

Region 6 - Enforcement & Compliance Assurance Division
INSPECTION REPORT

Inspection Date(s):	January 31 to February 14, 2022	
Media Program:	Air	
Regulatory Program(s)	RMP	
Company Name:	Energy Transfer GC NGL Fractionators LLC (ET)	
Facility Name:	Mont Belvieu Frac I/II/III/Export	
Facility Physical Location:	10030 A FM 1942	
(city, state, zip code)	Mont Belvieu, TX 77580	
Mailing address:	9850 FM 1942	
(city, state, zip code)	Baytown, TX 77521	
County/Parish:	Chambers	
Facility Phone Number	(281) 385-3649	Emergency Contact 24-Hour Phone
Facility Contact:	Keegan Farrell	Senior PSM Coordinator
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FRS Number:	110055375981	
Identification/Permit Number:	Texas Commission on Environmental Quality RN106018260	
Media Identifier Number:	RMP 100000220281	
NAICS Code:	211130 Natural Gas Extraction	
SIC Code:	1321 Natural Gas Liquids	
Personnel participating in inspection: (Six additional Energy Transfer staff not listed here also participated in the closing conference on February 14, 2022).		
Keegan Farrell	Energy Transfer	Senior PSM Coordinator
Cody Milburn	Energy Transfer	PSM Manager
Murray Cato	Energy Transfer	Safety Manager
Norman Rokyta	Energy Transfer	Senior Operations Manager
Rodrick Nunez	Energy Transfer	Manager - Audits
Miguel Salinas	Energy Transfer	Senior Safety Representative
Jorge Garza	Energy Transfer	Operations Supervisor
Robert Skelton	Energy Transfer	Operations Manager
Michael Welch	Energy Transfer	Lead Operator
Amy White	Energy Transfer	Senior PSM Coordinator
Susan Fullbright	Energy Transfer	PSM Specialist
Isaac Jackson	Energy Transfer	Project Manager – Mechanical Integrity
Terry Pool	Energy Transfer	Project Manager – Mechanical Integrity
Lionel Cortinas	Energy Transfer	Director – Mechanical Integrity
Diana Lundelius, CHMM	EPA Region 6	Lead Inspector
Justin McDowell	EPA Region 6	Inspector
EPA Lead Inspector Signature/Date		04/04/2022
	Diana Lundelius, CHMM	Date
Supervisor Signature/Date		
	Samuel Tates	Date

Section I – INTRODUCTION

PURPOSE OF THE INSPECTION

I, Diana Lundelius, U.S. Environmental Protection Agency (EPA) Region 6 inspector, arrived at the Energy Transfer Mont Belvieu Facility (ET MB Frac I/II/III/Export or ET) at 2:00 pm on January 31, 2022, for an announced inspection. I met with Cody Milburn and Keegan Farrell, an additional EPA inspector, and other ET MB Frac I/II/III/Export personnel listed on Page 1 of this report. I presented my Risk Management Program (RMP) inspector credentials to Norman Rokyta, the Senior Operations Manager, and other ET MB Frac I/II/III/Export personnel in an opening conference and informed them that the purpose of the site visit was an EPA inspection to determine compliance with RMP requirements of the Clean Air Act (CAA). The scope of the inspection was to evaluate and determine compliance with the CAA Sections 112(r)(1) and (7), and the Chemical Accident Prevention Provisions in 40 Code of Federal Regulations (CFR) Part 68. EPA inspector Justin McDowell also presented his RMP inspector credentials.

FACILITY DESCRIPTION

The ET MB Frac I/II/III/Export plant process involves the extraction and fractionation of products from raw Y-Grade natural gas condensate feed. The Frac I/II/III/Export plant consists of four units, each capable of processing approximately 100,000 barrels per day of Y-Grade feed. This feedstock is delivered to the Mont Belvieu facility via pipeline. The Export Unit is unique and different in that it is limited to producing only ethane and propane product streams. The other three units, Frac Units I, II, and III, are essentially identical in size and configuration, and are designed to produce high-purity ethane, propane, n-butane, isobutane, and natural gasoline products. The RMP covered processes do not employ storage vessels for end products. Process piping is above ground until the point of sales meters, and then products are transferred off site via underground sales pipelines. The ET MB Frac I/II/III/Export facility is non-union, and operates 24 hours a day, 7 days a week.

