EXECUTIVE SUMMARY - ENFORCEMENT MATTER
DOCKET NO.: 2006-1970-AIR-E TCEQ ID: RN102608775 CASE NO.: 31740
RESPONDENT NAME: Sabine Valley Pipeline, Inc.

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	__WATERQUALITY		

SITE WHERE VIOLATION(S) OCCURRED: Oakhill Compressor Station, near Tatum, six miles northwest on Highway 149, and one mile north toward Easton, Gregg County

TYPE OF OPERATION: Pipeline compressor station

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 12, 2007. No comments were received.

CONTACTS AND MAILING LIST:

TCEQ Attorney/SEP Coordinator: None
TCEQ Enforcement Coordinator: Ms. Roshondra Lowe, Enforcement Division, Enforcement Section III, MC R-12, (713) 767-3553; Mr. Steven Lopez, Enforcement Division, MC 219, (512) 239-1896
Respondent: Ms. Lori Maldonado, Senior EHS Analyst, Sabine Valley Pipeline, Inc., P.O. Box 1330, Houston, Texas 77251
Mr. Michael Chambers, General Manager, Eastern Region Operations, Sabine Valley Pipeline, Inc., P.O. Box 1330, Houston, Texas 77251
Respondent's Attorney: Not represented by counsel on this enforcement matter

RESPONDENT'S NAME: Sabine Valley Pipeline, Inc.
DOCKET NO.: 2006-1970-AIR-E

VIOLATION SUMMARY CHART:

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
Type of Investigation: ___Complaint ___Routine ___Enforcement Follow-up __X_Records Review **Date of Complaint Relating to this Case:** None **Date of Investigation Relating to this Case:** October 19. 2006 **Date of NOE Relating to this Case:** November 12, 2007 (NOE) **Background Facts:** This was a routine record review. Two violations were documented. **AIR** 1) Failure to submit a deviation report for a period having deviations. No report was submitted for the reporting period of June 6, 2006 through November 5, 2006, during which deviations occurred [30 Tex. Admin. Code § 122.145(2)(B), Federal Operating Permit ("FOP") No. 2801, and Tex. Health & Safety Code § 382.085(b)]. 2) Failure to operate engines at levels represented under the Permit-By-Rule ("PBR") registration. Engines COMP-1, OH-1, and OH-2 operated at higher carbon monoxide ("CO") emission levels than represented under PBR Registration No. 30532 from November 29, 2005 until January 16, 2006 [30 Tex. Admin. Code § 106.6(b) and Tex. Health & Safety Code § 382.085(b)].	**Total assessed:** $3,750 **Total Deferred:** $750 _X_Expedited Settlement __Financial Inability to Pay **SEP Conditional Offset:** $0 **Total Paid to General Revenue:** $3,000 **Site Compliance History Classification:** __High _X_Average __Poor **Person Compliance History Classification:** __High _X_Average __Poor **Major Source:** _X_Yes __No **Applicable Penalty Policy:** September 2002	**Corrective Actions Taken:** The Executive Director recognizes that Sabine Valley has implemented the following corrective measures at the Plant: a. Submitted a correct deviation report for the June 6, 2005 through November 5, 2005 period on June 21, 2006; and b. Ceased unauthorized emissions from Engines COMP-1, OH-1, and OH-2 on January 16, 2006, following adjustments and portable emissions tests.

Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002) — *PCW Revision February 15, 2005*

TCEQ

DATES					
Assigned	13-Nov-2006				
PCW	27-Nov-2006	Screening	14-Nov-2006	EPA Due	

RESPONDENT/FACILITY INFORMATION

Respondent	Sabine Valley Pipeline, Inc.		
Reg. Ent. Ref. No.	RN102608775		
Facility/Site Region	5-Tyler	Major/Minor Source	Major

CASE INFORMATION

Enf./Case ID No.	31740	No. of Violations	2
Docket No.	2006-1970-AIR-E	Order Type	1660
Media Program(s)	Air Quality	Enf. Coordinator	John Barry
Multi-Media		EC's Team	EnforcementTeam 6
Admin. Penalty $ Limit Minimum	$0	Maximum	$10,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties) — *Subtotal 1* $5,000

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History — 0% Enhancement — *Subtotals 2, 3, & 7* $0

Notes: No enhancement due to average performer classification.

Culpability — No — 0% Enhancement — *Subtotal 4* $0

Notes: Respondent does not meet the culpability criteria.

Good Faith Effort to Comply — 25% Reduction — *Subtotal 5* $1,250

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

Notes: The respondent achieved compliance on June 21, 2006.

