

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

CALCASIEU REFINING COMPANY

AI # 3585

PROCEEDINGS UNDER THE LOUISIANA
ENVIRONMENTAL QUALITY ACT
LA. R.S. 30:2001, ET SEQ.

* Settlement Tracking No.
* SA-WE-17-0018
*
* Enforcement Tracking No.
* WE-CN-04-0225
* WE-CN-10-00875
* WE-L-12-01122
* WE-L-14-00897
*

SETTLEMENT

The following Settlement is hereby agreed to between Calcasieu Refining Company (“Respondent”) and the Department of Environmental Quality (“DEQ” or “the Department”), under authority granted by the Louisiana Environmental Quality Act, La. R.S. 30:2001, et seq. (“the Act”).

I

Respondent is a corporation that owns and/or operates a petroleum refining facility located in Calcasieu Parish, Louisiana (“the Facility”).

II

On February 28, 2007, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. **WE-CN-04-0225** (Exhibit A).

On August 19, 2010, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. **WE-CN-10-00875** (Exhibit B).

On October 1, 2012, the Department issued to Respondent a Warning Letter, Enforcement No. **WE-L-12-01122** (Exhibit C).

On October 2, 2014, the Department issued to Respondent a Warning Letter, Enforcement No. **WE-L-14-00897** (Exhibit D).

The following violations, although not cited in the foregoing enforcement action(s), are included within the scope of this settlement.

An inspection conducted by the Department on or about May 25, 2012, revealed the Respondent:

- A. Had an unauthorized discharge of 100 barrels of crude oil to ground from Tank 300 on October 14, 2010. The released oil was contained within the tank farm area. The spill was remediated and there was no offsite impact. The spill was the result of a defective weld near the bottom of the tank. The failure to properly operate and maintain equipment is a violation of LPDES permit LA0052370 (Part III, Sections A.2 and B.3.a), La. R.S. 30:2076 (A)(3), and LAC 33:IX.2701.E.
- B. Failed to collect samples during the third quarter of 2010, for Outfalls 003 and 006. The failure to sample is a violation of LPDES permit LA0052370 (Effluent Limitations and Monitoring Requirements, Pages 9 and 12 of 20; and Standard Conditions for LPDES Permits, Sections A.2, and C.2), La. R.S. 30:2076 (A)(3), and LAC 33:IX.501.A.
- C. Failed to report a pH sample for Outfall 006 for the fourth quarter of 2011. The failure to report a sample value is a violation of LPDES permit LA0052370 (Effluent Limitations and Monitoring Requirements, Page 12 of 20; and Standard Conditions for LPDES Permits, Section A.2), La R.S. 30:2076 (A)(3), and LAC 33:IX.2701.A.
- D. Had Storm Water Pollution Prevention Plan (SWPPP) deficiencies. Specifically, the Respondent failed to include all storm water on site in the SWPPP and failed to track areas of concern reported on quarterly and annual inspections to insure that they are corrected. The failure to implement an adequate SWPPP is a violation of LPDES permit LA0052370 (Other

Requirements, Part II, Section N; and Standard Conditions for LPDES Permits, Section A.2), La. R.S. 30:2076 (A)(3), and LAC 33:IX.2701.A.

- E. Failed to perform the approved laboratory standards for Total Suspended Solids analysis. The failure to utilize approved laboratory standards is a violation of LPDES permit LA0052370 (Part III, Sections A.2 and C.5.a), La. R. S. 30:2076 (A)(3), and LAC 33:IX.2701.E.

An inspection conducted by the Department on or about June 20, 2014, revealed the Respondent:

- A. Failed to collect samples during the second quarter of 2013 for Outfall 001. Specifically, the Respondent did not sample for Benzo-a-pyrene and Benzo-a-anthracene. The failure to sample is a violation of LPDES permit LA0052370 (Effluent Limitations and Monitoring Requirements, Page 2 of 8; and Standard Conditions for LPDES Permits, Sections A.2, and C.2), La. R.S. 30:2076 (A)(3), and LAC 33:IX.501.A.
- B. Had SWPPP deficiencies. Specifically, the Respondent failed to include all storm water on site in the SWPPP and failed to replace Best Management Practices as needed. The failure to implement an adequate SWPPP is a violation of LPDES permit LA0052370 (Other Requirements, Part II, Section L; and Standard Conditions for LPDES Permits, Section A.2), La. R.S. 30:2076 (A)(3), and LAC 33:IX.2701.A.

An inspection conducted by the Department on or about June 20, 2014, and a subsequent file review conducted by the Department on or about August 30, 2016, revealed the Respondent had the following effluent limitation exceedances, as reported by the Respondent on Discharge Monitoring Reports (DMRs):

