STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:	*	**Settlement Tracking No.**
	*	**SA-AE-15-0062**
TARGA MIDSTREAM SERVICES LLC	*	
	*	**Enforcement Tracking No.**
AI # 671, 4768, 7867, 11397, 13099, 17897,	*	**AE-CN-10-01457**
26857, 26859, 26893, 27765, 31825, 32615,	*	**AE-CN-10-01457A**
96273, 174054 and 175974	*	
	*	
PROCEEDINGS UNDER THE LOUISIANA	*	
ENVIRONMENTAL QUALITY ACT	*	
LA. R.S. 30:2001, ET SEQ.	*	

SETTLEMENT

The following Settlement is hereby agreed to between Targa Midstream 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 owns and/or operates gas processing facilities located in Calcasieu, Cameron, Acadia, Vermilion, Plaquemines, St. Bernard and Jefferson Davis Parishes ("the Facilities").

II

On June 20, 2011, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. **AE-CN-10-01457**, which was based upon the following findings of fact:

"The Respondent owns and/or operates Lowry Gas Plant, (facility), Agency Interest No. 4768, located at 810 Lowry Highway in Lowry, Cameron Parish, Louisiana. The facility

previously operated under Title V Permit No. 0560-00044-V1 issued on May 31, 2005, and Administrative Amendment to Title V Permit No. 0560-00044-V2, issued on February 13, 2008. The facility currently operates under Title V Permit No. 0560-00044-V3 issued on May 31, 2011.

On or about March 9, 10, 11, and 18, 2010, inspections of the Respondent's facility were performed to determine the degree of compliance with the Act and the Air Quality Regulations.

While the Department's investigation is not yet complete, the following violations were noted during the course of the inspections and subsequent file reviews conducted on February 16, 2011, and April 4, 2011:

A. On or about September 26, 2006, the Department received the facility's compliance stack test report for Turbine 11.04. According to this report Turbine 11.04 was found to be operating above the maximum and average permitted emission limits for carbon monoxide (CO) during the stack test performed on July 25, 2006.

Turbine 11.04	Test Run Results Average (lb/hr)			Maximum and Average Permit Limit (lb/hr)
	1	2	3	
CO	4.82	3.75	3.34	3.00
Load	92%	94%	96%	

Each exceedance of a permitted emission limit is a violation of Title V Permit No. 0560-00044-V1, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

B. In the Respondent's 2007 Criteria & Toxic Air Pollutant Emissions Certification Statement submitted to the Department on or about May 15, 2008, the Respondent reported sulfur dioxide (SO_2) emissions of 1.5631 tons per year with a permit limit of 0.23 tons per year. The exceedance of the permit limit is a violation of Title V

Permit No. 0560-00044-V1, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

C. In the Respondent's Title V First Semiannual Monitoring Report dated November 7, 2008, the Respondent reported that tank T-10 was not equipped with a submerged fill pipe. This is a violation of LAC 33:III.2103.A, Specific Requirement No. 29 of Title V Permit No. 0560-00044-V2, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

D. Title V Permit No. 0560-00044-V2 states that tank T-22 is equipped with a submerged fill pipe. In the Respondent's Title V 1st Semiannual Monitoring Report dated November 7, 2008, the Respondent reported that tank T-22 was not equipped with a submerged fill pipe. This is a violation of LAC 33:III.2103.A, Title V Permit No. 0560-00044-V2, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).

E. In the Respondent's Title V First Semiannual Monitoring Report dated November 7, 2008, the Respondent stated, "Contents of tank hauled off by truck. Truck loading emissions not included in Title V Permit." Each incident of unpermitted emissions is a violation of LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

F. The Respondent submitted the 2008 First Semiannual Monitoring Report on November 7, 2008, eight (8) days after the due date of October 30, 2008. This is a violation of Title V Permit No.0560-00044-V2, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

G. In the Respondent's 2008 Criteria & Toxic Air Pollutant Emissions Certification Statement submitted to the Department on or about June 30, 2009, the Respondent reported particulate matter emissions of 4.7149 tons per year with a permit limit of 3.93 tons per year. The exceedance of the permit limit is a violation of Title V

Permit No. 0560-00044-V2, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

H. In the Respondent's 2009 First Semiannual Monitoring Report for Title V Air Permit No. 0560-00044-V2 submitted to the Department on or about September 28, 2009, the Respondent reported a release. Specifically, on or about June 4, 2009, a release of approximately 1,401 pounds of 95% methane gas was released to the atmosphere due to a piping failure. This 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." Control equipment as defined by LAC 33:III.111 is "any device or contrivance, operating procedure or abatement scheme used to prevent or reduce air pollution." This is also a violation of Title V Permit No. 0560-00044-V2, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

I. During the course of the March 9, 2010, inspection, the inspector noted that the Respondent failed to develop and implement written operating procedures that address emergency shutdowns. Specifically, emergency operating procedures were available but required updating to include specificity. The failure to adequately address emergency shutdowns in the operating procedures is a violation of 40 CFR 68.69(a)(1)(iv), which language has been adopted as a Louisiana regulation in LAC 33:III.5901, and La. R.S. 30:2057(A)(2). On or about March 31, 2010, the Respondent submitted updated operating procedures to the Department.

J. During the course of the March 9, 2010, inspection, the inspector noted that the Respondent failed to perform inspections and tests on process equipment that follow recognized and generally accepted good engineering practices. Specifically, multiple thickness measurement location (TML) measurements indicated that vessels had locations that exceeded the remaining life value. Based on good engineering practices, these locations should have been corrected. The failure to perform inspections and tests on process equipment that follow recognized and generally accepted good engineering practices is a violation of 40 CFR 68.73(d)(2), which language has been adopted as a Louisiana regulation in LAC 33:III.5901, and La. R.S. 30:2057(A)(2). As of March 31, 2010, the Respondent had the vessels re-rated referencing acceptable engineering standards and tests were conducted to verify maximum allowable working pressures.

K. During the course of the March 9, 2010, inspection, the inspector noted that the Respondent failed to perform inspections and tests on process equipment at a frequency consistent with applicable manufacturers' recommendations and good engineering practices. Specifically, multiple pipe and vessel TMLs were past due on inspection dates determined by good engineering practices. Each failure to perform inspections and tests on process equipment at a frequency consistent with applicable manufacturers' recommendations is a violation of 40 CFR 68.73(d)(3), which language has been adopted as a Louisiana regulation in LAC 33:III.5901, and La. R.S. 30:2057(A)(2). The Respondent conducted inspections on all process equipment during May 2010 and generated charts that include short-term and half-life corrosion rates which indicate the frequency of future inspections.

