



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 2
290 BROADWAY
NEW YORK, NY 10007-1866

September 29, 2016

CERTIFIED MAIL-
RETURN RECEIPT REQUESTED

Jim Cantrell
Vice President & Associate General Counsel
Crestwood Midstream Partners LP
1125 17th Street, Suite 1575
Denver, Colorado 80202

Re: Consent Agreement and Final Order, In the Matter of Finger Lakes LPG Storage, LLC

Dear Mr. Cantrell:

Enclosed please find a fully executed copy of the Consent Agreement and Final Order in this matter. Please do not hesitate to contact me if you have any questions.

Thank you again for your assistance throughout this process.

Sincerely,

A handwritten signature in black ink, appearing to read "Margo Ludmer".

Margo Ludmer
Assistant Regional Counsel

Enclosure

cc: Regional Hearing Clerk

U.S. Environmental
Protection Agency
2016 SEP 29 PM 2:02
NEW YORK, NY 10007-1866

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 2

In the Matter of
Finger Lakes LPG Storage, LLC,
Savona, New York,
Respondent.

Docket No. CAA-02-2016-1209

CONSENT AGREEMENT AND
FINAL ORDER

REGIONAL OFFICE
2016 SEP 30 PM 2:02
U.S. Environmental
Protection Agency
Region 2

PRELIMINARY STATEMENT

1. This Consent Agreement and Final Order (“CAFO”) is issued pursuant to Section 113(d) of the Clean Air Act (“CAA”), 42 U.S.C. § 7413(d). The Complainant in this action is the Director of the Emergency and Remedial Response Division of the United States Environmental Protection Agency, Region 2 (“EPA”), who has been delegated the authority to institute this action. Respondent is Finger Lakes LPG Storage, LLC (“Respondent”).

2. EPA and the U.S. Department of Justice have determined, pursuant to Section 113(d)(1) of the CAA, 42 U.S.C. § 7413(d)(1), that EPA may pursue this matter through administrative enforcement action.

3. Pursuant to Section 22.13 of the revised Consolidated Rules of Practice, 40 C.F.R. § 22.13(b), where parties agree to settlement of one or more causes of action before the filing of a complaint, a proceeding may be simultaneously commenced and concluded by the issuance of a CAFO pursuant to 40 C.F.R. §§ 22.18(b)(2) and (3).

4. It has been agreed by the parties that settling this matter by entering into this CAFO pursuant to 40 C.F.R. §§ 22.13(b) and 22.18(b)(2) and (3) is an appropriate means of resolving specified claims against Respondent without litigation. Compliance with the terms and conditions of this CAFO shall resolve those alleged violations set forth below.

STATUTORY BACKGROUND

5. Section 113(d) of the CAA, 42 U.S.C. § 7413(d), provides for the assessment of penalties for violations of Section 112(r) of the CAA, 42 U.S.C. § 7412(r).

6. Section 112(r)(7) of the CAA, 42 U.S.C. § 7412(r)(7), requires the Administrator to promulgate release prevention, detection, and correction requirements regarding regulated substances in order to prevent accidental releases of regulated substances. EPA promulgated

regulations in 40 C.F.R. Part 68 to implement Section 112(r)(7) of the CAA, the former of which set forth the requirements of risk management programs that must be established and implemented at stationary sources subject to this section of the CAA. The regulations at 40 C.F.R. Part 68, Subparts A through G, require owners and operators of stationary sources to, among other things, develop and implement: (a) a management system to oversee the implementation of the risk management program elements; and (b) a risk management program that includes, but is not limited to, a hazard assessment, a prevention program, and an emergency response program. Pursuant to 40 C.F.R. Part 68, Subparts A and G, the risk management program for a stationary source that is subject to these requirements is to be described in a risk management plan (“RMP”) that must be submitted to EPA.

7. Sections 112(r)(3) and (5) of the CAA, 42 U.S.C. §§ 7412(r)(3) and (5), require the Administrator to promulgate a list of regulated substances with threshold quantities. EPA promulgated a regulation at 40 C.F.R. Part 68, Subpart F, which implements Sections 112(r)(3) and (5) of the CAA, and which lists the regulated substances and their threshold quantities.

8. Pursuant to Section 112(r)(7) of the CAA, 42 U.S.C. § 7412(r)(7), and 40 C.F.R. §§ 68.10(a), 68.12, and 68.150, an owner or operator of a stationary source that has more than a threshold quantity of a regulated substance in a process shall comply with the requirements of 40 C.F.R. Part 68 (including, but not limited to, submission of an RMP to EPA), no later than June 21, 1999, or three years after the date on which such regulated substance is first listed under 40 C.F.R. § 68.130, or the date on which the regulated substance is first present in a process above the threshold quantity, whichever is latest.

9. The regulations set forth at 40 C.F.R. Part 68 separate the covered processes into three categories, designated as Program 1, Program 2, and Program 3. A covered process is subject to Program 3 requirements, as per 40 C.F.R. § 68.10(d), if: (a) the process does not meet one or more of the Program 1 eligibility requirements set forth in 40 C.F.R. § 68.10(b); and (b) either the process is listed in one of the specific North American Industry Classification System (generally referred to as “NAICS”) codes found at 40 C.F.R. § 68.10(d)(1), or the process is subject to the United States Occupational Safety and Health Administration process safety management standard set forth in 29 C.F.R. § 1910.119. As required by 40 C.F.R. § 68.10(c), a facility must register its RMP-covered process as a Program 2 process if it does not meet the requirements of either Program 1 or Program 3.

