

**Executive Summary – Enforcement Matter – Case No. 60523  
Copano Processing LLC  
RN101271419  
Docket No. 2021-0374-AIR-E**

**Order Type:**

1660 Agreed Order

**Findings Order Justification:**

N/A

**Media:**

AIR

**Small Business:**

No

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

Copano Processing Houston Central Gas PLT, 1651 County Road 255 South, Sheridan, Colorado County

**Type of Operation:**

Oil and gas processing plant

**Other Significant Matters:**

Additional Pending Enforcement Actions: Yes, Docket No. 2021-0865-AIR-E

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

**Texas Register Publication Date:** June 17, 2022

**Comments Received:** No

***Penalty Information***

**Total Penalty Assessed:** \$13,164

**Amount Deferred for Expedited Settlement:** \$2,632

**Total Paid to General Revenue:** \$10,532

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

Payment Plan: N/A

**Compliance History Classifications:**

Person/CN - Satisfactory

Site/RN - Satisfactory

**Major Source:** Yes

**Statutory Limit Adjustment:** N/A

**Applicable Penalty Policy:** April 2014

***Investigation Information***

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

**Complaint Information:** N/A

**Date(s) of Investigation:** December 17, 2020 through January 15, 2021

**Date(s) of NOE(s):** February 26, 2021

**Executive Summary – Enforcement Matter – Case No. 60523**  
**Copano Processing LLC**  
**RN101271419**  
**Docket No. 2021-0374-AIR-E**

***Violation Information***

1. Failed to comply with all representations with regard to construction plans, operating procedures, and maximum emissions rates in any certified registration. Specifically, the Respondent represented that the combined nitrogen oxides ("NOx") hourly emissions rate for Engine Nos. 349, 350, and 351 would not exceed 6.60 pounds per hour ("lbs/hr"), but the NOx emissions rate was 35.56 lbs/hr for Engine No. 350 that caused the combined NOx hourly emissions rate to be 36.96 lbs/hr during a performance test conducted on January 7, 2020, resulting in 30.36 pounds ("lbs") of unauthorized NOx emissions [30 TEX. ADMIN. CODE §§ 106.6(b), 106.13, and 122.143(4), Standard Exemption No. 6 Effective on March 15, 1985, Federal Operating Permit ("FOP") No. O807, General Terms and Conditions ("GTC") and Special Terms and Conditions ("STC") No. 9, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

2. Failed to comply with all representations with regard to construction plans, operating procedures, and maximum emissions rates in any certified registration. Specifically, the Respondent represented that the combined carbon monoxide ("CO") hourly emissions rate for Engine Nos. 349, 350, and 351 would not exceed 16.50 lbs/hr, but the CO emissions rate was 24.11 lbs/hr for Engine No. 349 that caused the combined CO hourly emissions rate to be 29.31 lbs/hr during a performance test conducted on January 7, 2020, resulting in 12.81 lbs of unauthorized CO emissions [30 TEX. ADMIN. CODE §§ 106.6(b), 106.13, and 122.143(4), Standard Exemption No. 6 Effective on March 15, 1985, FOP No. O807, GTC and STC No. 9, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

3. Failed to comply with all representations with regard to construction plans, operating procedures, and maximum emissions rates in any certified registration. Specifically, the Respondent represented that the NOx emissions rate would not exceed 2.00 grams per horsepower-hour ("g/hp-hr") for Engine No. 360, but the NOx emissions rate was 10.10 g/hp-hr for Engine No. 360 during a performance test conducted on January 9, 2020, resulting in approximately 26.37 lbs of unauthorized NOx emissions [30 TEX. ADMIN. CODE §§ 106.6(b), 106.13, 106.512, and 122.143(4), Permit by Rule Registration No. 33867, FOP No. O807, GTC and STC No. 9, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