Period End Date	Outfall	Parameter	Limit	DMR Value	Units
02/28/2010	001-A	Solids, total suspended --- Monthly Avg	237	390.8	lb/d
		Solids, total suspended --- Daily Max	369	1183.5	lb/d
03/31/2010	001-A	Solids, total suspended --- Monthly Avg	237	249.1	lb/d
		Solids, total suspended --- Daily Max	369	893.6	lb/d
	001-Q	Mercury, total [as Hg] --- Daily Max	.0108	.035	lb/d
12/31/2010	009-S	Coliform, fecal general --- Weekly Avg	400	20000	#/100mL
03/31/2012	001-Q	Mercury, total [as Hg] --- Daily Max	.0108	.016	lb/d
06/30/2012	010-S	BOD, 5-day, 20 deg. C --- Weekly Avg	45	145	mg/L
		Solids, total suspended --- Weekly Avg	45	77	mg/L
09/30/2012	002-Q	pH --- Inst Max	9	9.2	SU
06/30/2013	005-S	Solids, total suspended --- Monthly Avg	30	33	mg/L
	009-S	BOD, 5-day, 20 deg. C --- Daily Max	45	51.3	mg/L
		Solids, total suspended --- Mo Avg	30	39	mg/L
12/31/2013	005-S	BOD, 5-day, 20 deg. C --- Monthly Avg	30	34.4	mg/L
		BOD, 5-day, 20 deg. C --- Daily Max	45	85.4	mg/L
	010-S	BOD, 5-day, 20 deg. C --- Monthly Avg	30	33.6	mg/L
		BOD, 5-day, 20 deg. C --- Daily Max	45	47.1	mg/L
06/30/2014	009-S	BOD, 5-day, 20 deg. C --- Monthly Avg	30	71.7	mg/L
		BOD, 5-day, 20 deg. C --- Daily Max	45	126	mg/L
		Solids, total suspended --- Monthly Avg	30	32	mg/L
	010-S	BOD, 5-day, 20 deg. C --- Monthly Avg	30	69.1	mg/L
		BOD, 5-day, 20 deg. C --- Daily Max	45	136	mg/L

Period End Date	Outfall	Parameter	Limit	DMR Value	Units
12/31/2014	016-S	Coliform, fecal general --- Monthly Avg	200	1405	#/100mL
		Coliform, fecal general --- Daily Max	400	2800	#/100mL
06/30/2015	001-B	Nitrogen, ammonia total --- Daily Max	64	110.5	lb/d
	009-S	BOD, 5-day, 20 deg. C --- Monthly Avg	30	94	mg/L
		BOD, 5-day, 20 deg. C --- Daily Max	45	94	mg/L
12/31/2015	009-S	BOD, 5-day, 20 deg. C --- Monthly Avg	30	31.9	mg/L
06/30/2016	005-S	Solids, total suspended --- Daily Max	45	64.7	mg/L

Each effluent exceedance is a violation of LPDES permit LA0052370 (Effluent Limitations and Monitoring Requirements, Pages 5, 8, and 15 of 20 prior to February 1, 2013; Pages 2 and 7 of 8 after February 1, 2013; and Standard Conditions for LPDES Permits, Section A.2), La. R.S. 30:2076(A)(3), and LAC 33:IX.501.A.

A file review conducted by the Department on or about August 30, 2016, revealed the Respondent had seven unauthorized discharges of oil and/or kerosene from January 2012 through April 2015. Four of the oil spills discharged to the Calcasieu River. Each unauthorized discharge of oil into waters of the state is a violation of La. R.S. 30:2075. The failure to properly operate and maintain equipment is a violation of LPDES permit LA0052370 (Part III, Sections A.2 and B.3.a), La. R.S. 30:2076 (A)(3), and LAC 33:IX.2701.E.

III

Respondent denies it committed any violations or that it is liable for any fines, forfeitures and/or penalties.

IV

Nonetheless, Respondent, without making any admission of liability under state or federal statute or regulation, agrees to pay, and the Department agrees to accept, a payment in the amount of

TWENTY NINE THOUSAND TWO HUNDRED FIFTY AND NO/100 DOLLARS (\$29,250.00), of which Two Thousand Four Hundred Fifty-Eight and 30/100 Dollars (\$2,458.30) represents the Department's enforcement costs, in settlement of the claims set forth in this agreement. The total amount of money expended by Respondent on cash payments to the Department as described above, shall be considered a civil penalty for tax purposes, as required by La. R.S. 30:2050.7(E)(1).

V

Respondent further agrees that the Department may consider the inspection report(s)/permit record(s), the Consolidated Compliance Orders & Notices of Potential Penalty, the Warning Letters and this Settlement for the purpose of determining compliance history in connection with any future enforcement or permitting action by the Department against Respondent, and in any such action Respondent shall be estopped from objecting to the above-referenced documents being considered as proving the violations alleged herein for the sole purpose of determining Respondent's compliance history.

VI

This agreement shall be considered a final order of the Secretary for all purposes, including, but not limited to, enforcement under La. R.S. 30:2025(G)(2), and Respondent hereby waives any right to administrative or judicial review of the terms of this agreement, except such review as may be required for interpretation of this agreement in any action by the Department to enforce this agreement.

VII

This settlement is being made in the interest of settling the state's claims and avoiding for both parties the expense and effort involved in litigation or an adjudicatory hearing. In agreeing to the compromise and settlement, the Department considered the factors for issuing civil penalties set

forth in La. R. S. 30:2025(E) of the Act.

VIII

As required by law, the Department has submitted this Settlement Agreement to the Louisiana Attorney General for approval or rejection. The Attorney General's concurrence is appended to this Settlement Agreement.

IX

The Respondent has caused a public notice advertisement to be placed in the official journal of the parish governing authority in Calcasieu Parish, Louisiana. The advertisement, in form and wording approved by the Department, announced the availability of this settlement for public view and comment and the opportunity for a public hearing. Respondent has submitted an original proof-of-publication affidavit and an original public notice to the Department and, as of the date this Settlement is executed on behalf of the Department, more than forty-five (45) days have elapsed since publication of the notice.

X

Payment is to be made within ten (10) days from notice of the Secretary's signature. If payment is not received within that time, this Agreement is voidable at the option of the Department. Payments are to be made by check, payable to the Department of Environmental Quality, and mailed or delivered to the attention of Accountant Administrator, Financial Services Division, Department of Environmental Quality, Post Office Box 4303, Baton Rouge, Louisiana, 70821-4303. Each payment shall be accompanied by a completed Settlement Payment Form (Exhibit A).

XI

In consideration of the above, any claims for penalties are hereby compromised and settled in accordance with the terms of this Settlement.

XII

Each undersigned representative of the parties certifies that he or she is fully authorized to execute this Settlement Agreement on behalf of his or her respective party, and to legally bind such party to its terms and conditions.

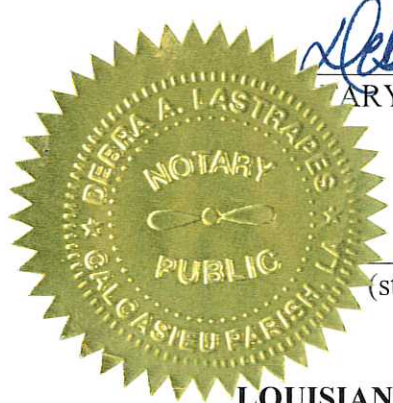
Calcasieu Refining Company

BY: Russ Willmon
(Signature)

Russ Willmon
(Printed)

TITLE: President/CEO

THUS DONE AND SIGNED in duplicate original before me this 14th day of February, 20 18, at Kalichannes, La.



Debra A. Lastrapes
NOTARY PUBLIC (ID # 062771)

DEBRA A. LASTRAPES
(stamped or printed)

LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY
Chuck Carr Brown, Ph.D., Secretary

BY: [Signature]
Lourdes Iturralde, Assistant Secretary
Office of Environmental Compliance

THUS DONE AND SIGNED in duplicate original before me this 13th day of April, 20 18, at Baton Rouge, Louisiana.

[Signature]
NOTARY PUBLIC (ID # 19181)

Perry Theriot
(stamped or printed)

Approved: [Signature]
Lourdes Iturralde, Assistant Secretary



DEPARTMENT OF ENVIRONMENTAL QUALITY

KATHLEEN BABINEAUX BLANCO
GOVERNOR

MIKE D. McDANIEL, Ph.D.
SECRETARY

February 28, 2007

CERTIFIED MAIL (7003 2260 0000 5825 2666)
RETURN RECEIPT REQUESTED

CALCASIEU REFINING COMPANY
c/o C T Corporation System, Agent of Service
8550 United Plaza Blvd.
Baton Rouge, Louisiana 70809

**RE: CONSOLIDATED COMPLIANCE ORDER
& NOTICE OF POTENTIAL PENALTY
ENFORCEMENT TRACKING NO. WE-CN-04-0225
AGENCY INTEREST NO. 3585**

Dear Sir:

Pursuant to the Louisiana Environmental Quality Act (La. R.S. 30:2001, et seq.), the attached **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is hereby served on **CALCASIEU REFINING COMPANY (RESPONDENT)** for the violations described therein.

Compliance is expected within the maximum time period established by each part of the **COMPLIANCE ORDER**. The violations cited in the **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** could result in the issuance of a civil penalty or other appropriate legal actions.

Any questions concerning this action should be directed to Kelli Smith McNulty at (225) 219-3811.

Sincerely,

Peggy M. Hatch
Administrator
Enforcement Division

PMH/KSM/ksm
Alt ID No. LA0052370
Attachment

c: Calcasieu Refining Company
4359 W. Tank Farm Road
Lake Charles, LA 70605

ENVIRONMENTAL COMPLIANCE

: PO BOX 4312, BATON ROUGE, LA 70821-4312
P.225 219-3700 F.225-219-3708
WWW.DEQ.LOUISIANA.GOV

STATE OF LOUISIANA
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE

IN THE MATTER OF	*	
	*	
CALCASIEU REFINING COMPANY	*	ENFORCEMENT TRACKING NO.
CALCASIEU PARISH	*	
ALT ID NO. LA0052370	*	WE-CN-04-0225
	*	
	*	AGENCY INTEREST NO.
	*	
PROCEEDINGS UNDER THE LOUISIANA	*	3585
ENVIRONMENTAL QUALITY ACT,	*	
La. R.S. 30:2001, <u>ET SEQ.</u>	*	

CONSOLIDATED
COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY

The following **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is issued to **CALCASIEU REFINING COMPANY (RESPONDENT)** by the Louisiana Department of Environmental Quality (the Department), under the authority granted by the Louisiana Environmental Quality Act (the Act), La. R.S. 30:2001, et seq., and particularly by La. R.S. 30:2025(C), 30:2050.2 and 30:2050.3(B).

FINDINGS OF FACT

I.

The Respondent owns and/or operates a petroleum refinery located at 4359 West Tank Farm Road in Lake Charles, Calcasieu Parish, Louisiana. The Respondent was issued Louisiana Pollutant Discharge Elimination System (LPDES) permit LA0052370 effective December 29,

1997, with an expiration date of December 28, 2002. The Respondent submitted a permit renewal application in a timely manner and LPDES permit LA0052370 was administratively continued until it was reissued with an effective date of August 1, 2003. LPDES permit LA0052370 expires on July 31, 2008. Under the terms and conditions of LPDES permit LA0052370, the Respondent is authorized to discharge process wastewater, process area storm water, utility wastewater, hydrostatic test wastewater, low contamination storm water and treated sanitary wastewater from its facility to the Calcasieu River, waters of the state.

