

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

SHELL PIPELINE COMPANY LP

AI # 41417

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

* Settlement Tracking No.
* SA-AE-21-0014
*
* Enforcement Tracking Nos.
* AE-CN-18-00564
* AE-CN-18-00564A
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SETTLEMENT

The following Settlement is hereby agreed to between Shell Pipeline Company LP (“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 and/or operates a storage and pipeline facility located in Sorrento, Ascension Parish, Louisiana (“the Facility”).

II

On September 24, 2018, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-18-00564 (Exhibit 1).

On March 15, 2019, the Department issued to Respondent an Amended Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-18-00564A (Exhibit 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-FIVE THOUSAND AND NO/100 DOLLARS (\$25,000.00), of which One Thousand Four Hundred Twenty-Nine and 10/100 Dollars (\$1,429.10) 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 record(s), the Consolidated Compliance Order & Notice of Potential Penalty, Amended 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 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.

XI

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.

SHELL PIPELINE COMPANY LP

BY: Ronald F. Mire
(Signature)

RONALD F. MIRE
(Printed)

TITLE: OPERATIONS MANAGER

THUS DONE AND SIGNED in duplicate original before me this 9th day of June, 20 21, at GONZALES LA.

David Carubba

NOTARY PUBLIC (ID # 58332)
DAVID J. CARUBBA
Notary Public
Notary ID No. 58332
Ascension Parish, Louisiana



(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.

[Signature]

AMBER G. LITCHFIELD
NOTARY PUBLIC (Notary ID # 92503)
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

September 24, 2018

CERTIFIED MAIL (7012 2210 0001 1915 8374)
RETURN RECEIPT REQUESTED

SHELL PIPELINE COMPANY LP
c/o C T Corporation System
Agent for Service of Process
3867 Plaza Tower Drive
Baton Rouge, LA 70816

**RE: CONSOLIDATED COMPLIANCE ORDER
& NOTICE OF POTENTIAL PENALTY
ENFORCEMENT TRACKING NO. AE-CN-18-00564
AGENCY INTEREST NO. 41417**

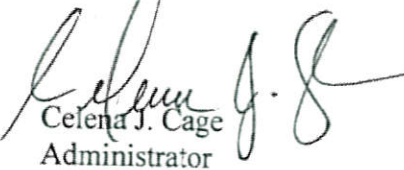
Dear Sir:

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 **SHELL PIPELINE COMPANY LP (RESPONDENT)** for the violation(s) described therein.

Compliance is expected within the maximum time period established by each part of the **COMPLIANCE ORDER**. The violation(s) 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 Antoinette Cobb at (225) 219-3072 or via email at antoinette.cobb@la.gov.

Sincerely,


Celena J. Cage
Administrator
Enforcement Division

CJC/AFC/afc
Alt ID No. 0180-00034
Attachment



c: Shell Pipeline Company LP
c/o Mr. Greg Smith, GM Operations
701 Poydras Street, Suite 10C0
New Orleans, Louisiana 70139

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

IN THE MATTER OF

**SHELL PIPELINE COMPANY LP
ASCENSION PARISH
ALT ID NO. 0180-00034**

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

*	
*	
*	ENFORCEMENT TRACKING NO.
*	
*	AE-CN-18-00564
*	
*	AGENCY INTEREST NO.
*	
*	41417
*	

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

The following **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is issued to **SHELL PIPELINE COMPANY 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 Sorrento Dome Storage Facility (facility), a storage and pipeline facility, located at 7728 Louisiana Highway 3140 in Sorrento, Ascension Parish, Louisiana. The facility currently operates under the authority of Minor Source Air Permit No. 0180-00034-05 issued on October 3, 2008. The Respondent submitted a Minor Source Air Permit Renewal and Modification Application dated April 2, 2018.

II.

