

**Executive Summary – Enforcement Matter – Case No. 41680  
Enbridge G & P (East Texas) L.P.  
RN100222819 and RN104898978  
Docket No. 2011-0782-AIR-E**

**Order Type:**

1660 Agreed Order

**Findings Order Justification:**

N/A

**Media:**

AIR

**Small Business:**

No

**Location(s) Where Violation(s) Occurred:**

Aker Plant, located 7.5 miles east of Streetman, Texas on Highway 416, Freestone County;  
and

Marquez Plant, 14610 Cole Branch Road, Robertson County

**Type of Operation:**

Natural gas treatment plants

**Other Significant Matters:**

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

**Texas Register Publication Date:** October 7, 2011

**Comments Received:** No

***Penalty Information***

**Total Penalty Assessed:** \$30,672

**Amount Deferred for Expedited Settlement:** \$6,134

**Amount Deferred for Financial Inability to Pay:** \$0

**Total Paid to General Revenue:** \$24,538

**Total Due to General Revenue:** \$0

Payment Plan: N/A

**SEP Conditional Offset:** \$0

Name of SEP: N/A

**Compliance History Classifications:**

Person/CN - Average

Site/RN - High

**Major Source:** Yes

**Statutory Limit Adjustment:** N/A

**Applicable Penalty Policy:** September 2002

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**RN100222819 and RN104898978**  
**Docket No. 2011-0782-AIR-E**

***Investigation Information***

**Complaint Date(s):** N/A

**Complaint Information:** N/A

**Date(s) of Investigation:** March 29, 2011, April 14, 2011, and May 26, 2011

**Date(s) of NOE(s):** November 16, 2010, May 10, 2011, and May 24, 2011

***Violation Information***

1. Failed to prevent unauthorized emissions during an emissions event (Incident No. 146648) which occurred on August 15, 2010 and lasted for one hour and 20 minutes at the Aker Plant. Specifically, a failed oil relief valve on the C-550 compressor caused the compressor system to shut down, resulting in the unauthorized release of 1,776.76 pounds ("lbs") of sulfur dioxide ("SO<sub>2</sub>") from the Low Pressure Flare (Emission Point Number ["EPN"] FL-2) and the High Pressure Flare Pilot & Purge Gas (EPN FL-HPa). Since the emissions event could have been avoided by better operational practices and was reported late, the Respondent failed to meet the demonstration criteria for an affirmative defense in 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 116.615(2) and 122.143(4), General Operating Permit ("GOP") No. 0978, Oil and Gas GOP No. 514, Site-wide Requirements (b)(7)(B), Standard Permit Registration No. 81650 Maximum Allowable Emission Rates Table ("MAERT"), and TEX. HEALTH & SAFETY CODE § 382.085(b)].

2. Failed to submit the initial notification for Incident No. 146648 within 24 hours after the discovery of the event at the Aker Plant. Specifically, the initial report was due on August 16, 2010 [30 TEX. ADMIN. CODE § 101.201(a)(1) and TEX. HEALTH & SAFETY CODE § 382.085(b)].

3. Failed to prevent unauthorized emissions during an emissions event (Incident No. 144040) which occurred on August 25, 2010 and lasted for three hours at the Aker Plant. Specifically, operators activated the gas feed valve to EPN FL-2 while trying to re-light the flare pilot flame, resulting in the unauthorized release of 1,504.98 lbs of SO<sub>2</sub> and 1,776.64 lbs of hydrogen sulfide from EPN FL-2. Since the emissions event could have been avoided by better operational practices, the Respondent failed to meet the demonstration criteria for an affirmative defense in 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 116.615(2) and 122.143(4), GOP No. 0978, Oil and Gas GOP No. 514, Site-wide Requirements (b)(7)(B), Standard Permit Registration No. 81650 MAERT, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

4. Failed to prevent unauthorized emissions during an emissions event (Incident No. 150294) which occurred on February 3, 2011 and lasted 14 hours and 41 minutes at the Aker Plant. Specifically, inclement weather caused numerous instruments at the Aker Plant to freeze, leading to a shutdown which resulted in the unauthorized release of 1,656.46 lbs of SO<sub>2</sub>. Because the initial 24-hour notification was submitted late, the Respondent failed to meet the demonstration criteria for an affirmative defense in 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 116.615(2) and 122.143(4), GOP

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No. 0978, Oil and Gas GOP No. 514, Site-wide Requirements (b)(7)(B), Standard Permit Registration No. 81650 MAERT, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

5. Failed to submit the initial notification for Incident No. 150294 within 24 hours after the discovery of the event at the Aker Plant. Specifically, the initial report was due on February 4, 2011 and the report was submitted on February 5, 2011 [30 TEX. ADMIN. CODE § 101.201(a)(1) and TEX. HEALTH & SAFETY CODE § 382.085(b)].