Section II - OBSERVATIONS

40 C.F.R. Part 68 – CHEMICAL ACCIDENT PREVENTION PROVISIONS

Subpart A – General

40 C.F.R. § 68.10 Applicability – I observed that the ET MB Frac I/II/III/Export facility is a stationary source that has a Title V federal operating permit and more than threshold quantities of regulated substances in four covered processes; therefore, the regulations under 40 CFR Part 68 are applicable. ET MB Frac I/II/III/Export submitted an RMP registration that describes the process containing toxic and flammable chemicals held at more than threshold quantities. All four of the process units are Program Level 3 because the facility is subject to the Occupational Safety and Health Administration (OSHA) Process Safety Management (PSM) Standard, 29 CFR 1910.119. ET MB Frac I/II/III/Export is in the natural gas extraction industry sector which has a North American Industry Classification System (NAICS) code of 211130.

40 C.F.R. § 68.12 General requirements – I reviewed the RMP registration submitted by ET for the MB Frac I/II/III/Export facility on January 13, 2021, which lists one flammable process for the four units at the facility. All four process units were determined by ET to meet the requirements of Program Level 3. For the five years prior to the current RMP registration, the facility has not had an accidental release of a regulated substance that resulted in death, injury, or off-site response at an environmental receptor, per

68.10(g)(1). Since the distance to a flammable endpoint for the worst-case release assessments conducted under Subpart B and §68.25 includes other industrial site public receptors not owned or operated by ET, the facility does not meet the criteria to be Program Level 1.

40 C.F.R. § 68.15 Management – ET MB Frac I/II/III/Export has developed a document showing the organization chart and RMP/PSM Element Ownership. ET personnel indicated that the MB Frac I/II/III/Export Operations Manager is the person with overall responsibility for overseeing the implementation of the RMP program elements. Additionally, the organization chart lists different positions and persons responsible for implementing individual requirements. ET also has corporate level personnel who have designated assigned responsibilities for RMP elements and a corporate group who oversees contractor selection and equipment/resource procurement. ET's documentation systems are almost all electronic except for some paper documents that preceded current database systems employed (e.g. training). The document control systems include several interconnected and stand-alone databases, and dedicated SharePoint and intranet sites where employees may access facility documents. These document systems were demonstrated by ET personnel during the inspection.

Subpart B – Hazard Assessment

40 C.F.R. § 68.20 Applicability – ET prepared worst-case release scenario analyses and completed a five-year accident history review summary, which indicated that no reportable releases of RMP chemicals have occurred at the facility. Since ET has four units covered as a combined Program Level 3 flammable process, they must comply with both flammable substance sections in this subpart.

40 C.F.R. § 68.22 Off-site consequence analysis (OCA) parameters – I observed that ET used parameters required in this part to calculate toxic worst-case and alternative release scenarios and flammable worst-case and alternate scenarios. ET used parameters specified by EPA in the rule and used the EPA's Off-Site Consequence Guidance (OCG) to determine the scenario specific input values, including appropriate wind speeds, stability classes, ambient temperature and humidity values, height values, and surface roughness values. ET conducted additional modeling using U.S. Geologic Survey and other digital maps to display the distance to endpoints for the worst case and alternate scenarios.

40 C.F.R. § 68.25 Worst-case release scenario analysis – During the inspection, I reviewed documentation from ET regarding the worst-case release scenario analysis for the flammable units in the covered process. The analysis used the EPA's OCG with digital maps.

40 C.F.R. § 68.28 Alternative release scenario analysis – ET identified and documented an alternative release scenario for the four units in the RMP covered flammable processes in their RMP. The analysis also used the EPA OCG and digital maps.

40 C.F.R. § 68.30 Defining off-site impacts – Population – ET used the most current (2010) Census Bureau population data and the distance to endpoints to calculate the population numbers reported in their RMP. ET also used digital maps from different sources and populations associated to related zip codes to define the population surrounding the facility.