The United States Environmental Protection Agency Region 6 (US EPA Region 6) issued a Clean Air Act Section 114 Information Request to the Respondent dated July 11, 2017, to obtain information to determine flare compliance. The Respondent responded to the request in correspondence dated September 18, 2017. The Respondent also submitted supplemental information related to the request

dated December 5, 2017, December 14, 2017, March 23, 2018, May 30, 2018, and June 12, 2018. The Respondent provided copies of the submittals and/or information to Department on or about July 10, 2018.

III.

On or about August 13, 2018, the Department conducted a file review to determine the Respondent's degree of compliance with the Act, the Air Quality Regulations, and all applicable permits. While the review is not complete, the Department noted the following violations during the course of the file review:

- A. In correspondence to the Department, EPA 114 Request-Shell's Response, dated July 10, 2018, the Respondent reported VOC emission exceedances occurred as the result of equipment operating at higher regeneration cycles than those used to calculate the permitted emission limits. In the Minor Source Air Permit Application dated December 12, 2007, the VOC emissions for the Desiccant Dehydrators (EQT 0009-0011) were calculated using multiple factors including the number of regeneration cycles, 30 cycles per year. In correspondence to US EPA Region 6 dated December 14, 2017, the Respondent reported the following regeneration cycles for EQT 0009: 63 regeneration cycles in 2014, 57 regeneration cycles in 2015, 42 regeneration cycles in 2016, and 48 regeneration cycles in 2017.

REPORTING YEAR	EMISSION POINT	POLLUTANT	PERMIT LIMIT (in tpy)	REPORTED EMISSIONS (in tpy)
2014*	EQT 0009 Desiccant Dehydrator	VOC	0.231	0.48
2015*	EQT 0009 Desiccant Dehydrator	VOC	0.231	0.44
2016*	EQT 0009 Desiccant Dehydrator	VOC	0.231	0.32
2017	EQT 0009 Desiccant Dehydrator	VOC	0.231	0.83

* Reported in revised emissions inventories

Each failure to comply with permitted emission limitations is a violation of Minor Source Air Permit No. 0180-00034-05, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

- B. The Respondent failed to operate equipment in the manner specified in the permit application. In the Minor Source Air Permit Application dated December 12, 2007, the Respondent used 30 regeneration cycles as a factor in calculating VOC emissions for the Desiccant Dehydrators (EQT 0009-0011). In correspondence to US EPA Region 6 dated December 14, 2017, the Respondent reported the regeneration cycles noted in the table below:

CALENDAR YEAR	EMISSION POINT	ACTUAL REGENERATION CYCLES
2014	EQT 0009 Desiccant Dehydrator	63
2014	EQT 0011 Desiccant Dehydrator	36
2015	EQT 0009 Desiccant Dehydrator	57
2016	EQT 0009 Desiccant Dehydrator	42
2017	EQT 0009 Desiccant Dehydrator	48

Each failure to operate the equipment as represented in the permit application and/or permit is a violation of LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2). The failure to promptly supplement and/or correct information submitted in a permit application upon becoming aware of any relevant facts or incorrect information is a violation of LAC 33:III.517.C, LAC 33:III.501.C.1, and La. R.S. 30:2057(A)(2).