II.

The Respondent was issued **COMPLIANCE ORDER WE-C-02-0249** on or about May 31, 2002, and **AMENDED COMPLIANCE ORDER WE-C-02-0249** on or about May 21, 2003. The relevant violations of the Compliance Orders were exceedences of permit effluent limitations, the failure to take representative samples, and Discharge Monitoring Report (DMR) inaccuracies. The relevant requirements of the Compliance Orders were to: take any and all steps necessary to meet and maintain compliance with LPDES permit LA0052370; submit properly complete DMRs; and to submit to the Enforcement Division, within thirty (30) days, a complete written report including a detailed description of the circumstances of the cited violations, the actions taken to achieve compliance with the violations and corrective or remedial actions taken to mitigate any damages resulting from the violations. **AMENDED COMPLIANCE ORDER WE-C-02-0249** is a final action of the Department and is not subject to further review.

III.

Inspections conducted by the Department on or about December 18, 2003, and June 22, 2006, as well as a subsequent file review conducted on or about February 15, 2007, revealed the following permit excursions, as reported by the Respondent on Discharge Monitoring Reports (DMRs):

Date	Outfall	Parameter	Permit Limit	Sample Value
01/2003	001	TSS Monthly Average	32 lbs/day	46 lbs/day
01/2003	001	TSS Daily Maximum	49 lbs/day	59 lbs/day
08/03-12/03	005	BOD Weekly Average	45 mg/L	58 mg/L
02/2004	001	Ammonia Nitrogen Daily Maximum	43 lbs/day	46.4 lbs/day
05/2004	001	Hexavalent Chromium Daily Maximum	0.09 lbs/day	0.14 lbs/day
07/04-12/04	005	Fecal Coliform Weekly Average	400 col/100 ml	>400 col/100 ml
11/2005	001	Hexavalent Chromium Daily Maximum	0.09 lbs/day	0.12 lbs/day
05/2006	001	Total Recoverable Phenolics Monthly Average	0.4 lbs/day	1.1 lbs/day
05/2006	001	Total Recoverable Phenolics Daily Maximum	1.6 lbs/day	4.9 lbs/day
07/2006	001	Total Recoverable Phenolics Monthly Average	0.4 lbs/day	2.5 lbs/day
07/2006	001	Total Recoverable Phenolics Daily Maximum	1.6 lbs/day	9.4 lbs/day
07/06-09/06	004	Total Organic Carbon Daily Maximum	50 mg/L	57 mg/L
10/2006	001	Total Recoverable Phenolics Monthly Average	0.4 lbs/day	1.0 lbs/day
10/2006	001	Total Recoverable Phenolics Daily Maximum	1.6 lbs/day	4.9 lbs/day
11/2006	001	Total Recoverable Phenolics Monthly Average	0.4 lbs/day	0.81 lbs/day
11/2006	001	Total Recoverable Phenolics Daily Maximum	1.6 lbs/day	2.8 lbs/day

Each excursion of the permit prior to August 1, 2003, constitutes a violation of **AMENDED COMPLIANCE ORDER WE-C-02-0249**, LPDES permit LA0052370 (Part I, and Part III, Section A.2), La. R.S. 30:2076 (A) (1), La. R.S. 30:2076 (A) (3), LAC 33:IX.501.A, LAC

33:IX.501.D, and LAC 33:IX.2701.A. Each excursion of the permit after August 1, 2003, constitutes a violation of **AMENDED COMPLIANCE ORDER WE-C-02-0249**, LPDES permit LA0052370 (Part I, and Part III, Section A.2), La. R.S. 30:2076 (A) (1), La. R.S. 30:2076 (A) (3), LAC 33:IX.501.A, LAC 33:IX.501.D, and LAC 33:IX.2701.A.

IV.

Further file review on or about February 15, 2007, revealed that the Respondent allowed the unauthorized discharge of oil and/or oil by-products on three (3) separate occasions. Specifically, on or about May 25, 2005, a tug off-loading crude oil from a barge improperly disconnected the loading hose, which allowed the residual oil in the hose to drain into the Calcasieu River. Approximately 2 gallons of crude oil were released into the river. On or about June 19, 2006, heavy rains caused the overflow of fuel oil #5 from numerous containers at the facility. Booms contained most of the oil, however, less than 10 gallons of fuel oil #5 reached the Calcasieu River. On or about November 14, 2006, the Respondent was in the process of filling two on-site generators with dyed diesel when the float switches used to prevent overflows failed, allowing approximately 10 gallons of dyed diesel to breach the containment area, 3 gallons of which reached the Calcasieu River inlet. Each unauthorized discharge is in violation of LPDES permit LA0052370 (Part I and Part III, Section A.2), La. R.S. 30:2075, La. R.S. 30:2076 (A) (1), La. R.S. 30:2076 (A) (3), LAC 33:IX.501.A, LAC 33:IX.501.D, and LAC 33:IX.2701.A. The failure to operate and maintain equipment is in violation of LPDES permit LA0052370 (Part III, Section A.2 and B.3.a), La. R.S. 30:2076 (A) (3), LAC 33:IX.501.A, LAC 33:IX.2701.A, and LAC 33:IX.2701.E.

