

Executive Summary – Enforcement Matter – Case No. 41447
Enbridge Pipelines (East Texas) L.P.
RN100225127
Docket No. 2011-0548-AIR-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

AIR

Small Business:

Yes

Location(s) Where Violation(s) Occurred:

Teague Plant, 2.5 miles southwest of Teague, off State Highway 179 and County Road 711,
Freestone County

Type of Operation:

Natural gas treating plant

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: August 19, 2011

Comments Received: No

Penalty Information

Total Penalty Assessed: \$3,110

Amount Deferred for Expedited Settlement: \$622

Amount Deferred for Financial Inability to Pay: \$0

Total Paid to General Revenue: \$2,488

Total Due to General Revenue: \$0

Payment Plan: N/A

SEP Conditional Offset: \$0

Name of SEP: N/A

Compliance History Classifications:

Person/CN - Average

Site/RN - High

Major Source: Yes

Statutory Limit Adjustment: N/A

Applicable Penalty Policy: September 2002

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RN100225127
Docket No. 2011-0548-AIR-E

Investigation Information

Complaint Date(s): N/A

Complaint Information: N/A

Date(s) of Investigation: February 25, 2011

Date(s) of NOE(s): March 31, 2011

1. Failed to report an emissions event within 24 hours of discovery. Specifically, the emissions event for Incident No. 150598 occurred on February 6, 2011, and the Respondent submitted written initial notification of the incident on February 10, 2011 [30 TEX. ADMIN. CODE § 101.201(a)(1)(B) and TEX. HEALTH & SAFETY CODE § 382.085(b)].

2. Failed to prevent unauthorized emissions. Specifically, on February 6, 2011, the Respondent failed to prevent startup difficulties, which resulted in a pressure build-up in the inlet to the Pinnacle Reef Pipeline (Incident No. 150598). The three-hour event resulted in the unauthorized release of emissions from the flare, Emission Point No. 013, that included: 2,506.27 pounds ("lbs") of sulfur dioxide, 225.62 lbs of volatile organic compounds, 287.42 lbs of nitrous oxides, 1,197.04 lbs of carbon monoxide, and 25.03 lbs of hydrogen sulfide. Since the initial notification for the emissions event was not submitted timely, the emissions are not subject to the affirmative defense in 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 116.115(b)(2)(F) and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), Federal Operating Permit No. O2984, Special Terms and Conditions No. 7, and New Source Review ("NSR") Permit No. 5269A, General Condition No. 8].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

The Executive Director recognizes that, by April 14, 2011, Plant personnel completed training covering the reporting and release requirements manual that outlines emissions events reporting timelines to regulatory agencies, reportable quantity threshold limits, and internal notification requirements, as well as reviewing the authorized permit limits in NSR Permit No. 5269A.

Technical Requirements:

The Order will require the Respondent to:

- a. Within 30 days, implement training and/or operating procedures to prevent the recurrence of emissions events associated with increased pressure buildup in the Pinnacle Reef Pipeline (Incident No. 150598); and

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b. Within 45 days, submit written certification demonstrating compliance.

Litigation Information

Date Petition(s) Filed: N/A
Date Answer(s) Filed: N/A
SOAH Referral Date: N/A
Hearing Date(s): N/A
Settlement Date: N/A

Contact Information

TCEQ Attorney: N/A
TCEQ Enforcement Coordinator: Heather Podlipny, Enforcement Division,
Enforcement Team 4, MC 149, (512) 239-2603; Debra Barber, Enforcement Division,
MC 219, (512) 239-0412.
TCEQ SEP Coordinator: N/A
Respondent: Jeff Jackson, Senior EHS Coordinator, Enbridge Pipelines (East Texas)
L.P., 1100 Louisiana Street, Suite 3300, Houston, Texas 77002
Charles W. Raiborn III, General Manager East Region Operations, Enbridge Pipelines
(East Texas) L.P., 1100 Louisiana Street, Suite 3300, Houston, Texas 77002
Respondent's Attorney: N/A





Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

TCEQ

DATES	Assigned	4-Apr-2011	Screening	7-Apr-2011	EPA Due	25-Dec-2011
	PCW	11-Apr-2011				