- C. The Respondent is required to monitor the heat content of the flare gas via gas analysis annually to ensure the heat content is above 300 BTU/scf for the following sources: the Vertical Flare-Control Room Area (EQT 0004), the Vertical Flare-Dehydrator Area (EQT 0005), and the Vertical Flare- Brine Pit Area (EQT 0006). According to the Respondent's July 10, 2018 response to the EPA 114 Request, the last gas analyses were conducted in 2011; the analyses were re-certified annually. Each failure to conduct the annual gas analyses is a violation of Specific Requirements 8, 16, and 24 of Minor Source Air Permit No. 0180-00034-05, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).
- D. The Respondent is required to record the presence of a flame for the Vertical Flare-Control Room Area (EQT 0004), the Vertical Flare-Dehydrator Area (EQT 0005), and the Vertical Flare- Brine Pit Area (EQT 0006) by electronic or hard copy daily. According to the Respondent's July 10, 2018 response to the EPA 14 Request, flare records for the Vertical Flare-Control Room Area (EQT 0004), the Vertical Flare-Dehydrator Area (EQT 0005), and the Vertical Flare- Brine Pit Area (EQT 0006) prior to June 2016 were not available. According to the Respondent, pilot flame monitoring log data was maintained electronically on a rolling basis as allowed by data storage capacity. As a feature of the electronic system, older records were replaced with newly generated entries. Each failure to comply with recordkeeping requirements is a violation of Specific Requirements 11, 19, and 27 of Minor Source Air Permit No. 0180-00034-05, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2). Each failure to maintain records for a minimum of five (5) years, is a violation of Louisiana General Condition X, LAC 33:III.537, and La. R.S. 30:2057(A)(2).

- E. As shown in the table below, the Respondent failed to report actual emissions in the 2014 annual emissions inventory. The Respondent is required to report actual emissions for all sources of emissions at the facility as outlined in LAC 33:III.919.F.1.b.

REPORTING YEAR (certification statement postmark date)	EMISSION POINT	POLLUTANT	PERMIT LIMIT (in tpy)	REPORTED EMISSIONS (in tpy)
2014 (04/24/2015)	ARE 0001 Brine Pit Emissions	VOC	20.210	20.21
2014 (04/24/2015)	EQT 0001 GEN1-159 HP Caterpillar Generator Engine	CO	0.028	0.028
2014 (04/24/2015)	EQT 0001 GEN1-159 HP Caterpillar Generator Engine	NOx	0.128	0.128
2014 (04/24/2015)	EQT 0001 GEN1-159 HP Caterpillar Generator Engine	PM	0.009	0.009
2014 (04/24/2015)	EQT 0001 GEN1-159 HP Caterpillar Generator Engine	SO ₂	0.008	0.008
2014 (04/24/2015)	EQT 0001 GEN1-159 HP Caterpillar Generator Engine	VOC	0.009	0.009
2014 (04/24/2015)	EQT 0002 GEN2-513 HP Caterpillar Generator Engine	CO	0.089	0.089
2014 (04/24/2015)	EQT 0002 GEN2-513 HP Caterpillar Generator Engine	NOx	0.413	0.413
2014 (04/24/2015)	EQT 0002 GEN2-513 HP Caterpillar Generator Engine	PM	0.029	0.029
2014 (04/24/2015)	EQT 0002 GEN2-513 HP Caterpillar Generator Engine	SO ₂	0.027	0.027
2014 (04/24/2015)	EQT 0003 GEN3-377 HP Caterpillar Generator Engine	CO	0.065	0.065
2014 (04/24/2015)	EQT 0003 GEN3-377 HP Caterpillar Generator Engine	NOx	0.304	0.304
2014 (04/24/2015)	EQT 0003 GEN3-377 HP Caterpillar Generator Engine	PM	0.022	0.022
2014 (04/24/2015)	EQT 0003 GEN3-377 HP Caterpillar Generator Engine	SO ₂	0.02	0.02
2014 (04/24/2015)	EQT 0003 GEN3-377 HP Caterpillar Generator Engine	VOC	0.021	0.021
2014 (04/24/2015)	EQT 0004 Vertical Flare-Control Room Area	CO	0.081	0.081
2014 (04/24/2015)	EQT 0004 Vertical Flare-Control Room Area	NOx	0.015	0.015

