

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

VALERO REFINING-MERAUX LLC

AI # 1238

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

* Settlement Tracking No.
* SA-MM-18-0019
*
* Enforcement Tracking No.
* RE-PP-14-00878
* HE-CN-15-00249
* HE-CN-15-00249A
*
* Docket No. 2017-5524-EQ
*
*

SETTLEMENT

The following Settlement is hereby agreed to between Valero Refining-Meraux 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 owned and/or operated a facility located in Meraux, St. Bernard Parish, Louisiana (“the Facility”).

II

On February 2, 2017, the Department issued to Respondent a Notice of Potential Penalty, Enforcement No. RE-PP-14-00878 (Exhibit 1).

On December 21, 2016, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. HE-CN-15-00249 (Exhibit 2).

On October 11, 2017, the Department issued to Respondent an Amended Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. HE-CN-15-00249A (Exhibit 3).

III

In response to the Consolidated Compliance Order & Notice of Potential Penalty, Respondent made a timely request for a hearing.

IV

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

V

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 ELEVEN THOUSAND TWO HUNDRED EIGHTY-SEVEN AND 62/100 DOLLARS (\$11,287.62), of which One Thousand Eight Hundred Seventeen and 03/100 Dollars (\$1,817.03) 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).

VI

Respondent further agrees that the Department may consider the inspection report(s), Notice of Potential Penalty, Consolidated Compliance Order & Notice of Potential Penalty, Amended 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.

VII

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.

VIII

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.

IX

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.

X

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

XI

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).

XII

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

XIII

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.

VALERO REFINING-MERAUX LLC

BY: [Signature]
(Signature)

Elizabeth Buckner
(Printed)

TITLE: Sr. Managing Counsel

THUS DONE AND SIGNED in duplicate original before me this 14th day of August, 20 18, at San Antonio, TX.

[Signature]
NOTARY PUBLIC (ID # 14030301)

(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 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

JOHN BEL EDWARDS
GOVERNOR



CHUCK CARR BROWN, PH.D.
SECRETARY

State of Louisiana
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE
February 2, 2017

CERTIFIED MAIL (7014 1200 0000 7864 0297)
RETURN RECEIPT REQUESTED

VALERO REFINING-MERAUX, LLC
c/o CT Corporation System
Agent for Service of Process
3867 Plaza Tower Dr.
Baton Rouge, LA 70816

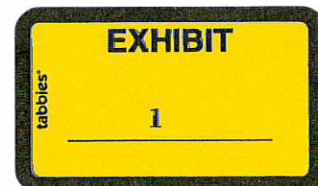
**RE: NOTICE OF POTENTIAL PENALTY
ENFORCEMENT TRACKING NO. RE-PP-14-00878
AGENCY INTEREST NO. 1238**

Dear Sir:

On or about March 31, 2014, an inspection of **VALERO REFINING-MERAUX**, owned and/or operated by **VALERO REFINING-MERAUX, LLC (RESPONDENT)**, was performed to determine the degree of compliance with the Louisiana Environmental Quality Act (the Act) and the Radiation Protection Regulations. The facility is located at 2500 St. Bernard Highway in Meraux, St. Bernard Parish, Louisiana.

While the investigation by the Louisiana Department of Environmental Quality (the Department) is not yet complete, the following violation(s) was/were noted during the course of the inspection:

- A. The Respondent failed to maintain complete and accurate records of an annual inventory of all sealed sources, in violation of LAC 33:XV.104.B. Specifically, the Niton XRF units Model XLP868, Serial Numbers 18932 and 18933 were not included on the annual inventory. Additionally, records for inventories conducted in 2011, 2012, and 2013 were not available. The Respondent added the missing units to the most recent inventory dated May 8, 2014.
- B. The Respondent failed to conduct leak testing within a six (6) month interval for the Niton XRF units Model XLP868, Serial Numbers 18932 and 18933, in violation of LAC 33:XV.426.A.2. Specifically, the inspection revealed leak testing was not performed between July 7, 2013 and March 28, 2014, which exceeds the required six (6) month interval. The Respondent performed a leak test on March 28, 2014, and provided documentation to the Department.



