

Executive Summary – Enforcement Matter – Case No. 50762
Sunoco Pipeline L.P.
RN100715762
Docket No. 2015-1002-AIR-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

AIR

Small Business:

No

Location(s) Where Violation(s) Occurred:

Hebert Station, 15645 West Port Arthur Road, Beaumont, Jefferson County

Type of Operation:

Gasoline terminal and storage facility

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: December 11, 2015

Comments Received: No

Penalty Information

Total Penalty Assessed: \$9,225

Amount Deferred for Expedited Settlement: \$1,845

Amount Deferred for Financial Inability to Pay: \$0

Total Paid to General Revenue: \$7,380

Total Due to General Revenue: \$0

Payment Plan: N/A

Supplemental Environmental Project ("SEP") Conditional Offset: \$0

Name of SEP: N/A

Compliance History Classifications:

Person/CN - Satisfactory

Site/RN - High

Major Source: Yes

Statutory Limit Adjustment: N/A

Applicable Penalty Policy: April 2014

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Sunoco Pipeline L.P.
RN100715762
Docket No. 2015-1002-AIR-E

Investigation Information

Complaint Date(s): N/A
Complaint Information: N/A
Date(s) of Investigation: May 1, 2015
Date(s) of NOE(s): June 4, 2015

Violation Information

1. Failed to submit a final record for a reportable emissions event no later than two weeks after the end of the event. Specifically, Incident No. 208700 ended on January 24, 2015 and the final record was due by February 7, 2015 but was not submitted until March 19, 2015 [30 TEX. ADMIN. CODE §§ 101.201(c) and 122.143(4), Federal Operating Permit ("FOP") No. O3029, Special Terms and Conditions ("STC") No. 2.F., and TEX. HEALTH & SAFETY CODE § 382.085(b)].

2. Failed to prevent unauthorized emissions. Specifically, the Respondent released 6,097 pounds ("lbs") of propane as fugitive emissions and 6,129.01 lbs of propane, 1823.63 lbs of carbon monoxide, 913.47 lbs of nitrogen oxides, and 57.81 lbs of sulfur dioxide from a portable flare during an emissions event (Incident No. 208700) that began on January 14, 2015 and lasted 224 hours. The emissions event occurred when a regulator valve in a three-inch pipeline malfunctioned, causing pressure to build up in the pipeline and triggering a relief valve to release to the atmosphere; the pipeline was diverted to a portable flare in order to make repairs. Since this emissions event was not reported properly, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), New Source Review Permit No. 53849, Special Conditions No. 1, FOP No. O3029, STC No. 7, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

3. Failed to prevent liquid from being burned in the portable flare. Specifically, the Respondent sent liquid propane to the portable flare on January 19, 2015 [30 TEX. ADMIN. CODE §§ 106.492(2)(C) and 122.143(4), FOP No. O3029, STC No. 7, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

The Respondent has implemented the following corrective measures:

- a. By January 24, 2015, replaced all regulators and relief valves in the pipeline and returned the pipeline to service in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 208700;

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b. By July 22, 2015, provided training to personnel responsible for reporting emissions events in order to ensure that final records for reportable emissions events are submitted in a timely manner; and

c. By July 27, 2015, developed procedures and provided training on proper flare operation to ensure that liquid is not burned in the portable flare.

Technical Requirements:

N/A

Litigation Information

Date Petition(s) Filed: N/A

Date Answer(s) Filed: N/A

SOAH Referral Date: N/A

Hearing Date(s): N/A

Settlement Date: N/A

Contact Information

TCEQ Attorney: N/A

TCEQ Enforcement Coordinator: David Carney, Enforcement Division, Enforcement Team 5, MC 149, (512) 239-2583; Candy Garrett, Enforcement Division, MC 219, (512) 239-1456

TCEQ SEP Coordinator: N/A

Respondent: Graydon Cowgill III, Senior Manager Pipeline Operations, Sunoco Pipeline L.P., 1 Fluor Daniel Drive, Sugar Land, Texas 77478

