

**Executive Summary – Enforcement Matter – Case No. 62332**  
**DCP Operating Company, LP**  
**RN100222330**  
**Docket No. 2022-0562-AIR-E**

**Order Type:**

1660 Agreed Order

**Findings Order Justification:**

N/A

**Media:**

AIR

**Small Business:**

No

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

Goldsmith Gas Plant, located approximately 1.1 miles west of the Texas Highway 158 and Farm-to-Market Road 866 intersection, Goldsmith, Ector County

**Type of Operation:**

Natural gas processing plant

**Other Significant Matters:**

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

**Texas Register Publication Date:** September 2, 2022

**Comments Received:** No

***Penalty Information***

**Total Penalty Assessed:** \$31,200

**Amount Deferred for Expedited Settlement:** \$6,240

**Total Paid to General Revenue:** \$24,960

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

Payment Plan: N/A

**Compliance History Classifications:**

Person/CN - Satisfactory

Site/RN - High

**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:** December 14, 2021

**Date(s) of NOE(s):** May 6, 2022

**Executive Summary – Enforcement Matter – Case No. 62332  
DCP Operating Company, LP  
RN100222330  
Docket No. 2022-0562-AIR-E**

***Violation Information***

Failed to maintain all pollution emission capture equipment and abatement equipment in good working order and operated properly during facility operations. Specifically, TCEQ staff used an Optical Gas Imaging Camera on December 14, 2021 and observed unauthorized emissions from Tank 6 and Tank 7A, resulting in approximately 7,305.02 pounds of unauthorized volatile organic compounds [30 TEX. ADMIN. CODE §§ 101.221(a), 116.115(b)(2)(G), and 122.143(4), New Source Review Permit Nos. 676A and PSDTX1246, General Conditions No. 9, Federal Operating Permit No. O2585, General Terms and Conditions and Special Terms and Conditions No. 2.H, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

***Corrective Actions/Technical Requirements***

**Corrective Action(s) Completed:**

N/A

**Technical Requirements:**

The Order will require the Respondent to:

- a. Within 30 days, implement measures and/or procedures designed to prevent the unauthorized emissions from Tank 6 and Tank 7A by ensuring that the tanks are maintained in good condition and operated properly during operations; and
- b. Within 45 days, submit written certification to demonstrate compliance with a.

***Contact Information***

**TCEQ Attorney:** N/A

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

**Respondent:** Scot Millican, Director, DCP Operating Company, LP, 2107 Citywest Boulevard, Suite 600, Houston, Texas 77042

**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>	9-May-2022	<b>Screening</b>	10-May-2022	<b>EPA Due</b>	
	<b>PCW</b>	1-Jun-2022				

<b>RESPONDENT/FACILITY INFORMATION</b>	
<b>Respondent</b>	DCP Operating Company, LP
<b>Reg. Ent. Ref. No.</b>	RN100222330
<b>Facility/Site Region</b>	7-Midland
<b>Major/Minor Source</b>	Major

<b>CASE INFORMATION</b>			
<b>Enf./Case ID No.</b>	62332	<b>No. of Violations</b>	1
<b>Docket No.</b>	2022-0562-AIR-E	<b>Order Type</b>	1660
<b>Media Program(s)</b>	Air	<b>Government/Non-Profit</b>	No
<b>Multi-Media</b>		<b>Enf. Coordinator</b>	Kate Dacy
		<b>EC's Team</b>	Enforcement Team 4
<b>Admin. Penalty \$ Limit Minimum</b>	\$0	<b>Maximum</b>	\$25,000

## Penalty Calculation Section

<b>TOTAL BASE PENALTY (Sum of violation base penalties)</b>	<b>Subtotal 1</b>	<b>\$30,000</b>
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### ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

<b>Compliance History</b>	<b>4.0%</b> Adjustment	<b>Subtotals 2, 3, &amp; 7</b>	<b>\$1,200</b>
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Notes: Enhancement for two NOV's with the same or similar violations. Reduction for two notices of intent to conduct an audit and two disclosures of violations.

