

Executive Summary – Enforcement Matter – Case No. 41020
WTG Gas Processing, L.P.
RN100211473
Docket No. 2011-0122-AIR-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

AIR

Small Business:

No

Location(s) Where Violation(s) Occurred:

East Vealmoor Gas Plant, located 16 miles north of Coahoma on Farm-to-Market Road 846,
Howard County

Type of Operation:

Oil and gas processing plant

Other Significant Matters:

Additional Pending Enforcement Actions: Yes, Docket No. 2011-0283-AIR-E

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: July 8, 2011

Comments Received: No

Penalty Information

Total Penalty Assessed: \$8,150

Amount Deferred for Expedited Settlement: \$1,630

Amount Deferred for Financial Inability to Pay: \$0

Total Paid to General Revenue: \$6,520

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. 41020
WTG Gas Processing, L.P.
RN100211473
Docket No. 2011-0122-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): January 3, 2011

Violation Information

Failed to maintain a minimum 94% sulfur recovery efficiency from the Sulfur Recovery Unit (“SRU”). Specifically, there were 19 days between June 10, 2010 and August 12, 2010, in which the sulfur recovery of the SRU ranged from 89.7% to 93.8% [30 TEX. ADMIN. CODE § 116.115(c), TEX. HEALTH & SAFETY CODE § 382.085(b), and New Source Review Permit No. 20137, Special Conditions No. 5].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

The Executive Director recognizes that by November 2, 2010, the Respondent had installed new Continuous Emission Monitoring System equipment and instrumentation, installed newly programmed control loops for the incinerator firebox temperature and SRU furnace temperature, provided training for operations, and made process engineering corrections in order to improve SRU operating efficiency.

Technical Requirements:

N/A

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: Todd Huddleson, Enforcement Division, Enforcement Team 4, MC 149, (512) 239-2541; Debra Barber, Enforcement Division, MC 219, (512) 239-0412
TCEQ SEP Coordinator: N/A
Respondent: J.L. Davis, President, WTG Gas Processing, L.P., 211 North Colorado Street, Midland, Texas 79701
Respondent's Attorney: N/A



Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

TCEQ

DATES	Assigned	27-Dec-2010	Screening	13-Jan-2011	EPA Due	
	PCW	24-Mar-2011				

RESPONDENT/FACILITY INFORMATION	
Respondent	WTG Gas Processing, L.P.
Reg. Ent. Ref. No.	RN100211473
Facility/Site Region	7-Midland
Major/Minor Source	Major

CASE INFORMATION			
Enf./Case ID No.	41020	No. of Violations	1
Docket No.	2011-0122-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Todd Huddleson
		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** **\$5,000**

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History **88.0%** Enhancement **Subtotals 2, 3, & 7** **\$4,400**

Notes: Enhancement for four NOV's with dissimilar violations and four orders with denial of liability.

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

Notes: The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply Total Adjustments **Subtotal 5** **\$1,250**

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

Total EB Amounts \$40
Approx. Cost of Compliance \$2,000
*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7 **Final Subtotal** **\$8,150**

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

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

Final Penalty Amount **\$8,150**

STATUTORY LIMIT ADJUSTMENT **Final Assessed Penalty** **\$8,150**

DEFERRAL **20.0%** Reduction **Adjustment** **-\$1,630**

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 **\$6,520**

Screening Date 13-Jan-2011

Docket No. 2011-0122-AIR-E

PCW

Respondent WTG Gas Processing, L.P.

Policy Revision 2 (September 2002)

Case ID No. 41020

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100211473

Media [Statute] Air

Enf. Coordinator Todd Huddleson

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	4	8%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	4	80%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgements or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were submitted</i>)	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	0	0%
<i>Please Enter Yes or No</i>			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 88%

>> **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 four NOVs with dissimilar violations and four orders with denial of liability.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 88%

Screening Date 13-Jan-2011

Docket No. 2011-0122-AIR-E

PCW

Respondent WTG Gas Processing, L.P.

Policy Revision 2 (September 2002)

Case ID No. 41020

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100211473

Media [Statute] Air

Enf. Coordinator Todd Huddleson

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code § 116.115(c), Tex. Health & Safety Code § 382.085(b), and New Source Review Permit No. 20137, Special Conditions No. 5

Violation Description

Failed to maintain a minimum 94% sulfur recovery efficiency from the Sulfur Recovery Unit ("SRU"). Specifically, there were 19 days between June 10, 2010 and August 12, 2010, in which the sulfur recovery of the SRU ranged from 89.7% to 93.8%.

