

**Texas Commission on Environmental Quality
Investigation Report**

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**Customer: Space Exploration Technologies Corp.
Customer Number: CN602867657**

Regulated Entity Name: STARBASE PRODUCTION SITE

Regulated Entity Number: RN107697088

Investigation # 1697150

Incident Numbers

395357

Investigator: JONATHAN DIAZ

Site Classification MULTISECTOR GENERAL
PERMIT FOR INDUSTRIAL
WW
CONSTRUCTION GENERAL
PERMIT FOR STORMWATER
INDUSTRIAL STORMWATER -
INDIVIDUAL PERMIT

Conducted: 02/16/2023 -- 02/28/2023

SIC Code: 3761

NAIC Code: 336414

Program(s): STORMWATER

Investigation Type: Compliance Investigation

Location:

Additional ID(s): TXR1577MD
TXR15962P
TXR1595KG

Address: 1 ROCKET RD,
BROWNSVILLE, TX , 78521

Local Unit: REGION 15 - HARLINGEN

Activity Type(s): SWMSGPRC - SW MSGP Recon
SWCGPRC - SW Recon CGP
SWCMPL - SW Complaint

Principal(s):

Role

Name

RESPONDENT

SPACE EXPLORATION TECHNOLOGIES CORP

Contact(s):

STARBASE PRODUCTION SITE - BROWNSVILLE

2/16/2023 to 2/28/2023 Inv. # - 1697150

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Role	Title	Name	Phone
REGULATED ENTITY CONTACT	DIRECTOR OF EHS	Kyle Meade	Phone (949) 485-8083
PARTICIPATED IN	LEAD EHS ENGINEER	MR William Hunter	Phone (310) 848-4966
PARTICIPATED IN	DIRECTOR OF EHS	Kyle Meade	Phone (949) 485-8083
NOE CONTACT	DIRECTOR OF EHS	Kyle Meade	Phone (949) 485-8083
NOV CONTACT	DIRECTOR OF EHS	Kyle Meade	Phone (949) 485-8083
REGULATED ENTITY MAIL CONTACT	DIRECTOR OF EHS	Kyle Meade	Phone (949) 485-8083

Other Staff Member(s):

Role	Name
Investigator	MICHAEL FLORES
QA Reviewer	JENNIFER GRAVES
QA Reviewer	MONICA GALVAN
Supervisor	JAIME GARZA

Associated Check List

<u>Checklist Name</u>	<u>Unit Name</u>
WQ COMPLAINT INVESTIGATION	SpaceX
WATER EQUIPMENT	SpaceX
STORMWATER CONSTRUCTION RECON	SpaceX
STORMWATER MSGP RECONNAISSANCE INVESTIGATION	SpaceX

Investigation Comments:

INTRODUCTION

On February 8, 2023, the Texas Commission on Environmental Quality (TCEQ) Harlingen Region received a complaint alleging industrial stormwater concerns at the Starbase Production Site and SpaceX Texas Launch Site. The complaint was assigned TCEQ Consolidated Compliance and Enforcement Data System (CCEDS) incident number 395357.

Subsequently, an unannounced complaint investigation and an unannounced stormwater reconnaissance investigation was conducted at the Starbase Production Site and SpaceX Texas Launch Site in Brownsville, Texas on February 16, 2023, by TCEQ Environmental Investigator, Mr. Jonathan Diaz, to determine compliance with applicable stormwater regulations. TCEQ Environmental Investigator Mr. Michael Flores also participated in the investigation. No prior notification was made to the regulated entity; complaint investigations do not warrant prior notification. Mr. Will Hunter (Lead Environmental, Health, and Safety (EHS) Engineer) and Mr. Kyle Meade (Director of EHS) were present during the entrance interview. A verbal Exit Interview was conducted after the investigation. Based on the findings of this investigation, a TCEQ Notice of Enforcement letter was issued and transmitted via email and certified mail to Mr. Meade to facilitate compliance.