RESPONDENT/FACILITY INFORMATION	
Respondent	Enbridge Pipelines (East Texas) L.P.
Reg. Ent. Ref. No.	RN100225127
Facility/Site Region	9-Waco
Major/Minor Source	Major

CASE INFORMATION				
Enf./Case ID No.	41447	No. of Violations	2	
Docket No.	2011-0548-AIR-E	Order Type	1660	
Media Program(s)	Air	Government/Non-Profit	No	
Multi-Media		Enf. Coordinator	Heather Podlipny	
		EC's Team	Enforcement Team 4	
Admin. Penalty \$	Limit Minimum	\$0	Maximum	\$10,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties) *Subtotal 1* **\$2,600**

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History **20.0%** Enhancement *Subtotals 2, 3, & 7* **\$520**

Notes: Enhancement for one order with denial of liability.

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* **\$10**

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

Total EB Amounts **\$71**
Approx. Cost of Compliance **\$1,750**
*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7 *Final Subtotal* **\$3,110**

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

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

Final Penalty Amount **\$3,110**

STATUTORY LIMIT ADJUSTMENT *Final Assessed Penalty* **\$3,110**

DEFERRAL **20.0%** Reduction *Adjustment* **-\$622**

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 **\$2,488**

Screening Date 7-Apr-2011

Docket No. 2011-0548-AIR-E

PCW

Respondent Enbridge Pipelines (East Texas) L.P.

Policy Revision 2 (September 2002)

Case ID No. 41447

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100225127

Media [Statute] Air

Enf. Coordinator Heather Podlipny

Compliance History Worksheet

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

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written notices of violation ("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>)	0	0%
	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) 20%

>> **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

Enhancement for one order with denial of liability.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 20%

Screening Date 7-Apr-2011

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PCW

Respondent Enbridge Pipelines (East Texas) L.P.

Policy Revision 2 (September 2002)

Case ID No. 41447

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100225127

Media [Statute] Air

Enf. Coordinator Heather Podlipny

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code § 101.201(a)(1)(B) and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to report an emissions event within 24 hours of discovery. Specifically, the emissions event for Incident No. 150598 occurred on February 6, 2011, and the Respondent submitted written initial notification of the incident on February 10, 2011.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Table with columns: Release (Actual, Potential), Harm (Major, Moderate, Minor), and Percent (0%).

>> Programmatic Matrix

Table with columns: Falsification, Major, Moderate, Minor, and Percent (1%).

Matrix Notes Less than 30% of the rule requirement was not met.

Adjustment \$9,900

\$100

Violation Events

Number of Violation Events 1 Number of violation days 3

Table for frequency: daily, weekly, monthly, quarterly, semiannual, annual, single event. Single event is marked with 'x'.

Violation Base Penalty \$100

One single event is recommended based on the untimely submission of the initial report for the emissions event (Incident No. 150598).

Good Faith Efforts to Comply

10.0% Reduction \$10

Table for Good Faith Efforts: Extraordinary, Ordinary, N/A. Ordinary is marked with 'x'.

Notes The Respondent returned to compliance on April 14, 2011 and the NOE is dated March 31, 2011.

Violation Subtotal \$90

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$2 Violation Final Penalty Total \$110

This violation Final Assessed Penalty (adjusted for limits) \$110

Economic Benefit Worksheet

Respondent Enbridge Pipelines (East Texas) L.P.
Case ID No. 41447
Reg. Ent. Reference No. RN100225127
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	\$250	7-Feb-2011	14-Apr-2011	0.18	\$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 train personnel on the reporting and release requirements manual. The Date Required is the date the report was due and the Final Date is the date of compliance.

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

\$250

TOTAL

\$2

Screening Date 7-Apr-2011

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PCW

Respondent Enbridge Pipelines (East Texas) L.P.