***Corrective Actions/Technical Requirements***

**Corrective Action(s) Completed:**

The Respondent implemented the following corrective measures:

a. By replacing the spark plugs, changing out the oxygen sensors on the right bank, adjusting the air-fuel ration controller, and retesting Engine No. 349 in order to demonstrate compliance with the combined CO hourly emissions rate on January 7, 2020;

**Executive Summary – Enforcement Matter – Case No. 60523  
Copano Processing LLC  
RN101271419  
Docket No. 2021-0374-AIR-E**

b. By shutting down Engine No. 350, replacing the catalyst on the engine exhaust, and retesting Engine No. 350 in order to demonstrate compliance with the combined NOx hourly emissions rate by January 9, 2020; and

c. By shutting down Engine No. 360, replacing the catalyst, and retesting Engine No. 360 in order to demonstrate compliance with the NOx emissions rate of 2.00 g/hp-hr by January 13, 2020.

**Technical Requirements:**

N/A

***Contact Information***

**TCEQ Attorney:** N/A

**TCEQ Enforcement Coordinator:** Kate Dacy, Enforcement Division, Enforcement Team 2, MC 219, (512) 239-4593; Michael Parrish, Enforcement Division, MC 219, (512) 239-2548

**Respondent:** Kevin M. Robinson, Director of Operations, Copano Processing LLC, 1001 Louisiana Street #1000, Houston, Texas 77002

**Respondent's Attorney:** N/A



# Penalty Calculation Worksheet (PCW)

Policy Revision 4 (April 2014)

PCW Revision March 26, 2014

<b>DATES</b>	<b>Assigned</b>	1-Mar-2021	<b>Screening</b>	11-Mar-2021	<b>EPA Due</b>	
	<b>PCW</b>	22-Apr-2022				

<b>RESPONDENT/FACILITY INFORMATION</b>	
<b>Respondent</b>	Copano Processing LLC
<b>Reg. Ent. Ref. No.</b>	RN101271419
<b>Facility/Site Region</b>	12-Houston
<b>Major/Minor Source</b>	Major

<b>CASE INFORMATION</b>			
<b>Enf./Case ID No.</b>	60523	<b>No. of Violations</b>	3
<b>Docket No.</b>	2021-0374-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>	Kate Dacy
		<b>EC's Team</b>	Enforcement Team 4
<b>Admin. Penalty \$ Limit Minimum</b>	\$0	<b>Maximum</b>	\$25,000

## Penalty Calculation Section

<b>TOTAL BASE PENALTY (Sum of violation base penalties)</b>	<b>Subtotal 1</b>	<b>\$11,250</b>
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### ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

<b>Compliance History</b>	<b>42.0%</b> Adjustment	<b>Subtotals 2, 3, &amp; 7</b>	<b>\$4,725</b>
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Notes: Enhancement for one order containing a denial of liability and one order without a denial of liability. Reduction for one notice of intent to conduct an audit and one disclosure of violations.

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

<b>Good Faith Effort to Comply Total Adjustments</b>	<b>Subtotal 5</b>	<b>-\$2,811</b>
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<b>Economic Benefit</b>	<b>0.0%</b> Enhancement*	<b>Subtotal 6</b>	<b>\$0</b>
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Total EB Amounts: \$6  
 Estimated Cost of Compliance: \$24,000  
 \*Capped at the Total EB \$ Amount

<b>SUM OF SUBTOTALS 1-7</b>	<b>Final Subtotal</b>	<b>\$13,164</b>
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<b>OTHER FACTORS AS JUSTICE MAY REQUIRE</b>	<b>0.0%</b> Adjustment	<b>\$0</b>
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

<b>Final Penalty Amount</b>	<b>\$13,164</b>
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<b>STATUTORY LIMIT ADJUSTMENT</b>	<b>Final Assessed Penalty</b>	<b>\$13,164</b>
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<b>DEFERRAL</b>	<b>20.0%</b> Reduction	<b>Adjustment</b>	<b>-\$2,632</b>
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Reduces the Final Assessed Penalty by the indicated percentage.

