



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

FILED

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**EXPEDITED SETTLEMENT AGREEMENT (ESA)**

REGIONAL HEARING CLERK  
EPA REGION VI

Docket No: **CAA 06-2021-3363**

This ESA is issued to: **Scissor Tail Energy, LLC - Paden Gas Plant**

At: **100151 North 3630 Road, Paden, Oklahoma 74860**

For: **Violating Section 112(r)(7) of the Clean Air Act**

The United States Environmental Protection Agency (EPA), through its delegated official, the Director of the Enforcement and Compliance Assurance Division, and Scissor Tail Energy, LLC - Paden Gas Plant (Respondent) have agreed to a settlement of this action before filing a complaint, and thus this action is simultaneously commenced and concluded pursuant to Rules 22.13(b) and 22.18(b)(2) of the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits (Consolidated Rules), 40 C.F.R. Part 22.

This ESA is an administrative action for the assessment of civil penalties instituted pursuant to Section 113(d) of the Clean Air Act (CAA or the Act), 42 U.S.C. § 7413(d). Pursuant to Section 113(d) of the CAA, 42 U.S.C. § 7413(d), the Administrator and the Attorney General jointly determined that cases which meet the criteria set forth in the EPA's Policies<sup>1</sup> are appropriate for administrative penalty action.

**ALLEGED VIOLATION**

From January 21 - February 4, 2021, an authorized representative of the EPA conducted a compliance inspection of the Respondent's facility, owned and operated at the time by Scissor Tail Energy, LLC located in Paden, Oklahoma, to determine compliance with the Risk Management Program (RMP) regulations promulgated at 40 C.F.R. Part 68 under Section 112(r) of the CAA, 42 U.S.C. § 7412(r). The EPA found that Respondent had violated the RMP regulations and Section 112(r)(7) of the CAA, 42 U.S.C. § 7412(r)(7), as follows:

(1) 40 C.F.R. § 68.73(d)(3) - "(d) Inspection and testing. (3) The frequency of inspections and tests of process equipment shall be consistent with applicable manufacturers' recommendations and good engineering practices, and more frequently if determined to be necessary by prior operating experience."

Scissor Tail LLC failed to conduct the proper frequency of inspections and tests for ten (10) piping circuits by incorrectly identifying these piping circuits as Class 2 piping instead of Class 1 piping.

**SETTLEMENT**

In consideration of the factors set forth in Section 113(e) of the Act, 42 U.S.C. § 7413(e), the criteria set forth in EPA's policies<sup>1</sup>, and upon consideration of the entire record, EPA and Respondent enter into this ESA in order to settle the violation, described above, for the total penalty amount of **\$9,000.00**.

This settlement is subject to the following terms and conditions:

Respondent, by signing below, waives any objections that it may have regarding jurisdiction, neither admits nor denies the specific factual allegations contained herein, and consents to the assessment of the penalty as stated above. Respondent waives its rights to a hearing afforded by Section 113(d)(2)(A) of the Act, 42 U.S.C. §

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<sup>1</sup> "Use of Expedited Settlements in Addressing Violations of the Clean Air Act Chemical Accident Prevention Restrictions on the Use of Expedited Settlements in Addressing Violations of the Clean Air Act Chemical Accident Prevention Provisions" (2013)

7413(d)(2)(A), and to appeal this ESA. Each party to this action shall bear its own costs and fees, if any. Respondent also certifies, subject to civil and criminal penalties for making a false submission to the United States Government, that Respondent has corrected the violation listed above and has paid the full penalty of \$9,000.00 by certified or cashier's check made payable to the "United States Treasury" and sent to:

U.S. Environmental Protection Agency  
Fines and Penalties  
Cincinnati Finance Center  
P.O. Box 979077  
St. Louis, MO 63197-9000

or by alternate payment method described at <http://www.epa.gov/financial/makepayment>.

The Docket Number of this ESA is **CAA 06-2021-3363** and must be included on the payment. **The signed ESA and a copy of payment must be sent by email to: [flores.carlos@epa.gov](mailto:flores.carlos@epa.gov).**

Full payment of the ESA penalty shall only resolve Respondent's civil penalty liability for the violation alleged above. The EPA does not waive any other enforcement action by EPA for any other past, present, or future violations under the CAA or any other statute.

If the **signed ESA with a copy of the payment** is not returned to EPA Region 6 at the above email address in correct form by Respondent within 30 days of the date of receipt of this ESA, the proposed ESA is withdrawn, without prejudice to EPA's ability to file additional enforcement actions for the violation identified in this ESA.

This ESA is binding on the EPA and Respondent and is effective upon filing with the Regional Hearing Clerk.

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 ESA, pursuant to 40 C.F.R. § 22.6, by email to the following addresses:

To EPA: [flores.carlos@epa.gov](mailto:flores.carlos@epa.gov)

To Respondent: [ted\\_meinhold@kindermorgan.com](mailto:ted_meinhold@kindermorgan.com)

**SIGNATURE BY RESPONDENT:**

Signature: Ted Meinhold

Date: 8/30/21

Name (print): Ted Meinhold

Title (print): Vice President - Operations

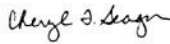
Cost of Corrective Actions: \$2,000.00 Scissor Tail notes that it was always planning to spend this money to conduct the inspections but due to the change in classification, the inspections and the payment for services occurred sooner.

Respondent's Brief Description of Complying Action: The ten (10) piping circuits which Scissor Tail personnel noted as being misidentified prior to the EPA inspection had already been scheduled for inspection during the planned plant shutdown in April and May 2021. These inspections were completed during the shutdown as scheduled.

If you need additional space or would like to provide additional supporting documentation, please attach to this document.



**SIGNATURE BY EPA:**



Digitally signed by CHERYL SEAGER  
DN: c=US, o=U.S. Government,  
ou=Environmental Protection Agency,  
cn=CHERYL SEAGER,  
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Date: 2021.09.02.16:11:53 -0500

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

It is so ORDERED. This Order shall become effective upon filing of the fully executed ESA with the Regional Hearing Clerk.

**THOMAS  
RUCKI**

Digitally signed by THOMAS RUCKI  
DN: c=US, o=U.S. Government,  
ou=Environmental Protection Agency,  
cn=THOMAS RUCKI,  
0.9.2342.19200300.100.1.1-68001003655804  
Date: 2021.09.07.09:16:15 -0500

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Thomas Rucki  
Regional Judicial Officer

**CERTIFICATE OF SERVICE**

I hereby certify, on the date identified below, a true and correct copy of the foregoing Expedited Settlement Agreement was electronically delivered to the Regional Hearing Clerk, U.S. EPA Region 6 (ORC), 1201 Elm Street, Suite 500, 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 EPA: [flores.carlos@epa.gov](mailto:flores.carlos@epa.gov)

Copy via email to Respondent: [ted\\_meinhold@kindermorgan.com](mailto:ted_meinhold@kindermorgan.com)

Mr. Ted Meinhold  
Vice President - Operations  
Kinder Morgan, Inc.  
1001 Louisiana, Suite 1000  
Houston, TX 77002

**CARLOS FLORES**

Digitally signed by CARLOS FLORES  
DN: c=US, o=U.S. Government, ou=Environmental  
Protection Agency, cn=CARLOS FLORES,  
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Date: 2021.09.07 10:50:45 -05'00'

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**Carlos Flores**  
**United States Environmental Protection Agency,**  
**Region 6**