

Executive Summary – Enforcement Matter – Case No. 41206
DCP Midstream, LP
RN100216613
Docket No. 2011-0297-AIR-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

AIR

Small Business:

No

Location(s) Where Violation(s) Occurred:

Rock Creek Gas Plant, 1000 West 10th Street, Borger, Hutchinson County

Type of Operation:

Natural gas processing plant

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: June 17, 2011

Comments Received: No

Penalty Information

Total Penalty Assessed: \$15,050

Amount Deferred for Expedited Settlement: \$3,010

Amount Deferred for Financial Inability to Pay: \$0

Total Paid to General Revenue: \$12,040

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 - Average

Major Source: Yes

Statutory Limit Adjustment: N/A

Applicable Penalty Policy: September 2002

Executive Summary – Enforcement Matter – Case No. 41206
DCP Midstream, LP
RN100216613
Docket No. 2011-0297-AIR-E

Investigation Information

Complaint Date(s): N/A

Complaint Information: N/A

Date(s) of Investigation: November 17, 2010

Date(s) of NOE(s): February 14, 2011

Violation Information

1. Failed to prevent unauthorized emissions during an event that occurred on June 17, 2010. Specifically, the Respondent released 748.05 pounds ("lbs") of sulfur dioxide ("SO₂"), 5.32 lbs of carbon monoxide ("CO"), 1.34 lbs of nitrogen oxides ("NO_x"), 8.12 lbs of hydrogen sulfide ("H₂S"), and 5.40 lbs of volatile organic compounds ("VOC") from the Acid Gas Incinerator (INCIN1) during the three hour event (Incident No. 141355). The event occurred when the Rock Creek Gas Plant received a slug of H₂S from the Sneed Booster through the G-line. The Rock Creek Gas Plant's acid gas incinerator was unable to adequately process the acid gas slug and exceeded the Respondent's SO₂ permitted emission rate. Since the emissions event was part of a frequent and recurring pattern indicative of inadequate design, operation, or maintenance, it is not subject to the affirmative defense in 30 TEX. ADMIN. CODE § 101.222. In addition, the incinerator H₂S feed rate reached 285 pounds per hour ("lbs/hr") for two hours during the event, exceeding the permitted emission rate of 235 lbs/hr. Also, during the event, the one-hour average incinerator combustion chamber temperature dropped below the 1,700 degree Fahrenheit limit, to a low of 1,478 degrees Fahrenheit [30 TEX. ADMIN. CODE §§ 116.115(b)(2)(F) and 116.115(c), TEX. HEALTH & SAFETY CODE § 382.085(b), and New Source Review ("NSR") Permit No. 3131A, General Conditions ("GC") No. 8 and Special Conditions ("SC") Nos. 1, 10, and 11].

2. Failed to prevent unauthorized emissions during an event that occurred on June 25, 2010. Specifically, the Respondent released 501.03 lbs of SO₂, 3.56 lbs of CO, 0.89 lbs of NO_x, 5.44 lbs of H₂S, and 3.62 lbs of VOC from the acid gas incinerator during the three hour event (Incident No. 141638). The event occurred when the Rock Creek Gas Plant received a slug of H₂S from the Sneed Booster. The Rock Creek Gas Plant's acid gas incinerator was unable to adequately process the acid gas slug and exceeded the Respondent's SO₂ permitted emission rate. Since the emissions event was part of a frequent and recurring pattern indicative of inadequate design, operation, or maintenance, it is not subject to the affirmative defense in 30 TEX. ADMIN. CODE § 101.222. In addition, the incinerator H₂S feed rate reached 356 lbs/hr for three hours during the event, exceeding the permitted emission rate of 235 lbs/hr. The one-hour average incinerator combustion chamber temperature also dropped below the 1,700 degree Fahrenheit limit, to a low of 1,611 degrees Fahrenheit [30 TEX. ADMIN. CODE §§ 116.115(b)(2)(F) and 116.115(c), TEX. HEALTH & SAFETY CODE § 382.085(b), and NSR Permit No. 3131A, GC No. 8 and SC Nos. 1, 10 and 11].