COMPLIANCE ORDER

Based on the foregoing, the Respondent is hereby ordered:

I.

To immediately take, upon receipt of this **COMPLIANCE ORDER**, any and all steps necessary to meet and maintain compliance with the permit limitations and conditions contained in LPDES permit LA0052370.

II.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, a written report that includes a detailed description of the circumstances surrounding the cited violations and actions taken or to be taken to achieve compliance with the Order Portion of this **COMPLIANCE ORDER**. This report and all other reports or information required to be submitted to the Enforcement Division by this **COMPLIANCE ORDER** shall be submitted to:

Office of Environmental Compliance
Post Office Box 4312
Baton Rouge, Louisiana 70821-4312
Attention: Kelli Smith McNulty
Enforcement Tracking No. WE-CN-04-0225
Agency Interest No. 3585

THE RESPONDENT SHALL FURTHER BE ON NOTICE THAT:

I.

The Respondent has a right to an adjudicatory hearing on a disputed issue of material fact or of law arising from this **COMPLIANCE ORDER**. This right may be exercised by filing a written request with the Secretary no later than thirty (30) days after receipt of this **COMPLIANCE ORDER**.

II.

The request for an adjudicatory hearing shall specify the provisions of the **COMPLIANCE ORDER** on which the hearing is requested and shall briefly describe the basis for the request. This request should reference the **Enforcement Tracking Number** and **Agency Interest Number**, which are located in the upper right-hand corner of the first page of this document and should be directed to the following:

Department of Environmental Quality
Office of the Secretary
Post Office Box 4302
Baton Rouge, Louisiana 70821-4302
Attn: Hearings Clerk, Legal Division
Re: Enforcement Tracking No. WE-CN-04-0225
Agency Interest No. 3585

III.

Upon the Respondent's timely filing a request for a hearing, a hearing on the disputed issue of material fact or of law regarding this **COMPLIANCE ORDER** may be scheduled by the Secretary of the Department. The hearing shall be governed by the Act, the Administrative Procedure Act (La. R.S. 49:950, et seq.), and the Department's Rules of Procedure. The Department may amend or supplement this **COMPLIANCE ORDER** prior to the hearing, after providing sufficient notice and an opportunity for the preparation of a defense for the hearing.

IV.

This **COMPLIANCE ORDER** shall become a final enforcement action unless the request for hearing is timely filed. Failure to timely request a hearing constitutes a waiver of the Respondent's right to a hearing on a disputed issue of material fact or of law under Section 2050.4 of the Act for the violation(s) described herein.

V.

The Respondent's failure to request a hearing or to file an appeal or the Respondent's withdrawal of a request for hearing on this **COMPLIANCE ORDER** shall not preclude the Respondent from contesting the findings of facts in any subsequent penalty action addressing the same violation(s), although the Respondent is estopped from objecting to this **COMPLIANCE ORDER** becoming a permanent part of its compliance history.

VI.

Civil penalties of not more than twenty-seven thousand five hundred dollars (\$27,500) for each day of violation for the violation(s) described herein may be assessed. For violations which occurred on August 15, 2004, or after, civil penalties of not more than thirty-two thousand five hundred dollars (\$32,500) may be assessed for each day of violation. The Respondent's failure or refusal to comply with this **COMPLIANCE ORDER** and the provisions herein will subject the Respondent to possible enforcement procedures under La. R.S. 30:2025, which could result in the assessment of a civil penalty in an amount of not more than fifty thousand dollars (\$50,000) for each day of continued violation or noncompliance.

VII.

For each violation described herein, the Department reserves the right to seek civil penalties in any manner allowed by law, and nothing herein shall be construed to preclude the right to seek such penalties.

NOTICE OF POTENTIAL PENALTY

I.

Pursuant to La. R.S. 30:2050.3(B), you are hereby notified that the issuance of a penalty assessment is being considered for the violation(s) described herein. Written comments may be filed regarding the violation(s) and the contemplated penalty. If you elect to submit comments, it is requested that they be submitted within ten (10) days of receipt of this notice.

II.

Prior to the issuance of additional appropriate enforcement action(s), you may request a meeting with the Department to present any mitigating circumstances concerning the violation(s). If you would like to have such a meeting, please contact Kelli Smith McNulty at (225) 219-3811 within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**.

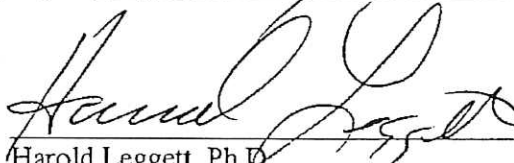
III.

The Department is required by La. R.S. 30:2025(E)(3)(a) to consider the gross revenues of the Respondent and the monetary benefits of noncompliance to determine whether a penalty will be assessed and the amount of such penalty. Please forward the Respondent's most current annual gross revenue statement along with a statement of the monetary benefits of noncompliance for the cited violation(s) to the above named contact person within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**. Include with your statement of monetary benefits the method(s) you utilized to arrive at the sum. If you assert that no monetary benefits have been gained, you are to fully justify that statement.

IV.

This **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is effective upon receipt.

Baton Rouge, Louisiana, this 28 day of February, 2007.