0% Enhancement* — *Subtotal 6* $0

**Capped at the Total EB $ Amount*

Total EB Amounts	$12
Approx. Cost of Compliance	$1,200

SUM OF SUBTOTALS 1-7 — *Final Subtotal* $3,750

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 $3,750

STATUTORY LIMIT ADJUSTMENT — *Final Assessed Penalty* $3,750

DEFERRAL — 20% Reduction — *Adjustment* -$750

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 $3,000

Screening Date	14-Nov-2006	**Docket No.** 2006-1970-AIR-E	**PCW**
Respondent	Sabine Valley Pipeline, Inc.		*Policy Revision 2 (September 2002)*
Case ID No.	31740		*PCW Revision February 15, 2005*
Reg. Ent. Reference No.	RN102608775		
Media [Statute]	Air Quality		
Enf. Coordinator	John Barry		

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*)	0	0%
	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 submitted*)	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) 0%

>> 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

No enhancement due to average performer classification.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 0%

Screening Date	14-Nov-2006	**Docket No.** 2006-1970-AIR-E	**PCW**
Respondent	Sabine Valley Pipeline, Inc.		*Policy Revision 2 (September 2002)*
Case ID No.	31740		*PCW Revision February 15, 2005*
Reg. Ent. Reference No.	RN102608775		
Media [Statute]	Air Quality		
Enf. Coordinator	John Barry		

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code § 122.145(2)(B), Federal Operating Permit ("FOP") No. 2801, and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to submit a deviation report for a period having deviations. No report was submitted for the reporting period of June 6, 2006 through November 5, 2006, during which deviations occurred.

Base Penalty $10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm: Major	Moderate	Minor
Actual			
Potential			

Percent 0%

>>Programmatic Matrix

Falsification	Major	Moderate	Minor
	x		

Percent 25%

Matrix Notes: 100% of the rule was not met.

Adjustment $7,500

$2,500

Violation Events

Number of Violation Events 1

1 Number of violation days

mark only one with an x

daily	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty $2,500

One single event is recommended.

Economic Benefit (EB) for this violation

Estimated EB Amount $5

Statutory Limit Test

Violation Final Penalty Total $1,875

This violation Final Assessed Penalty (adjusted for limits) $1,875

Economic Benefit Worksheet

Respondent Sabine Valley Pipeline, Inc.
Case ID No. 31740
Reg. Ent. Reference No. RN102608775
Media Air Quality
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Description (No commas or $)	Item Cost	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				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)	$200	5-Dec-2005	21-Jun-2006	0.5	$5	n/a	$5
Notes for DELAYED costs	Estimated costs of properly reporting the deviations; the date required was the deadline date for deviation report submittal; the final date was the date that the deviation report was submitted.						
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
				0.0	$0	$0	$0
Notes for AVOIDED costs							

Approx. Cost of Compliance: $200

TOTAL: $5

Screening Date	14-Nov-2006	**Docket No.** 2006-1970-AIR-E	PCW
Respondent	Sabine Valley Pipeline, Inc.		*Policy Revision 2 (September 2002)*
Case ID No.	31740		*PCW Revision February 15, 2005*
Reg. Ent. Reference No.	RN102608775		
Media [Statute]	Air Quality		
Enf. Coordinator	John Barry		

Violation Number 2

Rule Cite(s) 30 Tex. Admin. Code § 106.6(b) and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to operate engines at levels represented under the Permit-By-Rule ("PBR") registration. Engines COMP-1, OH-1, and OH-2 operated at higher carbon monoxide ("CO") emission levels than represented under PBR Registration No. 30532 from November 29, 2005 until January 16, 2006.

Base Penalty $10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm: Major	Moderate	Minor
Actual			x
Potential			

Percent 25%

>>Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes: Human health or the environment has been exposed to insignificant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment $7,500

$2,500

Violation Events

Number of Violation Events 1 | 48 Number of violation days

mark only one with an x

daily	
monthly	
quarterly	x
semiannual	
annual	
single event	

Violation Base Penalty $2,500

One quarterly event is recommended.

