

Executive Summary – Enforcement Matter – Case No. 64327
Valley Crossing Pipeline, LLC
RN109451393
Docket No. 2024-0247-AIR-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

AIR

Small Business:

No

Location(s) Where Violation(s) Occurred:

Agua Dulce Compressor Station, located approximately 0.7 miles east of the Farm-to-Market Road 666 and Farm-to-Market Road 2826 intersection, Banquete, Nueces County

Type of Operation:

Compressor station

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: May 10, 2024

Comments Received: No

Penalty Information

Total Penalty Assessed: \$69,300

Amount Deferred for Expedited Settlement: \$13,860

Total Paid to General Revenue: \$27,720

Total Due to General Revenue: \$0

Payment Plan: N/A

Supplemental Environmental Project (“SEP”) Conditional Offset: \$27,720

Name of SEP: Texas Congress of Parents and Teachers dba Texas PTA (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: March 21, 2023 through April 3, 2023

Date(s) of NOE(s): June 15, 2023

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Docket No. 2024-0247-AIR-E

Violation Information

1. Failed to comply with all representations with regard to construction plans, operating procedures, and maximum emissions rates ("MERs") in any standard permit registration. Specifically, the Respondent exceeded the nitrogen oxides ("NOx") MER of 0.32 ton per year ("tpy") based on a 12-month rolling period for the 12-month periods ending from October 2021 through October 2022, exceeded the carbon monoxide ("CO") MER of 0.48 tpy based on a 12-month rolling period for the 12-month periods ending from October 2021 through October 2022, exceeded the volatile organic compounds ("VOC") MER of 0.12 tpy based on a 12-month rolling period for the 12-month periods ending from October 2021 through October 2022, and exceeded the particulate matter ("PM") MER of 0.02 tpy based on a 12-month rolling period for the 12-month periods ending from October 2021 through October 2022 for the 4.0 million British thermal units per hour ("MMBtu/hr") Fuel Gas Heater 03, Emissions Point Number ("EPN") AGDV FHTR 01, resulting in 0.94 ton of unauthorized NOx emissions, 0.97 ton of unauthorized CO emissions, 0.22 ton of unauthorized VOC emissions, and 0.06 ton of unauthorized PM emissions [30 TEX. ADMIN. CODE §§ 116.615(2) and 122.143(4), Standard Permit Registration No. 144177, Federal Operating Permit ("FOP") No. O4069/General Operating Permit ("GOP") No. 512, Site-wide Requirements No. (b)(9)(E), and TEX. HEALTH & SAFETY CODE § 382.085(b)].

2. Failed to comply with all representations with regard to construction plans, operating procedures, and maximum emission rates in any standard permit registration. Specifically, the Respondent exceeded the NOx MER of 0.32 tpy based on a 12-month rolling period for the 12-month periods ending from October 2021 through November 2021 and from August 2022 through October 2022, exceeded the CO MER of 0.48 tpy based on a 12-month rolling period for the 12-month period ending on October 2021, exceeded the VOC MER of 0.12 tpy based on a rolling 12-month rolling period for the 12-month period ending on October 2021, and exceeded the PM MER of 0.02 tpy based on a 12-month rolling period for the 12-month periods ending from October 2021 through November 2021 and from August 2022 through October 2022 for the 4.0 MMBtu/hr Fuel Gas Heater 04, EPN AGDV FHTR 01, resulting in 0.16 ton of unauthorized NOx emissions, 0.08 ton of unauthorized CO emissions, 0.02 ton of unauthorized VOC emissions, and 0.01 ton of unauthorized PM emissions [30 TEX. ADMIN. CODE §§ 116.615(2) and 122.143(4), Standard Permit Registration No. 144177, FOP No. O4069/GOP No. 512, Site-wide Requirements No. (b)(9)(E), and TEX. HEALTH & SAFETY CODE § 382.085(b)].

