



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 6
1201 ELM STREET, SUITE 500
DALLAS, TEXAS 75270

April 17, 2020

VIA E-MAIL:

Mr. Tony Puckett
Director of Safety
Plains Gas Solutions (PGS) LLC
Gardendale Gas Plant
333 Clay Street, Suite 1600
Houston, TX 77002
TWPuckett@paalp.com

Re: Administrative Order on Consent (AOC) In the Matter of Gardendale Gas Plant
Docket No. **CAA 06-2020-3363**

Dear Mr. Puckett:

Enclosed for your record is a copy of a fully executed Administrative Order on Consent (AOC) issued by the United States Environmental Protection Agency, Region 6 (EPA) concerning the matter reference above for the Plains Gas Solutions (PGS) LLC (Gardendale Gas Plant) located in Cotulla, Texas. As provided in the AOC, the Gardendale Gas Plant shall comply with the general and specific obligations identified in Section 112(r) of the Clean Air Act, 42 U.S.C. § 7412(r) and the implementing regulations found at 40 C.F.R. § 68, as identified in Section IV of the AOC. The EPA requests that you immediately confirm receipt of this e-mail and the attached ESA by a response e-mail.

If you have any questions relating to this AOC, please contact Elizabeth Rogers of my staff at (214) 665-6708 or via e-mail at rogers.elizabeth@epa.gov.

Sincerely,

Cheryl T. Seager, Director
Enforcement and
Compliance Assurance Division

Enclosure(s)

Ecc: Michael De La Cruz, Manager
Air Enforcement Section
Enforcement Division, Office of Compliance & Enforcement
Texas Commission on Environmental Quality
P. O. Box 13087
Austin, TX 78711-3087
michael.delacruz@tceq.texas.gov

**UNITED STATES
ENVIRONMENTAL PROTECTION AGENCY
REGION 6
DALLAS, TEXAS**

In the Matter of:

Plains Gas Solutions, LLC

Cotulla, Texas

Respondent

ADMINISTRATIVE ORDER ON CONSENT

EPA Docket No. CAA 06-2020-3363

ADMINISTRATIVE ORDER ON CONSENT

The Director of the Enforcement and Compliance Assurance Division of the United States Environmental Protection Agency, Region 6 ("EPA" or "Complainant") and Plains Gas Solutions (PGS), LLC ("Respondent"), in the above-referenced proceeding, hereby enter this Administrative Order on Consent ("AOC" or "Order").

I. INTRODUCTION

1. The following Findings are made and an Order issued pursuant to Section 113(a)(3) of the Clean Air Act ("CAA" or the "Act"), 42 U.S.C. § 7413(a)(3), for Respondent's alleged failure to comply with requirements of Section 112(r)(7) of the CAA, 42 U.S.C. § 7412(r)(7), at the Gardendale PGS Gas Plant located in Cotulla, Texas 78014. The parties to this Order are EPA and Respondent.

2. This Order is entered into upon mutual agreement by the parties. Accordingly, Respondent consents to and agrees not to contest EPA's jurisdiction to issue this Order or enforce its terms. Further, Respondent will not contest EPA's jurisdiction to compel compliance with this Order in any subsequent enforcement proceedings, whether administrative or judicial, or to require Respondent's full compliance with the terms of this Order or impose sanctions for

violations of this Order.

3. Respondent consents to the terms of this Order. Respondent reserves the right to judicial and administrative review of any issue of law or fact, whether set forth in this Order or not, in any subsequent proceeding to address the underlying violations alleged in the Order, but not in an action to enforce the Order itself.

4. This Order shall apply to and be binding upon Respondent, its agents, successors and assigns and upon all persons, contractors, and consultants acting under or for Respondent. No change in ownership or corporate or partnership status of Respondent will in any way alter the status of Respondent or its responsibilities under this Order.

5. The EPA and Respondent agree to the use of electronic signatures for this matter. The EPA and Respondent further agree to electronic service of this AOC, pursuant to 40 C.F.R. § 22.6, by email to the following addresses:

To EPA:

rogers.elizabeth@epa.gov

To Respondent:

TWPuckett@paalp.com

II. STATUTORY AND REGULATORY AUTHORITY

6. Section 112(r)(1) of the CAA, 42 U.S.C. § 7412(r)(1), provides that the objective of the regulations and programs authorized under Section 112(r) shall be to prevent the accidental release of regulated substances or other extremely hazardous substances and to minimize the consequences of any such release that does occur.