Harold Leggett, Ph.D.
Assistant Secretary
Office of Environmental Compliance

Copies of a request for a hearing and/or related correspondence should be sent to:

Louisiana Department of Environmental Quality
Office of Environmental Compliance
Enforcement Division
P.O. Box 4312
Baton Rouge, LA 70821-4312
Attention: Kelli Smith McNulty

c: Ms. Carol Peters-Wagnon
U.S. Environmental Protection Agency

BOBBY JINDAL
GOVERNOR



PEGGY M. HATCH
SECRETARY

State of Louisiana
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE

August 19, 2010

CERTIFIED MAIL (7005 1820 0002 2365 7491)
RETURN RECEIPT REQUESTED

CALCASIEU REFINING COMPANY
c/o C T Corporation System, Agent of Service
5615 Corporate Blvd., Suite 400B
Baton Rouge, LA 70808

**RE: CONSOLIDATED COMPLIANCE ORDER
& NOTICE OF POTENTIAL PENALTY
ENFORCEMENT TRACKING NO. WE-CN-10-00875
AGENCY INTEREST NO. 3585**

Dear Sir:

Pursuant to the Louisiana Environmental Quality Act (La. R.S. 30:2001, et seq.), the attached **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is hereby served on **CALCASIEU REFINING COMPANY (RESPONDENT)** for the violations described therein.

Compliance is expected within the maximum time period established by each part of the **COMPLIANCE ORDER**. The violations cited in the **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** could result in the issuance of a civil penalty or other appropriate legal actions.

Any questions concerning this action should be directed to Toni Metoyer Booker at (225)219-3786.

Sincerely,

Lourdes Iturralde
Administrator
Enforcement Division

LI/TMB/tmb
Alt ID No. LA0052370
Attachment

STATE OF LOUISIANA
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE

IN THE MATTER OF	*	
	*	
CALCASIEU REFINING COMPANY	*	ENFORCEMENT TRACKING NO.
CALCASIEU PARISH	*	
ALT ID NO. LA0052370	*	WE-CN-10-00875
	*	
	*	AGENCY INTEREST NO.
	*	
PROCEEDINGS UNDER THE LOUISIANA	*	3585
ENVIRONMENTAL QUALITY ACT,	*	
La. R.S. 30:2001, <u>ET SEQ.</u>	*	

CONSOLIDATED
COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY

The following **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is issued to **CALCASIEU REFINING COMPANY (RESPONDENT)** by the Louisiana Department of Environmental Quality (the Department), under the authority granted by the Louisiana Environmental Quality Act (the Act), La. R.S. 30:2001, et seq., and particularly by La. R.S. 30:2025(C), 30:2050.2 and 30:2050.3(B).

FINDINGS OF FACT

I.

The Respondent owns and/or operates a petroleum refinery located at 4359 West Tank Farm Road in Lake Charles, Calcasieu Parish, Louisiana. The Respondent was issued Louisiana Pollutant Discharge Elimination System (LPDES) permit LA0052370 effective June 1, 2007, which will expire on May 31, 2012. Under the terms and conditions of the LPDES permit LA0052370, the Respondent is authorized to discharge process wastewater, boiler blow down, process area storm water, utility wastewater, hydrostatic test wastewater, wash down wastewater, low contamination storm water runoff, non-contact cooling water, and treated sanitary wastewater from its facility to the Calcasieu River via a lined concrete trench, waters of the state.

II.

On or about February 28, 2007, **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY WE-CN-04-0225** was issued to the Respondent.

The relevant violations of the Compliance Order were failure to properly operate and maintain equipment, unauthorized discharge of oil and/or oil by products, and permit excursions. The relevant requirements of the Compliance Order were to: meet and maintain compliance with permit limitations and conditions of LPDES permit LA0052370, and submit a complete written report including a detailed description of the circumstances of the cited violations and actions taken to achieve compliance. On or about April 3, 2007, the Department received from the Respondent a written response to **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY WE-CN-04-0225**. **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY WE-CN-04-0225** is a final action of the Department and not subject to further review.

III.

An inspection conducted by the Department on or about June 20, 2007, and a subsequent file review conducted on or about June 25, 2010, revealed that the Respondent reports all spills regardless if the spill is greater than the reportable quantity (RQ) or not, and whether the spills leave the Respondent's property. The large number of spill reports in EDMS for the Respondent may indicate on-going operation and maintenance issues at the facility. Most of these spills were subsequently discovered to be less than the RQ for the substance that was spilled and/or resulted in no observable impacts to the environment and/or did not enter waters of the state. In addition, the Respondent allowed or did cause an unauthorized discharge into waters of the state. Specifically, on or about March 31, 2007, during a heavy rainfall event, operations personnel noticed a sheen flowing out of Outfall 002 before commingling with Outfall 001. It was determined that less than one gallon of oily material left the facility through Outfall 001. On or about April 24, 2008, the facility self-reported the release of 0.66 gallons of kerosene based red dye into the inlet cut of the Calcasieu River from the "A" Dock. Although these spills were contained and remediated on-site with no off-site impacts, the reoccurring nature of these events suggests a lack of proper operation and maintenance. Each unauthorized discharge is a violation of LPDES permit LA0052370 (Part I and Part III, Section A.2), La. R.S.30:2076 (A)(1)(a), and LAC 33:IX.501.D.

IV.

