

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

DCP MIDSTREAM, LP

AI # 27985, 31621, 31865, 33406, 33408, 84966

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

* Settlement Tracking No.
* SA-AE-20-0026
*
* Enforcement Tracking No.
* AE-CN-09-0271
*
*
*
*
*

SETTLEMENT

The following Settlement is hereby agreed to between ETC Texas Pipeline, Ltd. (current owners of Agency Interest Nos. 27985, 31865, 33406, 33408, and 84966), and Pelico Pipeline, LLC (current owner of Agency Interest No. 31621) and the Department of Environmental Quality (“DEQ” or “the Department”), in resolution of the Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-09-0271, issued to DCP Midstream, LP a/k/a DCP Operating Company, LP (“Respondent”), 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 facilities located in Webster Parish, Bienville Parish, and Claiborne Parish, Louisiana (“the Facilities”).

II

On February 28, 2013, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-09-0271 (Exhibit 1).

The following violations, although not cited in the foregoing enforcement action, are

included within the scope of this settlement:

Inspection 2/26/2014, AI No. 27985

- A. The Respondent failed to conduct weekly inspections for pumps in light liquid service (FUG0001). Specifically, the Respondent could not provide evidence that the weekly inspections on May 20, 2013 and October 7, 2013 were conducted. This is a violation of Specific Requirement 65 of Title V Permit No. 3080-00004-V6, 40 CFR 60.482-1(d)(4), which language has been adopted as a Louisiana regulation in LAC 33:III.3003, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).

RMP Inspection 1/19/13 - 1/21/2013, AI No. 27985

- A. The Respondent failed to perform inspections and tests on process equipment. Specifically, the mechanical integrity guidelines called for a five (5) year inspection on critical pumps that was not being performed. Pipe segments NGL B200-1020 and NGL CL-1033 had not received any ultrasonic thickness testing as required. Each failure to perform inspections and tests on process equipment is a violation of 40 CFR 68.73(d), which language has been adopted as a Louisiana regulation in LAC 33:III.5901.A, and La. R.S. 30:2057(A)(2).
- B. The Respondent failed to performed inspections and test on process equipment at a frequency that is consistent with manufacturer's recommendations and good engineering practices. Specifically, the inspection noted the following missed inspection and tests on process equipment:

EQUIPMENT ID	INSPECTIONS and/or TESTS MISSED and/or LATE
CL-1107A	The Respondent missed two (2) visual inspections for the Inlet gas pipe CL-0117A
	The Respondent failed to timely conduct one (1) ultrasonic thickness test, the ultrasonic test was due in 2003 and was conducted in 2007 approximately four (4) years late.
	The Respondent failed to timely take measurements for fifteen (15) of the twenty-seven (27) measurement locations.
V-107	The Respondent failed to conduct the internal inspection for V-107 was due in October of 2002 but, the internal inspection was not performed until October 2012; therefore, it was 10 years late.

EQUIPMENT ID	INSPECTIONS and/or TESTS MISSED and/or LATE
V-229	The Respondent failed to timely conduct visual test in 2007, the test was conducted in 2010; therefore, the test was three (3) years late.
	The Respondent failed to conduct ultrasonic baseline thickness test. The vessel was installed in 2002, and the test was due within 5 years, this test was not completed at the time of the inspection; therefore, the test was approximately six (6) years late.
	The Respondent failed to conduct a timely ten (10) year internal inspection.
V-117	The Respondent failed to conduct the five (5) year interval visual inspection in 2000 and 2005. In correspondence dated August 6, 2013, the Respondent stated that this was completed in 2010.
V-104	The Respondent failed to conduct the five (5) year interval visual inspection in 2000 and 2005. In correspondence dated August 6, 2013, the Respondent stated that this was completed in 2010.
	The Respondent failed to timely conduct ultrasonic thickness testing, the test was conducted two (2) years late in April of 2010.
Compressors CR 5, CR 4, C 10	The Respondent only had two (2) of the four (4) required three (3) month inspections for compressors CR 5, CR 4, and CR 10.
Compressor CR 1	The Respondent only had one (1) of the required forty-three (43) month inspections for compressor CR 1.

Each failure to performed inspections and test on process equipment at a frequency that is consistent with manufacturer's recommendations and good engineering practices is a violation of 40 CFR 68.73(d)(3), which language has been adopted as a Louisiana regulation in LAC 33:III.5901.A, La. R.S. 30:2057(A)(2).

