

**Executive Summary – Enforcement Matter – Case No. 61343**

**Targa Downstream LLC  
RN100222900  
Docket No. 2021-1230-AIR-E**

**Order Type:**

1660 Agreed Order

**Findings Order Justification:**

N/A

**Media:**

AIR

**Small Business:**

No

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

Mont Belvieu Complex, 10319 U.S. Highway 146, Mont Belvieu, Chambers County

**Type of Operation:**

Bulk liquid natural gas storage tank terminal

**Other Significant Matters:**

Additional Pending Enforcement Actions: Yes, Docket Nos. 2021-1310-AIR-E and 2020-1162-AIR-E

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

**Texas Register Publication Date:** October 21, 2022

**Comments Received:** No

***Penalty Information***

**Total Penalty Assessed:** \$25,000

**Amount Deferred for Expedited Settlement:** \$5,000

**Total Paid to General Revenue:** \$10,000

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

Payment Plan: N/A

**Supplemental Environmental Project (“SEP”) Conditional Offset:** \$10,000

Name of SEP: Barbers Hill Independent School District (Third-Party Pre-Approved)

**Compliance History Classifications:**

Person/CN - Satisfactory

Site/RN - Satisfactory

**Major Source:** Yes

**Statutory Limit Adjustment:** N/A

**Applicable Penalty Policy:** January 2021

***Investigation Information***

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

**Complaint Information:** N/A

**Date(s) of Investigation:** July 16, 2021

**Date(s) of NOE(s):** August 27, 2021

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Targa Downstream LLC  
RN100222900  
Docket No. 2021-1230-AIR-E**

***Violation Information***

Failed to prevent unauthorized emissions. Specifically, the Respondent released 1,200 pounds of propylene as fugitive emissions, during an emissions event (Incident No. 284084) that occurred on May 19, 2018 and lasted two minutes. The emissions event occurred when the relief valve on a customer's tank truck relieved to the atmosphere during a loading activity. 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 §§ 116.115(c) and 122.143(4), New Source Review Permit No. 22088, Special Conditions No. 1, Federal Operating Permit No. O615, General Terms and Conditions and Special Terms and Conditions No. 12, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

***Corrective Actions/Technical Requirements***

**Corrective Action(s) Completed:**

N/A

**Technical Requirements:**

1. The Order will require the Respondent to implement and complete a SEP (see SEP Attachment A).
2. The Order will also require the Respondent to:
  - a. Within 30 days, implement measures and/or procedures designed to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 284084; and
  - b. Within 45 days, submit written certification to demonstrate compliance with a.

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**Targa Downstream LLC**  
**RN100222900**  
**Docket No. 2021-1230-AIR-E**

***Contact Information***

**TCEQ Attorney:** N/A

**TCEQ Enforcement Coordinator:** Johnnie Wu, Enforcement Division, Enforcement Team 2, MC 219, (512) 239-2524; Michael Parrish, Enforcement Division, MC 219, (512) 239-2548

**TCEQ SEP Coordinator:** Stuart Beckley, SEP Coordinator, Enforcement Division, MC 219, (512) 239-3565

**SEP Third-Party Administrator:** Carl R. Griffith & Associates, Inc., 2901 Turtle Creek Drive, Suite 445, Port Arthur, Texas 77642

**Respondent:** Phil Applegate, Director of Operations and Project Engineering, Targa Downstream LLC, P.O. Box 10, Mont Belvieu, Texas 77580

Bill Grantham, Vice President of Operations, Targa Downstream LLC, P.O. Box 10, Mont Belvieu, Texas 77580

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



# Penalty Calculation Worksheet (PCW)

Policy Revision 5 (January 28, 2021)

PCW Revision February 11, 2021

<b>DATES</b>	<b>Assigned</b>	30-Aug-2021	<b>Screening</b>	15-Sep-2021	<b>EPA Due</b>	
	<b>PCW</b>	30-Aug-2022				

<b>RESPONDENT/FACILITY INFORMATION</b>	
<b>Respondent</b>	Targa Downstream LLC
<b>Reg. Ent. Ref. No.</b>	RN100222900
<b>Facility/Site Region</b>	12-Houston
<b>Major/Minor Source</b>	Major

<b>CASE INFORMATION</b>			
<b>Enf./Case ID No.</b>	61343	<b>No. of Violations</b>	1
<b>Docket No.</b>	2021-1230-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>	Johnnie Wu
		<b>EC's Team</b>	Enforcement Team 5
<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>	\$12,500
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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.

