

Executive Summary – Enforcement Matter – Case No. 60998
Copano Processing LLC
RN101271419
Docket No. 2021-0865-AIR-E

Order Type:

Findings Agreed Order

Findings Order Justification:

People or environmental receptors have been exposed to pollutants which exceed levels that are protective.

Media:

AIR

Small Business:

No

Location(s) Where Violation(s) Occurred:

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

Type of Operation:

Oil and 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: March 4, 2022

Comments Received: No

Penalty Information

Total Penalty Assessed: \$25,000

Total Paid to General Revenue: \$25,000

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: \$7,500

Applicable Penalty Policy: January 2021

Investigation Information

Complaint Date(s): N/A

Complaint Information: N/A

Date(s) of Investigation: April 27, 2021 through May 4, 2021

Date(s) of NOE(s): June 7, 2021

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Docket No. 2021-0865-AIR-E

Violation Information

Failed to prevent unauthorized emissions. Since the emissions event was not caused by a sudden unavoidable breakdown of equipment or process beyond the control of the owner or operator and could have been avoided by better design and/or better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(c), and 122.143(4), New Source Review Permit Nos. 56613, PSDTX706, and PSDTX709M1, Special Conditions No. 1, Federal Operating Permit No. O807, General Terms and Conditions and Special Terms and Conditions No. 8, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

The Respondent has implemented the following corrective measures in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 287780:

- a. By June 12, 2019, updated the Loss of Power/Shutdown Operating Procedures;
- b. By July 1, 2019, conducted staff training;
- c. By July 29, 2019, began utilizing a higher voltage and more reliable power supply; and
- d. By August 17, 2021, improved the uninterrupted power supply for the Tank Farm, implemented process design improvements for the product tanks, installed and/or modified the alarms and interlocks for the product tanks and product pumps, updated the Standard Operating Procedure for the Pipeline Pump P-21A/B lineup, improved the mechanical integrity for affected pressure safety valves and thermal relief protection, updated Tank Farm drawings, and implemented measures to ensure the new Tank Farm console emergency shutdown switches are guarded against inadvertent operation and are clearly labeled.

Technical Requirements:

N/A

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Docket No. 2021-0865-AIR-E

Contact Information

TCEQ Attorney: N/A

TCEQ Enforcement Coordinator: Toni Red, Enforcement Division, Enforcement Team 4, MC 219, (512) 239-1704; Michael Parrish, Enforcement Division, MC 219, (512) 239-2548

Respondent: Kevin Robinson, Director of Operations, Copano Processing LLC, P.O. Box 381, Sheridan, Texas 77475

Respondent's Attorney: N/A



Penalty Calculation Worksheet (PCW)

Policy Revision 5 (January 28, 2021)

PCW Revision February 11, 2021

DATES	Assigned	15-Jun-2021			
	PCW	18-Jan-2022	Screening	18-Jun-2021	EPA Due

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

CASE INFORMATION			
Enf./Case ID No.	60998	No. of Violations	1
Docket No.	2021-0865-AIR-E	Order Type	Findings
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Toni Red
		EC's Team	Enforcement Team 4
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$25,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$25,000
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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	40.0% Adjustment	Subtotals 2, 3, & 7	\$10,000
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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 two disclosures of violations.

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	-\$2,500
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Economic Benefit	0.0% Enhancement*	Subtotal 6	\$0
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Total EB Amounts: \$6,126
 Estimated Cost of Compliance: \$38,000
 *Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7	Final Subtotal	\$32,500
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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	\$32,500
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$25,000
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DEFERRAL	0.0% Reduction Adjustment	\$0
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Reduces the Final Assessed Penalty by the indicated percentage.

Notes:

No deferral is recommended for Findings Orders.