REPORTING YEAR (certification statement postmark date)	EMISSION POINT	POLLUTANT	PERMIT LIMIT (in tpy)	REPORTED EMISSIONS (in tpy)
2014 (04/24/2015)	EQT 0004 Vertical Flare-Control Room Area	VOC	0.015	0.015
2014 (04/24/2015)	EQT 0005 Vertical Flare- Dehydrator Area	CO	0.357	0.357
2014 (04/24/2015)	EQT 0005 Vertical Flare- Dehydrator Area	NOx	0.066	0.066
2014 (04/24/2015)	EQT 0006 Vertical Flare-Brine Pond Area	CO	1.394	1.394
2014 (04/24/2015)	EQT 0006 Vertical Flare-Brine Pond Area	NOx	0.256	0.256
2014 (04/24/2015)	EQT 0006 Vertical Flare-Brine Pond Area	VOC	0.264	0.264
2014 (04/24/2015)	EQT 0009 Desiccant Dehydrator	VOC	0.231	0.231
2014 (04/24/2015)	EQT 0010 Desiccant Dehydrator	VOC	0.005	0.005
2014 (04/24/2015)	EQT 0011 Desiccant Dehydrator	VOC	0.012	0.012
2014 (04/24/2015)	FUG 0001 Fugitive Emissions	VOC	166.575	166.575

Each failure to report actual emissions for all sources of emissions at the facility is a violation of LAC 33:III.919.F.1.b and La. R.S. 30:2057(A)(2). On or about December 22, 2017, the Respondent submitted revised emissions data for the 2014 reporting year in the Emissions Reporting and Inventory Center (ERIC); the corresponding certification statement was received on or about January 12, 2018.

- F. As shown in the table below, the Respondent failed to report actual emissions in the 2015 annual emissions inventory. The Respondent is required to report actual emissions for all sources of emissions at the facility as outlined in LAC 33:III.919.F.1.b.

REPORTING YEAR (certification statement postmark date)	EMISSION POINT	POLLUTANT	PERMIT LIMIT (in tpy)	REPORTED EMISSIONS (in tpy)
2015 (04/22/2016)	ARE 0001 Brine Pit Emissions	VOC	20.210	20.21
2015 (04/22/2016)	EQT 0001 GEN1-159 HP Caterpillar Generator Engine	CO	0.028	0.028
2015 (04/22/2016)	EQT 0001 GEN1-159 HP Caterpillar Generator Engine	NOx	0.128	0.128
2015 (04/22/2016)	EQT 0001 GEN1-159 HP Caterpillar Generator Engine	PM	0.009	0.009

REPORTING YEAR (certification statement postmark date)	EMISSION POINT	POLLUTANT	PERMIT LIMIT (in tpy)	REPORTED EMISSIONS (in tpy)
2015 (04/22/2016)	EQT 0001 GEN1-159 HP Caterpillar Generator Engine	SO ₂	0.008	0.008
2015 (04/22/2016)	EQT 0001 GEN1-159 HP Caterpillar Generator Engine	VOC	0.009	0.009
2015 (04/22/2016)	EQT 0002 GEN2-513 HP Caterpillar Generator Engine	CO	0.089	0.089
2015 (04/22/2016)	EQT 0002 GEN2-513 HP Caterpillar Generator Engine	NO _x	0.413	0.413
2015 (04/22/2016)	EQT 0002 GEN2-513 HP Caterpillar Generator Engine	PM	0.029	0.029
2015 (04/22/2016)	EQT 0002 GEN2-513 HP Caterpillar Generator Engine	SO ₂	0.027	0.027
2015 (04/22/2016)	EQT 0003 GEN3-377 HP Caterpillar Generator Engine	CO	0.065	0.065
2015 (04/22/2016)	EQT 0003 GEN3-377 HP Caterpillar Generator Engine	NO _x	0.304	0.304
2015 (04/22/2016)	EQT 0003 GEN3-377 HP Caterpillar Generator Engine	PM	0.022	0.022
2015 (04/22/2016)	EQT 0003 GEN3-377 HP Caterpillar Generator Engine	SO ₂	0.02	0.02
2015 (04/22/2016)	EQT 0003 GEN3-377 HP Caterpillar Generator Engine	VOC	0.021	0.021
2015 (04/22/2016)	EQT 0004 Vertical Flare-Control Room Area	CO	0.081	0.081
2015 (04/22/2016)	EQT 0004 Vertical Flare-Control Room Area	NO _x	0.015	0.015
2015 (04/22/2016)	EQT 0004 Vertical Flare-Control Room Area	VOC	0.015	0.015
2015 (04/22/2016)	EQT 0005 Vertical Flare- Dehydrator Area	CO	0.357	0.357
2015 (04/22/2016)	EQT 0005 Vertical Flare- Dehydrator Area	NO _x	0.066	0.066
2015 (04/22/2016)	EQT 0006 Vertical Flare-Brine Pond Area	CO	1.394	1.394
2015 (04/22/2016)	EQT 0006 Vertical Flare-Brine Pond Area	NO _x	0.256	0.256
2015 (04/22/2016)	EQT 0006 Vertical Flare-Brine Pond Area	VOC	0.264	0.264
2015 (04/22/2016)	EQT 0009 Desiccant Dehydrator	VOC	0.231	0.231
2015 (04/22/2016)	EQT 0010 Desiccant Dehydrator	VOC	0.005	0.005