<b>Compliance History</b>	100.0%	Adjustment	<b>Subtotals 2, 3, &amp; 7</b>	\$12,500
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Notes: Enhancement for one NOV with same/similar violations, three NOVs with dissimilar violations, three orders containing a denial of liability, and two orders without a denial of liability.

<b>Culpability</b>	No	0.0%	Enhancement	<b>Subtotal 4</b>	\$0
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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>	\$0
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<b>Economic Benefit</b>	0.0%	Enhancement*	<b>Subtotal 6</b>	\$0
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Total EB Amounts: \$2,393  
 Estimated Cost of Compliance: \$10,000  
 \*Capped at the Total EB \$ Amount

<b>SUM OF SUBTOTALS 1-7</b>	<b>Final Subtotal</b>	\$25,000
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<b>OTHER FACTORS AS JUSTICE MAY REQUIRE</b>	0.0%	Adjustment	\$0
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

<b>Final Penalty Amount</b>	\$25,000
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<b>STATUTORY LIMIT ADJUSTMENT</b>	<b>Final Assessed Penalty</b>	\$25,000
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<b>DEFERRAL</b>	20.0%	Reduction	Adjustment	-\$5,000
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Reduces the Final Assessed Penalty by the indicated percentage.

Notes:

Deferral offered for expedited settlement.

<b>PAYABLE PENALTY</b>	\$20,000
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**Screening Date** 15-Sep-2021

**Docket No.** 2021-1230-AIR-E

**PCW**

**Respondent** Targa Downstream LLC

*Policy Revision 5 (January 28, 2021)*

**Case ID No.** 61343

*PCW Revision February 11, 2021*

**Reg. Ent. Reference No.** RN100222900

**Media** Air

**Enf. Coordinator** Johnnie Wu

### 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> )	1	5%
	Other written NOVs	3	6%
Orders	Any agreed final enforcement orders containing a denial of liability ( <i>number of orders meeting criteria</i> )	3	60%
	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	2	50%
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%
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)** 121%

#### >> 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 NOV with same/similar violations, three NOVs with dissimilar violations, three orders containing a denial of liability, and two orders without a denial of liability.

**Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7)** 121%

#### >> Final Compliance History Adjustment

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

**Screening Date** 15-Sep-2021  
**Respondent** Targa Downstream LLC  
**Case ID No.** 61343  
**Reg. Ent. Reference No.** RN100222900  
**Media** Air  
**Enf. Coordinator** Johnnie Wu

**Docket No.** 2021-1230-AIR-E

**PCW**

*Policy Revision 5 (January 28, 2021)*  
*PCW Revision February 11, 2021*

**Violation Number**

**Rule Cite(s)** 30 Tex. Admin. Code §§ 116.115(c) and 122.143(4), New Source Review Permit No. 22088, Special Conditions No. 1, Federal Operating Permit No. 0615, General Terms and Conditions and Special Terms and Conditions No. 12, and Tex. Health & Safety Code § 382.085(b)

**Violation Description** Failed to prevent unauthorized emissions. Specifically, the Respondent released 1,200 pounds of propylene as fugitive emissions, during an emissions event (Incident No. 284084) that occurred on May 19, 2018 and lasted two minutes. The emissions event occurred when the relief valve on a customer's tank truck relieved to the atmosphere during a loading activity. 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"/>	<input checked="" type="text" value="x"/>	<input type="text"/>	<input type="text" value="50.0%"/>
	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 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**

**Violation Events**

Number of Violation Events  Number of violation days

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

**Violation Base Penalty**

One weekly event is recommended.

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

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

**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** Targa Downstream LLC  
**Case ID No.** 61343  
**Reg. Ent. Reference No.** RN100222900  
**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)	\$10,000	19-May-2018	1-Mar-2023	4.79	\$2,393	n/a	\$2,393

**Notes for DELAYED costs**

Estimated cost to implement measures and/or procedures designed to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 284084. The Date Required is the date the emissions event occurred and the Final Date is the estimated 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**

\$10,000

**TOTAL**

\$2,393

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 CN603592940, RN100222900, Rating Year 2021 which includes Compliance History (CH) components from September 1, 2016, through August 31, 2021.

