UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION 5

| In the Matter of: |) | Docket No. CAA-05-2023-0022 |
|--|---|--|
| |) | |
| Equitrans Midstream Corporation |) | Proceeding to Assess a Civil Penalty |
| Ohio |) | Under Section 113(d) of the Clean Air Act, |
| |) | 42 U.S.C. § 7413(d) |
| Respondent. |) | |
| - - | | |

Consent Agreement and Final Order

Preliminary Statement

- 1. This is an administrative action commenced and concluded under Section 113(d) of the Clean Air Act (the CAA), 42 U.S.C. § 7413(d), and Sections 22.1(a)(2), 22.13(b) and 22.18(b)(2) and (3) of the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits (Consolidated Rules), as codified at 40 C.F.R. Part 22.
- 2. Complainant is the Director of the Enforcement and Compliance Assurance Division, U.S. Environmental Protection Agency (EPA), Region 5.
- 3. Respondent is Equitrans Midstream Corporation (Equitrans), a corporation doing business in Ohio.
- 4. Where the parties agree to settle one or more causes of action before the filing of a complaint, the administrative action may be commenced and concluded simultaneously by the issuance of a consent agreement and final order (CAFO). 40 C.F.R. § 22.13(b).
- 5. The parties agree that settling this action without the filing of a complaint or the adjudication of any issue of fact or law is in their interest and in the public interest.
- 6. Respondent consents to the assessment of the civil penalty specified in this CAFO and to the terms of this CAFO.

Jurisdiction and Waiver of Right to Hearing

- 7. Respondent admits the jurisdictional allegations in this CAFO and neither admits nor denies the factual allegations in this CAFO.
- 8. Respondent waives its right to request a hearing as provided at 40 C.F.R. § 22.15(c), any right to contest the allegations in this CAFO and its right to appeal this CAFO.

Statutory and Regulatory Background

NSPS Subpart OOOOa

- 9. The New Source Performance Standards (NSPS), 40 C.F.R. Part 60 Subpart OOOOa (Subpart OOOOa), apply to Crude Oil and Natural Gas Facilities for which Construction, Modification or Reconstruction Commenced After September 18, 2015.
- 10. Subpart OOOOa, at 40 C.F.R. § 60.5430a, defines Crude Oil and Natural Gas

 Production source category as "[c]rude oil production, which includes the well and extends to the
 point of custody transfer to the crude oil transmission pipeline or any other forms of
 transportation;" and "[n]atural gas production and processing, which includes the well and
 extends to, but does not include, the point of custody transfer to the natural gas transmission and
 storage segment."
- 11. Subpart OOOOa, at 40 C.F.R. § 60.5365a(d)(1), states that a pneumatic controller affected facility not located at a natural gas processing plant, which is a single continuous bleed natural gas-driven pneumatic controller operating at a natural gas bleed rate greater than 6 standard cubic feet per hour (scfh) is subject to the applicable provisions of Subpart OOOOa.
- 12. Subpart OOOOa, at 40 C.F.R. § 60.5390a(c)(1), states that each pneumatic controller affected facility at a location other than at a natural gas processing plant must have a bleed rate less than or equal to 6 scfh.

- 13. Subpart OOOOa, at 40 C.F.R. § 60.5390a(a), states that the requirements of Section 60.5390a (b)(1) or (c)(1) do not apply if the facility determines that the use of a pneumatic controller affected facility with a bleed rate greater than the applicable standard is required based on functional needs, including but not limited to response time, safety, and positive actuation.
- 14. The Administrator of EPA (the Administrator) may assess a civil penalty of up to \$51,796 per day of violation up to a total of \$414,364 for violations that occurred after November 2, 2015, under Section 113(d)(1) of the CAA, 42 U.S.C. § 7413(d)(1), and 40 C.F.R. Part 19.
- 15. Section 113(d)(1) limits the Administrator's authority to matters where the first alleged date of violation occurred no more than 12 months prior to initiation of the administrative action, except where the Administrator and the Attorney General of the United States jointly determine that a matter involving a longer period of violation is appropriate for an administrative penalty action.
- 16. The Administrator and the Attorney General of the United States, each through their respective delegates, have determined jointly that an administrative penalty action is appropriate for the period of violations alleged in this CAFO.

Factual Allegations and Alleged Violations

- 17. Equitrans owns and operates the natural gas compressor station facilities ("the Facilities") listed in the column titled "Facility Site Name" of Attachment A.
- 18. These Facilities, listed in Attachment A, are part of natural gas production and processing, which includes the well and extends to, but does not include, the point of custody transfer to the natural gas transmission and storage segment and were constructed after

September 18, 2015. Specifically, the Facilities are at locations other than at a natural gas processing plant.