3. Failed to prevent unauthorized emissions during an event that occurred from July 11, 2010 to July 12, 2010. Specifically, the Respondent released 681.62 lbs of SO₂, 4.85 lbs

Executive Summary – Enforcement Matter – Case No. 41206

DCP Midstream, LP

RN100216613

Docket No. 2011-0297-AIR-E

of CO, 1.22 lbs of NO_x, 7.40 lbs of H₂S, and 4.92 lbs of VOC from the emergency acid gas flare (FLR1) during the three hour and 57 minute event (Incident No. 142215). The acid gas was routed to the emergency flare after the acid gas incinerator shutdown when the infrared fire eye malfunctioned due to loose wiring and from getting wet in a rainstorm. Since the emissions event could have been avoided by better operational practices, it is not subject to the affirmative defense in 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 116.115(b)(2)(F) and 116.115(c), TEX. HEALTH & SAFETY CODE § 382.085(b), and NSR Permit No. 3131A, GC No. 8 and SC No. 1].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

The Executive Director recognizes that the Respondent, by July 12, 2010, repaired the acid gas incinerator infrared fire eye, verified that it was installed correctly, and checked that all wiring was secure in order to prevent the recurrence of emissions events due to the same cause as Incident No. 142215.

Technical Requirements:

- a. Within 30 days, implement measures and procedures designed to improve operational and maintenance practices in order to prevent a recurrence of emissions events due to similar causes as Incident Nos. 141355 and 141638; and
- 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; Laurie Eaves, Enforcement Division, MC 219, (512) 239-4495

TCEQ SEP Coordinator: N/A

Respondent: D.J. Dean, Vice President of Operations, DCP Midstream, LP, 9101 State Highway 136, Borger, Texas 79007

Garrett Scribner, Environmental Specialist, DCP Midstream, LP, 9101 State Highway 136, Borger, Texas 79007

Respondent's Attorney: N/A



Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

TCEQ

DATES	Assigned	22-Feb-2011	Screening	24-Feb-2011	EPA Due	11-Nov-2011
	PCW	25-Feb-2011				

RESPONDENT/FACILITY INFORMATION	
Respondent	DCP Midstream, LP
Reg. Ent. Ref. No.	RN100216613
Facility/Site Region	1-Amarillo
Major/Minor Source	Major

CASE INFORMATION			
Enf./Case ID No.	41206	No. of Violations	3
Docket No.	2011-0297-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** **\$7,500**

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History **59.0%** Enhancement **Subtotals 2, 3, & 7** **\$4,425**

Notes: Enhancement for three orders with denial of liability. Reduction for one Notice of Intent to conduct an audit.

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** **\$625**

Economic Benefit **50.0%** Enhancement* **Subtotal 6** **\$3,750**

Total EB Amounts \$90,257
Approx. Cost of Compliance \$1,255,250
*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7 **Final Subtotal** **\$15,050**

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

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

Final Penalty Amount **\$15,050**

STATUTORY LIMIT ADJUSTMENT **Final Assessed Penalty** **\$15,050**

DEFERRAL **20.0%** Reduction **Adjustment** **-\$3,010**

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 **\$12,040**

Screening Date 24-Feb-2011

Docket No. 2011-0297-AIR-E

PCW

Respondent DCP Midstream, LP

Policy Revision 2 (September 2002)

Case ID No. 41206

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100216613

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>)	3	60%
	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>)	1	-1%
	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) 59%

>> 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 three orders with denial of liability. Reduction for one Notice of Intent to conduct an audit.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 59%

Screening Date 24-Feb-2011

Docket No. 2011-0297-AIR-E

PCW

Respondent DCP Midstream, LP

Policy Revision 2 (September 2002)

Case ID No. 41206

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100216613

Media [Statute] Air

Enf. Coordinator Heather Podlipny

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code §§ 116.115(b)(2)(F) and 116.115(c), Tex. Health & Safety Code § 382.085(b), and New Source Review ("NSR") Permit No. 3131A, General Conditions ("GC") No. 8 and Special Conditions ("SC") Nos. 1, 10, and 11

