

C. Within fifteen (15) calendar days of the effective date of this Order, Respondent shall contact Mr. Mehdi Taheri, in writing, informing him whether Respondent will comply with the terms of this Order.

D. Respondent shall immediately comply with 40 C.F.R. § 141.62(b)(16) regarding the arsenic MCL. If immediate compliance is not technically feasible, then the respondent must comply with E thru G below.

E. Respondent shall achieve and maintain compliance with the MCL for arsenic set forth at 40 C.F.R. § 141.62(b)(16) no later than eighteen (18) months after the effective date of this Order.

SECTION 1445 INFORMATION DEMAND

Based on these findings and pursuant to the authority of Section 1445 of the Act, 42 U.S.C. § 300j-4, Respondent is required to do the following:

F. Within ninety (90) days of the effective date of this Order, Respondent shall submit to EPA an initial report on the progress made to bring the PWS into compliance with the arsenic MCL. Following the initial report, quarterly progress reports shall be due to EPA within ten (10) days after the end of each calendar quarter. Respondent shall notify EPA when all improvements have been completed.

G. Within one hundred and twenty (120) days of the effective date of this Order, Respondent shall submit to EPA a detailed plan to bring the PWS into compliance with the MCL for arsenic. The plan shall include: 1) a system modification proposal; 2) a cost analysis of system modifications; and 3) a construction schedule for the project. The schedule shall include specific milestone dates and a final compliance date that is no later than eighteen (18) months from the effective date of this Order. The plan must be submitted to EPA for approval before construction can commence.

H. The approved schedule for construction and completion of modifications will be incorporated in a future administrative order.

I. Respondent must achieve and maintain compliance with 40 C.F.R. § 141.62(b)(16) by the date specified in the approved plan, or not later than eighteen (18) months after the effective date of this Order.

J. The reporting required by this Order must be provided by the Respondent to EPA at the following address:

Mr. Mehdi Taheri
Water Enforcement Branch (6EN-W)
U.S. EPA, Region 6
1445 Ross Avenue, Suite 1200
Dallas, TX 75202-2733

K. Regarding part A in the Order Section, Respondent shall submit a copy of the public notice to TCEQ at each of the following addresses:

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

and

Public Drinking Water Section
Water Supply Division, MC 155
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, TX 78711-3087

GENERAL PROVISIONS

This Order is effective upon receipt by Respondent.

Respondent may seek federal judicial review of the Order pursuant to Chapter 7 of the Administrative Procedure Act, 5 U.S.C. §§ 701-706. Section 706, which is set forth at http://uscode.house.gov/download/pls/05C7.txt, states the scope of such review.

This Section 1414(g) Compliance Order and the Section 1445 Information Demand do not constitute a waiver, suspension, or modification of the requirements of 40 C.F.R. Part 141 or other applicable federal and state requirements, which remain in full force and effect. Issuance of this Section 1414(g) Compliance Order and Section 1445 Information Demand is not an election by EPA to forego any civil or any criminal action otherwise authorized under the Act.

Violation of any term of this Section 1414(g) Compliance Order and the Section 1445 Information Demand may subject Respondent to an administrative civil penalty of up to $32,500 under Section 1414(g) of the Act, 42 U.S.C. § 300g-3(g), or a civil penalty of not more than $37,500 per day per violation, assessed by an appropriate United States District Court under Section 1414(g)(3)(A) of the Act, 42 U.S.C. § 300g-3(g)(3)(A).

This Order shall be binding on the PWS cited herein and all its successors, and assignees. No change in ownership of the PWS shall alter the responsibility of the PWS under this Order.

DEC 0 5 2012
Date

John Blevins
Director
Compliance Assurance and
Enforcement Division