Policy Revision 2 (September 2002)

Case ID No. 41447

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100225127

Media [Statute] Air

Enf. Coordinator Heather Podlipny

Violation Number 2

Rule Cite(s) 30 Tex. Admin. Code §§ 116.115(b)(2)(F) and 122.143(4), Tex. Health & Safety Code § 382.085(b), Federal Operating Permit No. O2984, Special Terms and Conditions No. 7, and New Source Review Permit No. 5269A, General Condition No. 8

Violation Description Failed to prevent unauthorized emissions. Specifically, on February 6, 2011, the Respondent failed to prevent startup difficulties, which resulted in a pressure build-up in the inlet to the Pinnacle Reef Pipeline (Incident No. 150598). The three-hour event resulted in the unauthorized release of emissions from the flare, Emission Point No. 013, that included: 2,506.27 pounds ("lbs") of sulfur dioxide, 225.62 lbs of volatile organic compounds, 287.42 lbs of nitrous oxides, 1,197.04 lbs of carbon monoxide, and 25.03 lbs of hydrogen sulfide. Since the initial notification for the emissions event was not submitted timely, the emissions are not subject to the affirmative defense in 30 Tex. Admin. Code § 101.222.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

Release	Harm			Percent
	Major	Moderate	Minor	
Actual			x	25%
Potential				

>> 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 Number of violation days 1

mark only one with an x	daily	
	weekly	
	monthly	
	quarterly	x
	semiannual	
	annual	
	single event	

Violation Base Penalty \$2,500

One quarterly event is recommended.

Good Faith Efforts to Comply

0.0% Reduction

\$0

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

Notes The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$2,500

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$69

Violation Final Penalty Total \$3,000

This violation Final Assessed Penalty (adjusted for limits) \$3,000

Economic Benefit Worksheet

Respondent Enbridge Pipelines (East Texas) L.P.
Case ID No. 41447
Reg. Ent. Reference No. RN100225127
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)	\$1,500	6-Feb-2011	7-Jan-2012	0.92	\$69	n/a	\$69

Notes for DELAYED costs

Estimated cost to implement training and/or operating procedures for additional oversight and management practices designed to ensure proper operation and maintenance practices are followed to prevent recurrence of emissions events. The Date Required is based on the date of the emissions event and the Final Date is the estimated date of compliance.

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

\$1,500

TOTAL

\$69

Compliance History

Customer/Respondent/Owner-Operator: CN601262884 Enbridge Pipelines (East Texas) L.P. Classification: AVERAGE Rating: 2.22

Regulated Entity: RN100225127 TEAGUE PLANT Classification: HIGH Site Rating: 0.00

ID Number(s):

AIR OPERATING PERMITS	ACCOUNT NUMBER	FI0008M
AIR OPERATING PERMITS	PERMIT	2984
AIR NEW SOURCE PERMITS	REGISTRATION	91715
AIR NEW SOURCE PERMITS	PERMIT	5269A
AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	FI0008M
AIR NEW SOURCE PERMITS	AFS NUM	4816100009
AIR NEW SOURCE PERMITS	REGISTRATION	85831
AIR NEW SOURCE PERMITS	REGISTRATION	26511
AIR EMISSIONS INVENTORY	ACCOUNT NUMBER	FI0008M

Location: 2.5 MI SOUTHWEST OF TEAGUE, OFF STATE HIGHWAY 179 AND COUNTY ROAD 711 IN FREESTONE COUNTY, TEXAS

TCEQ Region: REGION 09 - WACO

Date Compliance History Prepared: April 07, 2011

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: April 07, 2006 to April 07, 2011

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

Name: Heather Podlipny Phone: 239 - 2603

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: 9/1/2010 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: 04/14/2006

ADMINORDER 2005-1428-AIR-E

Classification: Major

Citation: 30 TAC Chapter 101, SubChapter F 101.201(c)
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failed to submit, within two weeks after the end of the emissions event, a final record of an emissions event (Incident Nos. 48358 and 48590).

Classification: Major

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: General Condition 8 PERMIT

Description: Failed to prevent unauthorized emissions during three emissions events (Incident Nos. 57972, 48358 and 48590). Specifically, emission limits exceeded during Incident Nos. 57972, 48358 and 48590.

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. (CEEDS Inv. Track. No.)