**Customer, Respondent, or Owner/Operator:** CN603592940, Targa Downstream LLC **Classification:** SATISFACTORY **Rating:** 7.03  
**Regulated Entity:** RN100222900, MONT BELVIEU COMPLEX **Classification:** SATISFACTORY **Rating:** 11.12  
**Complexity Points:** 22 **Repeat Violator:** NO  
**CH Group:** 03 - Oil and Gas Extraction  
**Location:** 10319 UNITED STATES HIGHWAY 146, MONT BELVIEU, CHAMBERS COUNTY, TEXAS  
**TCEQ Region:** REGION 12 - HOUSTON

## ID Number(s):

**AIR OPERATING PERMITS** ACCOUNT NUMBER CI0022A  
**AIR OPERATING PERMITS** PERMIT 615  
**AIR NEW SOURCE PERMITS** REGISTRATION 12790  
**AIR NEW SOURCE PERMITS** PERMIT 22088  
**AIR NEW SOURCE PERMITS** REGISTRATION 75496  
**AIR NEW SOURCE PERMITS** PERMIT 56431  
**AIR NEW SOURCE PERMITS** EPA PERMIT PSDTX696M1  
**AIR NEW SOURCE PERMITS** REGISTRATION 84814  
**AIR NEW SOURCE PERMITS** REGISTRATION 97147  
**AIR NEW SOURCE PERMITS** REGISTRATION 109750  
**AIR NEW SOURCE PERMITS** REGISTRATION 109040  
**AIR NEW SOURCE PERMITS** REGISTRATION 110145  
**AIR NEW SOURCE PERMITS** REGISTRATION 119145  
**AIR NEW SOURCE PERMITS** EPA PERMIT N214  
**AIR NEW SOURCE PERMITS** REGISTRATION 113495  
**AIR NEW SOURCE PERMITS** EPA PERMIT GHGSPSDTX26  
**AIR NEW SOURCE PERMITS** REGISTRATION 153740  
**AIR NEW SOURCE PERMITS** EPA PERMIT N214M1  
**AIR NEW SOURCE PERMITS** REGISTRATION 152140  
**AIR NEW SOURCE PERMITS** REGISTRATION 153852  
**AIR NEW SOURCE PERMITS** REGISTRATION 162721  
**AIR NEW SOURCE PERMITS** REGISTRATION 168475  
**AIR NEW SOURCE PERMITS** REGISTRATION 164547  
**AIR NEW SOURCE PERMITS** REGISTRATION 161824  
**AIR NEW SOURCE PERMITS** REGISTRATION 164548  
**AIR NEW SOURCE PERMITS** EPA PERMIT PSDTX696M2  
**AIR NEW SOURCE PERMITS** REGISTRATION 143075  
**AIR NEW SOURCE PERMITS** REGISTRATION 147730  
**AIR NEW SOURCE PERMITS** REGISTRATION 151450  
**AIR NEW SOURCE PERMITS** REGISTRATION 157061  
**AIR NEW SOURCE PERMITS** REGISTRATION 156205  
**AIR NEW SOURCE PERMITS** EPA PERMIT N214M2  
**AIR NEW SOURCE PERMITS** REGISTRATION 155495  
**AIR NEW SOURCE PERMITS** REGISTRATION 157060  
**AIR NEW SOURCE PERMITS** REGISTRATION 167750  
**WASTEWATER** PERMIT WQ0005329000  
**AIR EMISSIONS INVENTORY** ACCOUNT NUMBER CI0022A  
**INDUSTRIAL AND HAZARDOUS WASTE** EPA ID TXD980625974

