

EXECUTIVE SUMMARY - ENFORCEMENT MATTER
DOCKET NO.: 2010-0985-AIR-E **TCEQ ID:** RN102553369 **CASE NO.:** 39883
RESPONDENT NAME: DCP Midstream, LP

ORDER TYPE:		
<input checked="" type="checkbox"/> 166o 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: Ozona Gas Processing Plant, 372 State Highway 163 South, Ozona, Crockett County</p> <p>TYPE OF OPERATION: Natural gas plant</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 December 20, 2010. No comments were received.</p> <p>CONTACTS AND MAILING LIST: TCEQ Attorney/SEP Coordinator: Mr. Phillip Hampsten, SEP Coordinator, Enforcement Division, MC 219, (512) 239-6732 TCEQ Enforcement Coordinator: Ms. Miriam Hall, Enforcement Division, Enforcement Team 4, MC 149, (512) 239-1044; Ms. Laurie Eaves, Enforcement Division, MC 219, (512) 239-4495 Respondent: Mr. Doug Lowrie, Environmental Manager, Western Region, DCP Midstream, LP, 10 Desta Drive, Suite 400W, Midland, Texas 79705 Mr. Ronnie Trammell, Vice President of Operations–West, DCP Midstream, LP, 10 Desta Drive, Suite 400W, Midland, Texas 79705 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: March 29, 2010</p> <p>Date of NOV/NOE Relating to this Case: May 20, 2010 (NOE)</p> <p>Background Facts: This was a records review.</p> <p>AIR</p> <p>1) Failed to obtain authorization for the 400 barrel ("bbl") Gunbarrel Tank [Tank No. 2, Emission Point No. ("EPN") TK-519] when the previous 210 bbl Tank No. 2 was replaced or modified on September 16, 2003 [30 TEX. ADMIN. CODE § 116.110(a) and TEX. HEALTH & SAFETY CODE §§ 382.0518(a) and 382.085(b)].</p> <p>2) Failed to accurately represent the Gunbarrel Tank (Tank No. 2/EPN TK-519) and Tank Nos. 1 (EPN TK-518) and 4 (EPN TK-521) in Federal Operating Permit ("FOP") No. O-2542. In the original permit application received by the TCEQ on September 15, 2002, Tank Nos. 1, 2, and 4 were all represented as 210 bbl tanks, and Tank No. 2 as a "produced water" tank. Tank Nos. 1 and 4 are 300 bbl tanks. On September 16, 2003, Tank No. 2 was replaced or modified to a 400 bbl gun barrel tank (slop oil/water mix); however, the permit application was not corrected before the original FOP was issued on December 1, 2003, nor when the FOP was renewed on August 3, 2009 [30 TEX. ADMIN. CODE § 122.122(b) and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p> <p>3) Failed to install a vapor recovery unit ("VRU") on Tank No. 1, Tank No. 2, and Tank No. 3 (EPN TK-520) and to accurately represent the emissions</p>	<p>Total Assessed: \$363,829</p> <p>Total Deferred: \$72,765 <input checked="" type="checkbox"/> Expedited Settlement <input type="checkbox"/> Financial Inability to Pay</p> <p>SEP Conditional Offset: \$145,532</p> <p>Total Paid to General Revenue: \$145,532</p> <p>Compliance History Classification: Person/CN – Average Site/RN – Average</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. On April 20, 2006, obtained authorization under NSR Permit No. 18643 to operate Tank No. 2; and</p> <p>b. By June 14, 2010, submitted a Form PI-1 permit amendment application for NSR Permit No. 18643 to vent Tank No. 3 to the atmosphere and correct emission calculations on Tank Nos. 1 through 3.</p> <p>Ordering Provisions:</p> <p>1) The Order will require the Respondent to implement and complete a Supplemental Environmental Project (SEP). (See SEP Attachment A)</p> <p>2) The Order will also require the Respondent to:</p> <p>a. Within 30 days after the effective date of this Agreed Order, submit a technically complete application to revise FOP No. O-2542 to accurately represent the size and/or use of Tank No. 1, Tank No. 2, Tank No. 3, and Tank No. 4;</p> <p>b. Respond completely and adequately, as determined by the TCEQ, to all requests for information concerning the permit amendment for NSR Permit No. 18643 and revision for FOP No. O-2542 within 30 days after the date of such requests, or by any other deadline specified in writing;</p> <p>c. Within 60 days after the effective date of this Agreed Order, submit written certification that Tank Nos. 1 and 2 are vented to a VRU;</p> <p>d. Within 180 days after the effective date of this Agreed Order, submit written certification that:</p> <p>i. NSR Permit No. 18643 has been</p>