REPORTING YEAR (certification statement postmark date)	EMISSION POINT	POLLUTANT	PERMIT LIMIT (in tpy)	REPORTED EMISSIONS (in tpy)
2015 (04/22/2016)	EQT 0011 Desiccant Dehydrator	VOC	0.012	0.012
2015 (04/22/2016)	FUG 0001 Fugitive Emissions	VOC	166.575	166.575

Each failure to report actual emissions for all sources of emissions at the facility is a violation of LAC 33:III.919.F.1.b and La. R.S. 30:2057(A)(2). On or about December 22, 2017, the Respondent submitted revised emissions data for the 2015 reporting year in ERIC; the corresponding certification statement was received on or about January 12, 2018.

- G. As shown in the table below, the Respondent failed to report actual emissions in the 2016 annual emissions inventory. The Respondent is required to report actual emissions for all sources of emissions at the facility as outlined in LAC 33:III.919.F.1.b.

REPORTING YEAR (certification statement postmark date)	EMISSION POINT	POLLUTANT	PERMIT LIMIT (in tpy)	REPORTED EMISSIONS (in tpy)
2016 (04/25/2017)	ARE 0001 Brine Pit Emissions	VOC	20.210	20.21
2016 (04/25/2017)	EQT 0003 GEN3-377 HP Caterpillar Generator Engine	CO	0.065	0.065
2016 (04/25/2017)	EQT 0003 GEN3-377 HP Caterpillar Generator Engine	NOx	0.304	0.304
2016 (04/25/2017)	EQT 0003 GEN3-377 HP Caterpillar Generator Engine	PM	0.022	0.022
2016 (04/25/2017)	EQT 0003 GEN3-377 HP Caterpillar Generator Engine	SO ₂	0.02	0.02
2016 (04/25/2017)	EQT 0003 GEN3-377 HP Caterpillar Generator Engine	VOC	0.021	0.021
2016 (04/25/2017)	EQT 0004 Vertical Flare-Control Room Area	CO	0.081	0.081
2016 (04/25/2017)	EQT 0004 Vertical Flare Control Room Area	NOx	0.015	0.015
2016 (04/25/2017)	EQT 0004 Vertical Flare-Control Room Area	VOC	0.015	0.015
2016 (04/25/2017)	EQT 0009 Desiccant Dehydrator	VOC	0.231	0.231
2016 (04/25/2017)	EQT 0010 Desiccant Dehydrator	VOC	0.005	0.005
2016 (04/25/2017)	EQT 0011 Desiccant Dehydrator	VOC	0.012	0.012

Each failure to report actual emissions for all sources of emissions at the facility is a violation of LAC 33:III.919.F.1.b and La. R.S. 30:2057(A)(2). On or about January 4, 2018, the Respondent submitted revised emissions data for the 2016 reporting year in ERIC; the corresponding certification statement was received on or about January 12, 2018.