Violation Description Failed to prevent unauthorized emissions during an event that occurred on June 17, 2010. Specifically, the Respondent released 748.05 pounds ("lbs") of sulfur dioxide ("SO2"), 5.32 lbs of carbon monoxide ("CO"), 1.34 lbs of nitrogen oxides ("NOx"), 8.12 lbs of hydrogen sulfide ("H2S"), and 5.40 lbs of volatile organic compounds ("VOC") from the Acid Gas Incinerator (INCIN1) during the three hour event (Incident No. 141355). The event occurred when the Rock Creek Gas Plant received a slug of H2S from the Sneed Booster through the G-line. The Rock Creek Gas Plant's acid gas incinerator was unable to adequately process the acid gas slug and exceeded the Respondent's SO2 permitted emission rate. Since the emissions event was part of a frequent and recurring pattern indicative of inadequate design, operation, or maintenance, it is not subject to the affirmative defense in 30 Tex. Admin. Code § 101.222. In addition, the incinerator H2S feed rate reached 285 pounds per hour ("lbs/hr") for two hours during the event, exceeding the permitted emission rate of 235 lbs/hr. Also, during the event, the one-hour average incinerator combustion chamber temperature dropped below the 1,700 degree Fahrenheit limit, to a low of 1,478 degrees Fahrenheit.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

Table with columns: Release (Actual, Potential), Harm (Major, Moderate, Minor), and Percent (25%).

>> Programmatic Matrix

Table with columns: Falsification, Major, Moderate, Minor, and 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

Table with columns: Frequency (daily, weekly, monthly, quarterly, semiannual, annual, single event) and a grid for marking with an X.

Violation Base Penalty \$2,500

One quarterly event is recommended.

Good Faith Efforts to Comply

0.0% Reduction

\$0

Before NOV NOV to EDPRP/Settlement Offer

Table with columns: Extraordinary, Ordinary, N/A and a grid for marking with an 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 \$90,257

Violation Final Penalty Total \$5,225

This violation Final Assessed Penalty (adjusted for limits) \$5,225

Economic Benefit Worksheet

Respondent DCP Midstream, LP
Case ID No. 41206
Reg. Ent. Reference No. RN100216613
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
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No commas or \$

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$1,255,000	17-Jun-2010	24-Nov-2011	1.44	\$90,257	n/a	\$90,257

Notes for DELAYED costs

Actual cost to perform necessary upgrades in order to reduce the H2S content of the gas routed to the Rock Creek Plant from the Sneed Booster through the G-line and improve operation of the amine system. The Date Required is 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	\$1,255,000	TOTAL	\$90,257
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Screening Date 24-Feb-2011

Docket No. 2011-0297-AIR-E

PCW

Respondent DCP Midstream, LP

Policy Revision 2 (September 2002)

Case ID No. 41206

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100216613

Media [Statute] Air

Enf. Coordinator Heather Podlipny

Violation Number 2

Rule Cite(s) 30 Tex. Admin. Code §§ 116.115(b)(2)(F) and 116.115(c), Tex. Health & Safety Code § 382.085(b), and NSR Permit No. 3131A, GC No. 8 and SC Nos. 1, 10, and 11

Violation Description

Failed to prevent unauthorized emissions during an event that occurred on June 25, 2010. Specifically, the Respondent released 501.03 lbs of SO2, 3.56 lbs of CO, 0.89 lbs of NOx, 5.44 lbs of H2S, and 3.62 lbs of VOC from the acid gas incinerator during the three hour event (Incident No. 141638). The event occurred when the Rock Creek Gas Plant received a slug of H2S from the Sneed Booster. The Rock Creek Gas Plant's acid gas incinerator was unable to adequately process the acid gas slug and exceeded the Respondent's SO2 permitted emission rate. Since the emissions event was part of a frequent and recurring pattern indicative of inadequate design, operation, or maintenance, it is not subject to the affirmative defense in 30 Tex. Admin. Code § 101.222. In addition, the incinerator H2S feed rate reached 356 lbs/hr for three hours during the event, exceeding the permitted emission rate of 235 lbs/hr. The one-hour average incinerator combustion chamber temperature also dropped below the 1,700 degree Fahrenheit limit, to a low of 1,611 degrees Fahrenheit.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