<p>from these tanks. The tanks were represented as having no emissions because they were routed to a VRU. The tanks were not routed to a VRU, and direct sampling on the tanks on October 15 and 16, 2009, indicated that the actual volatile organic compound emissions from the tanks were 0.85 tons per year ("TPY") from Tank No. 1, 97.64 TPY from Tank No. 2 and 0.01 TPY from Tank No. 3 [30 TEX. ADMIN. CODE §§ 116.115(c) and 116.116(a) and (b), New Source Review ("NSR") Permit No. 18643 Special Condition No. 5 and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p>		<p>amended and/or Tank No. 1, Tank No. 2, and Tank No. 3 are operated in compliance with NSR Permit No. 18643 Special Conditions and representations, or that operation of the tank(s) has ceased; and</p> <p>ii. FOP No. O-2542 has been revised to accurately represent Tank No. 1, Tank No. 2, and Tank No. 4, or that operation of the tank(s) has ceased.</p> <p>e. The written certifications required by Ordering Provisions 2.c. and 2.d. shall include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance.</p>
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Additional ID No(s): CZ0005H

Attachment A
Docket Number: 2010-0985-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	DCP Midstream, LP
Penalty Amount:	Two Hundred Ninety-One Thousand Sixty-Four Dollars (\$291,064)
SEP Offset Amount:	One Hundred Forty-Five Thousand Five Hundred Thirty-Two Dollars (\$145,532)
Type of SEP:	Pre-approved
Third-Party Recipient:	Texas PTA – <i>Clean School Bus Program</i>
Location of SEP:	Texas Air Quality Control Region 218 – Midland-Odessa-San Angelo

The Texas Commission on Environmental Quality (“TCEQ”) agrees to offset a portion of the administrative penalty amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project (“SEP”). The offset is equal to the SEP offset amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project Description

A. Project

The Respondent shall contribute the SEP offset amount to the Third-Party Recipient named above. The contribution will be to ***Texas PTA*** for the ***Clean School Bus Program*** as set forth in an agreement between the Third-Party Recipient and the TCEQ. Specifically, the contribution will be used to reimburse local school districts for the cost of the following activities to reduce emissions: 1) replacing older diesel buses with alternative fuelled or clean diesel buses; or 2) retrofitting older diesel buses with new, cleaner technology. All dollars contributed will be used solely for the direct cost of the project and no portion will be spent on administrative costs. The SEP will be done in accordance with all federal, state and local environmental laws and regulations.

The Respondent certifies that it has no prior commitment to make this contribution and that it is being done solely in an effort to settle this enforcement action.

B. Environmental Benefit

This SEP will provide a discernible environmental benefit by reducing particulate emissions on buses by more than 90% below today’s level and reducing hydrocarbons below measurement capability.

C. Minimum Expenditure

The Respondent shall contribute at least the SEP offset amount to the Third-Party Recipient and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP offset amount to the Third-Party Recipient. The Respondent shall mail a copy of the Agreed Order with the contribution to:

Texas Congress of Parents and Teachers dba Texas PTA
Clean School Bus Program
Suzy Swan, Director of Finance
408 West 11th Street
Austin, Texas 78707

3. Records and Reporting

Concurrent with the payment of the SEP offset amount, the Respondent shall provide the Enforcement Division SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP offset amount to the Third-Party Recipient. The Respondent shall mail a copy of the check and transmittal letter to:

Enforcement Division
Attention: SEP Coordinator, MC 219
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If the Respondent does not perform its obligations under this SEP in any way, including full expenditure of the SEP offset amount and submittal of the required reporting described in Section 3 above, the Executive Director may require immediate payment of all or part of the SEP offset amount.