GENERAL FACILITY AND PROCESS INFORMATION

The Starbase Production Site is located at 1 Rocket Rd in Brownsville (Cameron County), Texas and the SpaceX Texas Launch Site is located at 52448-54298, Boca Chica Blvd. in Brownsville (Cameron County), Texas. The investigated property is a private launch site facility which consist of three operational areas (vertical launch area,

STARBASE PRODUCTION SITE - BROWNSVILLE

2/16/2023 to 2/28/2023 Inv. # - 1697150

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launch and landing control center area, and production area). The Starbase Production Site and SpaceX Texas Launch Site are two separate properties. The vertical launch area is located on the eastern terminus of Boca Chica Boulevard and the production build site is on the western terminus. Starbase Production Site has ongoing construction of industrial buildings and warehouses. Starbase Production Site obtained authorization to discharge stormwater associated with construction activity to water in the state through an individual permit under the Texas Pollutant Discharge Elimination System (TPDES) Construction Stormwater General Permit (CGP), TXR150000. The construction site's authorization number is TXR15962P, issued on July 16, 2018 (Attachment A). The total amount of area disturbed is approximately 40.25 acres and is considered a large construction site at the permitted site named SpaceX Texas Launch Site. Starbase Production Site has a second CGP TXR150000 individual permit authorized under TXR1595KG, issued on August 23, 2022 (Attachment B). The total amount of area disturbed is approximately 75 acres and is considered a large construction site at the permitted site named SpaceX Texas Launch Site Huddleston Site. Starbase Production Site has a third CGP TXR150000 individual permit authorized under TXR1577MD, issued on March 17, 2023 (Attachment C). The total amount of area disturbed is approximately 7.1 acres and is considered a large construction site at the permitted site named Starbase St Jude Housing Project. The Starbase Production Site has a Standard Industrial Classification (SIC) Code for industrial activity under 3761. SIC code 3761 is defined as the manufacturing of guided missiles and space vehicles falling under sector AB/BB of the TPDES stormwater Multi-Sector General Permit (MSGP) TXR050000.

BACKGROUND

The Starbase Production Site is identified in the TCEQ Central Registry as Regulated Entity Number RN107697088 associated to Space Exploration Technologies Corp customer number CN602867657. As per a review of the TCEQ Consolidated Compliance and Enforcement Data System (CCEDS), there have been seven previous investigations at this site in the past five years. There have been seven complaints against this facility within the last five years. A review of CCEDS Incidents revealed that this entity has had no unauthorized discharges. A CCEDS query revealed that there have been no active enforcement cases associated to this facility within the last five years.

ADDITIONAL INFORMATION

On February 16, 2023, an unannounced complaint and stormwater reconnaissance investigation was conducted at approximately 0930 hours at the Starbase Production Site/SpaceX Texas Launch Site. Upon arriving at the site, the investigator contacted Mr. Hunter to discuss the complaint and let him know a walkthrough of the site, specifically certain outfalls, will have to be conducted (Attachment D). During the entrance interview, it was explained that the complainant had industrial stormwater concerns and is alleging unauthorized discharges going into outfalls in the surrounding areas. During the investigation, the CGP TXR150000 individual permit and stormwater pollution prevention plan (SWP3) were requested and provided before walking the site (Attachment E).

During the walkthrough, all three operational areas (vertical launch area, launch and landing control center area, and production area) were observed including the Boca Chica Village and the new St Jude Housing Development. All possible conveyances where unauthorized discharges could flow into were observed. The production east outfall, which is funneled through a ditch and may have several culverts leading out to the tidal flats, was found to have no unauthorized discharges (Attachment F, Photo 1). The production mid outfall follows a ditch and runs off into the tidal flats onto wildlife refuge land. It was found to have no unauthorized discharges (Attachment F, Photo 2). Hazards due to high winds restricted a certain area (Attachment F, Photo 3) during the walkthrough but pictures were emailed to Mr. Diaz as soon as weather conditions improved and personnel could get into the area. This area included the production west outfall and production west 2 outfall which is proposed to be back filled and no longer will be an outfall (Attachment F, Photo 4 & 5) and the Sanchez lot outfall located on the northwest side (Attachment F, Photo 6). No signs of illicit discharges of any kind were observed. Two outfalls in question were located on the south side of state highway 4 and are considered Texas Department of Transportation (TXDOT) right of way (Attachment F, Photo 7 & 8). No signs of unauthorized discharges were observed. The last outfall in question is the LBJ outfall which is a new development on the north end of the property and discharges into the tidal flat onto wildlife refuge land (Attachment F, Photo 9). It was found to have no unauthorized discharges.

The regulated entity is advised to ensure best management practices are evaluated and maintained on a more frequent basis to control potential pollutants on-site. This will be noted as an additional issue.

