

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-11-0034

* Enforcement Tracking No.
* AE-CN-10-00550

*
*
*

SETTLEMENT

The following Settlement is hereby agreed to between 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 owns an underground gas storage facility located in Sorrento, Ascension Parish, Louisiana ("the Facility").

II

On August 20, 2010, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-10-00550, which was based upon the following findings of fact:

The Respondent owns the Sorrento Underground Gas Storage Facility (facility) located at 6576 Louisiana Highway 3140 in Sorrento, Ascension Parish, Louisiana. Chevron Midstream Pipelines, LLC operates the facility for the Respondent. The facility stores natural gas in underground caverns until required, at which point the gas is removed and exits the facility via

pipelines. Chevron Midstream Pipelines, LLC operates the facility under Title V Air Permit No. 0180-00048-V1 which was administratively amended on March 8, 2010, and shall expire on June 7, 2010.

On or about November 18, 2009, and December 23, 2009, the Respondent reported deviations related to the requirements under LAC 33:III Chapter 22. A file review of the facility was performed on or about March 12, 2010.

The following violations were discovered during the file review:

- A. The Respondent failed to install, calibrate, maintain and operate fuel totalizing meters on three (3) 2200 hp White-Superior GTLB engines designated as emission points EQT0004, EQT0005 and EQT0006. Instead, the combined fuel usage for all three engines was monitored by one (1) fuel totalizing meter installed on the fuel header for all three (3) engines during the period of May 1, 2006, to the present. Each failure to install and operate a fuel totalizing meter is a violation of Title V Air Permit No. 0180-00048-V1 Specific Requirement 5 (EQT0004), Specific Requirement 24 (EQT0005), Specific Requirement 43 (EQT0006), LAC 33:III.2201.H.4.a., LAC 33:III.501.C.4., and La. R.S. 30:2057(A)(2).
- B. The Respondent failed to perform triennial stack testing on emissions points EQT0004 and EQT0006 for nitrogen oxides (NO_x) and carbon monoxide (CO) in a timely manner. Specifically, the Respondent did not conduct stack testing for emission points EQT0004 and EQT0006 within three (3) years of the regulatory effective date for LAC 33:III Chapter 22, November 1, 2005. In correspondence submitted to the Department on or about March 25, 2010, the Respondent indicated that triennial stack testing was conducted from January 26, 2010, to January 28, 2010. Each failure to conduct the stack tests for each equipment and for each pollutant is a violation of Title V Air Permit No. 0180-00048-V1 Specific Requirement 8 (EQT0004), Specific Requirement 46 (EQT0006), LAC 33:III.2201.H.4.a., LAC 33:III.501.C.4., and La. R.S. 30:2057(A)(2).
- C. The Respondent failed to perform annual testing for NO_x and CO on emission points EQT0004 and EQT0005. Specifically, the Respondent did not perform annual testing for emission points EQT0004 and EQT0005 within one (1) year of the regulatory effective date for LAC 33:III Chapter 22, November 1, 2005. Each failure to conduct the tests for each equipment and for each pollutant is a

violation of Title V Air Permit No. 0180-00048-V1 Specific Requirement 6 (EQT0004), Specific Requirement 26 (EQT0005), LAC 33:III.2201.H.4.a., LAC 33:III.501.C.4., and La. R.S. 30:2057(A)(2).

In addition to the above violations, on March 17, 2011 the Respondent reported that it may have exceeded the annual emission limits for volatile organic compounds (VOC) for the triethylene glycol dehydration units (EQT 11 and EQT 12) at the facility from June 7, 2005 through July 26, 2011. The Respondent further reported that these emissions sources currently satisfy the VOC emission limits in the existing permit. Each exceedance of the permit limits is a violation of Title V Air Permit No. 0180-00048-V1, LAC 33:III.501.C.4, La R.S. 30:2057(A)(1) and 30:2057(A)(2).

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 TWENTY-SEVEN THOUSAND SEVEN HUNDRED FIFTY AND NO/100 DOLLARS (\$27,750.00), of which Three Hundred Forty-Eight and 30/100 Dollars (\$348.30) 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 permit records, the Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-10-00550, 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

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, wording, and size 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.

IX

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).

X

In consideration of the above, any claims for penalties are hereby compromised and settled in accordance with the terms of this Settlement.

XI

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.

BRIDGELINE HOLDINGS, L.P.

BY: _____
(Signature)

(Printed)

TITLE: _____

THUS DONE AND SIGNED in duplicate original before me this _____ day of _____, 20 _____, at _____.

NOTARY PUBLIC (ID # _____)

(stamped or printed)

LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY
Peggy M. Hatch Secretary

BY: _____
Cheryl Sonnier Nolan, Assistant Secretary
Office of Environmental Compliance

THUS DONE AND SIGNED in duplicate original before me this _____ day of _____, 20 _____, at Baton Rouge, Louisiana.

NOTARY PUBLIC (ID # _____)

(stamped or printed)

Approved: 
Cheryl Sonnier Nolan, Assistant Secretary