DCP Midstream, LP
Agreed Order - Attachment A

In the event of incomplete performance, the Respondent shall include on the check the docket number of this Agreed Order and a note that it is for reimbursement of a SEP. The Respondent shall make the payment for the amount due to "Texas Commission on Environmental Quality" and mail it to:

Litigation Division
Attention: SEP Coordinator, MC 175
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3087

5. Publicity

Any public statements concerning this SEP made by or on behalf of the Respondent must include a clear statement that the project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.

6. Clean Texas Program

The Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, the Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP identified in this Agreed Order has not been, and shall not be, included as a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.



Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

TCEQ

DATES	Assigned	24-May-2010	Screening	15-Jun-2010	EPA Due	
	PCW	17-Jun-2010				

RESPONDENT/FACILITY INFORMATION	
Respondent	DCP Midstream, LP
Reg. Ent. Ref. No.	RN102553369
Facility/Site Region	8-San Angelo
Major/Minor Source	Major

CASE INFORMATION			
Enf./Case ID No.	39883	No. of Violations	3
Docket No.	2010-0985-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Miriam Hall
		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**

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History Enhancement **Subtotals 2, 3, & 7**

Notes

Culpability Enhancement **Subtotal 4**

Notes

Good Faith Effort to Comply Total Adjustments **Subtotal 5**

Economic Benefit Enhancement* **Subtotal 6**

Total EB Amounts	\$69,304
Approx. Cost of Compliance	\$210,001

*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7 **Final Subtotal**

OTHER FACTORS AS JUSTICE MAY REQUIRE **Adjustment**

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes

Final Penalty Amount

STATUTORY LIMIT ADJUSTMENT **Final Assessed Penalty**

DEFERRAL Reduction **Adjustment**

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

Notes

PAYABLE PENALTY

Screening Date 15-Jun-2010

Docket No. 2010-0985-AIR-E

PCW

Respondent DCP Midstream, LP

Policy Revision 2 (September 2002)

Case ID No. 39883

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN102553369

Media [Statute] Air

Enf. Coordinator Miriam Hall

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written NOVs with same or similar violations as those in the current enforcement action (number of NOVs meeting criteria)	2	10%
	Other written NOVs	2	4%
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) 14%

>> 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 two similar NOV's and two dissimilar NOV's.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 14%

Screening Date 15-Jun-2010

Docket No. 2010-0985-AIR-E

PCW

Respondent DCP Midstream, LP

Policy Revision 2 (September 2002)

Case ID No. 39883

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN102553369

Media [Statute] Air

Enf. Coordinator Miriam Hall

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code § 116.110(a) and Tex. Health & Safety Code §§ 382.0518(a) and 382.085(b)

Violation Description Failed to obtain authorization for the 400 barrel ("bbl") Gunbarrel Tank [Tank No. 2, Emission Point No. ("EPN") TK-519] when the previous 210 bbl Tank No. 2 was replaced or modified on September 16, 2003.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual				0%
	Potential				

>> Programmatic Matrix

Matrix Notes	Falsification	Harm			Percent
		Major	Moderate	Minor	
		x			25%
The Respondent failed to comply with 100% of the rule requirement.					

Adjustment \$7,500

\$2,500

Violation Events

Number of Violation Events 3 947 Number of violation days

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

Violation Base Penalty \$7,500

Three annual events are recommended from the installation date (September 16, 2003) until the date New Source Review ("NSR") Permit No. 18643 was amended (April 20, 2006).

Good Faith Efforts to Comply

25.0% Reduction \$1,875

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

Notes The Respondent obtained authorization to operate the tank on April 20, 2006.

