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EXECUTIVE SUMMARY - ENFORCEMENT MATTER
DOCKET NO.: 2010-0357-AIR-E **TCEQ ID:** RN100222736 **CASE NO.:** 39271
RESPONDENT NAME: Natural Gas Pipeline Company of America LLC

ORDER TYPE:		
<input checked="" type="checkbox"/> 1660 AGREED ORDER	<input type="checkbox"/> FINDINGS AGREED ORDER	<input type="checkbox"/> FINDINGS ORDER FOLLOWING SOAH HEARING
<input type="checkbox"/> FINDINGS DEFAULT ORDER	<input type="checkbox"/> SHUTDOWN ORDER	<input type="checkbox"/> IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER
<input type="checkbox"/> AMENDED ORDER	<input type="checkbox"/> EMERGENCY ORDER	
CASE TYPE:		
<input checked="" type="checkbox"/> AIR	<input type="checkbox"/> MULTI-MEDIA (check all that apply)	<input type="checkbox"/> INDUSTRIAL AND HAZARDOUS WASTE
<input type="checkbox"/> PUBLIC WATER SUPPLY	<input type="checkbox"/> PETROLEUM STORAGE TANKS	<input type="checkbox"/> OCCUPATIONAL CERTIFICATION
<input type="checkbox"/> WATER QUALITY	<input type="checkbox"/> SEWAGE SLUDGE	<input type="checkbox"/> UNDERGROUND INJECTION CONTROL
<input type="checkbox"/> MUNICIPAL SOLID WASTE	<input type="checkbox"/> RADIOACTIVE WASTE	<input type="checkbox"/> DRY CLEANER REGISTRATION
<p>SITE WHERE VIOLATION(S) OCCURRED: Compressor Station 155, 4744 Farm-to-Market Road 1810, Chico, Wise County</p> <p>TYPE OF OPERATION: Natural gas compressor station</p> <p>SMALL BUSINESS: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>OTHER SIGNIFICANT MATTERS: There are no complaints. There is no record of additional pending enforcement actions regarding this facility location.</p> <p>INTERESTED PARTIES: No one other than the ED and the Respondent has expressed an interest in this matter.</p> <p>COMMENTS RECEIVED: The <i>Texas Register</i> comment period expired on August 30, 2010. No comments were received.</p> <p>CONTACTS AND MAILING LIST: TCEQ Attorney/SEP Coordinator: None TCEQ Enforcement Coordinator: Ms. Rebecca Johnson, Enforcement Division, Enforcement Team 5, MC R-14, (361) 825-3420; Ms. Laurie Eaves, Enforcement Division, MC 219, (512) 239-4495 Respondent: Mr. Bob Montgomery, Director, Natural Gas Pipeline Company of America LLC, 5410 Bell Street, Suite 600, Amarillo, Texas 79109 Mr. M. Dwayne Burton, Vice President, Natural Gas Pipeline Company of America LLC, 5410 Bell Street, Suite 600, Amarillo, Texas 79109 Respondent's Attorney: Not represented by counsel on this enforcement matter</p>		

VIOLATION SUMMARY CHART:

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p>Type of Investigation: <input type="checkbox"/> Complaint <input type="checkbox"/> Routine <input type="checkbox"/> Enforcement Follow-up <input checked="" type="checkbox"/> Records Review</p> <p>Date(s) of Complaints Relating to this Case: None</p> <p>Date of Investigation Relating to this Case: November 19, 2009</p> <p>Date of NOV/NOE Relating to this Case: February 24, 2010 (NOE)</p> <p>Background Facts: This was a records review.</p> <p>AIR</p> <p>1) Failure to submit a renewal application at least six months prior to the expiration of Federal Operating Permit No. O-00798 and obtain authorization to operate the emissions sources at the Plant after the permit expired on February 12, 2009 [Federal Operating Permit No. O-00798, General Terms and Conditions, 30 TEX. ADMIN. CODE §§ 122.121, 122.133(4), and 122.241(b), and TEX. HEALTH & SAFETY CODE §§ 382.054 and 382.085(b)].</p> <p>2) Failure to submit a deviation report within 30 days after the end of the reporting period. Specifically, a deviation report detailing the late permit application submittal was due to be submitted by September 18, 2008, however, the deviation was not reported until March 10, 2009 [Federal Operating Permit No. O-00798, General Terms and Conditions, 30 TEX. ADMIN. CODE § 122.145(2), and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p>	<p>Total Assessed: \$9,375</p> <p>Total Deferred: \$1,875 <input checked="" type="checkbox"/> Expedited Settlement <input type="checkbox"/> Financial Inability to Pay</p> <p>SEP Conditional Offset: \$0</p> <p>Total Paid to General Revenue: \$7,500</p> <p>Site Compliance History Classification <input checked="" type="checkbox"/> High <input type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p>Person Compliance History Classification <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p>Major Source: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Applicable Penalty Policy: September 2002</p>	<p>Corrective Actions Taken:</p> <p>The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Plant:</p> <p>a. Submitted a permit application on February 20, 2009, and obtained Federal Operating Permit No. O-03272 on June 10, 2009; and</p> <p>b. Submitted a deviation report on March 10, 2009, which reported a deviation for the Title V Permit Application not being submitted six months prior to expiration.</p>

Additional ID No(s): WNo0540



Penalty Calculation Worksheet (PCW)

TCEQ

DATES	Assigned	1-Mar-2010	PCW	23-Jun-2010	Screening	5-Mar-2010	EPA Due	19-Nov-2010
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RESPONDENT/FACILITY INFORMATION	
Respondent	Natural Gas Pipeline Company of America LLC
Reg. Ent. Ref. No.	RN100222736
Facility/Site Region	4-Dallas
Major/Minor Source	Major

CASE INFORMATION			
Enf./Case ID No.	39271	No. of Violations	2
Docket No.	2010-0357-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No.
Multi-Media		Enf. Coordinator	Rebecca Johnson
Admin. Penalty \$ Limit Minimum	\$0	EC's Team	Enforcement Team 5
Maximum	\$10,000		

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	<i>Subtotal 1</i>	\$12,500
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ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History	0.0% Enhancement	<i>Subtotals 2, 3, & 7</i>	\$0
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Notes: No penalty adjustment due to compliance history.

Culpability	No	0.0% Enhancement	<i>Subtotal 4</i>	\$0
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Notes: The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply Total Adjustments	<i>Subtotal 5</i>	\$3,125
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Economic Benefit	0.0% Enhancement	<i>Subtotal 6</i>	\$0
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Total EB Amounts	\$37	*Capped at the Total EB \$ Amount
Approx. Cost of Compliance	\$2,200	

SUM OF SUBTOTALS 1-7	<i>Final Subtotal</i>	\$9,375
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OTHER FACTORS AS JUSTICE MAY REQUIRE	0.0%	<i>Adjustment</i>	\$0
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

<i>Final Penalty Amount</i>	\$9,375
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STATUTORY LIMIT ADJUSTMENT	<i>Final Assessed Penalty</i>	\$9,375
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DEFERRAL	20.0% Reduction	<i>Adjustment</i>	-\$1,875
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Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes: Deferral offered for expedited settlement.

PAYABLE PENALTY	\$7,500
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Screening Date 5-Mar-2010

Docket No. 2010-0357-AIR-E

PCW

Respondent Natural Gas Pipeline Company of America LLC

Policy Revision 2 (September 2002)

Case ID No. 39271

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100222736

Media [Statute] Air

Enf. Coordinator Rebecca Johnson

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 penalty adjustment due to compliance history.

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

Screening Date 5-Mar-2010

Docket No. 2010-0357-AIR-E

PCW

Respondent Natural Gas Pipeline Company of America LLC

Policy Revision 2 (September 2002)

Case ID No. 39271

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100222736

Media [Statute] Air

Enf. Coordinator Rebecca Johnson

Violation Number 1

Rule Cite(s) Federal Operating Permit No. O-00798, General Terms and Conditions, 30 Tex. Admin. Code §§ 122.121, 122.133(4), and 122.241(b), and Tex. Health & Safety Code §§ 382.054 and 382.085(b)

Violation Description Failed to submit a renewal application at least six months prior to the expiration of Federal Operating Permit No. O-00798 and obtain authorization to operate the emissions sources at the Plant after the permit expired on February 12, 2009.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm			Percent
	Major	Moderate	Minor	
Actual				0%
Potential				

>> Programmatic Matrix

Falsification	Harm			Percent
	Major	Moderate	Minor	
	X			25%

Matrix Notes

100% of the rule requirement was not met.