10. The regulations set forth at 40 C.F.R. § 68.12(d) require that the owner or operator of a stationary source with a Program 3 process undertake certain tasks, including, but not limited to, development and implementation of a management system (pursuant to 40 C.F.R. § 68.15) and the implementation of prevention program requirements.

FINDINGS OF FACT

11. Respondent, an indirect subsidiary of Crestwood Equity Partners LP (“CEQP”), is the owner and operator of a facility located at 7535 Eagle Valley Road, Savona, New York (the “Facility”).

12. The Facility receives and stores liquefied petroleum gas (“LPG”) for wholesale customers.

13. Respondent’s affiliate, Inergy Midstream LLC, filed an RMP for the Facility with EPA, which was most recently updated on March 21, 2013. The March 2013 RMP submission, among other things, identified a covered LPG storage process at the Facility subject to Program 3 requirements, with specified quantities of 14,422,278 pounds of propane, 283,422,939 pounds of butane, and 13,000 pounds of ethyl mercaptan.

14. On November 11, 2007, EPA conducted an inspection of the Facility, which at the time was owned by Inergy Midstream LLC, and identified multiple violations of the requirements of Section 112(r)(7) of the CAA and the regulations at 40 C.F.R. Part 68. EPA issued an administrative order dated September 30, 2008, pursuant to Section 113(a)(3) of the CAA, 42 U.S.C. §7413(a)(3), which required the Facility to come into compliance regarding the violations identified during the inspection. A Consent Agreement and Final Order was entered on June 1, 2010, and imposed a civil penalty of \$52,630.40 for the violations.

15. EPA conducted a subsequent inspection of the Facility on or about April 1-2, 2013, to assess compliance with Section 112(r) of the Act and 40 C.F.R. Part 68 (the “Inspection”).

16. On July 15, 2013, EPA sent a letter to the Facility regarding the results of the Inspection and included a copy of the Inspection Report. The Inspection Report identified violations of the regulations at 40 C.F.R. Part 68 at the Facility, including, among other violations, failure to fully comply with: the process safety information requirements at 40 C.F.R. § 68.65 regarding the preparation of updated and accurate piping and instrumentation diagrams and documentation demonstrating that equipment complies with recognized and generally accepted good engineering practices; the process hazard analysis (“PHA”) requirements at 40 C.F.R. § 68.67 related to ensuring that the Facility’s flare system, as part of the covered LPG storage process, is included in the PHA and that all PHA recommendations are resolved in a timely manner; the mechanical integrity requirements at 40 C.F.R. § 68.73 that concern conducting and/or documenting inspections and tests of all covered equipment; the management of change (“MOC”) requirements at 40 C.F.R. § 68.75 regarding review of all changes that meet MOC criteria; the pre-start up review requirements at 40 C.F.R. § 68.77 that concern pre-start up review for all modifications requiring a change to process safety information; and the contractors requirements at 40 C.F.R. § 68.87 related to obtaining and evaluating information regarding contractors’ safety performance and programs.

17. Respondent has been working to address the violations identified by EPA and has submitted information to EPA describing actions taken to address the violations.

EPA CONCLUSIONS OF LAW

18. Respondent is, and at all times referred to herein was, a “person” within the meaning of Section 302(e) of the CAA, 42 U.S.C. § 7602(e).

19. The Facility is a stationary source pursuant to 40 C.F.R. § 68.3.

20. Propane, butane, and ethyl mercaptan are regulated substances pursuant to Section 112(r)(2) and (3) of the CAA and 40 C.F.R. § 68.3.

21. The threshold quantity for propane, butane, and ethyl mercaptan, as listed in 40 C.F.R. § 68.130, Tables 3 and 4, is 10,000 pounds as to each substance.

22. Respondent handles and stores, and has handled and stored, propane, butane, and ethyl mercaptan in a process at the Facility in quantities exceeding the threshold quantity.

23. As described above, EPA identified violations of the regulations at 40 C.F.R. Part 68 at the Facility, including violations of the following requirements: process safety information; process hazard analysis; mechanical integrity; management of change; pre-start up review; and contractors.

24. Respondent’s failures to comply fully with the requirements of 40 C.F.R. Part 68 regarding the Facility constitute violations of Section 112(r) of the CAA, 42 U.S.C. § 7412(r). Respondent is therefore subject to the assessment of penalties under Section 113(d) of the CAA, 42 U.S.C. § 7413(d).

CONSENT AGREEMENT

25. Based upon the foregoing, and pursuant to Section 113(d) of the CAA and the “Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits” (40 C.F.R. Part 22), Complainant and Respondent hereby agree on the following provisions.

26. For the purpose of this proceeding and in the interest of an expeditious resolution of this matter, pursuant to 40 C.F.R. § 22.18(b)(2), Respondent (a) admits the jurisdictional basis for this matter, (b) admits the Findings of Fact set forth above, (c) consents to the assessment of the civil penalty set forth below, (d) consents to the issuance of the attached Final Order, and (e) waives its right to contest the allegations and its right to appeal the attached Final Order.

27. Respondent neither admits nor denies the EPA Conclusions of Law set forth above.

28. This CAFO and any provision herein shall not be construed as an admission in any criminal or civil action or other administrative proceeding, except in an action or proceeding to enforce or seek compliance with the provisions of this CAFO.

29. Respondent consents to the issuance of this Consent Agreement and consents for the purposes of settlement to the payment of the civil penalty cited herein and to the performance of the Supplemental Environmental Project.

