

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

ENABLE MIDSTREAM PARTNERS, LP

AI # 1225, 166277, 13145, 90192, 184721

PROCEEDINGS UNDER THE LOUISIANA
ENVIRONMENTAL QUALITY ACT
LA. R.S. 30:2001, ET SEQ.

* Settlement Tracking No.
* SA-AE-18-0043
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* Enforcement Tracking No.
* AE-PP-17-00730
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SETTLEMENT

The following Settlement is hereby agreed to between Enable Midstream Partners, LP (“Respondent”), and the Department of Environmental Quality (“DEQ” or “the Department”), under authority granted by the Louisiana Environmental Quality Act, La. R.S. 30:2001, et seq. (“the Act”).

I

Respondent is a partnership that owns and operates the Sligo Natural Gas Processing Plant (AI# 1225) located in Haughton, Bossier Parish, Louisiana (“the Facility”). Respondent also owns and operates Clear Lake Plant (AI # 166277) located in Red River Parish, Unionville Compressor Station (AI 13145) located in Lincoln Parish, Caspiana Compressor Station (AI # 90192) located in Caddo Parish, and Brooks Road Tower Facility located in Caddo Parish (AI # 184721).

II

On June 19, 2018, the Department issued to Respondent a Notice of Potential Penalty, Enforcement No. AE-PP-17-00730 (Exhibit 1) asserting allegations of self-reported violations of the Facility’s Title V permit.

The following violations, although not cited in the foregoing enforcement action(s), are also included within the scope of this settlement:

Clear Lake Plant AI#166277

- A. According to the 2011 Title V Annual Compliance Certification Report dated March 27, 2012, the Respondent reported that the facility failed to timely submit initial Subpart JJJJ notification and MACT ZZZZ initial startup notification. The Respondent stated that Engines 7-09 (EQT0007) and 8-09 (EQT0008) were installed at the facility in October 2011, but NSPS Subpart JJJJ initial notification was not submitted until March 13, 2012. The MACT ZZZZ initial startup notification for engine 7-09 (EQT007) was not submitted until March 16, 2012. This is a violation of specific requirement 9 of Title V Permit No. 2420-00107-V2, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1), and 30:2057(A)(2).
- B. According to 40 CFR 63 Subpart ZZZZ Semiannual Compliance Report submitted on August 13, 2013, the Respondent reported that during the May 15, 2013, initial startup of EQT003, a load was not placed on the engine until 45 minutes after startup, 15 minutes longer than allowed under applicable regulations. This is a violation of specific requirement 21 of Title V Permit No. 2420-00107-V3, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1), and 30:2057(A)(2).
- C. On April 7, 2015 the Respondent submitted its Semiannual compliance 40 CFR 63 Subpart ZZZZ report. The Respondent reported that the report was submitted late. As required by 40 CFR 63 Subpart ZZZZ, specifically 40 CFR 63.6650 (b)(3-4), Semiannual Compliance Report covering the reporting period from July 1 through December 31 must be postmarked January 31, following the end of the semiannual reporting period. This is a violation of

specific requirement 24 of Title V Permit No. 2420-00107-V4, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).

Unionville Storage Compressor Station AI#13145

According to the first half 2015 semiannual monitoring report dated September 29, 2015, the Respondent reported the failure to provide an initial notification for the two emission sources 4-07A Glycol Dehydrator Reboiler (EQT29) and 4-69 Heater (EQT15) within 120 days of January 31, 2013. Respondent subsequently determined that EQT 29 is not subject to regulation under 40 CFR 63 Subpart DDDDD. The Respondent however failed to provide initial notification of the applicability of 40 CFR 63 Subpart DDDDD to emission source EQT15. This is a violation of specific requirement 15 and 69 of Title V Permit No. 1720-0014-V5, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).

Caspiana Compressor Station AI#90192

According to the Generator Operation Hour Report dated April 1, 2015, the Respondent failed to timely submit the 2014 operating hours for generator engine 6-06 (EQT 0020) by the March 31, 2015, deadline. The Respondent submitted the 2014 annual report one day late on April 1, 2015. This is a violation of specific requirement 19 of minor source air permit 0500-00094-07AA, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).

