EXECUTIVE SUMMARY - ENFORCEMENT MATTER

DOCKET NO.: 2006-1805-AIR-E **TCEQ ID:** RN100212877 **CASE NO.:** 31439

RESPONDENT NAME: Range Pipeline Systems, L.P.

ORDER TYPE:

X 1660 AGREED ORDER	__FINDINGS AGREED ORDER	__AMENDED ORDER	__IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER
__SHUTDOWN ORDER	__FINDINGS DEFAULT ORDER	__EMERGENCY ORDER	

CASE TYPE:

__AGRICULTURE	X AIR	__INDUSTRIAL AND HAZARDOUS WASTE	__MUNICIPAL SOLID WASTE
__OCCUPATIONAL CERTIFICATION	__PETROLEUM STORAGE TANKS	__PUBLIC WATER SUPPLY	__RADIOACTIVE WASTE
__MULTI-MEDIA (check all that apply)	__SEWAGE SLUDGE	__UNDERGROUND INJECTION CONTROL	__USED OIL
__USED OIL FILTER	__WATER QUALITY		

SITE WHERE VIOLATION(S) OCCURRED: Conger Gathering Facility, 15 miles west of Sterling City on State Highway 158, Sterling County

TYPE OF OPERATION: Gas compression plant

SMALL BUSINESS: ___ Yes __X__ No

OTHER SIGNIFICANT MATTERS: There are no complaints. There is no record of additional pending enforcement actions regarding this facility location.

INTERESTED PARTIES: No one other than the ED and the Respondent has expressed an interest in this matter.

COMMENTS RECEIVED: The *Texas Register* comment period expired on March 28, 2007. No comments were received.

CONTACTS AND MAILING LIST:

TCEQ Attorney/SEP Coordinator: None

TCEQ Enforcement Coordinator: Ms. Lindsey Jones, Enforcement Division, Enforcement Section III, MC 149, (512) 239-4930; Mr. Steven Lopez, Enforcement Division, MC 219, (512) 239-1896

Respondent: Ms. Linda Stiles, Senior Engineering Technician, Range Pipeline Systems, L.P., 777 Main Street, Suite 800, Fort Worth, Texas 76102
Mr. Rodney L. Waller, Senior Vice President and Chief Compliance Officer, 777 Main Street, Suite 800, Fort Worth, Texas 76102

Respondent's Attorney: Not represented by counsel on this enforcement matter

VIOLATION SUMMARY CHART:

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
Type of Investigation: __ Complaint _X_ Routine __ Enforcement Follow-up __ Records Review **Date of Complaint Relating to this Case:** None **Date of Investigation Relating to this Case:** September 25, 2006 **Date of NOE Relating to this Case:** September 26, 2006 (NOE) **Background Facts:** This was a routine investigation. One violation was documented. **AIR** Failed to report in writing, all instances of deviations to the Executive Director. Specifically, Range Pipeline failed to include two deviations in the February 15, 2006 through August 13, 2006 deviation report submitted on September 6, 2006 [30 TEX. ADMIN. CODE § 122.145(2)(A), General Operating Permit Nos. O-345 and 514, and TEX. HEALTH & SAFETY CODE § 382.085(b)].	**Total Assessed:** $850 **Total Deferred:** $170 _X_ Expedited Settlement __ Financial Inability to Pay **SEP Conditional Offset:** $0 **Total Paid to General Revenue:** $680 **Site Compliance History Classification:** __ High _X_ Avg. __ Poor **Person Compliance History Classification:** __ High _X_ Avg. __ Poor **Major Source:** _X_ Yes __ No **Applicable Penalty Policy:** September 2002	**Corrective Actions Taken:** The Executive Director recognizes that Range Pipeline submitted a revised deviation report on September 26, 2006.

Attachment: Site Compliance History

Penalty Calculation Worksheet (PCW)

TCEQ

Policy Revision 2 (September 2002) *PCW Revision April 25, 2006*

DATES					
Assigned	02-Oct-2006				
PCW	03-Oct-2006	Screening	03-Oct-2006	EPA Due	

RESPONDENT/FACILITY INFORMATION

Respondent	Range Pipeline Systems, L.P.		
Reg. Ent. Ref. No.	RN100212877		
Facility/Site Region	8-San Angelo	Major/Minor Source	Major Source

CASE INFORMATION

Enf./Case ID No.	31439	No. of Violations	1
Docket No.	2006-1805-AIR-E	Order Type	1660
Media Program(s)	Air Quality	Enf. Coordinator	Lindsey Jones
Multi-Media		EC's Team	Enforcement Team 5
Admin. Penalty $ Limit Minimum	$0	Maximum	$10,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties) *Subtotal 1* $1,000

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History 10% Enhancement *Subtotals 2, 3, & 7* $100

Notes: The penalty was enhanced due to two previous NOVs for similar violations.