Notes: Deferral offered for expedited settlement.

<b>PAYABLE PENALTY</b>	<b>\$10,532</b>
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**Screening Date** 11-Mar-2021

**Docket No.** 2021-0374-AIR-E

**PCW**

**Respondent** Copano Processing LLC

*Policy Revision 4 (April 2014)*

**Case ID No.** 60523

*PCW Revision March 26, 2014*

**Reg. Ent. Reference No.** RN101271419

**Media** Air

**Enf. Coordinator** Kate Dacy

### Compliance History Worksheet

>> **Compliance History Site Enhancement (Subtotal 2)**

Component	Number of...	Number	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> )	1	20%
	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 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> )	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> )	1	-2%
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)** 42%

>> **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**

Enhancement for one order containing a denial of liability and one order without a denial of liability.  
Reduction for one notice of intent to conduct an audit and one disclosure of violations.

**Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7)** 42%

>> **Final Compliance History Adjustment**

**Final Adjustment Percentage \*capped at 100%** 42%

**Screening Date** 11-Mar-2021 **Docket No.** 2021-0374-AIR-E **PCW**  
**Respondent** Copano Processing LLC *Policy Revision 4 (April 2014)*  
**Case ID No.** 60523 *PCW Revision March 26, 2014*  
**Reg. Ent. Reference No.** RN101271419  
**Media** Air  
**Enf. Coordinator** Kate Dacy

**Violation Number** 1  
**Rule Cite(s)** 30 Tex. Admin. Code §§ 106.6(b), 106.13, and 122.143(4), Standard Exemption No. 6 Effective on March 15, 1985, Federal Operating Permit ("FOP") No. O807, General Terms and Conditions ("GTC") and Special Terms and Conditions ("STC") No. 9, and Tex. Health & Safety Code § 382.085(b)  
**Violation Description** Failed to comply with all representations with regard to construction plans, operating procedures, and maximum emissions rates in any certified registration. Specifically, the Respondent represented that the combined nitrogen oxides ("NOx") hourly emissions rate for Engine Nos. 349, 350, and 351 would not exceed 6.60 pounds per hour ("lbs/hr"), but the NOx emissions rate was 35.56 lbs/hr for Engine No. 350 that caused the combined NOx hourly emissions rate to be 36.96 lbs/hr during a performance test conducted on January 7, 2020, resulting in 30.36 lbs of unauthorized NOx emissions.  
**Base Penalty** \$25,000

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

<b>OR</b>		<b>Harm</b>			<b>Percent</b> 15.0%
	<b>Release</b>	Major	Moderate	Minor	
	Actual			x	
	Potential				

**>> Programmatic Matrix**

	Falsification	Major	Moderate	Minor	<b>Percent</b> 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** \$21,250  
 \$3,750

**Violation Events**

Number of Violation Events 1 Number of violation days 1  

daily	
weekly	
monthly	
quarterly	x
semiannual	
annual	
single event	

**Violation Base Penalty** \$3,750

One quarterly event is recommended for the instance of non-compliance that occurred on January 7, 2020.

**Good Faith Efforts to Comply** 25.0% Reduction \$937

	Before NOE/NOV	NOE/NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary	x	
N/A		

**Notes** The Respondent completed the corrective actions by January 9, 2020, before the Notice of Enforcement ("NOE") dated February 26, 2021.

**Violation Subtotal** \$2,813

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

**Estimated EB Amount** \$2 **Violation Final Penalty Total** \$4,388  
**This violation Final Assessed Penalty (adjusted for limits)** \$4,388

# Economic Benefit Worksheet

**Respondent** Copano Processing LLC  
**Case ID No.** 60523  
**Reg. Ent. Reference No.** RN101271419  
**Media** Air  
**Violation No.** 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Costs Saved	EB Amount
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### 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)	\$8,000	7-Jan-2020	9-Jan-2020	0.01	\$2	n/a	\$2

**Notes for DELAYED costs**

Estimated cost to shut down Engine No. 350, replace the catalyst on the engine exhaust, and retest Engine No. 350 in order to demonstrate compliance with the combined NOx hourly emissions rate. The Date Required is the initial date of non-compliance and the Final Date is the date of compliance.