The regulated entity is also advised to improve on existing good housekeeping practices to ensure

construction-related pollutants are controlled. This will be noted as an additional issue.

Another area in question by the complainant was a concrete washout area. The concrete washout area is covered under the CGP as well as designated and managed under the site's SWP3 (Attachment F, Photo 10). No evidence of concrete trucks being washed outside the designated area were observed.

During the investigation, both construction activities and industrial activities were observed at the regulated entity premises. The facility is allegedly in violation of 30 Texas Administrative Code (TAC) § 281.25(a)(4) for failure to obtain required permits for stormwater discharges. Specifically, on the day of the investigation it was observed that authorization for point source discharges of stormwater associated with industrial activity had not been obtained. It should be noted that industrial activities associated to SIC code 3761 are required to obtain coverage under a TPDES MSGP prior to commencing operation.

Prior knowledge of the MSGP TXR050000 was verified as the responsible party CN602867657 is associated to another regulated entity named Space Exploration RN100250844 located in 1 Rocket Rd in McGregor, Texas 76657 that has obtained industrial coverage under permit number TXR05DB24 (Attachment G). On June 16, 2023, Mr. Diaz notified the regulated entity that with the investigation concluded of all the information, a notice of enforcement will be issued.

Based on the findings of this investigation, an alleged violation was cited that meets Enforcement Initiation Criteria. As per EIC, Revision Number 17, effective September 1, 2020, the alleged violation is classified as Category "A2.a" requiring automatic initiation of formal enforcement action as it is a Category "A" violation. The regulated entity shall be referred to formal enforcement. A TCEQ Notice of Enforcement (NOE) letter was emailed to the regulated entity and sent via the United States Postal Service (USPS). A TCEQ Complaint Letter was not sent as the complaint was submitted anonymously. During the course of the investigation, the complainant and the regulated entity were provided a copy of our complaint policies and procedures by referring them to the TCEQ's complaint website <https://www.tceq.texas.gov/compliance/complaints>.

NOE Date: 6/23/2023

**OUTSTANDING ALLEGED VIOLATION(S)
ASSOCIATED TO A NOTICE OF ENFORCEMENT**

Track Number: 846653 **Compliance Due Date:** To Be Determined
Violation Start Date: 2/16/2023

30 TAC Chapter 281.25(a)(4)

Alleged Violation:

Investigation: 1697150

Comment Date: 06/20/2023

Failure to obtain required permits for stormwater discharges.

Specifically, on the day of the investigation it was observed that authorization for point source discharges of stormwater associated with industrial activity had not been obtained.

Recommended Corrective Action: The facility shall submit corrective action documentation to the Harlingen Region office addressing the alleged violation specifically that a required permit for industrial storm water discharges is obtained.

Additional Issues

Description Item 1

Additional Comments

A complaint received by the Texas Commission on Environmental Quality (TCEQ) Harlingen Regional Office on February 8, 2023 also included inquiries concerning authorizations required by the regulated entity. TCEQ staff conducted a review of these items and a supplemental investigation report will be generated by the TCEQ Harlingen Regional Office to address these items.

Description Item 1

Additional Comments

The regulated entity is advised to ensure best management practices are evaluated and maintained on a more frequent basis to control potential pollutants on-site. This will be noted as an additional issue.

Description Item 2

Additional Comments

The regulated entity is also advised to improve on existing good housekeeping practices to ensure construction-related pollutants are controlled. This will be noted as an additional issue.

Signed

Jonathan Diaz
Environmental Investigator

Date 6/21/2023

Signed

Jaime Garza
Supervisor

Date 06/22/2023

Attachments: (in order of final report submittal)

- Enforcement Action Request (EAR)
- Letter to Facility (specify type) : NOE
- Investigation Report
- Sample Analysis Results
- Manifests
- Notice of Registration

- Maps, Plans, Sketches
 - Photographs
 - Correspondence from the facility
 - Other (specify) :
Stormwater Permit information, SWP3 info
- _____

See note: Who Fills out the EAR? u

Enforcement Action Referral Rev. 3/18/2002	Inv. #	1697150	Initiated by: Region, LP, Central:	Region
	Enf Case		Name of Initiating Office:	REGION 15 - HARLINGEN
	Media Code:	WQ		

Section 1: Respondent

ID	CN602867657		Role	RESP PARTY
Name	SPACE EXPLORATION TECHNOLOGIES CORP			
Mailing Address	Street/PO Box	1 ROCKET RD		
	City/State/Zip	BROWNSVILLE, TX 78521		
	Phone	(949) 485-8083	Fax	

