

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

TENNESSEE GAS PIPELINE, L.L.C.

AI # 1945 and 25002

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

* Settlement Tracking No.
* SA-AE-19-0032
*
* Enforcement Tracking No.
* AE-PP-15-00308
*
*
*
*
*

SETTLEMENT

The following Settlement is hereby agreed to between Tennessee Gas Pipeline, L.L.C. (“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 limited liability company that owns and/or operates a transporter of natural gas from production fields in Louisiana to markets in the New England states located in Ouachita and Jefferson Davis Parishes (“the Facilities”).

II

On September 11, 2015, the Department issued to Respondent a Notice of Potential Penalty, Enforcement No. AE-PP-15-00308, attached as Exhibit A.

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 FOUR THOUSAND AND NO/100 DOLLARS (\$4,000.00), of which Seven Hundred Twenty-Four and 29/100 Dollars (\$724.29) 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)/permit record(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 Ouachita and Jefferson Davis Parishes, 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 B).

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.

Tennessee Gas Pipeline, L.L.C.

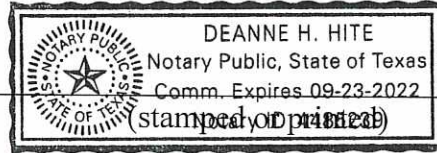
BY: Mary Clair Lyons
(Signature)

Mary Clair Lyons
(Printed)

TITLE: Asst. General Counsel

THUS DONE AND SIGNED in duplicate original before me this 16th day of December, 20 19, at Houston, TX.

Deanne H. Hite
NOTARY PUBLIC (ID # _____)



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 10th day of March, 20 20, at Baton Rouge, Louisiana.

[Signature]
NOTARY PUBLIC (ID # 19181)

Perry Theriot
(stamped or printed)

Approved: [Signature]
Lourdes Iturralde, Assistant Secretary

BOBBY JINDAL
GOVERNOR



PEGGY M. HATCH
SECRETARY

State of Louisiana
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE

September 11, 2015

CERTIFIED MAIL (7014 0510 0002 3595 4882)
RETURN RECEIPT REQUESTED

TENNESSEE GAS PIPELINE COMPANY, L.L.C.
c/o C T Corporation System
Agent for Service of Process
5615 Corporate Boulevard, Suite 400B
Baton Rouge, LA 70808

RE: NOTICE OF POTENTIAL PENALTY
ENFORCEMENT TRACKING NO. AE-PP-15-00308
AGENCY INTEREST NOS. 1945 & 25002

Dear Sir:

On or about July 14, 2015, a file review of the following facilities, owned and/or operated by **TENNESSEE GAS PIPELINE COMPANY, L.L.C. (RESPONDENT)**, was performed to determine the degree of compliance with the Louisiana Environmental Quality Act (the Act) and the Air Quality Regulations.

AGENCY INTEREST NUMBER	FACILITY	LOCATION	PERMIT	ISSUE DATE
1945	Compressor Station #47	200 Worthey Road in West Monroe, Quachita Parish, LA	2160-00057-V3	8/30/2011
			2160-00057-V4	6/2/2014
25002	Compressor Station 823	15449 Parish Line Road in Kinder, Jefferson Davis Parish, LA	1360-00008-V4	3/8/2010
			1360-00008-V5	6/11/2015

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

- A. In correspondence dated August 15, 2013, and in the 2013 1st Semiannual Monitoring Report dated September 26, 2013, the Respondent reported EQT0014 at Compressor Station #47 (AI No. 1945) exceeded the carbon

EXHIBIT

A

Notice of Potential Penalty
Tennessee Gas Pipeline Company, L.L.C.
Page 2

monoxide (CO) emission limit during a portable analyzer test. The test results were 23 pounds (lbs) per hour and the permit limit was 17.5 lbs/hr. This exceedance is a violation of Title V Permit No. 2160-00057-V3, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). The Respondent's correspondence states the unit was shut down and corrective measures taken to ensure the unit will achieve full range running within the parameters of the permit.

- B. In correspondence dated February 10, 2015, the Respondent reported emissions of methanol, acetaldehyde, benzene, toluene and acrolein were inadvertently left out of the previous renewal application for Compressor Station 823 (AI No. 25002). The following table shows the previous permit emission limits and the current permit emission limits.

Pollutant	1360-00004-V4	1360-00004-V5
	Entire facility tons per year	Entire facility tons per year
Benzene	0.44	2.99
Toluene	0.31	1.41
Acetaldehyde	Unpermitted	9.22
Acrolein	Unpermitted	9.85
Methanol	Unpermitted	3.24

The unauthorized release of each pollutant is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

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 Sarah Acosta at (225) 219-3704 or sarah.acosta@la.gov within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**.

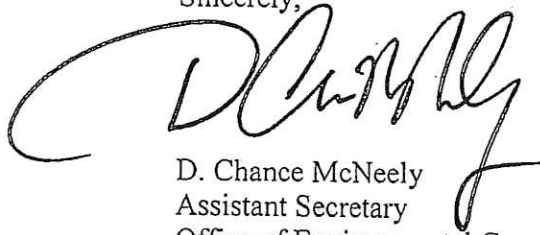
The Department is required by La. R.S. 30:2025(E)(3)(a) to consider the gross revenues of the Respondent and the monetary benefits of noncompliance in order to determine whether a penalty will be assessed and the amount of such penalty. Please forward the Respondent's most current annual gross revenue 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.

Notice of Potential Penalty
Tennessee Gas Pipeline Company, L.L.C.
Page 3

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.

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,

A handwritten signature in black ink, appearing to read "D. Chance McNeely". The signature is fluid and cursive, with a large initial "D" and a long, sweeping underline.

D. Chance McNeely
Assistant Secretary
Office of Environmental Compliance

DCM/SEA/sea
Alt ID Nos. 2160-00057 & 1360-00008

c: Tennessee Gas Pipeline Company
1001 Louisiana Street, Suite 1000
Houston, Texas 77002