Brooks Road Tower AI#184721

On November 15, 2015, the Respondent notified the LDEQ that a facility emergency generator Generac QT 070 (EQT001) was replaced with a Generac QT 130 on January 14, 2015, without first obtaining permit authorization for the new generator. The unauthorized operation of the emergency generator without a valid permit is a violation of LAC 33:III.501.C, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). The Respondent submitted a permit modification application

on November 15, 2015. The permit modification was issued on August 26, 2016.

III

Respondent denies it committed any violations or that it is liable for any fines, forfeitures and/or penalties.

IV

Nonetheless, Respondent, without making any admission of liability under state or federal statute or regulation, agrees to pay, and the Department agrees to accept, a payment in the amount of SEVEN THOUSAND ONE HUNDRED AND NO/100 DOLLARS (\$7,100.00), of which Eight Hundred Six and 95/100 Dollars (\$806.95) represents the Department's enforcement costs, in settlement of the claims set forth in this agreement. The total amount of money expended by Respondent on cash payments to the Department as described above, shall be considered a civil penalty for tax purposes, as required by La. R.S. 30:2050.7(E)(1).

V

Respondent further agrees that the Department may consider the inspection report(s), the Notice of Potential Penalty and this Settlement for the purpose of determining compliance history in connection with any future enforcement or permitting action by the Department against Respondent, and in any such action Respondent shall be estopped from objecting to the above-referenced documents being considered as proving the violations alleged herein for the sole purpose of determining Respondent's compliance history.

VI

This agreement shall be considered a final order of the Secretary for all purposes, including, but not limited to, enforcement under La. R.S. 30:2025(G)(2), and Respondent hereby waives any right to administrative or judicial review of the terms of this agreement, except such review as may

be required for interpretation of this agreement in any action by the Department to enforce this agreement.

VII

This settlement is being made in the interest of settling the state's claims and avoiding for both parties the expense and effort involved in litigation or an adjudicatory hearing. In agreeing to the compromise and settlement, the Department considered the factors for issuing civil penalties set forth in La. R. S. 30:2025(E) of the Act.

VIII

As required by law, the Department has submitted this Settlement Agreement to the Louisiana Attorney General for approval or rejection. The Attorney General's concurrence is appended to this Settlement Agreement.

IX

The Respondent has caused a public notice advertisement to be placed in the official journal of the parish governing authority in Bossier Parish, Red River Parish, Lincoln Parish, and Caddo Parish, Louisiana. The advertisement, in form and wording approved by the Department, announced the availability of this settlement for public view and comment and the opportunity for a public hearing. Respondent has submitted an original proof-of-publication affidavit and an original public notice to the Department and, as of the date this Settlement is executed on behalf of the Department, more than forty-five (45) days have elapsed since publication of the notice.

X

Payment is to be made within ten (10) days from notice of the Secretary's signature. If payment is not received within that time, this Agreement is voidable at the option of the Department. Payments are to be made by check, payable to the Department of Environmental

Quality, and mailed or delivered to the attention of Accountant Administrator, Financial Services Division, Department of Environmental Quality, Post Office Box 4303, Baton Rouge, Louisiana, 70821-4303. Each payment shall be accompanied by a completed Settlement Payment Form (Exhibit 2).

XI

In consideration of the above, any claims for penalties are hereby compromised and settled in accordance with the terms of this Settlement.

XII

Each undersigned representative of the parties certifies that he or she is fully authorized to execute this Settlement Agreement on behalf of his or her respective party, and to legally bind such party to its terms and conditions.


ENABLE MIDSTREAM PARTNERS, LP

BY: Paul M Brewer
(Signature)

PAUL M BREWER
(Printed)

TITLE: ENP OPERATIONS

THUS DONE AND SIGNED in duplicate original before me this 14th day of December, 20 18, at Oklahoma city, Oklahoma

Deniece Ditzler
NOTARY PUBLIC (ID # 10002430)

(stamped or printed)

LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY
Chuck Carr Brown, Ph.D., Secretary

BY: [Signature]
Loures Iturralde, Assistant Secretary
Office of Environmental Compliance

THUS DONE AND SIGNED in duplicate original before me this 25th day of March, 20 19, at Baton Rouge, Louisiana.

