

**Executive Summary – Enforcement Matter – Case No. 44794  
Enbridge Pipelines (Texas Gathering) L.P.  
RN104942016  
Docket No. 2012-1676-AIR-E**

**Order Type:**

1660 Agreed Order

**Findings Order Justification:**

N/A

**Media:**

AIR

**Small Business:**

No

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

Hidetown Gas Plant, 8020 Farm-to-Market Road 3104, Wheeler County

**Type of Operation:**

Natural gas processing plant

**Other Significant Matters:**

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

**Texas Register Publication Date:** February 8, 2013

**Comments Received:** No

***Penalty Information***

**Total Penalty Assessed:** \$11,053

**Amount Deferred for Expedited Settlement:** \$2,210

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

**Total Paid to General Revenue:** \$8,843

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

Payment Plan: N/A

**SEP Conditional Offset:** \$0

Name of SEP: N/A

**Compliance History Classifications:**

Person/CN - Average

Site/RN - Average

**Major Source:** Yes

**Statutory Limit Adjustment:** N/A

**Applicable Penalty Policy:** September 2002

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RN104942016  
Docket No. 2012-1676-AIR-E**

***Investigation Information***

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

**Complaint Information:** N/A

**Date(s) of Investigation:** May 21 through 30, 2012

**Date(s) of NOE(s):** July 17, 2012

***Violation Information***

1. Failed to conduct performance testing within seven days after maintenance is performed. Specifically, oxygen sensors were replaced on two Caterpillar 3516 TA Engines, emission point numbers ("EPNs") CE-11A and CE-11B, on May 4, 2009 and one Caterpillar 3516/Ariel JGE-4, EPN C-187, on June 12, 2010 but performance testing to ensure the engines were operating within nitrogen oxides ("NO<sub>x</sub>") and carbon monoxide ("CO") permitted emission limits was not conducted until August 10, 2009 for EPNs CE-11A and CE-11B and July 20, 2010 for EPN C-187 [30 TEX. ADMIN. CODE §§ 106.512(2)(C)(ii), 116.620(a)(4), and 122.143(4), Standard Permit Registration No. 83268, Federal Operating Permit ("FOP") No. O2877 and General Operating Permit ("GOP") No. 514, Site-wide requirements Nos. (b)(2), (b)(7)(D)(xlvi) [now (b)(8)(D)(xli)], and (c), and TEX. HEALTH & SAFETY CODE § 382.085(b)].

2. Failed to monthly monitor five valves in a second consecutive month to determine if the repairs stopped the leaks. Specifically, Valve Nos. 379, 790, 851, 921, and 1034 were repaired and monitored in May 2008, but not in June 2008. Monitoring in May and July 2008 demonstrated that the repairs were sufficient [30 TEX. ADMIN. CODE §§ 101.20(1) and 122.143(4), 40 CODE OF FEDERAL REGULATIONS ("CFR") §§ 60.482-7(c)(2) and 60.632(a), FOP No. O2877 and GOP No. 514, Site-wide requirements Nos. (b)(2) and (c), and TEX. HEALTH & SAFETY CODE § 382.085(b)].

3. Failed to repair a leaking component by the end of the process unit shutdown. Specifically, Valve No. 804 was on the Delay of Repair list, but was not repaired by the end of the unit shutdown that occurred May 6 through 8, 2008. Monitoring conducted on the valve on May 9, 2008 demonstrated that the valve was still leaking with a reading of 13,000 parts per million ("ppm"), which is above the 10,000 ppm leak rate limit established in 40 CFR § 60.482-7(b). Monitoring on May 23, 2008 showed that the valve was leaking at a rate of 6,812 ppm, which is below the 10,000 ppm leak rate limit [30 TEX. ADMIN. CODE § 101.20(1), 40 CFR §§ 60.482-9(a) and 60.632(a), and TEX. HEALTH & SAFETY CODE § 382.085(b)].

