

STATE OF MISSISSIPPI

PHIL BRYANT GOVERNOR

MISSISSIPPI DEPARTMENT OF ENVIRONMENTAL QUALITY

GARY C. RIKARD, EXECUTIVE DIRECTOR

February 28, 2017

CERTIFIED MAIL #7010 0780 0001 9992 7145

Mr. Brad Bingham Trinity River Energy Operating LLC, Burnside Facility 777 Main Street, Suite 3600 Fort Worth, TX 76102

> Re: Trinity River Energy Operating LLC, Burnside Facility Agreed Order No. 6726 17

Dear Mr. Bingham:

Enclosed you will find a copy of Agreed Order No. 6726 17, which has been executed by the Executive Director of the Mississippi Department of Environmental Quality, Gary Rikard, on behalf of the Mississippi Commission on Environmental Quality.

The enclosed Order assesses a civil penalty. The penalty payment, when due, should be made by check payable to the Mississippi Department of Environmental Quality and returned in the enclosed, self-addressed envelope to the MDEQ Fees Division at P.O. Box 2339, Jackson, MS 39225.

If you have any questions regarding your obligations under the enclosed order, please contact Thomas Tynes at (601) 961-5578.

Sincerely,

Tim Aultman, P.E.

Jim Butte

Chief, Environmental Compliance and Enforcement Division

Enclosure

cc: Thomas Tynes

Agency Interest No. 37699 ENF20170002

BEFORE THE MISSISSIPPI COMMISSION ON ENVIRONMENTAL QUALITY

MISSISSIPPI COMMISSION ON ENVIRONMENTAL QUALITY

COMPLAINANT

ORDER NO. 6726 17

VS.

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TRINITY RIVER ENERGY OPERATING LLC 777 MAIN STREET, SUITE 3600 FORT WORTH, TEXAS 76102

RESPONDENT

AGREED ORDER

COME NOW the Mississippi Commission on Environmental Quality (Commission), acting through the staff and Executive Director of the Mississippi Department of Environmental Quality (MDEQ), Complainant, and Trinity River Energy Operating LLC, Respondent, in the above captioned cause and agree as follows:

1.

In a compliance evaluation inspection report transmittal letter dated June 22, 2016, the Complainant requested information from the Respondent regarding issues discovered during a routine compliance evaluation inspection conducted on May 26, 2016. The Complainant received the Respondent's requested information on August 17, 2016.

On March 1, 2015, the Respondent purchased the facility from another entity. On January 29, 2015, prior to Respondent's acquisition of the facility, the former owner, rather than filing an application for renewal of the facility's Air Synthetic Minor Operating Permit, filed a request to rescind the operating permit, stating the facility was a true minor source. On April 16, 2015, the Respondent applied for transfer of the facility's air permits. On May 26, 2015, the Complainant transferred only the construction permit to the Respondent. The Synthetic Minor Operating Permit that was set to expire on July 31, 2015, was not transferred.

After closing on the facility, the Respondent performed its own review of the facility and

AI ID 37699 ENF20170002 Page I of 4

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found that the previous owner's determination that the facility did not require an air permit was inaccurate. On November 2, 2015, the Respondent filed an application for an Air Synthetic Minor Operating Permit. Due to the expiration date of the Synthetic Minor Operating Permit issued to the previous owner and the acquisition date, the Respondent was not able to make a timely application for renewal of the Synthetic Minor Operating Permit, i.e., at least 180 days prior to expiration of the permit.

By meeting on December 21, 2016, at the MDEQ office building, subsequent conversations and by letter dated February 2, 2017, Complainant notified Respondent of the following violations at its Burnside facility located off Highway 433, Satartia, Mississippi in Yazoo County:

- A. Late/Failure to Submit Application. 11 Miss. Admin. Code Pt. 2, R2.8: Not less than one hundred and eighty (180) days prior to the expiration date of the State Permit to Operate, the applicant shall make application for renewal of a State Permit to Operate if the applicant desires to continue operation of that stationary source.
- B. Operating without a permit. 11 Miss. Admin. Code Pt. 2, R1. D.(1): Permit Types: The Permit Board will issue two types of air pollution control permits, a permit to construct air emissions equipment and a State Permit to Operate such equipment. A State Permit to Operate is required for synthetic minor sources, major Title V sources, and significant minor sources.

2.

In lieu of a formal enforcement hearing concerning the violations listed above, Complainant and Respondent agree to settle this matter as follows:

- A. Respondent agrees to pay and Complainant agrees to accept a civil penalty in the amount of \$12,500.00.
- Respondent agrees to pay and Complainant agrees to accept the sum of \$16,746.83, which includes the total past due Title V fee of \$15,224.39 and a 10% late penalty of \$1,522.44.
- C. Respondent shall pay the penalty and fee outlined in A and B of this Section to MDEQ within forty-five (45) days after this Agreed Order has been executed by

the MDEQ Executive Director or his designee. The settlement payment shall be submitted to:

Mississippi Department of Environmental Quality

Attn: Jennifer Parish

P.O. Box 2339

Jackson, MS 39225

3.

Nothing in this Agreed Order shall limit the rights of MDEQ or the Commission in the event Respondent fails to comply with this Agreed Order. The Agreed Order shall be strictly construed to apply to those matters expressly resolved herein.

4.

Nothing contained in this Agreed Order shall limit the rights of MDEQ or the Commission to take enforcement or other actions against Respondent for violations not addressed herein and for future violations of environmental laws, rules, and regulations.

5.

Respondent understands and acknowledges that it is entitled to an evidentiary hearing before the Commission pursuant to Miss. Code Ann. § 49-17-31, and that it has made an informed waiver of that right.

ORDERED, this the 21 day of FEBRUARY, 2017.

MISSISSIPPI COMMISSION ON ENVIRONMENTAL QUALITY

GARY C. RIKARD

EXECUTIVE DIRECTOR

MISSISSIPPI DEPARTMENT

OF ENVIRONMENTAL QUALITY

AGREED, this the 15TH day of FEBRUARY, 2017.
TRINITY RIVER ENERGY OPERATING LLC
BY: Amal E. Hover
TITLE: COO
STATE OF TEXAS COUNTY OF TARRANT
PERSONALLY appeared before me, the undersigned authority in and for the jurisdiction aforesaid, the within named DNALD E GUNERWHO first being duly sworn, did state upon
his/her oath and acknowledge to me that he/she is theof
Trinity River Energy Operating LLC, Burnside Facility and is authorized to sign and enter this
Agreement.
SWORN AND SUBSCRIBED BEFORE ME, this the Hard of FEBRUARY 2017.
NANCY DYESS Notary Public, State of Texas My Commission Expires May 18, 2019 My Commission expires: