

EXECUTIVE SUMMARY - ENFORCEMENT MATTER
DOCKET NO. 2009-0778-AIR-E RN100210277 CASE NO. 37691
RESPONDENT NAME: ENTERPRISE HYDROCARBONS L.P.

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 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

SITE WHERE VIOLATION(S) OCCURRED: 802 McKinzie Road, Corpus Christi, Nueces County

TYPE OF OPERATION: gas production facility

SMALL BUSINESS: Yes 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 Respondent expressed an interest in this matter.

COMMENTS RECEIVED: The *Texas Register* comment period expired November 8, 2010. No comments were received.

CONTACTS AND MAILING LIST:
TCEQ Attorney: Mr. Xavier Guerra, Litigation Division, MC R-13, (210) 403-4016
 Ms. Lena Roberts, Litigation Division, MC 175, (512) 239-3400
TCEQ Enforcement Coordinator: Ms. Rebecca Johnson, Air Enforcement Section, MC R-14, (361) 825-3420
TCEQ Regional Contact: Mr. David Kennebeck, Corpus Christi Regional Office, MC R-14, (361) 825-3111
Respondent: Mr. Terry L. Hurlburt, Senior Vice President of Operations, Enterprise Hydrocarbons L.P., P.O. Box 4324, Houston, Texas 77210-4324
Respondent's Attorney: Mr. Edward Lewis, Partner, Fulbright & Jaworski L.L.P., 1301 McKinney, Suite 5100, Houston, Texas 77010-3095

VIOLATION SUMMARY CHART:		
VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p>Type of Investigation:</p> <p><input type="checkbox"/> Complaint <input checked="" type="checkbox"/> Routine <input type="checkbox"/> Enforcement Follow-up <input type="checkbox"/> Records Review</p> <p>Date of Complaint: None</p> <p>Date of Investigation: January 20, 2009</p> <p>Date of NOE: April 29, 2009</p> <p>Background Facts: The EDPRP was filed on September 30, 2009. Respondent filed an answer and the case was referred to SOAH. Settlement was achieved and the agreed order was signed on August 19, 2010.</p> <p>Current Compliance Status: No outstanding Technical Requirements.</p> <p>AIR:</p> <ol style="list-style-type: none"> Failed to accurately represent the Main Plant Flare and the Carbon Monoxide Flare in the Federal Operating Permit renewal application submitted on January 15, 2007 [Federal Operating Permit No. O-0869 and General Operating Permit No. 512, Special Condition No. (b)(1), 30 TEX. ADMIN. CODE §§ 122.132(a) and (e), 122.142(c), and 122.503, and TEX. HEALTH & SAFETY CODE §§ 382.085(b) and 382.0518]. Failed to conduct a performance test of the Main Plant Flare [40 C.F.R. §§ 60.8, 60.18, 60.632, and 60.482-10(d), 30 TEX. ADMIN. CODE § 101.20(1), and TEX. HEALTH & SAFETY CODE § 382.085(b)]. Failed to maintain a complete flare operation log [30 TEX. ADMIN. CODE § 111.111(a)(4)(A)(ii) and TEX. HEALTH & SAFETY CODE § 382.085(b)]. 	<p>Total Assessed: \$7,920</p> <p>Total Deferred: \$0 <input type="checkbox"/> Expedited Order <input type="checkbox"/> Financial Inability to Pay</p> <p>SEP Conditional Offset: \$0</p> <p>Total Paid to General Revenue: \$7,920</p> <p>Respondent paid the administrative penalty in full.</p> <p>Compliance History Classifications: <i>Person/CN – Average</i> <i>Site/RN - Poor</i></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: The Executive Director recognizes that Respondent implemented the following corrective measures at the Plant:</p> <ol style="list-style-type: none"> On October 8, 2009, Respondent's Federal Operating Permit No. O-0869 and General Operating Permit No. 512 were revised to accurately represent the Plant's Main Plant Flare and Carbon Monoxide Flare; On June 30, 2009, Respondent conducted a performance test on the Main Plant Flare; and On May 20, 2009, Respondent submitted complete flare operation logs that included the specific times flare observations were made, and a revised flare log that detailed which flares were being observed.



Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

TCEQ

DATES	Assigned	11-May-2009			
	PCW	11-Aug-2010	Screening	18-May-2009	EPA Due 23-Jan-2010

RESPONDENT/FACILITY INFORMATION					
Respondent	Enterprise Hydrocarbons L.P.				
Reg. Ent. Ref. No.	RN100210277				
Facility/Site Region	14-Corpus Christi	Major/Minor Source	Major		

CASE INFORMATION					
Enf./Case ID No.	37691	No. of Violations	3		
Docket No.	2009-0778-AIR-E	Order Type	1660		
Media Program(s)	Air	Government/Non-Profit	No		
Multi-Media		Enf. Coordinator	Rebecca Johnson		
		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	\$7,000
---	-------------------	----------------

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History	16.0% Enhancement	Subtotals 2, 3, & 7	\$1,120
---------------------------	-------------------	--------------------------------	----------------

Notes: Penalty enhancement due to one agreed order with a denial of liability.
Penalty reduction due to four Notices of Intended Audits submitted.

Culpability	No	0.0% Enhancement	Subtotal 4	\$0
--------------------	----	------------------	-------------------	------------

Notes: The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply Total Adjustments	Subtotal 5	\$200
--	-------------------	--------------

Economic Benefit	0.0% Enhancement*	Subtotal 6	\$0
-------------------------	-------------------	-------------------	------------

Total EB Amounts: \$2,265
Approx. Cost of Compliance: \$10,600
*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7	Final Subtotal	\$7,920
-----------------------------	-----------------------	----------------

OTHER FACTORS AS JUSTICE MAY REQUIRE	0.0%	Adjustment	\$0
---	------	-------------------	------------

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

Final Penalty Amount **\$7,920**

STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$7,920
-----------------------------------	-------------------------------	----------------

DEFERRAL	0.0% Reduction	Adjustment	\$0
-----------------	----------------	-------------------	------------

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

Notes:

No deferral since this is not an expedited enforcement action.

PAYABLE PENALTY	\$7,920
------------------------	----------------

Screening Date 18-May-2009

Docket No. 2009-0778-AIR-E

PCW

Respondent Enterprise Hydrocarbons L.P.

Policy Revision 2 (September 2002)

Case ID No. 37691

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100210277

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 (<i>number of NOVs meeting criteria</i>)	0	0%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	1	20%
	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 (<i>number of judgements or consent decrees meeting criteria</i>)	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 (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	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 (<i>number of audits for which notices were submitted</i>)	4	-4%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	0	0%
<i>Please Enter Yes or No</i>			
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) 16%

>> **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

Penalty enhancement due to one agreed order with a denial of liability. Penalty reduction due to four Notices of Intended Audits submitted.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 16%

Screening Date 18-May-2009 **Docket No.** 2009-0778-AIR-E **PCW**
Respondent Enterprise Hydrocarbons L.P. *Policy Revision 2 (September 2002)*
Case ID No. 37691 *PCW Revision October 30, 2008*
Reg. Ent. Reference No. RN100210277
Media [Statute] Air
Enf. Coordinator Rebecca Johnson

Violation Number 1
Rule Cite(s) Federal Operating Permit No. O-0869 and General Operating Permit No. 512, Special Condition No. (b)(1), 30 Tex. Admin. Code §§ 122.132(a) and (e), 122.142(c), and 122.503, and Tex. Health & Safety Code §§ 382.085(b) and 382.0518
Violation Description Failed to accurately represent the Main Plant Flare and the Carbon Monoxide Flare in the Federal Operating Permit renewal application submitted on January 15, 2007. Specifically, the renewal application did not include all applicable requirements for the Main Plant Flare, did not represent the correct usage of the flares, and did not reflect the replacement of the Main Plant Flare.
Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
		Actual			
Potential					

>>Programmatic Matrix

Matrix Notes	Falsification	Major	Moderate	Minor	Percent
			x		
100% of the rule requirements were not met.					
Adjustment					\$7,500

\$2,500

Violation Events

Number of Violation Events Number of violation days

<i>mark only one with an x</i>	daily	
	weekly	
	monthly	
	quarterly	
	semiannual	
	annual	
	single event	x

Violation Base Penalty \$5,000

Two single events are recommended based on the two flares that were not accurately represented in the January 15, 2007 renewal application.

Good Faith Efforts to Comply Reduction

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary		
N/A	x	(mark with x)
Notes	The Respondent completed corrective actions on October 8, 2009, which was after the initial settlement offer on July 1, 2009.	
Violation Subtotal \$5,000		

Economic Benefit (EB) for this violation **Statutory Limit Test**

Estimated EB Amount **Violation Final Penalty Total**
This violation Final Assessed Penalty (adjusted for limits)

Economic Benefit Worksheet

Respondent Enterprise Hydrocarbons L.P.
Case ID No. 37691
Reg. Ent. Reference No. RN100210277
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	15-Jan-2007	8-Oct-2009	2.73	\$273	n/a	\$273
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to submit a permit renewal application that accurately reflects the use of the flares. The date required is the date the inaccurate permit renewal application was 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

\$2,000

TOTAL

\$273

Screening Date 18-May-2009 **Docket No.** 2009-0778-AIR-E **PCW**
Respondent Enterprise Hydrocarbons L.P. *Policy Revision 2 (September 2002)*
Case ID No. 37691 *PCW Revision October 30, 2008*
Reg. Ent. Reference No. RN100210277
Media [Statute] Air
Enf. Coordinator Rebecca Johnson

Violation Number
Rule Cite(s) 40 Code of Federal Regulations §§ 60.8, 60.18, 60.632, and 60.482-10(d), 30 Tex. Admin. Code § 101.20(1), and Tex. Health & Safety Code § 382.085(b)
Violation Description Failed to conduct a performance test of the Main Plant Flare.
Base Penalty

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="10%"/>
	Potential	<input type="text"/>	<input type="text"/>	<input checked="" type="checkbox"/>	

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor	Percent
	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="0%"/>

Matrix Notes Human health or the environment could be exposed to an insignificant amount of pollutants which would not exceed protective levels as a result of the violation.

Adjustment

Violation Events

Number of Violation Events Number of violation days
mark only one with an x
 daily
 weekly
 monthly
 quarterly
 semiannual
 annual
 single event
Violation Base Penalty

One single event is recommended based on the one flare that was not performance tested.

Good Faith Efforts to Comply Reduction

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary	<input type="text"/>	<input type="text"/>
Ordinary	<input type="text"/>	<input checked="" type="checkbox"/>
N/A	<input type="text"/>	(mark with x)

Notes The Respondent completed corrective actions on June 30, 2009, which was after the April 28, 2009 NOE and before the initial settlement offer on July 1, 2009.

Violation Subtotal

Economic Benefit (EB) for this violation Statutory Limit Test

Estimated EB Amount **Violation Final Penalty Total**
This violation Final Assessed Penalty (adjusted for limits)

Economic Benefit Worksheet

Respondent Enterprise Hydrocarbons L.P.
Case ID No. 37691
Reg. Ent. Reference No. RN100210277
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
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)	\$8,500	25-Oct-2004	30-Jun-2009	4.68	\$1,990	n/a	\$1,990

Notes for DELAYED costs

Estimated cost to conduct performance testing on the flare. The date required is the date of the change in ownership. The final date is the compliance date.

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

\$8,500

TOTAL

\$1,990

Screening Date 18-May-2009 **Docket No.** 2009-0778-AIR-E **PCW**
Respondent Enterprise Hydrocarbons L.P. *Policy Revision 2 (September 2002)*
Case ID No. 37691 *PCW Revision October 30, 2008*
Reg. Ent. Reference No. RN100210277
Media [Statute] Air
Enf. Coordinator Rebecca Johnson

Violation Number 3
Rule Cite(s) 30 Tex. Admin. Code § 111.111(a)(4)(A)(ii) and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to maintain a complete flare operation log. Specifically, the flare operation log did not include the time that the flare was observed or which flare was being observed.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR	Harm				Percent 0%
	Release	Major	Moderate	Minor	
	Actual				
	Potential				

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor	Percent 10%
			x		

Matrix Notes More than 30% and less than 70% of the required information was not being maintained.