- H. As shown in the table below, the Respondent failed to report actual emissions in the 2017 annual emissions inventory. The Respondent is required to report actual emissions for all sources of emissions at the facility as outlined in LAC 33:III.919.F.1.b.

REPORTING YEAR (certification statement postmark date)	EMISSION POINT	POLLUTANT	PERMIT LIMIT (in tpy)	REPORTED EMISSIONS
2017 (04/27/2018)	EQT 0004 Vertical Flare-Control Room Area	CO	0.081	0.081
2017 (04/27/2018)	EQT 0004 Vertical Flare-Control Room Area	NOx	0.015	0.015
2017 (04/27/2018)	EQT 0004 Vertical Flare-Control Room Area	VOC	0.015	0.015
2017 (04/27/2018)	EQT 0005 Vertical Flare- Dehydrator Area	CO	0.357	0.357
2017 (04/27/2018)	EQT 0005 Vertical Flare- Dehydrator Area	NOx	0.066	0.066

Each failure to report actual emissions for all sources of emissions at the facility is a violation of LAC 33:III.919.F.1.b and La. R.S. 30:2057(A)(2). On or about May 10, 2018, the Respondent submitted revised emissions data for the 2017 reporting year in ERIC; the corresponding certification statement was submitted or about May 12, 2018.

IV.

The facility is located in Ascension Parish. Per LAC 33:III.919.F.1.a.i, the Respondent, "is required to include actual emissions in tons per year of ethylene and propylene in both the emissions inventory and the certification statement". In the original and revised emissions inventories and certification statements for the 2014-2016 reporting years, the Respondent reported 0 tons for ethylene and propylene. In the original emissions inventory and certification statement for the 2017 reporting year, the Respondent reported no ethylene or propylene emissions for the 2017 calendar year. In the revised 2017 emissions inventory and certification statement postmarked May 11, 2018, the Respondent reported 30.87 tons of ethylene and 84.13 tons of propylene.

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 applicable permit.

II.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, the quantities for the emission exceedances cited in Paragraph III.A of the **FINDINGS OF FACT** portion of the action. The quantities shall be calculated utilizing the same methods and/or equations in the Minor Air Source Renewal Application submitted to the Department dated April 2, 2018.

III.

The Respondent shall conduct a records review to determine the actual ethylene and propylene emissions at the facility for the 2014-2016 calendar years and submit a summary of the findings in a written report to the Enforcement Division, within forty-five (45) days after receipt of this **COMPLIANCE ORDER**.

IV.

Based on the findings described in Paragraph III of this **COMPLIANCE ORDER**, the Respondent shall submit to the Air Planning and Assessment Division-Emissions Inventory Unit, within sixty (60) days after receipt of this **COMPLIANCE ORDER**, revised Emissions Inventories and corresponding certification statements for the 2014-2017 reporting years, if necessary to update ethylene and propylene emissions. Copies of the signed certification statements shall be submitted to the Enforcement Division.

V.

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 violation(s) 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: Antoinette Cobb
Re: Enforcement Tracking No. AE-CN-18-00564
Agency Interest No. 41417

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-18-00564
Agency Interest No. 41417

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 Division of Administrative Law (DAL) Procedural Rules. 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 Antoinette Cobb at (225) 219-3072 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. 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.

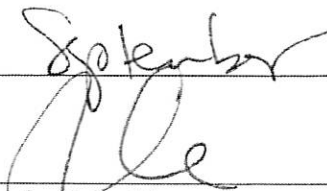
IV.

The Department assesses civil penalties based on LAC 33:I.Subpart1.Chapter7. To expedite closure of this **NOTICE OF POTENTIAL PENALTY** portion, the Respondent may offer a settlement amount to resolve any claim for civil penalties for the violation(s) 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 "**CONSOLIDATED COMPLIANCE ORDER AND NOTICE OF POTENTIAL PENALTY REQUEST TO CLOSE**" 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.