L. During the course of the March 9, 2010, inspection, the inspector noted that the Respondent failed to periodically evaluate that each contract employee is trained in the safe work practices to perform his or her job. Specifically, the facility utilized a global system to evaluate contract companies safety performance prior to that company coming on site; however, there were no visible actions taken to periodically evaluate that contractors were trained in safe work practices while on site. This is a violation of 40 CFR 68.87(b)(5), which language has been adopted as a Louisiana regulation in LAC 33:III.5901, and La. R.S. 30:2057(A)(2).

M. In the Respondent's 2009 Criteria & Toxic Air Pollutant Emissions Certification Statement submitted to the Department on or about March 31, 2010, the Respondent reported particulate matter emissions of 4.7960 tons with a permit limit of 3.93 tons per year. The exceedance of the permit limit is a violation of Title V Air Permit No. 0560-00044-V2, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

N. Title V Permit No. 1560-00044-V2, issued on February 13, 2008, permits the Amine Treating Unit (EQT 4) to emit 0.81 tpy of volatile organic compounds (VOCs). In the Respondent's correspondence dated March 23, 2011, the Respondent reported a newer estimation methodology estimated the emissions from EQT 4 to be 5.7 tons of VOCs for operating during the second half of 2008. On December 29, 2010, the Respondent conducted a performance test on EQT 4. The results indicate 30 tpy VOC emissions from EQT 4 during 2009 and 2010. Each incident of exceeding a permitted emission limit is a violation of Title V Permit No. 1560-00044-V2, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

O. In the Respondent's Title V Annual Compliance Certification dated March 24, 2011, the Respondent reported the benzene, ethylbenzene, toluene, and xylene emissions for EQT 4 were above permit limits during the 2010 calendar year. Each incident of exceeding a permitted emission limit for each pollutant is a violation of Title V Permit No. 1560-00044-V2, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

The Respondent owns and/or operates the Venice Gas Processing Plant (facility), Agency Interest No. 17897, located approximately five (5) miles from the Gulf of Mexico near Venice in Plaquemines Parish, Louisiana. The facility previously operated under Title V Permit No. 2240-00015-V1 issued on March 3, 2006, Title V Permit No. 2240-00015-V2 issued on April 27, 2007, Title V Permit No. 2240-00015-V3 issued on September 18, 2007, and May 1, 2008, and Title V Permit No. 2240-00015-V4, issued on December 16, 2010. The facility currently operates under Title V Permit No. 2240-00015-V5, issued on June 8, 2011.

On or about February 16, 2011, a file review of the Respondent's facility was performed to determine the degree of compliance with the Act and the Air Quality Regulations.

While the Department's investigation is not yet complete, the following violations were noted during the course of the file review:

A. In the Respondent's Title V Second Semiannual Monitoring Report dated March 9, 2007, the Respondent reported a regeneration valve failure resulted in an opacity exceedance associated with the facility's flare (EQT009), According to the Respondent this incident began on July 9, 2006, and ended on July 10, 2006, and the duration was two hours during this time period. Each incident of visible emissions which exceed a total of 5 minutes during any two (2) consecutive hours is a violation

of 40 CFR 60.18(c)(1), which language has been adopted as a Louisiana regulation in LAC 33:III.3003, Specific Requirement No. 37 of Title V Permit No. 2240-00015-V1, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

B. In the Respondent's Title V Second Semiannual Monitoring Report dated March 31, 2008, and the Title V Annual Compliance Certification dated March 31, 2008, the Respondent reported the failure to report VOC monitoring semiannually as required by Specific Requirement No. 146 of Title V Permit No. 2240-00015-V2 and LAC 33:III.2121.F. This is a violation of Specific Requirement No. 146 of Title V Permit No. 2240-00015-V2, LAC 33:III.501.C.4, LAC 33:III.2121.F, and La. R.S. 30:2057(A)(2).

C. Specific Requirement No. 1 of Title V Permit No. 2240-00015-V3, which incorporates 40 CFR 60.18(c)(1), states, "Design and operate for no visible emissions, as determined by methods specified in 40 CFR 60.18(f), except for periods not to exceed a total of 5 minutes during any two consecutive hours." In the Respondent's Title V First Semiannual Monitoring Report dated September 30, 2008, the Respondent reported the following opacity deviations.

Emissions Source	Date	Duration
Process Flare (EQT009)	May 21, 2008	0.5 hours
Process Flare (EQT009)	May 23, 2008	1 hour and 50 minutes

Each incident of visible emissions which exceed a total of 5 minutes during any two (2) consecutive hours is a violation of Specific Requirement No. 1 of Title V Permit No. 2240-00015-V3, 40 CFR 60.18(c)(1), which language has been adopted as a Louisiana regulation in LAC 33:III.3003, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

D. In the Respondent's Title V Second Semiannual Monitoring Report dated March 27, 2009, and Title V Annual Compliance Certification dated March 31, 2009, the Respondent reported the flame on the facility's flare went out on August 1, 2008. The duration of the incident was four (4) hours. This is a violation of 40 CFR 60.18(c)(2), which language has been adopted as a Louisiana regulation in LAC 33:III.3003, Specific Requirement No. 2 of Title V Permit No. 2240-00015-V3, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

E. In correspondence dated July 10, 2009, the Respondent reported an unauthorized discharge occurred at the facility beginning on April 8, 2009, at 10:00 a.m. and ending on May 6, 2009, at 10:00 a.m. According to the Respondent, 120 mmscf of sweet pipeline gas was released over this 28 day period. According to the Respondent, approximately 4,000,000 scf was released per day. The unauthorized emissions were released through the LM2500 exhaust stack (EQT046). The unauthorized discharge is a violation of LAC 33:III.905.A, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

F. In correspondence dated July 10, 2009, the Respondent reported an unauthorized discharge occurred at the facility beginning on April 8, 2009, at 10:00 a.m. and ending on May 6, 2009, at 10:00 a.m. According to the Respondent, 120 mmscf of sweet pipeline gas was released over this 28 day period. According to the Respondent, approximately 4,000,000 scf was released per day. The Reportable Quantity for sweet pipeline gas is 1,000,000 scf. The Respondent notified the Department on July 2, 2009. The Respondent's failure to notify the Department

within twenty-four hours is a violation of LAC 33:I.3917.A, Title V Permit No. 2240-00015-V3, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