Dayu Zhang, Environmental Specialist, Sunoco Pipeline L.P., 1 Fluor Daniel Drive, Sugar Land, Texas 77478

Respondent's Attorney: N/A



Penalty Calculation Worksheet (PCW)

Policy Revision 4 (April 2014)

PCW Revision March 26, 2014

TCEQ

DATES	Assigned	15-Jun-2015	Screening	26-Jun-2015	EPA Due	
	PCW	18-Sep-2015				

RESPONDENT/FACILITY INFORMATION			
Respondent	Sunoco Pipeline L.P.		
Reg. Ent. Ref. No.	RN100715762		
Facility/Site Region	10-Beaumont	Major/Minor Source	Major

CASE INFORMATION			
Enf./Case ID No.	50762	No. of Violations	3
Docket No.	2015-1002-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	David Carney
		EC's Team	Enforcement Team 5
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$25,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$11,500
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ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History	0.0% Enhancement	Subtotals 2, 3, & 7	\$0
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Notes: No adjustment for compliance history.

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

Good Faith Effort to Comply Total Adjustments	Subtotal 5	-\$2,275
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Economic Benefit	0.0% Enhancement*	Subtotal 6	\$0
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Total EB Amounts	\$1,003
Estimated Cost of Compliance	\$673,500

*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7	Final Subtotal	\$9,225
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OTHER FACTORS AS JUSTICE MAY REQUIRE	0.0%	Adjustment	\$0
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

Final Penalty Amount	\$9,225
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$9,225
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DEFERRAL	20.0% Reduction	Adjustment	-\$1,845
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Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes: Deferral offered for expedited settlement.

PAYABLE PENALTY	\$7,380
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Screening Date 26-Jun-2015

Docket No. 2015-1002-AIR-E

PCW

Respondent Sunoco Pipeline L.P.

Policy Revision 4 (April 2014)

Case ID No. 50762

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN100715762

Media [Statute] Air

Enf. Coordinator David Carney

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

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

Adjustment Percentage (Subtotal 2) 0%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Satisfactory Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

No adjustment for compliance history.

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

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 0%

Screening Date	26-Jun-2015	Docket No.	2015-1002-AIR-E	PCW
Respondent	Sunoco Pipeline L.P.			Policy Revision 4 (April 2014)
Case ID No.	50762			PCW Revision March 26, 2014
Reg. Ent. Reference No.	RN100715762			
Media [Statute]	Air			
Enf. Coordinator	David Carney			
Violation Number	1			
Rule Cite(s)	30 Tex. Admin. Code §§ 101.201(c) and 122.143(4), Federal Operating Permit ("FOP") No. O3029, Special Terms and Conditions ("STC") No. 2.F., and Tex. Health & Safety Code § 382.085(b)			
Violation Description	Failed to submit a final record for a reportable emissions event no later than two weeks after the end of the event. Specifically, Incident No. 208700 ended on January 24, 2015 and the final record was due by February 7, 2015 but was not submitted until March 19, 2015.			
		Base Penalty	\$25,000	

>> Environmental, Property and Human Health Matrix

OR		Harm			
	Release	Major	Moderate	Minor	
	Actual				Percent 0.0%
Potential					

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor	
				X	Percent 1.0%
Matrix Notes	At least 70% of the rule requirement was met.				

Adjustment \$24,750

\$250

Violation Events

Number of Violation Events Number of violation days

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

Violation Base Penalty \$250

One single event is recommended.

Good Faith Efforts to Comply Reduction \$25

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

Notes The Respondent came into compliance on July 22, 2015, after the Notice of Enforcement ("NOE") dated June 4, 2015.

Violation Subtotal \$225

Economic Benefit (EB) for this violation **Statutory Limit Test**

Estimated EB Amount \$34 **Violation Final Penalty Total** \$225

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

Economic Benefit Worksheet

Respondent Sunoco Pipeline L.P.
Case ID No. 50762
Reg. Ent. Reference No. RN100715762
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

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	\$1,500	7-Feb-2015	22-Jul-2015	0.45	\$34	n/a	\$34
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 provide training to personnel responsible for reporting emissions events in order to ensure that final records for reportable emissions events are submitted in a timely manner. The Date Required is the date the final record was due and the Final Date is the compliance date.