- 19. The Facilities are within the definitions of crude oil and natural gas production source categories under 40 C.F.R. § 60.5430a.
- 20. The Facilities include pneumatic controllers, which are affected facilities and are therefore subject to Subpart OOOOa.
- 21. On October 29, 2021, Equitrans submitted the annual report required by 40 C.F.R. § 60.5420a(b). In this submittal, Equitrans reported to EPA that the pneumatic controllers listed in the column titled "Pneumatic Controller ID" of Attachment A had not met the bleed rate requirements in Subpart OOOOa.
- 22. In follow-up correspondence with EPA on January 18, 2022, Equitrans confirmed that, prior to conversion to air-driven or low-bleed, each pneumatic controller listed in Attachment A had a bleed rate greater than 6 scfh.
- 23. Equitrans did not claim, under 40 C.F.R. § 60.5390a(a), an exemption to the natural gas bleed rate required by 40 C.F.R. § 60.5390a(b)(1) or (c)(1) due to functional needs for any pneumatic controller listed in Attachment A. EPA knows of no determination by Equitrans that the use of a pneumatic controller affected facility with a bleed rate of greater than the applicable standard is required based on functional needs.
- 24. For the time period between the date of initial installation or date of acquisition and modification to air-driven or low-bleed, Equitrans operated the pneumatic controller affected facilities listed in Attachment A, at locations other than at a natural gas processing plant, with bleed rates greater than 6 scfh, in violation of 40 C.F.R. § 60.5390a(c)(1).

Civil Penalty

- 25. Based on analysis of the factors specified in Section 113(e) of the CAA, 42 U.S.C. § 7413(e), the facts of this case and Equitrans' cooperation and prompt return to compliance, Complainant has determined that an appropriate civil penalty to settle this action is \$136,370.
 - 26. <u>Penalty Payment.</u> Respondent agrees to:
 - a. Pay the civil penalty of \$136,370 within 30 days after the effective date of this CAFO.
 - b. Pay the civil penalty using any method provided in the table below.

| Daymant Mathad | Daymont Instructions | | |
|-------------------------|---|--|--|
| Payment Method | Payment Instructions | | |
| Automated | US Treasury REX/Cashlink ACH Receiver | | |
| Clearinghouse (ACH) | ABA: 051036706 | | |
| payments made | Account Number: 310006, Environmental Protection Agency | | |
| through the US Treasury | CTX Format Transaction Code 22 – checking | | |
| | | | |
| | In the comment area of the electronic funds transfer, state | | |
| | Respondent's name and the CAFO docket number. | | |
| Wire transfers made | Federal Reserve Bank of New York | | |
| through Fedwire | ABA: 021030004 | | |
| | Account Number: 68010727 | | |
| | SWIFT address: FRNYUS33 | | |
| | 33 Liberty Street | | |
| | New York, NY 10045 | | |
| | Beneficiary: US Environmental Protection Agency | | |
| | | | |
| | In the comment area of the electronic funds transfer, state | | |
| | Respondent's name and the docket number of this CAFO. | | |
| Payments made | • Go to Pay.gov and enter "SFO 1.1" in the form search box on | | |
| through Pay.gov | the top left side of the screen. | | |
| 8 | <u> </u> | | |
| Payers can use their | Open the form and follow the on-screen instructions. | | |
| credit or debit cards | Select your type of payment from the "Type of Payment" drop | | |
| (Visa, MasterCard, | down menu. | | |
| American Express & | Based on your selection, the corresponding line will open and | | |
| Discover) as well as | no longer be shaded gray. Enter the CAFO docket number into | | |
| Discover) as well as | the field | | |

| checking account | |
|------------------------|---|
| information to make | |
| payments. | |
| Cashier's or certified | For standard delivery : |
| check payable to | U.S. Environmental Protection Agency |
| "Treasurer, United | Fines and Penalties |
| States of America." | Cincinnati Finance Center |
| | P.O. Box 979077 |
| Please notate the CAFO | St. Louis, Missouri 63197-9000 |
| docket number on the | |
| check | For signed receipt confirmation (FedEx, UPS, Certified Mail, |
| | etc): |
| | U.S. Environmental Protection Agency |
| | Government Lockbox 979077 |
| | U.S. EPA Fines and Penalties |
| | 1005 Convention Plaza |
| | SL-MO-C2-GL |
| | St. Louis, Missouri 63101 |

27. Within 24 hours of the payment of the civil penalty respondent must send a notice of payment that states Respondent's name and the docket number of this CAFO to EPA at the following addresses:

Air Enforcement and Compliance Assurance Branch U.S. Environmental Protection Agency, Region 5 r5airenforcement@epa.gov

Logan Glasenapp
Office of Regional Counsel
U.S. Environmental Protection Agency, Region 5
Glasenapp.logan.m@epa.gov

Regional Hearing Clerk (E-19J) U.S. Environmental Protection Agency, Region 5 r5hearingclerk@epa.gov

- 28. This civil penalty is not deductible for federal tax purposes.
- 29. If Respondent does not pay timely the civil penalty, EPA may request the Attorney General of the United States to bring an action to collect any unpaid portion of the penalty with interest, nonpayment penalties, and the United States enforcement expenses for the

collection action under Section 113(d)(5) of the CAA, 42 U.S.C. § 7413(d)(5). The validity, amount, and appropriateness of the civil penalty are not reviewable in a collection action.

30. Respondent must pay the following on any amount overdue under this CAFO. Interest will accrue on any overdue amount from the date payment was due at a rate established by the Secretary of the Treasury pursuant to 26 U.S.C. § 6621(a)(2). Respondent must pay the United States enforcement expenses, including but not limited to attorneys' fees and costs incurred by the United States for collection proceedings. In addition, Respondent must pay a quarterly nonpayment penalty each quarter during which the assessed penalty is overdue. This nonpayment penalty will be 10 percent of the aggregate amount of the outstanding penalties and nonpayment penalties accrued from the beginning of the quarter. 42 U.S.C. § 7413(d)(5).

General Provisions

- 31. The parties consent to service of this CAFO by e-mail at the following valid e-mail addresses: Glasenapp.logan.m@epa.gov (for Complainant), and RPichardo@equitransmidstream.com and pjohnson@hunton.com (for Respondent). Respondent understands that the CAFO will become publicly available upon filing.
- 32. This CAFO resolves only Respondent's liability for federal civil penalties for the violations alleged in this CAFO.
- 33. The CAFO does not affect the rights of EPA or the United States to pursue appropriate injunctive or other equitable relief or criminal sanctions for any violation of law.
- 34. This CAFO does not affect Respondent's responsibility to comply with the CAA and other applicable federal, state, and local laws. Except as provided in paragraph 32, above, compliance with this CAFO will not be a defense to any actions subsequently commenced pursuant to federal laws administered by EPA.

- 35. Respondent certifies that it is complying fully with NSPS Subpart OOOOa.
- 36. This CAFO constitutes an "enforcement response" as that term is used in EPA's Clean Air Act Stationary Civil Penalty Policy to determine Respondent's "full compliance history" under Section 113(e) of the CAA, 42 U.S.C. § 7413(e).
 - 37. The terms of this CAFO bind Respondent, its successors, and assigns.
- 38. Each person signing this consent agreement certifies that he or she has the authority to sign for the party whom he or she represents and to bind that party to its terms.
 - 39. Each party agrees to bear its own costs and attorney's fees in this action.
 - 40. This CAFO constitutes the entire agreement between the parties.

Equitrans Midstream Corporation, Respondent

| 5-4-2023 Date | Jack Mackin VP Operations Equitrans Midstream Corporation | |
|------------------|---|--|
| | 83-0516635 | |
| | Tax Identification Number | |

United States Environmental Protection Agency, Complainant

Michael D. Harris
Division Director
Enforcement and Compliance Assurance Division
U.S. Environmental Protection Agency, Region 5

Consent Agreement and Final Order In the Matter of: Equitrans Midstream Corporation Docket No. CAA-05-2023-0022

Final Order

This Consent Agreement and Final Order, as agreed to by the parties, shall become effective immediately upon filing with the Regional Hearing Clerk. This Final Order concludes this proceeding pursuant to 40 C.F.R. §§ 22.18 and 22.31. IT IS SO ORDERED.