30. Respondent agrees to pay a civil penalty in the total amount of \$154,000.00, as described below. Such payment shall be made by Electronic Fund Transfer (“EFT”). Payment of the penalty must be received by EPA on or before thirty (30) calendar days after the effective date of the Final Order, which is described in the Final Order as the date of filing with the Regional Hearing Clerk, U.S. Environmental Protection Agency, Region 2, New York, New York.

Respondent shall provide the following information to its remitter bank:

Amount of Payment: \$154,000.00
SWIFT address: FRNYUS33, 33 Liberty Street, New York, NY 10045
Account Code for Federal Reserve Bank of New York receiving payment:
68010727
Federal Reserve Bank of New York ABA routing number: 021030004
Field Tag 4200 of the Fedwire message should read:
“D 68010727 Environmental Protection Agency”
Name of Respondent: Finger Lakes LPG Storage, LLC
Case Number: CAA-02-2016-1209

Respondent shall promptly thereafter furnish reasonable proof that the payment has been made to:

Margo Ludmer
Assistant Regional Counsel
Office of Regional Counsel
U.S. Environmental Protection Agency, Region 2
290 Broadway, 17th Floor
New York, New York 10007-1866

and

Karen Maples
Regional Hearing Clerk
U.S. Environmental Protection Agency- Region 2
290 Broadway, 16th Floor
New York, New York 10007-1866.

Payment must be received pursuant to the provisions above.

31. If Respondent fails to make full and complete payment of the civil penalty that it is required to pay by this CAFO, this case may be referred by EPA to the United States Department of Justice and/or the United States Department of the Treasury for collection. In such an action, pursuant to Section 113(d)(5) of the CAA, 42 U.S.C. § 7413(d)(5), and 31 U.S.C. § 3717, Respondent shall pay the following amounts:

- a. Interest. If Respondent fails to make payment, or makes partial payment, interest shall accrue on any unpaid portion of the assessed penalty at the rate established pursuant to 31 U.S.C. § 3717 and 26 U.S.C. § 6621 from the payment due date.
- b. Handling Charges. Pursuant to 31 U.S.C. § 3717(e)(1), a handling charge of fifteen dollars (\$15.00) shall be paid per month, or any portion thereof, if any portion of the assessed penalty is not paid within thirty (30) days of the payment due date.
- c. Attorney Fees, Collection Costs, Nonpayment of Penalty. If Respondent fails to pay the amount of an assessed penalty on time, pursuant to Section 113(d)(5) of the CAA, 42 U.S.C. § 7413(d)(5), in addition to such assessed penalty and interest and handling assessments, Respondent shall also pay the United States' enforcement expenses, including but not limited to attorney fees and costs incurred by the United States for collection proceedings, and a quarterly non-payment penalty for each calendar quarter during which such a failure to pay persists. Such non-payment penalty shall be ten (10) percent of the aggregate amount of Respondent's outstanding penalties and non-payment penalties accrued from the beginning of such quarter.

32. The penalty specified in Paragraph 31, above, shall represent civil penalties assessed by EPA and shall not be deductible for purposes of state or federal taxes.

33. Respondent certifies that it has already come into compliance at its Facility regarding the majority of the violations of Section 112(r)(7) of the CAA and 40 C.F.R. Part 68 described in the Findings of Fact and EPA Conclusions of Law sections above and in the EPA Inspection report for the April 1-2, 2013 Inspection. Respondent identifies the following areas with which the Facility is not fully in compliance: certain process safety information requirements at 40 C.F.R. § 68.65; certain training requirements of 40 C.F.R. § 68.71; certain MOC requirements of 40 C.F.R. § 68.75; and certain mechanical integrity requirements of 40 C.F.R. § 68.73.

34. Respondent agrees to come fully into compliance with Section 112(r)(7) of the CAA and 40 C.F.R. Part 68 at the Facility and to address the violations described in Paragraph 33 above. Respondent further agrees to have an audit conducted by a third party by May 31,

2017 to confirm compliance regarding the matters identified in Paragraph 33. The name and qualifications of the proposed third party auditor shall be submitted to EPA by December 31, 2016 for approval, and the third party auditor shall be knowledgeable about the requirements of 40 C.F.R. Part 68 and be impartial and independent when conducting audit activities. A third party audit report shall be prepared by the third party auditor, which shall identify any noncompliance with 40 C.F.R. Part 68 requirements. This report shall be submitted to EPA by June 30, 2017, along with the following certification, signed and dated by a representative of the third-party auditor:

“I certify that this report was prepared under my direction or supervision and that the audit was conducted and this report was prepared pursuant to the requirements of subpart C of 40 CFR part 68 and all other applicable auditing, competency, independence, impartiality, and conflict of interest standards and protocols. Based on my personal knowledge and experience, and inquiry of personnel involved in the audit, the information submitted herein is true, accurate, and complete.”

The report shall be sent to:

Margo Ludmer, Esq.
U.S. Environmental Protection Agency
Office of Regional Counsel
290 Broadway - 17th Floor
New York, New York 10007-1866
Ludmer.Margo@epa.gov
(212) 637-3187

and

Ellen Banner
U.S. Environmental Protection Agency
Emergency and Remedial Response Division
Response and Prevention Branch
2890 Woodbridge Avenue
Edison, New Jersey 08837
Banner.Ellen@epa.gov
(723) 321-4348

35. EPA will review the report and documentation submitted pursuant to Paragraph 34, above. If EPA determines that the actions taken or documentation provided are insufficient to demonstrate compliance with the requirements of Section 112(r)(7) of the CAA and 40 C.F.R. Part 68 at the Facility, EPA shall so notify Respondent in writing, and Respondent shall undertake all actions directed by EPA in its written comments within thirty (30) days of receipt of EPA's comments. EPA reserves the right, in its discretion, to pursue enforcement of any violations of the CAA and 40 C.F.R. Part 68 identified as a result of the audit.

