

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

TEXAS EASTERN TRANSMISSION, LP

AI # 20447, 7345

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

\* Settlement Tracking No.  
\* SA-AE-17-0069  
\*  
\* Enforcement Tracking No.  
\* AE-CN-14-00013  
\* AE-CN-14-00013A  
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SETTLEMENT

The following Settlement is hereby agreed to between Texas Eastern Transmission, 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/or operates facilities located in Jefferson Davis Parish and West Feliciana Parish, Louisiana (“the Facilities”).

II

On November 18, 2014, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-14-00013, which was based upon the following findings of fact:

The Respondent owns and/or operates Iowa Liquids Handling Facility (facility), a natural gas processing facility, located at 8101 Louisiana Highway 3059 in Iowa, Jefferson Davis Parish, Louisiana. The facility operates or has operated under the authority of the following Title V Permits:

<b>Title V Permit</b>	<b>Effective Date</b>	<b>Effective Expiration Date</b>
1360-00010-V4AA	06/02/14	06/22/16
1360-00010-V4	06/22/11	06/01/14
1360-00010-V3	06/13/05	06/21/11

On or about December 27, 2013, and July 30, 2014, file reviews of the Respondent's facility were conducted to determine the degree of compliance with the Act, the Air Quality Regulations, and all applicable permits. While the Department's review is not complete, the following violations were noted during the course of the file review:

- A. In the Respondent's 2011 Annual Compliance Certification dated March 26, 2012, 2012 Annual Compliance Certification dated March 20, 2013, and 2013 First Semiannual Monitoring Report dated September 3, 2013, the Respondent reported the records for the Separation Facility Flare (EQT 0010) were not maintained. In correspondence dated August 11, 2014, the Respondent reported the deviation began January 1, 2011 and ended February 28, 2013. Each failure to maintain records is a violation of Specific Requirement 33 of Title V Permit No. 1360-00010-V3, Specific Requirement 35 of Title V Permit No. 1360-00010-V4, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).
- B. The Respondent failed to submit a Semiannual Leak Detection and Repair report for the January 1, 2011 through June 30, 2011, reporting period. Failure to submit the report is a violation Specific Requirement 65 of Title V Permit No. 1360-00010-V3, LAC 33:III.504.C.4, LAC 33:III.2121.F, and La. R.S. 30:2057(A)(2).
- C. The Respondent failed to submit the 2013 Second Semiannual Monitoring Report by the March 31, 2014 deadline. Specifically, the report was postmarked August 18, 2014. Failure to submit the report by the March 31<sup>st</sup> deadline is a violation of Specific Requirement 84 of Title V Permit No. 1360-00010-V4, LAC 33:III.535, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).
- D. The Respondent failed to submit the 2013 Annual Compliance Certification Report by the March 31, 2014 deadline. Specifically, the report was postmarked August 18, 2014. Failure to submit the report by the March 31<sup>st</sup> deadline is a violation of Specific Requirement 84 of Title V Permit No. 1360-00010-V4, LAC 33:III.535, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

On October 27, 2015, the Department issued to Respondent an Amended Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-14-00013A, which was

based upon the following findings of fact:

“The Department hereby removes Paragraph II.B of Findings of Fact portion of Consolidated Compliance Order & Notice of Potential Penalty, Enforcement Tracking No. AE-CN-14-00013.

The Department incorporates all of the remainder of the original **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY, ENFORCEMENT TRACKING NO. AE-CN-14-000131** and **AGENCY INTEREST NO. 20447** as if reiterated herein.”

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

On or about January 31, 2013, a Full Compliance Evaluation Inspection was conducted at the St. Francisville Compressor Station (Agency Interest No. 7345). Subsequent file reviews were conducted on March 3, 2014, and April 30, 2015. The inspection and file reviews were conducted to determine the degree of compliance with the Act, the Air Quality Regulations, and all applicable permits. While the Department’s investigation is not complete, the following violations were noted during the course of the inspection and subsequent file reviews:

- A. According to the 2010 Second Semiannual Monitoring Report and 2010 Annual Compliance Certification both dated March 28, 2011, the Respondent failed to conduct a performance/emissions test for Turbine 2 (EQT 0002) within sixty (60) days after the turbine achieved normal production rate. In the Compliance Emission Test Results dated February 24, 2011, the Respondent reported EQT 0002 underwent a complete unit overhaul initiated on May 7, 2010. The unit resumed operation on August 18, 2010; the sixty (60) day performance/emissions testing requirement was due on or before October 17, 2010. The test was conducted on December 28, 2010. Failure to conduct the emissions test within sixty (60) days of achieving normal production rate is a violation of Specific Requirement 11 of Title V Permit No. 3160-00007-V2, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

