

**STATE OF LOUISIANA**

**DEPARTMENT OF ENVIRONMENTAL QUALITY**

**IN THE MATTER OF:**

**CALUMET COTTON VALLEY REFINING,  
LLC**

**AI # 312, 52346**

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

\* **Settlement Tracking No.**  
\* **SA-MM-22-0093**  
\*  
\*  
\* **Enforcement Tracking Nos.**  
\* **MM-CN-17-01170**  
\* **MM-CN-17-01170A**  
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**SETTLEMENT**

The following Settlement is hereby agreed to between Calumet Cotton Valley Refining, 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 company that owns and/or operates facilities located in Webster Parish, Louisiana (“the Facilities”).

**II**

On February 14, 2020, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement Tracking No. MM-CN-17-01170 (Exhibit 1).

On April 13, 2021, the Department issued to Respondent an Amended Consolidated Compliance Order & Notice of Potential Penalty, Enforcement Tracking No. MM-CN-17-01170A (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 THIRTY THOUSAND AND NO/100 DOLLARS (\$30,000.00), of which One Thousand Six Hundred Fifty-Eight and 99/100 Dollars (\$1,658.99) 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.

## IX

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

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.

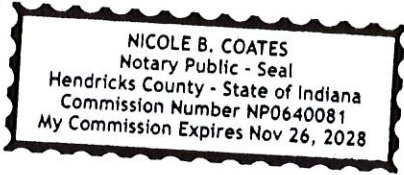
CALUMET COTTON VALLEY  
REFINING, LLC

BY: [Signature]  
(Signature)

Gregory J. Mosier  
(Printed)

TITLE: Senior VP, Green Counsel + Secretary

THUS DONE AND SIGNED in duplicate original before me this 25<sup>th</sup> day of September, 20 23, at Indianapolis, Indiana.



Nicole B. Coates  
NOTARY PUBLIC (ID # NP0640081)

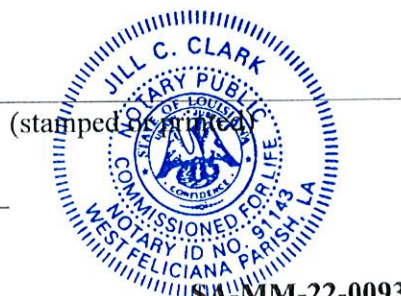
Nicole B. Coates  
(stamped or printed)

LOUISIANA DEPARTMENT OF  
ENVIRONMENTAL QUALITY

BY: Aurelia S. Giacometta  
Aurelia S. Giacometta, Secretary

THUS DONE AND SIGNED in duplicate original before me this 12<sup>th</sup> day of March, 20 24, at Baton Rouge, Louisiana.

Jill C. Clark  
NOTARY PUBLIC (ID # 91143)  
La. Bar No. 38050



Approved: [Signature]  
Celena J. Cage, Assistant Secretary

JOHN BEL EDWARDS  
GOVERNOR



CHUCK CARR BROWN, PH.D.  
SECRETARY

**State of Louisiana**  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
OFFICE OF ENVIRONMENTAL COMPLIANCE

february 14, 2020

CERTIFIED MAIL (7018 3090 0002 0373 5541)  
RETURN RECEIPT REQUESTED

**CALUMET COTTON VALLEY REFINING, LLC**  
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. MM-CN-17-01170  
AGENCY INTEREST NOS. 312 & 52346**

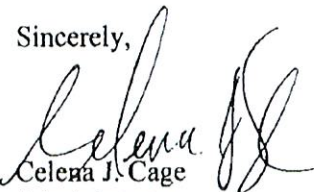
Dear Sir/Madam:

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 **CALUMET COTTON VALLEY REFINING, LLC (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](mailto:antoinette.cobb@la.gov).

Sincerely,

  
Celesta J. Cage  
Administrator  
Enforcement Division



CJC/AFC/afc  
Alt ID Nos. 3080-00010; 3080-00023, P-0196-R1-M4  
Attachment

c: Calumet Cotton Valley Refining, LLC  
c/o Mr. Brian Marcinkus, Plant Manager  
1756 Old Highway 7  
Cotton Valley, Louisiana 71018

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

<p><b>IN THE MATTER OF</b></p> <p><b>CALUMET COTTON VALLEY REFINING, LLC</b></p> <p><b>WEBSTER PARISH</b></p> <p><b>ALT ID NOS. 3080-000010; 3080-00023</b></p> <p><b>P-0196-R1-M4</b></p> <p><b>PROCEEDINGS UNDER THE LOUISIANA ENVIRONMENTAL QUALITY ACT, La. R.S. 30:2001, ET SEQ.</b></p>	<p>*</p> <p>*</p> <p>*</p> <p>*</p> <p>*</p> <p>*</p> <p>*</p> <p>*</p> <p>*</p> <p>*</p>	<p><b>ENFORCEMENT TRACKING NO.</b></p> <p><b>MM-CN-17-01170</b></p> <p><b>AGENCY INTEREST NOS.</b></p> <p><b>312 &amp; 52346</b></p>
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**CONSOLIDATED**  
**COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY**

The following **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is issued to **CALUMET COTTON VALLEY REFINING, LLC** 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 Cotton Valley Refinery [Agency Interest Number 312] (the Facility), a petroleum refinery, located at 1756 Old Highway 7 in Cotton Valley, Webster Parish, Louisiana. The Facility operates or has operated under the authority of the following Title V Air Quality Permits:

Facility	Permit Number	Issue Date	Expiration Date
	3080-00010-V11	04/04/2018	01/12/2020
	3080-00010-V10AA	10/10/2017	01/12/2020
	3080-00010-V10	07/14/2017	01/12/2020
	3080-00010-V9	05/12/2016	01/12/2020



	3080-00010-V8	01/12/2015	01/12/2020
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II.