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 was exposed to insignificant amount of pollutants which would not exceed levels protective of human health or environmental receptors as a result of the violation.

Adjustment \$7,500

\$2,500

Violation Events

Number of Violation Events 2

145 Number of violation days

daily	
weekly	
monthly	
quarterly	X
semiannual	
annual	
single event	

mark only one with an x

Violation Base Penalty \$5,000

Two quarterly events are recommended.

Good Faith Efforts to Comply

25.0% Reduction

\$1,250

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

Notes

The Respondent came into compliance on November 2, 2010 and the NOE is dated January 3, 2011.

Violation Subtotal \$3,750

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$40

Violation Final Penalty Total \$8,150

This violation Final Assessed Penalty (adjusted for limits) \$8,150

Economic Benefit Worksheet

Respondent WTG Gas Processing, L.P.
Case ID No. 41020
Reg. Ent. Reference No. RN100211473
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)	\$2,000	10-Jun-2010	2-Nov-2010	0.40	\$40	n/a	\$40

Notes for DELAYED costs

Estimated cost for additional oversight and management practices designed to ensure sulfur recovery efficiency is maintained at or above 94%. Date Required is the earliest date of noncompliance and 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

\$2,000

TOTAL

\$40

Compliance History

Customer/Respondent/Owner-Operator: CN600125439 WTG Gas Processing, L.P. Classification: AVERAGE Rating: 4.16

Regulated Entity: RN100211473 EAST VEALMOOR GAS PLANT Classification: AVERAGE Site Rating: 17.31

ID Number(s):

AIR OPERATING PERMITS	ACCOUNT NUMBER	HT0016G
AIR OPERATING PERMITS	PERMIT	3180
AIR NEW SOURCE PERMITS	REGISTRATION	91700
AIR NEW SOURCE PERMITS	PERMIT	5301
AIR NEW SOURCE PERMITS	PERMIT	8461
AIR NEW SOURCE PERMITS	PERMIT	20137
AIR NEW SOURCE PERMITS	REGISTRATION	37218
AIR NEW SOURCE PERMITS	REGISTRATION	47146
AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	HT0016G
AIR NEW SOURCE PERMITS	AFS NUM	4822700003
AIR EMISSIONS INVENTORY	ACCOUNT NUMBER	HT0016G

Location: 16 MILES NORTH OF COAHOMA ON FARM-TO-MARKET ROAD 846, HOWARD COUNTY, TEXAS

TCEQ Region: REGION 07 - MIDLAND

Date Compliance History Prepared: January 13, 2011

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: January 13, 2006 to January 13, 2011

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

Name: Todd Huddleson Phone: (512) 239 - 2541

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: 01/28/2008 ADMINORDER 2007-0722-AIR-E
 Classification: Minor
 Citation: 30 TAC Chapter 122, SubChapter B 122.145(2)(A)
 30 TAC Chapter 122, SubChapter B 122.145(2)(C)
 30 TAC Chapter 122, SubChapter B 122.146(2)
 5C THC Chapter 382, SubChapter D 382.085(b)

Description: Failed to submit an annual certification and semi-annual deviation reports within 30 days and submit all instances of deviations, as documented during an investigation conducted on February 13, 2007. Specifically, the annual certification for the period 1/13/05 through 1/12/06 and the semi-annual deviation reports for the periods 1/13/04 through 7/12/04 and 1/13/05 through 7/12/05 were not submitted within 30 days and failed to include all instances of failure to comply with minimum sru effs.

Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 5C THC Chapter 382, SubChapter D 382.085(b)
 Rqmt Prov: 5301 PERMIT
 Special Condition 6.B. PERMIT

Description: Failed to perform the annual evaluation of the catalyst degradation for Emission Point No. CM-20, in violation of 30 TEX. ADMIN. CODE § 116.115(c), New Source Review ("NSR") Permit No. 5301, Special Condition No. 6B and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on February 13, 2007.

Classification: Moderate
 Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
 30 TAC Chapter 116, SubChapter B 116.115(c)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT LLL 60.642(b)
 5C THC Chapter 382, SubChapter D 382.085(b)

Rqmt Prov: MAERT PERMIT
 Description: Failed to prevent the exceedance of sulfur dioxide and maintaining sulfur dioxide reduction efficiency above the 74% federal minimum requirement and 94% permitted minimum requirement for the reporting periods January 13, 2004 to January 12, 2007, as documented during an investigation conducted on February 13, 2007.