Adjustment \$9,000

\$1,000

Violation Events

Number of Violation Events 1 120 Number of violation days

mark only one with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$1,000

One single event is recommended based on the flare log that was not being properly maintained.

Good Faith Efforts to Comply 10.0% Reduction \$100

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

Notes The Respondent completed corrective actions on May 20, 2009, which was after the April 28, 2009 NOE and before the initial settlement offer on July 1, 2009.

Violation Subtotal \$900

Economic Benefit (EB) for this violation **Statutory Limit Test**

Estimated EB Amount \$2 **Violation Final Penalty Total** \$1,060

This violation Final Assessed Penalty (adjusted for limits) \$1,060

Economic Benefit Worksheet

Respondent Enterprise Hydrocarbons L.P.
Case ID No. 37691
Reg. Ent. Reference No. RN100210277
Media Air
Violation No. 3

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	\$100	20-Jan-2009	20-May-2009	0.33	\$2	n/a	\$2
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)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to ensure that a flare operation log is properly maintained. The date required is the date of the investigation. 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

\$100

TOTAL

\$2

Compliance History Report

Customer/Respondent/Owner-Operator: Regulated Entity:	CN602718553 RN100210277	Enterprise Hydrocarbons L.P. SHOUP GAS PLANT	Classification: AVERAGE Classification: POOR	Rating: 5.63 Site Rating: 55.22
ID Number(s):	AIR OPERATING PERMITS AIR OPERATING PERMITS INDUSTRIAL AND HAZARDOUS WASTE GENERATION INDUSTRIAL AND HAZARDOUS WASTE GENERATION AIR NEW SOURCE PERMITS AIR NEW SOURCE PERMITS AIR NEW SOURCE PERMITS AIR NEW SOURCE PERMITS AIR NEW SOURCE PERMITS	ACCOUNT NUMBER PERMIT EPA ID SOLID WASTE REGISTRATION # (SWR) ACCOUNT NUMBER PERMIT ACCOUNT NUMBER AFS NUM REGISTRATION	NE01651 869 TXD988070025 37891 NE0266B 11055 NE01651 4835500132 70095	
Location:	802 MCKINZIE RD, CORPUS CHRISTI, TX, 78410			
TCEQ Region:	REGION 14 - CORPUS CHRISTI			
Date Compliance History Prepared:	May 11, 2009			
Agency Decision Requiring Compliance History:	Enforcement			
Compliance Period:	May 11, 2004 to May 11, 2009			
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? Yes
3. If Yes, who is the current owner/operator? Enterprise Hydrocarbons L.P.
4. If Yes, who was/were the prior owner(s)/operator(s)? El Paso Field Services Management, Inc.
5. When did the change(s) in owner or operator occur? 10/25/2004
6. Rating Date: 9/1/2008 Repeat Violator: NO

Components (Multimedia) for the Site :

- A. Final Enforcement Orders, court judgments, and consent decrees of the State of Texas and the federal government.