40 C.F.R. § 68.33 Defining off-site impacts – Environment – ET performed an appropriate analysis and evaluation but did not identify any environmental receptors in the distance to the endpoint or in the vicinity of the facility in the area maps used for the modeling. The receptors within the distance to endpoints are all identified as other industrial facilities. Driving reconnaissance of the area surrounding the facility in the immediate vicinity confirmed this to be consistent with the OCA data and maps.

40 C.F.R. § 68.36 Review and update – ET indicated during the inspection that the input parameters, conditions, surrounding population, and offsite receptors have not changed since the OCA was performed in May 2013, and reviewed again for the 2017 and 2021 RMP registration updates. The OCA will need to be reviewed again for the next five-year RMP update.

40 C.F.R. § 68.39 Documentation – ET provided the required documentation of the off-site consequence analysis for all four covered units in the flammable process. Included in the documentation of the worst-case and alternative release scenarios were descriptions of the vessel or equipment component, parameters used and input into the EPA OCG formulas, including the use of any administrative controls and/or passive mitigation that were assumed to limit the quantities that could be released. The documentation also included the estimated quantities released, release rates, duration of releases, release estimation methodology used, and data used to estimate population and environmental receptors potentially affected.

40 C.F.R. § 68.42 Five-year accident history - ET reported no accidental releases of regulated chemicals in their RMP registration for the MB Frac I/II/III/Export facility. I reviewed available TCEQ release reports which confirmed that any reportable release events were directed to, and controlled by, the facility's flare, with no on site or offsite adverse impacts. ET personnel also verbally confirmed that they have had no RMP recordable release events during the past five years. I reviewed selected additional incident records on site to confirm the process ET uses for conducting incident investigations. As required by the rule, ET conducts investigations for near-miss incidents, as well as actual release events, and the incident records reviewed included the corrective action completed and communication to affected employees and supervisors.

Subpart D – Program 3 Prevention Program

40 C.F.R. § 68.65 Process safety information – ET provided written process safety information (PSI) for each of the units in the covered RMP process. I reviewed the PSI documents for each of the covered process areas. The PSI I reviewed included information pertaining to the hazards of the regulated substances used or produced by the processes, information pertaining to the technology of the processes, and information pertaining to the equipment in the processes. The process safety information included Safety Data Sheets (SDSs), which had information on toxicity, permissible exposure limits, physical data, reactivity data, corrosivity data, thermal and chemical stability data, and the hazardous effects of inadvertent mixing of materials that could foreseeably occur. The facility documented information pertaining to the technology of the processes with block flow diagrams, process chemistries, maximum intended inventories, safe upper and lower operating limits, and evaluations of the consequences of deviation. The PSI is supplemented by, and includes reference to, Piping and Instrument Diagrams (P&IDs), electrical classifications, relief system designs, ventilation system designs, design codes and standards used for equipment, material and energy balances, safety/mitigation systems, and alarm/automatic shut off systems. PSI is accessible to operators and other affected employees as an Excel workbook, with tabs for each of the units. The PSI Excel workbook is updated on a regular basis by ET's process engineers, as appropriate, whenever there is a change or other modification.

40 C.F.R. § 68.67 Process hazard analysis (PHA) – ET completed original PHAs for the Frac I/II/III/Export units in October 2011, May 2012, September 2015, and July 2013, respectively. These PHAs were revalidated in 2017, 2018, 2020, and 2021. While on site, the EPA inspection team reviewed the PHA documentation for the Frac I and Frac II units, and the respective recommendations. The PHAs included the hazards of the process, engineering and administrative controls applicable to the hazards,

