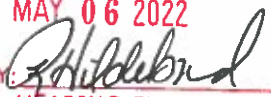


**OKLAHOMA DEPARTMENT OF ENVIRONMENTAL QUALITY
AIR QUALITY DIVISION**

IN THE MATTER OF:)
)
)
ONEOK Field Services, L.L.C.,)
Maysville Gas Plant)
)
)

CASE NO. 22-085

OKLAHOMA
DEPT OF ENVIRONMENTAL QUALITY
MAY 06 2022
FILED BY: 
HEARING CLERK

REGIONAL HAZE AGREEMENT

The parties to this Agreement, the Oklahoma Department of Environmental Quality (“DEQ”) and ONEOK Field Services, L.L.C. (“ONEOK”), hereby agree to the entry of this Regional Haze Agreement (“Agreement”) in order to satisfy the requirements associated with the Regional Haze Rule in 40 C.F.R. Part 51, Subpart P and, in particular, the four-factor analysis requirements of 40 C.F.R. 51.308(f)(2)(i).

FINDINGS OF FACT

1. ONEOK is an Oklahoma limited liability company with its corporate headquarters located in Tulsa, Oklahoma.
2. ONEOK owns and operates the Maysville Gas Plant (the “Facility”), which was identified by DEQ as one of the facilities subject to a four-factor reasonable progress analysis under the Regional Haze Rule in 40 C.F.R. Part 51, Subpart P.
3. In conformance with Sections 169A and 169B of the federal Clean Air Act, codified in Sections 7491 and 7492 of Title 42 in the United States Code (“U.S.C.”), the Administrator of the U.S. Environmental Protection Agency (EPA) promulgated the regional haze regulations, effective 30 August 1999, to address visibility impairment in mandatory Class I areas. 42 U.S.C. §§ 7491-7492 (2012); 40 C.F.R. §§51.301-51.309 (2017). The U.S. Fish and Wildlife Service manages the Wichita Mountains Wilderness Area (“Wichita Mountains”) in Comanche County, the only Class

I area located in Oklahoma. DEQ functions as the official air pollution control agency for the State of Oklahoma. Alongside its other responsibilities, DEQ develops implementation plans, and when finalized, these plans are submitted to EPA for approval.

4. In accordance with the Regional Haze Rule at 40 C.F.R. § 51.308, Oklahoma must address regional haze at the Wichita Mountains and at each mandatory Class I area located outside Oklahoma that may be affected by emissions generated within Oklahoma. In February 2010 and June 2013, Oklahoma submitted a state implementation plan (SIP) and revision specifically for regional haze that identified natural visibility conditions and set reasonable progress goals at the Wichita Mountains Class I area. The implementation plan revision also laid out a long-term strategy addressing regional haze visibility impairment for the Wichita Mountains and all Class I areas located outside Oklahoma that may be affected by emissions generated within Oklahoma.

5. The Regional Haze Rule requires states to develop a long term strategy for achieving reasonable progress toward natural visibility conditions by the year 2064. In the second planning phase of Regional Haze, states must identify sources which are expected to contribute to visibility impairment in the Class I areas, in consideration of the state's long term strategy. A four-factor analysis must then be conducted for those identified sources, which includes an analysis of: 1) the cost of compliance, 2) the time necessary for compliance, 3) the energy and non-air quality environmental impacts of compliance, and 4) the remaining useful life of any potentially affected sources. 40 C.F.R. § 51.308(f)(2)(i).

6. On July 1, 2020, DEQ sent ONEOK a letter with the subject: Notification of request for four-factor analysis on control scenarios under the Clean Air Act Regional Haze Program (Attachment A). In the letter, DEQ requested that ONEOK perform a four-factor analysis of all potential control measures for NO_x on all fuel-burning equipment with a heat input of 50

MMBTU/hr or more, as well as the following specific emission units at the Maysville Gas Plant: Engines C-1 through C-7 (Clark RA-8 and RA-6 models) and Engines C-8 through C-14 (Clark HRA-8, HBA-8, and HBA-5 models). ONEOK did not identify any additional units aside from the aforementioned units that met the criteria of fuel burning equipment with a heat input of 50 MMBtu/hr or more.

7. On July 6, 2020, ONEOK informed DEQ personnel via email that it either shut down or intended to shut down and permanently retire all engines identified at the Maysville Gas Plant in DEQ's July 1, 2020 letter. Specifically, Engines C-1 and C-3 were taken out of service on May 23, 2019 pursuant to DEQ Air Quality Permit No. 2011-227-C (M-3), issued May 23, 2019. Engine C-2 was taken out of service in July 2017. Engines C-7, C-9, C-10, and C-14 were taken out of service in November 2019 pursuant to DEQ Air Quality Permit No. 2018-0814-TVR3 (M-1), issued November 2, 2020. Engine C-12 was removed in 2003 pursuant to DEQ Consent Order 03-165, executed June 30, 2003. Additionally, ONEOK has agreed to permanently remove from service the remaining engines, Engines C-4, C-5, C-6, C-8, C-11, and C-13. The removal of the aforementioned engines serves as a satisfactory alternative to conducting a four-factor analysis for the Maysville Gas Plant, as discussed in EPA guidance titled *Guidance on Regional Haze State Implementation Plans for the Second Implementation Period* at page 20 (Aug. 2019).