PAYABLE PENALTY	\$25,000
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Screening Date 18-Jun-2021

Docket No. 2021-0865-AIR-E

PCW

Respondent Copano Processing LLC

Policy Revision 5 (January 28, 2021)

Case ID No. 60998

PCW Revision February 11, 2021

Reg. Ent. Reference No. RN101271419

Media Air

Enf. Coordinator Toni Red

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>)	2	-4%
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) 40%

>> 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 two disclosures of violations.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 40%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 40%

Screening Date 18-Jun-2021 **Docket No.** 2021-0865-AIR-E **PCW**
Respondent Copano Processing LLC *Policy Revision 5 (January 28, 2021)*
Case ID No. 60998 *PCW Revision February 11, 2021*
Reg. Ent. Reference No. RN101271419
Media Air
Enf. Coordinator Toni Red

Violation Number

Rule Cite(s) 30 Tex. Admin. Code §§ 101.20(3), 116.115(c), and 122.143(4), New Source Review Permit Nos. 56613, PSDTX706, and PSDTX709M1, Special Conditions No. 1, Federal Operating Permit No. O807, General Terms and Conditions and Special Terms and Conditions No. 8, and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to prevent unauthorized emissions. Specifically, the Respondent released 25,507.45 pounds of volatile organic compounds as fugitive emissions, during an emissions event (Incident No. 287770) that occurred on July 7, 2018 and lasted 25 minutes. The emissions event occurred due to two brief power outages that led to the execution of the Liberty Down Procedures and caused the pressure safety valves to open to release pressure, resulting in the releases to the atmosphere. Since the emissions event was not caused by a sudden unavoidable breakdown of equipment or process beyond the control of the owner or operator and could have been avoided by better design and/or better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 Tex. Admin. Code § 101.222.

Base Penalty

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual	<input type="text" value="x"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="100.0%"/>
	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 pollutants which exceeded 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" value="x"/>
weekly	<input type="text"/>
monthly	<input type="text"/>
quarterly	<input type="text"/>
semiannual	<input type="text"/>
annual	<input type="text"/>
single event	<input type="text"/>

Violation Base Penalty

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 type="text" value="x"/>
N/A	<input type="text"/>	<input type="text"/>

Notes The Respondent completed the corrective actions by August 17, 2021, after the Notice of Enforcement dated July 7, 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. 60998
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	\$25,000	7-Jul-2018	17-Aug-2021	3.12	\$260	\$5,192	\$5,452
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	\$1,500	7-Jul-2018	12-Jun-2019	0.93	\$70	n/a	\$70
Training/Sampling	\$1,500	7-Jul-2018	1-Jul-2019	0.98	\$74	n/a	\$74
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$10,000	7-Jul-2018	29-Jul-2019	1.06	\$530	n/a	\$530

Notes for DELAYED costs

Estimated costs to update the Loss of Power/Shutdown Operating Procedures (\$1,500); conduct staff training (\$1,500); begin utilizing a higher voltage and more reliable power supply (\$10,000); and improve the uninterrupted power supply for the Tank Farm, implement process design improvements for the product tanks, install and/or modify the alarms and interlocks for the product tanks and product pumps, update the Standard Operating Procedure for the Pipeline Pump P-21A/B lineup, improve the mechanical integrity for affected pressure safety valves and thermal relief protection, update Tank Farm drawings, and implement measures to ensure the new Tank Farm console emergency shutdown switches are guarded against inadvertent operation and are clearly labeled (\$25,000) in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 287770. The Dates Required is the date the emissions event occurred and the Final Dates are the dates 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 \$38,000

TOTAL \$6,126



Compliance History Report

Compliance History Report for CN604532515, RN101271419, Rating Year 2020 which includes Compliance History (CH) components from September 1, 2015, through August 31, 2020.

Customer, Respondent, or Owner/Operator:	CN604532515, COPANO PROCESSING LLC	Classification: SATISFACTORY	Rating: 3.06
Regulated Entity:	RN101271419, COPANO PROCESSING HOUSTON CENTRAL GAS PLT	Classification: SATISFACTORY	Rating: 3.06
Complexity Points:	14	Repeat Violator:	NO
CH Group:	03 - Oil and Gas Extraction		
Location:	1651 COUNTY RD 255 SOUTH SHERIDAN, TX 77475, COLORADO COUNTY		
TCEQ Region:	REGION 12 - HOUSTON		

ID Number(s):

