

**Executive Summary – Enforcement Matter – Case No. 43829
Targa Downstream LLC
RN102583291
Docket No. 2012-0654-AIR-E**

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

AIR

Small Business:

No

Location(s) Where Violation(s) Occurred:

Mont Belvieu Terminal, 10319 Highway 146 North, Mont Belvieu, Chambers County

Type of Operation:

Hydrocarbon and gasoline products terminal

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: November 2, 2012

Comments Received: No

Penalty Information

Total Penalty Assessed: \$30,264

Amount Deferred for Expedited Settlement: \$6,052

Amount Deferred for Financial Inability to Pay: \$0

Total Paid to General Revenue: \$12,106

Total Due to General Revenue: \$0

Payment Plan: N/A

SEP Conditional Offset: \$12,106

Name of SEP: Houston-Galveston Area Emission Reduction Credit Organization -

Clean Cities/Clean Vehicles Program

Compliance History Classifications:

Person/CN - Average

Site/RN - Average

Major Source: Yes

Statutory Limit Adjustment: N/A

Applicable Penalty Policy: September 2002

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Investigation Information

Complaint Date(s): N/A

Complaint Information: N/A

Date(s) of Investigation: July 14 and 15, 2011

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

Violation Information

1. Failed to maintain records of quarterly visible emissions observations from stationary vents for emissions units. Specifically, records of quarterly visible emissions observations were not being maintained for engines FE-1, FE-3, G-1, G-2, G-3, G-5, and G-6 [30 TEX. ADMIN. CODE § 122.143(4), Federal Operating Permit (“FOP”) No. 0615, General Terms and Conditions (“GTC”) and Special Terms and Conditions (“STC”) No. 3.B.(iv)(3), and TEX. HEALTH & SAFETY CODE § 382.085(b)].

2. Failed to conduct Leak Detection and Repair (“LDAR”) monitoring on 10,863 components in volatile organic compound (“VOC”) service. Specifically, Respondent did not conduct quarterly LDAR monitoring on 8,325 valves and 2,538 pressure relief valves that are two inches or less prior to March 2010 [30 TEX. ADMIN. CODE § 115.354(2) and TEX. HEALTH & SAFETY CODE § 382.085(b)].

3. Failed to maintain records of the date leaking components were repaired. Specifically, from August 13, 2007 to August 2, 2010, compressors COMP2, COMP3, COMP5, 5-C1, 16-C1, 16-C2, and pump P7-7 were placed on delay of repair, but no records of repairs were made before they passed quarterly monitoring [30 TEX. ADMIN. CODE §§ 115.356(2)(E)(iv) and 122.143(4), FOP No. 0615, STC 1.A., and TEX. HEALTH & SAFETY CODE § 382.085(b)].

4. Failed to equip each open-ended line or valve with a cap, blind flange, plug, or a second valve. Specifically, 16 open-ended lines and/or valves in regular VOC service were documented during the period of September 12, 2009 through August 28, 2010 [30 TEX. ADMIN. CODE §§ 115.352(4), 116.115(c), and 122.143(4), Permit No. 18929, Special Conditions (“SC”) No. 3.E., Permit No. 22088, SC No. 9.E., FOP No. 0615, STC 1.A. and 8, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

5. Failed to restrict the operation of stationary diesel or dual-fuel engines for testing and maintenance to between the hours of 12:00 p.m. and 5:59 a.m. Specifically, Respondent conducted a weekly test on engine FE-1 from 7:35 a.m. to 8:05 a.m. and engine FE-3 from 8:00 a.m. to 8:40 a.m. on December 21, 2009, and a bi-weekly test on engine G-3 from 7:35 a.m. to 8:05 a.m. and engine G-6 from 8:10 a.m. to 8:40 a.m. on February 3, 2011 [30 TEX. ADMIN. CODE §§ 117.310(f) and 122.143(4), FOP No. 0615, STC No. 1.A., and TEX. HEALTH & SAFETY CODE § 382.085(b)].

6. Failed to include applicable requirements of 30 TEX. ADMIN. CODE ch. 115, Subchapter D, Division 3 for Emission Point Numbers 1-5 in FOP No. 0615. Also, failed to specify

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that FUG-R-LOAD1 and FUG-R-LOAD2 are in the FUG-LOAD group [30 TEX. ADMIN. CODE § 122.142(b)(2)(B) and TEX. HEALTH & SAFETY CODE § 382.085(b)].

7. Failed to report all instances of deviations. Specifically, the semi-annual deviation reports for the reporting periods from August 27, 2009 through February 26, 2010 and February 27, 2010 through August 26, 2010 did not include six deviations [30 TEX. ADMIN. CODE §§ 122.143(4) and 122.145(2)(A), FOP No. O615, GTC, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

Respondent has implemented the following corrective measures at the Plant:

- a. By March 31, 2010, implemented measures and procedures to ensure LDAR monitoring is conducted as required;
- b. By August 28, 2010, installed plugs on 16 open-ended lines and/or valves in regular VOC service; and
- c. By October 4, 2011, reminded staff to restrict the operation of stationary diesel or dual-fuel engines for testing and maintenance to between the hours of 12:00 p.m. and 5:59 a.m.