Violation Subtotal \$5,625

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$454

Violation Final Penalty Total \$29,776

This violation Final Assessed Penalty (adjusted for limits) \$29,776

Economic Benefit Worksheet

Respondent DCP Midstream, LP
Case ID No. 39883
Reg. Ent. Reference No. RN102553369
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	\$3,500	16-Sep-2003	20-Apr-2006	2.59	\$454	n/a	\$454
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

The estimated cost of obtaining authorization for the tank from the installation date to 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

\$3,500

TOTAL

\$454

Screening Date 15-Jun-2010

Docket No. 2010-0985-AIR-E

PCW

Respondent DCP Midstream, LP

Policy Revision 2 (September 2002)

Case ID No. 39883

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN102553369

Media [Statute] Air

Enf. Coordinator Miriam Hall

Violation Number 2

Rule Cite(s)

30 Tex. Admin. Code § 122.122(b) and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to accurately represent the Gunbarrel Tank (Tank No. 2/EPN TK-519) and Tank Nos. 1 (EPN TK-518) and 4 (EPN TK-521) in Federal Operating Permit ("FOP") No. O-2542. In the original permit application received by the TCEQ on September 15, 2002, Tank Nos. 1, 2, and 4 were all represented as 210 bbl tanks, and Tank No. 2 as a "produced water" tank. Tank Nos. 1 and 4 are 300 bbl tanks. On September 16, 2003, Tank No. 2 was replaced or modified to a 400 bbl gun barrel tank (slop oil/water mix); however, the permit application was not corrected before the original FOP was issued on December 1, 2003, nor when the FOP was renewed on August 3, 2009.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

Release	Harm			Percent
	Major	Moderate	Minor	
Actual				0%
Potential				

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
	x			25%

Matrix Notes

The Respondent failed to comply with 100% of the rule requirement.

Adjustment \$7,500

\$2,500

Violation Events

Number of Violation Events 1 Number of violation days 2388

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.

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 \$563

Violation Final Penalty Total \$25,951

This violation Final Assessed Penalty (adjusted for limits) \$25,951

Economic Benefit Worksheet

Respondent DCP Midstream, LP
Case ID No. 39883
Reg. Ent. Reference No. RN102553369
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	\$1,501	1-Dec-2003	31-May-2011	7.50	\$563	n/a	\$563
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

The estimated cost of revising the FOP to include the Gunbarrel Tank and accurately represent Tank Nos. 1 and 4 in the permit from the original issuance date of the permit to the estimated 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

\$1,501

TOTAL

\$563

Screening Date 15-Jun-2010

Docket No. 2010-0985-AIR-E

PCW

Respondent DCP Midstream, LP

Policy Revision 2 (September 2002)

Case ID No. 39883

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN102553369

Media [Statute] Air

Enf. Coordinator Miriam Hall

Violation Number 3

Rule Cite(s) 30 Tex. Admin. Code §§ 116.115(c) and 116.116(a) and (b), NSR Permit No. 18643 Special Condition No. 5 and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to install a vapor recovery unit ("VRU") on Tank No. 1, Tank No. 2, and Tank No. 3 (EPN TK-520). The tanks were represented as having no emissions because they were routed to a VRU. The tanks were not routed to a VRU, and direct sampling on the tanks on October 15 and 16, 2009, indicated that the actual volatile organic compound emissions from the tanks were 0.85 tons per year ("TPY") from Tank No. 1, 97.64 TPY from Tank No. 2 and 0.01 TPY from Tank No. 3.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
Actual			x		50%
Potential					

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
				0%

Matrix Notes

Human health or the environment has been exposed to significant emissions which do not exceed levels that are protective of human health or environmental receptors as a result of this violation.

Adjustment \$5,000

\$5,000

Violation Events

Number of Violation Events 50 1517 Number of violation days

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

Violation Base Penalty \$250,000

Fifty monthly events are recommended from the date the requirement was added to the NSR permit (April 20, 2006) to the screening date (June 15, 2010).

