

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

GULF COAST MANUFACTURING, L.L.C.

AI # 162911

PROCEEDINGS UNDER THE LOUISIANA
ENVIRONMENTAL QUALITY ACT

LA. R.S. 30:2001, ET SEQ.

* Settlement Tracking No.
* SA-WE-18-0048
*
* Enforcement Tracking No.
* WE-CN-12-00509
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SETTLEMENT

The following Settlement is hereby agreed to between Gulf Coast Manufacturing, L.L.C. (“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 an oil/gas field machinery facility located in Terrebonne Parish, Louisiana (“the Facility”).

II

On October 20, 2016, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. WE-CN-12-00509, attached as Exhibit A.

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 SEVEN THOUSAND AND NO/100 DOLLARS (\$7,000.00), of which Three Hundred Seventy-Seven and 45/100 Dollars (\$377.45) 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 Order & Notice of Potential Penalty 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 Terrebonne 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 B).

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.

Gulf Coast Manufacturing, L.L.C.

BY: *Lance L. DeHart*
(Signature)

LANCE L. DEHART
(Printed)

TITLE: CONTRACT MANAGER/MEMBER

THIS DONE AND SIGNED in duplicate original before me this 5 day of Sept, 20 18, at Gray, LA.

Danielle M. Chanin
(NOTARY PUBLIC (ID # 92170))



(stamped or printed)

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

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

THIS DONE AND SIGNED in duplicate original before me this 29th day of Oct., 20 18, at Baton Rouge, Louisiana.

[Signature]
NOTARY PUBLIC (ID # 19181)

Perry Theriot
(stamped or printed)

Approved: *[Signature]*
Lourdes Iturralde, Assistant Secretary

LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY
 OFFICE OF ENVIRONMENTAL COMPLIANCE
 ENFORCEMENT DIVISION
 POST OFFICE BOX 4312
 BATON ROUGE, LOUISIANA 70821-4312

**CONSOLIDATED COMPLIANCE ORDER &
 NOTICE OF POTENTIAL PENALTY**



Enforcement Tracking No.	WE-CN-12-00509	Certified Mail No.	7004 2510 0006 3854 1617
Agency Interest (AI) No.	162911	Contact Name	Diane Matthews
Alternate ID No.	LAG480927	Contact Phone No.	225 219-3078
Respondent:	Gulf Coast Manufacturing, L.L.C.	Facility Name:	Gray Facility
	c/o Wilfred R. Dehart	Physical Location:	3622 West Main Street
	Agent for Service of Process		
	3622 West Main St.	City, State, Zip:	Gray, LA 70359
	Gray, LA 70359	Parish:	Terrebonne

This CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY is issued 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

An authorized representative of the Department inspected the abovementioned facility or conducted a file review of the facility to determine the degree of compliance with regulations promulgated in the Louisiana Administrative Code, Title 33. The State regulatory citations for the violation(s) identified during the inspection and/or file review are indicated below.

I.		The Respondent owns and/or operates an oil/gas field machinery facility located at 3622 West Main Street, Gray, Terrebonne Parish, Louisiana. The Respondent was issued LPDES Permit LA0124591 on November 2, 2009, effective December 1, 2009 and expired on November 30, 2014. The Respondent applied for a general permit on or about November 25, 2014. The Department issued LPDES General Permit LAG480927 to the Respondent on January 8, 2015, which expired on November 30, 2015, and administratively continued until reissuance of coverage on March 28, 2016, and expiring on November 30, 2020. Under the terms and conditions of LPDES Permit LAG480927, the Respondent is permitted to discharge treated sanitary wastewater, wash rack wastewater and storm water runoff into Terrebonne Bayou and Ouiski Bayou, all waters of the state.
	Date of Violation	Description of Violation
II.	Inspection(s) & File Review 10/20/2011 07/07/2016	The Respondent failed to comply with LPDES Permit LA0124591 and LPDES Permit LAG480927. Specifically, from 2012-2015, the Respondent reported exceedances of permit effluent limitations for COD, BOD, Oil&Grease, TSS and Fecal Coliform. Permit LA0124591, (Effluent Limitations and Monitoring Requirements); Permit LAG480927 (Part I, Section B, Part II-Other Conditions, Part III-Standard Conditions, Section A.2), La. R.S. 30:2076(A)(3), and LAC 33:IX.501.A. See Table 1
III.	Inspection(s) & File Review 10/20/2011 07/07/2016	The Respondent failed to prepare a Storm Water Pollution Prevention Plan. Permit LAG480927 (Narrative Requirements T-8 and Standard Conditions A.2), La. R.S. 30:2076(A)(3), and LAC 33:IX.2701.A. The plan was developed on November 1, 2014, and revised on April 1, 2015. The plan was submitted to the Department via email on March 28, 2016. This violation has been corrected.