An inspection conducted by the Department on or about June 5, 2008, and a subsequent file review conducted on or about June 25, 2010, revealed that the Respondent exceeded effluent limitations, as reported on Discharge Monitoring Reports (DMRs) summarized below:

MONITORING PERIOD	OUTFALL	PARAMETER	PERMIT LIMIT	REPORTED VALUE
December, 2007	009S	Fecal Coliform Wkly Avg	400 #/100 mL	1840 #/100 mL
March, 2008	001A	pH >60 Min pH Mthly Total	0 occur/mo 446 min	8 occur/mo 510 min
August, 2008	001A	pH >60 min	0 occur/mo	4 occur/mo
January, 2009	001A	Phenolics Daily Max Phenolics Mthly Avg	2.2 lb/d 0.5 lb/d	3.093 lb/d 0.792 lb/d
June, 2009	004Q 009S	TOC Daily Max Fecal Coliform Wkly Avg	50 mg/L 400 #/100 mL	193.7 mg/L 1650 #/100 mL
December, 2009	001A	Phenolics Daily Max Phenolics Mthly Avg	2.2 lb/d 0.5 lb/d	7.44 lbs/d 1.54 lbs/d
February, 2010	001A	TSS Daily Max TSS Mthly Avg	369 lb/d 237 lb/d	1183.5 lb/d 390.8 lb/d
March, 2010	001A 001Q	TSS Daily Max TSS Mthly Avg Mercury Daily Max	369 lb/d 237 lb/d 0.0108 lb/d	893.6 lb/d 249.1 lb/d 0.035 lb/d

Each effluent exceedance is a violation of LPDES permit LA0052370 (Part I, and Part III, Section A.2), LA. R.S. 30: 2076(A)(3), and LAC 33: IX.501.A.

V.

An inspection conducted by the Department on or about June 5, 2008, revealed that the Respondent failed to accurately submit DMRs. During the inspection, a review of the COD loading calculations from January 2008 indicated errors in the spreadsheet calculations. Failure to submit an accurate DMR is a violation of LPDES permit LA0052370 (Part II, Section P and Part III, Section A.2 and D.4), La. R.S. 30:2076 (A)(3), LAC 33:IX.2701.L.4.d.

VI.

An inspection conducted by the Department on or about June 5, 2008, and a file review conducted by the Department on or about June 25, 2010, revealed that the Respondent failed to sample the effluents as required by LPDES permit LA0052370. Specifically, pH and TSS were not sampled for Outfall 013 during the monthly monitoring period of July, 2007. Each failure to

sample the effluent is a violation of LPDES permit LA0052370 (Part I, Part III, Sections A.2 and C.2), LA. R.S. 30:2076 (A)(3), and LAC 33: IX: 501.A.

COMPLIANCE ORDER

Based on the foregoing, the Respondent is hereby ordered:

I.

To immediately take, upon receipt of this **COMPLIANCE ORDER**, any and all steps necessary to achieve and maintain compliance with permit limitations and conditions contained in LPDES permit LA0052370, including but not limited to, preventing unauthorized discharge, meeting effluent limitations, sampling effluent and submitting accurate DMRs.

II.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, a written report that includes a detailed description of the circumstances surrounding the cited violations and actions taken or to be taken to achieve compliance with the Order Portion of this **COMPLIANCE ORDER**. This report and all other reports or information required to be submitted to the Enforcement Division by this **COMPLIANCE ORDER** shall be submitted to:

Office of Environmental Compliance
Post Office Box 4312
Baton Rouge, Louisiana 70821-4312
Attention: Toni Booker

Enforcement Tracking No. WE-CN-10-00875
Agency Interest No. 3585

THE RESPONDENT SHALL FURTHER BE ON NOTICE THAT:

I.

The Respondent has a right to an adjudicatory hearing on a disputed issue of material fact or of law arising from this **COMPLIANCE ORDER**. This right may be exercised by filing a written request with the Secretary no later than thirty (30) days after receipt of this **COMPLIANCE ORDER**.

II.

The request for an adjudicatory hearing shall specify the provisions of the **COMPLIANCE ORDER** on which the hearing is requested and shall briefly describe the basis for the request. This request should reference the Enforcement Tracking Number and Agency Interest Number, which are located in the upper right-hand corner of the first page of this document and should be directed to the following:

Department of Environmental Quality
Office of the Secretary
Post Office Box 4302
Baton Rouge, Louisiana 70821-4302
Attn: Hearings Clerk, Legal Division
Re: Enforcement Tracking No. WE-CN-10-00875
Agency Interest No. 3585

III.

Upon the Respondent's timely filing a request for a hearing, a hearing on the disputed issue of material fact or of law regarding this **COMPLIANCE ORDER** may be scheduled by the Secretary of the Department. The hearing shall be governed by the Act, the Administrative Procedure Act (La. R.S. 49:950, et seq.), and the Department's Rules of Procedure. The Department may amend or supplement this **COMPLIANCE ORDER** prior to the hearing, after providing sufficient notice and an opportunity for the preparation of a defense for the hearing.

IV.

This **COMPLIANCE ORDER** shall become a final enforcement action unless the request for hearing is timely filed. Failure to timely request a hearing constitutes a waiver of the Respondent's right to a hearing on a disputed issue of material fact or of law under Section 2050.4 of the Act for the violation(s) described herein.

V.