8. DEQ has determined ONEOK's permanent removal of Engines C-1 through C-14 at the Maysville Gas Plant by December 31, 2028 is a satisfactory approach to achieving reasonable progress toward Oklahoma's Long Term Strategy for Regional Haze as an alternative to ONEOK conducting a four-factor analysis for said engines.

CONCLUSIONS OF LAW

9. DEQ has regulatory jurisdiction and authority in this matter, and Respondent is subject to the jurisdiction and authority of DEQ under Oklahoma law, i.e., 27A OKLA. STAT. (O.S.) §§ 2-5-101 to -118 (Oklahoma Clean Air Act), and the rules promulgated thereunder at OAC 252:100-1-1, *et seq.* This Agreement is executed under the authority of, and in conformity with, 27A O.S. § 2-5-110(G).

10. ONEOK and DEQ are authorized by 75 O.S. § 309(E) and 27A O.S. § 2-3-506(B) to resolve this matter by agreement.

11. 40 C.F.R. Part 51, Subpart P § 51.300(b) states:

Applicability. The provisions of this subpart are applicable to all States as defined in section 302(d) of the Clean Air Act (CAA) except Guam, Puerto Rico, American Samoa, and the Northern Mariana Islands.

42 U.S.C. § 7602(d) (CAA section 302(d)) states, in part:

The term "State" means a State . . .

40 C.F.R. Part 51, Subpart P § 51.308(f) states, in part:

Requirements for periodic comprehensive revisions of implementation plans for regional haze. Each State identified in § 51.300(b) must revise and submit its regional haze implementation plan revision to EPA by July 31, 2021, July 31, 2028, and every 10 years thereafter. . . .

(2) Long-term strategy for regional haze. Each State must submit a long-term strategy that addresses regional haze visibility impairment for each mandatory Class I Federal area within the State and for each mandatory Class I Federal area located outside the State that may be affected by emissions from the State. The long-term strategy must include the enforceable emissions limitations, compliance schedules, and other measures that are necessary to make reasonable progress, as determined pursuant to (f)(2)(i) through (iv). In establishing its long-term strategy for regional haze, the State must meet the following requirements:

(i) The State must evaluate and determine the emission reduction measures that are necessary to make reasonable progress by considering the costs of compliance, the time necessary for compliance, the energy and non-air quality environmental impacts of compliance, and the remaining useful

life of any potentially affected anthropogenic source of visibility impairment.

AGREEMENT

12. Based on the above paragraphs, Respondent and DEQ agree, and it is ordered by the Executive Director as follows:

13. ONEOK shall shut down and permanently remove from service Engines C-4, C-5, C-6, C-8, C-11, and C-13 in lieu of conducting a four-factor analysis for the Maysville Gas Plant by December 31, 2028.

14. ONEOK shall incorporate the shut-down of said engines into the appropriate DEQ Air Quality Permit no later than December 31, 2028.

15. Upon having permanently removed from Service any of the engines specified in Paragraph 7 herein, ONEOK shall not restart such engines for any reason. ONEOK shall not restart Engines C-1, C-2, C-3, C-7, C-9, C-10, C-12, and C-14 (engines that have already been taken out of service) for any reason. Upon having permanently removed from service Engines C-4, C-5, C-6, C-8, C-11, and C-13, ONEOK shall not restart such engines for any reason.

16. This Agreement shall be incorporated into the Regional Haze State Implementation Plan for the second planning period submitted to EPA for approval for the State of Oklahoma.

GENERAL PROVISIONS

17. Respondent agrees to perform the requirements of this Agreement within the time frames specified.

18. Upon their approval by DEQ, any final reports, plans, specifications, schedules, and attachments required under this Agreement are incorporated into it and enforceable under it. Failure of Respondent to reply within a reasonable time to any errors, deficiencies, or other

regulatory requirements identified by DEQ pursuant to this Agreement is a violation of this Agreement.

19. No informal advice, guidance, suggestions, or comments by employees of DEQ regarding reports, plans, specifications, schedules, and other writings affect Respondent's obligation to obtain written approval by DEQ, when and if required by this Agreement.