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 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 \$2,500

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$0 Violation Final Penalty Total \$5,225

This violation Final Assessed Penalty (adjusted for limits) \$5,225

Economic Benefit Worksheet

Respondent DCP Midstream, LP
Case ID No. 41206
Reg. Ent. Reference No. RN100216613
Media Air
Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

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

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

The economic benefit for this violation is included in Violation No. 1.

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

\$0

TOTAL

\$0

Screening Date 24-Feb-2011

Docket No. 2011-0297-AIR-E

PCW

Respondent DCP Midstream, LP

Policy Revision 2 (September 2002)

Case ID No. 41206

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100216613

Media [Statute] Air

Enf. Coordinator Heather Podlipny

Violation Number 3

Rule Cite(s)

30 Tex. Admin. Code §§ 116.115(b)(2)(F) and 116.115(c), Tex. Health & Safety Code § 382.085(b), and NSR Permit No. 3131A, GC No. 8 and SC No. 1

Violation Description

Failed to prevent unauthorized emissions during an event that occurred from July 11, 2010 to July 12, 2010. Specifically, the Respondent released 681.62 lbs of SO2, 4.85 lbs of CO, 1.22 lbs of NOx, 7.40 lbs of H2S, and 4.92 lbs of VOC from the emergency acid gas flare (FLR1) during the three hour and 57 minute event (Incident No. 142215). The acid gas was routed to the emergency flare after the acid gas incinerator shutdown when the infrared fire eye malfunctioned due to loose wiring and from getting wet in a rainstorm. Since the emissions event could have been avoided by better operational practices, it is not subject to the affirmative defense in 30 Tex. Admin. Code § 101.222.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			X
Potential			

Percent 25%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes

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

Adjustment \$7,500

\$2,500

Violation Events

Number of Violation Events 1

1 Number of violation days

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

25.0% Reduction

\$625

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

Notes The Respondent returned to compliance on July 12, 2010.

Violation Subtotal \$1,875

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$0

Violation Final Penalty Total \$4,600

This violation Final Assessed Penalty (adjusted for limits) \$4,600

Economic Benefit Worksheet

Respondent DCP Midstream, LP
Case ID No. 41206
Reg. Ent. Reference No. RN100216613
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				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)	\$250	11-Jul-2010	12-Jul-2010	0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to repair the acid gas incinerator fire eye and to secure loose wiring, in order to prevent recurrence of the same problem. The Date Required is the start of the emissions event 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

\$0

Compliance History

Customer/Respondent/Owner-Operator: CN601229917 DCP Midstream, LP Classification: AVERAGE Rating: 2.42

Regulated Entity: RN100216613 ROCK CREEK GAS PLANT Classification: AVERAGE Site Rating: 18.50

ID Number(s):

AIR OPERATING PERMITS	ACCOUNT NUMBER	HW0020F
AIR OPERATING PERMITS	PERMIT	2449
AIR NEW SOURCE PERMITS	PERMIT	3131A
AIR NEW SOURCE PERMITS	REGISTRATION	33452
AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	HW0020F
AIR NEW SOURCE PERMITS	AFS NUM	4823300006
AIR NEW SOURCE PERMITS	REGISTRATION	81946
AIR EMISSIONS INVENTORY	ACCOUNT NUMBER	HW0020F

Location: 1000 W 10TH ST, BORGER, TX, 79007

TCEQ Region: REGION 01 - AMARILLO

Date Compliance History Prepared: February 24, 2011

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: February 24, 2006 to February 24, 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: 10/19/2006 ADMINORDER 2006-0674-AIR-E
Classification: Major
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
5C THC Chapter 382, SubChapter A 382.085(b)
Rqmt Prov: Spec. Cond. No. 2 PERMIT
Description: Failed to prevent the unauthorized release of air contaminants into the atmosphere.