[Signature]
NOTARY PUBLIC (ID # 19181)

Perry Theriot
(stamped or printed)

Approved: [Signature]
Loures Iturralde, Assistant Secretary

JOHN BEL EDWARDS
GOVERNOR



CHUCK CARR BROWN, Ph.D.
SECRETARY

State of Louisiana
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE

June 19, 2018

CERTIFIED MAIL (7016 2140 0000 5132 7553)
RETURN RECEIPT REQUESTED

ENABLE MIDSTREAM PARTNERS, LP

c/o Corporation Service Company
Agent for Service of Process
501 Louisiana Avenue
Baton Rouge, LA 70802

**RE: NOTICE OF POTENTIAL PENALTY
ENFORCEMENT TRACKING NO. AE-PP-17-00730
AGENCY INTEREST NO. 1225**

Dear Sir:

On or about June 7, 2018, a file review of **SLIGO NATURAL GAS PROCESSING PLANT (FACILITY)**, a cryogenic plant and a dew-point control refrigeration plant, owned and/or operated by **ENABLE MIDSTREAM PARTNERS, LP (RESPONDENT)** was performed to determine the degree of compliance with the Louisiana Environmental Quality Act (the Act) and the Air Quality Regulations. The facility is located at 630 Union Texas Road, in Haughton, Bossier Parish, Louisiana. The Facility operates or has operated under the authority of the following Title V Air Permits and Minor Source Air Permit:

PERMIT	ISSUE DATE	EXPIRATION DATE
0400-00006-V5	5/5/2010	5/16/2012
0400-00006-V5AA	8/13/2010	5/16/2012
0400-00006-V6	9/25/2012	9/25/2017
0400-00006-00	4/17/2018	-

While the investigation by the Department is not yet complete, the following violations were noted during the course of the file review:

- A. In the 2nd Half 2011 Semiannual Monitoring Report dated March 27, 2012, the Respondent reported that, quarterly monitoring of six (6) pressure relief valves (PRV) for leaks was not performed as required from January 1, 2011, through



Notice of Potential Penalty
Enable Midstream Partners LP
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December 31, 2011. This is a violation of Specific Requirement 108 of Title V Permit No. 0400-00006-V5AA, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2). In correspondence dated March 27, 2012, the Respondent stated that Fugitive emission programs for the facility were consolidated under NSPS Subpart VV effective January 1, 2012. NSPS Subpart VV does not require quarterly PRV monitoring.

- B. In the 1st Half 2013 Semiannual Monitoring Report dated September 11, 2013, the Respondent reported that, records of the presence of flame on the flare (EQT0030) were not being maintained from September 25, 2012, through August 26, 2013. This is a violation of Specific Requirement 68 of Title V Permit No. 0400-00006-V6, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2). The Respondent's report stated that continuous recordkeeping of the flame presence began on August 26, 2013.

Pursuant to La. R.S. 30:2050.3(B), you are hereby notified that the issuance of a penalty assessment is being considered for the violation(s) described herein. Written comments may be filed regarding the violation(s) and the contemplated penalty. If you elect to submit comments, it is requested that they be submitted within ten (10) days of receipt of this notice.

Prior to the issuance of any additional appropriate enforcement action, you may request a meeting with the Department to present any mitigating circumstances concerning the violation(s). If you would like to have such a meeting, please contact Pascal Ojong, Environmental Scientist, at (225) 219-4468 within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**.

The Department is required by La. R.S. 30:2025(E)(3)(a) to consider the gross revenues of the Respondent and the monetary benefits of noncompliance in order to determine whether a penalty will be assessed and the amount of such penalty. Please forward the Respondent's most current annual gross revenue statement along with a statement of the monetary benefits of noncompliance for the cited violations to the above named contact person within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**. Include with your statement of monetary benefits the method(s) you utilized to arrive at the sum. If you assert that no monetary benefits have been gained, you are to fully justify this statement. If the Respondent chooses not to submit the requested most current annual gross revenues statement within ten (10) days, it will be viewed by the Department as an admission that the Respondent has the ability to pay the statutory maximum penalty as outlined in La. R.S. 30:2025.

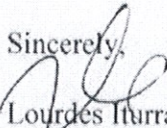
For each violation described herein, the Department reserves the right to seek civil penalties and the right to seek compliance with its rules and regulations in any manner allowed by law, and nothing herein shall be construed to preclude the right to seek such penalties and compliance.