- C. The Respondent failed to conduct leak testing within the approved interval for all applicable fixed level gauges, in violation of LAC 33:XV.426.A.2. Specifically, leak tests are performed on all applicable fixed level gauges every three (3) years. However, three (3) newer gauges are not eligible for the three (3) year leak test requirement, and are required to be tested every six (6) months. The inspection revealed leak testing was not performed between July 7, 2013, and March 28, 2014. The Respondent performed leak tests on March 28, 2014, and provided documentation to the Department.
- D. The Respondent failed to perform annual radiation surveys of all analytical X-ray systems sufficient to show compliance, in violation of LAC 33:XV.804.B.1.a. Specifically, annual surveys were not performed for the six (6) analytical x-ray units. The Respondent performed annual surveys on the x-ray units on April 7, 2014, and submitted documentation to the Department.

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.

Prior to the issuance of any additional appropriate enforcement action, 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 Kelly O'Neal at (225) 219-3932 within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**.

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 in order 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 violations 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 this statement.

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

Notice of Potential Penalty
Valero Refining-Meraux, LLC
Page 3

To reduce document handling, please refer to the Enforcement Tracking Number and Agency Interest Number on the front of this document on all correspondence in response to this action.

Sincerely,

A handwritten signature in black ink, appearing to be 'L. Iturralde', written in a cursive style.

Lourdes Iturralde
Assistant Secretary
Office of Environmental Compliance

LI/KAO/kao
Alt ID No. LA-2182-L01A



JOHN BEL EDWARDS
GOVERNOR

CHUCK CARR BROWN, Ph.D.
SECRETARY

State of Louisiana
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE
December 21, 2016

CERTIFIED MAIL (7014 0510 0002 3595 3489)
RETURN RECEIPT REQUESTED

VALERO REFINING-MERAUX LLC
c/o C T Corporation System
Agent for Service of Process
3867 Plaza Tower Drive
Baton Rouge, LA 70816

**RE: CONSOLIDATED COMPLIANCE ORDER
& NOTICE OF POTENTIAL PENALTY
ENFORCEMENT TRACKING NO. HE-CN-15-00249
AGENCY INTEREST NO. 1238**

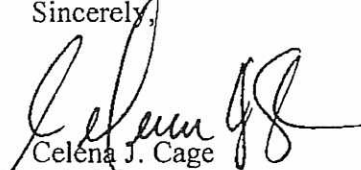
Dear Sir/Madam:

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 **VALERO REFINING-MERAUX LLC (RESPONDENT)** for the violations described therein.

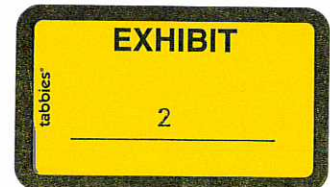
Compliance is expected within the maximum time period established by each part of the **COMPLIANCE ORDER**. The violations cited in the **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** could result in the issuance of a civil penalty or other appropriate legal actions.

Any questions concerning this action should be directed to Heather Brown at (225) 219-3792 or Heather.Brown@la.gov.

Sincerely,


Celena J. Cage
Administrator
Enforcement Division

CJC/HMB/hmb
Alt ID No. LAD008058471
Attachment



c: Valero Refining – Meraux LLC
1615 E. Judge Perez Drive
Chalmette, LA 70043

**STATE OF LOUISIANA
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE**

IN THE MATTER OF

**VALERO REFINING-MERAUX LLC
ST. BERNARD PARISH
ALT ID NO. lad008058471**

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

*	
*	
*	ENFORCEMENT TRACKING NO.
*	
*	HE-CN-15-00249
*	
*	AGENCY INTEREST NO.
*	
*	1238
*	

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

The following **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is issued to **VALERO REFINING-MERAUX LLC (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 Meraux Refinery, a crude oil refinery, located at 2500 East St. Bernard Highway, Meraux, St. Bernard Parish, Louisiana. The Respondent is registered with the Department as a large quantity generator of hazardous waste operating under EPA ID number LAD008058471.

