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Alabama Department of Environmental Management and Operator of Washington County, Alabama, Gas Production, Treating and Processing Plant Enter into Consent Order

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The Alabama Department of Environmental Management ("ADEM") and American Midstream Chatom, LLC ("AMC") entered into a January 11th Consent Order ("CO") addressing alleged violations of an air permit. See Consent Order No.: 19-XXX-CAP.

The CO provides that AMC operates a gas production, treating, and processing plant ("Facility") in Washington County, Alabama.

The Facility is stated to have been issued a Major Source Operating Permit (No. 108-0009) ("Permit") on March 23, 2017.

Proviso No. 10(b) of the General provisos section states in part that:

... the permittee shall allow authorized representatives of the Alabama Department of Environmental Management and EPA to conduct the following: Review and/or copy, at reasonable times, any records that must be kept pursuant to the conditions of this permit.

Proviso No. 4(a) of the Emission Standards subpart of the Process Flare section of the Permit states that:

[the process flare shall] be designed for an operated with no visible emissions, except for a 5-minute period during any consecutive 2-hour period.

Proviso 1 of the Emissions Monitoring subpart of the Process Flare section of the Permit states that:

... [p]rovided that visible emissions in excess of the opacity standards are observed from the process flare at any time that the unit is operating, a visible emission observation shall be conducted as specified in Appendix E of [the Permit].

ADEM is stated to have conducted an unannounced inspection of the Facility on July 24, 2018. The inspection allegedly identified the following:

1. The process flare was smoking, prompting the Department to conduct a visible emission observation (hereinafter, "VEO").

- 2. The Department conducted the VEO from 4:45:00 PM to 4:52:00 PM, and smoke was observed from the process flare from 4:46:15 PM to 4:52:00 PM.
- 3. The Permittee did not conduct its own VEO during the Department's VEO.
- 4. The Permittee was unable to provide the majority of the records to the Department onsite as required by the Permit.
- 5. The Permittee later provided the records to the Department following an August 9, 2018 e-mail request.

AMC is stated to have provided ADEM information on September 17, 2018, stating:

- During the Department's inspection on July 24, 2018, it was in the process of pigging a pipeline.
 A higher quantity of liquid was brought in with the pig than what was generally expected and the liquid was sent to a surge tank, and the flashed vapors were vented to the re-compressors.
 The re-compressors became over-pressurized, which led to vapors being routed to the flare as designed. It was under the impression that the majority of emissions from the flare were attributable to steam rather than smoke.
- 2. It is aware of the requirement to perform a VEO when smoke is observed from the flare but did not perform one in this case because it believed that the plume was steam rather than smoke.
- 3. It did not produce the records at the time of the inspection because most of its staff had left the Facility before the records were requested.
- 4. It has since created a new position at the Facility with the primary responsibility of regulatory recordkeeping compliance.

AMC is stated to neither admit nor deny the ADEM contentions.

The CO assesses a civil penalty of \$20,000.

A copy of the CO can be found <u>here</u>.