Culpability No 0% Enhancement *Subtotal 4* $0

Notes: The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply 25% Reduction *Subtotal 5* -$250

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary	x	
N/A		*(mark with a small x)*

Notes: The Respondent came into compliance on September 26, 2006.

Economic Benefit 0% Enhancement* *Subtotal 6* $0

**Capped at the Total EB $ Amount*

Total EB Amounts	$0
Approx. Cost of Compliance	$250

SUM OF SUBTOTALS 1-7 Final Subtotal $850

OTHER FACTORS AS JUSTICE MAY REQUIRE Adjustment $0

Reduces or enhances the Final Subtotal by the indicated percentage. *(Enter number only; e.g. -30 for -30%.)*

Notes:

Final Penalty Amount $850

STATUTORY LIMIT ADJUSTMENT Final Assessed Penalty $850

DEFERRAL 20% Reduction Adjustment -$170

Reduces the Final Assessed Penalty by the indicted percentage. *(Enter number only; e.g. 20 for 20% reduction.)*

Notes: Deferral offered for expedited settlement.

PAYABLE PENALTY $680

Screening Date 03-Oct-2006 **Docket No.** 2006-1805-AIR-E **PCW**
Respondent Range Pipeline Systems, L.P. *Policy Revision 2 (September 2002)*
Case ID No. 31439 *PCW Revision April 25, 2006*
Reg. Ent. Reference No. RN100212877
Media [Statute] Air Quality
Enf. Coordinator Lindsey Jones

Compliance History Worksheet

>> Compliance History *Site* Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written NOVs with same or similar violations as those in the current enforcement action *(number of NOVs meeting criteria)*	2	10%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability *(number of orders meeting criteria)*	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government *(number of judgements or consent decrees meeting criteria)*	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government *(number of counts)*	0	0%
Emissions	Chronic excessive emissions events (number of events)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 *(number of audits for which notices were*	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 *(number of audits for which violations were disclosed)*	0	0%
		Please Enter Yes or No	
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) **10%**

>> Repeat Violator (Subtotal 3)

No ***Adjustment Percentage (Subtotal 3)*** **0%**

>> Compliance History *Person* Classification (Subtotal 7)

Average Performer ***Adjustment Percentage (Subtotal 7)*** **0%**

>> Compliance History Summary

Compliance History Notes The penalty was enhanced due to two previous NOVs for similar violations.

Total Adjustment Percentage (Subtotals 2, 3, & 7) **10%**

PCW

Policy Revision 2 (September 2002)
PCW Revision April 25, 2006

Screening Date	03-Oct-2006
Docket No.	2006-1805-AIR-E
Respondent	Range Pipeline Systems, L.P.
Case ID No.	31439
Reg. Ent. Reference No.	RN100212877
Media [Statute]	Air Quality
Enf. Coordinator	Lindsey Jones
Violation Number	1
Primary Rule Cite(s)	30 Tex. Admin. Code § 122.145(2)(A) and General Operating Permit Nos. O-345 and 514
Secondary Rule Cite(s)	Tex. Health & Safety Code § 382.085(b)
Violation Description	Failed to report all instances of deviations in a semiannual report, as documented during an investigation conducted on September 25, 2006. Specifically, Range Pipeline failed to include two of four deviations in the February 15, 2006 through August 13, 2006 deviation report: the failure to conduct emissions tests on Engine Number 6 and the failure to report unauthorized emissions.

Base Penalty $10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm: Major	Moderate	Minor
Actual			
Potential			

Percent

>> Programmatic Matrix

Falsification	Major	Moderate	Minor
		x	

Percent 10%

Matrix Notes: The Respondent provided only 50% of the required information.

Adjustment -$9,000

Base Penalty Subtotal $1,000

Violation Events

Number of Violation Events: 1

14 Number of violation days

mark only one use a small x	
daily	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty $1,000

One single event is recommended.

