



Michelle Lujan Grisham
Governor

Howie C. Morales
Lt. Governor

**NEW MEXICO
ENVIRONMENT DEPARTMENT**

525 Camino de los Marquez, Suite 1
Santa Fe, NM 87505
Phone (505) 476-4300 Fax (505) 476-4375
www.env.nm.gov



James C. Kenney
Cabinet Secretary

Jennifer J. Pruett
Deputy Secretary

CERTIFIED MAIL - RETURN RECEIPT REQUESTED
RETURN RECEIPT NO: 7018 0040 0000 1909 7158

July 25, 2019

Tony Hines
Vice President of Operations
IACX Roswell, LLC
5001 LBJ Freeway, Suite 500
Dallas, TX 75244

Air Quality Bureau
Notice of Violation: IACX-0019-1901

Dear Mr. Hines,

Please find attached a Notice of Violation (NOV) regarding the Red Bluff No.3 Compressor Station. This NOV describes violations of the following requirements:

1. Permit P073R3, Facility Specific Requirement, A112A., Other Provisions: Failure to submit application for TV permit modification
2. Permit P073R3 Facility Specific Requirement, A.109B., Reporting Schedules; and General Conditions B.112D., Compliance: Failure to report timely
3. Permit P073R3 Equipment Specific Requirements, A211, 40 CFR 64, Compliance Assurance Monitoring (CAM) and A801, 40 CFR 64, CAM Plan: Failure to monitor and maintain reports and underlying records as required by permit and regulation

The above violations have been evaluated in accordance with EPA's Guidance on Federally-Reportable Violations for Clean Air Act Stationary Sources (September 2014) and Timely and Appropriate Enforcement Response to High Priority Violations (August 2014). The policies can be downloaded at <http://www2.epa.gov/compliance/guidance-federally-reportable-violations-stationary-air-sources> and <http://www2.epa.gov/enforcement/revised-timely-and-appropriate-t-and-enforcement-response-high-priority-violations-hpvs>. The Bureau determined that one or more of the violations meet the criteria for designation as a Federally-Reportable Violation (FRV) and will be processed accordingly.

The attached NOV may specify corrective actions and time constraints by which you must take action to comply with the New Mexico Air Quality Control Act. Your prompt actions to correct a non-compliance situation can result in a lower civil penalty.

Conversely, your failure to take corrective actions pursuant to the schedule of compliance may result in an upward adjustment of the penalty.

After we have reviewed your response to this letter, you will receive a settlement offer outlining the penalties associated with each of the above violations.

Please respond to the Notice of Violation as follows:

1. All correspondence pertaining to this Notice of Violation must be submitted under cover of a properly completed Reporting Submittal Form. A copy of the form can be found online at <https://www.env.nm.gov/air-quality/compliance-submittal-forms>.
2. Complete the enclosed Corrective Action Verification form indicating the action that you have taken to remedy the non-compliance(s) and to prevent such from recurring. The form must be signed and returned within 30 days of receipt of this letter.
3. If you have any facts, information, or documentation to refute the alleged violations, please submit within 30 days of receipt of this letter, along with the completed Corrective Action Verification form.
4. If you wish to discuss this NOV, please contact Teri Waldron, Environmental Specialist, at (505) 476-4355 or Shannon Duran, Enforcement Manager, at (505) 476-4353 within 15 days of receipt of this letter.

You may obtain a copy of the Bureau's Civil Penalty Policy from the Department's website at <https://www.env.nm.gov/air-quality/civil-penalty-policy>.

Thank you for your prompt attention to this matter.

Sincerely,



Liz Bisbey-Kuehn
Bureau Chief
Air Quality Bureau



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Howie C. Morales
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**Air Quality Bureau
NOTICE OF VIOLATION**

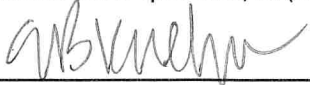
TRACKING NUMBER:	IACX-0019-1901	ICIS CASE NUMBER:	NM000A76022
COMPANY NAME:	IACX Roswell, LLC	FACILITY NAME:	Red Bluff No.3 Compressor Station
PERMIT(S):	P073R3	SOURCE CLASS:	Major
INSPECTION DATE:	November 28, 2018	EARLIEST DISCOVERY DATE:	August 15, 2018
SELF-REPORTED:	No	*NRV, FRV or HPV:	FRV
FACILITY LOCATION:	23 miles NNE from Roswell, NM	COUNTY:	Eddy
MAILING ADDRESS:	5001 LBJ Freeway, Suite 500 Dallas, TX 75244	CONTACT PERSON:	Tony Hines 505-266-6611

This Notice of Violation is a written record of the AIR QUALITY BUREAU'S finding that a violation of AIR QUALITY CONTROL REGULATIONS OR AIR QUALITY PERMIT CONDITIONS has occurred. A Notice is issued each time a violation is observed or discovered. This Notice may subject you to monetary penalties through administrative, civil, or criminal prosecution.

