

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

BRIDGELINE HOLDINGS, L.P.

AI # 11416

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

* Settlement Tracking No.
* SA-AE-19-0099
*
* Enforcement Tracking No.
* AE-PP-17-00682
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SETTLEMENT

The following Settlement is hereby agreed to between EnLink Midstream Operating, LP on Behalf of Bridgeline Holdings, L.P. (“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 partnership that owned and/or operated an underground salt dome natural gas storage cavern facility located in Sorrento, Ascension Parish, Louisiana (“the Facility”).

II

On July 10, 2018, the Department issued to Respondent a Notice of Potential Penalty, Enforcement No. AE-PP-17-00682 (Exhibit 1).

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 SIX THOUSAND AND NO/100 DOLLARS (\$6,000.00), of which Five Hundred Twenty-Eight and 84/100 Dollars (\$528.84) 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 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 Ascension 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.

ENLINK MIDSTREAM OPERATING, LP ON
BEHALF OF BRIDGELINE HOLDINGS, L.P.

BY: [Signature]
(Signature)

Michael Hrabacek
(Printed)

TITLE: SVP of Operations

THUS DONE AND SIGNED in duplicate original before me this 9 day of
September, 2020, at Gibson La.

Chuck D Canton
NOTARY PUBLIC (ID # 62825)

Chuck D Canton
(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
November, 2020, at Baton Rouge, Louisiana.

[Signature]
NOTARY PUBLIC (ID # 49503)
AMBER G. LITCHFIELD
Notary Public
State of Louisiana
Notary ID # 92503
East Baton Rouge Parish
(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

July 10, 2018

CERTIFIED MAIL (7014 0510 0002 3595 3724)
RETURN RECEIPT REQUESTED

BRIDGELINE HOLDINGS, L.P.
c/o C T Corporation System
Agent for Service of Process
3867 Plaza Tower Drive
Baton Rouge, LA 70816

**RE: NOTICE OF POTENTIAL PENALTY
ENFORCEMENT TRACKING NO. AE-PP-17-00682
AGENCY INTEREST NO. 11416**

Dear Sir:

On or about January 27, 2016, an inspection of the **SORRENTO UNDERGROUND GAS STORAGE FACILITY** (the facility), an underground salt dome natural gas storage cavern, owned and/or operated by **BRIDGELINE HOLDINGS, L.P. (RESPONDENT)**, was performed to determine the degree of compliance with the Louisiana Environmental Quality Act (the Act) and the Air Quality Regulations. The facility is located at 6576 Louisiana Highway 3140, in Sorrento, Ascension Parish, Louisiana. On or about June 26, 2018, a file review was conducted to determine the degree of compliance with the Act, the Air Quality Regulations and any applicable permits.

The facility operates, or has operated, under the Title V Permits shown in Table A:

TABLE A

Permit No.	Permit Issue Date	Permit Expiration Date
0180-00048-V1	June 7, 2005	June 7, 2010
0180-00048-V1AA	March 8, 2010	June 7, 2010
0180-00048-V2	July 26, 2011	July 26, 2016
0180-00048-V3	August 16, 2013	July 26, 2016
0180-00048-V4	February 18, 2014	July 26, 2016
0180-00048-V5	October 25, 2016	October 25, 2021
0180-00048-V6	May 31, 2018	October 25, 2021



Bridgeline Holdings, L.P.

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While the investigation by the Louisiana Department of Environmental Quality (the Department) is not yet complete, the following violations were noted during the course of the inspection and file review:

- A. The inspection revealed that the Respondent conducted emission testing on three 2,200 horsepower White-Superior 16GTLB compressor engines (EQT 0004, EQT 0005, and EQT 0006) on July 3, 2014. The Respondent failed to notify the Department prior to the testing. The failure to notify the Department thirty (30) days prior to conducting emission testing is a violation of Specific Requirement 22 of Title V Permit No. 0180-00048-V4, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).
- B. In correspondence postmarked September 28, 2016, the Respondent submitted the facility's 2016 First Semiannual Monitoring Report. In electronic correspondence dated September 22, 2017, the Respondent stated the facility was purchased in November 2014 and there were no records indicating that the prior owner had ever conducted maintenance on two diesel engines. The Monitoring Report disclosed failures to conduct timely inspections on Diesel Firewater Pump Engine (EQT 0007), and Diesel Firewater Pump Engine (EQT 0008), as required by the Specific Requirements (SR) of Title V Permit No. 0180-00048-V4 shown in Table B:

TABLE B

Source	Period	Deviation	SR	Corrective Action
EQT 0007	11/1/2014 6/30/16 607 days	Failed to inspect/change oil at 500 hours or annually	26	Changed oil and filter 8/15/16; created oil change/inspection form; trained operators
		Failed to inspect/change air cleaners at 1,000 hours or annually	27	Inspected spark plugs 8/15/16; created air cleaner change/inspection form; trained operators
		Failed to inspect/change belts and hoses at 500 hours or annually	28	Changed belts and hoses 8/15/16; created belt/hose change/inspection form; trained operators
EQT 0008	11/1/2014 6/30/16 607 days	Failed to inspect/change oil at 500 hours or annually	41	Changed oil and filter 8/15/16; created oil change/inspection form; trained operators
		Failed to inspect/change air cleaners at 1,000 hours or annually	42	Inspected spark plugs 8/15/16; created air cleaner change/inspection form; trained operators
		Failed to inspect/change belts and hoses at 500 hours or annually	43	Changed belts and hoses 8/15/16; created belt/hose change/inspection form; trained operators

Each failure to meet each Specific Requirement is a violation of the Specific Requirement listed of Title V Permit No. 0180-00048-V4, LAC 33:III.501.C.4, 40 CFR 63.6602, which language has been adopted as a Louisiana regulation in LAC 33:III. 5122.A, and La. R.S. 30:2057(A)(2).

Bridgeline Holdings, L.P.
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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 violations described herein. Written comments may be filed regarding the violations 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 violations. If you would like to have such a meeting, please contact Mark E. Brown 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. 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.

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.

The Department assesses civil penalties based on LAC 33:I.Subpart1.Chapter7. To expedite closure of this **NOTICE OF POTENTIAL PENALTY**, the Respondent may offer a settlement amount to resolve any claim for civil penalties for the violations 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 "**NOTICE OF POTENTIAL PENALTY REQUEST TO SETTLE**" 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.

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,


Lourdes Iturralde
Assistant Secretary
Office of Environmental Compliance

Bridgeline Holdings, L.P.

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LI/MEB/meb

Alt ID No. 0180-00048

c: Bridgeline Holdings, L.P.

P. O. Box 225

Geismar, LA 70731

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



**NOTICE OF POTENTIAL PENALTY
 REQUEST TO SETTLE (OPTIONAL)**

Enforcement Tracking No.	AE-PP-17-00682	Contact Name	Mark E. Brown
Agency Interest (AI) No.	11416	Contact Phone No.	225-219-3782
Alternate ID No.	0180-00048		
Respondent:	Bridgeline Holdings, LP	Facility Name:	Sorrento Underground Gas Storage
	c/o C T Corporation System	Physical Location:	6576 Louisiana Highway 3140
	Agent for Service of Process		
	3867 Plaza Tower Drive	City, State, Zip:	Sorrento, LA, 70778
Baton Rouge, LA 70816	Parish:	Ascension	

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** (AE-PP-17-00682), 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** (AE-PP-17-00682), 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** (AE-PP-17-00682) 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: Mark E. Brown