Good Faith Efforts to Comply

0.0% Reduction \$0

	Before NOV	NOV to EDPRP/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 \$250,000

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$68,287

Violation Final Penalty Total \$308,101

This violation Final Assessed Penalty (adjusted for limits) \$308,101

Economic Benefit Worksheet

Respondent DCP Midstream, LP
Case ID No. 39883
Reg. Ent. Reference No. RN102553369
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
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No commas or \$

Delayed Costs

Equipment	\$200,000	20-Apr-2006	31-Jan-2011	4.79	\$3,191	\$63,817	\$67,008
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	\$5,000	20-Apr-2006	31-May-2011	5.12	\$1,279	n/a	\$1,279
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

The approximate cost of installing the VRU and amending the permit to correct emission representations and allow Tank 3 to vent to the atmosphere from the date the requirement was added to the permit to the estimated 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	\$205,000	TOTAL	\$68,287
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Compliance History Report

Customer/Respondent/Owner-Operator:	CN601229917 DCP Midstream, LP	Classification: AVERAGE	Rating: 2.57
Regulated Entity:	RN102553369 OZONA GAS PROCESSING PLANT	Classification: AVERAGE	Site Rating: 0.67
<hr/>			
ID Number(s):	AIR NEW SOURCE PERMITS	PERMIT	18643
	AIR NEW SOURCE PERMITS	REGISTRATION	23080
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	CZ0005H
	AIR NEW SOURCE PERMITS	AFS NUM	4810500002
	AIR NEW SOURCE PERMITS	REGISTRATION	29344
	AIR OPERATING PERMITS	ACCOUNT NUMBER	CZ0005H
	AIR OPERATING PERMITS	ACCOUNT NUMBER	CZ0005H
	AIR OPERATING PERMITS	PERMIT	2542
	AIR EMISSIONS INVENTORY	ACCOUNT NUMBER	CZ0005H
<hr/>			
Location:	372 STATE HWY 163 SOUTH, OZONA, TX, 76943		
<hr/>			
TCEQ Region:	REGION 08 - SAN ANGELO		
<hr/>			
Date Compliance History Prepared:	June 14, 2010		
<hr/>			
Agency Decision Requiring Compliance History:	Enforcement		
<hr/>			
Compliance Period:	June 14, 2005 to June 14, 2010		
<hr/>			

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

Name: Miriam Hall Phone: (512) 239-1044

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	06/17/2005	(395859)
2	02/13/2006	(454830)
3	02/28/2006	(452514)
4	06/14/2007	(564090)
5	09/05/2007	(573500)
6	06/09/2008	(682489)
7	12/19/2008	(721817)
8	05/27/2009	(746930)
9	05/20/2010	(797534)
- E. Written notices of violations (NOV). (CCEDS Inv. Track. No.)

Date: 06/14/2007	(564090)	CN601229917
Self Report?	NO	Classification: Minor
Citation:	40 CFR Chapter 60, SubChapter C, PT 60, SubPT KKK 60.632	

Description: Failure to monitor each pump, pressure relief device, open-ended valve or line, valve, compressor, and flange or other connector within each process unit in VOC service

Self Report? NO Classification: Minor

Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-9(a)

Description: Failure to repair equipment subject to NSPS KKK monitoring and on the Delay or Repair list before the end of the next process unit shutdown

Self Report? NO Classification: Minor

Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(1)

Description: Failure to equip each open-ended valve with a cap, blind flange, plug, or a second valve

Date: 06/09/2008 (682489) CN601229917

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.142(b)

Description: Failure include each specific term and condition for all emission units at the Ozona Gas Plant in the Title V Permit

Date: 05/26/2009 (746930) CN601229917

Self Report? NO Classification: Minor

Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT JJJ 60.632(a)

40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(1)

5C THSC Chapter 382 382.085(b)

Description: Failure to equip each open-ended valve or line with a cap, blind flange, plug, or a second valve

Date: 05/20/2010 (797534) CN601229917

Self Report? NO Classification: Moderate

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

5C THSC Chapter 382 382.085(b)

Description: Failure to report all instances of deviations, the probable cause of the deviations, and any corrective actions or preventative measures taken for each emission unit addressed in the permit.

F. Environmental audits.

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
DCP MIDSTREAM, LP
RN102553369**

**§
§
§
§
§**

**BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY**

**AGREED ORDER
DOCKET NO. 2010-0985-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 DCP Midstream, LP ("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 plant at 372 State Highway 163 South in Ozona, Crockett 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 May 25, 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 Three Hundred Sixty-Three Thousand Eight Hundred Twenty-Nine Dollars (\$363,829) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid One

Hundred Forty-Five Thousand Five Hundred Thirty-Two Dollars (\$145,532) of the administrative penalty and Seventy-Two Thousand Seven Hundred Sixty-Five Dollars (\$72,765) 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. One Hundred Forty-Five Thousand Five Hundred Thirty-Two Dollars (\$145,532) shall be conditionally offset by the Respondent's completion of a Supplemental Environmental Project ("SEP").