36. If Respondent fails to comply with any of the requirements specified in Paragraphs 34 – 35 of this Consent Agreement within the time periods required, Respondent shall be liable to EPA for a stipulated penalty, commencing on the first day of noncompliance and continuing through the final date of completion of the activity. Reasonable extensions of time may be granted where practicable by EPA for good cause, provided Respondent notifies EPA in writing at least five (5) working days prior to the due date of the facts that it contends constitute good cause for an extension of the due date. Simultaneous penalties shall accrue for separate violations of this Consent Agreement.

37. Stipulated penalties for noncompliance with any of the requirements of Paragraphs 34 - 35 herein shall accrue in the amounts specified below:

<u>Period of Noncompliance</u>	<u>Penalty Per Day</u>
1 st through 30 th day	\$500.00
31 st through 60 th day	\$1,000.00
61 st day and beyond	\$1,500.00

38. The Director of the Emergency and Remedial Response Division may, in his or her sole discretion, reduce or waive any stipulated penalty that has accrued if Respondent has in writing demonstrated to EPA’s satisfaction good cause for such action by EPA.

39. Respondent shall pay stipulated penalties that have accrued, as discussed in Paragraphs 36 - 37, above, within thirty (30) calendar days of Respondent’s receipt from EPA of a written demand for payment of the penalties. All such stipulated penalty payments shall be made in accordance with the payment instructions contained in Paragraph 30, above. Stipulated penalties shall accrue as provided above, regardless of whether EPA has notified Respondent of the violation or has made a demand for payment, but need only be paid upon demand. Failure to pay any stipulated penalty demanded by EPA according to the above provisions, may result in the referral of this matter to the United States Department of Justice or the United States Department of the Treasury for collection or other appropriate action.

Supplemental Environmental Project

40. Respondent agrees to, and shall in accordance with the terms and conditions of this CAFO, implement and perform a Supplemental Environmental Project (“SEP”) that consists of the purchase of vehicles and equipment, as described in Attachment 1, for the Savona Fire Department and the Bath Volunteer Fire Department in Steuben County, New York, and the Watkins Glen Fire Department in Schuyler County, New York. To implement this SEP, Respondent agrees that its total expenditure shall not be less than \$157,624.

41. Respondent agrees to purchase the vehicles and equipment listed in Attachment 1 and provide them (or cause them to be provided) to the appropriate fire department pursuant to the following schedule: Respondent agrees to expend \$71,859.00 toward the purchase of the vehicles/equipment on or before November 30, 2016, and Respondent agrees to expend \$85,765.00 in purchasing the remainder of the vehicles/equipment listed in Attachment 1 on or

before January 31, 2017. After purchase, vehicles and equipment will be promptly provided to the appropriate fire department.

42. By February 28, 2017, Respondent shall submit a SEP Report to EPA for approval, to the addressees set forth in Paragraph 34 above, which shall:

- a. Provide documentation of the timely purchase and delivery of all vehicles and equipment referenced in Paragraph 40 above.
- b. Provide an itemized cost report, with appropriate documentation, of the costs incurred in the performance of this SEP. This report shall include the total amount of costs expended to implement this SEP, and shall be certified as accurate under penalty of perjury by a responsible corporate official.
- c. A certification under penalty of perjury by a responsible corporate official that the SEP was performed in accordance with the terms of this CAFO.

43. Information required to be submitted to EPA pursuant to this CAFO shall be sent to Ellen Banner at her address in Paragraph 34 above, by hard copy and electronic copy, and an electronic copy shall also be sent to Margo Ludmer at her email address in Paragraph 34 above.

44. Following its receipt of the SEP Report required above, EPA will either (a) accept the SEP Report or (b) reject the SEP Report, notify the Respondent, in writing, of questions EPA has and/or deficiencies therein and grant Respondent an additional short period of time, which shall be reasonable under the then-existing circumstances (fifteen (15) days at a minimum), in which to answer EPA's inquiries and/or to correct any deficiencies in the SEP Report. EPA has the sole authority to determine whether costs expended are creditable to the SEP as herein required. (Deficiencies may include that certain expenditures are not creditable to the SEP, as determined by EPA.)

45. Whether Respondent has complied with the terms of this CAFO with regard to the successful and satisfactory implementation and/or operation of the SEP as herein required, including whether Respondent has made good faith and timely efforts to effect same, and whether costs expended are creditable to the SEP as herein required, shall be solely determined by EPA. Should EPA have any concerns about the satisfactory completion of the SEP, EPA will communicate those concerns in writing to Respondent and provide it with an opportunity to respond, and/or correct any of the deficiency(ies). If EPA makes a determination that the SEP has been satisfactorily completed, it will provide Respondent with written confirmation of the determination within a reasonable amount of time.

46. The SEP to be implemented by Respondent pursuant to this CAFO has been accepted by EPA solely for purposes of settlement of this administrative proceeding. Nothing in this CAFO is intended or is to be construed as a ruling on or determination of any issue related to any federal, state, or local permit.

47. Any public statement, oral or written, in print, film or other media, made by the Respondent, or by any officer, employee or agent of the Respondent, that makes reference to the SEP under this CAFO shall include the following language: “This project was undertaken in connection with the settlement of an enforcement action initiated by the U.S. Environmental Protection Agency against Finger Lakes LPG Storage, LLC, under the Clean Air Act.”