4. Failed to repair leaking components by the end of the process unit shutdown. Specifically, Valve Nos. 297, 689, 774, 833, and 855 were on the Delay of Repair list, but were not repaired by the end of the unit shutdown that occurred March 29 through April 3, 2011. Monitoring conducted on the valves on April 27, 2011 demonstrated that the valves were still leaking with readings ranging from 10,000 ppm to 20,000 ppm, which is above the 10,000 ppm leak rate limit established in 40 CFR § 60.482-7(b).

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Monitoring of Valve No. 689 on May 10, 2011, Valve Nos. 297, 774, 833, and 855 on May 12, 2011 demonstrated that the valves were leaking at rates between 3 ppm and 9,815 ppm, which is below the 10,000 ppm leak rate limit [30 TEX. ADMIN. CODE § 101.20(1), 40 CFR §§ 60.482-9(a) and 60.632(a), and TEX. HEALTH & SAFETY CODE § 382.085(b)].

5. Failed to certify compliance for the June 13, 2010 through June 12, 2011 Permit Compliance Certification (“PCC”) period. Specifically, a submittal was received by the TCEQ on July 11, 2011 and the cover letter referenced the PCC, but the PCC was not enclosed [30 TEX. ADMIN. CODE §§ 122.143(4) and 122.146(1), FOP No. O2877 and GOP No. 514, Site-wide requirements No. (b)(2), and TEX. HEALTH & SAFETY CODE § 382.085(b)].

***Corrective Actions/Technical Requirements***

**Corrective Action(s) Completed:**

Respondent has implemented the following corrective measures:

- a. Repaired Valve No. 804, as demonstrated during monitoring on May 23, 2008;
- b. Monitored Valve Nos. 379, 790, 851, 921, and 1034 by July 31, 2008;
- c. Tested two Caterpillar 3516 TA Engines, emission point numbers CE-11A and CE-11B, for NO<sub>x</sub> and carbon monoxide emission concentrations on August 10, 2009;
- d. Tested one Caterpillar 3516/Ariel JGE-4 Engine, EPN C-187, for NO<sub>x</sub> and CO emission concentrations on July 20, 2010;
- e. Repaired Valve No. 689, as demonstrated during monitoring on May 10, 2011;
- f. Repaired Valve Nos. 297, 774, 833, and 855, as demonstrated during monitoring on May 12, 2011; and
- g. Submitted the PCC for the certification period from June 13, 2010 through June 12, 2011 on June 25, 2012.

**Technical Requirements:**

N/A

**Executive Summary – Enforcement Matter – Case No. 44794  
Enbridge Pipelines (Texas Gathering) L.P.  
RN104942016  
Docket No. 2012-1676-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:** Rajesh Acharya, Enforcement Division,  
Enforcement Team 4, MC 149, (512) 239-0577; Debra Barber, Enforcement Division,  
MC 219, (512) 239-0412  
**TCEQ SEP Coordinator:** N/A  
**Respondent:** Bill Terry, Senior Manager, District, G&P West Region, Enbridge  
Pipelines (Texas Gathering) L.P., 1203 North Hobart Street, Suite 16, Pampa, Texas  
79065-4605  
Brenda Baxter, Senior Environmental, Health, and Safety Coordinator, Enbridge  
Pipelines (Texas Gathering) L.P., 1203 North Hobart Street, Suite 16, Pampa, Texas  
79065-4605  
**Respondent's Attorney:** Paul C. Sarahan, Fulbright & Jaworski L.L.C., 98 San  
Jacinto Boulevard, Suite 1100, Austin, Texas 78701-4255



# Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

<b>DATES</b>	<b>Assigned PCW</b>	23-Jul-2012	<b>Screening</b>	7-Aug-2012	<b>EPA Due</b>	13-Apr-2013
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<b>RESPONDENT/FACILITY INFORMATION</b>	
<b>Respondent</b>	Enbridge Pipelines (Texas Gathering) L.P.
<b>Reg. Ent. Ref. No.</b>	RN104942016
<b>Facility/Site Region</b>	1-Amarillo
<b>Major/Minor Source</b>	Major

<b>CASE INFORMATION</b>			
<b>Enf./Case ID No.</b>	44794	<b>No. of Violations</b>	5
<b>Docket No.</b>	2012-1676-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>	Linda Ndoping
		<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** **\$13,000**

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

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

**Compliance History** **10.0%** Enhancement **Subtotals 2, 3, & 7** **\$1,300**

Notes: Enhancement for two NOVs with same/similar violations.