G. In correspondence dated July 10, 2009, the Respondent reported an unauthorized discharge occurred at the facility beginning on April 8, 2009, at 10:00 a.m. and ending on May 6, 2009, at 10:00 a.m. According to the Respondent, 120 mmscf of sweet pipeline gas was released over this 28 day period. According to the Respondent, approximately 4,000,000 scf was released per day. The Reportable Quantity for sweet pipeline gas is 1,000,000 scf. Written notification was submitted to the Department in a letter dated July 10, 2009. The Respondent's failure to submit written notification within seven (7) calendar days in the required timeframe is a violation of LAC 33:I.3925.A, Title V Permit No. 2240-00015-V3, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

The Respondent owns and/or operates the Barracuda Gas Plant (facility), Agency Interest No. 26857, located at 5466 Gulf Beach Highway in Cameron, Cameron Parish, Louisiana. The facility previously operated under Title V Permit No. 0560-00004-V1 issued on August 8, 2005, Title V Permit No. 0560-00004-V2 issued on September 27, 2007, and April 15, 2008. The facility currently operates under Title V Permit No. 0560-00004-V3, issued on August 8, 2010.

On or about October 19 through 21, 2010, inspections of the Respondent's facility were performed to determine the degree of compliance with the Act and the Air Quality Regulations.

While the Department's investigation is not yet complete, the following violations were noted during the course of the inspections and subsequent file reviews conducted on February 16, 2011, and April 4, 2011:

A. In the Respondent's 2006 Criteria & Toxic Air Pollutant Emissions Certification Statement submitted to the Department on or about August 29, 2007, the Respondent reported particulate matter emissions of 2.0045 tons with a permit limit of 0.66 tons per year. The exceedance of the permit limit is a violation of Title V Air Permit No. 0560-00004-V1, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

B. In the Respondent's 2006 Criteria & Toxic Air Pollutant Emissions Certification Statement submitted to the Department on or about August 29, 2007, the Respondent reported SO_2 emissions of 0.9070 tons with a permit limit of 0.01 tons per year. The exceedance of the permit limit is a violation of Title V Air Permit No. 0560-00004-V1, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

C. The Respondent submitted the First Semiannual Monitoring Report on November 7, 2008, eight (8) days after the due date of October 30, 2008. This is a violation of Title V Permit No. 0560-00004-V2, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

D. In the Respondent's Title V Annual Compliance Certification dated March 29, 2010, the Respondent reported a condensate storage tank (EQT003) was not equipped with a submerged fill pipe. This is a violation of LAC 33:III.2103.A, Specific Requirement No. 2 of Title V Permit No. 0560-00004-V2, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

E. During the course of the October 19, 2010, inspection, the inspector noted that the Respondent failed to document that equipment complies with recognized and generally accepted good engineering practices. This is a violation of 40 CFR 68.65(d)(2), which language has been adopted as a Louisiana regulation in LAC 33:III.5901, and La. R.S. 30:2057(A)(2).

F. During the course of the inspection, the inspector noted the Respondent failed to follow generally accepted good engineering practices for inspection and testing procedures. Specifically, current procedures for establishing the next date for inspections do not meet the requirements of API 510, 570 for fixed equipment inspections. The procedure the Stingray and Barracuda plants are currently employing to use test data in establishing the next test or inspection date for fixed equipment does not follow any good engineering practice. The inspector noted the Mechanical Integrity plan does not specify that external API visual will take place on fixed equipment and what frequency they will occur. The inspector noted the Mechanical Integrity plan did not do a good job of identifying what type of test fixed and rotating equipment will receive and at what intervals tests will be performed. Each failure by the Respondent to follow generally accepted good engineering practices for inspection and testing procedures is a violation of 40 CFR 68.73(d)(2), which language has been adopted as a Louisiana regulation in LAC 33:III.5901, and La. R.S. 30:2057(A)(2).

The Respondent owns and/or operates the Stingray Gas Plant (facility), Agency Interest No. 26859, located at 5022 Gulf Beach Highway in Johnsons Bayou, Cameron Parish, Louisiana. The facility previously operated under Title V Permit No. 0560-00020-V0 issued on October 7, 2004, and Title V Permit No. 0560-00020-V1 issued on May 1, 2009. The facility currently operates under an Administrative Amendment to Title V Permit No. 0560-00020-V2, issued on May 20, 2010.

On or about June 8, 2010, and October 19 through 21, 2010, inspections of the Respondent's facility were performed to determine the degree of compliance with the Act and the Air Quality Regulations.

While the Department's investigation is not yet complete, the following violations were noted during the course of the inspection and subsequent file reviews conducted on February 16, 2011, and April 4, 2011:

A. In the Respondent's Title V First Semiannual Monitoring Report dated November 7, 2008, the Respondent reported that a 250 barrel slop water tank, five (5) 344 gallon engine lube oil tanks, and one (1) 255 gallon methanol tank were not included in the facility's Title V Permit No. 0560-00020-V0. The Respondent's failure to submit a permit application to the permitting authority prior to construction, reconstruction, or modification of the facility is a violation of LAC 33:III.501.C.1 and La. R.S. 30:2057 (A)(2).

B. In the Respondent's Title V First Semiannual Monitoring Report dated November 7, 2008, the Respondent reported that a 250 barrel slop water tank, five (5) 344 gallon engine lube oil tanks, and one (1) 255 gallon methanol tank were not included in the facility's Title V Permit No. 0560-00020-V0. Each incident of the Respondent's operation of an emission source prior to receiving approval from the permitting authority is a violation of LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

C. The Respondent submitted the First Semiannual Monitoring Report on November 7, 2008, eight (8) days after the due date of October 30, 2008. This is a violation of Title V Permit No. 0560-00020-V0, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

D. In the Respondent's 2008 Criteria & Toxic Air Pollutant Emissions Certification Statement submitted to the Department on or about June 30, 2009, the Respondent reported SO_2 emissions of 6.0751 tons with a permit limit of 2.27 tons per year. The

exceedance of the permit limit is a violation of Title V Air Permit No.0560-00020-V0, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

E. On or about February 18, 2010, the Department received the facility's compliance test report for the EG Dehydrator Vent (EQT012). According to this report, EQT012 was found to be operating above the maximum and average permitted emission limits for n-hexane during the test performed on December 22, 2009.