Effective Date: 05/12/2006	ADMINORDER 2002-0951-AIR-E
Classification: Moderate	
Citation:	30 TAC Chapter 122, SubChapter B 122.145(2) 30 TAC Chapter 122, SubChapter B 122.146 5C THC Chapter 382, SubChapter A 382.085(b)
Rqmt Prov:	GOP O-00869, a & b OP
Description:	Failed to disclose all deviations from applicable requirements on the Federal Operating Permit compliance certifications for the certification periods of 7/31/00-7/30/01, 7/31/01-7/30/02, & 7/31/02-7/30/03, & failed to submit the FOP dev. rpts. for 7/31/00-1/30/01, 7/31/01-1/30/02, & 7/31/02-1/30/03
Classification: Moderate	
Citation:	30 TAC Chapter 116, SubChapter B 116.115(c) 5C THC Chapter 382, SubChapter A 382.085(b)
Rqmt Prov:	18614, SP 12 PERMIT
Description:	Failed to demonstrate compliance by providing any records to show catalytic converters on the 5 comp. engines (EPN Nos. 4, 5, 12, 16, & 17) were being maintained in good working order & operated properly during normal facility operations as documented between 12/28/01 & 3/5/02.
Classification: Moderate	
Citation:	30 TAC Chapter 116, SubChapter B 116.115(b) 30 TAC Chapter 116, SubChapter B 116.115(c) 5C THC Chapter 382, SubChapter A 382.085(b)
Rqmt Prov:	18614, GP 6, and SP 1, 4, 5, & 11C PERMIT
Description:	Failed to maintain the permitted lbs/per hr. emis. rates for CO as specified in the MAERT for 2 engines & 3 turbines. Also failed to maintain for NOx for 5 engines, also exceeded the horsepower oper. limits for 5 engines & 4 turbines; & exceeded the NOx limit in PPM for 5 engines, & exceeded the NOx limit in gr/hpr hr
Classification: Moderate	
Citation:	30 TAC Chapter 101, SubChapter A 101.20(1) 30 TAC Chapter 116, SubChapter B 116.115(c) 30 TAC Chapter 122, SubChapter B 122.143(4) 30 TAC Chapter 122, SubChapter F 122.512(b)(11)(G) 40 CFR Chapter 60, SubChapter C, PT 60, SubPT GG 60.334(b)(2) 5C THC Chapter 382, SubChapter A 382.085(b)
Rqmt Prov:	18614, SP. No. 12E & 12G PERMIT O-00869, (a) & (b) OP
Description:	Failed to demonstrate compliance with the fuel monitoring requirements by not maintaining any records for the five turbines for 2001; also failed to demonstrate compliance with the turbine load monitoring requirements by not maintaining any records showing that loads for the same 5 turbines had been monitored & recorded.

Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT JJJ 60.635(a)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.486
5C THC Chapter 382, SubChapter A 382.085(b)
Description: Failed to demonstrate compliance by not maintaining any quarterly records for the de-ethanization tower & 2 heaters (H-402 & H-402) which contain equipment and components in VOC service & subject to 40 CFR, Part 60, Subpart KKK during 2001.

Classification: Minor
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
5C THC Chapter 382, SubChapter A 382.085(b)
Rqmt Prov: 18614, SP No. 13. PERMIT
Description: Failure to submit the annual report of quarterly tests for the 5 turbines & 5 engines (EPN Nos. 1-5, 10-12, 16, & 17) for 2001 as documented between 12/28/01 & 3/5/02.

Classification: Minor
Citation: 30 TAC Chapter 101, SubChapter A 101.6(b)
5C THC Chapter 382, SubChapter A 382.085(b)
Description: Failed to create a complete final record of excess emissions events which occurred on 5/17, 9/7, and 10/28/01 as documented between 12/28/01 and 3/5/02.

Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
5C THC Chapter 382, SubChapter A 382.085(b)
Rqmt Prov: 18614, SP 1 PERMIT
Description: Failed to obtain regulatory authority or to meet the demonstration requirements of 30 TAC 101.11 for emissions resulting from excess emission events on 5/17, 9/7, & 10/28/01.

Classification: Minor
Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(4)(A)(ii)
5C THC Chapter 382, SubChapter A 382.085(b)
Description: Failed to maintain a flare operation log for Emission Point No. 7 for calendar year 2001as documented between 12/28/01 & 3/5/02.

Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
30 TAC Chapter 122, SubChapter F 122.512(b)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.8
40 CFR Chapter 60, SubChapter C, PT 60, SubPT GG 60.335
5C THC Chapter 382, SubChapter A 382.085(b)
Rqmt Prov: (a) & (b) OP
18614, SP No. 2 PERMIT
Description: Failed to conduct initial performance testing for Emission Point No. 1 to demonstrate compliance with testing and emissions requirements as documented between 12/28/01 & 3/5/02.