**AIR OPERATING PERMITS** PERMIT 612  
**AIR NEW SOURCE PERMITS** PERMIT 5452  
**AIR NEW SOURCE PERMITS** ACCOUNT NUMBER CI0022A  
**AIR NEW SOURCE PERMITS** REGISTRATION 141933  
**AIR NEW SOURCE PERMITS** AFS NUM 4807100010  
**AIR NEW SOURCE PERMITS** PERMIT 56435  
**AIR NEW SOURCE PERMITS** REGISTRATION 82049  
**AIR NEW SOURCE PERMITS** REGISTRATION 91519  
**AIR NEW SOURCE PERMITS** PERMIT 101616  
**AIR NEW SOURCE PERMITS** REGISTRATION 139467  
**AIR NEW SOURCE PERMITS** EPA PERMIT PSDTX817  
**AIR NEW SOURCE PERMITS** REGISTRATION 131418  
**AIR NEW SOURCE PERMITS** REGISTRATION 112896  
**AIR NEW SOURCE PERMITS** REGISTRATION 109927  
**AIR NEW SOURCE PERMITS** REGISTRATION 119978  
**AIR NEW SOURCE PERMITS** EPA PERMIT GHGSPSDTX26M1  
**AIR NEW SOURCE PERMITS** REGISTRATION 155185  
**AIR NEW SOURCE PERMITS** REGISTRATION 151160  
**AIR NEW SOURCE PERMITS** REGISTRATION 153705  
**AIR NEW SOURCE PERMITS** REGISTRATION 151159  
**AIR NEW SOURCE PERMITS** REGISTRATION 167190  
**AIR NEW SOURCE PERMITS** REGISTRATION 163816  
**AIR NEW SOURCE PERMITS** REGISTRATION 163817  
**AIR NEW SOURCE PERMITS** REGISTRATION 168476  
**AIR NEW SOURCE PERMITS** REGISTRATION 165164  
**AIR NEW SOURCE PERMITS** REGISTRATION 146066  
**AIR NEW SOURCE PERMITS** REGISTRATION 142523  
**AIR NEW SOURCE PERMITS** REGISTRATION 149385  
**AIR NEW SOURCE PERMITS** REGISTRATION 156824  
**AIR NEW SOURCE PERMITS** REGISTRATION 156148  
**AIR NEW SOURCE PERMITS** REGISTRATION 160740  
**AIR NEW SOURCE PERMITS** REGISTRATION 158817  
**AIR NEW SOURCE PERMITS** REGISTRATION 156206  
**AIR NEW SOURCE PERMITS** REGISTRATION 153008  
**STORMWATER** PERMIT TXR05EL71  
**WASTEWATER** EPA ID TX0002887  
**POLLUTION PREVENTION PLANNING** ID NUMBER P03569  
**INDUSTRIAL AND HAZARDOUS WASTE** SOLID WASTE REGISTRATION # (SWR) 31048



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

**Date Compliance History Report Prepared:** June 02, 2022

**Agency Decision Requiring Compliance History:** Enforcement

**Component Period Selected:** June 02, 2017 to June 02, 2022

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

**Name:** Abigail Lindsey

**Phone:** (512) 239-2576

**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: 05/23/2019      ADMINORDER 2018-0359-AIR-E (Findings Order-Agreed Order Without Denial)

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)  
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: FOP Special Term & Condition (ST&C) 12 OP  
NSR Special Condition (SC) 1 PERMIT

Description: Failed to comply with the MAERs, in violation of 30 TEX. ADMIN. CODE §§116.115(b)(2)(F) and (c) and 122.143(4), TEX. HEALTH & SAFETY CODE §382.085(b), Federal Operating Permit ("FOP") No. O615, General Terms and Conditions ("GTC") and Special Terms and Conditions ("STC") No. 12, and New Source Review ("NSR") Permit No. 22088, Special Conditions ("SC") No. 1.

Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
30 TAC Chapter 122, SubChapter B 122.145(2)(A)  
5C THSC Chapter 382 382.085(b)

Rqmt Prov: FOP General Terms and Conditions OP

Description: Failed to report all instances of deviations, in violation of 30 TEX. ADMIN. CODE §§122.143(4) and 122.145(2)(A), TEX. HEALTH & SAFETY CODE §382.085(b), and FOP No. O615, GTC.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)  
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: FOP Special Term & Condition (ST&C) 12 OP  
NSR Special Condition (SC)1 PERMIT

Description: Failed to comply with the MAERs, in violation of 30 TEX. ADMIN. CODE §§116.115(b)(2)(F) and (c) and 122.143(4), TEX. HEALTH & SAFETY CODE §382.085(b), FOP No. O615, GTC and STC No. 12, and NSR Permit No. 22088, SC No. 1.