Economic Benefit (EB) for this violation

Estimated EB Amount $7

Statutory Limit Test

Violation Final Penalty Total $1,875

This violation Final Assessed Penalty (adjusted for limits) $1,875

Economic Benefit Worksheet

Respondent Sabine Valley Pipeline, Inc.
Case ID No. 31740
Reg. Ent. Reference No. RN102608775
Media Air Quality
Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Item Description	No commas or $						
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				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)	$1,000	29-Nov-2005	16-Jan-2006	0.1	$7	n/a	$7
Notes for DELAYED costs	Estimated costs of testing engines to eliminate emissions; the date required is the date that unauthorized emissions began; the final date is the date the engines were adjusted and the unauthorized emissions ceased.						
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
				0.0	$0	$0	$0
Notes for AVOIDED costs							

Approx. Cost of Compliance $1,000

TOTAL $7

Compliance History

Customer/Respondent/Owner-Operator:	CN601572332	Sabine Valley Pipeline, Inc.	Classification: AVERAGE BY DEFAULT	Rating: 3.01
Regulated Entity:	RN102608775	OAKHILL COMPRESSOR STATION	Classification: AVERAGE BY DEFAULT	Site Rating: 3.01

ID Number(s):	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	GJ0164U
	AIR NEW SOURCE PERMITS	AFS NUM	0106
	AIR NEW SOURCE PERMITS	REGISTRATION	75657
	AIR NEW SOURCE PERMITS	REGISTRATION	30532
	AIR OPERATING PERMITS	ACCOUNT NUMBER	GJ0164U
	AIR OPERATING PERMITS	PERMIT	2801

Location: FROM TATUM TX GO 6 MI NW ON HWY 149 THEN 1 MI N ON LOCAL ROAD TO EASTON TX STATION IS ON W SIDE OF ROAD

Rating Date: September 01 06 Repeat Violator: NO

TCEQ Region: REGION 05 - TYLER

Date Compliance History Prepared: November 13, 2006

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: November 13, 2001 to November 13, 2006

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

Name: John Barry Phone: (409) 899-8781

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? No
3. If Yes, who is the current owner? N/A
4. if Yes, who was/were the prior owner(s)? N/A
5. When did the change(s) in ownership occur? N/A

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 11/07/2006 (516796)

N/A

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

N/A

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**
SABINE VALLEY PIPELINE, INC.	§	
RN102608775	§	**ENVIRONMENTAL QUALITY**

AGREED ORDER
DOCKET NO. 2006-1970-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 Sabine Valley Pipeline, Inc. ("Sabine Valley") 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 Sabine Valley appear before the Commission and together stipulate that:

1. Sabine Valley owns and operates a pipeline compressor station located near Tatum, six miles northwest on Highway 149, and one mile north toward Easton, in Gregg 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 Sabine Valley agree that the Commission has jurisdiction to enter this Agreed Order, and that Sabine Valley is subject to the Commission's jurisdiction.

4. Sabine Valley received notice of the violations alleged in Section II ("Allegations") on or about November 12, 2006.

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

6. An administrative penalty in the amount of Three Thousand Seven Hundred Fifty Dollars ($3,750) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). Sabine Valley has paid Three Thousand Dollars ($3,000) of the administrative

penalty and Seven Hundred Fifty Dollars ($750) is deferred contingent upon Sabine Valley'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 Sabine Valley fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require Sabine Valley 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 Sabine Valley 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 Sabine Valley has implemented the following corrective measures at the Plant:

   a. Submitted a correct deviation report for the June 6, 2005 through November 5, 2005 period on June 21, 2006; and

   b. Ceased unauthorized emissions from Engines COMP-1, OH-1, and OH-2 on January 16, 2006, following adjustments and portable emissions tests.

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 Sabine Valley 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, Sabine Valley is alleged to have:

1. Failed to submit a deviation report for a period having deviations, in violation of 30 TEX. ADMIN. CODE § 122.145(2)(B), FEDERAL OPERATING PERMIT No. 2801, and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review conducted on October 19, 2006. No report was submitted for the reporting period of June 6, 2006 through November 5, 2006, during which deviations occurred.

2. Failed to operate engines at levels represented under the Permit-By-Rule ("PBR") registration, in violation of 30 TEX. ADMIN. CODE § 106.6(b) and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review conducted on October 19, 2006. Engines COMP-1, OH-1, and OH-2 operated at higher carbon monoxide emission levels than represented under PBR Registration No. 30532 from November 29, 2005 until January 16, 2006.

III. DENIALS

Sabine Valley generally denies each allegation in Section II ("Allegations").

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that Sabine Valley pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and Sabine Valley'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: Sabine Valley Pipeline, Inc., Docket No. 2006-1970-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 Sabine Valley. Sabine Valley is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the operations referenced in this Agreed Order.

3. This Agreed Order, issued by the Commission, shall not be admissible against Sabine Valley 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 Sabine Valley, or three days after the date on which the Commission mails notice of the Order to Sabine Valley, 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

5/7/07
Date

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

12/5/06
Date

Michael Chambers
Name (Printed or typed)
Authorized Representative of
Sabine Valley Pipeline, Inc.

General Manager, Eastern Region
Title

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.