consequences of failure of engineering and administrative controls, stationary siting, human factors, and an evaluation of a range of the possible safety and health effects of failure of controls. ET employed What-If checklists, the Hazard and Operability Study (HAZOP), and Layers of Protection Analysis (LOPA) techniques for the original Frac I and II PHAs, and the 2017/2018 Frac I and II PHA revalidations. The 2014 Export unit and 2015 Frac III unit original PHAs, and the corresponding 2020 revalidations, were completed using the LOPA hazard review protocol. In November of 2020, Energy Transfer formally established the company's LOPA Standard, including LOPAs which had historically taken place. ET also adopted and implemented LOPA for all future PHA revalidations. Revalidations of the Frac I and Frac II PHAs using LOPA were completed in April and May 2021, respectively. All PHAs were conducted by teams that included appropriate personnel from the MB Frac I/II/III/Export facility ET corporate personnel, and an engineering consultant with knowledge of the facility. The findings and recommendations for each PHA were documented, and communication made to affected employees. In reviewing the corrective action resolutions from the 2017 Frac I PHA, there were a number of recommendations that were still open as of December 2021. All remaining open 2017 Frac I and 2018 Frac II PHA action items were re-evaluated in the 2021 Frac I & II PHA LOPA studies. Nine open "Unacceptable" recommendations from the 2017 Frac I PHA that were re-evaluated were found to be of lesser severity. Action item resolutions including scopes of work have been established with completion dates by December 31, 2022. However, the open 2017 PHA recommendations were also a finding of the 2021 compliance audit. From the time that the previous PHA report was issued on July 10, 2017, the projected completion date of December 31, 2022, for remaining actions not completed is 5 years and 5 months. This does not meet the criteria of § 68.67(e), when compared to other similar PHA action items that were completed much sooner **[Area of Concern (AOC 1)]**.

40 C.F.R. § 68.69 Operating procedures – ET has developed and implemented written operating procedures that provide instructions and steps for conducting activities associated with the covered process units, consistent with the documented safety information. I reviewed the operating procedures to identify steps for each operating phase (initial and normal startup, normal operations, emergency shutdown, normal shutdown, and startup following a turnaround or after emergency shutdown). The operating procedures indicate that the facility uses Management of Change to employ temporary operations if needed on a case-by-case basis, and that emergency operation where needed is addressed in the facility's emergency response plan. Emergency shutdown procedures include conditions under which such a shutdown is required, and the assignment of shutdown responsibilities to qualified operators to ensure that emergency shutdown is executed in a safe and timely manner. Additionally, ET provided annual certifications for 2020 and 2021 during the inspection that the operating procedures are current and accurate. Annual certification of operating procedures is also outlined as a requirement in the facility's September 2021 PSM/RMP manual.

40 C.F.R. § 68.71 Training – The training records for ET MB Frac I/II/III/Export employees who operate units in the covered processes are documented with both paper records and electronically, depending on the year completed and the type of training (e.g. first aid training – photocopies of cards issued). ET employs an in-house database system to track and document initial and refresher training for all affected operators of the covered process units. Qualification criteria for the covered processes are outlined in a written plant processing quality program (PPQP) for operators. An electronic review and approval process is used to document knowledge and understanding of a process by an operator on the PPQP form, and there are several levels of required review and signature. I reviewed a list of employee training records that included initial and refresher training for affected employees. At the time of the inspection, no operator training for current ET MB Frac I/II/III/Export employees was overdue and no training records requested were missing.

40 C.F.R. § 68.73 Mechanical integrity – The EPA inspection team reviewed the documentation of ET’s mechanical integrity process and procedures for the MB Frac I/II/III/Export facility, and selected inspection and testing records for RMP covered equipment. Written procedures for maintaining the integrity of the equipment in the covered processes were provided. These procedures, along with a schedule and records of completed and future inspection and maintenance tasks, are housed in ET’s electronic facility maintenance database. ET mechanical integrity personnel indicated that the facility also employs contractors to perform certain maintenance tasks and inspections. No training records for ET MB Frac I/II/III/Export mechanical technicians to demonstrate they are qualified to perform maintenance duties were produced for EPA’s review. ET indicated during the inspection that a new mechanical integrity and maintenance training program would be initiated in February 2022, with a set of criteria and training guidance. The ET training standard document provided for EPA’s review and dated November 2020, outlines process areas to be included in the training, and lists affected equipment. Prior to the new program, training was provided by lead technicians to new maintenance personnel informally through hands-on demonstration and oversight, but there was no written company standard or training requirement, as specified by § 68.73(c). **(AOC 2)**. The lack of a documented mechanical integrity training program was also a finding of the July 2021 internal audit.

Mechanical integrity inspections and non-routine maintenance (e.g., equipment replacement) are conducted by third party contractors overseen by ET. The EPA inspection team reviewed the most recent inspections and integrity testing for fixed equipment and piping systems in the covered process units completed during 2017-2021. The records indicate that the inspections were completed by their respective due dates.

