STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:	*	**Settlement Tracking No.**
	*	**SA-AE-19-0091**
ENTERPRISE GAS PROCESSING, LLC	*	
	*	**Enforcement Tracking No.**
AI # 43501	*	**AE-PP-14-00549**
	*	**AE-PP-14-00549A**
	*	
PROCEEDINGS UNDER THE LOUISIANA	*	
ENVIRONMENTAL QUALITY ACT	*	
LA. R.S. 30:2001, ET SEQ.	*	

SETTLEMENT

The following Settlement is hereby agreed to between Enterprise Gas Processing, 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 natural gas processing plant located in Centerville, St. Mary Parish, Louisiana ("the Facility").

II

On January 7, 2016 and December 16, 2016, respectively, the Department issued to Respondent a Notice of Potential Penalty, Enforcement No. AE-PP-14-00549 (Exhibit 1), and an Amended Notice of Potential Penalty, Enforcement No. AE-PP-14-00549A (Exhibit 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 ONE THOUSAND ONE HUNDRED AND NO/100 DOLLARS ($1,100.00), of which Eight Hundred Ninety-One and 48/100 Dollars ($891.48) 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), Amended 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 St. Mary 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.

ENTERPRISE GAS PROCESSING, LLC

BY: _____
(Signature)

_____
(Printed)

TITLE: _____

THUS DONE AND SIGNED in duplicate original before me this _____ day of _____, 20 _____, at _____.

_____
NOTARY PUBLIC (ID #_____)

_____
(stamped or printed)

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

BY: _____
Lourdes Iturralde, Assistant Secretary
Office of Environmental Compliance

THUS DONE AND SIGNED in duplicate original before me this _____ day of _____, 20_____, at Baton Rouge, Louisiana.

_____
NOTARY PUBLIC (ID # _____)

_____
(stamped or printed)

Approved: _____
Lourdes Iturralde, Assistant Secretary

BOBBY JINDAL
GOVERNOR

PEGGY M. HATCH
SECRETARY

State of Louisiana

DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE

EXHIBIT
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January 7, 2016

CERTIFIED MAIL (7005 1820 0002 2095 9628)
RETURN RECEIPT REQUESTED

ENTERPRISE GAS PROCESSING, 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-14-00549
AGENCY INTEREST NO. 43501

Dear Sir(s):

On or about March 5, 2014, an inspection of the Neptune Gas Plant (facility), a natural gas processing plant, owned and/or operated by **ENTERPRISE GAS PROCESSING, LLC (RESPONDENT)**, was performed to determine the degree of compliance with the Louisiana Environmental Quality Act (the Act) and the Air Quality Regulations. Additionally, the Department conducted a file review for the facility on or about September 9, 2015. The facility is located at 102 Trunkline Road in Centerville, St. Mary Parish, Louisiana. The facility operated under Title V Air Permit No. 2660-00210-V5 issued on June 8, 2011, Title V Air Permit No. 2660-00210-V6 issued on April 3, 2013, and Title V Air Permit No. 2660-00210-V7 issued on April 3, 2014. The facility currently operates under Title V Air Permit No. 2660-00210-V8 issued on February 20, 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 inspection and file review:

A. The Respondent failed to perform inspections and tests on process equipment at a frequency consistent with applicable manufacturers' recommendations and good engineering practices. Specifically, at the time of the inspection it was observed that pipe segments 009C, 003D and 008A had not been visually inspected every five (5) years as required by API 570 and corrosion monitoring had not been performed within the ten (10) year maximum time period specified in API 570. Additionally, vessels V0007, V0004 and V0003 corrosion monitoring had not been performed within the ten (10) year maximum time period specified in API 510. Each failure is a

violation of LAC 33:III.5901.A, which incorporates by reference 40 CFR 68.73(d)(3), Title V Air Permit No. 2660-00210-V6 Specific Requirement 113, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2). A follow-up inspection on equipment inspections conducted on or about March 7, 2014, revealed no areas of concern.

B. The Respondent self-reported in the facility's 2013 Title V 2nd Semiannual Monitoring Report submitted on or about March 24, 2014, a failure to provide a sampling interface location such that the monitoring system will provide representative measurements. Specifically, the input for the inlet gas analysis to the GRI-GlyCalc model was not representative of actual operation conditions. This is a violation of Title V Air Permit No. 2660-00210-V6 Specific Requirement 103, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).