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	\$1,500	TOTAL	\$34
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Screening Date 26-Jun-2015

Docket No. 2015-1002-AIR-E

PCW

Respondent Sunoco Pipeline L.P.

Policy Revision 4 (April 2014)

Case ID No. 50762

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN100715762

Media [Statute] Air

Enf. Coordinator David Carney

Violation Number 2

Rule Cite(s) 30 Tex. Admin. Code §§ 116.115(c) and 122.143(4), New Source Review Permit No. 53849, Special Conditions No. 1, FOP No. O3029, STC No. 7, and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to prevent unauthorized emissions. Specifically, the Respondent released 6,097 pounds ("lbs") of propane as fugitive emissions and 6,129.01 lbs of propane, 1823.63 lbs of carbon monoxide, 913.47 lbs of nitrogen oxides, and 57.81 lbs of sulfur dioxide from a portable flare during an emissions event (Incident No. 208700) that began on January 14, 2015 and lasted 224 hours. The emissions event occurred when a regulator valve in a three-inch pipeline malfunctioned, causing pressure to build up in the pipeline and triggering a relief valve to release to the atmosphere; the pipeline was diverted to a portable flare in order to make repairs. Since this emissions event was not reported properly, the Respondent is precluded from asserting an affirmative defense under 30 Tex. Admin. Code § 101.222.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual		X	
Potential			

Percent 30.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

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

Adjustment \$17,500

\$7,500

Violation Events

Number of Violation Events 1

10 Number of violation days

daily	
weekly	
monthly	X
quarterly	
semiannual	
annual	
single event	

mark only one with an x

Violation Base Penalty \$7,500

One monthly event is recommended.

Good Faith Efforts to Comply

25.0%

Reduction \$1,875

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

Notes

The Respondent came into compliance on January 24, 2015, prior to the NOE dated June 4, 2015.

Violation Subtotal \$5,625

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$918

Violation Final Penalty Total \$5,625

This violation Final Assessed Penalty (adjusted for limits) \$5,625

Economic Benefit Worksheet

Respondent Sunoco Pipeline L.P.
Case ID No. 50762
Reg. Ent. Reference No. RN100715762
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)	\$670,000	14-Jan-2015	24-Jan-2015	0.03	\$918	n/a	\$918

Notes for DELAYED costs

Estimated cost to replace all regulators and relief valves in the pipeline and return the pipeline to service in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 208700. The Date Required is the date the emissions event began and the Final Date is the compliance date.

Avoided Costs

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance

\$670,000

TOTAL

\$918

Screening Date 26-Jun-2015
Respondent Sunoco Pipeline L.P.
Case ID No. 50762
Reg. Ent. Reference No. RN100715762
Media [Statute] Air
Enf. Coordinator David Carney

Docket No. 2015-1002-AIR-E

PCW

Policy Revision 4 (April 2014)
 PCW Revision March 26, 2014

Violation Number

Rule Cite(s) 30 Tex. Admin. Code §§ 106.492(2)(C) and 122.143(4), FOP No. O3029, STC No. 7, and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to prevent liquid from being burned in the portable flare. Specifically, the Respondent sent liquid propane to the portable flare on January 19, 2015.

Base Penalty

>> **Environmental, Property and Human Health Matrix**

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual	<input type="text"/>	<input type="text"/>	<input checked="" type="checkbox"/>	<input type="text" value="15.0%"/>
	Potential	<input type="text"/>	<input type="text"/>	<input type="text"/>	

>>> **Programmatic Matrix**

	Falsification	Major	Moderate	Minor	Percent
	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="0.0%"/>

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

Adjustment

Violation Events

Number of Violation Events Number of violation days

mark only one with an x	daily	<input type="text"/>
	weekly	<input type="text"/>
	monthly	<input type="text"/>
	quarterly	<input checked="" type="checkbox"/>
	semiannual	<input type="text"/>
	annual	<input type="text"/>
	single event	<input type="text"/>

Violation Base Penalty

One quarterly event is recommended.