Technical Requirements:

1. The Order will require Respondent to implement and complete a Supplemental Environmental Project (“SEP”). (See SEP Attachment A)
2. The Order will also require Respondent to:
 - a. Within 30 days:
 - i. Implement a record keeping system to record quarterly visible emissions observations from stationary vents;
 - ii. Implement measures and procedures to ensure all deviations are included in semi-annual deviation reports; and
 - iii. Submit a revision to FOP No. O615 that includes the applicable requirements of 30 TEX. ADMIN. CODE ch. 115, Subchapter D, Division 3 for Emission Point Numbers 1-5, and that specifies FUG-R-LOAD1 and FUG-R-LOAD2 are part of the FUG-LOAD group.
 - b. Respond completely and adequately, as determined by the Air Permits Division, to all letters requesting information concerning the revision to FOP No. O615 within 30 days of the date of such letters, or by any other deadline specified in writing;

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c. Within 45 days, submit written certification and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision a.; and

d. Within 180 days, submit written certification and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Commission rules regarding authorization to operate a source of air emissions under FOP No. O615, or cease operations until appropriate authorization is obtained.

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: Kimberly Morales, Enforcement Division, Enforcement Team 5, MC R-12, (713) 422-8938; Debra Barber, Enforcement Division, MC 219, (512) 239-0412
TCEQ SEP Coordinator: Stuart Beckley, SEP Coordinator, Enforcement Division, MC 219, (512) 239-3565
Respondent: Hunter Battle, Vice President, Targa Downstream LLC, 10319 Highway 146 North, Mont Belvieu, Texas 77580
Jessica L. Keiser, Assistant Vice President, Targa Downstream LLC, 10319 Highway 146 North, Mont Belvieu, Texas 77580
Respondent's Attorney: N/A

Attachment A
Docket Number: 2012-0654-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	Targa Downstream LLC
Payable Penalty Amount:	Twenty-Four Thousand Two Hundred Twelve Dollars (\$24,212)
SEP Amount:	Twelve Thousand One Hundred Six Dollars (\$12,106)
Type of SEP:	Pre-approved
Third-Party Recipient:	Houston-Galveston Area Emission Reduction Credit Organization's ("AERCO's") Clean Cities/Clean Vehicles Program
Location of SEP:	Texas Air Quality Control Region 216 – Houston-Galveston

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

1. Project Description

A. Project

Respondent shall contribute the SEP offset amount to the Third-Party Recipient named above. The contribution will be to **Houston-Galveston AERCO** for the **Clean Cities/Clean Vehicles Program** as set forth in an agreement between the Third-Party Recipient and the TCEQ. SEP monies will be used to aid local school districts and area transit agencies in reaching local match requirements mandated by the Federal Highway Administration's Congestion Mitigation/Air Quality Funding program. SEP monies will be disbursed to school districts and transit agencies in need of funding assistance in the Houston-Galveston non-attainment area. Those SEP monies will be used exclusively by the school districts and transit agencies as supplements to meet the local match requirements of the Environmental Protection Agency ("EPA"). SEP monies will be used to pay for the cost of replacing older diesel buses with alternative fueled or clean diesel buses. The old buses will be permanently retired and only sold for scrap. The schools and transit agencies will also use the SEP monies to retrofit more buses to reduce emissions. Houston-Galveston AERCO will send the TCEQ verification in the form of paid invoices and other documentation to show that the retrofits were

Targa Downstream LLC
Agreed Order - Attachment A

completed. Retrofit technologies include particulate matter traps, diesel particulate matter filters, nitrogen oxides reduction catalyst technology in combination with diesel particulate filters, and other emission control technologies that are developed and approved by the EPA or the California Air Resources Board.

Respondent certifies that there is no prior commitment to do this project and that it is being performed solely in an effort to settle this enforcement action.

B. Environmental Benefit

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

C. Minimum Expenditure

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

2. Performance Schedule

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

Houston-Galveston Area Council
Houston-Galveston AERCO
P.O. Box 22777
Houston, Texas 77227-2777

3. Records and Reporting

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

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

4. Failure to Fully Perform

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

The check for any amount due shall be made out to ATexas Commission on Environmental Quality@ and mailed to:

Litigation Division
Attention: SEP Coordinator, MC 175
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088

Respondent shall also mail a copy of the check to the Enforcement Division SEP Coordinator at the address in Section 3 above.

5. Publicity

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

6. Clean Texas Program

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

7. Other SEPs by TCEQ or Other Agencies

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



Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

TCEQ

DATES	Assigned	19-Mar-2012
	PCW	3-Apr-2012
	Screening	22-Mar-2012
	EPA Due	27-May-2012

RESPONDENT/FACILITY INFORMATION

Respondent	Targa Downstream LLC		
Reg. Ent. Ref. No.	RN102583291		
Facility/Site Region	12-Houston	Major/Minor Source	Major

CASE INFORMATION

Enf./Case ID No.	43829	No. of Violations	7
Docket No.	2012-0654-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Kimberly Morales
		EC's Team	Enforcement Team 5

Admin. Penalty \$ Limit Minimum Maximum

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties) **Subtotal 1**

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

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

Notes: Enhancement for ten NOV's with same/similar violations, one NOV with dissimilar violations, and one order without denial of liability. Reduction for one notice of intent to conduct an audit.

Culpability Enhancement **Subtotal 4**

Notes: The Respondent does not meet the culpability criteria.

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

Economic Benefit Enhancement* **Subtotal 6**

Total EB Amounts
 Approx. Cost of Compliance
 *Capped at the Total EB \$ Amount

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

OTHER FACTORS AS JUSTICE MAY REQUIRE **Adjustment**

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes: Enhancement to capture the avoided costs of compliance associated with Violation No. 2.