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. On April 20, 2006, obtained authorization under New Source Review ("NSR") Permit No. 18643 to operate Tank No. 2; and
 - b. By June 14, 2010, submitted a Form PI-1 permit amendment application for NSR Permit No. 18643 to vent Tank No. 3 to the atmosphere and correct emission calculations on Tank Nos. 1 through 3.
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 obtain authorization for the 400 barrel ("bbl") Gunbarrel Tank [Tank No. 2, Emission Point No. ("EPN") TK-519] when the previous 210 bbl Tank No. 2 was replaced or modified on September 16, 2003, in violation of 30 TEX. ADMIN. CODE § 116.110(a) and TEX. HEALTH & SAFETY CODE §§ 382.0518(a) and 382.085(b), as documented during a record review conducted on March 29, 2010.

2. Failed to accurately represent the Gunbarrel Tank (Tank No. 2/EPN TK-519) and Tank Nos. 1 (EPN TK-518) and 4 (EPN TK-521) in Federal Operating Permit ("FOP") No. O-2542, in violation of 30 TEX. ADMIN. CODE § 122.122(b) and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review conducted on March 29, 2010. In the original permit application received by the TCEQ on September 15, 2002, Tank Nos. 1, 2, and 4 were all represented as 210 bbl tanks, and Tank No. 2 as a "produced water" tank. Tank Nos. 1 and 4 are 300 bbl tanks. On September 16, 2003, Tank No. 2 was replaced or modified to a 400 bbl gun barrel tank (slop oil/water mix); however, the permit application was not corrected before the original FOP was issued on December 1, 2003, nor when the FOP was renewed on August 3, 2009.
3. Failed to install a vapor recovery unit ("VRU") on Tank No. 1, Tank No. 2, and Tank No. 3 (EPN TK-520) and to accurately represent the emissions from these tanks, in violation of 30 TEX. ADMIN. CODE §§ 116.115(c) and 116.116(a) and (b), NSR Permit No. 18643 Special Condition No. 5 and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review conducted on March 29, 2010. The tanks were represented as having no emissions because they were routed to a VRU. The tanks were not routed to a VRU, and direct sampling on the tanks on October 15 and 16, 2009, indicated that the actual volatile organic compound emissions from the tanks were 0.85 tons per year ("TPY") from Tank No. 1, 97.64 TPY from Tank No. 2 and 0.01 TPY from Tank No. 3.

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: DCP Midstream, LP, Docket No. 2010-0985-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 Respondent shall implement and complete a SEP in accordance with TEX. WATER CODE § 7.067. As set forth in Section I, Paragraph 6 above, One Hundred Forty-Five Thousand Five Hundred Thirty-Two Dollars (\$145,532) of the assessed administrative penalty shall be offset with the condition that the Respondent implement the SEP defined in Attachment A, incorporated herein by reference. The Respondent's obligation

to pay the conditionally offset portion of the administrative penalty assessed shall be discharged upon final completion of all provisions of the SEP agreement.

3. 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, submit a technically complete application to revise FOP No. O-2542 to accurately represent the size and/or use of Tank No. 1, Tank No. 2, Tank No. 3, and Tank No. 4 to:

Air Permits Initial Review Team (APIRT), MC 161
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