2      Effective Date: 11/22/2019      ADMINORDER 2018-1293-AIR-E (1660 Order-Agreed Order With Denial)

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)  
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: General Terms & Conditons (GT&C) OP  
Special Condition (SC) 1 PERMIT  
Special Terms & Conditions (ST&C) 20 OP

Description: Failed to comply with the maximum allowable emissions rates. Specifically, the Respondent exceeded the nitrogen oxides ("NOx") MAER of 6 tons per year ("tpy") based on a 12-month rolling period and the volatile organic compounds ("VOC") MAER of 25 tpy based on a 12-month rolling period for the 12-month periods ending from January 2017 through January 2018 and the carbon monoxide ("CO") MAER of 20 tpy based on a 12-month rolling period for the 12-month periods ending from January 2017 through Oct

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)

Rqmt Prov: General Terms & Conditions OP  
Special Condition No. 6 PERMIT  
Special Terms & Conditions No. 20 OP

Description: Failed to comply with the flare gas recovery system ("FGRS") downtime limit. Specifically, the Respondent exceeded the FGRS downtime limit of 438 hours per year based on a rolling 12-month period by 625 hours for the 12-month period ending on January 2018, resulting in flaring of the process waste gas.

- 3 Effective Date: 11/20/2020 ADMINORDER 2020-0612-AIR-E (1660 Order-Agreed Order With Denial)  
Classification: Major  
Citation: 30 TAC Chapter 116, SubChapter B 116.110(a)  
5C THSC Chapter 382 382.0518(a)  
5C THSC Chapter 382 382.085(b)

Description: Failed to obtain authorization prior to constructing or modifying a source of air contaminants. Specifically, the Respondent constructed and conducted dry abrasive cleaning and surface coating activities prior to obtaining the proper authorization.

- 4 Effective Date: 02/01/2021 ADMINORDER 2020-0401-AIR-E (Findings Order-Agreed Order Without Denial)  
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)

Rqmt Prov: Special Condition No. 1 PERMIT

Description: Failure to prevent unauthorized emissions to the atmosphere during an emissions event. (Category A12i6)

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)

Rqmt Prov: NSR 5452, Special Condition 1 PERMIT  
NSR 56431, Special Condition 1 PERMIT

Description: Failure to prevent unauthorized emissions. Specifically, Targa failed to prevent emissions when a power loss led to a flaring event and venting from the T-6 tower (Category A12.i.(6)).

- 5 Effective Date: 08/24/2021 ADMINORDER 2020-1041-AIR-E (1660 Order-Agreed Order With Denial)  
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)

Rqmt Prov: FOP 0615 GTC and STC No. 12 OP  
Special Condition No. 1 PERMIT

Description: Failure to prevent unauthorized emissions to the atmosphere during an emissions event that was discovered on August 10, 2017, TCEQ/STEERS Incident No. 265126. (Category A12.i.6)

**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 17, 2017	(1416756)
Item 2	July 26, 2017	(1766093)
Item 3	September 20, 2017	(1381690)
Item 4	October 27, 2017	(1766103)
Item 5	January 24, 2018	(1766128)
Item 6	March 09, 2018	(1464482)
Item 7	April 25, 2018	(1766084)
Item 8	July 27, 2018	(1766089)
Item 9	August 01, 2018	(1505802)
Item 10	September 28, 2018	(1511116)