Classification: Minor
 Citation: 30 TAC Chapter 122, SubChapter B 122.145(2)(A)
 30 TAC Chapter 122, SubChapter B 122.146(2)
 5C THC Chapter 382, SubChapter D 382.085(b)

Description: Failed to properly submit semi-annual deviation reports and include all instances of deviations, as documented during an investigation conducted on February 13, 2007. Specifically, semi-annual deviation reports for the reporting periods 7/13/04 - 1/12/05, 7/13/05 - 1/12/06, 1/13/06 - 7/12/06 and 7/13/06 - 1/12/07 did not include deviations for the late submittal of previous deviation reports and included incorrect reporting of instances where WTG failed to comply with minimum SRU efficiencies.

Effective Date: 10/04/2009 ADMINORDER 2009-0210-AIR-E
 Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 5C THSC Chapter 382 382.085(b)
 Rqmt Prov: Special Condition No. 5 PERMIT

Description: Failure to maintain a minimum sulfur reduction efficiency of 94.0%. Specifically, the minimum efficiency was not met on the following dates in 2007: January 3 (92.46%), February 9 (86.09%), February 27 (93.94%), March 1 (93.1%) April 26 (93.0%), May 2 (93.4%), May 14 (93.5%), and May 25 (93.6%).

Effective Date: 06/18/2010

ADMINORDER 2009-1371-AIR-E

Classification: Moderate

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

Rqmt Prov: NSR Permit No. 20137 PERMIT

Description: Failed to maintain records of sulfur dioxide ("SO2") emissions, stack oxygen concentration, and exhaust flow. Specifically, the Respondent has failed to maintain records from the Tail Gas Incinerator (EPN INC-1) for the January 13, 2008 through January 12, 2009 certification period.

Classification: Moderate

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

Rqmt Prov: NSR Permit No. 20137 SC No. 10 PERMIT

Description: Failed to maintain an emission rate below the allowable 1.0 grams per horsepower hour ("g/hp-hr") limit for carbon monoxide ("CO") from the Waukesha L7042 Engine (Emission Point Number ("EPN") CM16). Specifically, the Respondent exceeded the permitted CO emission limit from January 2008 through August 2009.

Effective Date: 09/26/2010

ADMINORDER 2010-0219-AIR-E

Classification: Moderate

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

Rqmt Prov: Special Condition No. 16F PERMIT

Description: Failure to conduct stack testing every five years. The incinerator stack testing should have been conducted by October 24, 2008, but was not completed until November 17, 2009.

Classification: Moderate

Citation: 30 TAC Chapter 106, SubChapter W 106.512(2)(C)(iii)
5C THSC Chapter 382 382.085(b)

Description: Failure to conduct biennial engine testing on Emission Point Numbers ("EPN") CM-31 and CM-32 for nitrogen oxides and carbon monoxide. The testing was required to have been conducted by July 26, 2009, but the test was not completed until January 4, 2010, for CM-31 and on January 5, 2010 for CM-32.

Classification: Minor

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 deviation. Specifically, the Respondent did not report two deviations in its January 13, 2009 through July 12, 2009 and July 13, 2009 through October 4, 2009 deviation reports.

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	01/20/2006	(377556)
2	05/18/2006	(466719)
3	04/04/2007	(555226)
4	01/16/2009	(685433)
5	07/01/2009	(760328)
6	08/03/2009	(764110)
7	09/09/2009	(775260)
8	01/22/2010	(787934)
9	01/22/2010	(789064)
10	01/26/2010	(789444)
11	03/09/2010	(794398)
12	03/19/2010	(796251)
13	04/13/2010	(797979)
14	07/30/2010	(843462)
15	08/20/2010	(849593)
16	10/12/2010	(866338)
17	12/22/2010	(884612)
18	12/21/2010	(885115)
19	01/07/2011	(887592)

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

Date: 01/16/2009 (685433) CN600125439

Self Report? NO Classification: Major

Citation: 30 TAC Chapter 122, SubChapter B 122.146(5)(C)
5C THSC Chapter 382 382.085(b)

Description: Failure to properly report deviations involving the failure to comply with the permitted minimum sulfur recovery unit efficiencies. All deviations due to the SRU inability to maintain efficiency were reported as deviations; however, the entries were for specified periods of time rather than individual days. Each deviation should be reported separately.

Date: 08/03/2009 (764110) CN600125439

Self Report? NO Classification: Moderate

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

Description: Failure to submit RATA test to regional office within 30 days of test.