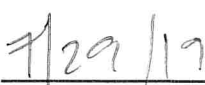
*Each violation associated with this enforcement case has been evaluated in accordance with EPA's Guidance on Federally-Reportable Violations for Clean Air Act Stationary Sources (September 2014) and Timely and Appropriate Enforcement Response to High Priority Violations (August 2014). The overall assessment of this enforcement case reflects the highest level determined.

NRV: Non-Reportable Violation **FRV:** Federally-Reportable Violation **HPV:** High Priority Violation

If you have questions or believe any statement in this notice is erroneous, please contact Teri Waldron, Environmental Specialist, at (505) 476-4355.



Air Quality Bureau Official



Date

Company: IACX Roswell, LLC
Facility: Red Bluff No.3 Compressor Station
NOV #: IACX-0019-1901
Permit #: P073R3

Inspection By: Andrew Ahr
Date of Discovery: November 28, 2018
NOV Prepared By: Teri Waldron
NRV, FRV or HPV: FRV

VIOLATION 1 Permit P073R3, Facility Specific Requirement, A112A., Other Provisions

Number of Claims: 1

Requirement:

Permit P073R3 Facility Specific Requirement, A112.A., Other Provisions (20.2.70.302.G(3) NMAC) states that, "Within 120 days of Title V Permit number P073-R3, the permittee shall submit an application for a Title V Permit Modification pursuant to 20.2.70.404.B NMAC for the following...: (1) To add emissions control requirements to the permit for the triethylene glycol dehydrator unit (Unit Dehy-1)... and, (2) To determine if a construction permit is required to permit condensate tanks and SSM."

Description:

On November 20 and November 21, 2018, an inspector from the Air Quality Bureau (AQB) reviewed facility submittals for the IACX Roswell, LLC (IACX) Red Bluff Compressor Station. IACX failed to submit an application for a Title V Permit Modification within 120 days of issuance of Title V Permit number P073R3 issued on February 19, 2018 that specifically addressed Facility Specific Requirement A112.A, Other Provisions.

Conclusion:

The failure of IACX Roswell, LLC Red Bluff No.3 Compressor Station, to submit an application for a Title V Permit Modification within 120 days, addressing emission control requirements for the Dehy-1 and the permitting status of condensate tanks and SSM, is in violation of Permit P073R3, Facility Specific Requirement, A112.A.

Corrective Action Required:

IACX Roswell, LLC, Red Bluff No.3 Compressor Station shall identify the cause(s) of this violation as well as the actions taken to prevent the recurrence of this violation. The corrective action, consisting of a submittal of a Title V Modification application to the Permitting Section of the Air Quality Bureau, needs to be received by the Enforcement Section, within 60 days of the receipt of this Notice of Violation.

Company: IACX Roswell, LLC

Inspection By: Andrew Ahr

Facility: Red Bluff No.3 Compressor Station

Date of Discovery: August 15, 2018

NOV #: IACX-0019-1901

NOV Prepared By: Teri Waldron

Permit #: P073R3

NRV, FRV or HPV: FRV

VIOLATION 2 Permit P073R3 Facility Specific Requirement A.109B., Reporting Schedules; and General Conditions B.112D., Compliance

Number of Claims: 4

Requirement:

Permit P073R3, Part A, Facility Specific Requirement, A109, Facility: Reporting Schedules (20.2.70.302.E NMAC), B. states that, "The Annual Compliance Certification Report is due within 30 days of the end of every 12-month reporting period. The 12-month reporting period starts on January 1st of each year."; and Part B, General Conditions, B112, Compliance, D., states that, "The permittee shall submit compliance certification reports certifying the compliance status of this facility with respect to all permit terms and conditions, including applicable requirements. These reports shall be made on the pre-populated compliance Certification Report Form that is provided to the permittee by the Department, and shall be submitted to the Department and EPA at least every 12 months (20.2.70.302.E.3 NMAC)."

