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Environment Department Reaches \$1.75 Million Settlement with Williams Four Corners LLC. over Alleged Air Emission Violations

Agreement Includes Environmental Projects in San Juan Basin

(Santa Fe, NM) — The New Mexico Environment Department reached a settlement agreement with Williams Four Corners, LLC. for \$1.75 million in civil penalties and environmental projects to resolve alleged air quality violations at the company's facilities in the San Juan Basin of northwestern New Mexico.

The settlement agreement with the Tulsa, Oklahoma-based company includes supplemental environmental projects totaling \$1.35 million (the agreement is attached). Williams will spend \$1.14 million of that amount for projects to reduce the emission of volatile organic compounds at the Chaco and Blanco/Hare compressor stations.

"We worked out a fair settlement with Williams that reduces VOC emissions, an ozone precursor, in an area of the state where ozone levels are approaching the federal standard," said New Mexico Environment Department Secretary Ron Curry. "We also believe the company should apply some of the penalty toward benefitting our children through projects that will allow increased energy efficiency and lower costs in public schools."

The projects under the agreement are expected to reduce VOC emissions by more than 400 tons per year. Williams will also spend \$210,000 from the \$1.35 million to construct a renewable energy or energy efficiency project at a public school in the Four Corners area. Williams will also pay the state a civil penalty of \$400,000.

The settlement agreement stems from an administrative compliance order issued by the Department against Williams alleging violations of the New Mexico Air Quality Act and Air Quality Regulations. These violations included 562 flaring events at the Lybrook Gas Plant, and about 100 exceedances of NOx and VOC emission limits at the Kutz Canyon Gas Plant, Carracas Central Delivery Point, 31-6 Central Delivery Point, and Pump Mesa and Trunk L compressor stations. As part of the settlement agreement, Williams took several corrective actions to avoid future violations, including the installation of equipment to reduce VOC emissions, the implementation of improved operating procedures, and the conduct of additional training. Williams Four Corners, LLC is a wholly-owned subsidiary of Williams Partners, L.P.

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