Item 11	October 16, 2018	(1506126)
Item 12	October 24, 2018	(1766114)
Item 13	October 30, 2018	(1511093)
Item 14	February 26, 2019	(1533150)
Item 15	April 26, 2019	(1766085)
Item 16	June 05, 2019	(1556415)
Item 17	June 17, 2019	(1575841)
Item 18	July 23, 2019	(1766095)
Item 19	August 20, 2019	(1590778)
Item 20	October 25, 2019	(1766105)
Item 21	January 07, 2020	(1618507)
Item 22	January 16, 2020	(1618596)
Item 23	January 21, 2020	(1622544)
Item 24	January 28, 2020	(1766130)
Item 25	March 26, 2020	(1631432)
Item 26	April 22, 2020	(1645139)
Item 27	April 23, 2020	(1645301)
Item 28	April 27, 2020	(1766076)
Item 29	April 28, 2020	(1637901)
Item 30	May 05, 2020	(1592345)
Item 31	June 12, 2020	(1645772)
Item 32	July 27, 2020	(1766101)
Item 34	September 18, 2020	(1676801)
Item 35	October 21, 2020	(1677835)
Item 36	October 27, 2020	(1684648)
Item 37	October 28, 2020	(1766106)
Item 38	January 11, 2021	(1698580)
Item 39	January 14, 2021	(1698098)
Item 40	January 25, 2021	(1766121)
Item 41	April 08, 2021	(1696637)
Item 42	April 13, 2021	(1684244)
Item 43	April 20, 2021	(1766077)
Item 44	May 10, 2021	(1711551)
Item 45	May 12, 2021	(1683758)
Item 46	July 26, 2021	(1684152)
Item 47	July 29, 2021	(1766092)
Item 48	July 30, 2021	(1711451)
Item 49	September 28, 2021	(1690852)
Item 50	October 13, 2021	(1683668)
Item 51	October 15, 2021	(1690654)
Item 52	October 20, 2021	(1772544)
Item 53	December 03, 2021	(1774954)
Item 54	January 20, 2022	(1790584)
Item 55	February 28, 2022	(1780958)
Item 56	April 19, 2022	(1813320)

**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.

- 1 Date: 09/30/2021 (1776593)  
Self Report? YES Classification: Moderate  
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)  
30 TAC Chapter 305, SubChapter F 305.125(1)  
Description: Failure to meet the limit for one or more permit parameter
  
- 2 Date: 01/26/2022 (1761729)  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
30 TAC Chapter 122, SubChapter B 122.165(a)(8)  
5C THSC Chapter 382 382.085(b)  
General Terms and Conditions OP  
Description: Failure to certify a Permit Compliance Certification (PCC).

3 Date: 01/31/2022 (1813319)  
Self Report? YES Classification: Moderate  
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)  
30 TAC Chapter 305, SubChapter F 305.125(1)  
Description: Failure to meet the limit for one or more permit parameter

4 Date: 02/16/2022 (1757068)  
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)  
Special Condition 12 PERMIT  
Special Term & Condition 19 OP  
Description: Failure to prevent exceedance of the firing rate for the Hot Oil Heater (EPN: F-10)  
(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)  
Special Condition 12 PERMIT  
Special Term & Condition 19 OP  
Description: Failure to prevent exceedance of the firing rate for the Hot Oil Heater (EPN: F-11)  
(Category B13).  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(G)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)  
Special Term & Condition 19 OP  
Description: Failure to operate the SCR on Hot Oil Heater - Train 7 (EPN: F-12) (Category  
B15).  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(G)  
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)  
Special Term & Condition 19 OP  
Description: Failure to operate the SCR on Hot Oil Heater - Train 7 (EPN: F-13) (Category  
B15).  
Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(c)(3)(ii)  
5C THSC Chapter 382 382.085(b)  
Special Term & Condition 1A OP  
Description: Failure to maintain the minimum net heating value for the Main Plant Flare (EPN:  
FLRN-1) (Category C4).  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 115, SubChapter H 115.725(d)(4)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)  
Special Term & Condition 1A OP  
Description: Failure to take a sample within 10 hours of downtime on the Main Plant Flare  
(EPN: FLRN-1) analyzer (Category C1).  
Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT OOOOa 60.5400a(a)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VVa 60.482-7a(c)(2)  
5C THSC Chapter 382 382.085(b)  
Special Term & Condition 1A OP  
Description: Failure to re-monitor components for two consecutive months (Category C1).  
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)  
Special Condition 23(B)(2) PERMIT  
Special Term & Condition 19 OP  
Description: Failure to perform daily validation on the CEMS for the Hot Oil Heater (EPN: F-04)  
(Category C1).  
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)  
 Special Condition 23(B)(2) PERMIT  
 Special Term & Condition 19 OP

Description: Failure to perform daily validation on the CEMS for the Hot Oil Heater (EPN: F-05) (Category C1).

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 115, SubChapter H 115.725(d)(4)  
 30 TAC Chapter 122, SubChapter B 122.143(4)  
 5C THSC Chapter 382 382.085(b)  
 Special Term & Condition 1A OP

Description: Failure to take a sample within 10 hours of downtime on the Flare 6 (EPN: FLR-6) analyzer (Category C1).