Final Penalty Amount

STATUTORY LIMIT ADJUSTMENT **Final Assessed Penalty**

DEFERRAL Reduction **Adjustment**

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

Screening Date 22-Mar-2012

Docket No. 2012-0654-AIR-E

PCW

Respondent Targa Downstream LLC

Policy Revision 2 (September 2002)

Case ID No. 43829

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN102583291

Media [Statute] Air

Enf. Coordinator Kimberly Morales

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>)	10	50%
	Other written NOVs	1	2%
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	1	25%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgements or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were submitted</i>)	1	-1%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	0	0%

Please Enter Yes or No

Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 76%

>> **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 ten NOVs with same/similar violations, one NOV with dissimilar violations, and one order without denial of liability. Reduction for one notice of intent to conduct an audit.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 76%

Screening Date 22-Mar-2012
Respondent Targa Downstream LLC
Case ID No. 43829

Docket No. 2012-0654-AIR-E

PCW

Policy Revision 2 (September 2002)
 PCW Revision October 30, 2008

Reg. Ent. Reference No. RN102583291
Media [Statute] Air
Enf. Coordinator Kimberly Morales

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code § 122.143(4), Federal Operating Permit ("FOP") No. O615, General Terms and Conditions ("GTC") and Special Terms and Conditions ("STC") No. 3.B.(iv)(3), and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to maintain records of quarterly visible emissions observations from stationary vents for emissions units. Specifically, records of quarterly visible emissions observations were not being maintained for engines FE-1, FE-3, G-1, G-2, G-3, G-5, and G-6.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

Release	Harm			Percent
	Major	Moderate	Minor	
Actual				0%
Potential				

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
	x			25%

Matrix Notes The Respondent failed to meet 100% of the rule requirement.

Adjustment \$7,500

\$2,500

Violation Events

Number of Violation Events 1 252 Number of violation days

mark only one with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$2,500

One single event is recommended for the one set of records not being maintained.

Good Faith Efforts to Comply

0.0% Reduction

\$0

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

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

Violation Subtotal \$2,500

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$18

Violation Final Penalty Total \$5,080

This violation Final Assessed Penalty (adjusted for limits) \$5,080

Economic Benefit Worksheet

Respondent Targa Downstream LLC
Case ID No. 43829
Reg. Ent. Reference No. RN102583291
Media Air
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

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

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System	\$250	14-Jul-2011	14-Dec-2012	1.42	\$18	n/a	\$18
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to implement a record keeping system to record quarterly visible emissions observations from stationary vents. The Date Required is the investigation date. The Final Date is the date that corrective actions are expected to be completed.

Avoided Costs

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance

\$250

TOTAL

\$18

Screening Date 22-Mar-2012

Docket No. 2012-0654-AIR-E

PCW

Respondent Targa Downstream LLC

Policy Revision 2 (September 2002)

Case ID No. 43829

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN102583291

Media [Statute] Air

Enf. Coordinator Kimberly Morales

Violation Number 2

Rule Cite(s)

30 Tex. Admin. Code § 115.354(2) and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to conduct Leak Detection and Repair ("LDAR") monitoring on 10,863 components in volatile organic compound ("VOC") service. Specifically, the Respondent did not conduct quarterly LDAR monitoring on 8,325 valves and 2,538 pressure relief valves that are two inches or less prior to March 2010.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential		x	

Percent 25%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes

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

Adjustment \$7,500

\$2,500

Violation Events

Number of Violation Events 3

216 Number of violation days

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

Violation Base Penalty \$7,500

Three quarterly events are recommended from August 27, 2009, the violation start date that was reported in the March 25, 2010 deviation report, to the March 31, 2010 compliance date.

Good Faith Efforts to Comply

25.0% Reduction

\$1,875

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

Notes

The Respondent completed corrective actions by March 31, 2010, prior to the August 31, 2011 NOE.

Violation Subtotal \$5,625

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$7,186

Violation Final Penalty Total \$13,075

This violation Final Assessed Penalty (adjusted for limits) \$13,075

Economic Benefit Worksheet

Respondent Targa Downstream LLC
Case ID No. 43829
Reg. Ent. Reference No. RN102583291
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)	\$106,000	27-Aug-2009	31-Mar-2010	0.59	\$3,136	n/a	\$3,136

Notes for DELAYED costs

Estimated cost provided by the Respondent to implement measures and procedures to ensure LDAR is conducted as required. The Date Required is the violation start date that was reported in the March 25, 2010 deviation report. The Final Date is the date corrective actions were completed.

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	\$6,518	27-Aug-2009	31-Mar-2010	0.59	\$193	\$3,857	\$4,050
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

Actual costs avoided by not monitoring 10,863 components (\$0.60 per component) as required. The Date Required is the start date reported in the March 25, 2010 deviation report. The Final Date is the date corrective actions were completed.

Approx. Cost of Compliance

\$112,518

TOTAL

\$7,186

Screening Date 22-Mar-2012

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PCW

Respondent Targa Downstream LLC

Policy Revision 2 (September 2002)

Case ID No. 43829

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN102583291

Media [Statute] Air

Enf. Coordinator Kimberly Morales

Violation Number 3

Rule Cite(s)

30 Tex. Admin. Code §§ 115.356(2)(E)(iv) and 122.143(4), FOP No. O615, STC 1.A., and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to maintain records of the date leaking components were repaired. Specifically, from August 13, 2007 to August 2, 2010, compressors COMP2, COMP3, COMP5, 5-C1, 16-C1, 16-C2, and pump P7-7 were placed on delay of repair, but no records of repairs were made before they passed quarterly monitoring.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0%

>> Programmatic Matrix

Falsification	Harm		
	Major	Moderate	Minor
			x

Percent 1%

Matrix Notes

The Respondent failed to meet less than 30% of the rule requirement.