6. Failed to conduct initial and biennial testing for nitrogen oxide (“NO<sub>x</sub>”) and carbon monoxide (“CO”) emissions at the Marquez Plant. Specifically, six Caterpillar 3516 engines (EPNs GEN-1, GEN-2, GEN-3, GEN-4, GEN-5 and GEN-6) were installed in February 2007. Initial testing, within 60 days of start-up, and subsequent biennial tests were not performed [30 TEX. ADMIN. CODE §§ 122.143(4) and 106.512(2)(C)(iii), GOP No. 02885, Oil and Gas GOP No. 514, Site-wide Requirements (b)(7)(D)(xlvi), and TEX. HEALTH & SAFETY CODE § 382.085(b)].

***Corrective Actions/Technical Requirements***

**Corrective Action(s) Completed:**

The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Plants:

- a. On August 27, 2010, replaced the oil pressure relief valve on the C-550 compressor to prevent events due to similar causes as Incident No. 146648 at the Aker Plant;
- b. On October 14, 2010, equipped the Low Pressure Flare EPN FL-2 at the Aker Plant with a continuous pilot system, including a manual flame generator, which can be lit from the ground and has a pilot flame that keeps a constant pilot on the tip to prevent events due to similar causes as Incident No. 144040;
- c. On March 15, 2011, completed a weatherization project at the Aker Plant to shield the boiler building and help it retain heat during cold temperatures to prevent events due to similar causes as Incident No. 150294;
- d. On May 19, 2011, completed initial testing for NO<sub>x</sub> and CO emissions on EPNs GEN-1, GEN-2, GEN-3, GEN-4, GEN-5, and GEN-6 at the Marquez Plant; and
- e. On May 19, 2011, the plant supervisor at the Aker Plant completed training covering the reporting and release requirements manual and participated in a Simulated Emergency Response Drill Exercise to ensure timely reporting of emission events.

**Technical Requirements:**

N/A

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Docket No. 2011-0782-AIR-E**

***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:** Allison Fischer, Enforcement Division,  
Enforcement Team 4, MC 149, (512) 239-2574; Debra Barber, Enforcement Division,  
MC 219, (512) 239-0412  
**TCEQ SEP Coordinator:** N/A  
**Respondent:** Charles W. Raiborn, III, General Manager - East Region Operations,  
Enbridge G & P (East Texas) L.P., 2020 Bill Owens Parkway, Longview, Texas 75604  
**Respondent's Attorney:** N/A



# Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

**TCEQ**

<b>DATES</b>	Assigned	31-May-2011	Screening	7-Jun-2011	EPA Due	18-Feb-2012
	PCW	22-Jun-2011				

<b>RESPONDENT/FACILITY INFORMATION</b>	
Respondent	Enbridge G & P (East Texas) L.P. (Aker Plant)
Reg. Ent. Ref. No.	RN100222819
Facility/Site Region	9-Waco
Major/Minor Source	Major

<b>CASE INFORMATION</b>			
Enf./Case ID No.	41680	No. of Violations	5
Docket No.	2011-0782-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Allison Fischer
		EC's Team	Enforcement Team 4
Admin. Penalty \$	Limit Minimum \$0	Maximum	\$10,000

## Penalty Calculation Section

<b>TOTAL BASE PENALTY (Sum of violation base penalties)</b>	<b>Subtotal 1</b>	<b>\$7,700</b>
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### ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

<b>Compliance History</b>	5.0% Enhancement	<b>Subtotals 2, 3, &amp; 7</b>	<b>\$385</b>
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Notes: Enhancement for one NOV with same/similar violations.

<b>Culpability</b>	No	0.0% Enhancement	<b>Subtotal 4</b>	<b>\$0</b>
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Notes: The Respondent does not meet the culpability criteria.

<b>Good Faith Effort to Comply Total Adjustments</b>	<b>Subtotal 5</b>	<b>\$1,910</b>
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<b>Economic Benefit</b>	0.0% Enhancement*	<b>Subtotal 6</b>	<b>\$0</b>
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Total EB Amounts	\$172
Approx. Cost of Compliance	\$29,135

\*Capped at the Total EB \$ Amount

<b>SUM OF SUBTOTALS 1-7</b>	<b>Final Subtotal</b>	<b>\$6,175</b>
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<b>OTHER FACTORS AS JUSTICE MAY REQUIRE</b>	0.0%	<b>Adjustment</b>	<b>\$0</b>
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

<b>Final Penalty Amount</b>	<b>\$6,175</b>
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<b>STATUTORY LIMIT ADJUSTMENT</b>	<b>Final Assessed Penalty</b>	<b>\$6,175</b>
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<b>DEFERRAL</b>	20.0% Reduction	<b>Adjustment</b>	<b>-\$1,235</b>
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Reduces the Final Assessed Penalty by the indicted percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes:

Deferral offered for expedited settlement.

