STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:	*	**Settlement Tracking No.**
	*	**SA-WE-13-0081**
INTEGRITY DELAWARE, LLC	*	
	*	**Enforcement Tracking No.**
AI # 177075	*	**WE-CN-12-00454**
	*	
PROCEEDINGS UNDER THE LOUISIANA ENVIRONMENTAL QUALITY ACT LA. R.S. 30:2001, ET SEQ.	* * *	

SETTLEMENT

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

I

Respondent is a Limited Liability Corporation that owns and/or operates an oil field specialty chemical manufacturing facility located in Haughton, Bossier Parish, Louisiana ("the Facility").

II

On March 25, 2013, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. WE-CN-12-00454, which was based upon the following findings of fact:

The Respondent owns and/or operates an oil field specialty chemical facility doing business as Integrity Industries, Inc. located at 204 South Elm Street in Haughton, Bossier Parish, Louisiana. The Respondent was granted coverage under Louisiana Pollutant Discharge

Elimination System (LPDES) Multi-Sector General Permit (MSGP) for Storm Water Discharges Associated with Industrial Activities LAR050000 and was specifically assigned Permit Number LAR05P424, with an effective date of August 3, 2011, and an expiration date of May 3, 2016. Under the terms and condition of the LPDES MSGP LAR05P424, the Respondent is authorized to discharge storm water associated with industrial activity to Red Chute Bayou, waters of the state.

An inspection conducted by the Department on or about December 22, 2011, in response to a complaint from the Department of Agriculture and Forestry, revealed that the Respondent did cause or allow the unauthorized discharge of approximately 8,400 gallons of red dye diesel into an unnamed creek, waters of the state. Specifically, red dye diesel leaked from cracks in a secondary containment wall onto the ground and into an unnamed creek, along the south side of the property during transfer operations. The spill impacted an area which included the unnamed creek, down stream along Highway 157, under Highway 157, through the woods, through a culvert at Haughton Middle School, and through the woods to a low lying area along a nearby trail, thence into Fox Skin Bayou, thence into Lake Bistineau. The discharge of red dye diesel also resulted in an objectionable red color and sheen in the unnamed creek and continued downstream along Highway 157 (as shown in the pictures taken during the inspection). Follow-up inspections conducted by the Department on or about December 23, 2011, and December 27, 2011, revealed on-going clean-up activities with vacuum trucks, booms, dip nets, absorbent pads, and water sample testing. Water samples collected on site and analyzed by ALS Environmental ranged from undetectable to 13mg/L for diesel Total Petroleum Hydrocarbons (TPH). According to the December 24, 2011 Summary of Current Action Continued Actions in the Haughton Facility Incident Plan, the Respondent completed cleanup activities at the site on

December 24, 2011. The Respondent recovered 60,000 gallons of diesel and water along with 49 yards of solids. The unauthorized discharge of red dye diesel to waters of the state is a violation of La. R.S. 30:2076(A)(1) and LAC 33:IX.1701.B. Each discharge to waters of the state that negatively impacts the aesthetics of waters of the state is a violation of La. R.S. 30:2076(A)(3) and LAC 33:IX.1113.B.1.

An inspection conducted by the Department on or about December 22, 2011, revealed that the Respondent failed to implement an adequate Spill Prevention and Control (SPC) plan. Specifically, the Respondent owns at least one above-ground storage tank with a total capacity greater than 1,320 gallons at the facility, which is surrounded by a secondary containment structure. The Respondent is required to properly implement an adequate SPC plan. The inspector noted the following violations:

A. Cracks were observed at the foundation and in the cinder block wall at the south east corner of the secondary containment wall structure, causing the unauthorized discharge of red dye diesel onto the ground and into waters of the state.

B. The Respondent failed to maintain facility inspection records as required by the SPC plan.

C. After the initial repair of the cracks in the secondary containment structure, the Respondent failed to verify that the structure was in proper working condition.

The Respondent's failure to implement an adequate Spill Prevention and Control (SPC) plan is a violation of La. R.S. 30:2076(A)(3), and LAC 33:IX.907.F.

III

Remedial activities performed by Integrity's contractor successfully contained the contamination to the unnamed stream segment and prevented significant contamination from

reaching either of the named downstream stream segments, Fox Skin Bayou and Lake Bistineau. The recovered diesel and 60,000 gallons of water were recycled into the Integrity production process and the 49 yards of recovered soil and solid materials were properly disposed.

IV

Respondent denies it committed any violations or that it is liable for any fines, forfeitures and/or penalties.

V

Nonetheless, Respondent, without making any admission of liability under state or federal statute or regulation, agrees to pay, and the Department agrees to accept, a payment in the amount of SIX THOUSAND ONE HUNDRED THIRTY-SEVEN AND 98/100 DOLLARS ($6,137.98), of which One Thousand One Hundred Thirty Seven and 98/100 Dollars ($1,137.98) 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).

VI

Respondent further agrees that the Department may consider the inspection report(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 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.

VII

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.

VIII

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.

IX

The Respondent has caused a public notice advertisement to be placed in the official journal of the parish governing authority in Bossier 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.

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.

INTEGRITY DELAWARE, LLC

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