Adjustment \$9,900

\$100

Violation Events

Number of Violation Events 1

901 Number of violation days

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

mark only one with an x

Violation Base Penalty \$100

One single event is recommended for the one set of records not being maintained.

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 completed corrective actions by March 31, 2010, prior to the August 31, 2011 NOE.

Violation Subtotal \$75

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$0

Violation Final Penalty Total \$174

This violation Final Assessed Penalty (adjusted for limits) \$174

Economic Benefit Worksheet

Respondent Targa Downstream LLC
Case ID No. 43829
Reg. Ent. Reference No. RN102583291
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)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

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

Screening Date 22-Mar-2012

Docket No. 2012-0654-AIR-E

PCW

Respondent Targa Downstream LLC

Policy Revision 2 (September 2002)

Case ID No. 43829

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN102583291

Media [Statute] Air

Enf. Coordinator Kimberly Morales

Violation Number 4

Rule Cite(s)

30 Tex. Admin. Code §§ 115.352(4), 116.115(c), and 122.143(4), Permit No. 18929, Special Conditions ("SC") No. 3.E., Permit No. 22088, SC No. 9.E., FOP No. O615, STC 1.A. and 8, and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to equip each open-ended line or valve with a cap, blind flange, plug, or a second valve. Specifically, 16 open-ended lines and/or valves in regular VOC service were documented during the period of September 12, 2009 through August 28, 2010.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			x

Percent 10%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes

Human health or the environment will or 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 1

350 Number of violation days

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

mark only one with an x

Violation Base Penalty \$1,000

One single event is recommended.

Good Faith Efforts to Comply

25.0% Reduction

\$250

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

Notes

The Respondent completed corrective actions on August 28, 2010, prior to the August 31, 2011 NOE.

Violation Subtotal \$750

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$24

Violation Final Penalty Total \$1,743

This violation Final Assessed Penalty (adjusted for limits) \$1,743

Economic Benefit Worksheet

Respondent Targa Downstream LLC
Case ID No. 43829
Reg. Ent. Reference No. RN102583291
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
<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)	\$500	12-Sep-2009	28-Aug-2010	0.96	\$24	n/a	\$24

Notes for DELAYED costs

Estimated cost to close 16 open-ended lines and/or valves. The Date Required is the date the first open-ended line was discovered. The Final Date is the date that corrective actions were completed.

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

\$24

Screening Date 22-Mar-2012

Docket No. 2012-0654-AIR-E

PCW

Respondent Targa Downstream LLC

Policy Revision 2 (September 2002)

Case ID No. 43829

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN102583291

Media [Statute] Air

Enf. Coordinator Kimberly Morales

Violation Number 5

Rule Cite(s)

30 Tex. Admin. Code §§ 117.310(f) and 122.143(4), FOP No. O615, STC No. 1.A., and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to restrict the operation of stationary diesel or dual-fuel engines for testing and maintenance to between the hours of 12:00 p.m. and 5:59 a.m. Specifically, the Respondent conducted a weekly test on engine FE-1 from 7:35 a.m. to 8:05 a.m. and engine FE-3 from 8:00 a.m. to 8:40 a.m. on December 21, 2009, and a bi-weekly test on engine G-3 from 7:35 a.m. to 8:05 a.m. and engine G-6 from 8:10 a.m. to 8:40 a.m. on February 3, 2011.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			X
Potential			

Percent 25%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes

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

Adjustment \$7,500

\$2,500

Violation Events

Number of Violation Events 2

2 Number of violation days

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

Violation Base Penalty \$5,000

Two single events are recommended for the two dates of noncompliance.

Good Faith Efforts to Comply

10.0% Reduction

\$500

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

Notes

The Respondent completed corrective actions by October 4, 2011, after the August 31, 2011 NOE.

Violation Subtotal \$4,500

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$45

Violation Final Penalty Total \$9,582

This violation Final Assessed Penalty (adjusted for limits) \$9,582

Economic Benefit Worksheet

Respondent Targa Downstream LLC
Case ID No. 43829
Reg. Ent. Reference No. RN102583291
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)	\$500	21-Dec-2009	4-Oct-2011	1.79	\$45	N/A	\$45

Notes for DELAYED costs

Estimated cost to implement measures and procedures to restrict when testing and maintenance of diesel engines are conducted. The Date Required is the initial date of noncompliance. The Final Date is the date corrective actions were completed.

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

\$45

Screening Date 22-Mar-2012

Docket No. 2012-0654-AIR-E

PCW

Respondent Targa Downstream LLC

Policy Revision 2 (September 2002)

Case ID No. 43829

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN102583291

Media [Statute] Air

Enf. Coordinator Kimberly Morales

Violation Number 6

Rule Cite(s)

30 Tex. Admin. Code § 122.142(b)(2)(B) and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to include applicable requirements of 30 Tex. Admin. Code ch. 115, Subchapter D, Division 3 for Emission Point Numbers 1-5 in FOP No. O615. Also, failed to specify that FUG-R-LOAD1 and FUG-R-LOAD2 are in the FUG-LOAD group.

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 failed to meet less than 30% of the rule requirement.

Adjustment \$9,900

\$100

Violation Events

Number of Violation Events 1

605 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.