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

<b>Good Faith Effort to Comply Total Adjustments</b>	<b>Subtotal 5</b>	<b>\$0</b>
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<b>Economic Benefit</b>	<b>0.0%</b> Enhancement*	<b>Subtotal 6</b>	<b>\$0</b>
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Total EB Amounts: \$605  
 Estimated Cost of Compliance: \$10,000  
 \*Capped at the Total EB \$ Amount

<b>SUM OF SUBTOTALS 1-7</b>	<b>Final Subtotal</b>	<b>\$31,200</b>
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<b>OTHER FACTORS AS JUSTICE MAY REQUIRE</b>	<b>0.0%</b> Adjustment	<b>\$0</b>
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

<b>Final Penalty Amount</b>	<b>\$31,200</b>
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<b>STATUTORY LIMIT ADJUSTMENT</b>	<b>Final Assessed Penalty</b>	<b>\$31,200</b>
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<b>DEFERRAL</b>	<b>20.0%</b> Reduction	<b>Adjustment</b>	<b>-\$6,240</b>
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Reduces the Final Assessed Penalty by the indicated percentage.

Notes:

Deferral offered for expedited settlement.

<b>PAYABLE PENALTY</b>	<b>\$24,960</b>
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**Screening Date** 10-May-2022

**Docket No.** 2022-0562-AIR-E

**PCW**

**Respondent** DCP Operating Company, LP

*Policy Revision 5 (January 28, 2021)*

**Case ID No.** 62332

*PCW Revision February 11, 2021*

**Reg. Ent. Reference No.** RN100222330

**Media** Air

**Enf. Coordinator** Kate Dacy

### Compliance History Worksheet

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

Component	Number of...	Number	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action ( <i>number of NOVs meeting criteria</i> )	2	10%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability ( <i>number of orders meeting criteria</i> )	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government ( <i>number of 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> )	2	-2%
	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)** 4%

**>> 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 two NOVs with the same or similar violations. Reduction for two notices of intent to conduct an audit and two disclosures of violations.

**Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7)** 4%

**>> Final Compliance History Adjustment**

**Final Adjustment Percentage \*capped at 100%** 4%

**Screening Date** 10-May-2022 **Docket No.** 2022-0562-AIR-E **PCW**  
**Respondent** DCP Operating Company, LP *Policy Revision 5 (January 28, 2021)*  
**Case ID No.** 62332 *PCW Revision February 11, 2021*  
**Reg. Ent. Reference No.** RN100222330  
**Media** Air

**Enf. Coordinator** Kate Dacy

**Violation Number** 1

**Rule Cite(s)** 30 Tex. Admin. Code §§ 101.221(a), 116.115(b)(2)(G), and 122.143(4), New Source Review Permit Nos. 676A and PSDTX1246, General Conditions No. 9, Federal Operating Permit No. O2585, General Terms and Conditions and Special Terms and Conditions No. 2.H, and Tex. Health & Safety Code § 382.085(b)

**Violation Description** Failed to maintain all pollution emission capture equipment and abatement equipment in good working order and operated properly during facility operations. Specifically, TCEQ staff used an Optical Gas Imaging Camera on December 14, 2021 and observed unauthorized emissions from Tank 6 and Tank 7A, resulting in approximately 7,305.02 pounds of unauthorized volatile organic compounds.

**Base Penalty** \$25,000

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

OR	Release	Harm			Percent
		Major	Moderate	Minor	
Actual				X	30.0%
Potential					

**>> Programmatic Matrix**

Falsification	Major	Moderate	Minor	Percent
				0.0%

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

**Adjustment** \$17,500

\$7,500

**Violation Events**

Number of Violation Events 4 147 Number of violation days

daily	
weekly	
monthly	
quarterly	X
semiannual	
annual	
single event	

**Violation Base Penalty** \$30,000

Four quarterly events are recommended from the December 14, 2021 investigation date to the May 10, 2022 screening date (two quarterly events for each tank).

**Good Faith Efforts to Comply**

0.0%

Reduction \$0

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

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

**Violation Subtotal** \$30,000

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

**Statutory Limit Test**

**Estimated EB Amount** \$605

**Violation Final Penalty Total** \$31,200

**This violation Final Assessed Penalty (adjusted for limits)** \$31,200

## Economic Benefit Worksheet

**Respondent** DCP Operating Company, LP  
**Case ID No.** 62332  
**Reg. Ent. Reference No.** RN100222330  
**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	14-Dec-2021	1-Mar-2023	1.21	\$605	n/a	\$605
<b>Notes for DELAYED costs</b>	Estimated cost to implement measures and/or procedures designed to prevent the unauthorized emissions from Tank 6 and Tank 7A by ensuring that the tanks are maintained in good condition and operated properly during operations at the Plant. The Date Required is the investigation date 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
<b>Notes for AVOIDED costs</b>							

Approx. Cost of Compliance \$10,000

**TOTAL** \$605

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 CN601229917, RN100222330, Rating Year 2021 which includes Compliance History (CH) components from September 1, 2016, through August 31, 2021.