- b. Respond completely and adequately, as determined by the TCEQ, to all requests for information concerning the permit amendment for NSR Permit No. 18643 and revision for FOP No. O-2542 within 30 days after the date of such requests, or by any other deadline specified in writing;
- c. Within 60 days after the effective date of this Agreed Order, submit written certification, as described in Ordering Provision No. 3.e., that Tanks Nos. 1 and 2 are vented to a VRU;
- d. Within 180 days after the effective date of this Agreed Order, submit written certification, as described in Ordering Provision No. 3.e., that:
 - i. NSR Permit No. 18643 has been amended and/or Tank No. 1, Tank No. 2, and Tank No. 3 are operated in compliance with NSR Permit No. 18643 Special Conditions and representations, or that operation of the tank(s) has ceased; and
 - ii. FOP No. O-2542 has been revised to accurately represent Tank No. 1, Tank No. 2, and Tank No. 4, or that operation of the tank(s) has ceased.
- e. The written certifications required by Ordering Provision Nos. 3.c. and 3.d. shall be as described below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with the Ordering Provision. 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
San Angelo Regional Office
Texas Commission on Environmental Quality
622 South Oakes, Suite K
San Angelo, Texas 76903-7013

4. 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.
5. 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.
6. 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.
7. 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.
8. 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.

9. 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 Szolter
For the Executive Director

12/2/2010
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.

A.S. Trammell
Signature

10-14-10
Date

Ronnie Trammell
Name (Printed or typed)
Authorized Representative of
DCP Midstream, LP

VP Operations - West
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.

Attachment A
Docket Number: 2010-0985-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent: DCP Midstream, LP

Penalty Amount: Two Hundred Ninety-One Thousand Sixty-Four Dollars (\$291,064)

SEP Offset Amount: One Hundred Forty-Five Thousand Five Hundred Thirty-Two Dollars (\$145,532)

Type of SEP: Pre-approved

Third-Party Recipient: Texas PTA – *Clean School Bus Program*

Location of SEP: Texas Air Quality Control Region 218 – Midland-Odessa-San Angelo

The Texas Commission on Environmental Quality (“TCEQ”) agrees to offset a portion of the administrative penalty amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project (“SEP”). The offset is equal to the SEP offset amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project Description

A. Project

The Respondent shall contribute the SEP offset amount to the Third-Party Recipient named above. The contribution will be to **Texas PTA** for the *Clean School Bus Program* as set forth in an agreement between the Third-Party Recipient and the TCEQ. Specifically, the contribution will be used to reimburse local school districts for the cost of the following activities to reduce emissions: 1) replacing older diesel buses with alternative fuelled or clean diesel buses; or 2) retrofitting older diesel buses with new, cleaner technology. All dollars contributed will be used solely for the direct cost of the project and no portion will be spent on administrative costs. The SEP will be done in accordance with all federal, state and local environmental laws and regulations.

The Respondent certifies that it has no prior commitment to make this contribution and that it is being done solely in an effort to settle this enforcement action.

B. Environmental Benefit

This SEP will provide a discernible environmental benefit by reducing particulate emissions on buses by more than 90% below today’s level and reducing hydrocarbons below measurement capability.

C. Minimum Expenditure

The Respondent shall contribute at least the SEP offset amount to the Third-Party Recipient and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP offset amount to the Third-Party Recipient. The Respondent shall mail a copy of the Agreed Order with the contribution to:

Texas Congress of Parents and Teachers dba Texas PTA
Clean School Bus Program
Suzy Swan, Director of Finance
408 West 11th Street
Austin, Texas 78707

3. Records and Reporting

Concurrent with the payment of the SEP offset amount, the Respondent shall provide the Enforcement Division SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP offset amount to the Third-Party Recipient. The Respondent shall mail a copy of the check and transmittal letter to:

Enforcement Division
Attention: SEP Coordinator, MC 219
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If the Respondent does not perform its obligations under this SEP in any way, including full expenditure of the SEP offset amount and submittal of the required reporting described in Section 3 above, the Executive Director may require immediate payment of all or part of the SEP offset amount.

DCP Midstream, LP
Agreed Order - Attachment A

In the event of incomplete performance, the Respondent shall include on the check the docket number of this Agreed Order and a note that it is for reimbursement of a SEP. The Respondent shall make the payment for the amount due to "Texas Commission on Environmental Quality" and mail it to:

Litigation Division
Attention: SEP Coordinator, MC 175
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3087

5. Publicity

Any public statements concerning this SEP made by or on behalf of the Respondent must include a clear statement that the project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.

6. Clean Texas Program

The Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, the Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP identified in this Agreed Order has not been, and shall not be, included as a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.