- B. During the course of the inspection, the inspector noted the Respondent failed to notify the Department at least thirty (30) days prior to the triennial performance test conducted on March 23, 2011, for Turbine 4 (EQT 0004). Failure to submit notification at least thirty (30) days to a performance/emission test is a violation of Specific Requirement 23 of Title V Permit No. 3160-00007-V2, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).
- C. According to the 2011 Second Semiannual Monitoring Report and 2011 Annual Compliance Certification both dated March 26, 2012, the Respondent failed to submit notification at least thirty (30) days prior to the performance/emission tests conducted on Turbines 1, 2, and 3 (EQT 0001, 0002, and 0003). The performance/emission tests were conducted on May 3, 2011; notification was due by or on April 3, 2011. Each failure to submit notification at least thirty (30) days prior to the performance/emission tests is a violation of Specific Requirements 4, 12, and 17 of Title V Permit No. 3160-00007-V2, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).
- D. According to the 2011 Annual Compliance Certification dated March 26, 2012, the Respondent failed to submit the results of the performance/emission tests conducted on Turbines 1, 2, and 3 (EQT 0001, 0002, and 0003) on May 3, 2011. The results were due within sixty (60) days after completion of the performance/emissions tests; the estimated due date was before or on July 3, 2011. Each failure to submit the results within sixty (60) days after the performance/emission tests is a violation of Specific Requirements 6, 10, and 16 of Title V Permit No. 3160-00007-V2, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).
- E. The Department received a Regulatory Permit Notification Form for Release of Natural Gas from the Respondent dated August 5, 2014. According to the notification form, the Respondent planned a pipe replacement project and anticipated an August 13, 2014 release date. The Regulatory Permit for Release of Natural Gas was issued on August 11, 2014, with a sixty (60) day effective period. Pursuant to LAC 33:III.309.H, the Respondent was required to submit a follow up report detailing the metering, purging, or maintenance operation detailing actual date of the release, the actual volumes released, and the actual criteria pollutant and toxic air pollutant emissions associated with the operation. Failure to submit the report within thirty (30) days after completion of the metering, purging, or maintenance operations is a violation of LAC 33:III.309.H and La. R.S. 30:2057(A)(2).

F. According to the 2014 Semiannual Monitoring Report and 2014 Annual Compliance Certification both dated March 30, 2015, T-5 Storage Tank, Oily Wastewater (EQT 0007) exceeded the total throughput for the 2014 calendar year. The maximum permitted throughput is 40,320 gallons/year; the actual throughput for 2014 was 55,058 gallons. Exceeding the maximum operating rate is a violation of Title V Permit No. 3160-00007-V3, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

### 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 FIVE HUNDRED NINETY-SEVEN AND 90/100 DOLLARS (\$7,597.90), of which One Thousand Nine Hundred Eleven and 03/100 Dollars (\$1,911.03) 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 permit record(s), the Consolidated Compliance Order & Notice of Potential Penalty, Amended Consolidated Compliance Order & 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 Jefferson Davis Parish and West Feliciana 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 A).

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.

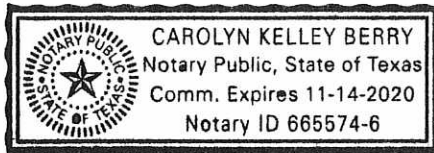
TEXAS EASTERN TRANSMISSION, LP

BY: [Signature]  
(Signature)

Thomas V. Wooden, Jr.  
(Printed)

TITLE: Vice President - Gas Transmission Operations

THUS DONE AND SIGNED in duplicate original before me this 19<sup>th</sup> day of October, 20 18, at Houston, TX.



[Signature]  
NOTARY PUBLIC (ID # 665574-6)

CAROLYN KELLEY BERRY  
(stamped or printed)

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

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

THUS DONE AND SIGNED in duplicate original before me this 11<sup>th</sup> day of Jan, 20 19, at Baton Rouge, Louisiana.

[Signature]  
NOTARY PUBLIC (ID # 19181)

Perry Theriot  
(stamped or printed)

Approved: [Signature]  
Lourdes Iturralde, Assistant Secretary