Good Faith Efforts to Comply

0.0% Reduction

\$0

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

Notes

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

Violation Subtotal \$100

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$210

Violation Final Penalty Total \$203

This violation Final Assessed Penalty (adjusted for limits) \$203

Economic Benefit Worksheet

Respondent Targa Downstream LLC

Case ID No. 43829

Reg. Ent. Reference No. RN102583291

Media Air

Violation No. 6

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	\$1,500	26-Jul-2010	13-May-2013	2.80	\$210	n/a	\$210
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to submit a permit revision application to include the applicable requirements. The Date Required is the date the FOP was issued. The Final Date is the date that corrective actions are expected to be completed.

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

\$210

Screening Date 22-Mar-2012

Docket No. 2012-0654-AIR-E

PCW

Respondent Targa Downstream LLC

Policy Revision 2 (September 2002)

Case ID No. 43829

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN102583291

Media [Statute] Air

Enf. Coordinator Kimberly Morales

Violation Number 7

Rule Cite(s) 30 Tex. Admin. Code §§ 122.143(4) and 122.145(2)(A), FOP No. 0615, GTC, and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to report all instances of deviations. Specifically, the semi-annual deviation reports for the reporting periods from August 27, 2009 through February 26, 2010 and February 27, 2010 through August 26, 2010 did not include six deviations.

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 failed to meet less than 30% of the rule requirement.

Adjustment \$9,900

\$100

Violation Events

Number of Violation Events 2 Number of violation days 364

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

Violation Base Penalty \$200

Two single events are recommended for the two incomplete reports.

Good Faith Efforts to Comply

0.0% Reduction

\$0

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

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

Violation Subtotal \$200

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$34

Violation Final Penalty Total \$406

This violation Final Assessed Penalty (adjusted for limits) \$406

Economic Benefit Worksheet

Respondent Targa Downstream LLC
Case ID No. 43829
Reg. Ent. Reference No. RN102583291
Media Air
Violation No. 7

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	\$250	28-Mar-2010	14-Dec-2012	2.72	\$34	n/a	\$34
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to implement measures and procedures to ensure all deviations are included in semi-annual deviation reports. The Date Required was the due date for the first semi-annual report. The Final Date is the date that corrective actions are expected to be completed.

Avoided Costs

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance

\$250

TOTAL

\$34

Compliance History Report

Customer/Respondent/Owner-Operator: CN603592940 Targa Downstream LLC Classification: AVERAGE Rating: 5.03
Regulated Entity: RN102583291 MONT BELVIEU TERMINAL Classification: AVERAGE Site Rating: 6.68
ID Number(s):
AIR NEW SOURCE PERMITS PERMIT 18929
AIR NEW SOURCE PERMITS PERMIT 22088
AIR NEW SOURCE PERMITS ACCOUNT NUMBER CI0021C
AIR NEW SOURCE PERMITS REGISTRATION 75496
AIR NEW SOURCE PERMITS AFS NUM 4807100037
AIR NEW SOURCE PERMITS REGISTRATION 81866
AIR NEW SOURCE PERMITS REGISTRATION 82049
AIR NEW SOURCE PERMITS REGISTRATION 82076
AIR NEW SOURCE PERMITS REGISTRATION 89284
AIR NEW SOURCE PERMITS REGISTRATION 97147
AIR OPERATING PERMITS ACCOUNT NUMBER CI0021C
AIR OPERATING PERMITS PERMIT 615
AIR EMISSIONS INVENTORY ACCOUNT NUMBER CI0021C

Location: 10319 HIGHWAY 146 NORTH, MONT BELVIEU, CHAMBERS COUNTY, TEXAS

TCEQ Region: REGION 12 - HOUSTON

Date Compliance History Prepared: March 22, 2012

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: March 22, 2007 to March 22, 2012

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

Name: Kimberly Morales Phone: (713) 422-8938

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. If YES, when did the change(s) in owner or operator occur? N/A
6. Rating Date: 9/1/2011 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: 05/03/2009 ADMINORDER 2008-1299-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.110(a)
5C THSC Chapter 382 382.0518(a)
5C THSC Chapter 382 382.085(b)

Description: Failed to have authorization for the loading of 792 trucks with a butane/butylene mix.

Classification: Moderate

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

Rqmt Prov: TCEQ Air Permit #22088, SC #1 PA

Description: Failed to prevent unauthorized emissions during Incident No. 105897.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter F 101.201(f)

5C THSC Chapter 382 382.085(b)

Description: Failed to submit additional information to the TCEQ within the established time frame.

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	04/30/2007	(543361)
2	10/03/2007	(572620)
3	10/25/2007	(573213)
4	10/26/2007	(573249)
5	10/03/2007	(573272)
6	11/02/2007	(593428)
7	11/05/2007	(593529)
8	10/03/2007	(593834)
9	11/27/2007	(597983)
10	08/26/2008	(610696)
11	01/15/2008	(611836)
12	01/15/2008	(611953)
13	06/05/2008	(681989)
14	07/30/2008	(686170)
15	08/27/2008	(688449)
16	03/23/2009	(704094)
17	04/21/2009	(741055)
18	07/09/2009	(761494)
19	11/03/2009	(767532)
20	01/07/2010	(781940)
21	04/22/2010	(782611)
22	03/16/2010	(791910)
23	08/31/2011	(877951)
24	03/30/2011	(878153)
25	01/25/2011	(880008)

26 02/25/2011 (894456)
 27 02/16/2011 (894637)
 28 05/03/2011 (908864)
 29 04/08/2011 (912059)
 30 05/03/2011 (912319)
 31 05/03/2011 (912354)
 32 01/11/2012 (970402)

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

Date: 10/03/2007 (572620) CN603592940
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 117, SubChapter E 117.520(c)(2)(C)(i)
 Description: RE failed to submit initial compliance stack test reports by the deadline of March 31, 2007. The reports were received on May 23, 2007.

