

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:	* Settlement Tracking No.
	* SA-AE-17-0001
ENBRIDGE OFFSHORE FACILITIES, LLC	*
	* Enforcement Tracking No.
AI # 4868	* AE-CN-12-00197
	* AE-CN-12-00197A
PROCEEDINGS UNDER THE LOUISIANA	*
ENVIRONMENTAL QUALITY ACT	* Docket No. 2014-1230-EQ
LA. R.S. 30:2001, <u>ET SEQ.</u>	*

SETTLEMENT

The following Settlement is hereby agreed to between Enbridge Offshore Facilities, LLC (“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 limited liability company that owns and/or operates a condensate and gas production facility located in Plaquemines Parish, Louisiana (“the Facility”).

II

On October 19, 2012, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-12-00197, which was based upon the following findings of fact:

“The Respondent owns and/or operates Venice Station Condensate Stabilization Unit, an existing condensate and gas production facility, located at 1565 Tidewater Road in Venice, Plaquemines Parish, Louisiana. The facility previously operated under Air Permit No. 2240-00206-05 issued on June 15, 2010, and Air Permit No. 2240-00206-06 issued on December 2, 2011. The facility currently operates under Air Permit No. 2240-00206-07 issued on April 20, 2012.

On or about May 11, 2012, a file review of the Respondent's facility was performed to determine the degree of compliance with the Act and Air Quality Regulations. While the Department's investigation is not yet complete, the following violations were noted during the course of the file review:

- A. On or about June 28, 2011, an initial compliance test was performed on Emission Point EQT0013, Engine GE-02. Two (2) test runs for volatile organic compounds (VOC) were conducted on Engine GE-02. The engine which is subject to 40 CFR 60 Subpart JJJJ is required to conduct three (3) separate test runs for each performance test. The failure to conduct three (3) separate test runs for VOC is a violation of 40 CFR 60.4244(c), which language has been adopted as a Louisiana regulation in LAC 33:III.3003, Specific Requirement 22 of Air Permit No. 2240-00206-05, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).
- B. According to the Name/Ownership Change Form (NOC-1 Form) received on or about March 31, 2010, the Respondent became the owner and/or operator of the facility on December 31, 2005. The Respondent's failure to submit a complete NOC-1 form to the Department within 45 days after the ownership change is a violation of LAC 33:I.1907.B, LAC 33:III.517.G, and La. R.S. 30:2057(A)(2).
- C. According to the NOC-1 Form received on or about March 31, 2010, the Respondent became the owner and/or operator of the facility on December 31, 2005. The permit transfer date was June 3, 2010. The unauthorized operation of the facility during the time period of December 31, 2005, through June 2, 2010, is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2)."

III

On July 28, 2014, the Department issued to Respondent an Amended Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-12-00197A, which was based upon the following findings of fact:

“The Department hereby removes section A of paragraph II of the Findings of Fact.

The Department hereby removes paragraph II of the Compliance Order.

The Department incorporates all of the remainder of the original Consolidated Compliance Order & Notice Of Potential Penalty, Enforcement Tracking No. AE-CN-12-00197 and Agency Interest No. 4868 as if reiterated herein.”

IV

In response to the Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-12-00197, and Amended Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-12-00197A, Respondent made a timely request for a hearing.

V

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

VI

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 TWELVE THOUSAND AND NO/100 DOLLARS (\$12,000.00), of which Seven Hundred Forty Eight and 36/100 Dollars (\$748.36) 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).

VII

Respondent further agrees that the Department may consider the inspection report(s)/permit record(s), the Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-12-00197, and Amended Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-12-00197A 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.

VIII

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.

IX

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.

X

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.

XI

The Respondent has caused a public notice advertisement to be placed in the official journal of the parish governing authority in Plaquemines 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.

XII

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).

XIII

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

XIV

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.

ENBRIDGE OFFSHORE FACILITIES, LLC

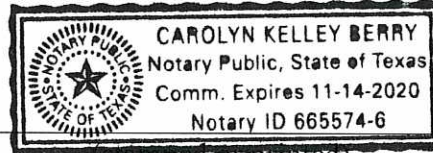
BY: [Signature]
(Signature)

FRED WHITTED
(Printed)

TITLE: VP

THUS DONE AND SIGNED in duplicate original before me this 2nd day of April, 20 18, at Houston, TX.

[Signature]
NOTARY PUBLIC (ID # 665574.6)



(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