Good Faith Efforts to Comply

Reduction

	Before NOE/NOV	NOE/NOV to EDPRP/Settlement Offer
Extraordinary	<input type="text"/>	<input type="text"/>
Ordinary	<input type="text"/>	<input checked="" type="checkbox"/>
N/A	<input type="text"/>	(mark with x)

Notes The Respondent came into compliance on July 27, 2015, after the NOE dated June 4, 2015.

Violation Subtotal

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount

Violation Final Penalty Total

This violation Final Assessed Penalty (adjusted for limits)

Economic Benefit Worksheet

Respondent Sunoco Pipeline L.P.
Case ID No. 50762
Reg. Ent. Reference No. RN100715762
Media Air
Violation No. 3

Percent Interest	Years of Depreciation
5.0	15

Item Cost **Date Required** **Final Date** **Yrs** **Interest Saved** **Onetime Costs** **EB Amount**
Item Description 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	\$500	19-Jan-2015	27-Jul-2015	0.52	\$13	n/a	\$13
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$1,500	19-Jan-2015	27-Jul-2015	0.52	\$39	n/a	\$39

Notes for DELAYED costs

Estimated costs to develop procedures and provide training on proper flare operation to ensure that liquid is not burned in the portable flare. The Date Required is the date of non-compliance and the Final Date is the compliance date.

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

\$2,000

TOTAL

\$52



Compliance History Report

PUBLISHED Compliance History Report for CN602373904, RN100715762, Rating Year 2014 which includes Compliance History (CH) components from September 1, 2009, through August 31, 2014.

Customer, Respondent, or Owner/Operator:	CN602373904, Sunoco Pipeline L.P.	Classification:	SATISFACTORY	Rating:	0.58
Regulated Entity:	RN100715762, Hebert Station	Classification:	HIGH	Rating:	0.00
Complexity Points:	4	Repeat Violator:	NO		
CH Group:	14 - Other				
Location:	15645 WEST PORT ARTHUR ROAD, BEAUMONT, TEXAS 77705-9292, JEFFERSON COUNTY				
TCEQ Region:	REGION 10 - BEAUMONT				

ID Number(s):					
AIR NEW SOURCE PERMITS ACCOUNT NUMBER	JE0068G	AIR NEW SOURCE PERMITS AFS NUM	4824500044		
AIR NEW SOURCE PERMITS PERMIT	53849	AIR NEW SOURCE PERMITS PERMIT	107128		
AIR EMISSIONS INVENTORY ACCOUNT NUMBER	JE0068G				

Compliance History Period:	September 01, 2009 to August 31, 2014	Rating Year:	2014	Rating Date:	09/01/2014
Date Compliance History Report Prepared:	June 26, 2015				
Agency Decision Requiring Compliance History:	Enforcement				
Component Period Selected:	June 26, 2010 to June 26, 2015				

TCEQ Staff Member to Contact for Additional Information Regarding This Compliance History.

Name: David Carney **Phone:** (512) 239-2583

Site and Owner/Operator History:

- 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 for #2, who is the current owner/operator? N/A
- 4) If YES for #2, 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

Components (Multimedia) for the Site Are Listed in Sections A - J

- A. Final Orders, court judgments, and consent decrees:**
N/A
- B. Criminal convictions:**
N/A
- C. Chronic excessive emissions events:**
N/A

D. The approval dates of investigations (CCEDS Inv. Track. No.):

Item 1	March 31, 2011	(895338)
Item 2	June 23, 2011	(924233)
Item 3	February 19, 2012	(982416)
Item 4	February 29, 2012	(988265)
Item 5	October 13, 2012	(1028484)
Item 6	October 15, 2012	(1029248)
Item 7	May 23, 2013	(1092559)

Item 8	May 31, 2013	(1092679)
Item 9	October 31, 2013	(1128383)
Item 10	April 06, 2014	(1152898)
Item 11	April 24, 2014	(1160141)
Item 12	August 13, 2014	(1183560)
Item 13	January 30, 2015	(1221849)
Item 14	June 15, 2015	(1254351)
Item 15	June 24, 2015	(1258666)

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

A notice of violation represents a written allegation of a violation of a specific regulatory requirement from the commission to a regulated entity. A notice of violation is not a final enforcement action, nor proof that a violation has actually occurred.

