



Department of Environmental Quality

*To protect, conserve and enhance the quality of Wyoming's
environment for the benefit of current and future generations.*



Matthew H. Mead, Governor

Todd Parfitt, Director

December 18, 2013

Mr. Paul Hopfauf
WBI Energy Midstream, LLC
PO Box 5601
Bismarck, ND 58506-5601

RE: Notice of Violation

Dear Mr. Hopfauf:

Enclosed you will find a Notice of Violation (NOV) issued to WBI Energy Midstream, LLC by the Department of Environmental Quality, Air Quality Division, for the failure to monitor, install and operate the control equipment on the engines at the Landeck Central Compressor Station located in Campbell County, Wyoming. This constitutes violations of conditions 9 and 17 of permit MD-9154.

As the Department and this Division consider the failure to comply with air quality permit conditions to be a serious matter, I am considering recommending the Department refer this violation to the State Attorney General's office requesting a suit be filed in District Court to recover appropriate penalties. If you would like to discuss settlement of this Notice of Violation prior to referral to the Attorney General's office, please contact Mr. Fred DiLella, Air Quality Compliance Manager, at 307-777-3774 no later than ten (10) days after receipt of this letter.

Should you have any questions or comments regarding this matter, please feel free to contact me or Mr. Fred DiLella.

Sincerely,

Steven A. Dietrich
Administrator
Air Quality Division

cc: Fred DiLella
Tanner Shatto
Jeremiah Williamson
Keith Guille



**BEFORE THE
DEPARTMENT OF ENVIRONMENTAL QUALITY
STATE OF WYOMING**

IN THE MATTER OF THE NOTICE OF VIOLATION)
ISSUED TO WBI ENERGY MIDSTREAM, LLC) **DOCKET NO. 5213-13**
MR. PAUL HOPFAUF)
PO BOX 5601)
BISMARCK, ND 58506-5601)

NOTICE OF VIOLATION

NOTICE IS HEREBY GIVEN THAT:

1. The Department of Environmental Quality, Division of Air Quality, has found WBI Energy Midstream, LLC to be in violation of permit MD-9154 issued in accordance with W.S. §35-11-801 of the Wyoming Environmental Quality Act and Chapter 6, Section 2 of the Wyoming Air Quality Standards and Regulations for the Landeck Central Compressor Station located in Campbell County, Wyoming.

2. W.S. 35-11-801(a) states, "In granting permits, the Director may impose such conditions as may be necessary to accomplish the purpose of this act which are not inconsistent with the existing rules, regulations and standards."

3. Chapter 6, Section 2 of the Wyoming Air Quality Standards and Regulations prescribes the applicability and procedures for issuing permits to sources under Wyoming's construction and modification permitting program.

4. Permit MD-9154 was issued on August 12, 2009 for the Landeck Central Compressor Station. Condition 9 requires performance testing as follows:

"That performance tests be conducted, in accordance with Chapter 6, Section 2(j) of the WAQSR, within thirty (30) days of achieving a maximum design rate but not later than ninety (90) days following initial start-up, and a written report of the results be submitted. The operator shall provide fifteen (15) days prior notice of the test date. If a maximum design rate is not achieved within ninety (90) days of start-up, the Administrator may require testing be done at the rate achieved and again when a maximum rate is achieved."

5. On August 7, 2013, the Air Quality Division Inspectors noted that initial performance testing had not been performed on engine G1. The failure to conduct performance testing is a violation of condition 9 of permit MD-9154.

6. Condition 17(iii) of permit MD-9154 requires operation and monitoring of the control equipment as follows:

"17. That Bitter Creek Pipelines, LLC shall follow the monitoring and maintenance requirements as follows for engines (E2-E3, E7-E9) equipped with a NSCR catalyst:

(iii) Install a device to measure the pressure drop across the catalyst. The pressure drop across the catalyst shall be recorded at least monthly."

7. On August 7, 2013, the Air Quality Division Inspectors noted that the company had not conducted monthly pressure drop monitoring on a consistent basis, and that engines E2 and E3 were operating without a device to measure the pressure drop. The failures to conduct consistent monitoring and install devices to measure the pressure drop are violations of permit MD-9154.

8. Said violations consist of the failures to conduct consistent monitoring and install devices to measure the pressure drop at the Landeck facility, which are violations of conditions 9 and 17 of permit MD-9154.

9. Under W.S. 35-11-901(a), any person who violates any provision of Article 2 of [the Environmental Quality Act] ... or any rule, regulation, standard or permit adopted pursuant to those provisions, or who violates any determination or order of the council pursuant to Article 2 of [the

provisions, or who violates any determination or order of the council pursuant to Article 2 of [the Environmental Quality Act] ... is subject to a penalty not to exceed ten thousand dollars (\$10,000.00) for each violation for each day during which the violation continues, a temporary or permanent injunction, or both a penalty and an injunction.

10. This notice is being sent to you pursuant to W.S. 35-11-701(c), which requires that, in any case of the failure to correct or remedy an alleged violation, the Director of the Department of Environmental Quality shall cause a written notice to be issued and served upon the person alleged to be responsible.

DATED this 18th day of DECEMBER, 2013.



Steven A. Dietrich
Administrator
Air Quality Division



Todd Parfitt
Director
Department of Environmental Quality

Please direct all inquiries to Steven A. Dietrich, Administrator, Division of Air Quality, Department of Environmental Quality, Herschler Building, 2nd Floor, 122 W. 25th Street, Cheyenne, Wyoming 82002. (Telephone: 307/777-7393.)