2/6/2017, AI No. 33406

According to the 2nd Half of 2015 Title V Semiannual Report dated February 29, 2016, and the 2nd Half of 2016 Title V Semiannual Report dated March 14, 2017, the Respondent failed to change oil filters and inspect spark plugs, belts and hoses during 2015 and 2016 for Natural Gas Fired Reciprocating Compressor engine (EQT 0003). Each failure to conduct inspections and maintenance as required is a violation of Specific Requirement 27 of the Title V Permit No. 3080-00021-V10, Specific Requirement 23 of 3080-00021-V9, 40 CFR 63.6605, which language has been incorporated by reference in LAC 33:III.5122.A, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2). In correspondence dated January 12, 2018, the Respondent's representative stated that the facility was offline in 2016, except for the last fourteen (14) days in 2016. The

Respondent's representative stated that EQT 0003 was placed online on December 18, 2016 and that the facility entered the EQT 0003 unit in a work order system in March of 2017, as required by 40 CFR 63 Subpart ZZZZ.

III

This agreement does not constitute an admission that Respondent committed any violations or that it is liable for any fines, forfeitures and/or penalties.

IV

Nonetheless, without any admission of liability under state or federal statute or regulation, the Department agrees to accept a payment in the amount of FORTY-THOUSAND AND NO/100 DOLLARS (\$40,000.00), of which Five Thousand Three Hundred Five and 25/100 Dollars (\$5,305.25) represents the Department's enforcement costs, in settlement of the claims set forth in this agreement. The total amount of money expended 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

The Department may consider the 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, ETC Texas Pipeline, Ltd., and Pelico Pipeline, LLC, 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 any right to administrative or judicial review of the terms of this agreement is waived, 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

ETC Texas Pipeline, Ltd. and Pelico Pipeline, LLC have caused a public notice advertisement to be placed in the official journal of the parish governing authority in Webster Parish, Bienville Parish, and Claiborne 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. ETC Texas Pipeline, Ltd. and Pelico Pipeline, LLC have 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.

ETC Texas Pipeline, Ltd. and
Pelico Pipeline, LLC,

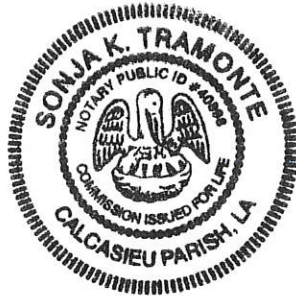
BY: James D. Odum
(Signature)

James D. Odum
(Printed)

TITLE: Vice President - Operations

THUS DONE AND SIGNED in duplicate original before me this 21st day of May, 20 21, at Lake Charles, LA.

Sonja K. Tramonte
NOTARY PUBLIC (ID # 40898)



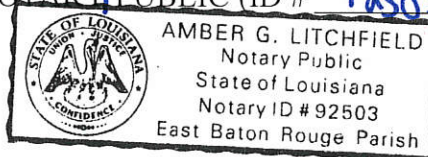
Sonja K. Tramonte
(stamped or printed)

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 17th day of September, 20 21, at Baton Rouge, Louisiana.

NOTARY PUBLIC (ID # 92503)



(stamped or printed)

Approved: [Signature]
Lourdes Iturralde, Assistant Secretary

BOBBY JINDAL
GOVERNOR



PEGGY M. HATCH
SECRETARY

State of Louisiana
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE

February 28, 2013

CERTIFIED MAIL (7004 2510 0005 5753 5087)
RETURN RECEIPT REQUESTED

DCP MIDSTREAM, LP
c/o C T Corporation System
Agent for Service of Process
5615 Corporate Boulevard, Suite 400B
Baton Rouge, Louisiana 70808

**RE: CONSOLIDATED COMPLIANCE ORDER
& NOTICE OF POTENTIAL PENALTY
ENFORCEMENT TRACKING NO. AE-CN-09-0271
AGENCY INTEREST NOS. 27985, 31621, 31865, 33406, 33408 & 84966**


Dear Sir:

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 **DCP MIDSTREAM, LP (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 Sarah Acosta at (225) 219-3138.

Sincerely,


Celena J. Cage
Administrator
Enforcement Division



CJC/SEA/sea

Alt ID Nos. 3080-00004, 0360-00093, 0620-00020, 3080-00021, 3080-00024, & 0360-00022

c: DCP Midstream, LP
Kyle Arnott, Sr. Environmental Specialist
662 South Shelby Street
Carthage, Texas 75633

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

IN THE MATTER OF

**DCP MIDSTREAM, LP
MULTIPLE PARISHES
ALT ID NOS. 3080-00004, 0360-00093,
0620-00020, 3080-00021, 3080-00024,
& 0360-00022**

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

*
*
* **ENFORCEMENT TRACKING NO.**
*
* **AE-CN-09-0271**
*
* **AGENCY INTEREST NOS.**
*
* **27985, 31621, 31865, 33406,**
* **33408 & 84966**

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

The following **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is issued to **DCP MIDSTREAM, LP (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 facilities listed in Table 1.