Description:

On February 20, 2018 - February 21, 2018, an inspector from the Air Quality Bureau (aqb) reviewed IACX Roswell, LLC Red Bluff No.3 Compressor Station submittals for the previous two years in preparation for an onsite inspection (FCE). During the review, the inspector identified a failure to submit Annual Compliance Certification (ACC) Reports according to the schedule in the permit which requires the ACC monitoring activities be submitted to the Bureau 30-days after every 12-month period. ACC reports from January 1, 2016 - December 31, 2016 and January 01, 2017 - December 31, 2017 were submitted on August 15, 2018. On November 28, 2018, during the onsite inspection (FCE), the inspector identified failure to submit Annual Compliance Certification (ACC) reports to EPA according to the schedule in the permit which requires the ACC monitoring activities to be submitted to the EPA within 30-days following the end of every 12-month reporting period. ACC reports from January 1, 2016 - December 31, 2016 and January 1, 2017 - December 31, 2017 were submitted to EPA June 5, 2019. The ACC report from January 1, 2018 - December 31, 2018 was submitted to the Department on January 29, 2019.

Conclusion:

The failure of IACX Roswell, LLC Red Bluff No.3 Compressor Station to submit ACC reports 30 days after every 12-month period to the Bureau and EPA, is in violation of Permit P073R3 Facility Specific Requirements, A109.B and General Conditions, B112.D.

Corrective Action Required:

IACX Roswell, LLC Red Bluff No.3 Compressor Station shall identify the cause(s) of this violations as well as the actions taken to prevent the recurrence of these violations and the results submitted within 60 days of the receipt of this Notice of Violation. As part of the corrective action, the Department is requiring the ACC reports covering January 1, 2019 to December 31, 2019 to be submitted to the Bureau and EPA by January 31, 2020.

Company: IACX Roswell, LLC

Inspection By: Andrew Ahr

Facility: Red Bluff No.3 Compressor Station

Date of Discovery: November 28, 2018

NOV #: IACX-0019-1901

NOV Prepared By: Teri Waldron

Permit #: P073R3

NRV, FRV or HPV: FRV

VIOLATION 3 Permit P073R3 Equipment Specific Requirements A211, 40 CFR 64, Compliance Assurance Monitoring (CAM) and A801, 40 CFR 64, CAM Plan

Number of Claims: 2

Requirement:

Permit P073R3 Equipment Specific Requirement, A211, 40 CFR 64, Compliance Assurance Monitoring (CAM) Plan A. (Facility CAM Requirements per 40 CFR 64 - Section A801 CAM Plan for Units C-867 and C-868) states, (1) "Recordkeeping: the permittee shall meet the recordkeeping requirements of the CAM plan and of 40 CFR 64.9(b) (general recordkeeping requirements)" and states, (2) "Reporting: The permittee shall meet the reporting requirements in 40 CFR 64.9(a) (general reporting requirements) and in Section B11. Pursuant to 40 CFR 64.7 (e), the permittee shall document and promptly notify the Department's Permit Section, and modify the permit as necessary, of the need for improved monitoring or the need to modify existing indicator ranges or designated conditions." Permit P073R3 Miscellaneous Documents, A801, 40 CFR 64, Compliance Assurance Monitoring (CAM) Plan A. 40 CFR 64, Compliance Assurance Monitoring (CAM) Plan (Units C-867 and C-868): as provided by the permittee, is a Compliance Assurance Monitoring Plan for the Waukesha L7042GSI compressor engines which includes a Protocol, under 40 CFR 64.7 (d)(2), that states, "Determination of whether the owner or operator has used acceptable procedures in response to an excursion or exceedance will be based on information available, which may include but is not limited to monitoring results, review of operation and maintenance procedures and records, and inspection of the control device, associated capture system, and the process." In addition, 40 CFR 64.3(a) and (b), CAM Monitoring Design Criteria and Performance Criteria must be met.

Description:

On November 20 and November 21, 2018 an AQB inspector reviewed facility submittals for the an onsite FCE. The inspector discovered the failure of IACX Roswell LLC, Red Bluff No. 3 Compressor Station (IACX) to: 1) monitor and 2) report the exhaust gas temperature and percent oxygen concentration of the gas at the catalyst inlet according to the approved CAM Plan. IACX did not meet the requirements of these conditions from August 15, 2017 to November 28, 2018.