48. Respondent hereby certifies that, as of the date of its authorized signature on this CAFO, it is not required to implement or complete the aforementioned SEP pursuant to any federal, state, or local law, or other requirement including federal or state rules. Respondent further certifies that, with the exception of this CAFO, Respondent is not required to implement or complete the SEP set forth in this CAFO by any agreement, grant, or as injunctive relief in this or any other suit, action or proceeding in any jurisdiction, and that Respondent had not instituted before April 2013 any of the work that is part of this SEP.

49. Respondent certifies that it has not received, and is not presently negotiating to receive, credit in any other enforcement action for the aforementioned SEP and that Respondent in good faith believes that the SEP is in accordance with the provisions of the “2015 Update to the U.S. Environmental Protection Agency Supplemental Environmental Projects Policy,” available at <https://www.epa.gov/enforcement/2015-update-1998-us-epa-supplemental-environmental-projects-policy>.

50. Respondent certifies that it is not a party to any open federal financial assistance transaction that is funding or could be used to fund the same activity as the SEP. Respondent further certifies, to the best of its knowledge and belief after reasonable and diligent inquiry, there is no such open federal financial transaction that constitutes funding or could be used to fund the same activity as the SEP, nor has the same activity as the SEP been described in an unsuccessful federal financial assistance transaction submitted to EPA within two years of the date of the execution of this settlement (unless the project(s) was barred from funding as statutorily ineligible). For the purpose of the certifications to be made pursuant to this paragraph, the term “open federal financial assistance transaction” refers to a grant, cooperative agreement, loan, federally-guaranteed loan guarantee, or other mechanism for providing federal financial assistance whose performance period has not yet expired.

51. Respondent shall not use or expend any money received from the United States government, as a grant or otherwise, directly to finance, implement, perform and/or operate any aspect or any portion of the aforementioned SEP.

52. EPA may, in the exercise of its discretion, grant an extension of the date(s) of performance established in this CAFO with regard to any of requirements for the SEP, if good cause exists for such extension(s). If Respondent submits a request for extension, such request shall be accompanied by supporting documentation and be submitted to EPA no later than fourteen (14) days prior to any due date set forth in this CAFO, or other deadline established pursuant to this CAFO. Such extension, if any, shall be approved in writing.

53. Respondent shall be liable for stipulated penalties in the event Respondent fails to

comply with the requirements for the SEP, including the performance, implementation, completion, and operation of the SEP as set forth below in this paragraph:

- a. If the SEP is not undertaken, Respondent shall pay a stipulated penalty of \$157,624.00;
- b. If EPA determines that the SEP is satisfactorily completed, and Respondent has spent at least ninety (90) percent of the total amount of money that it was required to expend for the SEP on expenditures that EPA determines are creditable toward the SEP (i.e., Respondent has spent \$141,862.00, provided EPA has determined said amount is creditable toward the SEP), Respondent shall not pay a stipulated penalty for not having spent the full amount specified herein for the SEP.
- c. If EPA determines that the SEP is satisfactorily completed and implemented but Respondent has spent less than ninety (90) percent of the amount of money required to be spent for the SEP on expenditures that EPA determines are creditable toward the SEP, Respondent shall pay a stipulated penalty equal to two hundred (200) percent of the difference between the required amount to be spent (\$157,624.00) and the amount Respondent actually spent on expenditures that EPA determines are creditable toward said SEP.
- d. For any failure to timely submit any SEP Report, Respondent shall pay a stipulated penalty in the amount of \$150.00 for each day any such report is late up to the 30th day, and Respondent shall pay a stipulated penalty in the amount of \$500.00 for each day any such report is thereafter late, and such penalty(ies) shall continue to accrue from the first date such report(s) is untimely until said report(s) is submitted to EPA.

54. All stipulated penalties related to the SEP are due and payable within thirty (30) days of Respondent's receipt of EPA's written demand for payment of the penalty(ies), unless Respondent provides EPA with a written explanation pursuant to Paragraph 55 below, and EPA waives or reduces the stipulated penalty. The method of payment shall be in accordance with the provisions of Paragraph 30. Interest and a late payment handling charge will be assessed in the same manner and in the same amounts as specified in Paragraph 31 above. Penalties related to the SEP shall accrue as provided above regardless of whether EPA has notified the Respondent of the violation or made a demand for payment, but need only be paid upon demand.

55. After receipt of a demand from EPA for stipulated penalty(ies) pursuant to the above paragraph, Respondent shall have twenty (20) days in which to provide EPA with a written explanation of why it believes that a stipulated penalty(ies) is not due and owing, or is not appropriate, for the cited violation(s) of the SEP requirements (including any technical, financial or other information that Respondent deems relevant).

56. EPA may, in the exercise of its sole discretion, waive or reduce any stipulated penalty due if Respondent has in writing demonstrated to EPA's satisfaction good cause for such action. If, after review of Respondent's submission pursuant to the preceding paragraph, EPA determines that Respondent has failed to comply with the requirements of the SEP and concludes that the demanded stipulated penalty(ies) is due and owing, and further EPA has not waived or reduced the demanded stipulated penalty(ies), EPA will notify Respondent, in writing, of its decision regarding the stipulated penalty(ies). Respondent shall then, within thirty (30) days of receipt thereof, pay the stipulated penalty amount(s) indicated in EPA's notice. (EPA may also in its discretion, *sua sponte*, decide not to demand stipulated penalties.)

57. Failure of Respondent to pay any stipulated penalty(ies) that are related to the SEP and demanded by EPA pursuant to this CAFO may result in referral of this matter to the United States Department of Justice or the United States Department of the Treasury for collection or other action provided by applicable law.