### Avoided Costs

**ANNUALIZE 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				0.00	\$0	\$0	\$0
ONE-TIME avoided costs				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

**Notes for AVOIDED costs**

Approx. Cost of Compliance \$8,000

**TOTAL** \$2

**Screening Date** 11-Mar-2021  
**Respondent** Copano Processing LLC  
**Case ID No.** 60523  
**Reg. Ent. Reference No.** RN101271419  
**Media** Air  
**Enf. Coordinator** Kate Dacy

**Docket No.** 2021-0374-AIR-E

**PCW**

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

**Violation Number**

**Rule Cite(s)** 30 Tex. Admin. Code §§ 106.6(b), 106.13, and 122.143(4), Standard Exemption No. 6 Effective on March 15, 1985, FOP No. O807, GTC and STC No. 9, and Tex. Health & Safety Code § 382.085(b)

**Violation Description**

Failed to comply with all representations with regard to construction plans, operating procedures, and maximum emissions rates in any certified registration. Specifically, the Respondent represented that the combined carbon monoxide ("CO") hourly emissions rate for Engine Nos. 349, 350, and 351 would not exceed 16.50 lbs/hr, but the CO emissions rate was 24.11 lbs/hr for Engine 349 that caused the combined CO hourly emissions rate to be 29.31 lbs/hr during a performance test conducted on January 7, 2020, resulting in 12.81 lbs of unauthorized CO emissions.

**Base Penalty**

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

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual	<input type="text"/>	<input type="text"/>	<input type="text" value="x"/>	<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

daily	<input type="text"/>
weekly	<input type="text"/>
monthly	<input type="text"/>
quarterly	<input type="text" value="x"/>
semiannual	<input type="text"/>
annual	<input type="text"/>
single event	<input type="text"/>

**Violation Base Penalty**

One quarterly event is recommended for the instance of non-compliance that occurred on January 7, 2020.

**Good Faith Efforts to Comply**

Reduction

	Before NOE/NOV	NOE/NOV to EDRP/Settlement Offer
Extraordinary	<input type="text"/>	<input type="text"/>
Ordinary	<input type="text" value="x"/>	<input type="text"/>
N/A	<input type="text"/>	<input type="text"/>

**Notes** The Respondent completed the corrective actions on January 7, 2020, before the NOE dated February 26, 2021.

**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** Copano Processing LLC  
**Case ID No.** 60523  
**Reg. Ent. Reference No.** RN101271419  
**Media** Air  
**Violation No.** 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Costs Saved	EB Amount
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### 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)	\$8,000	7-Jan-2020	7-Jan-2020	0.00	\$0	n/a	\$0

**Notes for DELAYED costs**  
 Estimated cost to replace the spark plugs, change out the oxygen sensors on the right bank, adjust the air-fuel ration controller, and retest Engine No. 349 in order to demonstrate compliance with the combined CO hourly emissions rate. The Date Required is the initial date of non-compliance and the Final Date is the date of compliance.

### Avoided Costs

**ANNUALIZE 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				0.00	\$0	\$0	\$0
ONE-TIME avoided costs				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

**Notes for AVOIDED costs**

Approx. Cost of Compliance \$8,000

**TOTAL** \$0

**Screening Date** 11-Mar-2021  
**Respondent** Copano Processing LLC  
**Case ID No.** 60523  
**Reg. Ent. Reference No.** RN101271419  
**Media** Air  
**Enf. Coordinator** Kate Dacy