II.

On or about June 25, 2014, and June 26, 2014, inspections of the Respondent's facility revealed the following violations:

- A. The Respondent failed to keep a copy of each manifest signed for three (3) years or until a signed copy is received from the designated facility which received the waste, as specified in LAC 33:V.1111.A.1, in violation of LAC 33:V.1107.D.1. Specifically,

at the time of inspection, the facility was unable to provide manifest copies (generator or destination) for thirty (30) shipments of hazardous waste (waste code K171), shipped off-site to the Young Sin Metal Working Co. between March 1, 2012 and March 9, 2012. Additionally, the Respondent was unable to provide a manifest for six (6) drums of hazardous waste paint shipped off-site between April 3, 2012 and June 13, 2012. The Respondent submitted copies of the manifests to the Department on July 8, 2014. This violation has been addressed.

- B. The Respondent failed, as a primary exporter, to keep a copy of each notification of intent to export and all written consents obtained from the competent authorities of concerned countries for a period of at least three (3) years from the date the hazardous waste was accepted by the initial transporter, in violation of LAC 33:V.1127.G.3.a.i. Specifically, at the time of inspection, the Respondent was unable to provide a copy of the notification of intent to export and Acknowledgement of Consent for thirty (30) shipments of hazardous waste (K171) shipped off-site to the Young Sin Metal Working Co., located in the Republic of South Korea, between March 1, 2012, and March 9, 2012. Additionally, at the time of inspection, the Respondent was unable to provide the notification of intent to export for six (6) shipments of hazardous waste (K171) shipped offsite to the Union Corporation, located in the Republic of South Korea, between January 1, 2012, and January 5, 2012. The Respondent submitted copies of the notification of intent to export and Acknowledgement of Consent to the Department on July 8, 2014. This violation has been addressed.
- C. The Respondent failed, as a primary exporter, to keep a copy of any exception reports and a copy of each confirmation of delivery (i.e., movement documentation) sent by the recovery facility to the exporter for at least three (3) years from the date the hazardous waste was accepted by the initial transporter or received by the recovery facility, whichever is applicable, in violation of LAC 33:V.1127.G.3.a.iii. Specifically, at the time of inspection, the Respondent was unable to provide written confirmation of receipt for thirty (30) shipments of hazardous waste (K171) shipped off-site to the Young Sin Metal Working Co., located in the Republic of South Korea, between March 1, 2012, and March 9, 2012. Additionally, at the time of inspection, the Respondent was unable to provide written confirmation of receipt for six (6)

shipments of hazardous waste (K171) shipped off-site to Union Corporation, located in the Republic of South Korea, between January 4, 2012, and January 5, 2012. The Respondent submitted copies of the movement documents to the Department on July 8, 2014. This violation has been addressed.

- D. The Respondent failed to submit a copy of the contingency plan to all local police departments, fire departments, hospitals, and state and local emergency response teams that may be called upon to provide emergency services, as specified in LAC 33:V.1513.C.2, in violation of LAC 33:V.1109.E.1.e. Specifically, the facility was unable to provide any evidence that the contingency plan was submitted to the above entities.
- E. The Respondent failed to conduct training sessions held at regular intervals for personnel in routine plant operation and/or to inform and train the plant contingency team, representatives of local fire and police departments, and emergency response teams of plant layout, location of possible hazards, emergency equipment location and operation, the evacuation plan and route, power and waste stream cut-offs, communications equipment and phone numbers of all required contacts, and other critical information and procedures, as specified in LAC 33:V.1515.A.4, in violation of LAC 33:V.1109.E.1.e. Specifically, the Respondent failed to provide proof of training to third parties.
- F. The Respondent failed to inspect areas where containers were stored, at least weekly, to determine if containers were leaking and if the containers or containment system had deteriorated, as specified in LAC 33:V.2109.A, in violation of LAC 33:V.1109.E.7. Specifically, at the time of the inspection, the Respondent was unable to demonstrate compliance with this regulation, as no inspection logs for April 9, 2012 to June 13, 2014 were available for review and no facility representative could state that inspection of the <90 day storage area took place during this time period.
- G. The Respondent stored regulated hazardous waste for more than ninety (90) days without a permit or other authorization, in violation of LAC 33:V.303.B. Specifically, the Respondent stored hazardous waste, including paint waste and aerosol cans, for a period greater than ninety (90) days.