3. Failed to comply with all representations with regard to construction plans, operating procedures, and MERs in any standard permit registration. Specifically, the Respondent exceeded the NOx MER of 0.32 tpy based on a 12-month rolling period for the 12-month periods ending from October 2021 through October 2022, exceeded the CO MER of 0.48 tpy based on a 12-month rolling period for the 12-month periods ending from November 2021 through July 2022, exceeded the VOC MER of 0.12 tpy based on a 12-month rolling period for the 12-month periods ending from November 2021 through July 2022, and exceeded the PM MER of 0.02 tpy based on a 12-month

Executive Summary – Enforcement Matter – Case No. 64327
Valley Crossing Pipeline, LLC
RN109451393
Docket No. 2024-0247-AIR-E

rolling period for the 12-month periods ending from October 2021 through October 2022 for the 4.0 MMBtu/hr Fuel Gas Heater 05, EPN AGDV FHTR 01, resulting in 0.10 ton of unauthorized NOx emissions, 0.02 ton of unauthorized CO emissions, 0.01 ton of unauthorized VOC emissions, and 0.01 ton of unauthorized PM emissions [30 TEX. ADMIN. CODE §§ 116.615(2) and 122.143(4), Standard Permit Registration No. 144177, FOP No. 04069/GOP No. 512, Site-wide Requirements No. (b)(9)(E), and TEX. HEALTH & SAFETY CODE § 382.085(b)].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

On May 1, 2023, the Respondent obtained a revision for Standard Permit Registration No. 144177 that increased the NOx, CO, VOC, and PM MERs for Fuel Gas Heater 03, EPN AGDV FHTR 03, Fuel Gas Heater 04, EPN AGDV FHTR 04, and Fuel Gas Heater 05, EPN AGDV FHTR 05.

Technical Requirements:

The Order will require the Respondent to implement and complete a SEP (see SEP Attachment A).

Contact Information

TCEQ Attorney: N/A

TCEQ Enforcement Coordinator: Mackenzie Mehlmann, Enforcement Division, Enforcement Team 2, MC 219, (512) 239-2572; 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: Texas PTA, 408 West 11th Street, Austin, Texas 78701

Respondent: Teresa Wilson, Vice President of US Operations, Valley Crossing Pipeline, LLC, 915 North Eldridge Parkway, Suite 1100, Houston, Texas 77079

Respondent's Attorney: N/A



Penalty Calculation Worksheet (PCW)

Policy Revision 5 (January 28, 2021)

PCW Revision February 11, 2021

DATES	Assigned	28-Jun-2023			
	PCW	20-Mar-2024	Screening	13-Jul-2023	EPA Due

RESPONDENT/FACILITY INFORMATION					
Respondent	Valley Crossing Pipeline, LLC				
Reg. Ent. Ref. No.	RN109451393				
Facility/Site Region	14-Corpus Christi	Major/Minor Source	Major		

CASE INFORMATION					
Enf./Case ID No.	64327	No. of Violations	3		
Docket No.	2024-0247-AIR-E	Order Type	1660		
Media Program(s)	Air	Government/Non-Profit	No		
Multi-Media		Enf. Coordinator	Mackenzie Mehlmann		
		EC's Team	Enforcement Team 2		
Admin. Penalty \$	Limit Minimum	\$0	Maximum	\$25,000	

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$90,000
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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	2.0%	Adjustment	Subtotals 2, 3, & 7	\$1,800
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Notes	Enhancement for one NOV with dissimilar violations.			
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Culpability	No	0.0%	Enhancement	Subtotal 4	\$0
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Notes	The Respondent does not meet the culpability criteria.			
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Good Faith Effort to Comply Total Adjustments	Subtotal 5	-\$22,500
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Economic Benefit	0.0%	Enhancement*	Subtotal 6	\$0
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Total EB Amounts	\$71	*Capped at the Total EB \$ Amount
Estimated Cost of Compliance	\$900	

SUM OF SUBTOTALS 1-7	Final Subtotal	\$69,300
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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	\$69,300

STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$69,300
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DEFERRAL	20.0%	Reduction	Adjustment	-\$13,860
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Reduces the Final Assessed Penalty by the indicated percentage.

Notes	Deferral offered for expedited settlement.
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PAYABLE PENALTY	\$55,440
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Screening Date

13-Jul-2023

Docket No.

2024-0247-AIR-E

PCW

Respondent

Valley Crossing Pipeline, LLC

Case ID No.

64327

Reg. Ent. Reference No.

RN109451393

Media

Air

Enf. Coordinator

Mackenzie Mehlmann

Policy Revision 5 (January 28, 2021)

PCW Revision February 11, 2021

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	1	2%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgments or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were submitted</i>)	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	0	0%
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)2%

>> Repeat Violator (Subtotal 3)

NoAdjustment Percentage (Subtotal 3)0%

>> Compliance History Person Classification (Subtotal 7)

Satisfactory PerformerAdjustment Percentage (Subtotal 7)0%

>> Compliance History Summary

Compliance History Notes

Enhancement for one NOV with dissimilar violations.