**Docket No.** 2021-0374-AIR-E

**PCW**

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

**Violation Number** 3

**Rule Cite(s)** 30 Tex. Admin. Code §§ 106.6(b), 106.13, 106.512, and 122.143(4), Permit by Rule Registration No. 33867, FOP No. O807, GTC and STC No. 9, and Tex. Health & Safety Code § 382.085(b)

**Violation Description** Failed to comply with all representations with regard to construction plans, operating procedures, and maximum emissions rates in any certified registration. Specifically, the Respondent represented that the NOx emissions rate would not exceed 2.00 grams per horsepower-hour ("g/hp-hr") for Engine No. 360, but the NOx emissions rate was 10.10 g/hp-hr for Engine No. 360 during a performance test conducted on January 9, 2020, resulting in approximately 26.37 lbs of unauthorized NOx emissions.

**Base Penalty** \$25,000

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

<b>OR</b>	<b>Harm</b>			<b>Percent</b> 15.0%	
	<b>Release</b>	Major	Moderate		Minor
	Actual				x
Potential					

**>> Programmatic Matrix**

<b>Falsification</b>	Major	Moderate	Minor	<b>Percent</b> 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** \$21,250

\$3,750

**Violation Events**

Number of Violation Events 1 Number of violation days 1

daily	
weekly	
monthly	
quarterly	x
semiannual	
annual	
single event	

**Violation Base Penalty** \$3,750

One quarterly event is recommended for the instance of non-compliance that occurred on January 9, 2020.

**Good Faith Efforts to Comply**

25.0%

Reduction \$937

	Before NOE/NOV	NOE/NOV to EDRP/Settlement Offer
Extraordinary		
Ordinary	x	
N/A		

**Notes** The Respondent completed the corrective actions by January 13, 2020, before the NOE dated February 26, 2021.

**Violation Subtotal** \$2,813

**Economic Benefit (EB) for this violation**

**Statutory Limit Test**

**Estimated EB Amount** \$4

**Violation Final Penalty Total** \$4,388

**This violation Final Assessed Penalty (adjusted for limits)** \$4,388

# Economic Benefit Worksheet

**Respondent** Copano Processing LLC  
**Case ID No.** 60523  
**Reg. Ent. Reference No.** RN101271419  
**Media** Air  
**Violation No.** 3

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Costs Saved	EB Amount
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### 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)	\$8,000	9-Jan-2020	13-Jan-2020	0.01	\$4	n/a	\$4

**Notes for DELAYED costs**

Estimated cost to shut down Engine No. 360, replace the catalyst, and retest Engine No. 360 in order to demonstrate compliance with the NOx emissions rate of 2.00 g/hp-hr. The Date Required is the initial date of non-compliance and the Final Date is the date of compliance.

### Avoided Costs

**ANNUALIZE 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				0.00	\$0	\$0	\$0
ONE-TIME avoided costs				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

**Notes for AVOIDED costs**

Approx. Cost of Compliance \$8,000

**TOTAL** \$4

The TCEQ is committed to accessibility.

To request a more accessible version of this report, please contact the TCEQ Help Desk at (512) 239-4357.



# Compliance History Report

Compliance History Report for CN604532515, RN101271419, Rating Year 2021 which includes Compliance History (CH) components from September 1, 2016, through August 31, 2021.

**Customer, Respondent, or Owner/Operator:** CN604532515, Copano Processing LLC **Classification:** SATISFACTORY **Rating:** 2.13

**Regulated Entity:** RN101271419, COPANO PROCESSING HOUSTON CENTRAL GAS PLT **Classification:** SATISFACTORY **Rating:** 2.13