- H. The Respondent accumulated universal waste for a period exceeding one (1) year from the date the universal waste was generated, or received from another handler, in violation of LAC 33:V.3825.A. Specifically, a representative of the Respondent stated that electronic waste had been stored onsite for a period exceeding two (2) years. Additionally, a representative of the Respondent stated that there were no off-site shipments of universal waste, specifically that of batteries, in 2013.
- I. The Respondent failed to develop and retain onsite a waste minimization plan certified by a Louisiana registered professional engineer, as specified in LAC 33:V.2245.J & K, in violation of LAC 33:V.1109.E.1.e. Specifically, the facility did not have a certified copy of this plan onsite. The Respondent submitted a copy of the certified waste minimization plan which was certified on or about June 27, 2014, to the Department. The violation has been addressed.
- J. The Respondent failed to make arrangements with local authorities (e.g., police departments, fire departments, and emergency response teams) to familiarize them with the layout of the facility, properties of hazardous waste handled at the facility and associated hazards, places where facility personnel would normally be working, entrances to and roads inside the facility, and possible evacuation routes, as specified in LAC 33:V.1511.G.1.a, in violation of LAC 33:V.1109.E.1.e. Specifically, the Respondent was unable to prove that any of the above arrangements were made with local authorities.
- K. The Respondent failed to make arrangements with local hospitals to familiarize them with the properties of hazardous waste handled at the facility and the types of injuries or illness which could result from fires, explosions, or releases at the facility, as specified by LAC 33:V.1511.G.1.d, in violation of LAC 33:V.1109.E.1.e. Specifically, the Respondent was unable to prove that any of the above arrangements were made with local hospitals.
- L. The Respondent failed to label or mark clearly universal waste batteries or a container in which the batteries are contained with any one of the following phrases: "Universal Waste – Battery(ies)," or "Waste Battery(ies)," or "Used Battery(ies)," in violation of LAC 33:V.3823.A.1. Specifically, twenty-four (24) universal waste batteries were observed on a pallet in the facility's <90 day storage area and were not properly

labeled. The Respondent submitted a photo on July 8, 2014, indicating that the batteries had been properly labeled. This violation has been addressed.

- M. The Respondent failed to label or mark clearly universal waste electronics, or a container in which the electronics are contained, or each electronic device, package, or pallet containing universal waste electronics with one of the following phrases: "Universal Waste-Electronics," or "Waste Electronics" or "Used Electronics". Specifically, printers, computer monitors, keyboards, and central processing units were observed in <90 day storage area and were not properly labeled. The Respondent submitted a photo on July 8, 2014 indicating that the electronic waste had been properly labeled. This violation has been addressed.

COMPLIANCE ORDER

Based on the foregoing, the Respondent is **hereby ordered**:

I.

To take, immediately upon receipt of this **COMPLIANCE ORDER**, any and all steps necessary to meet and maintain compliance with the Louisiana Hazardous Waste Regulations.

II.

To immediately, upon receipt of this **COMPLIANCE ORDER**, submit copies of the contingency plan to all local police departments, fire departments, hospitals, and state and local emergency response teams that may be called upon to provide emergency services, in accordance with LAC 33:V.1513.C.2.

III.

To ensure, upon receipt of this **COMPLIANCE ORDER**, that all third parties, including plant contingency team, representatives of local fire and police departments, and emergency response teams, have been informed and trained on plant layout, location of possible hazards, emergency equipment location and operation, the evacuation plan and route, power and waste stream cut-offs, communications equipment and phone numbers of all required contacts, and other critical information and procedures, in accordance with LAC 33:V.1515.A.4.