Primary Contact (NOE Contact)				
Name	Kyle Meade		Organization	Space X
Title	Director Of Ehs		Phone	(949) 485-8083
			Fax	

Section 2: Respondent's Facility/Operation (F/O)

F/O ID	RN107697088			
F/O Name	STARBASE PRODUCTION SITE			
F/O Physical Address	1 ROCKET RD			
Location City	BROWNSVILLE	Location Zip	78521	
Location County	CAMERON	Operational Status	Active	
Primary Business Activity	manufacturing of space vehicles	Type of Small Entity	None of the Above	
SNC or HPV?	N/A	SIC Code	3761	
Potentially Affected Area	Segment number 2494 Brownsville Ship Channel	Complaints Closed	1	
List any NOV's?Orders for same or similar violations at this F/O in the past 5 years.	0			
Additional IDs	TXR1577MD TXR1595KG TXR15962P			

Section 3: Summary of Violations

See note: Inclusion of Resolved or Verbal Violations u

Viol Num	Requirements Cited Violation Description	Violation Dates		Investigation/ File Review	Date of...		CAT
		Start	End		NOV	NOE	
846653	30 TAC Chapter 281.25(a)(4) Failure to obtain an Industrial Stormwater Discharge permit.	2/16/2023	Unknown	02/16/2023		06/23/2023	A

Section 4: Additional Discussion

As per EIC, Revision Number 17, effective September 1, 2020, the alleged violation is classified as Category "A2.a" violations requiring automatic initiation of formal enforcement action as it is a Category "A" violation.

Section 5: Additional Issues

- Item 1 A complaint received by the Texas Commission on Environmental Quality (TCEQ) Harlingen Regional Office on February 8, 2023 also included inquiries concerning authorizations required by the regulated entity. TCEQ staff conducted a review of these items and a supplemental investigation report will be generated by the TCEQ Harlingen Regional Office to address these items.
- Item 1 The regulated entity is advised to ensure best management practices are evaluated and maintained on a more frequent basis to control potential pollutants on-site. This will be noted as an additional issue.
- Item 2 The regulated entity is also advised to improve on existing good housekeeping practices to ensure construction-related pollutants are controlled. This will be noted as an additional issue.

Section 6: Information About Initiating Office

	Name	Jonathan Diaz	Date	06/22/2023
	Signature	<i>Jaime Garza</i> for Jonathan Diaz	E-Mail	Jonathan.Diaz@tceq.texas.gov
	Phone	(956)430-6038		
	Name	Jaime Garza	Date	06/22/2023
	Signature	<i>Jaime Garza</i>	E-Mail	Jaime.Garza@tceq.texas.gov
	Phone	(956)430-6030		

Summary of Investigation Findings

STARBASE PRODUCTION SITE

1 ROCKET RD

BROWNSVILLE, CAMERON COUNTY, TX 78521

Investigation #

1697150

Investigation Date: 02/16/2023

Additional ID(s): TXR1577MD
TXR15962P
TXR1595KG

OUTSTANDING ALLEGED VIOLATION(S) ASSOCIATED TO A NOTICE OF ENFORCEMENT

Track No: 846653

Compliance Due Date: To Be Determined

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Alleged Violation:

Investigation: 1697150

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Specifically, on the day of the investigation it was observed that authorization for point source discharges of stormwater associated with industrial activity had not been obtained.

Recommended Corrective Action: The facility shall submit corrective action documentation to the Harlingen Region office addressing the alleged violation specifically that a required permit for industrial storm water discharges is obtained.

ADDITIONAL ISSUES

Description

Item 2

Additional Comments

The regulated entity is also advised to improve on existing good housekeeping practices to ensure construction-related pollutants are controlled. This will be noted as an additional issue.

Item 1

The regulated entity is advised to ensure best management practices are evaluated and maintained on a more frequent basis to control potential pollutant on site. This will be noted as an additional issue.

Item 1

A complaint received by the Texas Commission on Environmental Quality (TCEQ) Harlingen Regional Office on February 8, 2023 also included inquiries concerning authorization required by the regulated entity. TCEQ staff conducted a review of these items and a supplemental investigation report will be generated by the TCEQ Harlingen Regional Office to address these items.