**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** **\$3,250**

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

Total EB Amounts: \$75  
 Approx. Cost of Compliance: \$1,803  
 \*Capped at the Total EB \$ Amount

**SUM OF SUBTOTALS 1-7** **Final Subtotal** **\$11,050**

**OTHER FACTORS AS JUSTICE MAY REQUIRE** **0.0%** **Adjustment** **\$3**

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes: Enhancement to capture the avoided cost of compliance associated with Violation 2.

**Final Penalty Amount** **\$11,053**

**STATUTORY LIMIT ADJUSTMENT** **Final Assessed Penalty** **\$11,053**

**DEFERRAL** **20.0%** Reduction **Adjustment** **-\$2,210**

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** **\$8,843**

**Screening Date** 7-Aug-2012

**Docket No.** 2012-1676-AIR-E

**PCW**

**Respondent** Enbridge Pipelines (Texas Gathering) L.P.

Policy Revision 2 (September 2002)

**Case ID No.** 44794

PCW Revision October 30, 2008

**Reg. Ent. Reference No.** RN104942016

**Media [Statute]** Air

**Enf. Coordinator** Linda Ndoping

**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> )	2	10%
	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%

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)** 10%

>> **Repeat Violator (Subtotal 3)**

No

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

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

Average Performer

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

>> **Compliance History Summary**

**Compliance History Notes**

Enhancement for two NOVs with same/similar violations.

**Total Adjustment Percentage (Subtotals 2, 3, & 7)** 10%

Screening Date 7-Aug-2012

Docket No. 2012-1676-AIR-E

PCW

Respondent Enbridge Pipelines (Texas Gathering) L.P.

Policy Revision 2 (September 2002)

Case ID No. 44794

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN104942016

Media [Statute] Air

Enf. Coordinator Linda Ndoping

Violation Number 1

Rule Cite(s)

30 Tex. Admin. Code §§ 106.512(2)(C)(iii), 116.620(a)(4), and 122.143(4), Standard Permit Registration No. 83268, Federal Operating Permit ("FOP") No. O2877 and General Operating Permit ("GOP") No. 514, Site-wide requirements Nos. (b)(2), (b)(7)(D)(xlvii) [now (b)(8)(D)(xli)], and (c), and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to conduct performance testing within seven days after maintenance is performed. Specifically, oxygen sensors were replaced on two Caterpillar 3516 TA Engines, emission point numbers ("EPNs") CE-11A and CE-11B, on May 4, 2009 and one Caterpillar 3516/Ariel JGE-4, EPN C-187, on June 12, 2010 but performance testing to ensure the engines were operating within nitrogen oxides and carbon monoxide permitted emission limits was not conducted until August 10, 2009 for EPNs CE-11A and CE-11B and July 20, 2010 for EPN C-187.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

Release	Harm			Percent
	Major	Moderate	Minor	
Actual				10%
Potential			x	

>> 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 this violation.

Adjustment \$9,000

\$1,000

Violation Events

Number of Violation Events 3 Number of violation days 435

mark only one with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$3,000

Three single events are recommended for the three engines that were not timely tested.

Good Faith Efforts to Comply

25.0% Reduction

\$750

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

Notes

The Respondent completed corrective actions on July 20, 2010, prior to the July 17, 2012 Notice of Enforcement ("NOE").