Ann L. Coyle Date Regional Judicial Officer

U.S. Environmental Protection Agency

Region 5

Attachment A

| Facility Site Name | Pneumatic Controller ID | Controller Initial Installation Date | Date of Acquisition by Equitrans Midstream | Date of Modification to Air- Driven or Low- Bleed Controller |
|--|------------------------------|---|--|---|
| EQM Olympus Midstream LLC Cobra Compressor Station | Recycle Control Valve Unit 4 | 5/4/2018 | 11/13/18 | 03/2021 |
| FOM Olympus Midstroom LLC Fortross | Recycle Control Valve Unit 2 | 10/31/2018 | 11/13/18 | 03/2021 |
| EQM Olympus Midstream LLC Fortress Compressor Station | Recycle Control Valve Unit 3 | 10/31/2018 | 11/13/18 | 03/2021 |
| | Unit 1 Recycle Control Valve | 12/18/2017 | 11/13/18 | 09/2021 |
| | Unit 2 Recycle Control Valve | 12/18/2017 | 11/13/18 | 09/2021 |
| EQM Olympus Midstream LLC Godzilla | Unit 3 Recycle Control Valve | 12/18/2017 | 11/13/18 | 09/2021 |
| Compressor Station | Unit 4 Recycle Control Valve | 12/18/2017 | 11/13/18 | 09/2021 |
| | Suction Control Valve Unit 1 | 10/14/2018 | 11/13/18 | 03/2021 |
| | Suction Control Valve Unit 2 | 10/14/2018 | 11/13/18 | 03/2021 |
| | Suction Control Valve Unit 3 | 10/14/2018 | 11/13/18 | 03/2021 |
| | Suction Control Valve Unit 4 | 10/14/2018 | 11/13/18 | 03/2021 |
| | Suction Control Valve Unit 5 | 10/14/2018 | 11/13/18 | 03/2021 |
| | Suction Control Valve Unit 6 | 10/14/2018 | 11/13/18 | 03/2021 |
| | Suction Control Valve Unit 7 | 10/14/2018 | 11/13/18 | 03/2021 |
| | Suction Control Valve Unit 8 | 10/14/2018 | 11/13/18 | 03/2021 |
| EQM Olympus Midstream LLC Goliath | Recycle Control Valve Unit 1 | 10/14/2018 | 11/13/18 | 03/2021 |
| Compressor Station | Recycle Control Valve Unit 2 | 10/14/2018 | 11/13/18 | 03/2021 |
| | Recycle Control Valve Unit 3 | 10/14/2018 | 11/13/18 | 03/2021 |
| | Recycle Control Valve Unit 4 | 10/14/2018 | 11/13/18 | 03/2021 |
| | Recycle Control Valve Unit 5 | 10/14/2018 | 11/13/18 | 03/2021 |
| | Recycle Control Valve Unit 6 | 10/14/2018 | 11/13/18 | 03/2021 |
| | Recycle Control Valve Unit 7 | 10/14/2018 | 11/13/18 | 03/2021 |
| | Recycle Control Valve Unit 8 | 10/14/2018 | 11/13/18 | 03/2021 |

Attachment A

| Facility Site Name | Pneumatic Controller ID | Controller Initial Installation Date | Date of Acquisition by Equitrans Midstream | Date of Modification to Air- Driven or Low- Bleed Controller |
|--|---------------------------------|---|--|---|
| EQM Olympus Midstream LLC Rifle Compressor Station | Suction Control Valve | 9/15/2018 | 11/13/18 | 06/2021 |
| EQM Olympus Midstream LLC Switz 27 Compressor Station | Unit 1 Recycle Control Valve | 9/25/2018 | 11/13/18 | 06/2021 |
| | Recycle Control Valve Unit 2 | 10/14/2018 | 11/13/18 | 07/2021 |
| | Recycle Control Valve Unit 3 | 10/14/2018 | 11/13/18 | 07/2021 |
| EQM Olympus Midstream LLC Titan Compressor Station | Recycle Control Valve Unit 4 | 10/14/2018 | 11/13/18 | 07/2021 |
| | Recycle Control Valve Unit 5 | 10/14/2018 | 11/13/18 | 07/2021 |
| EQM Olympus Midstream LLC Tygerr Compressor Station | Suction Control Valve PCV-90 | 7/16/2018 | 11/13/18 | 07/2021 |
| Eureka Midstream, LLC Cain Ridge Compressor Station | PCV 3112 C 3150 Suction Control | 12/2/2016 | 4/10/19 | 06/2021 |
| | PCV 3122 C 3150 Suction Control | 12/2/2016 | 4/10/19 | 06/2021 |
| | PCV 3132 C 3150 Suction Control | 12/2/2016 | 4/10/19 | 05/2021 |
| | PCV 3142 C 3150 Suction Control | 12/2/2016 | 4/10/19 | 05/2021 |
| | PCV 3152 C 3150 Suction Control | 12/2/2016 | 4/10/19 | 05/2021 |
| | PV 3105 | 12/2/2016 | 4/10/19 | 06/2021 |
| Eureka Midstream, LLC German Ridge | PCV 2200 | 11/7/2018 | 11/13/18 | 08/2021 |
| Compressor Station | PCV 2300 | 11/7/2018 | 11/13/18 | 08/2021 |
| | PCV 1004 | 11/7/2018 | 11/13/18 | 08/2021 |