TCEQ Complaint Report

06/21/2023
4:50:21PM

Incident No: 395357
Media Type: WATER
Start Date: Unknown
Received Date: 02/08/2023
Method :

Staff Member: JDIAZ
Status: Closed
Status Date: 06/21/2023
Priority: Within 14 Calendar Days

Regulated Entity: STARBASE PRODUCTION SITE

RN107697088

Address: 1 ROCKET RD
BROWNSVILLE, CAMERON County, TX 78521

Physical Location:

Responsible Party: SPACE EXPLORATION
TECHNOLOGIES CORP
Address: 1 ROCKET RD, MC GREGOR, TX 76657
E-Mail: [REDACTED]

Title:

Number Complaining: 1
Frequency: CURRENT
Alleged Source: STARBASE PRODUCTION SITE

Program Group: WATER
QUALITY - HIGH LEVEL
Nature: INDUSTRIAL
Effect: ENVIRONMENTAL

Initial Problem

Industrial stormwater concerns.

Action Taken

This complaint has been assigned and will be further investigated by an Environmental Investigator.

Closure Comments

More information will be available upon approval of the investigation report.

Investigation Number: 1697150

Jon Niermann, *Chairman*
Emily Lindley, *Commissioner*
Bobby Janecka, *Commissioner*
Kelly Keel, *Interim Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

June 23, 2023

CERTIFIED MAIL 7017 2400 0000 4135 6288

RETURN RECEIPT REQUESTED

Mr. Kyle Meade, Director of EHS
Starbase Production Site
1 Rocket Rd
Brownsville, Texas, 78521

[Via Email](#)

Re: Notice of Enforcement for Complaint/Stormwater Reconnaissance Investigations at:
Starbase Production Site,
1 Rocket Rd, Brownsville, {Cameron County}
Regulated Entity No.: RN107697088

Dear Mr. Meade,

On February 16, 2023, Mr. Jonathan Diaz of the Texas Commission on Environmental Quality (TCEQ) Harlingen Region Office conducted an investigation of the above-referenced regulated entity to evaluate compliance with applicable requirements for stormwater. During this investigation, a certain outstanding alleged violation was documented. Additional Issue were also noted. Enclosed is a summary which lists the investigation findings and recommended corrective actions. Additional recommended corrective actions may be provided by the Enforcement Division. This investigation was the result of a complaint. For information regarding our complaint policies and procedures, please refer to the following website: <https://www.tceq.texas.gov/compliance/complaints>.

In the listing of the alleged violation, we have cited applicable requirements, including TCEQ rules. Please note that both the rules themselves and the agency brochure entitled *Obtaining TCEQ Rules* (GI 032) are located on our agency website at <https://www.tceq.texas.gov> for your reference. If you would like a hard copy of this brochure mailed to you, you may call and request one from either the Harlingen Region Office at 956-425-6010 or the Central Office Publications Ordering Team at 512-239-0028.

One or more of the violations documented during the subject investigation includes unauthorized activity and you are hereby advised that continued operation is not authorized.

Also, please be advised that the Legislature has granted enforcement powers to the TCEQ to carry out its mission to protect human health and the environment. Due to the apparent seriousness of the alleged violation, formal enforcement action has been initiated, and

Mr. Kyle Meade
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June 23, 2023

additional violations may be cited upon further review. We encourage you to immediately begin taking actions to address the outstanding alleged violation.

In responding with prompt corrective action, the administrative penalty to be assessed may be limited.

The Commission recognizes that the great majority of the regulated community wants to prevent pollution and to comply with environmental laws. We dedicate considerable resources toward making voluntary compliance achievable. But where compliance has not been met it is our duty to protect the public and the environment by enforcing the state's environmental laws, regulations, and permits.

Also, if you believe the violation documented in this notice has been cited in error, and you have additional information that we are unaware of, you may request a meeting to discuss this enforcement matter. To request a meeting, send a letter describing the additional information to the address shown below.

Manager, Water Section
Enforcement Division, MC 219
Re: Enforcement Meeting Request
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

If you or members of your staff have any questions, please feel free to contact Mr. Jonathan Diaz in the Harlingen Region Office at (956) 430-6038.

Sincerely,



Jaime Garza, Regional Director
Harlingen and Laredo Regional Offices
Texas Commission on Environmental Quality

JG/jd

cc: Mr. Will Hunter, Starbase Production Site

Enclosure: Summary of Investigation Findings