IV.

To institute procedures, immediately upon receipt of this **COMPLIANCE ORDER**, to ensure weekly inspections of the hazardous waste containers are performed, as specified in LAC 33:V.2109.A, in accordance with LAC 33:V.1109.E.1.a.i.

V.

To properly dispose of, within fifteen (15) days after receipt of this **COMPLIANCE ORDER**, the hazardous waste described in Findings of Facts Paragraph II.G at an authorized hazardous waste treatment/storage/disposal facility. Additionally, the Respondent shall prepare, obtain, and submit to the Office of Environmental Compliance – Enforcement Division documents verifying proper disposal of that hazardous waste within fifteen (15) days following disposal.

VI.

To institute, immediately upon receipt of this **COMPLIANCE ORDER**, procedures to ensure that universal waste is not accumulated for a period exceeding one (1) year from the date the universal waste was generated, or received from another handler, in accordance with LAC 33:V.3825.A.

VII.

To make arrangements with local authorities, within thirty (30) days of receipt of this **COMPLIANCE ORDER**, to familiarize them with the layout of the facility, properties of the waste handled at the facility and associated hazards, places where facility personnel would normally be working, entrances to and roads inside the facility, and possible evacuation routes in accordance with LAC 33:V.1511.G.1.a.

VIII.

To make arrangements with local hospitals, within thirty (30) days of receipt of this **COMPLIANCE ORDER**, to familiarize them with the properties of hazardous waste handled at the facility and the types of injuries or illnesses which could result from fires, explosions, or releases at the facility, in accordance with LAC 33:V.1511.G.1.d.

IX.

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
Attn: Heather Brown
Re: Enforcement Tracking No. HE-CN-15-00249
Agency Interest No. 1238

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. HE-CN-15-00249
Agency Interest No. 1238

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 Heather Brown at (225) 219-3792 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. If the Respondent chooses not to submit the requested most current annual gross revenues statement within ten (10) days, it will be viewed by the Department as an admission that the Respondent has the ability to pay the statutory maximum penalty as outlined in La. R.S. 30:2025.

IV.

The Department assesses civil penalties based on LAC 33:I.Subpart1.Chapter7. To expedite closure of this **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 Respondent may offer a settlement amount, but the Department is under no obligation to enter into settlement negotiations. The decision to proceed with a settlement is at the discretion of the Department. 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.

V.

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 via email at _DEQ-WWWFinancialServices@la.gov to determine if you owe outstanding fees.

VI.

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


Baton Rouge, Louisiana, this 21st day of December, 2016.



Lourdes Iturralde
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: Heather Brown

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 REQUEST TO CLOSE	
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Enforcement Tracking No.	HE-CN-15-00249	Contact Name	Heather Brown
Agency Interest (AI) No.	1238	Contact Phone No.	(225) 219-3792
Alternate ID No.	LAD008058471		
Respondent:	Valero Refining-Meraux LLC	Facility Name:	Meraux Refinery
	c/o C T Corporation System	Physical Location:	2500 East St. Bernard Hwy
	Agent for Service of Process		
	3867 Plaza Tower Drive	City, State, Zip:	Meraux, LA 70075
	Baton Rouge, LA 70816	Parish:	St. Bernard

STATEMENT OF COMPLIANCE

STATEMENT OF COMPLIANCE	Date Completed	Copy Attached?
A written report was submitted in accordance with Paragraph IX 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(s) VII and VIII 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:I.Subpart1.Chapter7.
_____	In order to resolve any claim for civil penalties for the violations in NOTICE OF POTENTIAL PENALTY (HE-CN-15-00249), 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 (HE-CN-15-00249), 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. <ul style="list-style-type: none"> • 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 (HE-CN-15-00249) 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 P.O. Box 4312 Baton Rouge, LA 70821 Attn: Heather Brown		