In 2017, ET decided to transition from time-based inspection frequencies recommended in published standards (i.e. American Petroleum Institute, API) to inspection frequencies based on the *API RP 580 Risk Based Inspection* (RBI) standard, for certain fixed equipment and piping circuits. In this regard, ET utilizes a third-party engineering firm, Houston Integrity Consultants (HIC), to conduct RBI assessments in accordance with API RP 580. Risk Based Inspection is a systematic analysis of the consequence of failure and the probability of future failure of piping and vessels. This evaluation includes the review of the product stream and contaminants, and how or if these could impact the degradation of the equipment materials of construction using *API Recommended Practice (RP) 571: Damage Mechanisms*. After potential damage mechanisms have been identified, specific inspection tasks are developed, scheduled and assigned, based on corrosion rates and overall risk as determined by a risk matrix. ET uses a “5 x 5” risk matrix for RBI, which includes data entry into a software system (*SHIELD SQL*). ET provided EPA with its RBI protocols and templates (E-01 to E-14 series documents), and records were furnished for EPA’s review to demonstrate how ET and its engineering contractor have actually implemented RBI for individual fixed equipment and piping circuits since it began in 2017, including: a list of fixed equipment and piping components that are included in the RBI program; actual completed risk analyses for specific piping and fixed equipment in the RBI program; examples of actual completed 5x5 matrices that outline the determined corrosion rates, overall risk levels, and the assigned RBI schedule; records of RBI project meetings; and, actual SHIELD data entry/output examples for individual piping/fixed equipment circuits in the RBI program.

40 C.F.R. § 68.75 Management of Change (MOC) – I requested and reviewed ET MB Frac I/II/III/Export’s MOC procedures for the RMP covered processes. MOC is documented and tracked by an internal ET database. An MOC change notification in the system may be triggered by an incident, a pending mechanical integrity inspection or maintenance task, changes to process safety information, or procedure document revisions. I reviewed the list of MOCs for the most recent two-year period online, and then reviewed electronic MOC records for selected MOC actions. All of the MOC records reviewed

were signed off and completed in accordance with ET's MOC procedures for the types of MOCs initiated, or are still pending completion and are noted as such in the MOCs.

40 C.F.R. § 68.77 Pre-startup safety review (PSSR) – ET protocols for PSSR are summarized in the January 2021 RMP manual and are also incorporated into the facility's employee participation plan. PSSR for initial start-up of the four covered process units was included in the communication to employees after completion of each initial PHA and associated records of initial operator training. PSSR was also included in communication to affected employees and contractors for MOCs that the EPA inspection team reviewed.

40 C.F.R. § 68.79 Compliance audits – ET conducted their most recent RMP compliance audits in August 2018 and July 2021 for the MB Frac I/II/II/Export facility. Both compliance audits included ET MB Frac I/II/II/Export employees knowledgeable of the process units, Energy Transfer corporate personnel, third party audit contractor personnel, summaries of the audit team meetings, reports of the findings, and the recommended action items in response to the findings. Lists of the corrective action items, the schedules for completion, and the personnel assigned were provided for each audit. At the time of this inspection, no recommendations from the August 2018 audit remained unaddressed, and all corrective items had been completed. For the July 2021 audit, sixteen of nineteen findings are still open with target completion dates ranging from July 31, 2022, to December 31, 2023. However, EPA notes that neither compliance audit includes a signed certification statement (**AOC 3**). Although the audit reports included email records of distribution to, and signatures by, employees who reviewed the audit reports, and ET furnished an email outlining the Operation Manager's approval of corrective actions, the certification statement pages in each audit report did not contain either a hard copy or embedded digital electronic certificate signature by an ET responsible company official¹, as required by § 68.79(a).