<b>PAYABLE PENALTY</b>	<b>\$4,940</b>
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Screening Date 7-Jun-2011

Docket No. 2011-0782-AIR-E

PCW

Respondent Enbridge G & P (East Texas) L.P. (Aker Plant)

Policy Revision 2 (September 2002)

Case ID No. 41680

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100222819

Media [Statute] Air

Enf. Coordinator Allison Fischer

### 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> )	1	5%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability ( <i>number of orders meeting criteria</i> )	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 ( <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)** 5%

#### >> Repeat Violator (Subtotal 3)

No

**Adjustment Percentage (Subtotal 3)** 0%

#### >> Compliance History Person Classification (Subtotal 7)

Average Performer

**Adjustment Percentage (Subtotal 7)** 0%

#### >> Compliance History Summary

Compliance History Notes

Enhancement for one NOV with same/similar violations.

**Total Adjustment Percentage (Subtotals 2, 3, & 7)** 5%

Screening Date 7-Jun-2011

Docket No. 2011-0782-AIR-E

PCW

Respondent Enbridge G & P (East Texas) L.P. (Aker Plant)

Policy Revision 2 (September 2002)

Case ID No. 41680

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100222819

Media [Statute] Air

Enf. Coordinator Allison Fischer

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code §§ 116.615(2) and 122.143(4), General Operating Permit ("GOP") No. O978, Oil and Gas GOP No. 514, State-wide Requirements (b)(7)(B), Standard Permit Registration No. 81650 Maximum Allowable Emission Rates Table ("MAERT"), and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to prevent unauthorized emissions during an emissions event (Incident No. 146648) which occurred on August 15, 2010 and lasted for one hour and 20 minutes. Specifically, a failed oil relief valve on the C-550 compressor caused the compressor system to shut down, resulting in the unauthorized release of 1,776.76 pounds ("lbs") of sulfur dioxide ("SO2") from the Low Pressure Flare (Emission Point Number ["EPN"] FL-2) and the High Pressure Flare Pilot & Purge Gas (EPN FL-HPa). Since the emissions event could have been avoided by better operational practices and was reported late, the Respondent failed to meet the demonstration criteria for an affirmative defense in 30 Tex. Admin. Code § 101.222.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

Release	Harm			Percent
	Major	Moderate	Minor	
Actual			X	25%
Potential				

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
				0%

Matrix Notes Human health or the environment has been exposed to insignificant amounts of pollutants which did 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 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 based on the one emissions event.

Good Faith Efforts to Comply

25.0% Reduction

\$625

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

Notes The Respondent returned to compliance on August 27, 2010 and the Notice of Enforcement ("NOE") is dated November 16, 2010.

Violation Subtotal \$1,875

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$2

Violation Final Penalty Total \$2,000

This violation Final Assessed Penalty (adjusted for limits) \$2,000

## Economic Benefit Worksheet

**Respondent** Enbridge G & P (East Texas) L.P. (Aker Plant)  
**Case ID No.** 41680  
**Reg. Ent. Reference No.** RN100222819  
**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
<small>No commas or \$</small>							

### Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$1,500	15-Aug-2010	27-Aug-2010	0.03	\$2	n/a	\$2

Notes for DELAYED costs

Estimated costs to repair the oil relief valve on the C-550 compressor. The date required is the date of the emissions event. 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

\$1,500

**TOTAL**

\$2

Screening Date 7-Jun-2011

Docket No. 2011-0782-AIR-E

PCW

Respondent Enbridge G & P (East Texas) L.P. (Aker Plant)

Policy Revision 2 (September 2002)

Case ID No. 41680

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100222819

Media [Statute] Air

Enf. Coordinator Allison Fischer

Violation Number 2

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

Violation Description Failed to submit the initial notification for Incident No. 146648 within 24 hours after the discovery of the event. Specifically, the initial report was due on August 16, 2010.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual				0%
	Potential				

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
			X	1%

Matrix Notes The Respondent has met at least 70% of the rule requirement.

Adjustment \$9,900

\$100

Violation Events

Number of Violation Events 1 Number of violation days 52

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

Violation Base Penalty \$100

One single event is recommended based on the one missing report.

Good Faith Efforts to Comply

10.0% Reduction \$10

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

Notes The Respondent returned to compliance on May 19, 2011 and the NOE is dated November 16, 2010.

Violation Subtotal \$90

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$19

Violation Final Penalty Total \$95

This violation Final Assessed Penalty (adjusted for limits) \$95

## Economic Benefit Worksheet

**Respondent** Enbridge G & P (East Texas) L.P. (Aker Plant)  
**Case ID No.** 41680  
**Reg. Ent. Reference No.** RN100222819  
**Media** Air  
**Violation No.** 2

Percent Interest	Years of Depreciation
5.0	15

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

### Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$500	16-Aug-2010	19-May-2011	0.76	\$19	n/a	\$19

Notes for DELAYED costs

Estimated cost to implement measures designed to ensure the timely submittal of emissions event reports. The Date Required is the date that the report was due. The Final Date is the compliance date.