V.

This **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is effective upon receipt.

Baton Rouge, Louisiana, this 24th day of September, 2018.



Lourdes Iturralde
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: Antoinette Cobb

LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY
 OFFICE OF ENVIRONMENTAL COMPLIANCE
 ENFORCEMENT DIVISION CONSOLIDATED COMPLIANCE ORDER &
 POST OFFICE BOX 4312 NOTICE OF POTENTIAL PENALTY
 BATON ROUGE, LOUISIANA 70821-4312 REQUEST TO CLOSE



Enforcement Tracking No.	AE-CN-18-00564	Contact Name	Antoinette Cobb
Agency Interest (AI) No.	41417	Contact Phone No.	(225) 219-3072
Alternate ID No.	0180-00034		
Respondent:	Shell Pipeline Company LP	Facility Name:	Sorrento Dome Storage Facility
	c/o C T Corporation System	Physical Location:	7728 Louisiana Highway 3140
	Agent for Service of Process		
	3867 Plaza Tower Drive	City, State, Zip:	Sorrento, LA 70778
	Baton Rouge, LA 70816	Parish:	Ascension

STATEMENT OF COMPLIANCE

STATEMENT OF COMPLIANCE	Date Completed	Copy Attached?
A written report was submitted in accordance with Paragraph V of the "Order" portion of the COMPLIANCE ORDER.		
All necessary documents were submitted to the Department within 30 days of receipt of the COMPLIANCE ORDER in accordance with Paragraph(s) II of the "Order" portion of the COMPLIANCE ORDER.		
All necessary documents were submitted to the Department within 45 days of receipt of the COMPLIANCE ORDER in accordance with Paragraph(s) III of the "Order" portion of the COMPLIANCE ORDER.		
All necessary documents were submitted to the Department within 60 days of receipt of the COMPLIANCE ORDER in accordance with Paragraph(s) IV of the "Order" portion of the COMPLIANCE ORDER.		
All items in the "Findings of Fact" portion of the COMPLIANCE ORDER were addressed and the facility is being operated to meet and maintain the requirements of the "Order" portion of the COMPLIANCE ORDER. Final compliance was achieved as of:		

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-CN-18-00564) 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-CN-18-00564) 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. <ul style="list-style-type: none"> • 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-CN-18-00564) and has attached a justification of its offer and a description of any BEPs if included in settlement offer.

CERTIFICATION STATEMENT		
<p><i>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.</i></p>		
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:		
<p>Louisiana Department of Environmental Quality Office of Environmental Compliance Enforcement Division P.O. Box 4312 Baton Rouge, LA 70821 Attn: Antoinette Cobb</p>		

JOHN BEL EDWARDS
GOVERNOR



CHUCK CARR BROWN, Ph.D.
SECRETARY

State of Louisiana
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE

March 15, 2019

CERTIFIED MAIL (7012 2210 0001 1915 8466)
RETURN RECEIPT REQUESTED

SHELL PIPELINE COMPANY LP
c/o C T Corporation System
Agent for Service of Process
3867 Plaza Tower Drive
Baton Rouge, LA 70816

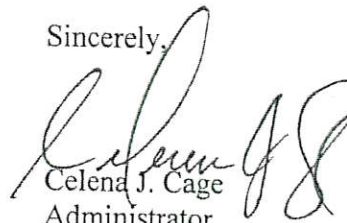
**RE: AMENDED CONSOLIDATED COMPLIANCE ORDER &
NOTICE OF POTENTIAL PENALTY
ENFORCEMENT TRACKING NO. AE-CN-18-00564A
AGENCY INTEREST NO. 41417**

Dear Sir/Madam:

Pursuant to the Louisiana Environmental Quality Act (La. R.S. 30:2001, et seq.), the attached **AMENDED CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is hereby served on **SHELL PIPELINE COMPANY LP (RESPONDENT)** for the violations described therein.