**Complexity Points:** 14 **Repeat Violator:** NO

**CH Group:** 03 - Oil and Gas Extraction

**Location:** 1651 COUNTY ROAD 255 SOUTH, NEAR SHERIDAN, COLORADO COUNTY, TEXAS

**TCEQ Region:** REGION 12 - HOUSTON

### ID Number(s):

**AIR OPERATING PERMITS** ACCOUNT NUMBER CR0020C  
**AIR OPERATING PERMITS** PERMIT 3702

**AIR OPERATING PERMITS** PERMIT 807  
**PUBLIC WATER SYSTEM/SUPPLY** REGISTRATION 0450051  
**AIR NEW SOURCE PERMITS** AFS NUM 4808900001  
**AIR NEW SOURCE PERMITS** EPA PERMIT PSDTX709M1  
**AIR NEW SOURCE PERMITS** REGISTRATION 50221  
**AIR NEW SOURCE PERMITS** REGISTRATION 10089  
**AIR NEW SOURCE PERMITS** REGISTRATION 102542  
**AIR NEW SOURCE PERMITS** REGISTRATION 131011  
**AIR NEW SOURCE PERMITS** REGISTRATION 136454  
**AIR NEW SOURCE PERMITS** REGISTRATION 112392  
**AIR NEW SOURCE PERMITS** REGISTRATION 165832  
**AIR EMISSIONS INVENTORY** ACCOUNT NUMBER CR0020C

**AIR NEW SOURCE PERMITS** ACCOUNT NUMBER CR0020C  
**AIR NEW SOURCE PERMITS** PERMIT 56613  
**AIR NEW SOURCE PERMITS** EPA PERMIT PSDTX706  
**AIR NEW SOURCE PERMITS** REGISTRATION 33867  
**AIR NEW SOURCE PERMITS** REGISTRATION 96187  
**AIR NEW SOURCE PERMITS** REGISTRATION 104949  
**AIR NEW SOURCE PERMITS** EPA PERMIT GHGSPSDTX11  
**AIR NEW SOURCE PERMITS** REGISTRATION 135959  
**AIR NEW SOURCE PERMITS** REGISTRATION 151923  
**AIR NEW SOURCE PERMITS** REGISTRATION 158633

**TAX RELIEF** ID NUMBER 20190

**Compliance History Period:** September 01, 2016 to August 31, 2021 **Rating Year:** 2021 **Rating Date:** 09/01/2021

**Date Compliance History Report Prepared:** April 05, 2022

**Agency Decision Requiring Compliance History:** Enforcement

**Component Period Selected:** April 05, 2017 to April 05, 2022

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

**Name:** Kate Dacy

**Phone:** (512) 239-4593

### 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

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

#### A. Final Orders, court judgments, and consent decrees:

- 1 Effective Date: 04/28/2020 ADMINORDER 2019-1239-AIR-E (1660 Order-Agreed Order With Denial)  
 Classification: Moderate  
 Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
 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)  
 Rqmt Prov: GT&Cs and ST&C 8 OP  
 SC No. 1 PERMIT

Description: Failure to preven unauthorized emissions.

- 2 Effective Date: 05/12/2020 ADMINORDER 2019-0919-AIR-E (Findings Order-Agreed Order Without Denial)  
Classification: Major  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
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)  
Rqmt Prov: NSR Special Condition 1 PERMIT  
Description: Failure to prevent the release of unauthorized emissions during an emissions event. (Category A12(i)(9)).

**B. Criminal convictions:**

N/A

**C. Chronic excessive emissions events:**

N/A

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

Item 1	July 24, 2017	(1416517)
Item 2	September 22, 2017	(1424094)
Item 3	August 10, 2018	(1506161)
Item 4	September 10, 2018	(1510910)
Item 5	September 30, 2019	(1592561)
Item 6	October 04, 2019	(1579288)
Item 7	July 15, 2020	(1659234)
Item 8	June 17, 2021	(1677307)
Item 9	July 06, 2021	(1738186)
Item 10	July 30, 2021	(1745571)
Item 11	August 25, 2021	(1755757)

**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:**

Notice of Intent Date: 02/28/2020 (1638302)

Disclosure Date: 09/04/2020

Viol. Classification: Moderate

Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.487(c)(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VVa 60.487a(c)(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT OOOO 60.5422(c)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT KKK 60.636(c)

Description: Failed to ensure semiannual reports submitted pursuant to NSPS KKK and OOOO include changes to components counts.