### Avoided Costs

#### ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$500

**TOTAL**

\$19

Screening Date 7-Jun-2011

Docket No. 2011-0782-AIR-E

PCW

Respondent Enbridge G & P (East Texas) L.P. (Aker Plant)

Policy Revision 2 (September 2002)

Case ID No. 41680

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100222819

Media [Statute] Air

Enf. Coordinator Allison Fischer

Violation Number 3

Rule Cite(s)

30 Tex. Admin. Code §§ 116.615(2) and 122.143(4), GOP No. 0978, Oil and Gas GOP No. 514, State-wide Requirements (b)(7)(B), Standard Permit Registration No. 81650 MAERT, and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to prevent unauthorized emissions during an emissions event (Incident No. 144040) which occurred on August 25, 2010 and lasted for three hours. Specifically, operators activated the gas feed valve to EPN FL-2 while trying to re-light the flare pilot flame, resulting in the unauthorized release of 1,504.98 lbs of SO2 and 1,776.64 lbs of hydrogen sulfide from EPN FL-2. Since the emissions event could have been avoided by better operational practices, the Respondent failed to meet the demonstration criteria for an 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 did 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 1

1 Number of violation days

daily	
weekly	
monthly	
quarterly	X
semiannual	
annual	
single event	

mark only one with an x

Violation Base Penalty \$2,500

One quarterly event is recommended based on the one emissions event.

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 October 14, 2010 and the NOE is dated November 16, 2010.

Violation Subtotal \$1,875

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$10

Violation Final Penalty Total \$2,000

This violation Final Assessed Penalty (adjusted for limits) \$2,000

## Economic Benefit Worksheet

**Respondent** Enbridge G & P (East Texas) L.P. (Aker Plant)  
**Case ID No.** 41680  
**Reg. Ent. Reference No.** RN100222819  
**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)	\$1,500	25-Aug-2010	14-Oct-2010	0.14	\$10	n/a	\$10

Notes for DELAYED costs

Estimated costs to upgrade the flare to ensure the pilot flame is not lost. The date required is the date of the emissions event. 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 \$1,500

**TOTAL** \$10

Screening Date 7-Jun-2011

Docket No. 2011-0782-AIR-E

PCW

Respondent Enbridge G & P (East Texas) L.P. (Aker Plant)

Policy Revision 2 (September 2002)

Case ID No. 41680

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100222819

Media [Statute] Air

Enf. Coordinator Allison Fischer

Violation Number 4

Rule Cite(s)

30 Tex. Admin. Code §§ 116.615(2) and 122.143(4), GOP No. 0978, Oil and Gas GOP No. 514, State-wide Requirements (b)(7)(B), Standard Permit Registration No. 81650 MAERT, and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to prevent unauthorized emissions during an emissions event (Incident No. 150294) which occurred on February 3, 2011 and lasted 14 hours and 41 minutes. Specifically, inclement weather caused numerous instruments at the Aker Plant to freeze, leading to a shutdown which resulted in the unauthorized release of 1,656.46 lbs of SO2. Because the initial 24-hour notification was submitted late, the Respondent failed to meet the demonstration criteria for an 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 did 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 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 based on the one emissions event.

Good Faith Efforts to Comply

25.0% Reduction

\$625

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

Notes

The Respondent returned to compliance on March 15, 2011 and the NOE is dated May 24, 2011.

Violation Subtotal \$1,875

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$140

Violation Final Penalty Total \$2,000

This violation Final Assessed Penalty (adjusted for limits) \$2,000

# Economic Benefit Worksheet

**Respondent** Enbridge G & P (East Texas) L.P. (Aker Plant)  
**Case ID No.** 41680  
**Reg. Ent. Reference No.** RN100222819  
**Media** Air  
**Violation No.** 4

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)	\$25,635	3-Feb-2011	15-Mar-2011	0.11	\$140	n/a	\$140

Notes for DELAYED costs

Actual costs to weatherize the Aker Plant and ensure instruments in the facility do not freeze. The date required is the date of the emissions event. 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	\$25,635	<b>TOTAL</b>	\$140
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Screening Date 7-Jun-2011

Docket No. 2011-0782-AIR-E

PCW

Respondent Enbridge G & P (East Texas) L.P. (Aker Plant)

Policy Revision 2 (September 2002)

Case ID No. 41680

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100222819

Media [Statute] Air

Enf. Coordinator Allison Fischer

Violation Number 5

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

Violation Description

Failed to submit the initial notification for Incident No. 150294 within 24 hours after the discovery of the event. Specifically, the initial report was due on February 4, 2011 and the report was submitted on February 5, 2011.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor
			X

Percent 1%

Matrix Notes

The Respondent has met at least 70% of the rule requirement.

Adjustment \$9,900

\$100

Violation Events

Number of Violation Events 1

1 Number of violation days

mark only one with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	X

Violation Base Penalty \$100

One single event is recommended based on the one late report.