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

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100%2%

Screening Date	13-Jul-2023	Docket No.	2024-0247-AIR-E	PCW
Respondent	Valley Crossing Pipeline, LLC			Policy Revision 5 (January 28, 2021)
Case ID No.	64327			PCW Revision February 11, 2021
Reg. Ent. Reference No.	RN109451393			
Media	Air			
Enf. Coordinator	Mackenzie Mehlmann			
Violation Number	1			
Rule Cite(s)	30 Tex. Admin. Code §§ 116.615(2) and 122.143(4), Standard Permit Registration No. 144177, Federal Operating Permit ("FOP") No. 04069/General Operating Permit ("GOP") No. 512, Site-wide Requirements No. (b)(9)(E), and Tex. Health & Safety Code § 382.085(b)			
Violation Description	Failed to comply with all representations with regard to construction plans, operating procedures, and maximum emission rates ("MERs") in any standard permit registration. Specifically, the Respondent exceeded the nitrogen oxides ("NOx") MER of 0.32 ton per year ("tpy") based on a 12-month rolling period for the 12-month periods ending from October 2021 through October 2022, exceeded the carbon monoxide ("CO") MER of 0.48 tpy based on a 12-month rolling period for the 12-month periods ending from October 2021 through October 2022, exceeded the volatile organic compounds ("VOC") MER of 0.12 tpy based on a 12-month rolling period for the 12-month periods ending from October 2021 through October 2022, and exceeded the particulate matter ("PM") MER of 0.02 tpy based on a 12-month rolling period for the 12-month periods ending from October 2021 through October 2022 for the 4.0 million British thermal units per hour ("MMBtu/hr") Fuel Gas Heater 03, Emissions Point Number ("EPN") AGDV FHTR 01, resulting in 0.94 ton of unauthorized NOx emissions, 0.97 ton of unauthorized CO emissions, 0.22 ton of unauthorized VOC emissions, and 0.06 ton of unauthorized PM emissions.			
Base Penalty				\$25,000
>> Environmental, Property and Human Health Matrix				
OR	Release	Harm		
		Major	Moderate	Minor
	Actual			x
	Potential			
Percent				30.0%
>> Programmatic Matrix				
	Falsification	Major	Moderate	Minor
Percent				0.0%
Matrix Notes	Human health or the environment has been exposed to insignificant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of this violation.			
Adjustment				\$17,500
				\$7,500
>> Violation Events				
Number of Violation Events		5	395	Number of violation days
	daily			
	weekly			
	monthly			
	quarterly	x		
	semiannual			
	annual			
	single event			
Violation Base Penalty \$37,500				
Five quarterly events are recommended for the period of non-compliance from October 1, 2021 through October 31, 2022.				
Good Faith Efforts to Comply		25.0%	Reduction \$9,375	
	Extraordinary		Before NOE/NOV NOE/NOV to EDPRP/Settlement Offer	
	Ordinary	x		
	N/A			
	Notes	The Respondent completed the corrective measures on May 1, 2023, prior to the Notice of Enforcement ("NOE") dated June 15, 2023.		
Violation Subtotal				\$28,125
>> Economic Benefit (EB) for this violation				
>> Statutory Limit Test				
Estimated EB Amount		\$71	Violation Final Penalty Total	
			\$28,875	
This violation Final Assessed Penalty (adjusted for limits)				\$28,875

Economic Benefit Worksheet

Respondent Case ID No. Valley Crossing Pipeline, LLC
64327
Reg. Ent. Reference No. RN109451393
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	\$900	1-Oct-2021	1-May-2023	1.58	\$71	n/a	\$71
Other (as needed)				0.00	\$0	n/a	\$0
Notes for DELAYED costs	Estimated cost to obtain a revision for Standard Permit Registration No. 144177 that increased the NOx, CO, VOC, and PM annual MERs for Fuel Gas Heater 03, EPN AGDV FHTR 03, Fuel Gas Heater 04, EPN AGDV FHTR 04, and Fuel Gas Heater 05, EPN AGDV FHTR 05. The Date Required is the first date of non-compliance and the Final Date is the date of compliance.						