7. Pursuant to Section 112(r)(7) of the CAA, 42 U.S.C. § 7412(r)(7), the Administrator is authorized to promulgate regulations dictating release prevention, detection, and correction

requirements.

8. On June 20, 1996, the EPA promulgated a final rule known as the Chemical Accident Prevention Provisions, 40 C.F.R. Part 68, which implements Section 112(r)(7) of the Act, 42 U.S.C. § 7412(r)(7).

9. Pursuant to 40 C.F.R. § 68.10(a), an owner or operator of a stationary source that has more than a threshold quantity of a regulated substance in a process ("Covered Process"), as determined under 40 C.F.R. § 68.115, shall comply with the requirements of 40 C.F.R. Part 68 no later than the latest of the following dates: (1) June 21, 1999; (2) three years after the date on which a regulated substance is first listed under Section 68.130; or (3) the date on which a regulated substance is first present above a threshold quantity in a process.

10. Pursuant to 40 C.F.R. § 68.12(a), an owner or operator of a stationary source subject to Part 68 requirements must submit a Risk Management Plan ("RMP") as provided in 40 C.F.R. Part 68 Subpart G (§§ 68.150-68.185) that reflects all covered processes at the stationary source.

11. 40 C.F.R. Part 68 provides general requirements applicable to owners or operators of a stationary source subject to Part 68.

12. 40 C.F.R. Part 68 also establishes requirements that apply to an owner or operator depending on whether the stationary source operates processes subject to one of three "Programs" -- Program 1, Program 2, and Program 3, as these program levels are defined in 40 C.F.R. § 68.10.

13. Pursuant to 40 C.F.R. § 68.12(d), the owner or operator of a stationary source with a process subject to the "Program 3" requirements of the Part 68 regulations, as determined pursuant to 40 C.F.R. § 68.10(d), must comply with the chemical accident prevention

requirements of 40 C.F.R. Part 68, Subpart D (Program 3 Prevention Program, at 40 C.F.R. §§ 68.65-68.87).

14. Section 113(a)(3) of the CAA, 42 U.S.C. § 7413(a)(3), authorizes EPA to issue compliance orders for violations of specific sections of the CAA, including violations of Section 112(r), 42 U.S.C. § 7412(r). A copy of the order must be sent to the relevant State air pollution control agency. An order relating to a violation of Section 112 of the CAA can take effect immediately upon issuance.

15. The authority to issue orders pursuant to Section 113(a)(3) of the CAA, 42 U.S.C. § 7413(a)(3), has been delegated to EPA Region 6's Regional Administrator, and in turn to the Director of EPA Region 6's Enforcement and Compliance Assurance Division.

16. "Covered process" is defined in 40 C.F.R. § 68.3 as a process that has a regulated substance present in more than a threshold quantity as determined under § 68.115.

17. "Owner or operator" shall mean any person who owns, leases, operates, controls, or supervises a stationary source.

18. "Person" is defined in Section 302(e) of the CAA, 42 U.S.C. § 7602(e), as including an individual, corporation, partnership, association, state, municipality, political subdivision of a state, and any agency, department, or instrumentality of the United States and any officer, agent, or employee thereof.

19. "Process" is defined in 40 C.F.R. § 68.3 as any activity involving a regulated substance including any use, storage, manufacturing, handling, or on-site movement of such substances, or combination of these activities. For the purposes of this definition, any group of vessels that are interconnected, or separate vessels that are located such that a regulated substance could be involved in a potential release, shall be considered a single process.

20. “Regulated substance” is defined in 40 C.F.R. § 68.3 as any substance listed pursuant to Section 112(r)(3) of the CAA as amended, in § 68.130.
21. “RMP” is defined in 40 C.F.R. § 68.3 as the risk management plan required under subpart G of 40 C.F.R. Part 68.
22. “Stationary source” is defined in Section 112(r)(2)(C) of the CAA and 40 C.F.R. § 68.3 as any buildings, structures, equipment, installations or substance emitting stationary activities which belong to the same industrial group, which are located on one or more contiguous properties, which are under the control of the same person (or persons under common control), and from which an accidental release may occur.
23. “Threshold quantity” is defined in 40 C.F.R. § 68.3 as the quantity specified for regulated substances pursuant to Section 112(r)(5) of the CAA as amended, listed in § 68.130 and determined to be present at a stationary source as specified in § 68.115 of this part.
24. 40 C.F.R. 68.190(b)(1) requires that the owner or operator of a facility shall submit a revised RMP at least once every five (5) years from the date of the initial submission or from the most recent update required by 40 C.F.R. 68.190(b)(2) through (b)(7).