Viol. Classification: Moderate

Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VVa 60.482-9a(a)

Description: Failed to repair seven components in the Tank Farm process unit on the DORL during the unit shutdown.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter F 116.611(a)(2)

Description: Failed to correctly represent emissions from fugitive emission components, resulting in underestimating potential emissions.

Disclosure Date: 11/25/2020

Viol. Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter F 116.620(c)(2)

Description: Failed to implement an inspection program per 116.620(c)(2) when fugitive emissions were in excess of 40 tons of VOC.

Disclosure Date: 02/23/2021

Viol. Classification: Moderate

Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VVa 60.482-10a(a)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VVa 60.482-11a(a)

40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(a)(1)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VVa 60.482-7a(a)(1)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT OOOO 60.5400(a)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT KKK 60.632(a)

Description: Failed to monitor and include 129 components in TXP2 and TXP3 units that were part of the lube oil systems in the LDAR program.

Disclosure Date: 03/25/2021

Viol. Classification: Moderate

Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(a)(1)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VVa 60.482-7a(a)(1)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT JJJ 60.632(a)

Description: Failed to ensure six pumps in propane service are correctly designated in the LDAR database.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.10(c)

Description: Failed to correctly estimate fugitive emissions from TXP2 and TXP3 process units in past emissions inventories.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 106, SubChapter A 106.4(a)(1)  
30 TAC Chapter 106, SubChapter A 106.4(a)(1)(B)

Description: Failed to account for emissions from infrequent but periodic cleaning of tanks storing VOC in documentation of potential emissions from MSS activities authorized under PBR 106.359 resulting in a VOC exceedance in December 2020 and subsequent 12-month rolling emission exceedances in January through March 2021.

**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  
COPANO PROCESSING LLC  
RN101271419

§  
§  
§  
§  
§

BEFORE THE  
TEXAS COMMISSION ON  
ENVIRONMENTAL QUALITY

## AGREED ORDER DOCKET NO. 2021-0374-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 Copano Processing LLC (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 together stipulate that:

1. The Respondent owns and operates an oil and gas processing plant located at 1651 County Road 255 South near Sheridan, Colorado County, Texas (the "Plant"). The Plant consists or consisted of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
2. The Executive Director and the Respondent agree that the TCEQ has jurisdiction to enter this Order pursuant to TEX. WATER CODE §§ 7.002, 7.051, and 7.073, and that the Respondent is subject to TCEQ's jurisdiction. The TCEQ has jurisdiction in this matter pursuant to TEX. WATER CODE § 5.013 because it alleges violations of TEX. HEALTH & SAFETY CODE ch. 382 and the rules of the TCEQ.
3. The occurrence of any violation is in dispute and the entry of this Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
4. An administrative penalty in the amount of \$13,164 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent paid \$10,532 of the penalty and \$2,632 is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Order. The deferred amount shall be waived only upon full compliance with all the terms and conditions contained in this Order. If the Respondent fails to timely and satisfactorily comply with any of the terms or requirements contained in this Order, the Executive Director may demand payment of all or part of the deferred penalty amount.
5. 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). 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.

6. 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 Order.
7. This Order represents the complete and fully-integrated agreement of the parties. The provisions of this Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Order unenforceable, the remaining provisions shall be valid and enforceable.
8. This Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Order, whichever is later.
9. The Executive Director recognizes that the Respondent implemented the following corrective measures at the Plant:
  - a. By replacing the spark plugs, changing out the oxygen sensors on the right bank, adjusting the air-fuel ration controller, and retesting Engine No. 349 in order to demonstrate compliance with the combined carbon monoxide ("CO") hourly emissions rate on January 7, 2020;
  - b. By shutting down Engine No. 350, replacing the catalyst on the engine exhaust, and retesting Engine No. 350 in order to demonstrate compliance with the combined nitrogen oxides ("NOx") hourly emissions rate by January 9, 2020; and
  - c. By shutting down Engine No. 360, replacing the catalyst, and retesting Engine No. 360 in order to demonstrate compliance with the NOx emissions rate of 2.00 grams per horsepower-hour ("g/hp-hr") by January 13, 2020.

