

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

BENGAL PIPELINE COMPANY LLC

AI # 588

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

* Settlement Tracking No.
* SA-AE-21-0051
*
* Enforcement Tracking No.
* AE-PP-18-00264
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SETTLEMENT

The following Settlement is hereby agreed to between Bengal Pipeline Company LLC (“Respondent”) and the Department of Environmental Quality (“DEQ” or “the Department”), under authority granted by the Louisiana Environmental Quality Act, La. R.S. 30:2001, et seq. (“the Act”).

I

Respondent is a limited liability company that owns and/or operates a gasoline and distillates storage facility located in Jackson, East Feliciana Parish, Louisiana (“the Facility”).

II

On July 17, 2019, the Department issued to Respondent a Notice of Potential Penalty, Enforcement No. AE-PP-18-00264 (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 One Thousand One Hundred Sixty and 13/100 Dollars (\$1,160.13) 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 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 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.

BENGAL PIPELINE COMPANY LLC

BY: [Signature]
(Signature)

Ken Barrios
(Printed)

TITLE: President

THUS DONE AND SIGNED in duplicate original before me this 19th day of September, 20 21, at Cobb County

[Signature]
NOTARY PUBLIC (ID # _____)



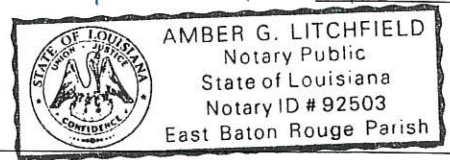
LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY
Chuck Carr Brown, Ph.D., Secretary

BY: [Signature]

Lourdes Iturralde, Assistant Secretary
Office of Environmental Compliance

THUS DONE AND SIGNED in duplicate original before me this 30th day of December, 20 21, at Baton Rouge, Louisiana.

[Signature]
NOTARY PUBLIC (ID # 92503)



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

NOTICE OF POTENTIAL PENALTY



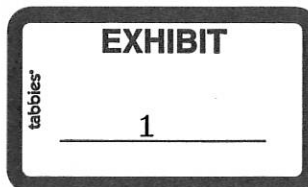
Enforcement Tracking No.	AE-PP-18-00264	Certified Mail No.	7014 0510 0002 3595 4127
Agency Interest (AI) No.	588	Contact Name	Mark E. Brown
Alternate ID No.	0880-00007	Contact Phone No.	(225) 219-3782
Respondent:	Bengal Pipeline Company LLC	Facility Name:	Baton Rouge Tank Farm
	c/o Corporation Service Company	Physical Location:	1476 Louisiana Highway 61
	Agent for Service of Process		
	501 Louisiana Avenue	City, State, Zip:	Jackson, LA, 70748
Baton Rouge, LA 70802	Parish:	East Feliciana	

This **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 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 the Baton Rouge Tank Farm, a gasoline and distillates storage facility located at 1476 Louisiana Highway 61 in Jackson, East Feliciana Parish, Louisiana. At the time of the inspection conducted June 26, 2017, the facility operated under Title V Permit No. 0880-00007-V7, issued May 28, 2013. The facility currently operates under Title V Permit No. 0880-00007-V10, issued March 2, 2018.	
	Date of Violation	Description of Violation
II.	Inspection(s) June 26, 2017	The Respondent's 2015 Annual Compliance Certification, submitted on March 30, 2016, disclosed that a technician employed by the Respondent failed to conduct monthly Leak Detection and Repair (LDAR) inspections for 56 components for June 2015. The Respondent further disclosed that LDAR inspections properly conducted in May and July 2015 showed no components were leaking. Each failure to conduct monthly LDAR inspection, on each component, is a violation of 40 CFR 63.424(a), which language has been adopted as a Louisiana regulation in LAC 33:III.5122.A, Specific Requirement (SR) 125 of Title V Permit No. 0880-00007-V7, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).
III.	File Review 7/2/2019	In correspondence dated September 26, 2018, the Respondent submitted the facility's 2018 First Semiannual Monitoring Report. The report disclosed that a secondary seal gap measurement report was not submitted within 60 days of completing seal gap measurements on Tanks 1474 (EQT 004), 1475 (EQT 005), 1476 (EQT 006), 1477 (EQT 007), 1479 (EQT 008), 1480 (EQT 012) and 1493 (EQT 009) between November 4, 2013 and November 5, 2013. The Respondent disclosed in the monitoring report that the seal gap widths were in compliance. Each failure to timely submit a seal gap measurement report for each tank is a violation of 40 CFR 60.113b(b)(1), which language has been adopted as a Louisiana regulation in LAC 33:III.3003.A, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).
IV.	File Review 7/2/2019	In correspondence dated September 26, 2018, the Respondent submitted the facility's 2018 First Semiannual Monitoring Report. The report disclosed that prior notifications of commencement of reconstructions of Tank 1474 (EQT 004) and Tank 1476 (EQT 006) were not submitted in 2017 prior to the commencement or reconstruction of converting these tanks from external floating roof tanks to internal floating roof tanks. The Respondent disclosed in the monitoring report that the report of commencement of construction was submitted dated September 26, 2018. Each failure to submit notification prior to commencement of construction of each tank is a violation of 40 CFR 60.71(a)(1), which language has been adopted as a Louisiana regulation in LAC 33:III.3003.A, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).