Any questions concerning this action should be directed to Antoinette Cobb at (225) 219-3072 or via email at antoinette.cobb@la.gov.

Sincerely,


Celena J. Cage
Administrator
Enforcement Division

CJC/AFC/afc
Alt ID No. 0180-00034
Attachment



c: Shell Pipeline Company LP
c/o Mr. Greg Smith, GM Operations
701 Poydras Street, Suite 1000
New Orleans, Louisiana 70139

STATE OF LOUISIANA
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE

IN THE MATTER OF	*	
	*	
SHELL PIPELINE COMPANY LP	*	ENFORCEMENT TRACKING NO.
ASCENSION PARISH	*	
ALT ID NO. 0180-00034	*	AE-CN-18-00564A
	*	
	*	AGENCY INTEREST NO.
	*	
PROCEEDINGS UNDER THE LOUISIANA	*	41417
ENVIRONMENTAL QUALITY ACT,	*	
La. R.S. 30:2001, ET SEQ.	*	

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

The Louisiana Department of Environmental Quality (the Department) hereby amends the **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY, ENFORCEMENT TRACKING NO. AE-CN-18-00564** issued to **SHELL PIPELINE COMPANY LP (RESPONDENT)** on September 24, 2018 in the above-captioned matter as follows:

I.

The Department hereby amends Paragraph IV of the Findings of Fact to read as follows:

“IV.

“The facility is located in Ascension Parish. Pursuant to LAC 33:III.919.F.1.a.i, the Respondent, ‘is required to include actual emissions in tons per year of ethylene and propylene in both the emissions inventory and the certification statement.’ In the original and revised emissions inventories and certification statements for the 2014-2016 reporting years, the Respondent reported 0 tons for ethylene and propylene. In the original emissions inventory and certification statement for the 2017 reporting year, the Respondent reported no ethylene or propylene emissions for the 2017 calendar year. In the revised 2017 emissions inventory and certification statement postmarked May 11, 2018, the Respondent reported 30.87 tons of ethylene and 84.13 tons of propylene. In the Response to Consolidated Compliance Order and Notice of Potential dated October 24, 2018, the Respondent reported the failure to report propylene and ethylene emissions for 2014, 2015, and 2016. Each failure to report the ethylene and propylene

emissions in the emissions inventory and the certification statement is a violation of LAC 33:III.919.F.1.a.i and La. R.S. 30:2057(A)(2). On or about October 23, 2018, the Respondent submitted revised emissions data for the 2014-2016 reporting years in the Emissions Reporting and Inventory Center (ERIC); the corresponding certification statements were received on or about October 26, 2018.”

II.

The Department hereby amends Paragraph VI of the Compliance Order to read as follows:

“VI.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **AMENDED CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY**, a written report that includes a detailed description of the circumstances surrounding the cited violations added in this **AMENDED CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** and actions taken or to be taken to achieve compliance with the Order Portion of this **AMENDED CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY**. This report and all other reports or information required to be submitted to the Enforcement Division by this **AMENDED CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** shall be submitted to:

Office of Environmental Compliance
Post Office Box 4312
Baton Rouge, Louisiana 70821-4312
Attn: Antoinette Cobb
Re: Enforcement Tracking No. AE-CN-18-00564
Agency Interest No. 41417”

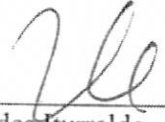
II.

The Department incorporates all of the remainder of the original **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY, ENFORCEMENT TRACKING NO. AE-CN-18-00564** and **AGENCY INTEREST NO. 41417** as if reiterated herein.

III.

This AMENDED CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY is effective upon receipt.

Baton Rouge, Louisiana, this 15th day of March, 2019.



Lourdes Iturralde
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
Post Office Box 4312
Baton Rouge, LA 70821-4312
Attention: Antoinette Cobb