Date: 10/03/2007 (593834) CN603592940
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 117, SubChapter B 117.211(e)(1)
 Description: The RE failed to properly follow EPA reference method 7E as required by 30 TAC 117.211(e)(1)

Date: 10/03/2007 (573272) CN603592940
 Self Report? NO Classification: Moderate
 Citation: #22088, S.C. #1 PERMIT
 30 TAC Chapter 116, SubChapter B 116.115(c)
 5C THC Chapter 382, SubChapter D 382.085(b)
 Description: RE failed to comply with NOx emission standards as listed in the MAERT table of permit 22088.

Date: 08/26/2008 (610696) CN603592940
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 FOP-00615, SC 7A OP
 NSR Permit 56431 SC 3(D) PERMIT
 Description: Failure to maintain maximum amount of pipeline shutdowns during a 12-month period. [Category B19 violation]

Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 101, SubChapter F 101.211(b)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 FOP O-00615, Special Condition 2 OP
 Description: Failure to record unauthorized emissions from exceedance of MSS activities. [Category B19]

Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 FOP O-00615, SC 3(A)iv3 OP
 FOP O-00615, SC 3(B)iv3 OP
 FOP O-00615, SC 3(C)iii2 OP
 FOP O-00615, SC 3(D)iii2 OP
 Description: Failure to form a formal program to document stationary vent readings for opacity

or visible emissions.

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
FOP O-00615, SC 7 OP
NSR Permit 22088, SC 8 PERMIT
Description: Failure to maintain maximum amount of loading trucks per year of isobutane.

Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
30 TAC Chapter 122, SubChapter B 122.145(2)(A)
5C THSC Chapter 382 382.085(b)
FOP O-00615, General Terms&Conditions OP
Description: Failure to report in previous Title V deviation the loading of an unauthorized mix of butane-butylene mix. [Category B3]

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 117, SubChapter H 117.9020(2)(C)(i)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
FOP O-00615 SC10 A(i)(2) OP
Description: Failure to submit initial compliance stack test reports for terminal heaters by deadline.

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 117, SubChapter C 117.305
5C THSC Chapter 382 382.085(b)
Description: Failure to prevent CO emissions exceedance of 400 ppmv. [Category B19]

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
FOP O-00615 SC 7 OP
NSR Permit 22088, SC 1 PERMIT
Description: Failure to maintain allowable NOx emission rate below compliance level.

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 117, SubChapter B 117.345(f)(10)
5C THSC Chapter 382 382.085(b)
Description: Failure to record start and stop times of emergency engine testing and purpose of testing.

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 122, SubChapter C 122.210(a)
5C THSC Chapter 382 382.085(b)
Description: Failed to include the following in the Title-V Permit O-00615: NSR permit 18929, PBR 106.264, G-1, G-2, G-3 with applicable 115 requirements, Parts Washer, and NSR Permit 56431. [Category B3]

Date: 08/27/2008 (688449) CN603592940
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
5C THSC Chapter 382 382.085(b)
TCEQ Air Permit #22088, SC#1 PA
Description: Targa failed to prevent the leaking thermocouple on the ethylene dehydrator which resulted in this emissions event.

Date: 03/24/2009 (704094) CN603592940
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 117, SubChapter B 117.345(f)(10)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
Special Term and Condition 1A OP
Special Term and Condition 7D OP
Description: Failure to record start and stop times of emergency engine testing. (CATEGORY C3 violation)

Date: 04/22/2010 (782611) CN603592940
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
FOP #O-00615, Special Terms & Cond. 7 OP
NSR #22088, Special Condition 8 PA
Description: Failure to observe loading limitation of 5,000 trucks per year, expressed as a 12-month rolling average, for trucks in isobutane service from April 25, 2008 to June 19, 2009. (CATEGORY B13 violation)
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 comply with deviation reporting requirements by failing to show a deviation existed for the entire reporting period from August 27, 2008 until February 26, 2009. (CATEGORY B3 violation)

Date: 01/25/2011 (880008) CN603592940
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
5C THSC Chapter 382 382.085(b)
No. 56431, Special Condition No. 1 PERMIT
Description: Targa failed to prevent a low-pressure valve on the P-P Mix Tank from malfunctioning, which resulted in the release of unauthorized emissions from Air-Assisted Flare (FLRN-1).

Date: 02/09/2011 (894456) CN603592940
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
5C THSC Chapter 382 382.085(b)
NSR Air Permit No. 56431 PERMIT
Description: Targa failed to close a bleed valve while unloading a Propane-Propylene Mix tank car, which resulted in the release of unauthorized emissions.

Date: 02/16/2011 (894637) CN603592940
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
5C THSC Chapter 382 382.085(b)
Description: Targa failed to ensure that the propane dehydration system was properly maintained which resulted in the release of 229 pounds (lbs) of volatile organic compounds (VOC), 604 lbs of propane, 550 lbs of carbon monoxide, and 276 lbs of nitrogen oxide.