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 deviation on deviation report.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 5C THSC Chapter 382 382.085(b)
 NSR Permit No. 20137 PERMIT
 Description: Failure to maintain records as stipulated in the permit.

Date: 01/15/2010 (787934) CN600125439
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 122, SubChapter B 122.146(2)
 5C THSC Chapter 382 382.085(b)
 Description: Failure to submit Annual Compliance Certification within 30 days of the end of the certification period.
 Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.145(2)(C)
 5C THSC Chapter 382 382.085(b)
 Description: Failure to submit deviation report within 30 days of the end of the certification period.
 Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.7(c)
 5C THSC Chapter 382 382.085(b)
 Special Condition No. 2 PERMIT
 Description: Failure to submit a written report of excess emissions to the TCEQ regional office within 30 days of the end of the six-month period (three counts).
 Self Report? NO Classification: Minor

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 deviation in deviation reports.

Date 12/23/2010 (884612) CN600125439
 Self Report? NO Classification: Minor
 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 deviation in the deviation report.
 Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 106, SubChapter W 106.512(2)(C)(iii)
 5C THSC Chapter 382 382.085(b)
 Description: Failure to maintain records documenting compliance with 30 TAC 106.512(2)(C)(iii).
 Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 5C THSC Chapter 382 382.085(b)
 Special Condition No. 4 PERMIT
 Description: Failure to maintain O2 concentrations above 3% in accordance with Special Condition No. 4 of NSR Permit No. 20137. 30 TAC 116.115(c).
 Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 5C THSC Chapter 382 382.085(b)
 Special Condition No. 4 PERMIT
 Description: Failure to maintain the incinerator firebox temperature above 1200° Fahrenheit in accordance with Special Condition No. 4 of NSR Permit No. 20137.
 Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 5C THSC Chapter 382 382.085(b)
 Special Condition No. 16B PERMIT
 Description: Failure to conduct cylinder gas audit of the CEMS system during the third quarter in accordance with Special Condition No. 16B of NSR Permit No. 20137.
 Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 5C THSC Chapter 382 382.085(b)
 Special Condition No. 8 OP
 Description: Failure to maintain daily visible emission records in accordance with Special Condition No. 8 of SOP No. O-3180.

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
WTG GAS PROCESSING, L.P.
RN100211473**

**§
§
§
§
§**

**BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY**

**AGREED ORDER
DOCKET NO. 2011-0122-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 WTG Gas Processing, L.P. ("the Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent appear before the Commission and together stipulate that:

1. The Respondent owns and operates an oil and gas processing plant located 16 miles north of Coahoma on Farm-to-Market Road 846, Howard 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 January 8, 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 Eight Thousand One Hundred Fifty Dollars (\$8,150) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Six Thousand Five Hundred Twenty Dollars (\$6,520) of the administrative penalty and One Thousand Six Hundred Thirty Dollars (\$1,630) is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If the Respondent fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require the Respondent to pay all or part of the deferred penalty.
7. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
8. The Executive Director of the TCEQ and the Respondent have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.
9. The Executive Director recognizes that by November 2, 2010, the Respondent had installed new Continuous Emission Monitoring System equipment and instrumentation, installed newly programmed control loops for the incinerator firebox temperature and Sulfur Recovery Unit ("SRU") furnace temperature, provided training for operations, and made process engineering corrections in order to improve SRU operating efficiency.
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 failed to maintain a minimum 94% sulfur recovery efficiency from the SRU, in violation of 30 TEX. ADMIN. CODE § 116.115(c), TEX. HEALTH & SAFETY CODE § 382.085(b), and New Source Review Permit No. 20137, Special Conditions No. 5, as documented during an investigation conducted on November 17, 2010. Specifically, there were 19 days between June 10, 2010 and August 12, 2010, in which the sulfur recovery of the SRU ranged from 89.7% to 93.8%.

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: WTG Gas Processing, L.P., Docket No. 2011-0122-AIR-E" to:

Financial Administration Division, Revenues Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088
2. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Plant operations referenced in this Agreed Order.
3. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.

4. This Agreed Order may be executed in 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.

5. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to the Respondent, or three days after the date on which the Commission mails notice of the Order to the Respondent, whichever is earlier. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

Jo Or Zeller
For the Executive Director

7/31/2011
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

6-9-11
Date

J. L. Davis
Name (Printed or typed)
Authorized Representative of
WTG Gas Processing, L.P.

President/owner
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.