58. For federal income tax purposes, Respondent agrees that it will neither capitalize into inventory or basis nor deduct any costs or expenditures incurred in performing the SEP.

General Provisions

59. This CAFO is being voluntarily and knowingly entered into by the parties in full settlement of Respondent's alleged violations of the CAA set forth above in the Findings of Fact and EPA Conclusions of Law.

60. This CAFO shall not relieve Respondent of its obligation to comply with all applicable provisions of federal, state, or local law, nor shall it be construed to be a ruling on, or determination of, any issue related to any federal, state, or local permit. This CAFO shall not affect the right of the United States to pursue appropriate injunctive or other equitable relief or criminal sanctions for any violations of law other than injunctive or equitable relief for the violations resolved herein. Except for the alleged violations resolved herein, compliance with this CAFO shall not be a defense to any actions subsequently commenced pursuant to federal laws and regulations administered by EPA, and it is the responsibility of Respondent to comply with such laws and regulations.

61. This CAFO and any provision herein is not intended to be an admission of liability in any adjudicatory or administrative proceeding except in an action, suit, or proceeding to enforce this CAFO or any of its terms and conditions.

62. Respondent explicitly waives any right to request a hearing as to the matters addressed herein and/or contest any allegations in this Consent Agreement and explicitly waives any right to appeal the attached Final Order.

63. Each party hereto shall bear its own costs and attorneys' fees in the action resolved by this CAFO.

64. This CAFO shall be binding on Respondent and its successors and assignees.

65. Each of the undersigned representatives to this CAFO certifies that he or she is duly authorized by the party whom he or she represents to enter into the terms and conditions of the CAFO and to bind that party to it.

66. Respondent consents to service upon Respondent of a copy of this CAFO by any EPA employee, in lieu of service made by the EPA Region 2 Regional Hearing Clerk.

In the Matter of Finger Lakes LPG Storage, LLC
Docket Number CAA-02-2016-1209

For Respondent
Finger Lakes LPG Storage, LLC:

Signature

Date: _____

Name (Printed or Typed)

Title (Printed or Typed)

In the Matter of Finger Lakes LPG Storage, LLC
Docket Number CAA-02-2016-1209

For Respondent
Finger Lakes LPG Storage, LLC:



Signature

Date: 9-29-16

William C. Gaudreau
Name (Printed or Typed)

CMO President MSL
Title (Printed or Typed)

In the Matter of Finger Lakes LPG Storage, LLC
Docket Number CAA-02-2016-1209

For Complainant
U.S. Environmental Protection Agency, Region 2:



Walter Mugdan, Director
Emergency and Remedial Response Division
U.S. Environmental Protection Agency, Region 2

Date: September 29, 2016

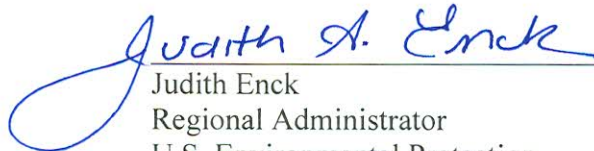
Handwritten note: send to ATISOL

Handwritten date: 9/29/16

In the Matter of Finger Lakes LPG Storage, LLC
Docket Number CAA-02-2016-1209

FINAL ORDER

The Regional Administrator of the U.S. Environmental Protection Agency, Region 2, ratifies the foregoing Consent Agreement. The Consent Agreement, entered into by the Complainant and Respondent to this matter, is hereby approved, incorporated herein, and issued as a Final Order. The effective date of this Order shall be the date of filing with the Regional Hearing Clerk, U.S. Environmental Protection Agency, Region 2, New York, New York.



Judith Enck
Regional Administrator
U.S. Environmental Protection
Agency – Region 2
290 Broadway
New York, New York 10007-1866

Date: 9/29/16

ATTACHMENT 1
SUPPLEMENTAL ENVIRONMENT PROJECT
LIST OF VEHICLES AND EQUIPMENT

The Supplemental Environmental Project consists of the purchase of the following equipment and vehicles for local fire departments, as described in more detail in the attached documentation:

- For the Savona Fire Department, at a total cost of \$37,000:
 - 1 three-quarter-ton pickup truck with four-wheel drive, with a trailer hitch and towing equipment

- For the Bath Volunteer Fire Department, at a total cost of \$34,859:
 - 2 suction hoses
 - 2 ten-foot aluminum trays
 - 2 intake valves
 - 64 blue fire hoses (1.5 in. x 50 ft.)
 - 12 white fire hoses (2.5 in. x 50 ft.)
 - 23 red fire hoses (5 in. x 100 ft.)
 - 9 nozzles

- For the Watkins Glen Fire Department, at a total cost of \$85,765.72:
 - 1 2017 Viking three-seater ATV, with a brush and headlamp guard, overfenders, rear bumper, 3,500-pound winch, folding windshield, and four Sedona 6-ply tires
 - 1 2017 Ford Escape, custom painted, with a 2.0L EcoBoost engine and a trailer tow package
 - 1 2016 Chevrolet Suburban, custom painted, with a Code 3 LED light bar, grill lights and siren, and Havis console



SAVONA
Engine and Hose Company
P.O. Box 681
Savona, New York 14879

September 15, 2016

Crestwood Energy
Eagle Valley Road Facility
Savona, NY 14879

Savona Fire Department is in need of a replacement vehicle for our First Response Medical vehicle. The current vehicle is 13 years old and has approximately 120000 miles on it. The vehicle has been out of service numerous times for repair, most recently (2) days ago.