Self Report? NO Classification: Minor

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)  
 5C THSC Chapter 382 382.085(b)  
 Special Condition 2(C) PERMIT  
 Special Terms & Conditions 1A & 19 OP

Description: Failure to prevent visible emissions from the Air Assisted Flare (EPN: FLRN-1) (Category C4).

**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  
TARGA DOWNSTREAM LLC  
RN100222900

§ BEFORE THE  
§ TEXAS COMMISSION ON  
§ ENVIRONMENTAL QUALITY  
§

## AGREED ORDER DOCKET NO. 2021-1230-AIR-E

### I. JURISDICTION AND STIPULATIONS

On \_\_\_\_\_, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Targa Downstream LLC (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 a bulk liquid natural gas storage tank terminal located at 10319 United States Highway 146 in Mont Belvieu, Chambers County, Texas (the "Site"). The Site 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 \$25,000 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent paid \$10,000 of the penalty and \$5,000 of the penalty is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Order and shall be waived only upon full compliance with all the terms and conditions of this Order. If the Respondent fails to timely and satisfactorily comply with any of the terms and conditions contained in this Order, the Executive Director may demand payment of all or part of the deferred penalty amount.

Pursuant to TEX. WATER CODE § 7.067, \$10,000 of the penalty shall be conditionally offset by the Respondent's timely and satisfactory completion of a Supplemental Environmental Project ("SEP") as defined in the attached SEP Agreement ("Attachment A", incorporated herein by reference). The Respondent's obligation to pay the conditionally offset portion of the penalty shall be discharged upon full compliance with all the terms and conditions of this Order, which includes the timely and satisfactory completion of all provisions of the SEP Agreement, as determined by the Executive Director.

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.

## **II. ALLEGATIONS**

During a record review for the Site conducted on July 16, 2021, an investigator documented that the Respondent failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), New Source Review Permit No. 22088, Special Conditions No. 1, Federal Operating Permit No. O615, General Terms and Conditions and Special Terms and Conditions No. 12, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent released 1,200 pounds of propylene as fugitive emissions, during an emissions event (Incident No. 284084) that occurred on May 19, 2018 and lasted two minutes. The emissions event occurred when the relief valve on a customer's tank truck relieved to the atmosphere during a loading activity. 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.

## **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: Targa Downstream LLC, Docket No. 2021-1230-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 Respondent shall implement and complete the SEP as set forth in Section I, Paragraph No. 4. The amount of \$10,000 of the assessed penalty is conditionally offset based on the Respondent's implementation and completion of the SEP pursuant to the terms of the SEP Agreement, as defined in Attachment A. Penalty payments for any portion of the SEP deemed by the Executive Director as not complete shall be paid within 30 days after the date the Executive Director demands payment.
3. The Respondent shall undertake the following technical requirements at the Site:
  - a. Within 30 days after the effective date of this Order, implement measures and/or procedures designed to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 284084.
  - b. Within 45 days after the effective date of this Order, submit written certification, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 3.a. The certification shall be signed by the Respondent and shall include the following certification language:

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

The certification shall be submitted to:

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

with a copy to:

Air Section Manager  
Houston Regional Office  
Texas Commission on Environmental Quality  
5425 Polk Street, Suite H  
Houston, Texas 77023-1452

4. All relief not expressly granted in this Order is denied.



5. 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 Site operations referenced in this Order.
6. If the Respondent fails to comply with any of the Ordering Provisions in this Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, the Respondent's failure to comply is not a violation of this Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
7. 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. Extension requests shall be sent to the Enforcement Division at the address listed above.
8. 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.
9. 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.
10. 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



11/7/2022

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For the Executive Director

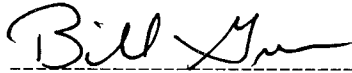
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Date

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 OAG 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 OAG 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.



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Signature

Sept. 14, 2022

-----  
Date

Bill Grantham

-----  
Name (Printed or typed)

Vice President Operations

-----  
Title

Authorized Representative of  
Targa Downstream LLC

*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.

