

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

ENLINK PROCESSING SERVICES, LLC

AI # 17715

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

* Settlement Tracking No.
* SA-AE-21-0068
*
* Enforcement Tracking No.
* AE-PP-20-00239
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SETTLEMENT

The following Settlement is hereby agreed to between EnLink Processing Services, LLC (“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 owned and/or operated a facility located in Eunice, Acadia Parish, Louisiana (“the Facility”).

II

On February 10, 2021, the Department issued to Respondent a Notice of Potential Penalty, Enforcement Tracking No. AE-PP-20-00239 (Exhibit 1).

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 FIVE HUNDRED AND NO/100 DOLLARS (\$4,500.00), of which One Thousand Three Hundred Forty-Two and 11/100 Dollars (\$1,342.11) 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 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 Acadia 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.

ENLINK PROCESSING SERVICES, LLC

BY: [Signature]
(Signature)

Michael L. Blanc
(Printed)

TITLE: SVP of Operations

THUS DONE AND SIGNED in duplicate original before me this 2 day of February, 20 22, at Terrebonne.

[Signature]
NOTARY PUBLIC (ID # 52433)



MICHELLE M. CHIASSON
NOTARY PUBLIC
ID # 52433
MY COMMISSION IS FOR LIFE

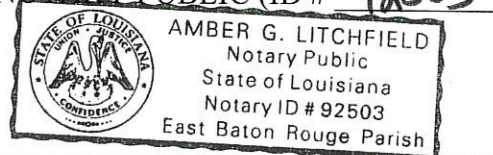
Michelle M. Chiasson
(stamped or printed)

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

BY: [Signature]
Celena S. Cage, Assistant Secretary
Office of Environmental Compliance

THUS DONE AND SIGNED in duplicate original before me this 24th day of March, 20 22, at Baton Rouge, Louisiana.

[Signature]
NOTARY PUBLIC (ID # 92503)



(stamped or printed)

Approved: [Signature]

Lourdes Iturralde, Assistant Secretary

JOHN BEL EDWARDS
GOVERNOR



CHUCK CARR BROWN, PH.D.
SECRETARY

State of Louisiana
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE

February 10, 2021

CERTIFIED MAIL (7018 1130 0002 1720 3107)
RETURN RECEIPT REQUESTED

ENLINK PROCESSING SERVICES, LLC
c/o C T Corporation System
Agent for Service of Process
3867 Plaza Tower Dr.
Baton Rouge, LA 70816

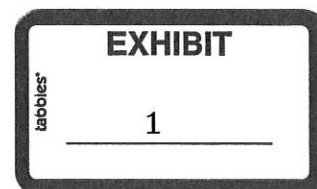
**RE: NOTICE OF POTENTIAL PENALTY
ENFORCEMENT TRACKING NO. AE-PP-20-00239
AGENCY INTEREST NO. 17715**

Dear Sir/Madam:

On or about August 20, 2020, a file review of the **EUNICE FRACTIONATOR (FACILITY)**, a natural gas processing facility, owned and/or operated by **ENLINK PROCESSING SERVICES, LLC (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 222 Refinery Road in Eunice, Acadia Parish, Louisiana. The facility operates or has operated under the following air quality permits:

| PERMIT TYPE | PERMIT | ISSUE DATE | PERMIT EXPIRATION DATE |
|---|------------------|--------------------|------------------------|
| Title V | 0040-00025-V13AA | September 20, 2019 | January 24, 2023 |
| | 0040-00025-V13 | May 15, 2019 | January 24, 2023 |
| | 0040-00025-V12 | January 24, 2018 | January 24, 2023 |
| | 0040-00025-V11 | April 11, 2016 | April 27, 2016 |
| Prevention of Significant Deterioration | PSD-LA-569 (M-4) | January 24, 2018 | - |
| | PSD-LA-569 (M-3) | April 11, 2016 | - |

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:



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A. The Respondent reported the following failures to operate the Non-NSPS Flares (CRG0003) within permitted requirements:

| | REPORT | PERMIT NUMBER | EMISSION SOURCE | INCIDENT DATE (duration in minutes) | REPORTED CAUSE | OPERATING REQUIREMENTS | REGULATORY and/or PERMIT REQUIREMENTS |
|----|---|----------------|--|-------------------------------------|---|--|---------------------------------------|
| 1 | Title V 2017 1 st Semiannual Monitoring Report (9/26/2017) | 0040-00025-V11 | 10-inch Ground Flare (EQT0029) | 1/25/2017 (15) | EQT0029 was used to flare a meter proving truck. | Opacity ≤ 20 percent, except for emissions that have an average opacity in excess of 20 percent for not more than one six-minute period in any 60 consecutive minutes. | Specific Requirement 14 |
| 2 | | | | 2/6/2017 (180) | EQT0029 was used to flare change valves on C3 suction header. | | |
| 3 | | | | 2/20/2017 (10) | EQT0029 was used to flare to open a pipeline pig trap. | | |
| 4 | | | | 2/22/2017 (9) | EQT0029 was used to flare a meter proving truck. | | |
| 5 | | | | 3/13/2017 (10) | | | |
| 6 | | | | 3/30/2017 (15) | | | |
| 7 | | | | 4/18/2017 (6), (10), and (10) | | | |
| 8 | | | | 5/9/2017 (20) | EQT0029 was used to flare NC4 storage tanks due to high pressure. | | |
| 9 | | | | 8/24/2017 (15) | EQT0029 was used to flare a meter proving truck. | | |
| 10 | Title V 2017 2 nd Semiannual Monitoring Report (3/29/2018) | | 6-inch Upright Smokeless Flare (EQT0028) | 9/24/2017 (25) | This event was the result of purge gas flaring. | | |
| 11 | | | 16-inch CAT COMP Area Ground Flare (EQT0065) | 10/23/2017 (10) | This event was the result of compressor case vent blowdown. | | |
| 12 | | | 10-inch Ground Flare (EQT0029) | 11/29/2017 (10) and (10) | EQT0029 was used to flare a meter proving truck. | | |
| 13 | Title V 2018 1 st Semiannual Monitoring Report (9/27/2018) | 0040-00025-V12 | 10-inch Ground Flare (EQT0029) | 3/1/2018 (20) | Natural gas liquid (NGL) carryover to flare while venting a vessel to change out inlet filters. | | Specific Requirement 15 |
| 14 | | | | 6/11/2018(10) | NGL carryover to flare while venting vapors from NC4 storage tanks. | | |

Each failure to operate the Non-NSPS Flares within the permit requirements is a violation of the applicable permit and associated requirement(s) listed above, LAC 33:III.1311.C, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1), and La. R.S. 30:2057(A)(2).

B. In the Title V 2019 1st Semiannual Monitoring Report dated September 27, 2019, the Respondent reported the following failures to repair an orbit valve within fifteen (15) days after a leak was detected:

| | EMISSION SOURCE | INCIDENT DATES | REPORTED CAUSE | CORRECTIVE ACTION |
|---|---|------------------------------------|--|---|
| 1 | Fugitive Emissions (FUG0001) Dehydration Unit Valve Tag # 19607-000 | 1/31/2019 – 2/26/2019 (26 days) | On or about January 16, 2019, the Respondent identified and attempted to repair a leaking valve, by injecting grease. On or about January 28, 2019, a third party contractor attempted to repair the valve by injecting grease and repacking the valve. Upon further investigation of the internal components, the valve packing was compromised. The valve was not placed on delay of repair. | The valve was replaced with a gate valve on or about February 26, 2019. |
| 2 | Fugitive Emissions (FUG0001) Dehydration Unit Valve Tag # 19582-000 | 1/31/2019 – 2/28/2019 (28 days) | On or about January 16, 2019, the Respondent identified and attempted to repair a leaking valve, by injecting grease. On or about January 28, 2019, a third party contractor attempted to repair the valve by injecting grease and repacking the valve. Upon further investigation of the internal components, the valve packing was compromised. The valve was not placed on delay of repair. | The valve was replaced with a gate valve on or about February 28, 2019. |