EQT012	Test Run Results Average (lb/hr)	Maximum and Average Permit Limit (lb/hr)
n-hexane	0.233	0.058

The exceedance of a permitted emission limit is a violation of Title V Permit No. 0560-00020-V1, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

F. In the Respondent's 2009 Criteria & Toxic Air Pollutant Emissions Certification Statement submitted to the Department on or about March 31, 2010, the Respondent reported SO_2 emissions of 6.0789 tons with a permit limit of 1.75 tons per year. The exceedance of the permit limit is a violation of Title V Air Permit No. 0560-00020-V1, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

G. In the Respondent's 2009 Criteria & Toxic Air Pollutant Emissions Certification Statement submitted to the Department on or about March 31, 2010, the Respondent reported VOC emissions of 72.4218 tons with a permit limit of 59.21 tons per year. The exceedance of the permit limit is a violation of Title V Air Permit No. 0560-00020-V1, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

H. In the Respondent's Title V Annual Compliance Certification dated March 29, 2010, the Respondent reported two condensate storage tanks (EQT006 and EQT007) exceeded the VOC permit limit of 2.27 tons per year. Each incident of exceeding a permitted emission limit is a violation of Title V Permit No. 0560-00020-V1, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

I. In the Respondent's Title V Annual Compliance Certification dated March 29, 2010, the Respondent reported a slop oil tank (EQT0010) was not equipped with a submerged fill pipe. This is a violation of Specific Requirement No. 21 of Title V Permit No. 0560-00020-V1, LAC 33:III.501.C.4, LAC 33:III.2103.F, and La. R.S. 30:2057(A)(2).

J. During the course of the inspection conducted on June 8, 2010, the inspector noted the Respondent failed to submit a 30-day notification to the Department's Office of Environmental Assessment prior to testing EQT0001 on September 29, 2009. This is a violation of Specific Requirement No. 5 of Title V Permit No. 0560-00020-V1, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

K. During the course of the inspection conducted on June 8, 2010, the inspector noted the Respondent failed to submit the September 29, 2009, initial compliance re-test report for EQT0001 to the Department's Office of Environmental Assessment within 60 days of testing. This is a violation of Specific Requirement No. 4 of Title V Permit No. 0560-00020-V1, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

L. During the course of the inspection conducted on October 19 through 21, 2010, the inspector noted that the Respondent failed to document that equipment complies with recognized and generally accepted good engineering practices. This is a violation of

40 CFR 68.65(d)(2), which language has been adopted as a Louisiana regulation in LAC 33:III.5901, and La. R.S. 30:2057(A)(2).

M. During the course of the inspection conducted on October 19 through 21, 2010, the inspector noted that the Respondent failed to follow generally accepted good engineering practices for inspection and testing procedures. Specifically, current procedures for establishing the next date for inspections do not meet the requirements of API 510, 570 for fixed equipment inspections. The procedure the Stingray and Barracuda plants are currently employing to use test data in establishing the next test or inspection date for fixed equipment does not follow any good engineering practice. The inspector noted the Mechanical Integrity plan does not specify that external API visual will take place on fixed equipment and what frequency they will occur. The inspector noted the Mechanical Integrity plan did not do a good job of identifying what type of test fixed and rotating equipment will receive and at what intervals tests will be performed. Each failure by the Respondent to follow generally accepted good engineering practices for inspection and testing procedures is a violation of 40 CFR 68.73(d)(2), which language has been adopted as a Louisiana regulation in LAC 33:III.5901, and La. R.S. 30:2057(A)(2).

The Respondent owns and/or operates the Yscloskey Gas Plant (facility), Agency Interest No. 26893, located one (1) mile northwest of Yscloskey in St. Bernard Parish, Louisiana. The facility previously operated under Title V Permit No. 2500-00014-V1 issued on April 19, 2000, and Title V Permit No. 2500-00014-V2 issued on August 1, 2005. The facility currently operates under Title V Permit No. 2500-00014-V3, issued on April 23, 2009.

On or about February 16, 2011, and April 4, 2011, file reviews of the Respondent's facility were performed to determine the degree of compliance with the Act and the Air Quality Regulations.

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

A. In the Respondent's Title V Second Semiannual Monitoring Report dated February 27, 2008, and Title V Annual Compliance Certification dated February 27, 2008, the Respondent reported flaring occurred on August 9, 2007, for approximately two (2) hours. According to the Respondent, the flaring occurred due to a process upset after refrigeration compressors shutdown due to a malfunction caused by a faulty air duct pressure switch. According to correspondence from the Respondent's representative dated February 1, 2011, the unauthorized emissions associated with this event are as follows:

Pollutant	**Emissions (pounds)**
Methane	885.670
Ethane	25.896
Propane	10.360
Iso-butane	2.008
N-butane	4.230
Iso-pentane	2.563
N-pentane	2.290
Hexane Plus	25.487
Total VOC	46.939
NOx	74.511
CO	405.428

Each incident of the unauthorized emission of each air pollutant is a violation of LAC 33:III.501.C.2, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

B. In the Respondent's Title V Annual Compliance Certification dated March 23, 2009, the Respondent reported flaring occurred on July 20, 2008, and the duration of the incident was three (3) hours and 30 minutes. According to the Respondent, the flaring occurred due to an electrical short resulting in a high amp load causing four (4) generators to shutdown. According to correspondence from the Respondent's representative dated February 1, 2011, the unauthorized emissions associated with this event are as follows:

Pollutant	Emissions (pounds)
Methane	1,390.836
Ethane	40.667
Propane	16.270
Iso-butane	3.153
N-butane	6.643
Iso-pentane	4.025
N-pentane	3.597
Hexane Plus	40.024
Total VOC	73.712
NOx	177.905
CO	968.013

Each incident of the unauthorized emission of each air pollutant is a violation of LAC 33:III.501.C.2, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

C. In the Respondent's Title V Annual Compliance Certification dated March 23, 2009, the Respondent reported a flaring event which began on July 26, 2008, and ended on July 27, 2008. The flaring incident lasted three (3) hours and 10 minutes. According to the Respondent, the flaring occurred due to an unscheduled shutdown of refrigeration compressors causing the process to heat up. According to

correspondence from the Respondent's representative dated February 1, 2011, the unauthorized emissions associated with this event are as follows:

Pollutant	Emissions (pounds)
Methane	593.548
Ethane	17.355
Propane	6.943
Iso-butane	1.346
N-butane	2.835
Iso-pentane	1.718
N-pentane	1.535
Hexane Plus	17.081
Total VOC	31.457
NOx	49.951
CO	271.793

Each incident of the unauthorized emission of each air pollutant is a violation of LAC 33:III.501.C.2, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

D. In the Respondent's Title V Annual Compliance Certification dated March 23, 2009, the Respondent reported flaring occurred on August 2, 2008, and lasted 5.25 hours. According to the Respondent, the flaring occurred due to an unscheduled plant shutdown caused by a fault in a 1500KVA transformer. According to correspondence from the Respondent's representative dated February 1, 2011, the unauthorized emissions associated with this event are as follows:

Pollutant	Emissions (pounds)
Methane	568.429
Ethane	16.620
Propane	6.649
Iso-butane	1.289
N-butane	2.715
Iso-pentane	1.645
N-pentane	1.470

Pollutant	Emissions (pounds)
Hexane Plus	16.358
Total VOC	30.126
NOx	47.837
CO	260.290

Each incident of the unauthorized emission of each air pollutant is a violation of LAC 33:III.501.C.2, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

E. In the Respondent's correspondence dated June 11, 2009, Title V First Semiannual Monitoring Report dated September 22, 2009, and Title V Annual Compliance Certification dated March 15, 2010, the Respondent reported flaring occurred on January 27, 2009, through January 28, 2009, and the duration of the incident was 17 hours. According to the Respondent, the flaring occurred due to a process upset after the refrigeration compressor shutdown due to a problem with the fuel valve. According to correspondence from the Respondent's representative dated February 1, 2011, the unauthorized emissions associated with this event are as follows:

Pollutant	Emissions (pounds)
Methane	1,339.668
Ethane	39.171
Propane	15.671
Iso-butane	3.037
N-butane	6.398
Iso-pentane	3.877
N-pentane	3.464
Hexane Plus	38.552
Total VOC	71.000
NOx	112.742
CO	613.450

Each incident of the unauthorized emission of each air pollutant is a violation of LAC 33:III.501.C.2, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

F. In the Respondent's correspondence dated June 11, 2009, Title V First Semiannual Monitoring Report dated September 22, 2009, and Title V Annual Compliance Certification dated March 15, 2010, the Respondent reported flaring occurred on February 21, 2009, and the duration of the incident was 12 hours. According to the Respondent, the flaring occurred due to a process upset when one (1) of the generators tripped out causing a high amp load resulting in the three (3) remaining generators tripping out. According to correspondence from the Respondent's representative dated February 1, 2011, the unauthorized emissions associated with this event are as follows:

Pollutant	Emissions (pounds)
Methane	1,231.751
Ethane	36.015
Propane	14.409
Iso-butane	2.792
N-butane	5.883
Iso-pentane	3.565
N-pentane	3.185
Hexane Plus	35.446
Total VOC	65.281
NOx	103.660
CO	564.034

Each incident of the unauthorized emission of each air pollutant is a violation of LAC 33:III.501.C.2, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

G. In the Respondent's correspondence dated June 11, 2009, Title V First Semiannual Monitoring Report dated September 22, 2009, Title V Annual Compliance Certification dated March 15, 2010, and correspondence dated March 9, 2009, the Respondent reported flaring occurred on March 4, 2009, and the duration of the incident was eight (8) hours. According to the Respondent, the flaring occurred due

to a process upset when the gas fired turbine driver for the refrigeration compressor tripped out due to a faulty fuel valve. According to correspondence from the Respondent's representative dated February 1, 2011, the unauthorized emissions associated with this event are as follows:

Pollutant	Emissions (pounds)
Methane	1,238.801
Ethane	36.222
Propane	14.491
Iso-butane	2.808
N-butane	5.917
Iso-pentane	3.585
N-pentane	3.204
Hexane Plus	35.649
Total VOC	65.654
NOx	104.254
CO	567.262

Each incident of the unauthorized emission of each air pollutant is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

H. In the Respondent's correspondence dated June 11, 2009, Title V First Semiannual Monitoring Report dated September 22, 2009, Title V Annual Compliance Certification dated March 15, 2010, and correspondence dated March 9, 2009, the Respondent reported flaring occurred on March 4, 2009, and the duration of the incident was eight (8) hours. This incident resulted in greater than 20 percent opacity for more than six (6) hours in a ten (10) day period and this is a violation of LAC 33:III.1105, Title V Permit No. 2500-00014-V2, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2)

I. In the Respondent's correspondence dated June 11, 2009, Title V First Semiannual Monitoring Report dated September 22, 2009, and Title V Annual Compliance Certification dated March 15, 2010, the Respondent reported the following flaring occurred on March 20, 2009, through March 21, 2009. The duration of the incident was eight (8) hours. According to the Respondent, the flaring occurred due to a plant shutdown caused by an electrical short circuit. According to correspondence from the Respondent's representative dated February 1, 2011, the unauthorized emissions associated with this event are as follows:

Pollutant	Emissions (pounds)
Methane	537.728
Ethane	15.723
Propane	6.290
Iso-butane	1.219
N-butane	2.568
Iso-pentane	1.556
N-pentane	1.391
Hexane Plus	15.474
Total VOC	28.499
NOx	45.253
CO	246.232

Each incident of the unauthorized emission of each air pollutant is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

J. In the Respondent's Title V First Semiannual Monitoring Report dated September 22, 2009, the Respondent states, "Based on a recent internal audit it was discovered that a backup 100KW Generator used for "black start-up" was installed after Hurricane Katrina but never authorized." The Respondent's failure to submit a permit application to the permitting authority prior to construction, reconstruction, or

modification of the facility is a violation of LAC 33:III.501.C.1 and La. R.S. 30:2057 (A)(2).