Table 1.

AI No.	Facility Name	Physical Location	Current Operating Permit(s)	Permit Issuance Date(s)
27985	Minden Gas Plant	323 Angie Road in Minden, Webster Parish, LA	3080-00004-V6	November 1, 2012
31621	Sailes #3 Compressor Station	3.5 miles southeast of Sailes in Bienville Parish LA	0360-00093-V8	March 18, 2011

AI No.	Facility Name	Physical Location	Current Operating Permit(s)	Permit Issuance Date(s)
31865	West Teal Compressor Station	0.5 miles east of Haynesville in Claiborne Parish, LA	0620-00020-V4	June 11, 2012
33406	Springhill Compressor Station	3.5 miles east of Springhill in Webster Parish, LA	3080-00021-V9	October 2, 2012
33408	Ada #1 Compressor Station	4 miles southeast of Dubberly in Webster Parish, LA	3080-00024-V7	December 15, 2008
84966	Ada Refrigeration Plant	Black Lake Road, 2 miles south of Ada in Bienville Parish, LA	0360-00022-V10	July 26, 2011

II.

On or about February 6, 2012, June 21, 2012, and February 13, 2013, file reviews of the Respondent's facilities listed in Table I were conducted to determine the degree of compliance with the Act and the Air Quality Regulations. While the Department's investigation is not yet complete, the following violations were noted during the course of the file reviews.

- A. In the Respondent's 2010 Title V 1st Semiannual Monitoring Report dated September 30, 2010, the Respondent reported the failure to repair a leaking valve within 15 days at the Minden Gas Plant (AI No. 27985). The failure to repair the leak within the required timeframe is a violation of 40 CFR 60.482-8a(c)(1), which language has been adopted as a Louisiana regulation in LAC 33:III.3003, Title V Permit No. 3080-00004-V4, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).
- B. In the Respondent's 2010 Title V 2nd Semiannual Monitoring Report dated March 29, 2011, and 2010 Title V Annual Compliance Certification dated March 29, 2011, the Respondent reported performance testing was conducted on August 24, 2010, at the Minden Gas Plant, less than 30 days after the notification on July 26, 2010. This is associated with a compressor engine (EQT018). This is a violation of Specific Requirement No. 83 of Title V Permit No. 3080-00004-V4, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

- C. In the Respondent's 2010 Title V 2nd Semiannual Monitoring Report dated March 29, 2011, and 2010 Title V Annual Compliance Certification dated March 29, 2011, the Respondent reported a performance test report was submitted on October 29, 2010, greater than 60 days after testing conducted on August 24, 2010. This is associated with a compressor engine (EQT018) at the Minden Gas Plant. This is a violation of Specific Requirement No. 84 of Title V Permit No. 3080-00004-V4, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).
- D. In the Respondent's 2011 2nd Semiannual Monitoring Report dated March 30, 2012, the Respondent reported the failure to document a daily notation in the flare operation log that the flare (EQT0001) was observed including the time of day and whether or not the flare was smoking. This occurred on December 1, 2011, at the Minden Gas Plant. The Respondent's failure to document daily observation of the presence of a flame on the flare is a violation of LAC 33:III.2116.B.3, Title V Permit No. 3080-00004-V5, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).
- E. In the Respondent's 2010 Title V 1st Semiannual Monitoring Report dated September 30, 2010, and 2010 Title V Annual Compliance Certification dated March 29, 2011, the Respondent reported that on April 19, 2010, the average exhaust gas temperature was outside of the range specified in Appendix A of Title V Permit No. 0360-00093-V6. This is associated with EQT002 at the Sailes #3 Compressor Station (AI No. 31621). This is a violation of Title V Permit No. 0360-00093-V6, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).
- F. In the Respondent's 2010 Title V 1st Semiannual Monitoring Report dated September 30, 2010, and 2010 Title V Annual Compliance Certification dated March 29, 2011, the Respondent reported the automated temperature monitoring system failed to record temperature readings for the following dates at the Sailes #3 Compressor Station: March 13-14, 2010, and March 27-29, 2010. This is associated with EQT023. Each incident of the Respondent's failure to record the temperature is a violation of Title V Permit No. 0360-00093-V6, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).
- G. In the Respondent's 2009 Title V Annual Compliance Certification dated March 26, 2010, 2009 Title V 2nd Semiannual Monitoring Report dated March 26, 2010, 2010 Title V 1st Semiannual Monitoring Report dated September 30, 2010, 2010 Title V Annual Compliance Certification dated March 29, 2011, 2011 Title V 1st Semiannual Monitoring Report dated September 29, 2011, the Respondent reported

the following deviations for the West Teal Compressor Station (AI No. 31865).