Violation Subtotal \$2,250

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$60

Violation Final Penalty Total \$2,551

This violation Final Assessed Penalty (adjusted for limits) \$2,551

# Economic Benefit Worksheet

**Respondent** Enbridge Pipelines (Texas Gathering) L.P.  
**Case ID No.** 44794  
**Req. Ent. Reference No.** RN104942016  
**Media** Air  
**Violation No.** 1

<b>Percent Interest</b>	<b>Years of Depreciation</b>
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**

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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)	\$1,000	11-May-2009	20-Jul-2010	1.19	\$60	n/a	\$60

**Notes for DELAYED costs**

Estimated expense to test three engines in order to provide documentation of performance. The Date Required is the seven days after the date maintenance was performed on one of the engines. 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)**

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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**

	\$1,000	<b>TOTAL</b>	\$60
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Screening Date 7-Aug-2012

Docket No. 2012-1676-AIR-E

PCW

Respondent Enbridge Pipelines (Texas Gathering) L.P.

Policy Revision 2 (September 2002)

Case ID No. 44794

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN104942016

Media [Statute] Air

Enf. Coordinator Linda Ndoping

Violation Number 2

Rule Cite(s) 30 Tex. Admin. Code §§ 101.20(1) and 122.143(4), 40 Code of Federal Regulations ("CFR") §§ 60.482-7(c)(2) and 60.632(a), FOP No. O2877 and GOP No. 514, Site-wide requirements Nos. (b)(2) and (c), and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to monthly monitor five valves in a second consecutive month to determine if the repairs stopped the leaks. Specifically, Valve Nos. 379, 790, 851, 921, and 1034 were repaired and monitored in May 2008, but not in June 2008. Monitoring in May and July 2008 demonstrated that the repairs were sufficient.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm			Percent
	Major	Moderate	Minor	
Actual			X	25%
Potential				

>> Programmatic Matrix

Falsification	Harm			Percent
	Major	Moderate	Minor	
				0%

Matrix Notes

Human health or the environment has been exposed to insignificant amounts of pollutants which did not exceed levels that are protective of human health or environmental receptors as a result of this violation. Approximately 35.71 pounds of volatile organic compounds ("VOC") for the months not monitored were calculated by utilizing the Facility/Compound Specific Fugitive Emission Factors in the "Air Permits Technical Guidance for Chemical Sources: Equipment Leak Fugitives."

Adjustment \$7,500

\$2,500

Violation Events

Number of Violation Events 1 30 Number of violation days

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

Violation Base Penalty \$2,500

One quarterly event is recommended for the one quarter during which the valves were not monitored.

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 completed corrective actions by July 31, 2008, prior to the July 17, 2012 NOE.

Violation Subtotal \$1,875

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$3

Violation Final Penalty Total \$2,126

This violation Final Assessed Penalty (adjusted for limits) \$2,126

# Economic Benefit Worksheet

**Respondent** Enbridge Pipelines (Texas Gathering) L.P.  
**Case ID No.** 44794  
**Req. Ent. Reference No.** RN104942016  
**Media** Air  
**Violation No.** 2

<b>Percent Interest</b>	<b>Years of Depreciation</b>
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

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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

### Avoided Costs

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

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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]	\$3	1-Jun-2008	30-Jun-2008		\$0	\$3	\$3
Other (as needed)	0.00				\$0	\$0	\$0

Notes for AVOIDED costs

Estimated expense to monitor five valves (\$.65 per valve). The Date Required is the first day of the month during which they should have been monitored. The Final Date is the last day of the month during which they should have been monitored.

Approx. Cost of Compliance

\$3

**TOTAL**

\$3

Screening Date 7-Aug-2012

Docket No. 2012-1676-AIR-E

PCW

Respondent Enbridge Pipelines (Texas Gathering) L.P.

Policy Revision 2 (September 2002)

Case ID No. 44794

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN104942016

Media [Statute] Air

Enf. Coordinator Linda Ndoping

Violation Number 3

Rule Cite(s) 30 Tex. Admin. Code § 101.20(1), 40 CFR §§ 60.482-9(a) and 60.632(a), and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to repair a leaking component by the end of the process unit shutdown. Specifically, Valve No. 804 was on the Delay of Repair list, but was not repaired by the end of the unit shutdown that occurred May 6 through 8, 2008. Monitoring conducted on the valve on May 9, 2008 demonstrated that the valve was still leaking with a reading of 13,000 parts per million ("ppm"), which is above the 10,000 ppm leak rate limit established in 40 CFR § 60.482-7(b). Monitoring on May 23, 2008 showed that the valve was leaking at a rate of 6,812 ppm, which is below the 10,000 ppm leak rate limit.