AIR OPERATING PERMITS ACCOUNT NUMBER CR0020C	AIR OPERATING PERMITS PERMIT 807
AIR OPERATING PERMITS PERMIT 3702	PUBLIC WATER SYSTEM/SUPPLY REGISTRATION 0450051
AIR NEW SOURCE PERMITS ACCOUNT NUMBER CR0020C	AIR NEW SOURCE PERMITS AFS NUM 4808900001
AIR NEW SOURCE PERMITS PERMIT 56613	AIR NEW SOURCE PERMITS EPA PERMIT PSDTX709M1
AIR NEW SOURCE PERMITS EPA PERMIT PSDTX706	AIR NEW SOURCE PERMITS REGISTRATION 50221
AIR NEW SOURCE PERMITS REGISTRATION 33867	AIR NEW SOURCE PERMITS REGISTRATION 10089
AIR NEW SOURCE PERMITS REGISTRATION 96187	AIR NEW SOURCE PERMITS REGISTRATION 102542
AIR NEW SOURCE PERMITS REGISTRATION 104949	AIR NEW SOURCE PERMITS REGISTRATION 131011
AIR NEW SOURCE PERMITS EPA PERMIT GHGPSDTX11	AIR NEW SOURCE PERMITS REGISTRATION 136454
AIR NEW SOURCE PERMITS REGISTRATION 135959	AIR NEW SOURCE PERMITS REGISTRATION 112392
AIR NEW SOURCE PERMITS REGISTRATION 151923	AIR NEW SOURCE PERMITS REGISTRATION 158633
AIR EMISSIONS INVENTORY ACCOUNT NUMBER CR0020C	TAX RELIEF ID NUMBER 20190

Compliance History Period:	September 01, 2015 to August 31, 2020	Rating Year:	2020	Rating Date:	09/01/2020
Date Compliance History Report Prepared:	June 17, 2021				
Agency Decision Requiring Compliance History:	Enforcement				
Component Period Selected:	June 17, 2016 to June 17, 2021				

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

Name: Richard Garza **Phone:** (512) 239-2697

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.

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	September 15, 2016	(1345057)
Item 2	September 20, 2016	(1355297)
Item 3	March 21, 2017	(1383145)
Item 4	July 24, 2017	(1416517)
Item 5	September 22, 2017	(1424094)
Item 6	August 10, 2018	(1506161)
Item 7	September 10, 2018	(1510910)
Item 8	September 30, 2019	(1592561)
Item 9	October 04, 2019	(1579288)
Item 10	July 15, 2020	(1659234)

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:

Disclosure Date: 09/30/2016

Viol. Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT GG 60.334(i)(3)(ii)(A)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT GG 60.334(i)(3)(ii)(B)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT GG 60.334(i)(3)(ii)(C)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT GG 60.334(i)(3)(ii)(D)

Rqmt Prov: PERMIT NSR Permit No. 55613, SC 6.C.2.

Description: Failed to conduct sulfur content fuel monitoring of Turbine Nos. 202 and 203 in the first and third calendar quarters, in accordance with PN 56613, SC(C)(3) and 40 CFR § 60.334 semi-annual custom fuel monitoring schedule provisions.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

Rqmt Prov: PERMIT NSR Permit No. 55613, SC 11.D.

Description: Failed to maintain documentation to demonstrate that all semi-annual PEMS downtime reports have been submitted to TCEQ. Additionally, some PEMS semi-annual reports did not document the corrective action taken for each downtime event.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter C 122.210

Description: Failed to include all relevant NSR authorizations and requirements changes in the federal operating permit (No. O0807).

Viol. Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
30 TAC Chapter 122, SubChapter B 122.144

Rqmt Prov: OP SOP O807, STC 15

Description: Failed to maintain five years worth of records demonstrating compliance with FOP O807.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.116

Description: Failed to ensure that EPN RTO-1 is only capable of controlling the waste gas permitted limit of 5.92 MMSCFD (it is capable of controlling 7.5 MMSCFD).
 Viol. Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.110(a)

Description: Failed to accurately estimate RTO-1 NOx emissions to ensure the MAERT limit represents operation (emissions were underestimated and therefore the MAERT limit is too low).
 Viol. Classification: Major
 Citation: 30 TAC Chapter 106, SubChapter U 106.478
 30 TAC Chapter 116, SubChapter B 116.110(a)