Conclusion:

The failure of IACX Roswell, LLC Red Bluff No.3 Compressor Station to monitor and report exhaust gas temperature and percent oxygen concentration of gas at the catalyst inlet, is a violation of Permit P073R3 Equipment Specific Requirements, A211, 40 CFR 64, Compliance Assurance Monitoring (CAM) and Miscellaneous Documents, A801, pursuant to 40 CFR 64.3(a) (b) CAM Plan.

Corrective Action Required:

IACX Roswell, LLC Red Bluff No.3 Compressor Station shall identify the cause(s) of this violation as well as the actions taken to prevent the recurrence of this violation. The corrective action of monitoring and reporting exhaust gas temperature and percent oxygen, according to the CAM Plan, is required for submittal within 60 days of the receipt of this Notice of Violation.

Company: IACX Roswell, LLC
Facility: Red Bluff No.3 Compressor Station
NOV #: IACX-0019-1901
Permit #: P073R3

Inspection By: Andrew Ahr
NOV Prepared By: Teri Waldron

CORRECTIVE ACTION VERIFICATION

This form must be completed for each Violation, signed by the facility's Responsible Official (Title V) or other designee, and returned within 30 days of the receipt of the Notice of Violation. All Corrective Action submittals must be submitted with the Reporting Submittal Form. The Reporting Submittal Form and instructions can be located at http://www.env.nm.gov/aqb/enforce_compliance/SubmittalForms.htm.

Note: If additional space is needed to list the Corrective Actions Taken or Planned, please attach a separate piece of paper.

Submit to: Teri Waldron
Environmental Specialist
Air Quality Bureau
525 Camino de los Marquez, Suite 1
Santa Fe, NM 87505

VIOLATION 1 Failure to submit application for TV permit modification

Corrective Action Required:

IACX Roswell, LLC, Red Bluff No.3 Compressor Station shall identify the cause(s) of this violation as well as the actions taken to prevent the recurrence of this violation. The corrective action, consisting of a submittal of a Title V Modification application to the Permitting Section of the Air Quality Bureau, needs to be received by the Enforcement Section, within 60 days of the receipt of this Notice of Violation.

Corrective Action Taken or Planned to Take:

What Action Have You Taken or Plan to Take to Prevent A Recurrence of This Violation?

Company: IACX Roswell, LLC

Facility: Red Bluff No.3 Compressor Station

NOV #: IACX-0019-1901

Permit #: P073R3

Inspection By: Andrew Ahr

NOV Prepared By: Teri Waldron

VIOLATION 2 Failure to report timely

Corrective Action Required:

IACX Roswell, LLC Red Bluff No.3 Compressor Station shall identify the cause(s) of this violations as well as the actions taken to prevent the recurrence of these violations and the results submitted within 60 days of the receipt of this Notice of Violation. As part of the corrective action, the Department is requiring the ACC reports covering January 1, 2019 to December 31, 2019 to be submitted to the Bureau and EPA by January 31, 2020.

Corrective Action Taken or Planned to Take:

What Action Have You Taken or Plan to Take to Prevent A Recurrence of This Violation?

Company: IACX Roswell, LLC

Inspection By: Andrew Ahr

Facility: Red Bluff No.3 Compressor Station

NOV Prepared By: Teri Waldron

NOV #: IACX-0019-1901

Permit #: P073R3

VIOLATION 3 Failure to monitor and maintain reports and underlying records as required by permit and regulation

Corrective Action Required:

IACX Roswell, LLC Red Bluff No.3 Compressor Station shall identify the cause(s) of this violation as well as the actions taken to prevent the recurrence of this violation. The corrective action of monitoring and reporting exhaust gas temperature and percent oxygen, according to the CAM Plan, is required for submittal within 60 days of the receipt of this Notice of Violation.

Corrective Action Taken or Planned to Take:

What Action Have You Taken or Plan to Take to Prevent A Recurrence of This Violation?

Company: IACX Roswell, LLC
Facility: Red Bluff No.3 Compressor Station
NOV #: IACX-0019-1901
Permit #: P073R3

Inspection By: Andrew Ahr
NOV Prepared By: Teri Waldron

On behalf of IACX Roswell, LLC, _____ hereby
certify the above information is true and accurate to the best of my knowledge.

IACX Roswell, LLC

Date