Economic Benefit (EB) for this violation

Estimated EB Amount $0

Statutory Limit Test

Violation Final Penalty Total $850

This violation Final Assessed Penalty (adjusted for limits) $850

Economic Benefit Worksheet

Respondent: Range Pipeline Systems, L.P.
Case ID No.: 31439
Reg. Ent. Reference No.: RN100212877
Media [Statute]: Air Quality
Violation No.: 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost (No commas or $)	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	$0	$0	$0
Buildings				0.0	$0	$0	$0
Other (as needed)				0.0	$0	$0	$0
Engineering/construction				0.0	$0	$0	$0
Land				0.0	$0	n/a	$0
Record Keeping System	$250	12-Sep-2006	26-Sep-2006	0.0	$0	n/a	$0
Training/Sampling				0.0	$0	n/a	$0
Remediation/Disposal				0.0	$0	n/a	$0
Permit Costs				0.0	$0	n/a	$0
Other (as needed)				0.0	$0	n/a	$0
Notes for DELAYED costs	Estimated cost to properly submit deviation report. Date Required is the due date of the deviation report and Final Date is the date of compliance.						
Avoided Costs	ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)						
Disposal				0.0	$0	$0	$0
Personnel				0.0	$0	$0	$0
Inspection/Reporting/Sampling				0.0	$0	$0	$0
Supplies/equipment				0.0	$0	$0	$0
Financial Assurance [2]				0.0	$0	$0	$0
ONE-TIME avoided costs [3]				0.0	$0	$0	$0
Other (as needed)				0.0	$0	$0	$0
Notes for AVOIDED costs							

Approx. Cost of Compliance: $250

TOTAL: $0

Compliance History

Customer/Respondent/Owner-Operator:	CN601538325	Range Pipeline Systems, L.P.	Classification: AVERAGE	Rating: 2.84
Regulated Entity:	RN100212877	CONGER GATHERING FACILITY	Classification: AVERAGE Site Rating: 2.50	

ID Number(s):			
	AIR OPERATING PERMITS	ACCOUNT NUMBER	SO0007V
	AIR OPERATING PERMITS	PERMIT	345
	AIR NEW SOURCE PERMITS	PERMIT	45264
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	SO0007V
	AIR NEW SOURCE PERMITS	REGISTRATION	45312
	AIR NEW SOURCE PERMITS	AFS NUM	0011

Location: 15 MI W OF STERLING CITY ON SH 158, STERLING CITY, 76951 Rating Date: September 01 06

TCEQ Region: REGION 08 - SAN ANGELO Repeat Violator: NO

Date Compliance History Prepared: October 03, 2006

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: October 03, 2001 to October 03, 2006

TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History

Name: Lindsey Jones Phone: 512-239-4930

Site Compliance History Components

1. Has the site been in existence and/or operation for the full five year compliance period?	Yes
2. Has there been a (known) change in ownership of the site during the compliance period?	Yes
3. If Yes, who is the current owner?	Range Pipeline Systems, L.P.
4. if Yes, who was/were the prior owner(s)?	Canyon Pipe Line Corporation
5. When did the change(s) in ownership occur?	11/01/2004

Components (Multimedia) for the Site :

A. Final Enforcement Orders, court judgements, and consent decrees of the state of Texas and the federal government.

N/A

B. Any criminal convictions of the state of Texas and the federal government.

N/A

C. Chronic excessive emissions events.

N/A

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

1 01/24/2006 (452912)
2 09/26/2006 (514047)
3 10/27/2004 (339183)
4 05/14/2002 (110636)
5 10/17/2002 (14173)
6 09/03/2004 (291921)
7 07/05/2006 (485192)

E. Written notices of violations (NOV). (CCEDS Inv. Track. No.)

Date: 01/24/2006 (452912)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter F 116.620(a)(4)

Rqmt Prov: OP IA

PERMIT IA

Description: Failure to conduct tests on Engine Number 6 for emissions of NOx and CO

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.145(2)

Rqmt Prov: OP IA

Description: Failure to report, in writing, all instances of deviations, the probable cause of the deviations, and any corrective actions or preventative measures taken for each emission unit addressed in the GOP for the August 13, 2004 through February 12, 2005 period.