Good Faith Efforts to Comply

25.0% Reduction

\$25

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

Notes

The Respondent returned to compliance on May 19, 2011 and the NOE is dated May 24, 2011.

Violation Subtotal \$75

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$0

Violation Final Penalty Total \$80

This violation Final Assessed Penalty (adjusted for limits) \$80

## Economic Benefit Worksheet

**Respondent** Enbridge G & P (East Texas) L.P. (Aker Plant)  
**Case ID No.** 41680  
**Reg. Ent. Reference No.** RN100222819  
**Media** Air  
**Violation No.** 5

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)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Economic benefit calculation included in that for violation 2.

### 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



# Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

**TCEQ**

<b>DATES</b>	<b>Assigned</b>	16-May-2011	<b>Screening</b>	23-May-2011	<b>EPA Due</b>	4-Feb-2012
	<b>PCW</b>	22-Jun-2011				

## RESPONDENT/FACILITY INFORMATION

<b>Respondent</b>	Enbridge G & P (East Texas) L.P. (Marquez Plant)	
<b>Reg. Ent. Ref. No.</b>	RN104898978	
<b>Facility/Site Region</b>	9-Waco	<b>Major/Minor Source</b> Major

## CASE INFORMATION

<b>Enf./Case ID No.</b>	41680	<b>No. of Violations</b>	1
<b>Docket No.</b>	2011-0782-AIR-E	<b>Order Type</b>	1660
<b>Media Program(s)</b>	Air	<b>Government/Non-Profit</b>	No
<b>Multi-Media</b>		<b>Enf. Coordinator</b>	Allison Fischer
		<b>EC's Team</b>	Enforcement Team 4
<b>Admin. Penalty \$ Limit Minimum</b>	\$0	<b>Maximum</b>	\$10,000

## Penalty Calculation Section

**TOTAL BASE PENALTY (Sum of violation base penalties)** **Subtotal 1** **\$18,000**

### ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

**Compliance History** **0.0%** Enhancement **Subtotals 2, 3, & 7** **\$0**

Notes: No adjustment for compliance history.

**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** **\$1,800**

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

Total EB Amounts **\$9,040**  
 Approx. Cost of Compliance **\$10,800**  
 \*Capped at the Total EB \$ Amount

**SUM OF SUBTOTALS 1-7** **Final Subtotal** **\$16,200**

**OTHER FACTORS AS JUSTICE MAY REQUIRE** **51.2%** **Adjustment** **\$8,297**

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes: Recommended enhancement to capture the avoided costs associated with the violation.

**Final Penalty Amount** **\$24,497**

**STATUTORY LIMIT ADJUSTMENT** **Final Assessed Penalty** **\$24,497**

**DEFERRAL** **20.0%** Reduction **Adjustment** **-\$4,899**

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

Notes: Deferral offered for expedited settlement.

**PAYABLE PENALTY** **\$19,598**

Screening Date 23-May-2011

Docket No. 2011-0782-AIR-E

PCW

Respondent Enbridge G & P (East Texas) L.P. (Marquez Plant)

Policy Revision 2 (September 2002)

Case ID No. 41680

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN104898978

Media [Statute] Air

Enf. Coordinator Allison Fischer

### 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> )	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 ( <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)** 0%

>> 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

No adjustment for compliance history.

**Total Adjustment Percentage (Subtotals 2, 3, & 7)** 0%

Screening Date 23-May-2011

Docket No. 2011-0782-AIR-E

PCW

Respondent Enbridge G & P (East Texas) L.P. (Marquez Plant)

Policy Revision 2 (September 2002)

Case ID No. 41680

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN104898978

Media [Statute] Air

Enf. Coordinator Allison Fischer

Violation Number 1

Rule Cite(s)

30 Tex. Admin. Code §§ 122.143(4) and 106.512(2)(C)(iii), General Operating Permit No. O2885, Oil and Gas General Operating Permit No. 514, Site-wide Requirements (b)(7)(D)(xvii), and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to conduct initial and biennial testing for nitrogen oxide and carbon monoxide emissions. Specifically, six Caterpillar 3516 engines (Emission Point Numbers GEN-1, GEN-2, GEN-3, GEN-4, GEN-5 and GEN-6) were installed in February 2007. Initial testing, within 60 days of start-up, and subsequent biennial tests were not performed.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

		Harm			
Release		Major	Moderate	Minor	
Actual					
Potential				x	Percent 10%

>> Programmatic Matrix

		Falsification			
		Major	Moderate	Minor	
					Percent 0%

Matrix Notes

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

Adjustment \$9,000

\$1,000

Violation Events

Number of Violation Events 18 1568 Number of violation days

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

Violation Base Penalty \$18,000

Eighteen single events (one initial test and two subsequent biennial tests for each of 6 engines) are recommended.

Good Faith Efforts to Comply

10.0% Reduction \$1,800

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

Notes

The Respondent returned to compliance on May 19, 2011 and the NOE is dated May 10, 2011.