1	06/22/2006	(483712)
2	06/29/2006	(484729)
3	06/30/2006	(484810)
4	07/06/2006	(485138)
5	09/22/2006	(513151)
6	10/03/2006	(514329)
7	04/05/2007	(543889)
8	03/22/2007	(543943)
9	10/25/2007	(596797)
10	11/26/2007	(609431)
11	02/22/2008	(618594)
12	12/19/2008	(710331)
13	03/11/2009	(726506)
14	07/27/2009	(762967)
15	10/08/2009	(766397)
16	04/20/2010	(794675)
17	05/07/2010	(800129)
18	11/29/2010	(873103)
19	03/30/2011	(900889)

E. Written notices of violations (NOV). (CEEDS 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
ENBRIDGE PIPELINES (EAST
TEXAS) L.P.
RN100225127**

§
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**BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY**

**AGREED ORDER
DOCKET NO. 2011-0548-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 Enbridge Pipelines (East Texas) L.P. ("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 treating plant 2.5 miles southwest of Teague, off State Highway 179 and County Road 711 in Freestone 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 April 5, 2011.
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 Three Thousand One Hundred Ten Dollars (\$3,110) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Two Thousand Four Hundred Eighty-Eight Dollars (\$2,488) of the administrative penalty and Six Hundred Twenty-Two Dollars (\$622) 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, by April 14, 2011, Plant personnel completed training covering the reporting and release requirements manual that outlines emissions events reporting timelines to regulatory agencies, reportable quantity threshold limits, and internal notification requirements, as well as reviewing the authorized permit limits in New Source Review ("NSR") Permit No. 5269A.
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 report an emissions event within 24 hours of discovery, in violation of 30 TEX. ADMIN. CODE § 101.201(a)(1)(B) and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on February 25, 2011. Specifically, the emissions event for Incident No. 150598 occurred on February 6, 2011, and the Respondent submitted written initial notification of the incident on February 10, 2011.
2. Failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 116.115(b)(2)(F) and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), Federal Operating Permit No. O2984, Special Terms and Conditions No. 7, and NSR Permit No. 5269A, General Condition No. 8, as documented during an investigation conducted on

February 25, 2011. Specifically, on February 6, 2011, the Respondent failed to prevent startup difficulties, which resulted in a pressure build-up in the inlet to the Pinnacle Reef Pipeline (Incident No. 150598). The three-hour event resulted in the unauthorized release of emissions from the flare, Emission Point No. 013, that included: 2,506.27 pounds ("lbs") of sulfur dioxide, 225.62 lbs of volatile organic compounds, 287.42 lbs of nitrous oxides, 1,197.04 lbs of carbon monoxide, and 25.03 lbs of hydrogen sulfide. Since the initial notification for the emissions event was not submitted timely, the emissions are not subject to the affirmative defense in 30 TEX. ADMIN. CODE § 101.222.

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: Enbridge Pipelines (East Texas) L.P., Docket No. 2011-0548-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. It is further ordered that the Respondent shall undertake the following technical requirements:
 - a. Within 30 days after the effective date of this Agreed Order, implement training and/or operating procedures to prevent the recurrence of emissions events associated with increased pressure buildup in the Pinnacle Reef Pipeline (Incident No. 150598); and
 - b. Within 45 days after the effective date of this Agreed Order, submit written certification as described below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 2.a. The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

"I certify under penalty of law that I have personally examined and am familiar with the information submitted and all attached documents, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the submitted information is true, accurate and

complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing violations."

The certification shall be submitted to:

Order Compliance Team
Enforcement Division, MC 149A
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

with a copy to:

Air Section, Manager
Waco Regional Office
Texas Commission on Environmental Quality
6801 Sanger Avenue, Suite 2500
Waco, Texas 76710-7826

3. 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.
4. If the 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, the Respondent's failure to comply is not a violation of this Agreed Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the 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 the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the 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 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.
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

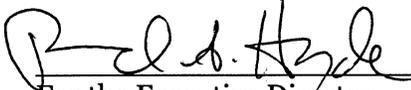
otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Agreed Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued 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), 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



For the Executive Director

8/30/11

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 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.



Signature

7/21/11

Date

CHARLES W. RAIBORN III

Name (Printed or typed)
Authorized Representative of
Enbridge Pipelines (East Texas) L.P.

GENERAL MANAGER

Title EAST REGION OPERATIONS

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.