**Attachment A**  
**Docket Number: 2021-1230-AIR-E**  
**SUPPLEMENTAL ENVIRONMENTAL PROJECT**

<b>Respondent:</b>	<b>Targa Downstream LLC</b>
<b>Payable Penalty Amount:</b>	<b>\$20,000</b>
<b>SEP Offset Amount:</b>	<b>\$10,000</b>
<b>Type of SEP:</b>	<b>Contribution to a Third-Party Administrator SEP</b>
<b>Third-Party Administrator:</b>	<b>Barbers Hill Independent School District</b>
<b>Project Name:</b>	<b><i>Energy Efficiency Building Upgrade/Retrofit Project</i></b>
<b>Total Project Budget:</b>	<b>\$1,151,928</b>
<b>Location of SEP:</b>	<b>Chambers County</b>

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

**1. Project Description**

**A. Project**

The Respondent shall contribute the SEP Offset Amount to the Third-Party Administrator named above. The contribution will be to the **Barbers Hill Independent School District** for the *Energy Efficiency Building Upgrade/Retrofit Project* (the “Project”). The Project is to pay a contractor to install and monitor sub-meters. The contractor's work will include installing revenue grade electric sub-meters in the line feed of certain facilities; installing revenue grade current transformers; incorporating all engineering, software, and graphics to accomplish effective monitoring of the status of this equipment; and a one-year warranty including parts and labor for the new sub-meters. In addition to sub-metering, the contractor will monitor, calibrate, and repair existing meters and complete energy efficiency upgrades and/or retrofits based on needs identified in energy audits. The Project will be performed in accordance with all federal, state, and local environmental laws and regulations. The contribution will be used in accordance with the SEP Agreement between the Third-Party Administrator and the TCEQ.

All dollars contributed will be used solely for the direct cost of the Project, including but not limited to supplies, materials, and equipment. Any portion of this contribution that is not spent on the specifically identified SEP may, at the discretion of the Executive Director (“ED”), be applied to another pre-approved SEP.

The Respondent’s signature affixed to this Agreed Order certifies that the Respondent has no prior commitment to make this contribution and that it is being contributed solely to settle this enforcement action. Respondent shall not profit from this SEP.

#### B. Environmental Benefit

The Project will result in reduced energy consumption by school district buildings and will contribute to the overall reduction of greenhouse gases. The sub-metering is expected to reduce energy consumption up to eight percent. The Project will reduce fuel and electricity usage for heating and cooling and day-to-day operations. These reductions will reduce emission of particulate matter, volatile organic carbon compounds, nitrogen oxides, and other pollutants associated with the combustion of fuel and generation of electricity. It will also contribute to a reduction in peak loads on the State electric power grid.

#### C. Minimum Expenditure

The Respondent shall contribute at least the SEP Offset Amount to the Third-Party Administrator and comply with all other provisions of this SEP.

### 2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Offset Amount to the Third-Party Administrator. The Respondent shall make the check payable to **Barbers Hill ISD SEP** and mail the contribution with a copy of the Agreed Order to:

John Johnson, Consultant  
Carl R. Griffith & Associates, Inc.  
2901 Turtle Creek Drive, Suite 445  
Port Arthur, Texas 77642

### 3. Records and Reporting

Concurrent with the payment of the SEP Offset Amount, the Respondent shall provide the Enforcement SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Offset Amount to the Third-Party Administrator. The Respondent shall mail or email a copy of the check and transmittal letter to:

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

### 4. Failure to Fully Perform

If the Respondent does not perform its obligations under this Attachment A, including full expenditure of the SEP Offset Amount and submittal of the required reporting described in Sections 2 and 3 above, the ED may require immediate payment of all or part of the SEP Offset Amount.

In the event the ED determines that the Respondent failed to fully implement and complete the Project, the Respondent shall remit payment for all or a portion of the SEP Offset Amount, as determined by the ED, and as set forth in the attached Agreed Order. After receiving notice of failure to complete the SEP, the Respondent shall include the docket number of the attached Agreed Order and a note that the enclosed payment is for the reimbursement of a SEP; shall make the check payable to "Texas Commission on Environmental Quality;" and shall mail it to:

Targa Downstream LLC  
Docket No. 2021-1230-AIR-E  
Agreed Order - Attachment A

Texas Commission on Environmental Quality  
Litigation Division  
Attention: SEP Coordinator, MC 175  
P.O. Box 13087  
Austin, Texas 78711-3087

**5. Publicity**

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

**6. Recognition**

The Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

**7. Other SEPs by TCEQ or Other Agencies**

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