Description: Failed to obtain authorization prior to operating a wastewater treatment system that emits VOC (since 1992) and a temporary portable frac tank that has been at the facility for 12 months (since January 1, 2013).
 Viol. Classification: Moderate
 Citation: 30 TAC Chapter 122, SubChapter B 122.145
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.7(a)(4)

Description: Failed to submit the initial NSPS OOOO notification on the modified distillate stabilizer unit due January 30, 2016.
 Viol. Classification: Moderate
 Citation: 30 TAC Chapter 122, SubChapter B 122.145
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.7(a)(3)

Description: Failed to submit the 15 day post start-up notification for Inlet/Residue Treaters and Tank Farm for NSPS OOOO applicability due October 22, 2015 and for TXP-1 due April 22, 2015.
 Viol. Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 Rqmt Prov: PERMIT NSR Permit 56613, SC 3.C.

Description: Failed to monitor ammonia slip emissions on the Stream Boiler (EPN STK BLR3N) to demonstrate that they do not exceed 10 ppm at 3 percent O2.
 Viol. Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 Rqmt Prov: PERMIT NSR Permit No. 56613, SC 3.D.

Description: Failed to track Startup/Shutdown and reduced load operations for STKBLR3N to demonstrate that they are limited to less than 200 hours per year.
 Viol. Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 Rqmt Prov: PERMIT NSR Permit No. 56613, SC 11.B.
 PERMIT NSR Permit No. 56613, SC 11.C.1.

Description: Failed to ensure that the PEMS is measuring the hourly CO output in pounds from EPNs STK BLR2, 3N, and 201.
 Viol. Classification: Moderate
 Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VVa 60.482-7a(h)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VVa 60.482-7a(h)(3)

Description: Failed to develop and implement a Difficult to Monitor Plan that is required for facilities subject to Leak Detection and Repair regulations.
 Viol. Classification: Minor
 Citation: 30 TAC Chapter 122, SubChapter B 122.145(2)(B)
 30 TAC Chapter 122, SubChapter B 122.145(2)(C)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VVa 60.482-7a(g)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VVa 60.482-7a(g)(2)

Description: Failed to report a deviation for failing to have a Difficult to Monitor Plan in the semi-annual deviation report.
 Viol. Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-10(k)(2)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VVa 60.482-10a(k)(3)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(h)(2)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VVa 60.482-7a(h)(3)
 Rqmt Prov: PERMIT NSR Permit No. 56613, GC 8
 PERMIT NSR Permit No. 56613, SC 1

Description: Failed to represent ammonia emissions from BLR3N SCR's ammonia slip in the permit application for the installation of the SCR.
 Viol. Classification: Moderate
 Citation: 30 TAC Chapter 101, SubChapter A 101.10(b)(1)

Description: Failed to accurately report ammonia and HAPs emissions in previous emission inventories.
 Viol. Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.110

30 TAC Chapter 116, SubChapter B 116.115(b)(1)

30 TAC Chapter 116, SubChapter B 116.115(c)

Rqmt Prov: PERMIT NSR Permit 56613, GC 8

PERMIT NSR Permit 56613, SC 1

Description: Failed to correctly calculate facility wide HAP emissions and to represent the facility as a major source for HAPs. Therefore, failed to determine appropriate applicability for the 40 CFR Part 63 NESHAP HH, ZZZZ, DDDDD, YYYY and to comply with the applicable notification and reporting requirements, in violation of §63.760, §63.764, §63.765, §63.766, §63.769, §63.771-63.775; §63.6600, §63.6602, §63.6610, §63.6612, §63.6615, §63.6625, §63.6630, §63.6635, §63.6640, §63.6645, §63.6650, §63.6660; §63.7485

Viol. Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

Description: Failure to comply with CO emissions rates for Boiler #2 (EPN STKBLR2). Specifically emissions in excess of permit limits were observed when the boiler load was increased for RATA test on 7/28/16.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 106, SubChapter W 106.512

Description: Failure to comply with applicable NOx emission rates for Compressor Engine #360 (EPN COMP-1). Specifically, an exceedance was discovered on July 19, 2016.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

Rqmt Prov: PERMIT MAERT Table

Description: Failure to comply with CO emission rates for Boiler #2 (EPN STKBLR2) during the period of December 2015 through May 9, 2016 when emission testing contractor was onsite to collect data to build a PEMS model for CO. The exact dates of the excess emission events and emission rates have not been documented.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.145(2)(A)

Description: Failure to report excessive CO emission from Boiler #2 (EPN STKBLR2) in the semiannual deviation report for the period of September 2, 2015 through March 1, 2016.