Adjustment \$7,500

\$2,500

Violation Events

Number of Violation Events 4 Number of violation days 118

mark only one with an x

daily	
weekly	
monthly	X
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty \$10,000

Four monthly events are recommended based on the February 12, 2009 permit expiration date to the June 10, 2009 permit issuance date.

Good Faith Efforts to Comply

25.0% Reduction

\$2,500

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

Notes The Respondent completed corrective actions on June 10, 2009, which was prior to the February 24, 2010 NOE.

Violation Subtotal \$7,500

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$32

Violation Final Penalty Total \$7,500

This violation Final Assessed Penalty (adjusted for limits) \$7,500

Economic Benefit Worksheet

Respondent Natural Gas Pipeline Company of America LLC
Case ID No. 39271
Reg. Ent. Reference No. RN100222736
Media Air
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs	\$2,000	12-Feb-2009	10-Jun-2009	0.32	\$32	n/a	\$32
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to complete and submit a permit renewal application. The date required is the date the permit expired. The final date is the date the new permit was issued.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$2,000

TOTAL

\$32

Screening Date 5-Mar-2010

Docket No. 2010-0357-AIR-E

PCW

Respondent Natural Gas Pipeline Company of America LLC

Policy Revision 2 (September 2002)

Case ID No. 39271

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100222736

Media [Statute] Air

Enf. Coordinator Rebecca Johnson

Violation Number 2

Rule Cite(s)

Federal Operating Permit No. O-00798, General Terms and Conditions, 30 Tex. Admin. Code § 122.145(2), and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to submit a deviation report within 30 days after the end of the reporting period. Specifically, a deviation report detailing the late permit application submittal was due to be submitted by September 18, 2008, however, the deviation was not reported until March 10, 2009.

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 requirements were not met.

Adjustment \$7,500

\$2,500

Violation Events

Number of Violation Events 1

173 Number of violation days

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	X

mark only one with an x

Violation Base Penalty \$2,500

One single event is recommended based on the one report that was not properly submitted.

Good Faith Efforts to Comply

25.0% Reduction

\$625

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

Notes

The Respondent completed corrective actions on March 10, 2009, which was before the February 24, 2010 NOE.

Violation Subtotal \$1,875

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$5

Violation Final Penalty Total \$1,875

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

Economic Benefit Worksheet

Respondent Natural Gas Pipeline Company of America LLC
Case ID No. 39271
Reg. Ent. Reference No. RN100222736
Media Air
Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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No commas or \$

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$200	18-Sep-2008	10-Mar-2009	0.47	\$5	n/a	\$5

Notes for DELAYED costs

Estimated cost to ensure that deviation reports are submitted as required. The date required is date the deviation report was due to be submitted. The final date is the date corrective actions were completed.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$200

TOTAL

\$5

Compliance History Report

Customer/Respondent/Owner-Operator: CN600124200 Natural Gas Pipeline Company of America LLC Classification: AVERAGE Rating: 2.54

Regulated Entity: RN100222736 COMPRESSOR STATION 155 Classification: HIGH Site Rating: 0.00

ID Number(s):

AIR OPERATING PERMITS	PERMIT	3272
AIR OPERATING PERMITS	ACCOUNT NUMBER	WN00540
AIR OPERATING PERMITS	PERMIT	3272
AIR NEW SOURCE PERMITS	PERMIT	9596
AIR NEW SOURCE PERMITS	REGISTRATION	49166
AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	WN00540
AIR NEW SOURCE PERMITS	REGISTRATION	75394
AIR NEW SOURCE PERMITS	AFS NUM	4849700021
AIR EMISSIONS INVENTORY	ACCOUNT NUMBER	WN00540

Location: 4744 FM 1810, CHICO, TX, 76431

TCEQ Region: REGION 04 - DFW METROPLEX

Date Compliance History Prepared: March 05, 2010

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: March 05, 2005 to March 05, 2010