Date: 07/05/2006 (485192)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter F 116.620(a)(4)

Rqmt Prov: OP IA

PERMIT IA

Description: Failure to conduct tests on Engine Number 6 for emissions of NOx and CO

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.145(2)

Rqmt Prov: OP IA

Description: Failure to report, in writing, all instances of deviations, the probable cause of the deviations, and any corrective actions or preventative measures taken for each emission unit addressed in the GOP for the August 13, 2004 through February 12, 2005 period.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter F 116.615(2)

Description: Failure to operate within the maximum CO emission rate in represented in the registration for Standard Permit Number 45312

F. Environmental audits.

N/A

G. Type of environmental management systems (EMSs).

N/A

H. Voluntary on-site compliance assessment dates.

N/A

I. Participation in a voluntary pollution reduction program.

N/A

J. Early compliance.

N/A

Sites Outside of Texas

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

IN THE MATTER OF AN	§	**BEFORE THE**
ENFORCEMENT ACTION	§	
CONCERNING	§	**TEXAS COMMISSION ON**
RANGE PIPELINE SYSTEMS, L.P.	§	
RN100212877	§	**ENVIRONMENTAL QUALITY**

AGREED ORDER
DOCKET NO. 2006-1805-AIR-E

I. JURISDICTION AND STIPULATIONS

At its _____ agenda, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Range Pipeline Systems, L.P. ("Range Pipeline") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and Range Pipeline appear before the Commission and together stipulate that:

1. Range Pipeline owns and operates a gas compression plant located 15 miles west of Sterling City on State Highway 158 in Sterling County, Texas (the "Plant").

2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).

3. The Commission and Range Pipeline agree that the Commission has jurisdiction to enter this Agreed Order, and that Range Pipeline is subject to the Commission's jurisdiction.

4. Range Pipeline received notice of the violations alleged in Section II ("Allegations") on or about October 1, 2006.

5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by Range Pipeline of any violation alleged in Section II ("Allegations"), nor of any statute or rule.

6. An administrative penalty in the amount of Eight Hundred Fifty Dollars ($850) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). Range Pipeline has paid Six Hundred Eighty Dollars ($680) of the administrative penalty and One Hundred Seventy Dollars ($170) is deferred contingent upon Range Pipeline's timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If Range Pipeline fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require Range Pipeline to pay all or part of the deferred penalty.

7. Any notice and procedures which might otherwise be authorized or required in this action are waived in the interest of a more timely resolution of the matter.

8. The Executive Director of the TCEQ and Range Pipeline have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.

9. The Executive Director recognizes that Range Pipeline submitted a revised deviation report on September 26, 2006.

10. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that Range Pipeline has not complied with one or more of the terms or conditions in this Agreed Order.

11. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.

12. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

II. ALLEGATIONS

As owner and operator of the Plant, Range Pipeline is alleged to have failed to report in writing, all instances of deviations to the Executive Director, in violation of 30 TEX. ADMIN. CODE § 122.145(2)(A), General Operating Permit Nos. O-345 and 514, and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on September 25, 2006. Specifically, Range Pipeline failed to include two deviations in the February 15, 2006 through August 13, 2006 deviation report submitted on September 6, 2006.

III. DENIALS

Range Pipeline generally denies each allegation in Section II ("Allegations").

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that Range Pipeline pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and Range Pipeline's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Range Pipeline Systems, L.P., Docket No. 2006-1805-AIR-E" to:

Financial Administration Division, Revenues Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088

2. The provisions of this Agreed Order shall apply to and be binding upon Range Pipeline. Range Pipeline is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Plant operations referenced in this Agreed Order.

3. This Agreed Order, issued by the Commission, shall not be admissible against Range Pipeline in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.

4. This agreement may be executed in multiple counterparts, which together shall constitute a single original instrument. Any executed signature page to this Agreement may be transmitted by facsimile transmission to the other parties, which shall constitute an original signature for all purposes.

5. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to Range Pipeline, or three days after the date on which the Commission mails notice of the Order to Range Pipeline, whichever is earlier. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

For the Executive Director

Date 4/26/07

I, the undersigned, have read and understand the attached Agreed Order. I am authorized to agree to the attached Agreed Order on behalf of the entity, if any, indicated below my signature, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I also understand that my failure to comply with the Ordering Provisions, if any, in this order and/or my failure to timely pay the penalty amount, may result in:

- A negative impact on my compliance history;
- Greater scrutiny of any permit applications submitted by me;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions against me;
- Automatic referral to the Attorney General's Office of any future enforcement actions against me; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.

Signature

Date January 3, 2007

Rodney L. Waller

Name (Printed or typed)
Authorized Representative of
Range Pipeline Systems, L.P.

Title SVP & Chief Compliance Officer

Instructions: Send the original, signed Agreed Order with penalty payment to the Financial Administration Division, Revenues Section at the address in Section IV, Paragraph 1 of this Agreed Order.