The Department assesses civil penalties based on LAC 33:I.Subpart1.Chapter7. To expedite closure of this **NOTICE OF POTENTIAL PENALTY**, the Respondent may offer a settlement amount

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to resolve any claim for civil penalties for the violation(s) described herein. The Respondent may offer a settlement amount, but the Department is under no obligation to enter into settlement negotiations. The decision to proceed with a settlement is at the discretion of the Department. The settlement offer amount may be entered on the attached "**NOTICE OF POTENTIAL PENALTY REQUEST TO SETTLE**" form. The Respondent must include a justification of the offer. **DO NOT** submit payment of the offer amount with the form. The Department will review the settlement offer and notify the Respondent as to whether the offer is or is not accepted.

To reduce document handling, please refer to the **Enforcement Tracking Number** and **Agency Interest Number** on the front of this document on all correspondence in response to this action.

Sincerely,

Lourdes Iturralde
Assistant Secretary
Office of Environmental Compliance

LI/PON/pon
Alt ID No. 0400-00006

c: Enable Midstream Partners LP
P.O. Box 21734
Shreveport, LA 71151

LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY
 OFFICE OF ENVIRONMENTAL COMPLIANCE
 ENFORCEMENT DIVISION
 POST OFFICE BOX 4312
 BATON ROUGE, LOUISIANA 70821-4312

**NOTICE OF POTENTIAL PENALTY
 REQUEST TO SETTLE (OPTIONAL)**



Enforcement Tracking No.	AE-PP-17-00730	Contact Name	Pascal Ojong
Agency Interest (AI) No.	1225	Contact Phone No.	225 219 4468
Alternate ID No.	0400-00006		
Respondent:	Enable Midstream Partners LP	Facility Name:	SLIGO NATURAL GAS PROCESSING PLANT
	c/o Corporation Service Company	Physical Location:	630 Union Texas Road
	Agent for Service of Process		
	501 Louisiana Avenue	City, State, Zip:	Haughton , LA 71038
	Baton Rouge, LA 70802	Parish:	Bossier

SETTLEMENT OFFER (OPTIONAL)

(check the applicable option)

The Respondent is not interested in entering into settlement negotiations with the Department with the understanding that the Department has the right to assess civil penalties based on LAC 33:I.Subpart1.Chapter7.

In order to resolve any claim for civil penalties for the violations in **NOTICE OF POTENTIAL PENALTY** (AE-PP-17-00730), the Respondent is interested in entering into settlement negotiations with the Department and would like to set up a meeting to discuss settlement procedures.

In order to resolve any claim for civil penalties for the violations in **NOTICE OF POTENTIAL PENALTY** (AE-PP-17-00730), the Respondent is interested in entering into settlement negotiations with the Department and offers to pay \$ _____ which shall include LDEQ enforcement costs and any monetary benefit of non-compliance.

- Monetary component = \$ _____
- Beneficial Environmental Project (BEP) component (optional)= \$ _____

DO NOT SUBMIT PAYMENT OF THE OFFER WITH THIS FORM- the Department will review the settlement offer and notify the Respondent as to whether the offer is or is not accepted.

The Respondent has reviewed the violations noted in **NOTICE OF POTENTIAL PENALTY** (AE-PP-17-00730) and has attached a justification of its offer and a description of any BEPs if included in settlement offer.

CERTIFICATION STATEMENT

I certify, under provisions in Louisiana and United States law that provide criminal penalties for false statements, that based on information and belief formed after reasonable inquiry, the statements and information attached and the compliance statement above, are true, accurate, and complete. I also certify that I do not owe outstanding fees or penalties to the Department for this facility or any other facility I own or operate. I further certify that I am either the Respondent or an authorized representative of the Respondent.

Respondent's Signature	Respondent's Printed Name	Respondent's Title
Respondent's Physical Address	Respondent's Phone #	Date

MAIL COMPLETED DOCUMENT TO THE ADDRESS BELOW:

Louisiana Department of Environmental Quality
 Office of Environmental Compliance
 Enforcement Division
 P.O. Box 4312
 Baton Rouge, LA 70821
 Attn: Pascal Ojong