Classification: Minor
Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT JJJ 60.636(a)
40 CFR Part 60, Subpart VV 60.487
5C THC Chapter 382, SubChapter A 382.085(b)
Description: Failed to demonstrate compliance with semi-annual reporting requirements by not submitting, during 2001, any reports for the de-etahization tower & 2 heaters which contain equipment & components in VOC service that are subject to 40 CFR Part 60, Subpart KKK as documented between 12/28/01 & 3/5/02.

Classification: Major
Citation: 30 TAC Chapter 122, SubChapter B 122.121
30 TAC Chapter 122, SubChapter F 122.503
5C THC Chapter 382, SubChapter A 382.054
5C THC Chapter 382, SubChapter A 382.085(b)
Description: Failed to obtain federal operating authority by failing to revise GOP No. O-00869 to include the de-ethanization tower & 2 process heaters (H-401 & H-402) which contain equipment and components in VOC service that are subject to 40 CFR Part 60, Subpart KKK as documented between 12/28/01 & 3/5/02.

Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 116, SubChapter B 116.116(a)
5C THC Chapter 382, SubChapter A 382.085(b)
Rqmt Prov: 18614, SP No. 1 PERMIT
Description: Failed to operate EPN Nos. 5 & 7 exclusively as represented in the permit as documented between 12/28/01 & 3/5/02. Specifically, EPN No. 5 was to be used on a stand by basis only, & EPN No. 7 was to be used only as an emergency flare.

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	07/14/2005	(399668)
2	03/23/2006	(457047)
3	06/30/2006	(484899)
4	11/21/2007	(595801)

5	02/21/2008	(636171)
6	05/02/2008	(654584)
7	08/26/2008	(700242)
8	03/11/2009	(724488)
9	04/28/2009	(723509)

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

F. Environmental audits.
Notice of Intent Date: 10/01/2004 (348249)
No DOV Associated

Notice of Intent Date: 04/07/2005 (381106)
No DOV Associated

Notice of Intent Date: 11/08/2005 (438312)
No DOV Associated

Notice of Intent Date: 01/14/2009 (735575)
No DOV Associated

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
ENTERPRISE HYDROCARBONS L.P.;
RN100210277**

§
§
§
§
§

**BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY**

AGREED ORDER DOCKET NO. 2009-0778-AIR-E

I. JURISDICTION AND STIPULATIONS

At its _____ agenda, the Texas Commission on Environmental Quality ("Commission" or "TCEQ") considered this agreement of the parties (the "Agreed Order"), resolving an enforcement action regarding Enterprise Hydrocarbons L.P. ("Respondent") under the authority of TEX. WATER CODE ch. 7 and TEX. HEALTH & SAFETY CODE ch. 382. The Executive Director of the TCEQ, represented by the Litigation Division, and Respondent, represented by Edward Lewis of the law firm Fulbright & Jaworski L.L.P., appear before the Commission and together stipulate that:

1. Respondent owns and operates a gas production facility at 802 McKinzie Road, Corpus Christi, Nueces County, Texas (the "Plant"). The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
2. This Agreed Order is entered into pursuant to TEX. WATER CODE §§ 7.051 and 7.070. The Commission has jurisdiction of this matter pursuant to TEX. WATER CODE § 5.013 because it alleges violations of TEX. HEALTH & SAFETY CODE ch. 382 and TCEQ rules.
3. The Commission and Respondent agree that the Commission has jurisdiction to enter this Agreed Order, and that Respondent is subject to the Commission's jurisdiction.
4. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
5. An administrative penalty in the amount of seven thousand nine hundred twenty dollars (\$7,920.00) is assessed by the Commission in settlement of the violations alleged in Section II. Respondent paid seven thousand nine hundred twenty dollars (\$7,920.00) of the administrative penalty.
6. 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.
7. The Executive Director of the TCEQ and Respondent agree on a settlement of the matters addressed in this Agreed Order, subject to the approval of the Commission.
8. The Executive Director recognizes that Respondent implemented the following corrective measures at the Plant:

- a. On October 8, 2009, Respondent's Federal Operating Permit No. O-0869 and General Operating Permit No. 512 were revised to accurately represent the Plant's Main Plant Flare and Carbon Monoxide Flare;
 - b. On June 30, 2009, Respondent conducted a performance test on the Main Plant Flare; and
 - c. On May 20, 2009, Respondent submitted complete flare operation logs that included the specific times flare observations were made, and a revised flare log that detailed which flares were being observed.
9. 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 Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
 10. 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.
 11. 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

1. During an investigation conducted on January 20, 2009, a TCEQ Corpus Christi Regional Office investigator documented that Respondent violated:
 - a. Federal Operating Permit No. O-0869 and General Operating Permit No. 512, Special Condition No. (b)(1), 30 TEX. ADMIN. CODE §§ 122.132(a) and (e), 122.142(c), and 122.503, and TEX. HEALTH & SAFETY CODE §§ 382.085(b) and 382.0518, by failing to accurately represent the Main Plant Flare and the Carbon Monoxide Flare in the Federal Operating Permit renewal application submitted on January 15, 2007. Specifically, the renewal application did not include all applicable requirements for the Main Plant Flare, did not represent the correct usage of the flares, and did not reflect the replacement of the Main Plant Flare;
 - b. 40 CODE OF FEDERAL REGULATIONS ("C.F.R.") §§ 60.8, 60.18, 60.632, and 60.482-10(d), 30 TEX. ADMIN. CODE § 101.20(1), and TEX. HEALTH & SAFETY CODE § 382.085(b), by failing to conduct a performance test of the Main Plant Flare; and
 - c. 30 TEX. ADMIN. CODE § 111.111(a)(4)(A)(ii) and TEX. HEALTH & SAFETY CODE § 382.085(b), by failing to maintain a complete flare operation log. Specifically, the flare operation log did not include the time that the flare was observed or which flare was being observed.
2. Respondent received notice of the violations on or about May 4, 2009.

III. DENIALS

Respondent generally denies each Allegation in Section II.

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that Respondent pay an administrative penalty as set forth in Section I, Paragraph 5, above, for violations of state statutes and rules of the TCEQ. The payment of this administrative penalty and 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 considering or requiring corrective action or penalties for violations which are not raised here.
2. All relief not expressly granted in this Agreed Order is denied.
3. The provisions of this Agreed Order shall apply to and be binding upon Respondent. 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.
4. If Respondent fails to comply with any of the Ordering Provisions in this Agreed Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, Respondent's failure to comply is not a violation of this Agreed Order. Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. Respondent shall notify the Executive Director within seven days after Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
5. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by Respondent shall be made in writing to the Executive Director. Extensions are not effective until Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
6. This Agreed Order, issued by the Commission, shall not be admissible against 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.
7. This Agreed Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Agreed Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Agreed Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying,

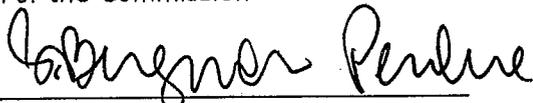
engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms "electronic transmission" "owner" "person" "writing" and "written" shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.

8. Under 30 TEX. ADMIN. CODE § 70.10(b) and TEX. GOV'T CODE § 2001.142, the effective date of this Agreed Order is the date of hand delivery of this Agreed Order to Respondent, or three days after the date on which the Commission mails notice of this Agreed Order to 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



For the Executive Director

10/15/2010

Date

I, the undersigned, have read and understand the attached Agreed Order. I represent that 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 failure to comply with the Ordering Provisions 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;
- 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, I understand that any falsification of any compliance documents may result in criminal prosecution.



Signature

Kevin Bodenhamer

Name (Printed or typed)
Authorized representative of
Enterprise Hydrocarbons L.P.

August 19, 2010

Date

Vice President, EHS&T

Title