STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:	*	**Settlement Tracking No. SA-AE-15-0074**
CRESTWOOD SABINE PIPELINE LLC	*	
AI # 167466, 171571	*	**Enforcement Tracking No. AE-PP-14-00809**
PROCEEDINGS UNDER THE LOUISIANA ENVIRONMENTAL QUALITY ACT LA. R.S. 30:2001, ET SEQ.	*	

SETTLEMENT

The following Settlement is hereby agreed to between Crestwood Sabine Pipeline 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 owns and/or operates facilities located in Sabine Parish, Louisiana ("the Facilities").

II

On June 8, 2015, the Department issued to Respondent a Notice of Potential Penalty, Enforcement No. AE-PP-14-00809, which was based upon the following findings of fact:

On or about November 3, 2014 and May 14, 2015, file reviews of the **BAKER ROAD TREATER, AI# 167466**, a natural gas collection, sweetening and transfer facility, owned and/or operated by **CRESTWOOD SABINE PIPELINE LLC (RESPONDENT)**, were performed to determine the degree of compliance with the Louisiana Environmental Quality Act (the Act) and the Air Quality Regulations. The facility is located on Louisiana Highway 482, five miles south

of Zwolle in Sabine Parish, Louisiana. The facility operates, or has operated, under the Minor Source Air Permits shown in Table A:

TABLE A

Permit No.	Permit Issue Date
2700-00090-00	February 2, 2010
2700-00090-01	May 19, 2011
2700-00090-02	June 11, 2012

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 reviews:

> In correspondence dated as shown in Table B, the Respondent submitted the facility's Annual Criteria Pollutant Emissions Inventory and Annual Toxic Emissions Data Inventory for the reporting year 2013:

TABLE B

Reporting Year	Postmark Date	Due Date [1]
2013	May 5, 2014	April 30, 2013

> The failure to submit the Annual Criteria Pollutant Emissions Inventory by the due date is a violation of LAC 33:III.919.F.1.d, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2). The failure to submit the Annual Toxic Emissions Data Inventory by the due date is a violation of LAC 33:III.5107.A, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).

On or about November 3, 2014 and May 14, 2015, file reviews of the **DYESS TREATER, AI# 171571**, a gas gathering facility, owned and/or operated by **CRESTWOOD SABINE PIPELINE LLC (RESPONDENT)**, were performed to determine the degree of compliance with the Act and the Air Quality Regulations. The facility is located on Brando/Shuteye Road, in Zwolle, Sabine Parish, Louisiana. The facility operates, or has operated, under the Minor Source Air Permits shown in Table C:

[1] Table not in original enforcement action.

TABLE C

Permit No.	Permit Issue Date
2700-00093-00	August 24, 2010
2700-00093-01	November 23, 2010

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

In correspondence dated as shown in Table D, the Respondent submitted the facility's Annual Criteria Pollutant Emissions Inventory and Annual Toxic Emissions Data Inventory for the 2012 and 2013 reporting years:

TABLE D

Reporting Year	Postmark Date	Due Date
2012	May 5, 2014	April 30, 2013
2013	May 5, 2014	April 30, 2014

Each failure to submit the Annual Criteria Pollutant Emissions Inventory by the due date is a violation of LAC 33:III.919.F.1.d, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2). Each failure to submit the Annual Toxic Emissions Data Inventory by the due date is a violation of LAC 33:III.5107.A, 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 THREE THOUSAND AND NO/100 DOLLARS ($3,000.00), of which Six Hundred Forty-Eight and 23/100 Dollars ($648.23) 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 Sabine 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 twenty (20) 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.

CRESTWOOD SABINE PIPELINE 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