

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

COLONIAL PIPELINE COMPANY

AI # 27646

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

* Settlement Tracking No.
* SA-AE-19-0025
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* Enforcement Tracking No.
* AE-CN-15-01280
* AE-L-17-01063
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SETTLEMENT

The following Settlement is hereby agreed to between Colonial Pipeline 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 pipeline breakout facility located in East Feliciana Parish, Louisiana (“the Facility”).

II

On December 21, 2016, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-15-01280, attached as Exhibit A.

On November 6, 2017, the Department issued to Respondent a Warning Letter, Enforcement No. AE-L-17-01063, attached as Exhibit B.

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 Five Hundred Sixty-Eight and 05/100 Dollars (\$568.05) 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 a Consolidated Compliance Order & Notice of Potential Penalty and the Warning Letter 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 East Feliciana 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 C).

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.

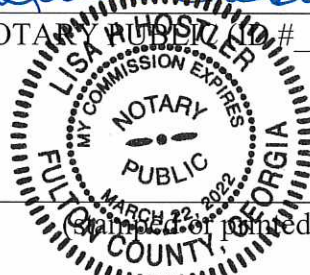
Colonial Pipeline Company

BY: Angela D. Kolar
(Signature)

Angela D. Kolar
(Printed)

TITLE: _____

THUS DONE AND SIGNED in duplicate original before me this 30 day of AUGUST, 2019, at COLONIAL PIPELINE.

Lisa Hostler
NOTARY PUBLIC (ID # _____)


(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 10th day of Dec., 2019, 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

December 21, 2016

CERTIFIED MAIL (7004 2510 0006 3853 4244)
RETURN RECEIPT REQUESTED

COLONIAL PIPELINE COMPANY
c/o Corporation Service Company
Agent for Service of Process
501 Louisiana Ave.
Baton Rouge, LA 70802

**RE: CONSOLIDATED COMPLIANCE ORDER
& NOTICE OF POTENTIAL PENALTY
ENFORCEMENT TRACKING NO. AE-CN-15-01280
AGENCY INTEREST NO. 27646**

Dear Sir(s):

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 **COLONIAL PIPELINE 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 Richard LeBlanc at (225) 219-3165.

Sincerely,

Celena J. Cage
Administrator
Enforcement Division

CJC/RDL/rdl
Alt ID No. 3033
Attachment



c: Colonial Pipeline Company
1476 Hwy. 61
Jackson, LA 70748

STATE OF LOUISIANA
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE

IN THE MATTER OF

COLONIAL PIPELINE COMPANY
EAST FELICIANA PARISH
ALT ID NO. 3033

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ENFORCEMENT TRACKING NO.

AE-CN-15-01280

AGENCY INTEREST NO.

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

27646

CONSOLIDATED
COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY

The following **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is issued to **COLONIAL PIPELINE 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 the Baton Rouge Junction Facility (facility), a pipeline breakout station located at 1476 Louisiana Highway 61 in Jackson, East Feliciana Parish, Louisiana. The facility operated under Title V Air Permit No. 3033-V3 and Louisiana Prevention of Significant Deterioration (PSD) Permit No. PSD-LA-741(M1) both issued on November 2, 2009. The permits were modified and Title V Air Permit No. 3033-V4 and PSD Permit No. PSD-LA-741(M2) were both issued on November 20, 2012. The facility currently operates under Title V Air Permit No. 3033-V5 and PSD Permit No. PSD-LA-741(M3) both issued on February 12, 2014.

II.

On or about January 13, 2016, the Department conducted an inspection at the facility to determine the degree of compliance with the Act and the Air Quality Regulations. Additionally, the Department conducted a file review for the facility on or about September 21, 2016.

While the Department's investigation is not yet complete, the following violations were discovered during the course of the inspection and file review:

- A. In the facility's 2011 Annual Compliance Certification submitted on or about March 29, 2012, the Respondent reported a failure to furnish reports as specified in 40 CFR 60.115b for Tank 130 (EQT0037). Specifically, the Respondent submitted a timely seal gap measurement report for EQT0037, but failed to include the required raw data in the report. This reporting failure is a violation of 40 CFR 63.428(d), which is incorporated by reference into Title V Air Permit No. 3033-V3 Specific Requirement 17, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).
- B. In the facility's 2013 Annual Compliance Certification submitted on or about March 27, 2014, the Respondent reported a failure to complete repair or replacement of leaking equipment within fifteen (15) days after detection of each leak. Specifically, the Respondent discovered a pump leak on or about June 7, 2013. An initial repair attempt was made within five (5) days, but repairs were not completed until on or about June 28, 2013. This repair failure is a violation of 40 CFR 63.424(c), which is incorporated by reference into Title V Air Permit No. 3033-V4 Specific Requirement 72. This is also a violation of LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
- C. In the facility's 2014 Annual Compliance Certification submitted on or about March 26, 2015, the Respondent reported an operation failure for Emergency Generator ENG006 (EQT0062). The Respondent failed to limit operation of EQT0062 to less than fifty (50) hours per year in non-emergency situations. Specifically, the Respondent operated EQT0062 for a total of 119 hours in non-emergency situations from February 21, 2014, through February 26, 2014. This operation failure is a violation of 40 CFR 60.4243(d), which is incorporated by reference into Title V Air Permit No. 3033-V5 Specific Requirement 53. This is also a violation of LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). The engine was immediately shutdown upon discovery of the violation and later removed from the facility.
- D. In the facility's 2014 Annual Compliance Certification submitted on or about March 26, 2015, the Respondent reported an operation failure for EQT0062. Specifically, the Respondent operated EQT0062 a total 69 hours during which time the generator did not meet applicable emission standards for non-emergency engines. This operation failure is a violation of 40 CFR 60.4233(d), which is incorporated by reference into Title V Air Permit No. 3033-V5 Specific Requirement 48. This is also a violation of LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). The

generator was immediately shutdown upon discovery of the violation and later removed from the facility.

- E. In the facility's 2015 1st Semiannual Monitoring Report submitted on or about September 30, 2015, the Respondent reported an operation failure for Tank 137 (EQT0026). While the internal floating roof was resting on its leg supports, the process of filling, emptying or refilling was not continuous and accomplished as rapidly as possible. Specifically on or about March 5, 2015, a pump transferring product out of EQT0026 lost suction with product still remaining in the tank. This operation failure is a violation of 40 CFR 60.112b(a)(1)(i), which is incorporated by reference into Title V Air Permit No. 3033-V5 Specific Requirement 5. This is also a violation of LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). The system was adjusted and all subsequent landings have occurred as designed.
- F. In the facility's 2015 1st Semiannual Monitoring Report submitted on or about September 30, 2015, the Respondent reported failures to monitor for the presence of a leak for Fugitives (CRG0008). Specifically for the month of June 2015, 139 components were not monitored for CRG0008. Each monitoring failure is a violation of 40 CFR 63.424(a), which is incorporate by reference into Title V Air Permit No. 3033-V5 Specific Requirement 60. This is also a violation of LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2). The monitoring failure was due to technician error and all contractor system errors have been corrected.
- G. In a Notification of Permit Deviation report submitted to the Department on or about June 20, 2016, the Respondent reported exceedances of the permit limits for New Facility Fugitives (FUG0004). Specifically, Title V Permit No. 3033-V4 and PSD Permit No. PSD-LA-741(M2) authorized the construction of a facility expansion project. However, the Respondent discovered that more piping and components were installed than anticipated in the expansion project resulting in the following permit limit exceedances for 2015:

Pollutant	Permit Limit (tpy)	Actual Emissions (tpy)
VOCs	0.52	1.28
Benzene	0.01	0.016
Ethylbenzene	0.01	0.025
Toluene	0.06	0.08
n-Hexane	0.03	0.06
Hydrogen Sulfide	Below Permit Threshold	0.0007

The volatile organic compounds (VOCs) exceedance is a violation of Title V Air Permit No. 3033-V5 Emission Rates for Criteria Pollutants and CO₂e, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). The Benzene, Ethylbenzene, Toluene and n-Hexane exceedances are each a violation of Title V Air Permit No. 3033-V5 Emission Rates for TAP/HAP & Other Pollutants, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). The unauthorized



JOHN BEL EDWARDS
GOVERNOR

CHUCK CARR BROWN, PH.D.
SECRETARY

State of Louisiana
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE

November 06, 2017

Colonial Pipeline Company
c/o Jamie Godbold
1476 Hwy. 61
Jackson, LA 70748

**RE: Baton Rouge Junction Facility
WARNING LETTER
ENFORCEMENT TRACKING NO. AE-L-17-01063
AI No. 27646**

Dear Sir/Madam:

On or about March 31, 2017, 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. We request that you review the area(s) of concern noted and submit a written response within **30 days** of receipt of this letter to Pascal Ojong at the address below. In your response, please include any action(s) you have taken to correct the area(s) of concern at your facility.

If you have any questions regarding this potential civil enforcement matter, please contact Pascal Ojong at (225) 219-4468.

Sincerely,

Michelle M. McCarthy
Air Enforcement Manager

MMM/PON/pon
Alt. ID No. N/A