ORDER

Based on the foregoing, the Respondent is hereby ordered to comply with the requirements that are indicated below:

I.	To take, immediately upon receipt of this COMPLIANCE ORDER, any and all steps necessary to meet and maintain compliance with the Water Quality Regulations. This shall include, but not be limited to; correcting all of the violations described in the "Findings of Fact" portion.
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 violation(s) 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 the Department at the address specified in this document.
III.	To submit a completed NetDMR Subscriber Agreement to the Department for approval to submit DMRs electronically using NetDMR, within thirty (30) days after receipt of this COMPLIANCE ORDER. The Subscriber Agreement shall be signed and dated with an original signature and submitted to the Enforcement Division. (NetDMR is accessed through: www.epa.gov/netdmr. For assistance establishing and maintaining a NetDMR account or for NetDMR training, see attached instructions or contact the Permit Compliance Unit at deqnetdmr@la.gov.)
IV.	To submit DMRs and associated reports electronically using NetDMR beginning with the first monitoring period after approval of the NetDMR Subscriber Agreement unless otherwise notified in writing by the Department.

RIGHT TO APPEAL

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 address specified in this document.
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.). 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 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(5), 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 Diane Matthews at 225 219-3078 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.

CONTACTS AND SUBMITTAL OF INFORMATION

Enforcement Division: Louisiana Department of Environmental Quality Office of Environmental Compliance Water Enforcement Division Post Office Box 4312 Baton Rouge, LA 70821 Attn: Diane Matthews	Hearing Requests: 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-12-00509 Agency Interest No. 162911
Permit Division (if necessary): Department of Environmental Quality Office of Environmental Services Post Office Box 4313 Baton Rouge, LA 70821-4313 Attn: Water Permits Division	Physical Address (if hand delivered): Department of Environmental Quality 602 N Fifth Street Baton Rouge, LA 70802


HOW TO REQUEST CLOSURE OF THIS CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY

- To appeal the **CONSOLIDATED COMPLIANCE ORDER AND NOTICE OF POTENTIAL PENALTY**, the Respondent must follow the guidelines set forth in the "Right to Appeal" portion of this **CONSOLIDATED COMPLIANCE ORDER AND NOTICE OF POTENTIAL PENALTY**.
- To request closure of the **COMPLIANCE ORDER** portion, the Respondent must demonstrate compliance with the "Order" portion of this **COMPLIANCE ORDER** by completing the attached "**CONSOLIDATED COMPLIANCE ORDER AND NOTICE OF POTENTIAL PENALTY REQUEST TO CLOSE**" form and returning it to the address specified.
 - The **COMPLIANCE ORDER** will not be closed if the Respondent owes outstanding fees or penalties to the Department. Please contact the Financial Services Division at 225-219-3865 or email them at _DEQ-WWWFinancialServices@la.gov to determine if you owe outstanding fees.
- To expedite closure of the **NOTICE OF POTENTIAL PENALTY** portion, the Respondent may offer a settlement amount to resolve any claim for civil penalties for the violation(s) described herein.
 - The Department assesses civil penalties based on LAC 33:1.Subpart 1.Chapter 7.
 - The Respondent may offer a settlement amount but the Department is under no obligation to enter into settlement negotiations. It is decided upon on a discretionary basis.
 - The settlement offer amount may be entered on the attached "**CONSOLIDATED COMPLIANCE ORDER AND NOTICE OF POTENTIAL PENALTY REQUEST TO CLOSE**" form. The Respondent must include a justification of the offer.
 - **DO NOT** submit payment of the offer amount with the form. The Department will review the settlement offer and notify the Respondent as to whether the offer is or is not accepted.
 - The **NOTICE OF POTENTIAL PENALTY** will not be closed if the Respondent owes outstanding fees to the Department. Please contact the Financial Services Division at 225-219-3865 or email them at _DEQ-WWWFinancialServices@la.gov to determine if you owe outstanding fees.