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

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

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:

Compliance History Report for CN604532515, RN101271419, Rating Year 2020 which includes Compliance History (CH) components from June 17, 2016, through June 17, 2021.

N/A

Component Appendices

Appendix A

All NOVs Issued During Component Period 6/17/2016 and 6/17/2021

- 1 Date: 03/10/2017 (1377896)
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 NSR SC 10B PERMIT
 ST&C 8 OP
Description: Failed to comply with NOx emission rates for Boiler 2 (EPN: BLRSTK2). Category B14
- Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 NSR SC 3D PERMIT
 ST&C 8 OP
Description: Failed to comply with NOx emission rates for Boiler 3N (EPN: BLRSTK3N). Category B14
- Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 NSR SC 11E PERMIT
 ST&C 8 OP
Description: Failed to submit Relative Accuracy Test Audit (RATA) notifications for Boilers 3N and 4 (EPNs: BLRSTK3N, BLR201). Category C3
- 2 Date: 03/21/2018 (1437696)
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 SC 12B PERMIT
 ST&C 8 OP
Description: Failure to comply with permitted temperature limit. (Category C4,moderate)
- 3 Date: 08/26/2019 (1533080)
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 FOP Special Term and Condition (ST&C) 9 OP
Description: Failure to maintain NOx emissions below permit limit during testing of engine #360 (EPN: COMP-360). (Category B13)
- Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 FOP Special Term and Condition (ST&C) 9 OP
Description: Failure to operate engine #350 (ID: GRP-ENG3; COMP-350) within the permitted NOx limit. (Category B13)
- 4* Date: 02/18/2020 (1612894)
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 116, SubChapter F 116.615(2)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 FOP, Special Term & Condition 8 OP
Description: Failure to operate RTO-2 as represented in the application for Standard Permit #13101. (Category C4)
- Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 106, SubChapter W 106.512(2)(A)(i)
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 FOP, Special Term & Condition 8 OP

Description: Failure to maintain NOx emissions below permitted limit during testing of engine #8 (COMP-8). (Category B13)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(4)(A)
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(c)(1)
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT A 63.11(b)(4)
 5C THSC Chapter 382 382.085(b)
 FOP, Special Term & Condition 1A OP
 FOP, Special Term & Condition 8 OP
 NSR, Special Condition 8C PERMIT

Description: Failure to prevent visible emissions from the flare to exceed a total of five minutes during two consecutive hours. (Category C4)

* NOV's applicable for the Compliance History rating period 9/1/2015 to 8/31/2020

Appendix B

All Investigations Conducted During Component Period June 17, 2016 and June 17, 2021

Item 1*	September 15, 2016**	(1345057)
Item 2*	September 20, 2016**	(1355297)
Item 3	March 10, 2017**	(1377896)
Item 4*	March 21, 2017**	(1383145)
Item 5	May 31, 2017**	(1415177)
Item 6*	July 24, 2017**	(1416517)
Item 7*	September 22, 2017**	(1424094)
Item 8	March 21, 2018**	(1437696)
Item 9*	August 10, 2018**	(1506161)
Item 10*	September 10, 2018**	(1510910)
Item 11	June 21, 2019**	(1466988)
Item 12	August 22, 2019**	(1533080)
Item 13	August 23, 2019**	(1482218)
Item 14*	September 30, 2019**	(1592561)
Item 15*	October 04, 2019**	(1579288)
Item 16	February 14, 2020**	(1512894)
Item 17*	July 15, 2020**	(1559234)
Item 18	February 26, 2021	(1592322)
Item 19	June 07, 2021	(1583774)

* No violations documented during this investigation

**Investigation applicable for the Compliance History Rating period between 09/01/2015 and 08/31/2020.

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
COPANO PROCESSING LLC
RN101271419**

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§

**BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY**

AGREED ORDER DOCKET NO. 2021-0865-AIR-E

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 presented this Order to the Commission.