V.	File Review 3/18/2019	In correspondence dated September 26, 2018, the respondent submitted the facility's 2018 First Semiannual Monitoring Report. The report disclosed that on March 7, 2018, Tank 1474 (EQT 004) was partially landed for an eleven minute period and then refilled without completely emptying the tank. The report disclosed that between March 5, 2018 and March 7, 2018, Tank 1476 (EQT 006) was landed in a drain dry condition and then partially refilled such that the roof remained in a heeled condition for a 52-hour period before being fully floated. Each failure to continuously refill, or drain, a tank, when the roof is resting on the leg supports, is a violation of 40 CFR 60.112b(a)(1)(i), which language has been adopted as a Louisiana regulation in LAC 33:III.3003.A, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
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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 described herein. Written comments may be filed regarding the violation 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. If you would like to have such a meeting, please contact Mark E. Brown at (225) 219-3782 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 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.
IV.	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.
V.	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.

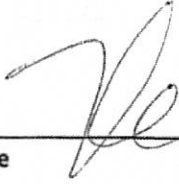
CONTACTS AND SUBMITTAL OF INFORMATION

Enforcement Division:	Physical Address (if hand delivered):
Louisiana Department of Environmental Quality Office of Environmental Compliance Air Enforcement Division P.O. Box 4312 Baton Rouge, LA 70821 Attn: Mark E. Brown	Department of Environmental Quality 602 N Fifth Street Baton Rouge, LA 70802

HOW TO REQUEST CLOSURE OF THIS NOTICE OF POTENTIAL PENALTY

To expedite closure of the NOTICE OF POTENTIAL PENALTY , the Respondent may offer a settlement amount to resolve any claim for civil penalties for the violation(s) described herein.
<ul style="list-style-type: none"> • The Department assesses civil penalties based on LAC 33:I.Subpart1.Chapter7. • 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 "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.

If you have questions or need more information, you may contact Mark E. Brown at (225) 219-3782 or mark.brown@la.gov.



Lourdes Iturralde
Assistant Secretary
Office of Environmental Compliance

Date:

2-17-19

cc: Bengal Pipeline Company LLC
1476 Louisiana Highway 61
Jackson, LA 70748

Attachment

- Request to Settle

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-18-00264	Contact Name	Mark E. Brown
Agency Interest (AI) No.	588	Contact Phone No.	(225) 219-3782
Alternate ID No.	0880-00007		
Respondent:	Bengal Pipeline Company LLC	Facility Name:	Baton Rouge Tank Farm
	c/o Corporation Service Company	Physical Location:	1476 Louisiana Highway 61
	Agent for Service of Process	City, State, Zip:	Jackson, LA, 70748
	501 Louisiana Avenue	Parish:	East Feliciana
	Baton Rouge, LA 70802		

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 AE-PP-18-00264**, 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-18-00264**, 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-18-00264** 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

If you have questions or need more information, you may contact Mark E. Brown at (225) 219-3782 or mark.brown@la.gov.