Date: 08/31/2011 (877951) CN603592940
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 115, SubChapter C 115.212(a)(3)(B)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
Special Term and Condition 1(A) OP
Description: Failure to prevent VOC leaks during VOC transfer from a rail car on December 10, 2009, the truck tank #930541 on December 15, 2009, and the truck tank #2843 on April 5, 2010. [Category C(4)]

F. Environmental audits.

Notice of Intent Date: 07/14/2010 (843514)

No DOV Associated

G. Type of environmental management systems (EMSs).

N/A

H. Voluntary on-site compliance assessment dates.

N/A

I. Participation in a voluntary pollution reduction program.

N/A

J. Early compliance.

N/A

Sites Outside of Texas

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
TARGA DOWNSTREAM LLC
RN102583291**

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

AGREED ORDER DOCKET NO. 2012-0654-AIR-E

I. JURISDICTION AND STIPULATIONS

On _____, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Targa Downstream LLC ("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 together stipulate that:

1. The Respondent owns and operates a hydrocarbon and gasoline products terminal at 10319 Highway 146 North in Mont Belvieu, Chambers 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 Executive Director 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 September 5, 2011.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
6. An administrative penalty in the amount of Thirty Thousand Two Hundred Sixty-Four Dollars (\$30,264) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Twelve Thousand One Hundred Six Dollars (\$12,106) of the administrative penalty and Six Thousand Fifty-Two Dollars

(\$6,052) 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. Twelve Thousand One Hundred Six Dollars (\$12,106) shall be conditionally offset by the Respondent's completion of a Supplemental Environmental Project ("SEP").

7. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
8. The Executive Director and the Respondent agree on a settlement of the matters alleged in this enforcement action, subject to final approval in accordance with 30 TEX. ADMIN. CODE § 70.10(a).
9. The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Plant:
 - a. By March 31, 2010, implemented measures and procedures to ensure Leak Detection and Repair ("LDAR") monitoring is conducted as required;
 - b. By August 28, 2010, installed plugs on 16 open-ended lines and/or valves in regular volatile organic compound ("VOC") service; and
 - c. By October 4, 2011, reminded staff to restrict the operation of stationary diesel or dual-fuel engines for testing and maintenance to between the hours of 12:00 p.m. and 5:59 a.m.
10. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
11. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
12. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

II. ALLEGATIONS

As owner and operator of the Plant, the Respondent is alleged to have:

1. Failed to maintain records of quarterly visible emissions observations from stationary vents for emissions units, in violation of 30 TEX. ADMIN. CODE § 122.143(4), Federal Operating Permit ("FOP") No. O615, General Terms and Conditions ("GTC") and Special Terms and Conditions ("STC") No. 3.B.(iv)(3), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on July 14 and 15, 2011.

Specifically, records of quarterly visible emissions observations were not being maintained for engines FE-1, FE-3, G-1, G-2, G-3, G-5, and G-6.

2. Failed to conduct LDAR monitoring on 10,863 components in VOC service, in violation of 30 TEX. ADMIN. CODE § 115.354(2) and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on July 14 and 15, 2011. Specifically, the Respondent did not conduct quarterly LDAR monitoring on 8,325 valves and 2,538 pressure relief valves that are two inches or less prior to March 2010.
3. Failed to maintain records of the date leaking components were repaired, in violation of 30 TEX. ADMIN. CODE §§ 115.356(2)(E)(iv) and 122.143(4), FOP No. O615, STC 1.A., and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on July 14 and 15, 2011. Specifically, from August 13, 2007 to August 2, 2010, compressors COMP2, COMP3, COMP5, 5-C1, 16-C1, 16-C2, and pump P7-7 were placed on delay of repair, but no records of repairs were made before they passed quarterly monitoring.
4. Failed to equip each open-ended line or valve with a cap, blind flange, plug, or a second valve, in violation of 30 TEX. ADMIN. CODE §§ 115.352(4), 116.115(c), and 122.143(4), Permit No. 18929, Special Conditions ("SC") No. 3.E., Permit No. 22088, SC No. 9.E., FOP No. O615, STC 1.A. and 8, and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on July 14 and 15, 2011. Specifically, 16 open-ended lines and/or valves in regular VOC service were documented during the period of September 12, 2009 through August 28, 2010.
5. Failed to restrict the operation of stationary diesel or dual-fuel engines for testing and maintenance to between the hours of 12:00 p.m. and 5:59 a.m., in violation of 30 TEX. ADMIN. CODE §§ 117.310(f) and 122.143(4), FOP No. O615, STC No. 1.A., and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on July 14 and 15, 2011. Specifically, the Respondent conducted a weekly test on engine FE-1 from 7:35 a.m. to 8:05 a.m. and engine FE-3 from 8:00 a.m. to 8:40 a.m. on December 21, 2009, and a bi-weekly test on engine G-3 from 7:35 a.m. to 8:05 a.m. and engine G-6 from 8:10 a.m. to 8:40 a.m. on February 3, 2011.
6. Failed to include applicable requirements of 30 TEX. ADMIN. CODE ch. 115, Subchapter D, Division 3 for Emission Point Numbers 1-5 in FOP No. O615, in violation of 30 TEX. ADMIN. CODE § 122.142(b)(2)(B) and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on July 14 and 15, 2011. Also, failed to specify that FUG-R-LOAD1 and FUG-R-LOAD2 are in the FUG-LOAD group.
7. Failed to report all instances of deviations, in violation of 30 TEX. ADMIN. CODE §§ 122.143(4) and 122.145(2)(A), FOP No. O615, GTC, and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on July 14 and 15, 2011. Specifically, the semi-annual deviation reports for the reporting periods from August 27, 2009 through February 26, 2010 and February 27, 2010 through August 26, 2010 did not include six deviations.