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 that are protective of human health or environmental receptors as a result of this violation. Approximately 3.31 pounds of VOC for the months not monitored were calculated by utilizing the Facility/Compound Specific Fugitive Emission Factors in the "Air Permits Technical Guidance for Chemical Sources: Equipment Leak Fugitives."

Adjustment \$7,500

\$2,500

Violation Events

Number of Violation Events 1 Number of violation days 15

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 from the date the valve was required to be repaired, May 8, 2008, to the date it was repaired, May 23, 2008.

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 completed corrective actions on May 23, 2008, prior to the July 17, 2012 NOE.

Violation Subtotal \$1,875

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$0

Violation Final Penalty Total \$2,126

This violation Final Assessed Penalty (adjusted for limits) \$2,126

# Economic Benefit Worksheet

**Respondent** Enbridge Pipelines (Texas Gathering) L.P.  
**Case ID No.** 44794  
**Reg. Ent. Reference No.** RN104942016  
**Media** Air  
**Violation No.** 3

<b>Percent Interest</b>	<b>Years of Depreciation</b>
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
------------------	-----------	---------------	------------	-----	----------------	---------------	-----------

No commas or \$

### Delayed Costs

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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)	\$100	8-May-2008	23-May-2008	0.04	\$0	n/a	\$0

Notes for DELAYED costs

Estimated expense to repair a valve. The Date Required is the date the valve was required to be repaired. The Final Date is the date the corrective actions were completed.

### Avoided Costs

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

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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

\$100

**TOTAL**

\$0

Screening Date 7-Aug-2012

Docket No. 2012-1676-AIR-E

PCW

Respondent Enbridge Pipelines (Texas Gathering) L.P.

Policy Revision 2 (September 2002)

Case ID No. 44794

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN104942016

Media [Statute] Air

Enf. Coordinator Linda Ndoping

Violation Number 4

Rule Cite(s) 30 Tex. Admin. Code § 101.20(1), 40 CFR §§ 60.482-9(a) and 60.632(a), and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to repair leaking components by the end of the process unit shutdown. Specifically, Valve Nos. 297, 689, 774, 833, and 855 were on the Delay of Repair list, but were not repaired by the end of the unit shutdown that occurred March 29 through April 3, 2011. Monitoring conducted on the valves on April 27, 2011 demonstrated that the valves were still leaking with readings ranging from 10,000 ppm to 20,000 ppm, which is above the 10,000 ppm leak rate limit established in 40 CFR § 60.482-7(b). Monitoring of Valve No. 689 on May 10, 2011 and Valve Nos. 297, 774, 833, and 855 on May 12, 2011 demonstrated that the valves were leaking at rates between 3 ppm and 9,815 ppm, which is below the 10,000 ppm leak rate limit.

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 that are protective of human health or environmental receptors as a result of this violation. Approximately 47.50 pounds of VOC for the months not monitored were calculated by utilizing the Facility/Compound Specific Fugitive Emission Factors in the "Air Permits Technical Guidance for Chemical Sources: Equipment Leak Fugitives."

Adjustment \$7,500

\$2,500

Violation Events

Number of Violation Events 1 Number of violation days 39

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 from the date the valves were required to be repaired, April 3, 2011, to the date the last valve was repaired, May 12, 2011.

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 completed corrective actions on May 12, 2011, prior to the July 17, 2012 NOE.