**Customer, Respondent, or Owner/Operator:** CN601229917, DCP Operating Company, LP **Classification:** SATISFACTORY **Rating:** 3.16  
**Regulated Entity:** RN100222330, GOLDSMITH GAS PLANT **Classification:** HIGH **Rating:** 0.00  
**Complexity Points:** 12 **Repeat Violator:** NO  
**CH Group:** 03 - Oil and Gas Extraction  
**Location:** APPROXIMATELY 1.1 MILES WEST OF THE TEXAS HIGHWAY 158 AND FARM-TO-MARKET ROAD 866 INTERSECTION NEAR GOLDSMITH, ECTOR COUNTY, TEXAS  
**TCEQ Region:** REGION 07 - MIDLAND

## ID Number(s):

<b>AIR OPERATING PERMITS</b> ACCOUNT NUMBER EB0053J	<b>AIR OPERATING PERMITS</b> PERMIT 2585
<b>AIR NEW SOURCE PERMITS</b> REGISTRATION 10321	<b>AIR NEW SOURCE PERMITS</b> REGISTRATION 10532
<b>AIR NEW SOURCE PERMITS</b> REGISTRATION 12612A	<b>AIR NEW SOURCE PERMITS</b> PERMIT 676A
<b>AIR NEW SOURCE PERMITS</b> ACCOUNT NUMBER EB0053J	<b>AIR NEW SOURCE PERMITS</b> REGISTRATION 73563
<b>AIR NEW SOURCE PERMITS</b> REGISTRATION 126888	<b>AIR NEW SOURCE PERMITS</b> AFS NUM 4813500022
<b>AIR NEW SOURCE PERMITS</b> REGISTRATION 76810	<b>AIR NEW SOURCE PERMITS</b> REGISTRATION 85276
<b>AIR NEW SOURCE PERMITS</b> EPA PERMIT PSDTX1246	<b>AIR NEW SOURCE PERMITS</b> REGISTRATION 124363
<b>AIR NEW SOURCE PERMITS</b> REGISTRATION 130239	<b>AIR NEW SOURCE PERMITS</b> REGISTRATION 162342
<b>AIR NEW SOURCE PERMITS</b> REGISTRATION 159039	<b>AIR NEW SOURCE PERMITS</b> REGISTRATION 159040
<b>AIR EMISSIONS INVENTORY</b> ACCOUNT NUMBER EB0053J	<b>POLLUTION PREVENTION PLANNING</b> ID NUMBER P09509

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

**Date Compliance History Report Prepared:** May 10, 2022

**Agency Decision Requiring Compliance History:** Enforcement

**Component Period Selected:** May 10, 2017 to May 10, 2022

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

**Name:** Kate Dacy

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

## Site and Owner/Operator History:

- |  |     |
|--|-----|
| 1) Has the site been in existence and/or operation for the full five year compliance period?       | YES |
| 2) Has there been a (known) change in ownership/operator of the site during the compliance period? | NO  |

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

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

N/A

### B. Criminal convictions:

N/A

### C. Chronic excessive emissions events:

N/A

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

Item 1	May 12, 2017	(1401710)
Item 2	June 15, 2017	(1402931)
Item 3	July 14, 2017	(1402902)