Violation Subtotal \$16,200

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$9,040

Violation Final Penalty Total \$24,497

This violation Final Assessed Penalty (adjusted for limits) \$24,497

## Economic Benefit Worksheet

**Respondent** Enbridge G & P (East Texas) L.P. (Marquez Plant)  
**Case ID No.** 41680  
**Reg. Ent. Reference No.** RN104898978  
**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				0.00	\$0	n/a	\$0
Other (as needed)	\$3,600	2-Apr-2007	19-May-2011	4.13	\$744	n/a	\$744

Notes for DELAYED costs

Estimated cost to conduct initial engine tests for six engines (\$600 per test). The date required is the date that the first tests should have been conducted. 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]	\$7,200	2-Apr-2009	19-May-2011	3.05	\$1,097	\$7,200	\$8,297
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Avoided estimated cost for biennial testing the six engines (two missed biennial testing events for each of the six engines at \$600 per test). The date required is the date when the first biennial tests would have been due. The final date is the date of compliance.

Approx. Cost of Compliance

\$10,800

**TOTAL**

\$9,040

# Compliance History

Customer/Respondent/Owner-Operator: CN603573817 Enbridge G & P (East Texas) L.P. Classification: AVERAGE Rating: 2.77

Regulated Entity: RN100222819 AKER PLANT Classification: HIGH Site Rating: 0.00

ID Number(s): AIR OPERATING PERMITS ACCOUNT NUMBER F10028G  
 AIR OPERATING PERMITS PERMIT 978  
 AIR NEW SOURCE PERMITS ACCOUNT NUMBER F10028G  
 AIR NEW SOURCE PERMITS AFS NUM 4816100014  
 AIR NEW SOURCE PERMITS REGISTRATION 81650  
 AIR NEW SOURCE PERMITS EPA ID PSDTX470  
 AIR EMISSIONS INVENTORY ACCOUNT NUMBER F10028G

Location: 7.5 MILES EAST OF STREETMAN, TX ON HW 416, FREESTONE COUNTY

TCEQ Region: REGION 09 – WACO

Date Compliance History Prepared: June 07, 2011

Agency Decision Requiring Compliance History: Enforcement

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

TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History  
 Name: Allison Fischer Phone: (512) 239 – 2574

## 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.  
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	10/25/2006	(517222)
2	11/09/2006	(518025)
3	02/02/2007	(537807)
4	02/02/2007	(537883)
5	01/26/2007	(537916)
6	02/14/2007	(537949)
7	01/26/2007	(537970)
8	04/24/2007	(553829)
9	05/21/2007	(560224)
10	06/15/2007	(561699)
11	07/17/2007	(567208)
12	08/03/2007	(567665)
13	08/03/2007	(567674)
14	09/07/2007	(574403)
15	11/08/2007	(574409)
16	09/11/2007	(574424)
17	09/11/2007	(593769)
18	09/11/2007	(594033)
19	09/21/2007	(595103)
20	10/15/2007	(596770)

21	10/31/2007	(596791)
22	11/01/2007	(598141)
23	01/10/2008	(613645)
24	01/10/2008	(613686)
25	03/04/2008	(637248)
26	03/06/2008	(637261)
27	03/28/2008	(640318)
28	06/02/2008	(671471)
29	06/02/2008	(671480)
30	06/02/2008	(671502)
31	06/02/2008	(671509)
32	06/02/2008	(671514)
33	06/02/2008	(671517)
34	06/02/2008	(680033)
35	08/08/2008	(686328)
36	07/22/2008	(686336)
37	08/01/2008	(686342)
38	08/15/2008	(688914)
39	10/16/2008	(704823)
40	03/06/2009	(726786)
41	03/06/2009	(726791)
42	03/06/2009	(726805)
43	03/06/2009	(727056)
44	03/06/2009	(727061)
45	04/03/2009	(739978)
46	09/17/2009	(766283)
47	10/24/2009	(776215)
48	02/05/2010	(788037)
49	02/05/2010	(788115)
50	04/08/2010	(794357)
51	04/08/2010	(794360)
52	04/08/2010	(794374)
53	04/16/2010	(796459)
54	07/28/2010	(842250)
55	09/09/2010	(845002)
56	11/16/2010	(871864)
57	01/06/2011	(879089)
58	12/20/2010	(885334)
59	12/20/2010	(885408)
60	01/06/2011	(885470)
61	01/06/2011	(885570)
62	01/06/2011	(885583)
63	02/16/2011	(890855)
64	02/25/2011	(894284)
65	02/25/2011	(894342)
66	03/15/2011	(905573)
67	03/29/2011	(907474)
68	05/24/2011	(912683)
69	05/19/2011	(912698)
70	05/23/2011	(915576)

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

Date: 11/16/2010 (871864) CN603573817

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter F 101.222(b)  
 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)  
 30 TAC Chapter 122, SubChapter B 122.143(4)  
 5C THSC Chapter 382 382.085(b)

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Description: Failure to meet an affirmative defense as provided by Title 30, Texas  
 Administrative Code (TAC), Chapter 101, Rule §101.222(b).