JOHN BEL EDWARDS
GOVERNOR

CHUCK CARR BROWN, PH.D.
SECRETARY

State of Louisiana
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE

October 11, 2017

CERTIFIED MAIL (7012 3460 0001 0423 4076)
RETURN RECEIPT REQUESTED

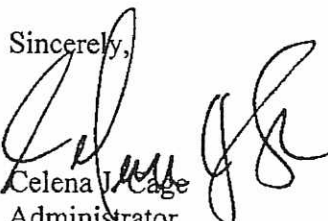
VALERO REFINING-MERAUX LLC
c/o C T Corporation System
Agent for Service of Process
3867 Plaza Tower Drive
Baton Rouge, LA 70816

**RE: AMENDED CONSOLIDATED COMPLIANCE ORDER &
NOTICE OF POTENTIAL PENALTY
ENFORCEMENT TRACKING NO. HE-CN-15-00249A
AGENCY INTEREST NO. 1238**

Dear Sir/Madam:

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

Any questions concerning this action should be directed to Adrienne Landry at (225) 219-3805 or Adrienne.Landry@la.gov.

Sincerely,

Celena J. Cage
Administrator
Enforcement Division

CJC/ARL/ar1
Alt ID No. LAD008058471
Attachment

c: Valero Refining – Meraux LLC
1615 E. Judge Perez Drive
Chalmette, LA 70045



**STATE OF LOUISIANA
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE**

IN THE MATTER OF	*	
	*	
VALERO REFINING-MERAUX LLC	*	ENFORCEMENT TRACKING NO.
ST. BERNARD PARISH	*	
ALT ID NO. LAD008058471	*	HE-CN-15-00249A
	*	
	*	AGENCY INTEREST NO.
	*	
PROCEEDINGS UNDER THE LOUISIANA	*	1238
ENVIRONMENTAL QUALITY ACT,	*	
La. R.S. 30:2001, ET SEQ.	*	

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

The Louisiana Department of Environmental Quality (the Department) hereby amends the **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY, ENFORCEMENT TRACKING NO. HE-CN-15-00249** issued to **VALERO REFINING-MERAUX LLC (RESPONDENT)** on December 21, 2016 in the above-captioned matter as follows:

I.

The Department hereby amends paragraph II.A of the Findings of Fact to read as follows:

“II.A.

The Respondent failed to keep a copy of each manifest signed for three (3) years or until a signed copy is received from the designated facility which received the waste, as specified in LAC 33:V.1111.A.1, in violation of LAC 33:V.1107.D.1. Specifically, at the time of inspection, the facility was unable to provide manifest copies (generator or destination) for thirteen (13) shipments of hazardous waste (waste code K171), shipped off-site to the Young Sin Metal Working Co. between March 1, 2012 and March 9, 2012. Additionally, the Respondent was unable to provide a manifest for six (6) drums of hazardous waste paint shipped off-site between April 3, 2012 and June 13, 2012. The Respondent submitted copies of the manifests to the Department on July 8, 2014. This violation has been addressed.”

II.

The Department hereby amends paragraph II.F of the Findings of Fact to read as follows:

“II.F.

The Respondent failed to inspect areas where containers were stored, at least weekly, to determine if containers were leaking and if the containers or containment system had deteriorated, as specified in LAC 33:V.2109.A, in violation of LAC 33:V.1109.E.7. Specifically, at the time of the inspection, the Respondent was unable to demonstrate compliance with this regulation, since no inspection logs for April 9, 2012 to June 13, 2012 were available for review and no facility representative could verify that inspection of the <90 day storage area was conducted during this time period.”

III.

The Department hereby amends the Findings of Fact portion to remove Paragraph J in its entirety.

IV.

The Department hereby amends the Order portion to remove Paragraph VII in its entirety.


V.

The Department incorporates all of the remainder of the original **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY, ENFORCEMENT TRACKING NO. HE-CN-15-00249** and **AGENCY INTEREST NO. 1238** as if reiterated herein.

VI.

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

Baton Rouge, Louisiana, this 11th day of October, 2017.



Lourdes Iturralde
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
Post Office Box 4312
Baton Rouge, LA 70821-4312
Attention: Adrienne Landry