20. Unless otherwise specified, any report, notice, or communication required under this Agreement shall be in writing and shall be sent to:

For the Department of Environmental Quality:

Kendal Stegmann, Director
Air Quality Division
P.O. Box 1677
Oklahoma City, OK 73101-1677

With Copies to:

Madison Miller, Deputy General Counsel
Office of General Counsel
P.O. Box 1677
Oklahoma City, OK 73101-1677

Melanie Foster, Environmental Programs Manager
Rules and Planning Section
Air Quality Division
P.O. Box 1677
Oklahoma City, OK 73101-1677

For ONEOK:

Jim Farrell
Legal Counsel, Environmental
ONEOK, Inc.
100 W. Fifth St.
Tulsa, OK 74103

21. This Agreement is enforceable as a final order of the Executive Director of DEQ. DEQ retains jurisdiction of this matter for the purposes of interpreting, implementing, and enforcing the

terms and conditions of this Agreement and for the purpose of resolving disputes regarding the interpretation of this Agreement.

22 Nothing in this Agreement limits DEQ's right to take enforcement action for violations discovered or occurring after the effective date of this Agreement.

23. Nothing in this Agreement excuses Respondent from its obligation to comply with all applicable federal, state and local statutes, rules, and ordinances. Respondent and DEQ agree that the provisions of this Agreement are considered severable, and if a court of competent jurisdiction finds any provisions to be unenforceable because they are inconsistent with state or federal law, the remaining provisions will remain in full effect.

24. To ensure continuous and uninterrupted responsibility for the activities required by this Agreement, Respondent agrees to provide a copy of the Agreement to all potential purchasers of the Facility and/or property subject to this Agreement. Respondent agrees to notify all potential purchasers of the Facility and/or property subject to this Agreement that the obligations under this Agreement are binding on the purchaser. Within ten (10) days of the sale of the Facility and/or property subject to this Agreement, Respondent will notify DEQ of the sale and provide the name and address of the purchaser to DEQ. The purchaser must assume the same terms, conditions, obligations, and liabilities set forth in this Agreement by either modifying this Agreement to reflect the appropriate Respondent name and contact information or entering into a new agreement with the same terms, conditions, obligations, and liabilities set forth in this Agreement. Said modification or new agreement will then be incorporated into the Regional Haze SIP as described in paragraph 28.

25. The provisions of this Agreement apply to and bind Respondent and DEQ and their officers, directors, employees, agents, successors, and assigns. No change in the ownership or corporate status of Respondent will affect Respondent's responsibilities under this Agreement.

26. Neither the fact that Respondent and DEQ have agreed to this Agreement, nor the Findings of Fact and Conclusions of Law in it, shall be used for any purpose in any proceeding except the enforcement by Respondent and DEQ of this Agreement and, if applicable, a future determination by DEQ of eligibility for licensing or permitting. As to others who are not parties to this Agreement, nothing contained in this Agreement is an admission by Respondent of the Findings of Fact or Conclusions of Law, and this Agreement is not an admission by Respondent of liability for conditions at or near the Facility and is not a waiver of any right, cause of action, or defense to which Respondent is otherwise entitled.

27. Respondent and DEQ agree that the venue of any action in district court for the purposes of interpreting, implementing, and enforcing this Agreement will be Oklahoma County, Oklahoma.

28. This Agreement shall remain open until the Regional Haze SIP into which it is incorporated is superseded by a subsequent EPA-approved Regional Haze SIP.

29. Respondent and DEQ may amend this Agreement by mutual consent. Such amendments must be in writing and the effective date of any such amendments will be the date on which they are filed by DEQ. Once this Agreement is incorporated into the Regional Haze SIP and approved by EPA, any revisions to the Agreement must be included in a SIP revision submitted to and approved by EPA. The provisions of such revisions shall not be effective in the SIP until approved by EPA.

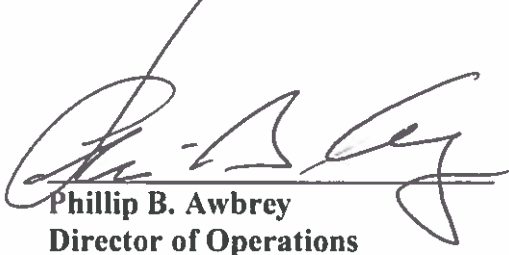
30. The individuals signing this Agreement certify that they are authorized to sign and to legally bind the parties they represent.

31. This Agreement shall become effective on the date of the later of the two signatures below.

Date: 15 April, 2022

Date: 5-6-22

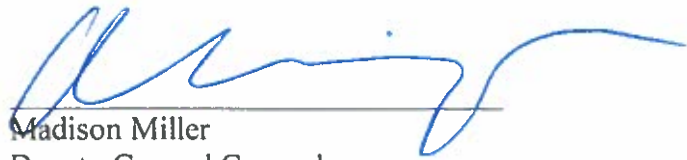
**RESPONDENT:
ONEOK FIELD SERVICES, L.L.C.**


Phillip B. Awbrey
Director of Operations

**PETITIONER:
OKLAHOMA DEPARTMENT OF
ENVIRONMENTAL QUALITY**


Scott A. Thompson
Executive Director

APPROVED AS TO FORM:


Madison Miller
Deputy General Counsel
Oklahoma Department of Environmental Quality