Avoided Costs

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

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance				0.00	\$0	\$0	\$0
ONE-TIME avoided costs				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Notes for AVOIDED costs							

Approx. Cost of Compliance \$900

TOTAL \$71

Screening Date	13-Jul-2023	Docket No.	2024-0247-AIR-E	PCW	
Respondent	Valley Crossing Pipeline, LLC			Policy Revision 5 (January 28, 2021)	
Case ID No.	64327			PCW Revision February 11, 2021	
Reg. Ent. Reference No.	RN109451393				
Media	Air				
Enf. Coordinator	Mackenzie Mehlmann				
Violation Number	2				
Rule Cite(s)	30 Tex. Admin. Code §§ 116.615(2) and 122.143(4), Standard Permit Registration No. 144177, FOP No. 04069/GOP No. 512, Site-wide Requirements No. (b)(9)(E), and Tex. Health & Safety Code § 382.085(b)				
Violation Description	Failed to comply with all representations with regard to construction plans, operating procedures, and MERs in any standard permit registration. Specifically, the Respondent exceeded the NOx MER of 0.32 tpy based on a 12-month rolling period for the 12-month periods ending from October 2021 through November 2021 and from August 2022 through October 2022, exceeded the CO MER of 0.48 tpy based on a 12-month rolling period for the 12-month period ending on October 2021, exceeded the VOC MER of 0.12 tpy based on a rolling 12-month rolling period for the 12-month period ending on October 2021, and exceeded the PM MER of 0.02 tpy based on a 12-month rolling period for the 12-month periods ending from October 2021 through November 2021 and from August 2022 through October 2022 for the 4.0 MMBtu/hr Fuel Gas Heater 04, EPN AGDV FHTR 01, resulting in 0.16 ton of unauthorized NOx emissions, 0.08 ton of unauthorized CO emissions, 0.02 ton of unauthorized VOC emissions, and 0.01 ton of unauthorized PM emissions.				
Base Penalty				\$25,000	
>> Environmental, Property and Human Health Matrix					
OR	Release	Harm			
		Major	Moderate	Minor	
	Actual			x	
Potential					
Percent				30.0%	
>> Programmatic Matrix					
	Falsification	Major	Moderate	Minor	
Percent				0.0%	
Matrix Notes	Human health or the environment has been exposed to insignificant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of this violation.				
Adjustment				\$17,500	
				\$7,500	
Violation Events					
Number of Violation Events		2	151	Number of violation days	
	daily				
	weekly				
	monthly				
	quarterly	x			
	semiannual				
	annual				
	single event				
Violation Base Penalty					\$15,000
Two quarterly events are recommended for the periods of non-compliance from October 1, 2021 through November 30, 2021 and from August 1, 2022 through October 31, 2022.					
Good Faith Efforts to Comply		25.0%	Reduction	\$3,750	
	Before NOE/NOV	NOE/NOV to EDPRP/Settlement Offer			
Extraordinary					
Ordinary	x				
N/A					
Notes	The Respondent completed the corrective measures on May 1, 2023, prior to the NOE dated June 15, 2023.				
Violation Subtotal				\$11,250	
Economic Benefit (EB) for this violation					
Statutory Limit Test					
Estimated EB Amount		\$0	Violation Final Penalty Total	\$11,550	
This violation Final Assessed Penalty (adjusted for limits)				\$11,550	

Economic Benefit Worksheet

Respondent Valley Crossing Pipeline, LLC
Case ID No. 64327
Reg. Ent. Reference No. RN109451393
Media Air
Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Costs Saved	EB Amount
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Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0
Notes for DELAYED costs	See the Economic Benefit in Violation No. 1.						

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	\$0	TOTAL	\$0
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Screening Date 13-Jul-2023		Docket No. 2024-0247-AIR-E		PCW	
Respondent Valley Crossing Pipeline, LLC		<i>Policy Revision 5 (January 28, 2021)</i>			
Case ID No. 64327		<i>PCW Revision February 11, 2021</i>			
Reg. Ent. Reference No. RN109451393					
Media Air					
Enf. Coordinator Mackenzie Mehlmann					
Violation Number 3					
Rule Cite(s)		30 Tex. Admin. Code §§ 116.615(2) and 122.143(4), Standard Permit Registration No. 144177, FOP No. 04069/GOP No. 512, Site-wide Requirements No. (b)(9)(E), and Tex. Health & Safety Code § 382.085(b)			
Violation Description		Failed to comply with all representations with regard to construction plans, operating procedures, and MERs in any standard permit registration. Specifically, the Respondent exceeded the NOx MER of 0.32 tpy based on a 12-month rolling period for the 12-month periods ending from October 2021 through October 2022, exceeded the CO MER of 0.48 tpy based on a 12-month rolling period for the 12-month periods ending from November 2021 through July 2022, exceeded the VOC MER of 0.12 tpy based on a 12-month rolling period for the 12-month periods ending from November 2021 through July 2022, and exceeded the PM MER of 0.02 tpy based on a 12-month rolling period for the 12-month periods ending from October 2021 through October 2022 for the 4.0 MMBtu/hr Fuel Gas Heater 05, EPN AGDV FHTR 01, resulting in 0.10 ton of unauthorized NOx emissions, 0.02 ton of unauthorized CO emissions, 0.01 ton of unauthorized VOC emissions, and 0.01 ton of unauthorized PM emissions.			
		Base Penalty		\$25,000	
>> Environmental, Property and Human Health Matrix					
OR	Release		Harm		
	Major	Moderate	Minor		
	Actual			x	
	Potential				
		Percent		30.0%	
>> Programmatic Matrix					
		Falsification	Major	Moderate	Minor
		Percent		0.0%	
Matrix Notes		Human health or the environment has been exposed to insignificant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of this violation.			
		Adjustment		\$17,500	
				\$7,500	
>> Violation Events					
Number of Violation Events		5	395	Number of violation days	
		daily			
		weekly			
		monthly			
		quarterly	x		
		semiannual			
		annual			
		single event			
		Violation Base Penalty \$37,500			
		Five quarterly events are recommended for the period of non-compliance from October 1, 2021 through October 31, 2022.			
Good Faith Efforts to Comply		25.0%		Reduction \$9,375	
		Before NOE/NOV		NOE/NOV to EDPRP/Settlement Offer	
Extraordinary					
Ordinary		x			
N/A					
Notes		The Respondent completed the corrective measures on May 1, 2023, prior to the NOE dated June 15, 2023.			
		Violation Subtotal		\$28,125	
>> Economic Benefit (EB) for this violation					
>> Statutory Limit Test					
Estimated EB Amount		\$0		Violation Final Penalty Total \$28,875	
		This violation Final Assessed Penalty (adjusted for limits)		\$28,875	

Economic Benefit Worksheet

Respondent Valley Crossing Pipeline, LLC
Case ID No. 64327
Reg. Ent. Reference No. RN109451393
Media Air
Violation No. 3

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Costs Saved	EB Amount
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Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

See the Economic Benefit in Violation No. 1.

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 \$0

TOTAL \$0

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 CN605247097, RN109451393, Rating Year 2023 which includes Compliance History (CH) components from September 1, 2018, through August 31, 2023.

Customer, Respondent, or Owner/Operator: CN605247097, Valley Crossing Pipeline, LLC
Classification: SATISFACTORY
Rating: 0.60

Regulated Entity: RN109451393, Agua Dulce Compressor Station
Classification: SATISFACTORY
Rating: 1.33

Complexity Points: 5
Repeat Violator: NO

CH Group: 13 - Pipeline Transportation of Natural Gas, Refined Petroleum, and All Other Products

Location: Approximately 0.7 mile east of the Farm-to-Market Road 666 and Farm-to-Market Road 2826 intersection in Nueces County, Texas

TCEQ Region: REGION 14 - CORPUS CHRISTI

ID Number(s):
AIR OPERATING PERMITS PERMIT 4069
AIR NEW SOURCE PERMITS REGISTRATION 144177
AIR EMISSIONS INVENTORY ACCOUNT NUMBER NEA038L
AIR NEW SOURCE PERMITS REGISTRATION 144175
AIR NEW SOURCE PERMITS AFS NUM 4835501695
TAX RELIEF ID NUMBER 20759

Compliance History Period: September 01, 2018 to August 31, 2023
Rating Year: 2023
Rating Date: 09/01/2023

Date Compliance History Report Prepared: February 08, 2024

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: February 08, 2019 to February 08, 2024