40 C.F.R. § 68.81 Incident investigation – During the inspection, I reviewed ET's incident investigation procedure and associated form, and selected incident reports. ET manages incident reporting and review through an internal database. The incident database references associated work orders and MOCs that are generated, as well as training or re-training that is part of recommended corrective action to prevent reoccurrence. ET requires incident investigations to be initiated within 48 hours and follow up recommendations and corrective action to be completed within six months. I reviewed several investigation reports for non-RMP incidents that occurred at the MB Frac I/II/II/Export facility during the past two years to verify the procedures and protocols used. Follow up actions and recommendations from the incident investigations were completed in a timely manner.

40 C.F.R. § 68.83 Employee participation – I reviewed the written employee participation plan during this inspection, which is included in the September 2021 PSM/RMP manual. The plan included a description of how employees and their representatives have access to process hazard analyses and all other information required under the RMP rule, and examples of the types of projects and activities employees may participate in. The plan includes participation in pre-startup safety review. The employee participants listed in the PHA reports and MOCs I reviewed confirmed that ET follows this protocol. Additional information related to employee participation was also included in a section of the RMP program overview. Employees can access information and documents through several intranet sites and databases, which were shown and demonstrated by ET personnel during the inspection.

¹ The Merriam Webster dictionary defines *certify* as "to attest or confirm authoritatively as being true or as represented, or as meeting a standard." Additionally published RMP guidance states that a Certifying Official is typically the facility owner or operator, or a designated senior management official employed by the facility such as a plant manager, environmental manager, or RMP manager.

40 C.F.R. § 68.85 Hot work permit – While on site, I reviewed the procedure document and the current online database for ET-issued hot work and other types of work permits. The hot work permits included the dates authorized for hot work and identified the objects on which hot work was performed, and the requirements for fire watch. Hot work permit records are kept in accordance with rule requirements and ET records retention policies, which is for 90 days past the expiration date. I reviewed four work permits that were issued in January 2022. All of the work permits reviewed conformed to ET requirements, and the permit forms had all the required information and applicable data entry fields completed.

40 C.F.R. § 68.87 Contractors – ET indicated that contractors are vetted internally by ET corporate personnel. The contractor selection system is electronically driven and includes prequalification forms that include information covering background screenings, insurance coverage, training requirements, industry experience, safety history, environmental stewardship, and other ET internal requirements. MB Frac I/II/III/Export facility personnel also have input into the contractor selection process. Contractors are required to complete initial general site safety and environmental training, which includes RMP and PSM as appropriate. Additional training specific to equipment and procedures in the covered processes is also required. I reviewed the ET written procedure for contractor oversight, and ET's corporate protocol for vetting contractors. ET indicated during the inspection that a new electronic documentation system was implemented in January 2020 for confirming that third party contractor inspectors have reviewed ET's equipment inspection procedures and standards prior to completing work. ET provided standards for selection of Lead Contractors, and example documentation of contract inspector reviews of ET's inspection procedures and standards during 2020 and 2021. Each year, contractors must renew their active status and complete refresher training. ET also controls access to the facility for each contractor. ET safety and project management personnel periodically audit contractor work and performance. Unacceptable performance is addressed at the individual or contractor group level as appropriate, and patterns of unsafe or unacceptable performance may lead a contractor to be suspended temporarily or permanently, depending on the severity of non-conformance. ET provided for my review during the inspection example records of periodic contractor evaluations performed during the previous two years.

Subpart E – Emergency Response

40 C.F.R. § 68.90 Applicability – ET MB Frac I/II/III/Export personnel include designated employees that respond to fires and releases on site. I reviewed the ET Emergency Response Plan (ERP) and discussed implementation of the response plan elements with the ET Safety Manager and Senior Safety Representative. I observed that the emergency response plan included appropriate detail and information on proper first aid and emergency medical treatment necessary to treat accidental human exposures. Additionally, I reviewed training records and training curricula for designated emergency responders, and P&IDs for the locations of response equipment, alarms, and safety equipment. I also reviewed the 2020 and 2021 inspection records for both fire extinguishers and safety showers and observed photos of examples of actual equipment for fire and chemical alarms, which were consistent with other response resources information outlined in the ERP. The ET safety department oversees inspections of fire and chemical safety alarm systems and other equipment resources, and updates the ERP whenever changes are made to emergency contact information or procedures. ET reviews and updates the emergency response plan annually to reflect changes at the facility and ensure that employees are informed of the changes.