The Respondent understands that it has certain procedural rights at certain points in the enforcement process, including the right to formal notice of violations, notice of an evidentiary hearing, the right to an evidentiary hearing, and a right to appeal. By entering into this Order, the Respondent agrees to waive all notice and procedural rights.

It is further understood and agreed that 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. The duties and responsibilities imposed by this Order are binding upon the Respondent.

The Commission makes the following Findings of Fact and Conclusions of Law:

I. FINDINGS OF FACT

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. During a record review conducted from April 27, 2021 through May 4, 2021, an investigator documented that the Respondent released 25,507.45 pounds of volatile organic compounds as fugitive emissions, during an emissions event (Incident No. 287770) that occurred on July 7, 2018 and lasted 25 minutes. The emissions event occurred due to two brief power outages that led to the execution of the Liberty Down Procedures and caused the pressure safety valves to open to release pressure, resulting in the releases to the atmosphere. TCEQ staff determined that the emissions event was not caused by a sudden unavoidable breakdown of equipment or process beyond the control of the owner or operator and could have been avoided by better design and/or better operational and maintenance practices.

3. The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Plant in order to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 287780:
 - a. By June 12, 2019, updated the Loss of Power/Shutdown Operating Procedures;
 - b. By July 1, 2019, conducted staff training;
 - c. By July 29, 2019, began utilizing a higher voltage and more reliable power supply; and
 - d. By August 17, 2021, improved the uninterrupted power supply for the Tank Farm, implemented process design improvements for the product tanks, installed and/or modified the alarms and interlocks for the product tanks and product pumps, updated the Standard Operating Procedure for the Pipeline Pump P-21A/B lineup, improved the mechanical integrity for affected pressure safety valves and thermal relief protection, updated Tank Farm drawings, and implemented measures to ensure the new Tank Farm console emergency shutdown switches are guarded against inadvertent operation and are clearly labeled.

II. CONCLUSIONS OF LAW

1. As evidenced by Finding of Fact No. 1, the Respondent is subject to the jurisdiction of the TCEQ pursuant to TEX. HEALTH & SAFETY CODE ch. 382 and the rules of the TCEQ.
2. As evidenced by Finding of Fact No. 2, the Respondent failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(c), and 122.143(4), New Source Review Permit Nos. 56613, PSDTX706, and PSDTX709M1, Special Conditions No. 1, Federal Operating Permit No. O807, General Terms and Conditions and Special Terms and Conditions No. 8, and TEX. HEALTH & SAFETY CODE § 382.085(b). Since the emissions event was not caused by a sudden unavoidable breakdown of equipment or process beyond the control of the owner or operator and could have been avoided by better design and/or better operational and maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.
3. Pursuant to TEX. WATER CODE § 7.051, the TCEQ has the authority to assess an administrative penalty against the Respondent for violations of state statutes within the TCEQ's jurisdiction, for violations of rules adopted under such statutes, or for violations of orders or permits issued under such statutes.
4. An administrative penalty in the amount of \$25,000 is justified by the facts recited in this Order, and considered in light of the factors set forth in TEX. WATER CODE § 7.053. The Respondent paid the \$25,000 penalty.

III. ORDERING PROVISIONS

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

1. The Respondent is assessed a penalty as set forth in Conclusion of Law No. 4 for violations of state statutes and rules of the TCEQ. The payment of this penalty and the Respondent's compliance with all the requirements set forth in this Order resolve only the matters set forth by this Order in this action. The Commission shall not be constrained in any manner from requiring corrective actions or penalties for violations that 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. 2021-0865-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. 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 in this Order.
6. 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.
7. 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.

8. 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.
9. 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

6/27/2022

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

Kevin M. Robinson

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

Date

6/27/2022

Director, Operations

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.