TCEQ Staff Member to Contact for Additional Information Regarding This Compliance History.
Name: Mackenzie Mehlmann
Phone: (512) 239-2572

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	July 21, 2021	(1738270)
Item 2	December 07, 2021	(1764803)

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:	06/15/2023	(1887915)	
	Self Report?	YES		Classification: Moderate
	Citation:	30 TAC Chapter 116, SubChapter F 116.615(10)		

30 TAC Chapter 116, SubChapter F 116.620(c)(1)(A)
 5C THSC Chapter 382 382.085(b)
 Standard Permit Registration PERMIT
 TC (b)(9)(E) OP
 Description: Failure to comply with alternative monitoring plan.
 Self Report? YES Classification: Moderate
 Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT 0000a 60.5397a(h)(1)
 5C THSC Chapter 382 382.085(b)
 Description: Failure to comply with 40 CFR Part 60, subpart 0000a.

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
VALLEY CROSSING PIPELINE, LLC
RN109451393

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

AGREED ORDER DOCKET NO. 2024-0247-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 Valley Crossing Pipeline, 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 compressor station located approximately 0.7 mile east of the Farm-to-Market Road 666 and Farm-to-Market Road 2826 intersection in Nueces 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 \$69,300 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent paid \$27,720 of the penalty and \$13,860 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, \$27,720 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.
9. The Executive Director recognizes that on May 1, 2023, the Respondent obtained a revision for Standard Permit Registration No. 144177 that increased the nitrogen oxides ("NOx"), carbon monoxide ("CO"), volatile organic compounds ("VOC"), and particulate matter ("PM") maximum emissions rates ("MERs") for Fuel Gas Heater 03, Emissions Point Number ("EPN") AGDV FHTR 03, Fuel Gas Heater 04, EPN AGDV FHTR 04, and Fuel Gas Heater 05, EPN AGDV FHTR 05.

II. ALLEGATIONS

During a record review for the Site conducted from March 21, 2023 through April 3, 2023, an investigator documented that the Respondent:

1. Failed to comply with all representations with regard to construction plans, operating procedures, and MERs in any standard permit registration, in violation of 30 TEX. ADMIN. CODE §§ 116.615(2) and 122.143(4), Standard Permit Registration No. 144177, Federal Operating Permit ("FOP") No. O4069/General Operating Permit ("GOP") No. 512, Site-wide Requirements No. (b)(9)(E), and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent exceeded the NOx MER of 0.32 ton per year ("tpy") based on a 12-month rolling period for the 12-month periods ending from October 2021 through October 2022, exceeded the CO MER of 0.48 tpy based on a 12-month rolling period for the 12-month periods ending from October 2021 through October 2022, exceeded the VOC MER of 0.12 tpy based on a 12-month rolling period for the 12-month periods ending from October 2021 through October 2022, and exceeded the PM MER of 0.02 tpy based on a 12-month rolling period for the 12-month periods ending from October 2021 through October 2022 for the 4.0 million British thermal units per hour ("MMBtu/hr") Fuel Gas Heater 03, EPN AGDV FHTR 01, resulting in 0.94 ton of unauthorized NOx emissions, 0.97 ton of unauthorized CO emissions, 0.22 ton of unauthorized VOC emissions, and 0.06 ton of unauthorized PM emissions.