If you have questions or need more information, you may contact Diane Matthews at 225 219-3078 or Diane.Matthews@la.gov.

LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY
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**CONSOLIDATED COMPLIANCE ORDER &
 NOTICE OF POTENTIAL PENALTY
 REQUEST TO CLOSE**



Enforcement Tracking No.	WE-CN-12-00509	Contact Name	Diane Matthews
Agency Interest (AI) No.	162911	Contact Phone No.	225 219-3078
Alternate ID No.	LAG480927		
Respondent:	Gulf Coast Manufacturing, L.L.C.	Facility Name:	Gray Facility
	c/o Wilfred R. Dehart	Physical Location:	3622 West Main St.
	Agent for Service of Process		
	3622 West Main St.	City, State, Zip:	Gray, LA 70359
	Gray, LA 70359	Parish:	Terrebonne

STATEMENT OF COMPLIANCE

STATEMENT OF COMPLIANCE	Date Completed	Copy Attached?
A written report was submitted in accordance with Paragraph II of the "Order" portion of the COMPLIANCE ORDER.		
All necessary documents were submitted to the Department within 30 days of receipt of the COMPLIANCE ORDER in accordance with Paragraph (III) of the "Order" portion of the COMPLIANCE ORDER.		
Submitted DMRs and associated reports electronically using NetDMR in accordance with Paragraph (IV) of the "Order" portion of the COMPLIANCE ORDER.		
All items in the "Findings of Fact" portion of the COMPLIANCE ORDER were addressed and the facility is being operated to meet and maintain the requirements of the "Order" portion of the COMPLIANCE ORDER. Final compliance was achieved as of:		

SETTLEMENT OFFER (OPTIONAL)

(check the applicable option)

The Respondent is not interested in entering into settlement negotiations with the Department with the understanding that the Department has the right to assess civil penalties based on LAC 33:1.Subpart1.Chapter7.

In order to resolve any claim for civil penalties for the violations in NOTICE OF POTENTIAL PENALTY WE-CN-12-00509, the Respondent is interested in entering into settlement negotiations with the Department and would like to set up a meeting to discuss settlement procedures.

In order to resolve any claim for civil penalties for the violations in NOTICE OF POTENTIAL PENALTY WE-CN-12-00509, the Respondent is interested in entering into settlement negotiations with the Department and offers to pay \$ _____ which shall include LDEQ enforcement costs and any monetary benefit of non-compliance.

- Monetary component = \$ _____
- Beneficial Environmental Project (BEP) component (optional) = \$ _____
- **DO NOT SUBMIT PAYMENT OF THE OFFER WITH THIS FORM-** the Department will review the settlement offer and notify the Respondent as to whether the offer is or is not accepted.

The Respondent has reviewed the violations noted in NOTICE OF POTENTIAL PENALTY WE-CN-12-00509 and has attached a justification of its offer and a description of any BEPs if included in settlement offer.

CERTIFICATION STATEMENT

I certify, under provisions in Louisiana and United States law that provide criminal penalties for false statements, that based on information and belief formed after reasonable inquiry, the statements and information attached and the compliance statement above, are true, accurate, and complete. I also certify that I do not owe outstanding fees or penalties to the Department for this facility or any other facility I own or operate. I further certify that I am either the Respondent or an authorized representative of the Respondent.

Respondent's Signature	Respondent's Printed Name	Respondent's Title
Respondent's Physical Address	Respondent's Phone #	Date

MAIL COMPLETED DOCUMENT TO THE ADDRESS BELOW:

Louisiana Department of Environmental Quality
 Office of Environmental Compliance
 Enforcement Division
 Post Office Box 4312
 Baton Rouge, LA 70821
 Attn: Diane Matthews

If you have questions or need more information, you may contact Diane Matthews at 225 219-3078 or Diane.Matthews.@la.gov.