F. Environmental audits.

N/A

G. Type of environmental management systems (EMSs).

N/A

H. Voluntary on-site compliance assessment dates.

N/A

I. Participation in a voluntary pollution reduction program.

N/A

J. Early compliance.

N/A

Sites Outside of Texas

N/A

# Compliance History

Customer/Respondent/Owner-Operator:	CN603573817    Enbridge G & P (East Texas) L.P.	Classification: AVERAGE	Rating: 2.77
Regulated Entity:	RN104898978    MARQUEZ PLANT	Classification: HIGH	Site Rating: 0.00
ID Number(s):	AIR OPERATING PERMITS AIR NEW SOURCE PERMITS AIR NEW SOURCE PERMITS AIR NEW SOURCE PERMITS AIR EMISSIONS INVENTORY	PERMIT ACCOUNT NUMBER AFS NUM REGISTRATION ACCOUNT NUMBER	2885 RIA001A 4839500033 80393 RIA001A
Location:	14610 COLE BRANCH ROAD, ROBERTSON COUNTY		
TCEQ Region:	REGION 09 - WACO		
Date Compliance History Prepared:	May 16, 2011		
Agency Decision Requiring Compliance History:	Enforcement		
Compliance Period:	May 16, 2006 to May 16, 2011		
TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History			
Name:	Allison Fischer	Phone:	(512) 239 - 2574

## 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.  
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 04/15/2010 (796701)  
2 05/10/2011 (908709)
  - E. Written notices of violations (NOV). (CCEDS Inv. Track. No.)  
N/A
  - F. Environmental audits.  
N/A
  - G. Type of environmental management systems (EMSs).  
N/A
  - H. Voluntary on-site compliance assessment dates.  
N/A
  - I. Participation in a voluntary pollution reduction program.  
N/A
  - J. Early compliance.  
N/A
- Sites Outside of Texas  
N/A



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN  
ENFORCEMENT ACTION  
CONCERNING  
ENBRIDGE G & P (EAST TEXAS)  
L.P.  
RN100222819, RN104898978**

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**BEFORE THE  
TEXAS COMMISSION ON  
ENVIRONMENTAL QUALITY**

**AGREED ORDER  
DOCKET NO. 2011-0782-AIR-E**

**I. JURISDICTION AND STIPULATIONS**

At its \_\_\_\_\_ agenda, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Enbridge G & P (East Texas) L.P. ("the Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent appear before the Commission and together stipulate that:

1. The Respondent owns and operates natural gas treatment plants at the following locations (collectively referred to as the "Plants"):
  - a. 7.5 miles east of Streetman, Texas on Highway 416 in Freestone County, Texas (the "Aker Plant"); and
  - b. 14610 Cole Branch Road in Robertson County, Texas (the "Marquez Plant").
2. The Plants 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 November 21, 2010, May 15, 2011 and May 29, 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 Thirty Thousand Six Hundred Seventy-Two Dollars (\$30,672) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Twenty-Four Thousand Five Hundred Thirty-Eight Dollars (\$24,538) of the administrative penalty and Six Thousand One Hundred Thirty-Four Dollars (\$6,134) 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 has implemented the following corrective measures at the Plants:
  - a. On August 27, 2010, replaced the oil pressure relief valve on the C-550 compressor to prevent events due to similar causes as Incident No. 146648 at the Aker Plant;
  - b. On October 14, 2010, equipped the Low Pressure Flare [Emission Point Number ("EPN") FL-2] at the Aker Plant with a continuous pilot system, including a manual flame generator, which can be lit from the ground and has a pilot flame that keeps a constant pilot on the tip to prevent events due to similar causes as Incident No. 144040;
  - c. On March 15, 2011, completed a weatherization project at the Aker Plant to shield the boiler building and help it retain heat during cold temperatures to prevent events due to similar causes as Incident No. 150294;
  - d. On May 19, 2011, completed initial testing for nitrogen oxide ("NOx") and carbon monoxide ("CO") emissions on EPNs GEN-1, GEN-2, GEN-3, GEN-4, GEN-5, and GEN-6 at the Marquez Plant; and
  - e. On May 19, 2011, the plant supervisor at the Aker Plant completed training covering the reporting and release requirements manual and participated in a Simulated Emergency Response Drill Exercise to ensure timely reporting of emission events.
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 Plants, the Respondent is alleged to have:

1. Failed to prevent unauthorized emissions during an emissions event (Incident No. 146648) which occurred on August 15, 2010 and lasted for one hour and 20 minutes at the Aker Plant, in violation of 30 TEX. ADMIN. CODE §§ 116.615(2) and 122.143(4), General Operating Permit ("GOP") No. 0978, Oil and Gas GOP No. 514, Site-wide Requirements (b)(7)(B), Standard Permit Registration No. 81650 Maximum Allowable Emission Rates Table ("MAERT"), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review conducted on May 26, 2011. Specifically, a failed oil relief valve on the C-550 compressor caused the compressor system to shut down, resulting in the unauthorized release of 1,776.76 pounds ("lbs") of sulfur dioxide ("SO<sub>2</sub>") from the Low Pressure Flare (EPN FL-2) and the High Pressure Flare Pilot & Purge Gas (EPN FL-HPa). Since the emissions event could have been avoided by better operational practices and was reported late, the Respondent failed to meet the demonstration criteria for an affirmative defense in 30 TEX. ADMIN. CODE § 101.222.
2. Failed to submit the initial notification for Incident No. 146648 within 24 hours after the discovery of the event at the Aker Plant, in violation of 30 TEX. ADMIN. CODE § 101.201(a)(1) and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review conducted on May 26, 2011. Specifically, the initial report was due on August 16, 2010.
3. Failed to prevent unauthorized emissions during an emissions event (Incident No. 144040) which occurred on August 25, 2010 and lasted for three hours at the Aker Plant, in violation of 30 TEX. ADMIN. CODE §§ 116.615(2) and 122.143(4), GOP No. 0978, Oil and Gas GOP No. 514, Site-wide Requirements (b)(7)(B), Standard Permit Registration No. 81650 MAERT, and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review conducted on May 26, 2011. Specifically, operators activated the gas feed valve to EPN FL-2 while trying to re-light the flare pilot flame, resulting in the unauthorized release of 1,504.98 lbs of SO<sub>2</sub> and 1,776.64 lbs of hydrogen sulfide from EPN FL-2. Since the emissions event could have been avoided by better operational practices, the Respondent failed to meet the demonstration criteria for an affirmative defense in 30 TEX. ADMIN. CODE § 101.222.
4. Failed to prevent unauthorized emissions during an emissions event (Incident No. 150294) which occurred on February 3, 2011 and lasted 14 hours and 41 minutes at the Aker Plant, in violation of 30 TEX. ADMIN. CODE §§ 116.615(2) and 122.143(4), GOP No.

O978, Oil and Gas GOP No. 514, Site-wide Requirements (b)(7)(B), Standard Permit Registration No. 81650 MAERT, and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review conducted on April 14, 2011. Specifically, inclement weather caused numerous instruments at the Aker Plant to freeze, leading to a shutdown which resulted in the unauthorized release of 1,656.46 lbs of SO<sub>2</sub>. Because the initial 24-hour notification was submitted late, the Respondent failed to meet the demonstration criteria for an affirmative defense in 30 TEX. ADMIN. CODE § 101.222.

5. Failed to submit the initial notification for Incident No. 150294 within 24 hours after the discovery of the event at the Aker Plant, in violation of 30 TEX. ADMIN. CODE § 101.201(a)(1) and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review conducted on April 14, 2011. Specifically, the initial report was due on February 4, 2011 and the report was submitted on February 5, 2011.
6. Failed to conduct initial and biennial testing for NO<sub>x</sub> and CO emissions at the Marquez Plant, in violation of 30 TEX. ADMIN. CODE §§ 122.143(4) and 106.512(2)(C)(iii), GOP No. O2885, Oil and Gas GOP No. 514, Site-wide Requirements (b)(7)(D)(xlvi), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review conducted on March 29, 2011. Specifically, six Caterpillar 3516 engines (EPNs GEN-1, GEN-2, GEN-3, GEN-4, GEN-5 and GEN-6) were installed in February 2007. Initial testing, within 60 days of start-up, and subsequent biennial tests were not performed.

### III. DENIALS

The Respondent generally denies each allegation in Section II ("Allegations").

### IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that the Respondent pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Enbridge G & P (East Texas) L.P., Docket No. 2011-0782-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

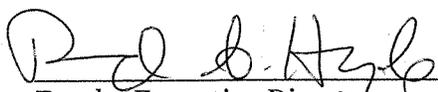
2. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the operations at the Plants referenced in this Agreed Order.

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

  
\_\_\_\_\_  
For the Executive Director

11/17/11  
\_\_\_\_\_  
Date

I, the undersigned, have read and understand the attached Agreed Order. I am authorized to agree to the attached Agreed Order on behalf of the entity indicated below my signature, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I also understand that failure to comply with the Ordering Provisions, if any, in this order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions;
- Automatic referral to the Attorney General's Office of any future enforcement actions;
- and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.

  
\_\_\_\_\_  
Signature

8/29/11  
\_\_\_\_\_  
Date

CHARLES W. ROBERTS III  
Name (Printed or typed)  
Authorized Representative of  
Enbridge G & P (East Texas) L.P.

GENERAL MANAGER  
Title  
EAST REGION OPERATIONS

**Instructions:** Send the original, signed Agreed Order with penalty payment to the Financial Administration Division, Revenues Section at the address in Section IV, Paragraph 1 of this Agreed Order.