Item 4	July 22, 2017	(1402922)
Item 5	August 22, 2017	(1402892)
Item 6	August 23, 2017	(1402942)
Item 7	December 05, 2017	(1429144)
Item 8	February 20, 2018	(1466228)
Item 9	March 19, 2018	(1422015)
Item 10	April 27, 2018	(1429142)
Item 11	May 29, 2018	(1485418)
Item 12	July 18, 2018	(1504066)
Item 13	July 27, 2018	(1504979)
Item 14	August 01, 2018	(1505480)
Item 15	August 31, 2018	(1510766)
Item 16	October 04, 2018	(1510749)
Item 17	January 25, 2019	(1429146)
Item 18	February 12, 2019	(1481800)
Item 19	March 29, 2019	(1553850)
Item 20	May 23, 2019	(1473582)
Item 21	October 08, 2019	(1473576)
Item 22	December 10, 2019	(1610929)
Item 23	December 30, 2019	(1610767)
Item 24	January 30, 2020	(1610655)
Item 25	March 19, 2020	(1610659)
Item 26	April 01, 2020	(1640065)
Item 27	April 27, 2020	(1610765)
Item 28	June 01, 2020	(1650412)
Item 29	June 05, 2020	(1646077)
Item 30	June 07, 2020	(1646389)
Item 31	June 10, 2020	(1646230)
Item 32	June 11, 2020	(1652995)
Item 33	June 16, 2020	(1610924)
Item 34	June 17, 2020	(1656777)
Item 35	June 19, 2020	(1657361)
Item 36	July 09, 2020	(1658319)
Item 37	July 14, 2020	(1659165)
Item 38	July 20, 2020	(1656846)
Item 39	July 22, 2020	(1663471)
Item 40	August 13, 2020	(1663866)
Item 41	August 17, 2020	(1473194)
Item 42	August 31, 2020	(1670650)
Item 43	September 14, 2020	(1670246)
Item 44	September 24, 2020	(1669846)
Item 45	October 02, 2020	(1652193)
Item 46	October 12, 2020	(1677897)
Item 47	October 21, 2020	(1679492)
Item 48	October 22, 2020	(1677963)
Item 49	October 23, 2020	(1678524)
Item 50	October 30, 2020	(1513071)
Item 51	November 05, 2020	(1663917)
Item 52	November 09, 2020	(1677703)
Item 53	November 10, 2020	(1678759)
Item 54	November 13, 2020	(1551628)
Item 55	November 18, 2020	(1556179)
Item 56	November 20, 2020	(1679870)
Item 57	December 08, 2020	(1691085)
Item 58	December 18, 2020	(1671034)
Item 59	December 21, 2020	(1610926)
Item 60	December 22, 2020	(1692915)
Item 61	December 23, 2020	(1678594)
Item 62	January 11, 2021	(1666160)
Item 63	January 15, 2021	(1679831)



Item 64	February 19, 2021	(1701951)
Item 65	February 25, 2021	(1683848)
Item 66	March 08, 2021	(1679847)
Item 67	March 18, 2021	(1683926)
Item 68	March 22, 2021	(1700205)
Item 69	March 25, 2021	(1612567)
Item 70	April 02, 2021	(1702838)
Item 71	May 07, 2021	(1710529)
Item 72	May 13, 2021	(1683784)
Item 73	May 24, 2021	(1666073)
Item 74	May 25, 2021	(1683839)
Item 75	August 20, 2021	(1639023)
Item 76	November 23, 2021	(1771652)
Item 77	March 18, 2022	(1802388)

**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: 06/29/2021 (1657527)

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 116, SubChapter B 116.111(a)(2)(G)  
5C THSC Chapter 382 382.085(b)  
676A/PSDTX 1246 SC2 PERMIT

Description: Failure to maintain the SRU efficiency at or above 98% is an alleged violation of 30 Texas Administrative Code (30 TAC) 116.111(a)(2)(G), under Permit 676A/PSDTX 1246 SC2, and Texas Health and Safety Code (THSC) 382.085(b). This is a category C4 violation (Inadequate operation and maintenance) according to the Enforcement Initiation Criteria (EIC) Revision Number 17.

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT GG 60.334(j)(1)(i)(A)  
5C THSC Chapter 382 382.085(b)

Description: Failure to maintain the water-to-fuel ratio is an alleged violation of 30 TAC 101.20(1), 40 Code of Federal Regulation (40 CFR) 60.334(j)(1)(i)(A), and THSC 382.085(b). This is a category C4 violation (Inadequate operation and maintenance) according to the Enforcement Initiation Criteria (EIC) Revision Number 17.

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 116, SubChapter B 116.111(a)(2)(G)  
5C THSC Chapter 382 382.085(b)  
676A/PSDTX 1246 SC5 PERMIT

Description: Failure to ensure that all vapors from the sulfur pit are properly routed to the inlet of the TGI is an alleged violation of 30 TAC 116.111(a)(2)(G), under Permit 676A/PSDTX 1246 SC5, and Texas Health and Safety Code (THSC) 382.085(b). This is a category C4 violation (Inadequate operation and maintenance) according to the Enforcement Initiation Criteria (EIC) Revision Number 17.
  