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Each failure to repair a leaking component within fifteen (15) days or place the component on the delay-of-repair list is a violation of Specific Requirement 152 of Title V Permit No. 0040-00025-V12, LAC 33:III.2121.C.3, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

- C. In the Title V 2019 1st Semiannual Monitoring Report dated September 27, 2019, and Title V 2019 2nd Semiannual Monitoring Report dated March 6, 2019, the Respondent reported the failure to continuously monitor the presence of a flame by a heat sensing device on the 6-inch Upright Flare (EQT0028). Specifically, the compliance option to monitor the presence of a flame for the flares by visual inspections and visual determination was removed from Title V Permit No. 0040-00025-12 issued on January 24, 2018. On September 20, 2019, the Respondent was issued Title V Permit No. 0040-00025-V13AA, which included Specific Requirement 19 providing for the presence of a flame to be monitored by visual inspection/determination daily. The failure to monitor the presence of a flame by a heat sensing device from January 24, 2018, to September 20, 2019, is a violation of Specific Requirement 20 of Title V Permit No. 0040-00025-V12, Specific Requirement 19 of Title V Permit No. 0040-00025-V13, LAC 33:III.501.C.4, and La. R.S. 30.2057(A)(2).
- D. In the Title V 2019 1st Semiannual Monitoring Report dated September 27, 2019, and Title V 2019 2nd Semiannual Monitoring Report dated March 6, 2019, the Respondent reported the failure to continuously record the presence of a flame on the 6-inch Upright Flare (EQT0028). Specifically, the compliance option to record the presence of a flame for the flares daily was removed from Title V Permit No. 0040-00025-12 issued on January 24, 2018. On September 20, 2019, the Respondent was issued Title V Permit No. 0040-00025-V13AA, which included Specific Requirement 20 providing for the presence of a flame to be recorded daily. The failure to record the presence of a flame continuously from January 24, 2018, to September 20, 2019, is a violation of Specific Requirement 21 of Title V Permit No. 0040-00025-V12, Specific Requirement 20 of Title V Permit No. 0040-00025-V13, LAC 33:III.501.C.4, and La. R.S. 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 Madison Kirkland at (225) 219-3165 or at Madison.Kirkland@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

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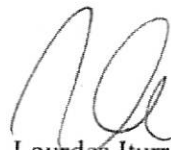
revenue statement along with a statement of the monetary benefits of noncompliance for the cited violations to the above named contact person within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**. Include with your statement of monetary benefits the method(s) you utilized to arrive 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.Chapter 7. To expedite closure of this **NOTICE OF POTENTIAL PENALTY**, the Respondent may offer a settlement amount 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

L:/MLK/mlk
Alt ID No.0040-00025

c: EnLink Processing Services, LLC
Ronald McCabe, Lead Environmental Field Specialist
1722 Routh Street, Suite 1300
Dallas, Texas 75201

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-20-00239 | Contact Name | Madison Kirkland |
| Agency Interest (AI) No. | 17715 | Contact Phone No. | 225-219-3165 |
| Alternate ID No. | 0040-00025 | Contact Email | Madison.Kirkland@la.gov |
| Respondent: | EnLink Processing Services, LLC | Facility Name: | Eunice Fractionator |
| | c/o C T Corporation System | Physical Location: | 222 Refinery Road |
| | Agent for Service of Process | | |
| | 3867 Plaza Tower Dr. | City, State, Zip: | Eunice, LA, 70535 |
| | Baton Rouge, LA 70816 | Parish: | Acadia |

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 33:1.Subpart1.Chapter7.

_____ In order to resolve any claim for civil penalties for the violations in **NOTICE OF POTENTIAL PENALTY (AE-PP-20-00239)**, 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-20-00239)**, 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-20-00239)** 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: Madison Kirkland