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: Targa Downstream LLC, Docket No. 2012-0654-AIR-E" to:

Financial Administration Division, Revenues Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088
2. The Respondent shall implement and complete a SEP in accordance with TEX. WATER CODE § 7.067. As set forth in Section I, Paragraph 6 above, Twelve Thousand One Hundred Six Dollars (\$12,106) of the assessed administrative penalty shall be offset with the condition that the Respondent implement the SEP defined in Attachment A, incorporated herein by reference. The Respondent's obligation to pay the conditionally offset portion of the administrative penalty assessed shall be discharged upon final completion of all provisions of the SEP agreement.
3. It is further ordered that the Respondent shall undertake the following technical requirements:
 - a. Within 30 days after the effective date of this Agreed Order:
 - i. Implement a record keeping system to record quarterly visible emissions observations from stationary vents;
 - ii. Implement measures and procedures to ensure all deviations are included in semi-annual deviation reports; and
 - iii. Submit a revision to FOP No. 0615 that includes the applicable requirements of 30 TEX. ADMIN. CODE ch. 115, Subchapter D, Division 3 for Emission Point Numbers 1-5, and that specifies FUG-R-LOAD1 and FUG-R-LOAD2 are part of the FUG-LOAD group.
 - b. Respond completely and adequately, as determined by the Air Permits Division, to all letters requesting information concerning the revision to FOP No. 0615 within 30 days of the date of such letters, or by any other deadline specified in writing;

- c. Within 45 days after the effective date of this Agreed Order, submit written certification as described in Ordering Provision No. 3.e. below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 3.a.;
- d. Within 180 days after the effective date of this Agreed Order, submit written certification as described in Ordering Provision No. 3.e. below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Commission rules regarding authorization to operate a source of air emissions under FOP No. O615, or cease operations until appropriate authorization is obtained; and
- e. The certifications required by Ordering Provision Nos. 3.c. and 3.d. above shall be notarized by a State of Texas Notary Public and include the following certification language:

"I certify under penalty of law that I have personally examined and am familiar with the information submitted and all attached documents, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing violations."

The certification shall be submitted to:

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

with a copy to:

Air Section, Manager
Houston Regional Office
Texas Commission on Environmental Quality
5425 Polk Avenue, Suite H
Houston, Texas 77023-1486

4. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Plant operations referenced in this Agreed Order.
5. If the Respondent fails to comply with any of the Ordering Provisions in this Agreed Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, the Respondent's failure to comply is not a violation of this Agreed Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent

- shall notify the Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
6. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
 7. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
 8. This Agreed Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Agreed Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Agreed Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms "electronic transmission", "owner", "person", "writing", and "written" shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.
 9. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to the Respondent, or three days after the date on which the Commission mails notice of the Order to the Respondent, whichever is earlier.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission



For the Executive Director

12/21/12

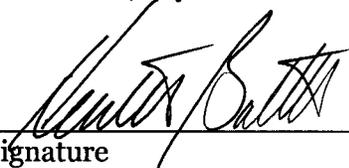
Date

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

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

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

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



Signature

7-25-12

Date

HUNTER BATTLE

Name (Printed or typed)
Authorized Representative of
Targa Downstream LLC

VICE PRESIDENT

Title

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

Attachment A
Docket Number: 2012-0654-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	Targa Downstream LLC
Payable Penalty Amount:	Twenty-Four Thousand Two Hundred Twelve Dollars (\$24,212)
SEP Amount:	Twelve Thousand One Hundred Six Dollars (\$12,106)
Type of SEP:	Pre-approved
Third-Party Recipient:	Houston-Galveston Area Emission Reduction Credit Organization's ("AERCO's") Clean Cities/Clean Vehicles Program
Location of SEP:	Texas Air Quality Control Region 216 – Houston-Galveston

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

1. Project Description

A. Project

Respondent shall contribute the SEP offset amount to the Third-Party Recipient named above. The contribution will be to **Houston-Galveston AERCO** for the **Clean Cities/Clean Vehicles Program** as set forth in an agreement between the Third-Party Recipient and the TCEQ. SEP monies will be used to aid local school districts and area transit agencies in reaching local match requirements mandated by the Federal Highway Administration's Congestion Mitigation/Air Quality Funding program. SEP monies will be disbursed to school districts and transit agencies in need of funding assistance in the Houston-Galveston non-attainment area. Those SEP monies will be used exclusively by the school districts and transit agencies as supplements to meet the local match requirements of the Environmental Protection Agency ("EPA"). SEP monies will be used to pay for the cost of replacing older diesel buses with alternative fueled or clean diesel buses. The old buses will be permanently retired and only sold for scrap. The schools and transit agencies will also use the SEP monies to retrofit more buses to reduce emissions. Houston-Galveston AERCO will send the TCEQ verification in the form of paid invoices and other documentation to show that the retrofits were

Targa Downstream LLC
Agreed Order - Attachment A

completed. Retrofit technologies include particulate matter traps, diesel particulate matter filters, nitrogen oxides reduction catalyst technology in combination with diesel particulate filters, and other emission control technologies that are developed and approved by the EPA or the California Air Resources Board.

Respondent certifies that there is no prior commitment to do this project and that it is being performed solely in an effort to settle this enforcement action.

B. Environmental Benefit

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

C. Minimum Expenditure

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

2. Performance Schedule

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

Houston-Galveston Area Council
Houston-Galveston AERCO
P.O. Box 22777
Houston, Texas 77227-2777

3. Records and Reporting

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

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

4. Failure to Fully Perform

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

The check for any amount due shall be made out to "Texas Commission on Environmental Quality" and mailed to:

Litigation Division
Attention: SEP Coordinator, MC 175
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088

Respondent shall also mail a copy of the check to the Enforcement Division SEP Coordinator at the address in Section 3 above.

5. Publicity

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

6. Clean Texas Program

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

7. Other SEPs by TCEQ or Other Agencies

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