40 C.F.R. § 68.95 – 68.96 Requirements For Responding Stationary Sources – ET MB Frac I/II/III/Export facility is a responding stationary source and maintains an emergency response plan that includes and addresses the following elements required in this portion of the rule: procedures for informing the

public and the appropriate Federal, state, and local emergency response agencies about accidental releases; documentation of proper first-aid and emergency medical treatment necessary to treat accidental human exposures; and, procedures and measures for emergency response after an accidental release. ET coordinates its emergency response plan with the Mont Belvieu Fire and Police Departments, county sheriff, and the local emergency response committee.

In reviewing the emergency response plan, I observed that it did not include or reference procedures for the use of emergency response equipment and for its inspection, testing, and maintenance as required by §68.95(a)(2) (**AOC 4**). Additionally, the plan does not outline how local response authorities will be notified of tabletop and field emergency exercises/drills, and how these activities will be coordinated with them as required by § 68.96(b)(1)(i) (**AOC 5**). The ET Safety Manager indicated during the inspection that local authorities are notified verbally of upcoming exercises by phone, but such contact has not been documented. ET conducts a tabletop or field exercise annually, as described in the plan, and documents the scope of each exercise, the ET personnel involved, the scenario, lessons learned, and other relevant information on the equipment and resources deployed. However, the names and contact information for individuals at local authorities contacted, or who participated, are not included in the exercise/drill document. I reviewed the completed documentation for the most recent tabletop exercise conducted December 2, 2021, and there are checklist boxes for the local response organizations, but no data fields for entering the names of individuals at each local authority contacted, or their contact information (phone number, email address, organization affiliation), as required by § 68.93(c) (**AOC 6**). Emails attached to the December 2, 2021, tabletop exercise completed form only included notification to ET employees, plus the general notification to the National Response Center.

The emergency response program includes training for all employees in relevant procedures. The ET MB Frac I/II/III/Export has a dedicated full time Safety Manager, and employees are designated or volunteer to serve as emergency response team members on a rotational basis. ET does not employ third-party contractors for emergency response and coordinates with local authorities if response assistance is needed. ET conducts annual certification testing and performs regularly scheduled inspections on both fire extinguishers and safety showers. ET provided copies of diagrams and P&IDs which show the locations of emergency alarms, fire extinguishers, and safety showers. The EPA inspection team observed that emergency exit and alarms signs are posted in the administration building and in the covered process unit areas.

Subpart G—Risk Management Plan

40 C.F.R. § 68.195 RMP Registration and Required Corrections – The RMP registration for this facility was most recently updated January 13, 2021, as required every five years. At the time of the inspection, the emergency contact 24-hour phone numbers were all active and responsive. I reviewed the most recent RMP registration and found the elements to be consistent with other RMP program documentation the facility maintains and furnished for review.

Subpart H—Other Requirements

§68.200 Recordkeeping. This section of the rule requires an owner or operator to maintain records supporting the implementation of Part 68 at the stationary source for five years, unless otherwise provided in Subpart D. Based on information provided by ET during and subsequent to the inspection, certain records have not been maintained in prior years to demonstrate compliance with Subpart E. The emergency response plan is missing a description of how emergency response drills and exercises are

coordinated with local response organizations, and procedures for the use of emergency response equipment and for its inspection, testing, and maintenance. The documentation for the tabletop exercise conducted December 2, 2021, also lacked the required contact information for individuals at each of the local response authorities notified.

Section III – AREAS OF CONCERN (AOCs)

On the last day of the inspection (February 14, 2022), I conducted a closing conference virtually in Microsoft Teams, during which I presented the following areas of concern identified in the inspection. EPA's findings from the inspection are also summarized in the completed RMP Program Level 3 checklist, found in Section V. Appendix 1.

AOC 1 - 40 C.F.R. § 68.67 Process hazard analysis (PHA)

(e) The owner or operator shall establish a system to promptly address the team's findings and recommendations; assure that the recommendations are resolved in a timely manner and that the resolution is documented; document what actions are to be taken; complete actions as soon as possible; develop a written schedule of when these actions are to be completed; communicate the actions to operating, maintenance and other employees whose work assignments are in the process and who may be affected by the recommendations or actions.