Table 1
DMR Violations

Monitoring Period	Outfall	Parameter	Permit Limit	Result
4-1-2012 to 6-30-2012	002Q	COD	200mg/L Monthly Avg. 300mg/L Daily Max.	436mg/L
		pH	6.0 Min-9.0 Max (S.U.)	5.93 S.U.
1-1-2012 to 6-30-2012	001S	BOD	30mg/L Monthly Avg. 45mg/L Daily Max.	53mg/L
		TSS	30mg/L Monthly Avg. 45mg/L Daily Max.	89mg/L
		Fecal	200col/100mL Monthly Avg. 400col/100mL Daily Max.	>6000col/100mL
10-1-2012 to 12-31-2012	002Q	COD	200 mg/L Monthly Avg. 300mg/L Daily Max.	605mg/L
		TSS	45mg/L Daily Max.	124mg/L
		Oil&Grease	15mg/L	50mg/L
7-1-2012 to 12-31-2012	001S	BOD	30mg/L Monthly Avg. 45mg/L Daily Max.	105mg/L
		TSS	30mg/L Monthly Avg. 45mg/L Daily Max.	348mg/L
		Fecal	200col/100mL Monthly Avg. 400col/100mL Daily Max.	>6000col/100mL
1-1-2013 to 6-30-2013	001S	Fecal	200 col/100mL Monthly Avg. 400col/100mL Daily Max.	>6000col/100mL
7-1-2013 to 12-31-2013	001S	BOD	30mg/L Monthly Avg. 45mg/L Daily Max.	>75mg/L
		TSS	30 mg/L Monthly Avg. 45mg/L Daily Max.	174mg/L

4-1-2014 to 6-30-2014	002Q	COD	200mg/L Monthly Avg. 300mg/L Daily Max.	396mg/L
		TSS	45mg/L Daily Max.	88mg/L
		Oil&Grease	15mg/L	52mg/L
1-1-2014 to 6-30-2014	001S	TSS	30mg/L Monthly Avg. 45mg/L Daily Max.	70mg/L
		Fecal	200 col/100mL Monthly Avg. 400col/100mL Daily Max.	1200col/100mL
7-1-2014 to 12-31-2014	001S	TSS	30mg/L Monthly Avg. 45mg/L Daily Max.	122mg/L
		Fecal	200 col/100mL Monthly Avg. 400col/100mL Daily Max.	>6000col/100mL
1-1-2015 to 6-30-2015	001S	BOD	30 mg/L Monthly Avg. 45mg/L Daily Max.	152mg/L
		TSS	30mg/L Monthly Avg. 45mg/L Daily Max.	68mg/L
		Fecal	200 col/100mL Monthly Avg. 400col/100mL Daily Max.	>6000col/100mL
7-1-2015 to 12-31-2015	001S	BOD	30mg/L Monthly Avg. 45mg/L Daily Max.	82mg/L
		TSS	30mg/L Monthly Avg. 45mg/L Daily Max.	190mg/L



The attached enforcement action requires the use of NetDMR

WHAT IS NETDMR?

NetDMR is a Web-based tool that allows facilities to electronically sign and submit LPDES discharge monitoring reports (DMRs) to the LDEQ.

HOW DO I USE NETDMR?

1. Register in NetDMR
2. Submit Subscriber Agreement to LDEQ
3. Receive approval by LDEQ
4. Sign and Submit On-line

Training is offered by both LDEQ and EPA. Please check the LDEQ NetDMR Training website at <http://www.deq.louisiana.gov/netdmr> for training materials and current information offered by LDEQ. Information about EPA's training can be found at www.epa.gov/netdmr

HOW DO I REGISTER AND SUBMIT A SUBSCRIBER AGREEMENT?

(The first person to register must be an authorized signatory.)

1. Go to NetDMR website at <https://netdmr.epa.gov/netdmr>
2. Choose "Louisiana DEQ" as the Regulatory Authority from the drop-down list
3. Click the "Create a NetDMR Account" link in the login box
4. Complete the account information as required
 - a. Type of user must be "Permittee User"
 - b. Security answers must be unique and are case sensitive
5. Click "Submit" and confirm account information
6. Click the link within the verification email that has been sent to your email address
7. Create password by following instructions on the page
8. Login to NetDMR
9. Click "Request Access" link in the top left corner
10. Enter Permit Number and click "Update"
11. Select "Signatory" role and click "Add Request"
12. Click "Submit" and confirm
13. Provide Signatory Information, click "Submit" and confirm
14. Click button to print Subscriber Agreement
15. Mail in signed, original Subscriber Agreement to LDEQ for approval

If you have additional questions, please email deqnetdmr@la.gov.