Violation Subtotal \$1,875

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$3

Violation Final Penalty Total \$2,126

This violation Final Assessed Penalty (adjusted for limits) \$2,126

# Economic Benefit Worksheet

**Respondent** Enbridge Pipelines (Texas Gathering) L.P.  
**Case ID No.** 44794  
**Reg. Ent. Reference No.** RN104942016  
**Media** Air  
**Violation No.** 4

<b>Percent Interest</b>	<b>Years of Depreciation</b>
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	3-Apr-2011	12-May-2011	0.11	\$3	n/a	\$3

Notes for DELAYED costs

Estimated expense to repair five valves. The Date Required is the date the valves were required to be repaired. The Final Date is the date the 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**

\$3

Screening Date 7-Aug-2012

Docket No. 2012-1676-AIR-E

PCW

Respondent Enbridge Pipelines (Texas Gathering) L.P.

Policy Revision 2 (September 2002)

Case ID No. 44794

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN104942016

Media [Statute] Air

Enf. Coordinator Linda Ndoping

Violation Number 5

Rule Cite(s)

30 Tex. Admin. Code §§ 122.143(4) and 122.146(1), FOP No. O2877 and GOP No. 514, Site-wide requirements No. (b)(2) and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to certify compliance for the June 13, 2010 through June 12, 2011 permit compliance certification ("PCC") period. Specifically, a submittal was received by the TCEQ on July 11, 2011 and the cover letter referenced the PCC, but the PCC was not enclosed.

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 25%

Matrix Notes

100% of the rule requirement was not met.

Adjustment \$7,500

\$2,500

Violation Events

Number of Violation Events 1

349 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 delinquent certification.

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 completed corrective actions on June 25, 2012, prior to the July 17, 2012 NOE.

Violation Subtotal \$1,875

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$10

Violation Final Penalty Total \$2,126

This violation Final Assessed Penalty (adjusted for limits) \$2,126

# Economic Benefit Worksheet

**Respondent** Enbridge Pipelines (Texas Gathering) L.P.  
**Case ID No.** 44794  
**Reg. Ent. Reference No.** RN104942016  
**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)	\$200	12-Jul-2011	25-Jun-2012	0.96	\$10	n/a	\$10

**Notes for DELAYED costs**

Estimated cost to submit the PCC. The Date Required is the date the PCC was due. The Final Date is the date the PCC was submitted.

### 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

\$200

**TOTAL**

\$10

# Compliance History Report

Customer/Respondent/Owner-Operator:	CN601500168 Enbridge Pipelines (Texas Gathering) L.P.	Classification: AVERAGE	Rating: 2.30
Regulated Entity:	RN104942016 HIDETOWN GAS PLANT	Classification: AVERAGE	Site Rating: 0.60
ID Number(s):	AIR NEW SOURCE PERMITS AIR NEW SOURCE PERMITS AIR NEW SOURCE PERMITS AIR OPERATING PERMITS AIR OPERATING PERMITS AIR EMISSIONS INVENTORY	AFS NUM ACCOUNT NUMBER REGISTRATION PERMIT PERMIT ACCOUNT NUMBER	4848300256 WGA004D 83268 2877 2877 WGA004D
Location:	8020 FM 3104, WHEELER, TX, 79096		
TCEQ Region:	REGION 01 - AMARILLO		
Date Compliance History Prepared:	July 30, 2012		
Agency Decision Requiring Compliance History:	Enforcement		
Compliance Period:	July 30, 2007 to July 30, 2012		
TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History			
Name:	Trina Grieco	Phone:	(210) 403-4006

## 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.  
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	12/10/2007	(609265)
2	11/21/2008	(708319)
3	10/21/2009	(779018)
4	10/05/2010	(849232)
5	07/17/2012	(968328)
- E. Written notices of violations (NOV). (CCEDS Inv. Track. No.)

<b>S/S</b>	<b>Date:</b>	03/24/2009	(739306)CN601500168
	Self Report?	NO	Classification: Moderate
	Citation:	30 TAC Chapter 122, SubChapter B 122.143(4) 30 TAC Chapter 122, SubChapter B 122.146(1) 5C THSC Chapter 382 382.085(b) Site-wide requirement (b)(2) OP	
	Description:	Failed to certify compliance for the period from June 13 through December 12, 2006, in violation of the provision of 30 TAC §122.146(1) and 30 TAC §122.143(4) condition (b)(2) of Permit number O-2877.	