Effective Date: 11/27/2009 ADMINORDER 2009-0875-AIR-E
Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: Permit 5654A, MAERT PERMIT
Description: Failed to prevent unauthorized emissions. Specifically, the Respondent released 91.23 pounds ("lbs") of carbon monoxide ("CO"), 11.76 lbs of hydrogen sulfide ("H2S"), 2.29 lbs of natural gas, 1.15 lbs of nitrogen dioxide ("NO"), 21.76 lbs of nitrogen oxide ("NOx") and 1,083.41 lbs of sulfur dioxide ("SO2") from the emergency flare during an avoidable emissions event (Incident No. 111923) that began July 31, 2008 and lasted three hours and 30 minutes. The event was the result of a slug of untreated

Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: Permit 5654A, MAERT PERMIT

Description: Failed to prevent unauthorized emissions. Specifically, the Respondent released 205.85 lbs of CO, 26.93 lbs of H2S, 5.23 lbs of natural gas, 2.62 lbs of NO, 49.82 lbs of NOx and 2,480.09 lbs of SO2 from the emergency flare during an avoidable emissions event (Incident No. 111927) that began August 1, 2008 and lasted eight hours and 15 minutes. The event was the result of a slug of untreated H2S gas being introduced to the incinerator which lead to the shutdown of the incinerator.

Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: Permit 5654A, MAERT PERMIT

Description: Failed to prevent unauthorized emissions. Specifically, the Respondent released 417.7 lbs of CO, 53.85 lbs of H2S, 10.46 lbs of natural gas, 5.24 lbs of NO, 99.64 lbs of NOx and 4,960.17 lbs of SO2 from the emergency flare during an avoidable emissions event (Incident No. 117681) that began December 12, 2008 and lasted seven hours and 45 minutes. The event was the result of a slug of untreated H2S gas being introduced to the incinerator which lead to the shutdown of the incinerator.

Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: Permit 5654A, MAERT PERMIT

Description: Failed to prevent unauthorized emissions. Specifically, the Respondent released 49.11 lbs of CO, 6.33 lbs of H2S, 1.23 lbs of natural gas, 0.62 lbs of NO, 11.72 lbs of NOx and 583.21 lbs of SO2 from the emergency flare during an avoidable emissions event (Incident No. 117739) that began August 1, 2008 and lasted two hours and 50 minutes. The event was the result of a slug of untreated H2S gas being introduced to the incinerator which lead to the shutdown of the incinerator.

Effective Date: 02/20/2011

ADMINORDER 2010-0784-AIR-E

Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
30 TAC Chapter 116, SubChapter B 116.115(c)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: Special Condition 1 PERMIT

Description: Failed to prevent unauthorized emissions.

Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
30 TAC Chapter 116, SubChapter B 116.115(c)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: Special Condition 1 PERMIT

Description: Failed to prevent unauthorized emissions.

Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
30 TAC Chapter 116, SubChapter B 116.115(c)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: Special Condition 1 PERMIT

Description: Failed to prevent unauthorized emissions.

Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
30 TAC Chapter 116, SubChapter B 116.115(c)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: Special Condition 1 PERMIT

Description: Failed to prevent unauthorized emissions.

Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
30 TAC Chapter 116, SubChapter B 116.115(c)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: Special Condition 1 PERMIT

Description: Failed to prevent unauthorized emissions.

Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
30 TAC Chapter 116, SubChapter B 116.115(c)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: Special Condition 1 PERMIT

Description: Failed to prevent unauthorized emissions.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
30 TAC Chapter 116, SubChapter B 116.115(c)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: Special Condition 1 PERMIT

Description: Failed to prevent unauthorized emissions.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
30 TAC Chapter 116, SubChapter B 116.115(c)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: Special Condition 1 PERMIT

Description: Failed to prevent unauthorized emissions.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
30 TAC Chapter 116, SubChapter B 116.115(c)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: Special Condition 1 PERMIT

Description: Failed to prevent unauthorized emissions.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
30 TAC Chapter 116, SubChapter B 116.115(c)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: Special Condition 1 PERMIT

Description: Failed to prevent unauthorized emissions.