III. ALLEGATIONS

25. Respondent is a limited liability corporation authorized to do business in the State of Texas.
26. Respondent is a “person” as that term is defined in Section 302(e) of the CAA, 42 U.S.C. § 7602(e), and within the meaning of Section 113(d) of the CAA, 42 U.S.C. § 7413(d).
27. At all times relevant to this Order, Respondent owned and operated a gas plant (“the Facility”) located at 4971 N I-35 in Cotulla, Texas, 78014.

28. The Facility is a stabilizer with flammable liquid storage and operates a variety of processes to recover Natural Gas Liquids (NGL) and sellable crude oil from condensate (NAICS Code 211112).
29. Respondent's RMP lists covered processes subject to Program 3 requirements.
30. The Facility consists of one process unit. The regulated substances held above the threshold quantities identified in 40 C.F.R. § 68.130 includes the following: Isopentane (Butane, 2-methyl), Isobutane (Propane, 2-methyl), Butane, Ethane, Pentane, and Propane.

Count 1. Failure to Promptly Address Process Hazard Analysis Team's Findings and Recommendations

31. Complainant hereby restates and incorporates by reference Paragraphs 1 through 30 above.
32. Pursuant to 40 C.F.R. § 68.67(e), the owner or operator shall establish a system to promptly address the process hazard analysis 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 to when these actions are to be completed, and 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.
33. During the inspection, EPA determined that Respondent had not promptly addressed six of the 37 process hazard analysis ("PHA") team's findings and recommendations in a timely manner for the PHA dated March 13, 2017, in violation of the requirements set forth at 40 C.F.R. § 68.67(e).
34. On January 29, 2020, EPA met with the facility. During the meeting, the facility provided completed documentation on four of the six remaining PHA recommendations.

IV. ORDER

35. Accordingly, pursuant to Section 113(a)(3) of the CAA, 42 U.S.C. § 7413(a)(3), it is agreed that Respondent, which has consented to the terms of this Order, shall comply with the following Part 68 requirements applicable at the Facility, including the implementations, as follows:

- a. Respondent is ordered to address any and all outstanding PHA team's findings and recommendations for the PHA dated March 13, 2017, as related to 40 C.F.R. § 68.67(e) of the RMP program requirements.
- b. Respondent shall provide documentation regarding the completion and compliance of this subpart to EPA Region 6 office. All work required under this Order shall be completed in one (1) year of the effective date of this Order.
- c. Respondent shall also, provide a progress report at the six- and tenth-month interval of completion to EPA Region 6 office.

36. Notifications:

- a. Submissions required by this Order shall be in writing and shall be mailed to the following addresses with a copy also sent by electronic mail:

U.S. Environmental Protection Agency - Region 6
Attn: Elizabeth Rogers (ECDAC)
1201 Elm Street, Suite 500
Dallas, Texas 75270
Rogers.Elizabeth@epa.gov

- b. EPA will send all written communications to the following representative(s) for

Respondent:

Tony Puckett
Director of Safety
Plains Gas Solutions LLC
333 Clay Street, Suite 1600

Houston, TX 77002
TWPuckett@paalp.com

37. All documents submitted to EPA in the course of implementing this Order shall be available to the public unless identified as confidential by Respondent pursuant to 40 C.F.R. Part 2, Subpart B, and determined by EPA to merit treatment as confidential business information in accordance with applicable law.

V. GENERAL PROVISIONS

38. The provisions of this Order shall apply to and be binding upon Respondent, its officers, directors, agents, and employees.

39. The provisions of this Order shall be transferrable to any other party, upon sale or other disposition of the corporation. Upon such action, the provisions of this Order shall then apply to and be binding upon any new owner/operator, its officers, directors, agents, employees, and any successor(s) in interest.

40. Nothing in this Order shall be construed to affect EPA's authority under Section 114 of the CAA, 42 U.S.C. § 7414.

41. Nothing contained in this Order shall affect the responsibility of Respondent to comply with all applicable federal, state, or local laws or regulations, including Section 303 of the CAA, 42 U.S.C. § 7603.

42. Any and all information required to be maintained or submitted pursuant to this Order is not subject to the Paperwork Reduction Act of 1995, 44 U.S.C. §§ 3501 et seq., because it seeks to collect information from specific individuals or entities to assure compliance with this administrative action.

43. This Order is not intended to be nor shall it be construed to be a permit. Further, the parties acknowledge and agree that EPA's approval of this Order does not constitute a warranty

or representation that requirements provided hereunder will meet the requirements of 40 C.F.R.