The facility submitted a revised permit compliance certification on March 20, 2009; consequently, the violation is resolved.

**S/S**      **Date: 07/17/2012**      **(968328)**      CN601500168  
Self Report? NO      Classification: Minor  
Citation:      30 TAC Chapter 116, SubChapter F 116.620(a)(14)  
                  30 TAC Chapter 122, SubChapter B 122.143(4)  
                  40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(c)(2)  
                  5C THSC Chapter 382 382.085(b)  
                  Condition (c) OP  
Description:      Failed to monitor 2 leaking components, tag numbers 547 and 942, in September  
                          2010, as required by NSPS KKK.  
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)  
                  Site-wide requirement (b)(2) OP  
Description:      Failed to report all instances of deviation for the period from 6/13/2010 to  
                          12/12/2010 and 12/13/2010 to 6/12/2011, .

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



<b>IN THE MATTER OF AN</b>	<b>§</b>	<b>BEFORE THE</b>
<b>ENFORCEMENT ACTION</b>	<b>§</b>	
<b>CONCERNING</b>	<b>§</b>	
<b>ENBRIDGE PIPELINES (TEXAS</b>	<b>§</b>	<b>TEXAS COMMISSION ON</b>
<b>GATHERING) L.P.</b>	<b>§</b>	
<b>RN104942016</b>	<b>§</b>	<b>ENVIRONMENTAL QUALITY</b>

**AGREED ORDER**  
**DOCKET NO. 2012-1676-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 Enbridge Pipelines (Texas Gathering) 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, represented by Paul C. Sarahan of the law firm of Fulbright & Jaworski L.L.C., together stipulate that:

1. The Respondent owns and operates a natural gas processing plant at 8020 Farm-to-Market Road 3104 in Wheeler 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 July 22, 2012.
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 Eleven Thousand Fifty-Three Dollars (\$11,053) is assessed by the Commission in settlement of the violations alleged in Section