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

Name: Rebecca Johnson Phone: (361) 825-3420

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/operator of the site during the compliance period? No
3. If Yes, who is the current owner/operator? N/A
4. If Yes, who was/were the prior owner(s)/operator(s)? N/A
5. When did the change(s) in owner or operator occur? N/A
6. Rating Date: 9/1/2009 Repeat Violator: NO

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 | 03/28/2005 | (372636) |
| 2 | 08/23/2006 | (454380) |
| 3 | 02/26/2007 | (541864) |
| 4 | 11/29/2007 | (598528) |
| 5 | 12/12/2008 | (708033) |
| 6 | 02/22/2010 | (765816) |
- 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
ENFORCEMENT ACTION
CONCERNING
NATURAL GAS PIPELINE
COMPANY OF AMERICA LLC
RN100222736

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BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY

AGREED ORDER
DOCKET NO. 2010-0357-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 Natural Gas Pipeline Company of America LLC ("the Respondent") 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 the Respondent appear before the Commission and together stipulate that:

1. The Respondent owns and operates a natural gas compressor station at 4744 Farm-to-Market Road 1810 in Chico, Wise 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 the Respondent agree that the Commission has jurisdiction to enter this Agreed Order, and that the Respondent is subject to the Commission's jurisdiction.
4. The Respondent received notice of the violations alleged in Section II ("Allegations") on or about March 1, 2010.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
6. An administrative penalty in the amount of Nine Thousand Three Hundred Seventy-Five Dollars (\$9,375) is assessed by the Commission in settlement of the violations alleged in Section II

("Allegations"). The Respondent has paid Seven Thousand Five Hundred Dollars (\$7,500) of the administrative penalty and One Thousand Eight Hundred Seventy-Five Dollars (\$1,875) is deferred contingent upon the Respondent'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 the Respondent fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require the Respondent 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 the Respondent 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 the Respondent has implemented the following corrective measures at the Plant:
 - a. Submitted a permit application on February 20, 2009, and obtained Federal Operating Permit No. O-03272 on June 10, 2009; and
 - b. Submitted a deviation report on March 10, 2009, which reported a deviation for the Title V Permit Application not being submitted six months prior to expiration.
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 the Respondent 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, the Respondent is alleged to have:

1. Failed to submit a renewal application at least six months prior to the expiration of Federal Operating Permit No. O-00798 and obtain authorization to operate the emissions sources at the Plant after the permit expired on February 12, 2009, in violation of Federal Operating Permit No. O-00798, General Terms and Conditions, 30 TEX. ADMIN. CODE §§ 122.121, 122.133(4), and 122.241(b), and TEX. HEALTH & SAFETY CODE §§ 382.054 and 382.085(b), as documented during a record review conducted on November 19, 2009.
2. Failed to submit a deviation report within 30 days after the end of the reporting period, in violation of Federal Operating Permit No. O-00798, General Terms and Conditions, 30 TEX.

ADMIN. CODE § 122.145(2), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review conducted on November 19, 2009. Specifically, a deviation report detailing the late permit application submittal was due to be submitted by September 18, 2008, however, the deviation was not reported until March 10, 2009.

III. DENIALS

The Respondent generally denies each allegation in Section II ("Allegations").

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that the Respondent pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and the Respondent'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: Natural Gas Pipeline Company of America LLC, Docket No. 2010-0357-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 the Respondent. The Respondent 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 the Respondent 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 Agreed Order may be executed in multiple counterparts, which together shall constitute a single original instrument. Any executed signature page to this Agreed Order may be transmitted by facsimile transmission to the other parties, which shall constitute an original signature for all purposes under this Agreed Order.
5. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to the Respondent, or three days after the date on which the Commission mails notice of the Order to the Respondent, 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

John Szellin
For the Executive Director

Date

9/2/2010

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

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- 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;
- Automatic referral to the Attorney General's Office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

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

M. Dwayne Burton
Signature

Date

7-1-2010

M. Dwayne Burton
Name (Printed or typed)
Authorized Representative of
Natural Gas Pipeline Company of America LLC

Vice President
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.