K. In the Respondent's Title V First Semiannual Monitoring Report dated September 22, 2009, the Respondent states, "Based on a recent internal audit it was discovered that a backup 100KW Generator used for "black start-up" was installed after Hurricane Katrina but never authorized." The operation of this source prior to receiving approval from the permitting authority is a violation of LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

L. In the Respondent's Title V First Semiannual Monitoring Report dated September 22, 2009, the Respondent reported that the cooling tower is not listed in the permit. The Respondent's failure to submit a permit application to the permitting authority prior to construction, reconstruction, or modification of the facility is a violation of LAC 33:III.501.C.1 and La. R.S. 30:2057 (A)(2).

M. In the Respondent's Title V First Semiannual Monitoring Report dated September 22, 2009, the Respondent reported that the cooling tower is not listed in the permit. The operation of this source prior to receiving approval from the permitting authority is a violation of LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

N. In the Respondent's Title V First Semiannual Monitoring Report dated September 22, 2009, the Respondent reported that the facility's flare (EQT 6) did not have a heat sensing device to monitor the presence of a flame. This is a violation of Specific Requirement No. 16 of Title V Permit No. 2500-00014-V3, LAC 33:III.501.C.4, and

La. R.S. 30:2057(A)(2). According to the Respondent, Hurricane Gustav, which made landfall on September 1, 2008, destroyed the device.

O. In the Respondent's Title V Annual Compliance Certification dated March 15, 2010, the Respondent reported the following flaring occurred on December 7, 2009. According to the Respondent, the flaring occurred due to an unscheduled plant shutdown caused by a high pressure fuel valve malfunction. According to the Respondent, the duration of the incident was 12 hours, and the unauthorized emissions associated with this event are shown in the following table:

Pollutant	Emissions (pounds)
Methane	75.356
Ethane	2.203
Propane	0.882
Iso-butane	0.171
N-butane	0.360
Iso-pentane	0.218
N-pentane	0.195
Hexane Plus	2.169
Total VOC	3.994
NOx	9.639
CO	52.448

Each incident of the unauthorized emission of each air pollutant is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

P. In the Respondent's Title V First Semiannual Monitoring Report dated August 20, 2010, the Respondent reported flaring events occurred on March 10, 2010, and March 11, 2010. According to the Respondent, flaring occurred due to a short circuit in an underground cable for a power generator causing the loss of electrical power. This resulted in an unexpected plant shutdown. According to correspondence from

the Respondent's representative dated February 1, 2011, the duration of the flaring was 8 hours, and the unauthorized emissions associated with this event are as follows:

Pollutant	Emissions (pounds)
Methane	777.752
Ethane	22.741
Propane	9.098
Iso-butane	1.763
N-butane	3.715
Iso-pentane	2.251
N-pentane	2.011
Hexane Plus	22.381
Total VOC	41.219
NOx	65.453
CO	356.142

Each incident of the unauthorized emission of each air pollutant is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

Q. In the Respondent's Title V Annual Compliance Certification dated March 4, 2011, the Respondent reported a flaring event occurred on June 14, 2010, and lasted approximately two (2) hours. According to the Respondent, the flaring occurred due to a plant upset caused when a gas fired turbine tripped off line due to a false high level alarm. According to the Respondent, the unauthorized emissions associated with this event are as follows:

Pollutant	Emissions (pounds)
Methane	263.282
Ethane	7.698
Propane	3.080
Iso-butane	0.597

Pollutant	Emissions (pounds)
N-butane	1.257
Iso-pentane	0.762
N-pentane	0.681
Hexane Plus	7.576
Total VOC	13.953
NOx	33.677
CO	183.243

Each incident of the unauthorized emission of each air pollutant is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

R. In the Respondent's Title V Annual Compliance Certification dated March 4, 2011, the Respondent reported a flaring event occurred on August 1, 2010, and lasted approximately two (2) hours. According to the Respondent, the flaring occurred due to a plant upset caused when both gas fired turbines tripped off line due to a high level in the low economizer. According to the Respondent, the unauthorized emissions associated with this event are as follows:

Pollutant	Emissions (pounds)
Methane	530.285
Ethane	15.505
Propane	6.203
Iso-butane	1.202
N-butane	2.533
Iso-pentane	1.535
N-pentane	1.371
Hexane Plus	15.260
Total VOC	28.104
NOx	67.830
CO	369.075

Each incident of the unauthorized emission of each air pollutant is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

S. In the Respondent's Title V Annual Compliance Certification dated March 4, 2011, the Respondent reported a flaring event occurred on November 1, 2010, and lasted approximately one (1) hour. According to the Respondent, the flaring occurred due to a plant upset caused by a loose connection on a bearing for a gas turbine. According to the Respondent, the unauthorized emissions associated with this event are as follows:

Pollutant	Emissions (pounds)
Methane	15.816
Ethane	0.462
Propane	0.185
Iso-butane	0.036
N-butane	0.755
Iso-pentane	0.458
N-pentane	0.041
Hexane Plus	0.455
Total VOC	0.838
NOx	2.023
CO	11.008

Each incident of the unauthorized emission of each air pollutant is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

T. In the Respondent's Title V Annual Compliance Certification dated March 4, 2011, the Respondent reported a flaring event occurred on December 8, 2010, and lasted approximately two (2) hours. According to the Respondent, the flaring occurred due to a gas fired turbine being tripped off line. According to the Respondent, the unauthorized emissions associated with this event are as follows:

Pollutant	Emissions (pounds)
Methane	10.234
Ethane	0.299
Propane	0.120
Iso-butane	0.023
N-butane	0.049
Iso-pentane	0.030
N-pentane	0.026
Hexane Plus	0.294
Total VOC	0.542
NOx	1.309
CO	7.123

Each incident of the unauthorized emission of each air pollutant is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

U. In the Respondent's Title V Annual Compliance Certification dated March 4, 2011, the Respondent reported a flaring event occurred on December 9, 2010, and lasted approximately one (1) hour. According to the Respondent, the flaring occurred due to a gas turbine being tripped off line. According to the Respondent, the unauthorized emissions associated with this event are as follows:

Pollutant	Emissions (pounds)
Methane	9.303
Ethane	0.272
Propane	0.109
Iso-butane	0.021
N-butane	0.044
Iso-pentane	0.027
N-pentane	0.024
Hexane Plus	0.268
Total VOC	0.493
NOx	1.190
CO	6.475

Each incident of the unauthorized emission of each air pollutant is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

The Respondent owns and/or operates the Delta Gathering Station (facility), Agency Interest No. 32615, located five (5) miles from the Gulf of Mexico along Pass Tante Pine and Red Pass off Louisiana Highway 23 near Venice in Plaquemines Parish, Louisiana. The facility previously operated under Title V Permit No. 2240-00141-V1 issued on August 31, 2005, Title V Permit No. 2240-00141-V2 issued on February 22, 2008, and Title V Permit No. 2240-00141-V3 issued on July 21, 2009. The facility currently operates under Title V Permit No. 2240-00141-V4 issued on August 8, 2010.