Repair costs on this vehicle are putting a severe strain on our budget, with repairs this year alone being estimated at over \$3000 so far, not including the most recent.

We have been trying to replace the 2003 Suburban with a new 4 door pick up truck to better meet our needs, but have not been able to come up with the funding. Estimated cost to replace this vehicle is about \$37000.

Your help with this project would be greatly appreciated.

Thank You,


Steven Beebe, Chief

Savona Fire Department



66 Firemens way
Poughkeepsie NY 12603
United States

Quote

Date 9/12/2016
Quote # QT1045579
Expires 10/12/2016
Sales Rep Harrington, Thomas E
PO # Matt Morse
Shipping Method FedEx Ground

Bill To
BATH VOL FIRE DEPT
50 East Morris Street
Bath NY 14810
United States

Ship To
BATH VOL FIRE DEPT
50 East Morris Street
Bath NY 14810
United States

Item #	Description	Quantity	Unit Price	Total Price
HSB-60NH-10	Flex-Lite suction hose 6" PVC with 6" rocker lug male x long handle female 10 ft. long FREIGHT ESTIMATE: 125.00	2	455.00	910.00
ZIAMATIC	HSS-SAT-10 Custom ZIAMATIC ZIAMATIC - SINGLE ALUMINUM 10' TRAY w/ VELCRO STRAPS	2	143.00	286.00
79820001	Revolution™ Intake Valve with 30° Swivel Elbow Inlet 6" Storz NST (F) X 5" Storz Product description: http://www.akronbrass.com/revolution-intake-valve-swivel-elbow/ 10 YEAR WARRANTY	2	1,469.00	2,938.00
DJ20BB	DJ8002X1.5X50NSTBLUE	64	155.00	9,920.00
DJ30WB	DJ8003X2.5X50NSTWHITE	12	190.00	2,280.00
HS50RD	HYDROFLOW5X100STZ RED	23	600.00	13,800.00
GF3E1F	1 1/2in NH Fem w/Valve & Pistol Grip Auto 60-150gpm, 100psi Ta	9	525.00	4,725.00

Subtotal 34,859.00
Shipping Cost (FedEx Ground) 0.00
Total \$34,859.00

This Quotation is subject to any applicable sales tax and shipping & handling charges that may apply. Tax and shipping charges are considered estimated and will be recalculated at the time of shipment to ensure they take into account the most current local tax information.

All returns must be processed within 30 days of receipt and require a return authorization number and are subject to a restocking fee.

Custom orders are not returnable. Effective tax rate will be applicable at the time of invoice.





LANES YAMAHA INC.

3500 St. Rt. 14 • Watkins Glen, NY 14891
 607-535-7574 • M,W,F 9-5; T,T 9-8; Sat. 9-2
 www.lanesyamahainc.com

Date	9-17-16	Salesman	MALCOLM LANE
Name	WATKINS GLEN FIRE DEPT.		
Address			
Phone #	Cell #		

Year: 2017	Model: VIKING 3SEAT	<input checked="" type="radio"/> Nor U	Retail
Make: YAMAHA	Description: POWER STEERING		\$12,999
Color: RED OR GREEN	Destination Fees:		\$ 825
ROOF - STD			N.C.
H.D. BRUSH + HUMP CAMP GUARD			411.90
OVER FENDER MUD PROTECTORS			202.95
REAR BUMPER			135.95
3500 LB. WARN WINCH			619.98
WINDSHIELD, FOLDING			462.95
H.D. SEDONA 6 PLY TIRES (4) (RADIAL EXTREME TERRAIN)			549.00
			16206.73
YOUR DISCOUNT			3031.73
	Sub Total	\$	
County:	Sales Tax	\$	
	Documentation Fees	\$	
	NYS DMV Fees	\$	
	NYS Waste Tire Tax	\$	
	NYS Inspection Fee	\$	
	GRAND TOTAL	\$	13,175
Customer Signature:			

NOTE: ALL OPTIONS MOUNTED @ NO CHARGE
 (LANES TO KEEP STOCK TIRES)

CNGP530

VEHICLE ORDER CONFIRMATION

09/20/16 13:19:42

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Dealer: F13490

2017 ESCAPE

Page: 1 of 1

Order No: 1708 Priority: L2 Ord FIN: QR285 Order Type: 5B Price Level: 725
Ord Code: 200A Cust/Flt Name: VILLOFWATKGLE PO Number:

	RETAIL	DLR INV	RETAIL	DLR INV
U9G SE 4WD	\$26850	\$25643.00		
.105.9" WB				
RR RUBY RED CC	395	375.00		
K CLOTH BUCKETS				
B CHARCOAL BLACK				
200A EQUIP GRP				
.17" SPRKL WHLS				
999 2.0L ECO ENGINE	1295	1237.00		
446 .6-SPD AUTOTRANS	NC	NC		
235/55R17 A/S				
JOB #2 ORDER				
FRT LICENSE BKT	NC	NC		
536 TRAILER TOW II	495	470.00		
SP FLT ACCT CR		(799.00)		
FUEL CHARGE		4.72		