Classification: Moderate

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

Rqmt Prov: Special Condition 10 PERMIT

Description: Failed to comply with the one-hour average for the incinerator combustion chamber temperature of 1,700 degrees Fahrenheit when acid gas or other waste gas is directed to the acid gas incinerator. Specifically, records indicated that one-hour averages for incinerator combustion chamber temperature were below 1,700 degrees Fahrenheit on 43 occasions with an average of 1,623 degrees Fahrenheit from January 1, 2009 through July 31, 2009.

Classification: Moderate

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

Rqmt Prov: Special Condition 11 PERMIT

Description: Failed to comply with the hydrogen sulfide feed rate of 235 pounds per hour for the acid gas incinerator. Specifically, records indicated a total of 511 exceedances with an average of 271.7 pounds per hour from July 6, 2007 to October 29, 2009.

Classification: Minor

Citation: 30 TAC Chapter 122, SubChapter B 122.144(1)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: Compliance Assurance Monitoring Summary OP

Special Condition 10 PERMIT
Special Condition 12B PERMIT

Description: Failed to maintain the monitoring records for the loss of flare pilot flame and for the incinerator combustion chamber temperature for the required five year period.

Classification: Minor

Citation: 30 TAC Chapter 122, SubChapter B 122.145(2)(A)
30 TAC Chapter 122, SubChapter B 122.147(a)(4)
5C THSC Chapter 382 382.085(b)

Description: Failed to report all instances of deviations in semiannual deviation reports from January 1, 2007 through June 30, 2009. Specifically, failure to report deviations of the one-hour average for the incinerator combustion chamber, of the hydrogen sulfide feed rate for the acid gas incinerator, and failure to maintain flare alarm monitoring records and incinerator log temperature records.

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	05/31/2006	(454779)
2	04/05/2006	(461840)
3	04/24/2006	(462657)
4	11/09/2006	(518600)
5	01/18/2007	(533641)
6	08/17/2007	(562545)
7	03/20/2008	(639057)
8	04/16/2008	(641289)
9	05/28/2009	(726839)
10	12/28/2009	(786672)
11	04/26/2010	(786752)
12	05/11/2010	(799585)
13	02/14/2011	(887249)

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

N/A

F. Environmental audits.

Notice of Intent Date: 10/27/2008 (722198)

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
DCP MIDSTREAM, LP
RN100216613

§ BEFORE THE
§ TEXAS COMMISSION ON
§ ENVIRONMENTAL QUALITY

AGREED ORDER
DOCKET NO. 2011-0297-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 processing plant at 1000 West 10th Street in Borger, Hutchinson 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 February 19, 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 Fifteen Thousand Fifty Dollars (\$15,050) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Twelve Thousand Forty Dollars (\$12,040) of

- the administrative penalty and Three Thousand Ten Dollars (\$3,010) is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If the Respondent fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require the Respondent to pay all or part of the deferred penalty.
7. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
 8. The Executive Director of the TCEQ and the Respondent have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.
 9. The Executive Director recognizes that the Respondent, by July 12, 2010, repaired the acid gas incinerator infrared fire eye, verified that it was installed correctly, and checked that all wiring was secure in order to prevent the recurrence of emissions events due to the same cause as Incident No. 142215.
 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 prevent unauthorized emissions during an event that occurred on June 17, 2010, in violation of 30 TEX. ADMIN. CODE §§ 116.115(b)(2)(F) and 116.115(c), TEX. HEALTH & SAFETY CODE § 382.085(b), and New Source Review ("NSR") Permit No. 3131A, General Conditions ("GC") No. 8 and Special Conditions ("SC") Nos. 1, 10, and 11, as documented during an investigation conducted on November 17, 2010. Specifically, the Respondent released 748.05 pounds ("lbs") of sulfur dioxide ("SO₂"), 5.32 lbs of carbon monoxide ("CO"), 1.34 lbs of nitrogen oxides ("NO_x"), 8.12 lbs of hydrogen sulfide ("H₂S"), and 5.40 lbs of volatile organic compounds ("VOC") from the Acid Gas Incinerator (INCIN₁) during the three hour event (Incident No. 141355). The event occurred when the Rock Creek Gas Plant received a slug of H₂S from the Sneed Booster through the G-line. The Rock Creek Gas Plant's acid gas incinerator was unable to adequately process the acid gas slug and exceeded the Respondent's SO₂ permitted emission rate. Since the emissions event was part of a frequent and recurring pattern indicative of inadequate design, operation, or maintenance, it is not subject to the

