

STATEMENT OF BASIS (AI No. 9789)

for modified draft Louisiana Pollutant Discharge Elimination System permit No. LA0091961 to discharge to waters of the State of Louisiana.

THE APPLICANT IS: Gulf Island Fabrication, Inc.
East Yard, West Yard, and Southport
Post Office Box 310
Houma, LA 70361

ISSUING OFFICE: Louisiana Department of Environmental Quality (LDEQ)
Office of Environmental Services
Post Office Box 4313
Baton Rouge, Louisiana 70821-4313

PREPARED BY: Ronda Burtch

DATE PREPARED: September 29, 2009

1. PERMIT STATUS

A. Reason for Permit Action:

Modification of an existing Louisiana Pollutant Discharge Elimination System (LPDES) permit to add Outfall 012, facility-wide ballast water, dry dock ballast water, and void water from a proposed dry dock at the Gulf Island Fabrication (GIFI) site, following regulations promulgated at LAC 33:IX.3105. In accordance with LAC 33:IX.3105.B.2, only those permit limitations and conditions pertaining to the draft modification(s) are open for public comment.

B. LPDES permit -- LA0091961

LPDES permit effective date: March 1, 2007

LPDES permit expiration date: February 28, 2012

C. Date Modification Request Received: August 20, 2009. Outfall 012 will be added to the existing individual permit and the renewal application, which is due in 2011. Therefore, a major modification of the existing permit is being issued to add Outfall 012.

2. FACILITY INFORMATION

A. FACILITY TYPE/ACTIVITY - fabricator of offshore oil and gas structures

GIFI is comprised of three yards, East Yard (formerly know as the Main Yard), West Yard, and Southport, located on the Houma Navigation Canal. GIFI is an existing facility which fabricates offshore structures utilized by the oil and gas industry. The facility currently discharges treated sanitary wastewater, hydrostatic test wastewater, utility washwater, and industrial stormwater runoff. The dry dock will include the intermittent discharge of facility ballast water, dry dock ballast water, and void water. The dry dock will operate within the confines of the Gulf Island Fabrication site (East Yard, West Yard, and Southport). The ballast tanks on the dock can hold approximately 2,500,000 gallons of water and the floodable wing wall sections can hold approximately 575,000 gallons of water. The average flow rate will be approximately 3,075,000 gallons per discharge. The discharges will occur approximately twice a month. The dry dock will be used to perform overhaul, repair, alteration work, and industrial services on a variety of company vessels. Activities that will be occurring on the dock will include abrasive blasting, pressure washing, coating operations (painting), scraping of barnacles from vessels, as well as fuel, oil, and water transfers.

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- B. FEE RATE
1. Fee Rating Facility Type: minor
 2. Complexity Type: II*
 3. Wastewater Type: III
 4. SIC code: 3731, 3441, and 1389

*The Complexity Type was BPJ'd from IV to II to match other similar fabricating facilities.

- C. LOCATION - 583 Thompson Road in Houma, Terrebonne Parish
 Latitude 29° 32' 18", Longitude 90° 42' 01"

3. **PROPOSED MODIFICATIONS**

1. Add Outfall 012 for the discharge of facility ballast water, dry dock ballast water, and void water from a proposed dry dock.

4. **OUTFALL INFORMATION**

Outfall 012

Discharge Type: intermittent discharge of facility ballast water, dry dock ballast water, and void water

Treatment: none

Location: at the point of discharge, from the vessel/dry dock, prior to combining with other waters

Flow: intermittent

Discharge Route: Houma Navigation Canal

5. **RECEIVING WATERS**

STREAM: Houma Navigation Canal

BASIN AND SEGMENT: Terrebonne Basin, Segment 120509

DESIGNATED USES: a. primary contact recreation
 b. secondary contact recreation
 c. propagation of fish and wildlife
 d. drinking water supply

6. **TMDL STATUS**

Subsegment 120509, Houma Navigation Canal - From Houma to Bayou Pelton, is not listed on LDEQ's Final 2006 303(d) List as impaired, and to date no TMDLs have been established. A reopener clause will be established in the permit to allow for the requirement of more stringent effluent limitations and requirements as imposed by any future TMDLs.

7. **COMPLIANCE HISTORY/COMMENTS**

1. OEC:

Enforcement Actions – The Department issued Consolidated Compliance Order & Notice of Potential Penalty (CONOPP), Enforcement tracking numbers MM-CN-03-0084, MM-CN-03-

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0084A, and MM-CN-03-0084B on March 28, 2004, June 14, 2005, and February 24, 2006, respectively. The Department determined that a penalty would be deemed unnecessary for the effluent violations cited in the compliance order above. No other recent enforcement actions have been administered against this facility.

Inspections: The most recent inspection performed at this facility was on June 20, 2005.