DEST AND DELIV \$895 \$895.00
TOTAL BASE AND OPTIONS 29930 27825.72
TOTAL 29930 27825.72
THIS IS NOT AN INVOICE

F1=Help F2=Return to Order F3/F12=Veh Ord Menu
F4=Submit F5=Add to Library

S099 - PRESS F4 TO SUBMIT

QC00743

fmcdealr@Asus2015

Sep 20, 2016 1:19:52 PM

25487.72

HOSELTON CHEVROLET, INC
 909 FAIRPORT ROAD
 EAST ROCHESTER, NY 14445
 FED TAX-ID #16-0731157

6/13/2016

WATKINS GLEN FIRE DEPARTMENT

****NON-STATE CONTRACT PRICING****

Option Code	Description	MSRP
CK15906	2016 CHEVROLET SUBURBAN 1FL 4X4	\$52,445.00
5T4	EXTERIOR body colored parts, Victory Red *SUBJECT TO AVAILABILITY AND MINIMUM PRODUCTION REQUIREMENTS*	\$200.00
01U/TGK	Special Paint (required with 5T4)	\$350.00
H0U	INTERIOR TRIM: Jet Black, premium cloth seat trim	\$0.00
TB4	Liftgate, rear manual	\$0.00
C6H	GVWR, 7500lbs	\$0.00
L83	ENGINE: 5.3L V8 EcoTec3 with Active Fuel Management, Direct Injection and Variable Valve timing	\$0.00
MYC	TRANSMISSION: 6-speed automatic	\$0.00
NE1	EMISSIONS: Connecticut, Delaware, Maine, Maryland, Massachusetts, New Jersey, New York, Oregon, Pennsylvania, Rhode Island, Vermont and Washington state requirements	\$0.00
GU4	Rear axle, 3.08 ratio	\$0.00
RC3	Tires, P265/70R17 all-terrain, blackwall	\$0.00
RD6	Wheels, 17" x 8" painted steel	\$0.00
4JQ	Tires, spare P265/70R17 all-terrain, blackwall	\$35.00
IO3	RADIO: audio system, AM/FM stereo with CD plaer and auxiliar input jack	\$0.00
AZ3	Seats, front 40/20/40 split bench with premium cloth	\$0.00
BG9	Floor covering, balck rubberized-vinyl	\$0.00
U2J	XM Satellite radio delete	\$0.00
KG4	Alternator, 150 amps	\$0.00
CJ4	Climate control, tri-zone automatic	\$0.00
AQQ	Remote keyless entry, extended range	\$0.00
DL8	Mirrors, outside heated power-adjustable, manual-folding and color keyed	\$0.00

AT6	Seats, second row 60/40 split folding bench, manual	\$0.00
ARN	Seats, third row manual 60/40 split-folding bench, fold	\$0.00
UQ3	Audio system, feature, 6-speaker system	\$0.00
BE	BVE: Assist steps, black	\$0.00
NPO	Transfer cas, active, single-speed, electronic AutoTrac	\$0.00
AG1	Seat adjuster, driver power, multidirectional	\$0.00
AG2	Seat adjuster, front passenger, 6-way power	\$0.00
AU3	Door locks, power programmable with lockout protection	\$0.00
AY0	Air bags, frontal and side-impact for driver and front passenger and head curtain side-impact for all rows in outboard seating positions	\$0.00
C49	Defogger, rear-window electric	\$0.00
CE1	Wipers, front intermittent, Rainsense	\$0.00
FHS	E85 FlexFuel capable	\$0.00
G80	Differential, heavy-duty locking rear	\$0.00
K34	Cruise control, electronic with set and resume speed	\$0.00
K47	Air cleaner, high-capacity	\$0.00
KC4	Colling, external engine oil cooler, heavy duty air-to-coil	\$0.00
KI4	Power outlet, 110-volt	\$0.00
KNP	Colling, auxiliary transmission oil cooler, heavy-duty air-to-oil	\$0.00
N33	Steering column, tilt-wheel	\$0.00
SAF	Tire carrier, lockable-outside spare, winch-type mounted under frame at rear	\$0.00
TG5	Audio system feature, single slot CD/MP3 player	\$0.00
TRW	Provision for cab roof-mounted lamp-beacon	\$30.00
UD7	Rear Park Assist	\$0.00
UPF	Bluetooth for Phone	\$0.00
UTJ	Theft-deterant electrical, unauthorized entry	\$0.00
UVC	Rear Vision Camera	\$0.00
V54	Luggage rack side rails, roof mounted	\$0.00
V76	Recovery hooks, 2 front, frame mounted, black	\$0.00
VK3	License plate bracket, front	\$0.00

Z82	Trailer equipment	\$0.00
	SUBTOTAL	\$53,060.00
DISCOUNT	LESS GM BID ASSISTANCE AND DEALER DISCOUNT	(\$10,731.80)
	TOTAL DEALER PRICE	\$42,328.20
AFTER-MARKET	Code 3 LED light bar, tail-gate directional, grill lights and siren; Havis console	\$4,775.00
	TOTAL SALE PRICE if orderd by 6/20/16	\$47,103.20

PREPARED BY: Marie Jeffers
 Phone: 585-586-7373
 Fax: 585-792-1264
 Email: mariej@hoselton.com

* **NOTE:** Quote is good for 30 days or until the GM order deadline, whichever occurs first*
****GM ORDER DEADLINE IS 6/23/16****

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 2

In the Matter of

Finger Lakes LPG Storage, LLC,

Savona, New York,

Respondent.

Docket No. CAA-02-2015-1209

CERTIFICATE OF SERVICE

This is to certify that I have this day caused (or am causing) to be sent the foregoing fully executed Consent Agreement and Final Order, in the following manner to the respective addressees below:

Original and One Copy

By Hand:

Office of Regional Hearing Clerk
U.S. Environmental Protection Agency
Region 2
290 Broadway, 16th Floor
New York, New York 10007

Copy by Certified Mail -
Return Receipt Requested

Jim Cantrell
Vice President & Associate General Counsel
1125 17th Street, Suite 1575
Denver, Colorado 80202

Dated: 9/29/16
New York, New York