affirmative defense in 30 TEX. ADMIN. CODE § 101.222. In addition, the incinerator H₂S feed rate reached 285 pounds per hour ("lbs/hr") for two hours during the event, exceeding the permitted emission rate of 235 lbs/hr. Also, during the event, the one-hour average incinerator combustion chamber temperature dropped below the 1,700 degree Fahrenheit limit, to a low of 1,478 degrees Fahrenheit.

2. Failed to prevent unauthorized emissions during an event that occurred on June 25, 2010, in violation of 30 TEX. ADMIN. CODE §§ 116.115(b)(2)(F) and 116.115(c), TEX. HEALTH & SAFETY CODE § 382.085(b), and NSR Permit No. 3131A, GC No. 8 and SC Nos. 1, 10 and 11, as documented during an investigation conducted on November 17, 2010. Specifically, the Respondent released 501.03 lbs of SO₂, 3.56 lbs of CO, 0.89 lbs of NO_x, 5.44 lbs of H₂S, and 3.62 lbs of VOC from the acid gas incinerator during the three hour event (Incident No. 141638). The event occurred when the Rock Creek Gas Plant received a slug of H₂S from the Sneed Booster. The Rock Creek Gas Plant's acid gas incinerator was unable to adequately process the acid gas slug and exceeded the Respondent's SO₂ permitted emission rate. Since the emissions event was part of a frequent and recurring pattern indicative of inadequate design, operation, or maintenance, it is not subject to the affirmative defense in 30 TEX. ADMIN. CODE § 101.222. In addition, the incinerator H₂S feed rate reached 356 lbs/hr for three hours during the event, exceeding the permitted emission rate of 235 lbs/hr. The one-hour average incinerator combustion chamber temperature also dropped below the 1,700 degree Fahrenheit limit, to a low of 1,611 degrees Fahrenheit.
3. Failed to prevent unauthorized emissions during an event that occurred from July 11, 2010 to July 12, 2010, in violation of 30 TEX. ADMIN. CODE §§ 116.115(b)(2)(F) and 116.115(c), TEX. HEALTH & SAFETY CODE § 382.085(b), and NSR Permit No. 3131A, GC No. 8 and SC No. 1, as documented during an investigation conducted on November 17, 2010. Specifically, the Respondent released 681.62 lbs of SO₂, 4.85 lbs of CO, 1.22 lbs of NO_x, 7.40 lbs of H₂S, and 4.92 lbs of VOC from the emergency acid gas flare (FLR1) during the three hour and 57 minute event (Incident No. 142215). The acid gas was routed to the emergency flare after the acid gas incinerator shutdown when the infrared fire eye malfunctioned due to loose wiring and from getting wet in a rainstorm. Since the emissions event could have been avoided by better operational practices, it is 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: DCP Midstream, LP, Docket No. 2011-0297-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 measures and procedures designed to improve operational and maintenance practices in order to prevent a recurrence of emissions events due to similar causes as Incident Nos. 141355 and 141638; 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 this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, 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
Amarillo Regional Office
Texas Commission on Environmental Quality
3918 Canyon Drive
Amarillo, Texas 79109-4933

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

John J. Jolley
For the Executive Director

6/16/2011
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]
Signature

5-16-2011
Date

D.J. Dean
Name (Printed or typed)
Authorized Representative of
DCP Midstream, LP

VP Operations
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.