## II. ALLEGATIONS

During a record review conducted from December 17, 2020 through January 15, 2021, an investigator documented that the Respondent:

1. Failed to comply with all representations with regard to construction plans, operating procedures, and maximum emissions rates in any certified registration, in violation of 30 TEX. ADMIN. CODE §§ 106.6(b), 106.13, and 122.143(4), Standard Exemption No. 6 Effective on March 15, 1985, Federal Operating Permit ("FOP") No. O807, General Terms and Conditions ("GTC") and Special Terms and Conditions ("STC") No. 9, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent represented that the combined NOx hourly emissions rate for Engine Nos. 349, 350, and 351 would not exceed 6.60 pounds per hour ("lbs/hr"), but the NOx emissions rate was 35.56 lbs/hr for Engine No. 350 that caused the combined NOx hourly emissions rate to be 36.96 lbs/hr during a performance test conducted on January 7, 2020, resulting in 30.36 pounds ("lbs") of unauthorized NOx emissions.
2. Failed to comply with all representations with regard to construction plans, operating procedures, and maximum emissions rates in any certified registration, in violation of 30 TEX. ADMIN. CODE §§ 106.6(b), 106.13, and 122.143(4), Standard Exemption No. 6 Effective on March 15, 1985, FOP No. O807, GTC and STC No. 9, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent represented that the combined CO hourly emissions rate for Engine Nos. 349, 350, and 351 would not exceed 16.50 lbs/hr,



but the CO emissions rate was 24.11 lbs/hr for Engine No. 349 that caused the combined CO hourly emissions rate to be 29.31 lbs/hr during a performance test conducted on January 7, 2020, resulting in 12.81 lbs of unauthorized CO emissions.

3. Failed to comply with all representations with regard to construction plans, operating procedures, and maximum emissions rates in any certified registration, in violation of 30 TEX. ADMIN. CODE §§ 106.6(b), 106.13, 106.512, and 122.143(4), Permit by Rule Registration No. 33867, FOP No. O807, GTC and STC No. 9, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent represented that the NOx emissions rate would not exceed 2.00 g/hp-hr for Engine No. 360, but the NOx emissions rate was 10.10 g/hp-hr for Engine No. 360 during a performance test conducted on January 9, 2020, resulting in approximately 26.37 lbs of unauthorized NOx emissions.

### III. DENIALS

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

### IV. ORDERING PROVISIONS

NOW, THEREFORE, THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY ORDERS that:

1. The Respondent is assessed a penalty as set forth in Section I, Paragraph No. 4. The payment of this penalty and the Respondent's compliance with all of the requirements set forth in this 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. Penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Copano Processing LLC, Docket No. 2021-0374-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. All relief not expressly granted in this Order is denied.
3. The duties and provisions imposed by this Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of this Order to personnel who maintain day-to-day control over the Plant operations referenced in this Order.
4. The Executive Director may grant an extension of any deadline in this Order or in any plan, report, or other document submitted pursuant to this 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.
5. This 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 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.

6. This Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this 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 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.
7. 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



7/19/2022

For the Executive Director

Date

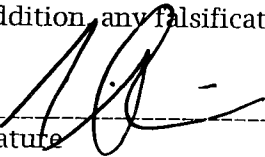
I, the undersigned, have read and understand the attached Order. I am authorized to agree to the attached Order, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

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



Date

5/11/2022

Kevin M. Robinson

Director, Operations

Name (Printed or typed)  
Authorized Representative of  
Copano Processing LLC

Title

If mailing address has changed, please check this box and provide the new address below:

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