For the Frac I PHA revalidation completed July 10, 2017, open PHA recommendations were a finding of the 2021 compliance audit. From the time that the previous PHA report was issued July 10, 2017, the projected completion date of December 31, 2022, for remaining actions not completed is 5 years, 5 months. ET failed to ensure that the open recommendations from the original 2017 Frac I PHA revalidation were resolved in a timely manner, and that corrective actions were completed as soon as possible with a written schedule of when the actions were to be completed, when compared to other similar PHA action items that were completed much sooner.

AOC 2 - 40 C.F.R. § 68.73(c) Mechanical integrity

(c) Training for process maintenance activities. The owner or operator shall train each employee involved in maintaining the on-going integrity of process equipment in an overview of that process and its hazards and in the procedures applicable to the employee's job tasks to assure that the employee can perform the job tasks in a safe manner.

No training records for ET MB Frac I/II/III/Export mechanical technicians to demonstrate they are qualified to perform maintenance duties were provided for EPA's review. Prior to a new mechanical integrity training program to be implemented beginning in February 2022, training was provided by lead technicians informally through hands-on demonstration and oversight, but there was no written company standard or training requirement, or documented training records, as specified by § 68.73(c). The lack of a documented mechanical integrity training program was also a finding of the July 2021 internal audit.

AOC 3 - 40 C.F.R. § 68.79(a) Compliance audits

(a) The owner or operator shall certify that they have evaluated compliance with the provisions of this subpart at least every three years to verify that procedures and practices developed under this subpart are adequate and are being followed.

ET conducted their most recent RMP compliance audits in August 2018 and July 2021 for the MB Frac I/II/III/Export facility. Neither compliance audit report includes a signed certification statement. Although

the audit reports included email records of distribution to, and signatures by, employees who the reviewed the audit reports, and ET furnished an email outlining the Operation Manager's approval of corrective actions, the certification statement pages in each audit report did not contain either a hard copy or embedded digital electronic certificate signature by an ET responsible company official.

AOC 4 - 40 C.F.R. § 68.95(a)(2) – Emergency response program.

(a) The owner or operator shall develop and implement an emergency response program for the purpose of protecting public health and the environment. Such program shall include the following elements: (2) Procedures for the use of emergency response equipment and for its inspection, testing, and maintenance.

The emergency response plan does not include or reference procedures for the use of emergency response equipment and for its inspection, testing, and maintenance.

AOC 5 - 40 C.F.R. § 68.96(b)(1)(i) – Emergency response exercises and §68.200 Recordkeeping.

(b) Emergency response exercise program. The emergency response exercise program shall include: (1) Emergency response field exercises. (i) Frequency. As part of coordination with local emergency response officials required by § 68.93, the owner or operator shall consult with these officials to establish an appropriate frequency for field exercises.

68.200 Recordkeeping. The owner or operator shall maintain records supporting the implementation of this part at the stationary source for five years, unless otherwise provided in subpart D of this part.

The emergency response plan does not outline how local response authorities will be notified of tabletop and field emergency exercises/drills, and how these activities have been, and will be, coordinated with them.

AOC 6 - 40 C.F.R. § 68.93(c) Emergency response coordination activities.

(c) The owner or operator shall document coordination with local authorities, including: The names of individuals involved and their contact information (phone number, email address, and organizational affiliations); dates of coordination activities; and nature of coordination activities.

In the documentation for the most recent tabletop exercise conducted December 2, 2021, there are checklist boxes for the local response organizations, but no data fields for entering the names of individuals at each local authority contacted, or their contact information (phone number, email address, organization affiliation). Emails attached to the December 2, 2021, tabletop exercise completed form only included notification to ET employees, plus the general notification to the National Response Center.

Section IV – FOLLOW UP

Within two weeks after the inspection, EPA received additional documents from ET that were requested and reviewed during or after the inspection. These Confidential Business Information documents were transmitted and received electronically on or by April 4, 2022.

Section V – LIST OF APPENDICES

Appendix 1 - RMP Program Level 3 Checklist

Inspection Symbol Key: Y - Yes, N - No, N/A - Not Applicable

S - Satisfactory, M - Marginal, U – Unsatisfactory