On or about December 8, 2010, an inspection of the Respondent's facility was performed to determine the degree of compliance with the Act and the Air Quality Regulations.

While the Department's investigation is not yet complete, the following violations were noted during the course of the inspection and subsequent file review conducted on February 16, 2011, and April 4, 2011:

A. In the Title V First Semiannual Monitoring Report dated July 21, 2006, a letter from the Respondent dated June 29, 2006, and the Title V Annual Compliance Certification dated March 24, 2007, the Respondent reported that the vapor recovery unit (VRU) at the facility was down during time periods between February 16, 2006, through June 30, 2006, resulting in vapors being sent to the emergency flare (EQT0036). According to an email from the Respondent's representative dated November 20, 2008, the emissions from the emergency flare (EQT0036) are estimated to be 83 pounds per day (lb/day) of volatile organic compounds (VOCs) including 0.21 lb/day of benzene if the triethylene glycol (TEG) units were running.

The failure to operate the VRU is a violation of LAC 33:III.905.A, LAC 33:III.2103.E, Title V Permit No. 2240-00141-V1, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2). Each incident of the unauthorized emission of air pollutants during the period of February 16, 2006, through June 30, 2006, is a violation of LAC 33:III.501.C.2, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

B. In the Respondent's Title V 2nd Semiannual Monitoring Report dated March 9, 2007, the Respondent reported that on October 3, 2006, through October 13, 2006, the low pressure gas compressor was down due to insufficient inlet gas volume and vapors were sent to the emergency flare (EQT0036). According to a letter dated February 20, 2007, on October 3, 2006, the VRU had to be shut down because of reduced flow of gas from offshore gas producers. As a result, the VRU vapors were sent the emergency flare (EQT0036). This is a violation of LAC 33:III.905.A, LAC 33:III.2103.E, Title V Permit No. 2240-00141-V1, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2). According to the Respondent, the flaring of flash gases resulted in a release of 22 lbs of NO_x and 101 lbs of CO. The unauthorized emission of air pollutants during the flaring is a violation of LAC 33:III.501.C.2, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

C. In the Respondent's Title V Second Semiannual Monitoring Report dated March 9, 2007, the Respondent reported that the vapor recovery unit (VRU) at the facility came down due to compressor vibration on December 3, 2006, resulting in vapors being sent to the flare. The compressor was rebuilt and put back into service on December 11, 2006. The failure to operate the VRU is a violation of LAC 33:III.905.A LAC 33:III.2103.E, Title V Permit No. 2240-00141-V1, LAC

33:III.501.C.4, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2). According to the Respondent, the flaring of flash gases resulted in a release of 18 lbs of NO_x and 101 lbs of CO. The unauthorized emission of air pollutants during flaring is a violation of LAC 33:III.501.C.2, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

D. In the Respondent's Title V First Semiannual Monitoring Report dated September 28, 2007, the Respondent reported that the low pressure gas compressor (Cooper #1) came down from January 5, 2007, through January 12, 2007. During this time period the facility sent the vapors to the emergency flare (EQT0036). According to an email from the Respondent's representative dated November 20, 2008, the emissions from the emergency flare (EQT0036) on a daily basis are estimated to be 83 lbs of VOCs including 0.21 lbs/day of benzene if the TEG unit is running. Each incident of the unauthorized emission of air pollutants is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

E. In the Respondent's Title V First Semiannual Monitoring Report dated September 28, 2007, the Respondent reported that on April 3, 2007, the VRU at the facility had to be shut down and the vapors were sent to the flare. The deviation ended on April 10, 2007. This is a violation of LAC 33:III.905.A, LAC 33:III.2103.E, Title V Permit No. 2240-00141-V1, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2). Each incident of the unauthorized emission of each air pollutants during flaring is a violation of LAC 33:III.501.C.2, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

F. In the Respondent's Title V Second Semiannual Monitoring Report dated March 31, 2008, Title V Annual Compliance Certification dated March 31, 2008, and correspondence dated December 21, 2007, the Respondent reported that on December 9, 2007, the VRU went down and started operating on December 14, 2007. The Respondent's correspondence dated December 21, 2007, states that during the time the VRU was not operational the emissions from the TEG unit and the storage tank had to back up in the system to the storage tank, and the emissions were vented from the storage tank pressure relief valve. According to the Respondent's correspondence dated December 21, 2007, the following pollutants were released during this incident.

Pollutant	**Total Released to Atmosphere (pounds)**
Propane	10,355.70
Iso-butane	3,405.37
N-butane	4,201.97
Iso-pentane	1,436.37
N-pentane	1,116.58
Hexanes plus	1,053.37
N-hexane	172.82
Benzene	53.37
Toluene	21.35
Ethylbenzene	0.41
Xylene	1.44
C8+	37.36

This is a violation of LAC 33:III.905.A, LAC 33:III.2103.E, Title V Permit No. 2240-00141-V1, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2). Each incident of the unauthorized emission of each air pollutant is a violation of LAC 33:III.501.C.2, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

G. According to the Respondent's correspondence dated December 21, 2007, notification was made to the Department on December 14, 2007 in connection with the unauthorized discharge that began on December 9, 2007, and ended on December 14, 2007. The Respondent's failure to notify the Department within twenty-four hours is a violation of LAC 33:I.3917.A, Title V Permit No. 2240-00141-V1, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

H. According to the Respondent's correspondence dated December 21, 2007, notification was made to the Department on December 14, 2007, in connection with the unauthorized discharge that began on December 9, 2007, and ended on December 14, 2007. Written notification was submitted in a letter dated December 21, 2007. The Respondent's failure to submit written notification to the Department within seven (7) calendar days is a violation of LAC 33:I.3925.A, Title V Permit No. 2240-00141-V1, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