PERMIT	EMISSION POINT	INCIDENT DATE(S)	OPERATING PARAMETER	REPORTED CAUSE	REGULATORY or PERMIT REQUIREMENTS
0620-00020-V2	EQT001	August 18, 19, 26, and 27, 2009	CAM temperature readings were outside of the range specified in the permit	The engine only ran a short time during the day causing an error with the temperature averaging calculation	Specific Requirement No. 17
0620-00020-V2	EQT001	January 6, 2010, January 17, 2010, and March 5, 2010	CAM temperature readings were outside the range specified in the permit	The engine only ran a short time during the day causing an error with the temperature averaging calculation	Specific Requirement No. 17
0620-00020-V2	EQT001	May 4, 2011	Average exhaust temperature was outside of range specified in permit	The engine only ran for 6 hours that day, as a result the average temperature for that day used 18 hours of data where the engine was not running	Specific Requirement No. 17

Each incident of operating outside the parameter is a violation of Title V Permit No. 0620-00020-V2, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).

- H. In the Respondent's 2011 Title V 2nd Semiannual Monitoring Report dated March 30, 2012, and 2011 Title V Annual Compliance Certification dated March 30, 2012, the Respondent reported the following deviations for the West Teal Compressor Station:

EMISSION POINT	SPECIFIC REQUIREMENT NO.	DESCRIPTION
EQT003	43	Oxygen should be monitored by portable analyzer semiannually (6 months after stack test or previous semiannual test, plus or minus 30 days). The Respondent failed to perform test in the required timeframe.
	46	Nitrogen oxides should be monitored by portable analyzer semiannually (6 months after stack test or previous semiannual test, plus or minus 30 days). The Respondent failed to perform test in the required timeframe.
	47	Carbon monoxide should be monitored by portable analyzer semiannually (6 months after stack test or previous semiannual test, plus or minus 30 days). The Respondent failed to perform test in the required timeframe.

Each incident of the Respondent's failure to perform testing within required timeframe is a violation of Title V Permit No. 0620-00020-V3, I.A.C. 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

- I. In the Respondent's 2011 Title V 2nd Semiannual Monitoring Report dated March 30, 2012, the Respondent reported an emission event which occurred on November 7, 2011, at the Springhill Compressor Station (AI No. 33406). Correspondence from the Respondent dated July 2, 2012, states, "DCP Midstream estimated and reported 21.28 mcf released to the atmosphere during this incident". Correspondence from the Respondent dated July 2, 2012, states, "DCP Midstream believes this incident was preventable and as a result has implemented a site specific PM program and currently are installing an Inlet Liquid Handling System to help prevent reoccurrence of incidents such as this." This incident is a violation of LAC 33:III.905, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
- J. In the Respondent's 2012 Title V 1st Semiannual Monitoring Report dated September 27, 2012, the Respondent reported the failure to record the average exhaust temperature for Engine 1-96, EQT 006, on February 15 and February 16, 2012, at the Springhill Compressor Station. This is a violation of Specific Requirement No. 2 Title V Permit No. 3080-00021-V7, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).
- K. In the Respondent's 2011 Title V 2nd Semiannual Monitoring Report dated March 30, 2012, the Respondent reported the following deviations for the Ada No. 1 Compressor Station (AI No. 33408):

EMISSION POINT	SPECIFIC REQUIREMENT NO.	DESCRIPTION
EQT003	25	Oxygen should be monitored by portable analyzer annually (12 months after the stack test or previous annual test, plus or minus 30 days). The Respondent failed to perform the test in the required timeframe.
	27	Carbon monoxide should be monitored by portable analyzer annually (12 months after the stack test or previous annual test, plus or minus 30 days). The Respondent failed to perform the test in the required timeframe.
	28	Nitrogen Oxides should be monitored by portable analyzer annually (12 months after the stack test or previous annual test, plus or minus 30 days). The Respondent failed to perform the test in the required timeframe.