- 2
 

Date: 10/22/2021 (1760664)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.111(a)(2)(G)  
5C THSC Chapter 382 382.085(b)

Description: The facility failed to achieve the performance specified in the permit application, causing the emission of air contaminants. Specifically, on June 4, 2021, unauthorized emissions were observed from Tank 7A caused by an ill-fitting thief hatch. This is an alleged violation of 30 Texas Administrative Code (TAC) §116.111 (a)(2)(G) and Texas Health and Safety Code (THSC) 382.085 (b).

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 106, SubChapter A 106.6(b)  
5C THSC Chapter 382 382.085(b)

Description: Failure to operate as specified in the permit and exercise best management practices, causing the emission of air contaminants. Specifically, a hole was found in Tank 6 and a leaking pressure relief valve was present on Tank 2A causing the release of unauthorized emissions. This is an alleged violation of 30 Texas Administrative Code 30 TAC § 106.6 (b), 30 TAC §106.352 (e) (1) and Texas Health and Safety Code (THSC) 382.085 (b).

**F. Environmental audits:**

Notice of Intent Date: 01/28/2020 (1631909)

Disclosure Date: 07/09/2020

Viol. Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.110(a)  
30 TAC Chapter 116, SubChapter B 116.116(b)  
30 TAC Chapter 122, SubChapter C 122.222(c)  
5C THSC Chapter 382 382.085

Description: Failure to represent PM and PM10 emissions for the three cooling towers in the 2016 application and not reflect them in the issued permits.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)  
30 TAC Chapter 116, SubChapter B 116.116(a)  
30 TAC Chapter 116, SubChapter B 116.116(b)(1)  
5C THSC Chapter 382 382.085

Description: Failure to comply with enforceable representations and emissions limits for LACTLOAD for the period beginning on September 2, 2011.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 106, SubChapter O 106.352(l)(5)  
30 TAC Chapter 106, SubChapter A 106.8(c)  
5C THSC Chapter 382 382.085

Description: Failure to submit and maintain records of a PBR registration for process fugitive emissions before beginning operations of a recycle project.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)  
30 TAC Chapter 101, SubChapter F 101.201(a)(2)(H)  
30 TAC Chapter 101, SubChapter F 101.201(a)(2)(I)  
30 TAC Chapter 101, SubChapter F 101.201(b)(1)(J)  
30 TAC Chapter 101, SubChapter F 101.201(b)(1)(K)  
30 TAC Chapter 122, SubChapter B 122.145(2)  
5C THSC Chapter 382 382.085

Description: Failure to make an initial notification of an emissions event for an event that exceeded the reportable quantity.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
30 TAC Chapter 122, SubChapter B 122.145  
30 TAC Chapter 122, SubChapter B 122.146  
5C THSC Chapter 382 382.085

Rqmt Prov: OP GCs

Description: Failure to report the disclosed violations as deviations in the Title V deviation reports and annual certifications.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.145(2)  
5C THSC Chapter 382 382.085  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT GG 60.334(j)(1)(i)(A)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT GG 60.334(j)(1)(i)(B)

Description: Failure to report deviations of excess emissions and downtime for the CMS for Turbine A and Turbine B in the semi-annual Title V deviation reports for the second half of 2018 and the first half of 2019.

Notice of Intent Date: 06/30/2021 (1746944)

Disclosure Date: 11/11/2021

Viol. Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.116(b)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
30 TAC Chapter 122, SubChapter B 122.145(1)

Rqmt Prov: OP SC 11 GCs

PERMIT SC 15 and 16 GC 7

Description: Failure to operate a properly functioning TGI CEMS and failure to keep accurate associated records.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter F 101.201  
30 TAC Chapter 122, SubChapter B 122.143(4)  
30 TAC Chapter 122, SubChapter B 122.145(1)

Rqmt Prov: PERMIT SC 2 & GC 7, 8, & 9  
OP SC 2 GCs

Description: Failure to determine if emissions events on May 29th and 30th, 2021 are reportable, submit reports, and unauthorized SO2 emissions.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.116(b)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
30 TAC Chapter 122, SubChapter B 122.145(1)