II ("Allegations"). The Respondent has paid Eight Thousand Eight Hundred Forty-Three Dollars (\$8,843) of the administrative penalty and Two Thousand Two Hundred Ten Dollars (\$2,210) 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 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. Repaired Valve No. 804, as demonstrated during monitoring on May 23, 2008;
  - b. Monitored Valve Nos. 379, 790, 851, 921, and 1034 by July 31, 2008;
  - c. Tested two Caterpillar 3516 TA Engines, emission point numbers ("EPNs") CE-11A and CE-11B, for nitrogen oxides ("NOx") and carbon monoxide ("CO") emission concentrations on August 10, 2009;
  - d. Tested one Caterpillar 3516/Ariel JGE-4 Engine, EPN C-187, for NOx and CO emission concentrations on July 20, 2010;
  - e. Repaired Valve No. 689, as demonstrated during monitoring on May 10, 2011;
  - f. Repaired Valve Nos. 297, 774, 833, and 855, as demonstrated during monitoring on May 12, 2011; and
  - g. Submitted the Permit Compliance Certification ("PCC") for the certification period from June 13, 2010 through June 12, 2011 on June 25, 2012.
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 conduct performance testing within seven days after maintenance is performed, in violation of 30 TEX. ADMIN. CODE §§ 106.512(2)(C)(ii), 116.620(a)(4), and 122.143(4), Standard Permit Registration No. 83268, Federal Operating Permit ("FOP") No. O2877 and General Operating Permit ("GOP") No. 514, Site-wide requirements Nos. (b)(2), (b)(7)(D)(xlvi) [now (b)(8)(D)(xli)], and (c), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on May 21 through 30, 2012. Specifically, oxygen sensors were replaced on two Caterpillar 3516 TA Engines, EPNs CE-11A and CE-11B, on May 4, 2009 and one Caterpillar 3516/Ariel JGE-4, EPN C-187, on June 12, 2010 but performance testing to ensure the engines were operating within NOx and CO permitted emission limits was not conducted until August 10, 2009 for EPNs CE-11A and CE-11B and July 20, 2010 for EPN C-187.
2. Failed to monthly monitor five valves in a second consecutive month to determine if the repairs stopped the leaks, in violation of 30 TEX. ADMIN. CODE §§ 101.20(1) and 122.143(4), 40 CODE OF FEDERAL REGULATIONS ("CFR") §§ 60.482-7(c)(2) and 60.632(a), FOP No. O2877 and GOP No. 514, Site-wide requirements Nos. (b)(2) and (c), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on May 21 through 30, 2012. Specifically, Valve Nos. 379, 790, 851, 921, and 1034 were repaired and monitored in May 2008, but not in June 2008. Monitoring in May and July 2008 demonstrated that the repairs were sufficient.
3. Failed to repair a leaking component by the end of the process unit shutdown, in violation of 30 TEX. ADMIN. CODE § 101.20(1), 40 CFR §§ 60.482-9(a) and 60.632(a), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on May 21 through 30, 2012. Specifically, Valve No. 804 was on the Delay of Repair list, but was not repaired by the end of the unit shutdown that occurred May 6 through 8, 2008. Monitoring conducted on the valve on May 9, 2008 demonstrated that the valve was still leaking with a reading of 13,000 parts per million ("ppm"), which is above the 10,000 ppm leak rate limit established in 40 CFR § 60.482-7(b). Monitoring on May 23, 2008 showed that the valve was leaking at a rate of 6,812 ppm, which is below the 10,000 ppm leak rate limit.
4. Failed to repair leaking components by the end of the process unit shutdown, in violation of 30 TEX. ADMIN. CODE § 101.20(1), 40 CFR §§ 60.482-9(a) and 60.632(a), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on May 21 through 30, 2012. Specifically, Valve Nos. 297, 689, 774, 833, and 855 were on the Delay of Repair list, but were not repaired by the end of the unit shutdown that occurred March 29 through April 3, 2011. Monitoring conducted on the valves on April 27, 2011 demonstrated that the valves were still leaking with readings ranging from 10,000 ppm to 20,000 ppm, which is above the 10,000 ppm leak rate limit established in 40 CFR § 60.482-7(b). Monitoring of Valve No. 689 on May 10, 2011 and Valve Nos. 297, 774, 833, and 855 on May 12, 2011 demonstrated that the valves were leaking at rates between 3 ppm and 9,815 ppm, which is below the 10,000 ppm leak rate limit.

5. Failed to certify compliance for the June 13, 2010 through June 12, 2011 PCC period, in violation of 30 TEX. ADMIN. CODE §§ 122.143(4) and 122.146(1), FOP No. O2877 and GOP No. 514, Site-wide requirements No. (b)(2), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on May 21 through 30, 2012. Specifically, a submittal was received by the TCEQ on July 11, 2011 and the cover letter referenced the PCC, but the PCC was not enclosed.

### **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 Pipelines (Texas Gathering) L.P., Docket No. 2012-1676-AIR-E" to:  

Financial Administration Division, Revenue Operations Section  
Attention: Cashier's Office, MC 214  
Texas Commission on Environmental Quality  
P.O. Box 13088  
Austin, Texas 78711-3088
2. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Plant operations referenced in this Agreed Order.
3. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
4. This Agreed Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Agreed Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Agreed Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature

could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms "electronic transmission", "owner", "person", "writing", and "written" shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.

5. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to the Respondent, or three days after the date on which the Commission mails notice of the Order to the Respondent, whichever is earlier.

## SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

\_\_\_\_\_  
For the Commission

*Tom Rowen Jr*  
For the Executive Director

3/3/13  
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.

*Bill Terry*  
Signature

11/29/12  
Date

Bill Terry  
Name (Printed or typed)  
Authorized Representative of  
Enbridge Pipelines (Texas Gathering) L.P.

Sr. Manager, District, G&P West Region  
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.