Each incident of the Respondent's failure to perform the test within the required timeframe is a violation of Title V Permit No. 3080-00024-V7, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

- L. In the Respondent's 2009 Title V 1st Semiannual Monitoring Report dated September 29, 2009, 2009 Title V Annual Compliance Certification dated March 26, 2010, the Respondent reported the following deviations for the Ada Refrigeration Plant (AI No. 84966).

EMISSION POINT	INCIDENT DATE	MONITORING PARAMETER	REPORTED CAUSE	PERMIT REQUIREMENTS
EQT003	September 13-17, 2009	Permit requires temperature and O ₂ be collected daily. Temperature and O ₂ were not recorded on these days.	Problem with electronic data gathering system	Specific Requirement Nos. 45 and 46
EQT004	January 24, 2009 – June 21, 2009, and July 4,5,6,18,19,25, 26, 2009	Permit requires temperature and O ₂ be collected daily. Temperature and O ₂ were not recorded on weekends during the time period of January 24- June 21. Temperature and O ₂ were not recorded for July on the days listed.	Problem with electronic data gathering system	Specific Requirement Nos. 72 and 73
EQT018	April 10-11, 2009, June 17-30, 2009, July 3-5, 2009	Permit requires temperature and O ₂ be collected daily. Temperature and O ₂ were not recorded on weekends during the time period of April 10-11 and June 17-30. Temperature and O ₂ were not recorded for July on the days listed.	Problem with electronic data gathering system	Specific Requirement Nos. 113 and 114
EQT020	September 12-13, 2009	Permit requires temperature and O ₂ be collected daily. Temperature not recorded on these days.	Problem with electronic data gathering system	Specific Requirement No. 141

Each incident of the Respondent's failure to monitor as required is a violation of Title V Permit No. 0360-00022-V8, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

- M. In the Respondent's 2010 Title V 1st Semiannual Monitoring Report dated September 30, 2010, 2010 Title V 2nd Semiannual Monitoring Report dated March 29, 2011, and the 2010 Annual Compliance Certification dated March 29, 2010, the Respondent reported the following deviations for the Ada Refrigeration Plant:

EMISSION POINT	MONITORING PARAMETER	PERMIT REQUIREMENTS
EQT004	Monitor CO, NO _x , and O ₂ by portable analyzer quarterly (90 days after the stack test or previous quarterly test, plus or minus 30 days). The Respondent failed to perform the test within the required timeframe.	Specific Requirement Nos. 65, 66, and 67
EQT002	Monitor CO, NO _x , and O ₂ by portable analyzer quarterly (90 days after the stack test or previous quarterly test, plus or minus 30 days). The Respondent failed to perform the test within the required timeframe.	Specific Requirement Nos. 11, 12, and 13
EQT003	Monitor CO, NO _x , and O ₂ by portable analyzer quarterly (90 days after the stack test or previous quarterly test, plus or minus 30 days). The Respondent failed to perform the test within the required timeframe.	Specific Requirement Nos. 38, 39, and 40

EMISSION POINT	MONITORING PARAMETER	PERMIT REQUIREMENTS
EQT020	Monitor CO, NO _x , and O ₂ by portable analyzer quarterly (90 days after the stack test or previous quarterly test, plus or minus 30 days). The Respondent failed to perform the test within the required timeframe.	Specific Requirement Nos. 133, 134, and 135

Each incident of the Respondent's failure to perform the test within the required timeframe is a violation of Title V Permit No. 0360-00022-V8, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

- N. In the Respondent's 2010 Title V 1st Semiannual Monitoring Report dated September 30, 2010, for the Ada Refrigeration Plant, the Respondent reported O₂ concentration readings were not collected for the left bank of cylinders on June 3, 2010 – June 4, 2010. This is associated with EQT018. This is a violation of Specific Requirement No. 113 of Title V Permit No. 0360-00022-V8, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).
- O. In the Respondent's 2010 Title V 1st Semiannual Monitoring Report for the Ada Refrigeration Plant, the Respondent reported the O₂ readings associated with EQT0020 were below <0.025mV for two consecutive days (April 16-17, 2010). This is a violation of Specific Requirement No. 139 of Title V Permit No. 0360-00022-V8, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

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 Air Quality Regulations and all applicable air permits.

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 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: Sarah Acosta
Re: Enforcement Tracking No. AE-CN-09-0271
Agency Interest Nos. 27985, 31621, 31865, 33406, 33408 & 84966

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. AE-CN-09-0271
Agency Interest Nos. 27985, 31621, 31865, 33406, 33408 & 84966

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 Sarah Acosta at (225) 219-3138 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.

Baton Rouge, Louisiana, this 28 day of February, 2013.



Cheryl Sonnier Nolan
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: Sarah Acosta