Rqmt Prov: PERMIT SC 2 & 16; GC 7 and 9  
OP SC 5 & 11 and GC

Description: Failure to keep accurate records demonstrating 98% or better sulfur recovery.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.116(b)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
30 TAC Chapter 122, SubChapter B 122.145(1)

Rqmt Prov: OP SC 11 & GCs  
PERMIT SC 15.B(2); GC 7

Description: Failure to ensure the TGI CEMS passes the zero check on July 8, 2021 and July 9, 2021.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
30 TAC Chapter 122, SubChapter B 122.145  
30 TAC Chapter 122, SubChapter B 122.146

Rqmt Prov: OP GCs

Description: Failure to report the disclosed violations as deviations.

**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  
DCP OPERATING COMPANY, LP  
RN100222330

§  
§  
§  
§  
§

BEFORE THE  
TEXAS COMMISSION ON  
ENVIRONMENTAL QUALITY

## AGREED ORDER DOCKET NO. 2022-0562-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 DCP Operating Company, LP (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 natural gas processing plant located approximately 1.1 miles west of the Texas Highway 158 and Farm-to-Market Road 866 intersection near Goldsmith, Ector County, Texas (the "Plant"). The Plant consists or consisted of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
2. The Executive Director and the Respondent agree that the TCEQ has jurisdiction to enter this Order pursuant to TEX. WATER CODE §§ 7.002, 7.051, and 7.073, and that the Respondent is subject to TCEQ's jurisdiction. The TCEQ has jurisdiction in this matter pursuant to TEX. WATER CODE § 5.013 because it alleges violations of TEX. HEALTH & SAFETY CODE ch. 382 and the rules of the TCEQ.
3. The occurrence of any violation is in dispute and the entry of this Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
4. An administrative penalty in the amount of \$31,200 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent paid \$24,960 of the penalty and \$6,240 is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Order. The deferred amount shall be waived only upon full compliance with all the terms and conditions contained in this Order. If the Respondent fails to timely and satisfactorily comply with any of the terms or requirements contained in this Order, the Executive Director may demand payment of all or part of the deferred penalty amount.
5. The Executive Director and the Respondent agree on a settlement of the matters alleged in this enforcement action, subject to final approval in accordance with 30 TEX. ADMIN. CODE § 70.10(a). Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.

6. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Order.
7. This Order represents the complete and fully-integrated agreement of the parties. The provisions of this Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Order unenforceable, the remaining provisions shall be valid and enforceable.
8. This Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Order, whichever is later.

## II. ALLEGATIONS

During an investigation conducted on December 14, 2021, an investigator documented that the Respondent failed to maintain all pollution emission capture equipment and abatement equipment in good working order and operated properly during facility operations, in violation of 30 TEX. ADMIN. CODE §§ 101.221(a), 116.115(b)(2)(G), and 122.143(4), New Source Review Permit Nos. 676A and PSDTX1246, General Conditions No. 9, Federal Operating Permit No. O2585, General Terms and Conditions and Special Terms and Conditions No. 2.H, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, TCEQ staff used an Optical Gas Imaging Camera on December 14, 2021 and observed unauthorized emissions from Tank 6 and Tank 7A, resulting in approximately 7,305.02 pounds of unauthorized volatile organic compounds.

## 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: DCP Operating Company, LP, Docket No. 2022-0562-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 undertake the following technical requirements:
  - a. Within 30 days after the effective date of this Order, implement measures and/or procedures designed to prevent the unauthorized emissions from Tank 6 and

Tank 7A by ensuring that the tanks are maintained in good condition and operated properly during operations at the Plant.

- 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. 2.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:

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

with a copy to:

Air Section Manager  
Midland Regional Office  
Texas Commission on Environmental Quality  
9900 West IH-20, Suite 100  
Midland, Texas 79706

3. All relief not expressly granted in this Order is denied.
4. 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.
5. 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.
6. 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 Order Compliance Team at the address listed above.

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.

DCP Operating Company, LP  
DOCKET NO. 2022-0562-AIR-E  
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SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

-----  
For the Commission

-----  
Date

  
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For the Executive Director

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1/5/2023

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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.

DocuSigned by:  
  
-----  
Signature

7/26/2022

-----  
Date

-----  
Scot Millican  
Name (Printed or typed)  
Authorized Representative of  
DCP Operating Company, LP

-----  
Director

-----  
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.