2. Failed to comply with all representations with regard to construction plans, operating procedures, and maximum emission rates in any standard permit registration, in violation of 30 TEX. ADMIN. CODE §§ 116.615(2) and 122.143(4), Standard Permit Registration No. 144177, FOP No. O4069/GOP No. 512, Site-wide Requirements No. (b)(9)(E), and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent exceeded the NO_x MER of 0.32 tpy based on a 12-month rolling period for the 12-month periods ending from October 2021 through November 2021 and from August 2022 through October 2022, exceeded the CO MER of 0.48 tpy based on a 12-month rolling period for the 12-month period ending on October 2021, exceeded the VOC MER of 0.12 tpy based on a rolling 12-month rolling period for the 12-month period ending on October 2021, and exceeded the PM MER of 0.02 tpy based on a 12-month rolling period for the 12-month periods ending from October 2021 through November 2021 and from August 2022 through October 2022 for the 4.0 MMBtu/hr Fuel Gas Heater 04, EPN AGDV FHTR 01, resulting in 0.16 ton of unauthorized NO_x emissions, 0.08 ton of unauthorized CO emissions, 0.02 ton of unauthorized VOC emissions, and 0.01 ton of unauthorized PM emissions.
3. Failed to comply with all representations with regard to construction plans, operating procedures, and MERs in any standard permit registration, in violation of 30 TEX. ADMIN. CODE §§ 116.615(2) and 122.143(4), Standard Permit Registration No. 144177, FOP No. O4069/GOP No. 512, Site-wide Requirements No. (b)(9)(E), and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent exceeded the NO_x MER of 0.32 tpy based on a 12-month rolling period for the 12-month periods ending from October 2021 through October 2022, exceeded the CO MER of 0.48 tpy based on a 12-month rolling period for the 12-month periods ending from November 2021 through July 2022, exceeded the VOC MER of 0.12 tpy based on a 12-month rolling period for the 12-month periods ending from November 2021 through July 2022, and exceeded the PM MER of 0.02 tpy based on a 12-month rolling period for the 12-month periods ending from October 2021 through October 2022 for the 4.0 MMBtu/hr Fuel Gas Heater 05, EPN AGDV FHTR 01, resulting in 0.10 ton of unauthorized NO_x emissions, 0.02 ton of unauthorized CO emissions, 0.01 ton of unauthorized VOC emissions, and 0.01 ton of unauthorized PM emissions.

III. DENIALS

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

IV. ORDERING PROVISIONS

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

1. The Respondent is assessed a penalty as set forth in Section I, Paragraph No. 4. The payment of this penalty and the Respondent's compliance with all of the requirements set forth in this Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Valley Crossing Pipeline, LLC, Docket No. 2024-0247-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 \$27,720 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. 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 Site operations referenced in this Order.
5. 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.
6. 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.
7. 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.
8. 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



For the Executive Director

5/28/2024

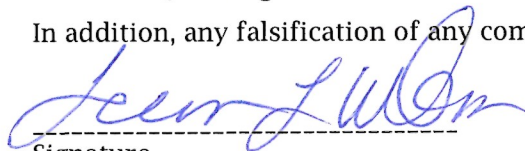
Date

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.



Signature

Date

4/2/2024

Teresa L. Wilson

Name (Printed or typed)
Authorized Representative of
Valley Crossing Pipeline, LLC

Vice President US 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.

Attachment A
Docket Number: 2024-0247-AIR-E
SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	Valley Crossing Pipeline, LLC
Payable Penalty Amount:	\$55,440
SEP Offset Amount:	\$27,720
Type of SEP:	Contribution to a Third-Party Pre-Approved SEP
Third-Party Administrator:	Texas Congress of Parents and Teachers dba Texas PTA
Project Name:	<i>Texas PTA Clean School Bus Replacement Program</i>
Location of SEP:	Texas Air Quality Control Region 214: Corpus Christi-Victoria - Preference for Nueces County

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 SEP Offset Amount is set forth above and such offset 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 **Texas Congress of Parents and Teachers dba Texas PTA** for the *Texas PTA Clean School Bus Replacement Program*. The contribution will be used in accordance with the SEP between the Third-Party Administrator and the TCEQ (the “Project”). Specifically, the contribution will be used to reduce nitrogen oxides, volatile organic compounds, carbon monoxide, and particulate matter emissions by replacing older diesel buses with newer buses that meet more stringent emission standards. The Third-Party Administrator shall use the SEP Offset Amount for up to 100% of the purchase price of a model year 2010 or newer bus to replace a diesel school bus that is model year 2002 or older. The SEP will be done in accordance with all federal, state, and local environmental laws and regulations.

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 it has no prior commitment to make this contribution and that it is being contributed solely to settle this enforcement action. The Respondent shall not profit in any manner from this SEP.

b. Environmental Benefit

This SEP will directly benefit air quality by reducing harmful exhaust emissions which contribute to the formation of ozone and may cause or exacerbate many respiratory diseases,

including asthma. In addition, by encouraging less school bus idling, this SEP contributes to public awareness of environmental matters.

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 **Texas Congress of Parents and Teachers SEP** and shall mail the contribution with a copy of the Agreed Order to:

Texas PTA
408 West 11th Street
Austin, Texas 78701

3. Records and Reporting

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

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:

Valley Crossing Pipeline, LLC
Docket No. 2024-0247-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 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 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.