The Respondent's failure to request a hearing or to file an appeal or the Respondent's withdrawal of a request for hearing on this **COMPLIANCE ORDER** shall not preclude the Respondent from contesting the findings of facts in any subsequent penalty action addressing the same violation(s), although the Respondent is estopped from objecting to this **COMPLIANCE ORDER** becoming a permanent part of its compliance history.

VI.

Civil penalties of not more than twenty-seven thousand five hundred dollars (\$27,500) for each day of violation for the violation(s) described herein may be assessed. For violations which occurred on August 15, 2004, or after, civil penalties of not more than thirty-two thousand five hundred dollars (\$32,500) may be assessed for each day of violation. The Respondent's failure or refusal to comply with this **COMPLIANCE ORDER** and the provisions herein will subject the Respondent to possible enforcement procedures under La. R.S. 30:2025, which could result in the assessment of a civil penalty in an amount of not more than fifty thousand dollars (\$50,000) for each day of continued violation or noncompliance.

VII.

For each violation described herein, the Department reserves the right to seek civil penalties in any manner allowed by law, and nothing herein shall be construed to preclude the right to seek such penalties.

NOTICE OF POTENTIAL PENALTY

I.

Pursuant to La. R.S. 30:2050.3(B), you are hereby notified that the issuance of a penalty assessment is being considered for the violation(s) described herein. Written comments may be filed regarding the violation(s) and the contemplated penalty. If you elect to submit comments, it is requested that they be submitted within ten (10) days of receipt of this notice.

II.

Prior to the issuance of additional appropriate enforcement action(s), you may request a meeting with the Department to present any mitigating circumstances concerning the violation(s). If you would like to have such a meeting, please contact Toni Booker at 225-278-9536 within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**.

III.

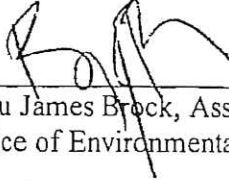
The Department is required by La. R.S. 30:2025(E)(3)(a) to consider the gross revenues of the Respondent and the monetary benefits of noncompliance to determine whether a penalty will be assessed and the amount of such penalty. Please forward the Respondent's most current annual gross revenue statement along with a statement of the monetary benefits of noncompliance for the cited violation(s) to the above named contact person within ten (10) days

of receipt of this **NOTICE OF POTENTIAL PENALTY**. Include with your statement of monetary benefits the method(s) you utilized to arrive at the sum. If you assert that no monetary benefits have been gained, you are to fully justify that statement.

IV.

This **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is effective upon receipt.

Baton Rouge, Louisiana, this 19 day of August, 2010.


Beau James Brock, Assistant Secretary
Office of Environmental Compliance

Copies of a request for a hearing and/or related correspondence should be sent to:

Louisiana Department of Environmental Quality
Office of Environmental Compliance
Enforcement Division
P.O. Box 4312
Baton Rouge, LA 70821-4312
Attention: Toni Booker



BOBBY JINDAL
GOVERNOR

PEGGY M. HATCH
SECRETARY

State of Louisiana
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE

EDMS
Toni
Dawn

October 1, 2012

Calcasieu Refing Company
c/o Don Johnson, HSE Manager
4359 W Tank Farm Rd
Lake Charles, LA 70605

**RE: LAKE CHARLES FACILITY
WARNING LETTER
ENFORCEMENT TRACKING NO. WE-L-12-01122
AI No. 3585**

Dear Sir:

On or about May 25, 2012, an inspection of the above referenced facility was conducted to determine compliance with the Louisiana Environmental Quality Act and supporting regulations. The inspection report, noting areas of concern, has been forwarded to the Enforcement Division. All violations at your facility will be taken into consideration in determining what further actions this office will take.

We strongly encourage you to review the findings of our most recent inspection and immediately take any and all steps to ensure compliance with all environmental regulations at your facility.

Please address any questions or comments regarding this potential civil enforcement matter to Toni Booker at (225) 219-3088, or send written comments to the address below.

Sincerely,

Celena J. Cage
Administrator
Enforcement Division

CJC/TMB/tmb
Alt. ID No. LA0052370

BOBBY JINDAL
GOVERNOR



PEGGY M. HATCH
SECRETARY

State of Louisiana
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE

October 2, 2014

Mr. Don Johnson
Calcasieu Refining Co.
4359 W Tank Farm Rd.
Lake Charles, LA 70605

**RE: LAKE CHARLES CRUDE OIL REFINERY
WARNING LETTER
ENFORCEMENT TRACKING NO. WE-L-14-00897
Activity Tracking No. ENF20140001
AI No. 3585**

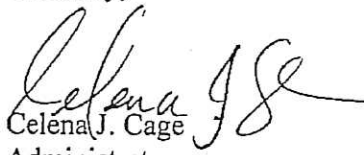
Dear Sir:

On or about June 20, 2014, an inspection of the above referenced facility was conducted to determine compliance with the Louisiana Environmental Quality Act and supporting regulations. The inspection report, noting areas of concern, has been forwarded to the Enforcement Division. All violations at your facility will be taken into consideration in determining what further actions this office will take.

We strongly encourage you to review the findings of our most recent inspection and immediately take any and all steps to ensure compliance with all environmental regulations at your facility.

Please address any questions or comments regarding this potential civil enforcement matter to Bernie Boyett at (225) 219-0783, or send written comments to the address below.

Sincerely,


Celena J. Cage
Administrator
Enforcement Division

CJC/BB/bb
Alt ID.:LA0052370