Part 68. Compliance by Respondent with the terms of this Order shall not relieve Respondent of their obligations to comply with Section 112(r)(7) of the CAA, 42 U.S.C. § 7412(r)(7), or any other applicable local, state, or federal laws and regulations.

44. EPA reserves all its statutory and regulatory powers, authorities, rights, and remedies, both legal and equitable, which may pertain to Respondent's failure to comply with any of the requirements of this Order. This Order shall not be construed as a covenant not to sue, release, waiver, or limitation of any rights, remedies, powers, and/or authorities, civil or criminal, which EPA has under any statutory, regulatory, or common law authority of the United States.

45. This Order does not resolve any civil or criminal claims of the United States for the violations alleged in this Order; nor does it limit the rights of the United States to obtain penalties or injunctive relief under the CAA or other applicable federal law or regulations. Respondent neither admits nor denies any of the factual or legal determinations made by the EPA in this Order. For the limited purpose of settling this matter, Respondent admits all jurisdictional allegations, and waives its right to contest EPA's jurisdiction to issue or enforce this Order. Respondent has entered this Order in good faith without trial or adjudication of any issue of fact or law. Respondent consents to the terms of this Order.

46. Respondent waives any right to judicial review of the issuance or requirements of this Order.

47. The parties shall bear their own costs and fees in this action, including attorney's fees.

48. EPA and Respondent agree to the use of electronic signatures for this matter. EPA and Respondent further agree to electronic service of this Consent Agreement and Final Order, pursuant to 40 C.F.R. § 22.6, by email to the following addresses:

To EPA:

carter.courtney@epa.gov

To Respondent:

TWPuckett@paalp.com

VI. FAILURE TO COMPLY

49. Failure to comply with this Order may result in enforcement action for appropriate injunctive relief and penalties pursuant to Section 113(b) of the Act, 42 U.S.C. § 7413(b), or, in appropriate cases, criminal penalties.

VII. ENFORCEMENT

50. This Order does not in any way impair EPA's rights to enforce the CAA.

51. Be advised that issuance of this Order does not preclude EPA from electing to pursue any other remedies or sanctions authorized by law in this or any other matter.

VIII. EFFECTIVE DATE

52. This Order shall become effective upon the date of signature by EPA.

53. EPA agrees to notify Respondent promptly of the signing of this Order by EPA.

IX. TERMINATION

54. This Order shall terminate when the actions required to be taken by Respondent in Paragraph 35 of this Order have been completed.

IN THE MATTER OF Plains Gas Solutions, LLC
EPA DOCKET NUMBER CAA-06-2020-3363

**THE UNDERSIGNED PARTIES CONSENT TO THE ENTRY OF THIS
ADMINISTRATIVE COMPLIANCE ORDER:**

For the Respondent:

Date

Tony Puckett

Digitally signed by: Tony Puckett
DN: CN = Tony Puckett email = typuckett@paalp.
com C = US O = Plains All American OU = Safety
Date: 2020.04.13 17:35:18 -08'00'

Tony Puckett
Director of Safety
Plains Gas Solutions

IN THE MATTER OF Plains Gas Solutions, LLC
EPA DOCKET NUMBER CAA-06-2020-3363

For United States Environmental Protection Agency, Region 6:

Date

Cheryl T. Seager

Digitally signed by CHERYL SEAGER
DN: c=US, o=U.S. Government, ou=Environmental
Protection Agency, cn=CHERYL SEAGER,
0.9.2342.19200300.100.1.1=68001003651793
Date: 2020.04.17 15:58:50 -05'00'

Cheryl T. Seager, Director
Enforcement and
Compliance Assurance Division
U.S. EPA Region 6

CERTIFICATE OF SERVICE

I certify that that a true and correct copy of the foregoing Administrative Order on Consent was delivered to the Regional Hearing Clerk, U.S. EPA, Region 6, 1201 Elm Street, Dallas, Texas 75270-2102, and that a true and correct copy was sent this day in the following manner to the addressees:

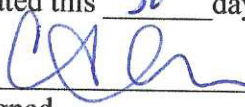
Copy via Email to Complainant:

Rogers.elizabeth@epa.gov

Copy via Email to Respondent:

Mr. Tony Puckett
Director of Safety
Plains Gas Solutions
333 Clay Street, Suite 1600
Houston, TX 77002
TWPuckett@paalp.com

Dated this 30 day of April, 2020


Signed _____