- DMR Review/Excursions: A review of the DMRs for the period of July 1, 2007 through June 30, 2009, revealed the following excursions:

Date	Parameter	Outfall	Reported Value	Permit Limits
April - June 2009	TSS, Monthly Avg	801	21 mg/l	20 mg/l
February 2009	TSS, Monthly Avg	501	35 mg/l	30 mg/l
January 2009	TSS, Monthly Avg	501	36 mg/l	30 mg/l
January - March 2009	COD, Daily Max	007	133 mg/l	125 mg/l
December 2008	TSS, Monthly Avg	501	86 mg/l	30 mg/l
	TSS, Weekly Avg	501	86 mg/l	45 mg/l
November 2008	TSS, Monthly Avg	501	52 mg/l	30 mg/l
	TSS, Weekly Avg	501	52 mg/l	45 mg/l
October-December 2008	Fecal Coliform, Weekly Avg	103	740 col/100 ml	400 col/100 ml
	Fecal Coliform, Weekly Avg	004	530 col/100 ml	400 col/100 ml
	TSS, Weekly Avg	401	151 mg/l	45 mg/l
July-December 2008	TSS, Weekly Avg	102	109 mg/l	45 mg/l
	BOD, Weekly Avg	202	94 mg/l	45 mg/l
	TSS, Weekly Avg	202	65 mg/l	45 mg/l
	Fecal Coliform, Weekly Avg	403	>6,000 col/100 ml	400 col/100 ml
	BOD, Weekly Avg	603	57 mg/l	45 mg/l
	TSS, Weekly Avg	603	60 mg/l	45 mg/l
	Fecal Coliform, Weekly Avg	603	530 col/100 ml	400 col/100 ml
	TSS, Weekly Avg	201	47 mg/l	45 mg/l
	TSS, Weekly Avg	701	54 mg/l	45 mg/l
June 2008	TSS, Weekly Avg	102	69 mg/l	45 mg/l
	Oil & Grease*, Daily Max	602	19 mg/l	15 mg/l
March 2008	Fecal Coliform, Weekly Avg	004	570 col/100 ml	400 col/100 ml
December 2007	TSS, Weekly Avg.	501	63 mg/l	45 mg/l
	Fecal Coliform, Weekly Avg	201	>2,000 col/100 ml	400 col/100 ml
	TSS, Weekly Avg	202	52 mg/l	45 mg/l
	Fecal Coliform, Weekly Avg	703	710 col/100 ml	400 col/100 ml
June 2007	Fecal Coliform, Weekly Avg	401	600 col/100 ml	400 col/100 ml
	Fecal Coliform, Weekly Avg	103	600 col/100 ml	400 col/100 ml
	TSS, Weekly Avg	102	53.5 mg/l	45 mg/l

* The non-compliance report stated that the sample bottle may have been contaminated. The hydrostatic test water was not discharged until a second sample analysis was shown to be within permit limits.

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8. ENDANGERED SPECIES

The receiving waterbody, Subsegment 120509 of the Terrebonne Basin is not listed in Section II.2 of the Implementation Strategy as requiring consultation with the U.S. Fish and Wildlife Service (FWS). This strategy was submitted with a letter dated November 17, 2008 from Rieck (FWS) to Nolan (LDEQ). Therefore, in accordance with the Memorandum of Understanding between the LDEQ and the FWS, no further informal (Section 7, Endangered Species Act) consultation is required. The effluent limitations established in the permit ensure protection of aquatic life and maintenance of the receiving water as aquatic habitat. Therefore, the issuance of the LPDES permit is not likely to have an adverse effect on any endangered or candidate species or the critical habitat.

9. HISTORIC SITES

The discharge is from an existing facility location, which does not include an expansion on undisturbed soils. Therefore, there should be no potential effect to sites or properties on or eligible for listing on the National Register of Historic Places, and in accordance with the "Memorandum of Understanding for the Protection of Historic Properties in Louisiana Regarding LPDES Permits" no consultation with the Louisiana State Historic Preservation Officer is required.

10. TENTATIVE DETERMINATION

On the basis of preliminary staff review, the Department of Environmental Quality has made a tentative determination to modify the permit to address changes to the discharges described in the application.

11. PUBLIC NOTICES

Upon publication of the public notice, a public comment period shall begin on the date of publication and last for at least 30 days thereafter. During this period, any interested persons may submit written comments on the draft permit and may request a public hearing to clarify issues involved in the permit decision at this Office's address on the first page of the statement of basis. A request for a public hearing shall be in writing and shall state the nature of the issues proposed to be raised in the hearing.

Public notice published in:

Local newspaper of general circulation

Office of Environmental Services Public Notice Mailing List

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Rationale for Gulf Island Fabrication, Inc.

1. **Outfall 012:** intermittent discharge of facility ballast water, dry dock ballast water, and void water

Pollutant	Limitation		Reference
	Monthly Avg.	Daily Max	
	mg/L		
Flow	Report	Report	
COD ¹	---	250	Similar discharges (BPJ)
Oil & Grease ¹	---	15	Similar discharges (BPJ)
Visible Sheen ²	---	No presence	Similar discharges (BPJ)
pH, s.u.	6.0 (min)	9.0 (max)	Similar discharges (BPJ)

BPJ Best Professional Judgment

Treatment: none

Monitoring Frequency: 1/day for Visible Sheen. Flow, COD, Oil & Grease and pH shall be monitored once per event at the point of discharge, from the vessel/dry dock, prior to combining with other waters.

Limits Justification: Limits and Monitoring Frequency are based on current guidance for similar discharges from other industrial facilities.

¹ Discharge shall be sampled whenever there is a presence of a visible sheen.

² When discharging.