C. The Respondent self-reported in the facility's 2011 Title V 2nd Semiannual Monitoring Report submitted on or about March 26, 2012, exceedances of the permit limits for 032 – Stabilizer Compressor Engine (EQT0044) and 033 – Stabilizer Compressor Engine (EQT0045). Specifically, the engines were operated without catalysts for 900 hours and 650 hours, respectively, from August 3, 2011, through December 21, 2011. Each is a violation of LAC 33:III.905 which states, "When facilities have been installed on a property, they shall be used and diligently maintained in proper working order whenever any emissions are being made which can be controlled by the facilities, even though the ambient air quality standards in affected areas are not exceeded." Each is also a violation of 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 Richard LeBlanc at (225) 219-3165 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.

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,

D. Chance McNeely
Assistant Secretary

DCM/RDL/rdl
Alt ID No. 2660-00210

c: Enterprise Gas Processing, LLC
c/o Environmental Department
P.O. Box 4324
Houston, TX 77210

JOHN BEL EDWARDS
GOVERNOR

CHUCK CARR BROWN, PH.D.
SECRETARY

State of Louisiana

DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE

EXHIBIT
2

December 16, 2016

CERTIFIED MAIL (7004 2510 0006 3853 4367)
RETURN RECEIPT REQUESTED

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

RE: AMENDED NOTICE OF POTENTIAL PENALTY
ENFORCEMENT TRACKING NO. AE-PP-14-00549A
AGENCY INTEREST NO. 43501

Dear Sir(s):

Pursuant to the Louisiana Environmental Quality Act (La. R.S. 30:2001, et seq.), the attached **AMENDED NOTICE OF POTENTIAL PENALTY** is hereby served on **ENTERPRISE GAS PROCESSING, LLC (RESPONDENT)** for the violations described therein.

Any questions concerning this action should be directed to Richard LeBlanc at (225) 219-3165.

Sincerely,

Celena J. Cage
Administrator
Enforcement Division

CJC/RDL/rdl
Alt ID No. 2660-00210
Attachment

c: Enterprise Gas Processing, LLC
c/o Environmental Department
P.O. Box 4324
Houston, TX 77210

STATE OF LOUISIANA
DEPARTMENT OF ENVIRONMENTAL QUALITY

OFFICE OF ENVIRONMENTAL COMPLIANCE

IN THE MATTER OF	*	
	*	
ENTERPRISE GAS PROCESSING, LLC	*	**ENFORCEMENT TRACKING NO.**
ST. MARY PARISH	*	
ALT ID NO. 2660-00210	*	**AE-PP-14-00549A**
	*	
	*	**AGENCY INTEREST NO.**
	*	
PROCEEDINGS UNDER THE LOUISIANA	*	**43501**
ENVIRONMENTAL QUALITY ACT,	*	
La. R.S. 30:2001, ET SEQ.	*	

AMENDED NOTICE OF POTENTIAL PENALTY

The Louisiana Department of Environmental Quality (the Department) hereby amends the **NOTICE OF POTENTIAL PENALTY, ENFORCEMENT TRACKING NO. AE-PP-14-00549,** issued to **ENTERPRISE GAS PROCESSING, LLC (RESPONDENT)** on January 7, 2016, in the above-captioned matter as follows:

I.

The Department hereby deletes Subparagraph A from the Notice of Potential Penalty.

II.

The Department incorporates all of the remainder of the original **NOTICE OF POTENTIAL PENALTY, ENFORCEMENT TRACKING NO. AE-PP-14-00549** and **AGENCY INTEREST NO. 43501,** as if reiterated herein.

III.

This **AMENDED NOTICE OF POTENTIAL PENALTY** is effective upon receipt.

Baton Rouge, Louisiana, this 16th day of December, 2016.

Lourdes Iturralde
Assistant Secretary
Office of Environmental Compliance

Copies of a request for a hearing and/or related correspondence should be sent to:

Louisiana Department of Environmental Quality
Office of Environmental Compliance
Enforcement Division
Post Office Box 4312
Baton Rouge, LA 70821-4312
Attention: Richard LeBlanc