I. In the Respondent's Title V Second Semiannual Monitoring Report dated March 27, 2009, and Title V Annual Compliance Certification dated March 31, 2009, and correspondence dated January 31, 2011, the Respondent reported that the facility's VRU was down between November 13, 2008, at 4:00 p.m. and ended on November 14, 2008, at 1:00 p.m. This is a violation of LAC 33:III.905.A, LAC 33:III.2103.E, Title V Permit No. 2240-00141-V1, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

J. In the Respondent's Title V Annual Compliance Certification dated March 31, 2010, the Respondent reported the #1 Cooper went down on May 15, 2009, through May 16, 2009, for approximately 19 hours. According to an email from the Respondent's representative dated November 20, 2008, the emissions from the emergency flare

(EQT0036) on a daily basis are estimated to be 83 lbs of VOCs including 0.21 lbs/day of benzene if the TEG units were running. Each incident of the unauthorized emission of air pollutants is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

K. In the Respondent's Title V Annual Compliance Certification dated March 31, 2010, the Respondent reported the #3 Cooper went down on April 23, 2009, for approximately nine hours, and December 11, 2009, for approximately three hours. According to an email from the Respondent's representative dated November 20, 2008, the emissions from the emergency flare (EQT0036) on a daily basis are estimated to be 83 lbs of VOCs including 0.21 lbs/day of benzene if the TEG units were running. Each incident of the unauthorized emission of air pollutants is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

L. During the course of the inspection conducted on December 8, 2010, the inspector noted the facility did not report all deviations on compliance documents. Specifically, the facility had deviations during the first half of 2009 which were not reported in the 1st Semiannual Monitoring Report dated September 28, 2009. This is a violation of Title V Permit No. 2241-00141-V3, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

M. In the Respondent's Title V Annual Compliance Certification dated March 28, 2011, the Respondent reported the following downtime for compressor :

Began	Ended	Duration	Compressor
8/25/10	8/30/10	103	#1 Cooper
9/13/10	9/13/10	2	#3 Cooper
10/20/10	10/20/10	8	#1 Cooper
10/22/10	10/22/10	14	#1 Cooper
10/27/10	10/27/10	3	#1 Cooper

According to an email from the Respondent's representative dated November 20, 2008, the emissions from the emergency flare (EQT0036) on a daily basis are estimated to be 83 lbs of VOCs including 0.21 lbs/day of benzene if the TEG units were running. Each incident of the unauthorized emissions of air pollutants is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2)."

On May 31, 2012, the Department issued to Respondent an Amended Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. **AE-CN-10-01457A**, which was based upon the following findings of fact:

"The Louisiana Department of Environmental Quality (the Department) hereby amends the Consolidated Compliance Order & Notice Of Potential Penalty, Enforcement Tracking No. AE-CN-10-01457 issued to Targa Midstream Services LLC (RESPONDENT) on June 20, 2011, in the above-captioned matter as follows:

The Department hereby removes paragraphs II.B, II.G, II.M, IV.A, VI.A, VI.B, VIII.D, and VIII.F of the Findings of Fact portion of Consolidated Compliance Order & Notice of Potential Penalty, Enforcement Tracking No. AE-CN-10-01457.

The Department hereby adds paragraph XIII to the Findings of Fact portion of Consolidated Compliance Order & Notice of Potential Penalty, Enforcement Tracking No. AE-CN-10-01457 which shall read as follows:

"XIII.

On or about January 20, 2012, and April 19, 2012, file reviews of multiple facilities owned and/or operated by the Respondent were performed to determine the degree of compliance with the Act and Air Quality Regulations. While the Department's investigation is not yet complete, the following violations were noted during the course of the file reviews:

A. On November 16, 2011, and November 22, 2011 the Department received Notification of Change of Ownership/Operator or Name Change Forms (NOC-1 forms) for the following facilities:

Agency Interest Number	Facility
671	Gillis Gas Processing Plant
4768	Lowry Gas Plant
7867	PPG Compressor Station
11397	Acadia Gas Plant
13099	East End Compressor Station
17897	Venice Gas Processing Plant
26857	Barracuda Gas Plant
26859	Stingray Gas Plant
26893	Yscloskey Gas Plant
27765	Mako Station
31825	Pelican Separation Facility
32615	Delta Gas Station
96273	Venice Terminal
174054	Iowa Gas Plant
175974	Gulf South Compressor Station

Each NOC-1 form lists the effective date of change as August 1, 2011. Each incident of the Respondent's failure to submit a complete NOC-1 form to the Department within 45 days after the name change is a violation of LAC 33:I.1905.A, LAC 33:III.517.G and La. R.S. 30:2057(A)(2).

B. A permit application dated November 25, 2009, for the Mako Compressor Station (Agency Interest No. 27765) states, "Mako CS is contiguous with Targa's Barracuda Gas Plant (Agency Interest No. 26857) and Targa's Pelican Separation Facility (Agency Interest No. 31825). The Barracuda Gas Plant is a major source for Title V purposes. Therefore, Mako CS is also considered a major source for Title V purposes, and is required to obtain a Title V permit." The Respondent's failure to obtain a Part 70 permit prior to operating the facility as a major source is a violation of LAC 33:III.507.A.1

and La. R.S. 30:2057(A)(2). The Respondent became the owner and/or operator of this facility on October 31, 2005. Title V Permit No. 0560-00144-V0 was issued on February 2, 2010."

The Department incorporates all of the remainder of the original Consolidated Compliance Order & Notice Of Potential Penalty, Enforcement Tracking No. AE-CN-10-01457 and Agency Interest Nos. 4768, 17897, 26857, 26859, 26893, & 32615 as if reiterated herein."

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

In correspondence dated July 28, 2011, the Respondent included the 2008 and 2009 emissions of benzene, toluene, ethylbenzene, and xylene from the Amine Unit (EQT4) at the Lowry Gas Plant (AI No. 4768). The emissions of each pollutant during the 2008 and 2009 calendar years exceeded the facility-wide permitted emission limits. Each incident of exceeding a permitted emission limit is a violation of LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and 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 NINETY FIVE THOUSAND AND NO/100 DOLLARS ($95,000.00) of which Eight Thousand Five Hundred Twenty-Four and 10/100 Dollars ($8,524.10) 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), Consolidated Compliance Order & Notice of Potential Penalty and the 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 Calcasieu, Cameron, Acadia, Vermilion, Plaquemines St. Bernard and Jefferson 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 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.

TARGA MIDSTREAM SERVICES 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