N/A

F. Environmental audits:

N/A

G. Type of environmental management systems (EMSs):

N/A

H. Voluntary on-site compliance assessment dates:

N/A

I. Participation in a voluntary pollution reduction program:

N/A

J. Early compliance:

N/A

Sites Outside of Texas:

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
SUNOCO PIPELINE L.P.
RN100715762**

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

**AGREED ORDER
DOCKET NO. 2015-1002-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 Sunoco Pipeline L.P. ("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 gasoline terminal and storage facility located at 15645 West Port Arthur Road in Beaumont, Jefferson County, Texas (the "Site").
2. The Site 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 June 9, 2015.
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 Nine Thousand Two Hundred Twenty-Five Dollars (\$9,225) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Seven Thousand Three Hundred Eighty Dollars (\$7,380) of the administrative penalty and One Thousand Eight Hundred

Forty-Five Dollars (\$1,845) 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 Site:
 - a. By January 24, 2015, replaced all regulators and relief valves in the pipeline and returned the pipeline to service in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 208700;
 - b. By July 22, 2015, provided training to personnel responsible for reporting emissions events in order to ensure that final records for reportable emissions events are submitted in a timely manner; and
 - c. By July 27, 2015, developed procedures and provided training on proper flare operation to ensure that liquid is not burned in the portable flare.
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 Site, the Respondent is alleged to have:

1. Failed to submit a final record for a reportable emissions event no later than two weeks after the end of the event, in violation of 30 TEX. ADMIN. CODE §§ 101.201(c) and 122.143(4), Federal Operating Permit ("FOP") No. O3029, Special Terms and Conditions ("STC") No. 2.F., and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during

an investigation conducted on May 1, 2015. Specifically, Incident No. 208700 ended on January 24, 2015 and the final record was due by February 7, 2015 but was not submitted until March 19, 2015.

2. Failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), New Source Review Permit No. 53849, Special Conditions No. 1, FOP No. O3029, STC No. 7, and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on May 1, 2015. Specifically, the Respondent released 6,097 pounds ("lbs") of propane as fugitive emissions and 6,129.01 lbs of propane, 1823.63 lbs of carbon monoxide, 913.47 lbs of nitrogen oxides, and 57.81 lbs of sulfur dioxide from a portable flare during an emissions event (Incident No. 208700) that began on January 14, 2015 and lasted 224 hours. The emissions event occurred when a regulator valve in a three-inch pipeline malfunctioned, causing pressure to build up in the pipeline and triggering a relief valve to release to the atmosphere; the pipeline was diverted to a portable flare in order to make repairs. Since this emissions event was not reported properly, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.
3. Failed to prevent liquid from being burned in the portable flare, in violation of 30 TEX. ADMIN. CODE §§ 106.492(2)(C) and 122.143(4), FOP No. O3029, STC No. 7, and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on May 1, 2015. Specifically, the Respondent sent liquid propane to the portable flare on January 19, 2015.

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: Sunoco Pipeline L.P., Docket No. 2015-1002-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 Site 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. The effective date of this Order is the date it is signed by the Commission. A copy of this fully executed Order shall be provided to each of the parties.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

Date

Ramon Monera, Jr.
For the Executive Director

1/8/16
Date

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

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

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

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

[Signature]
Signature

10-19-15
Date

Raydon Congill III
Name (Printed or typed)
Authorized Representative of
Sunoco Pipeline L.P.

Sr. Mgr Pipeline Operations
Title

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