The Respondent entered into a Settlement Agreement, Settlement Tracking No. SA-MM-10-0090 (the Settlement), with the Department on January 31, 2012. The terms and conditions of the Settlement Agreement are applicable to the following affiliated Limited Partnership and Limited Liability Companies: Calumet Lubricants Co, LP-Cotton Valley Refinery (Agency Interest No. 312), Calumet Lubricants Co., LP-Princeton Refinery (Agency Interest No. 1224), and Calumet Shreveport Lubricants & Waxes, LLC-Shreveport Refinery (Agency Interest No. 1214). The Respondent agreed to undertake installation of air pollution control equipment and enhancements to air pollution control management practices at the three facilities to reduce air emissions.

III.

The Respondent failed to submit a Notification of Change Form (NOC-1) to the Department for the Calumet Cotton Valley Refinery (Agency Interest No. 312) within forty-five (45) days after a change in ownership. The NOC-1 was postmarked October 27, 2017, and listed the effective date of change as September 1, 2017. Failure to submit the NOC-1 within forty-five (45) days after the change of ownership is a violation of LAC 33:III.517.G and La. R.S. 30:2057(A)(2). The Respondent acquired ownership and/or operational control of the facility effective September 1, 2017. The facility's air quality permit was transferred on December 5, 2017. The unauthorized operation of the facility from the date the facility was acquired until the permit was transferred is a violation of LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2). The Respondent caused and/or allowed the discharge of wastewater without a permit and/or other authority from the Department. Specifically, the Respondent operated the facility without coverage under a Louisiana Pollutant Discharge Elimination System (LPDES) Permit from September 1, 2017 through December 5, 2017. (La. R.S. 30:2075). Responsibility for all violations existing prior to the transfer of the permits remained with the facility. The Department effectively transferred the permits and updated records to reflect the changes on December 5, 2017.

IV.

On or about November 13, 2019, the Department conducted a file review to determine the Respondent's degree of compliance with the Act, the Air Quality Regulations, all applicable permits, and reports submitted from the July 1, 2016 through June 30, 2019 reporting period. While the review is not

complete, the Department noted the violations found in Paragraphs V-VIII of the Findings of Fact portion of this enforcement action.

V.

In the Title V Renewal Permit Application dated July 10, 2019, the Respondent proposed the addition of one (1) Diesel Storage Tank (Point Source No. T-101). In correspondence dated September 25, 2019, the Respondent stated the tank is a previously existing tank with a 12,000-gallon capacity. The determination to include the tank in a permit was made during a review associated with the Title V Permit renewal. The earliest existence of the tank was determined to be 2002. Failure to submit a permit application to the permitting authority prior to construction, reconstruction, or modification is a violation of LAC 33:III.501.C.1 and La. R.S. 30:2057(A)(2). The unauthorized operation of the tank prior to the issuance of a permit is a violation of LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

VI.

The Respondent reported the following violations of permitted operating parameters:

A.	Revision 2017 1 <sup>st</sup> Semiannual Monitoring Report (03/20/2018)	3080-00010-V9	EQT 0071 Flare	03/20/2017-03/21/2017 (48 hours)	Except as provided in paragraphs (f) and (g) of this section, a root cause analysis and corrective action analysis must be completed as soon as possible, but no later than 45 days after a discharge meeting one of the conditions specified in paragraphs (c)(1) through (3) of this section.	RCA and CAA not completed within 45 days after discharge to the flare in excess of 500,000 standard cubic feet (scf) above the baseline in any 24-hour period. The flare flow alarm was incorrectly established too high in the DCS and was not sensitive enough to detect the increase in flow.	40 CFR 60.103a(d)
B.	Revision 2017 1 <sup>st</sup> Semiannual Monitoring Report (03/20/2018)	3080-00010-V9	EQT 0071 Flare	04/28/2017-04/29/2017 (48 hours)	Except as provided in paragraphs (f) and (g) of this section, a root cause analysis and corrective action analysis must be completed as soon as possible, but no later than 45 days after a discharge meeting one of the conditions specified in paragraphs (c)(1) through (3) of this section.	RCA and CAA not completed within 45 days after discharge to the flare in excess of 500,000 standard cubic feet (scf) above the baseline in any 24-hour period. The flare flow alarm was incorrectly established too high in the DCS and was not sensitive enough to detect the increase in flow.	40 CFR 60.103a(d)

C.	Revision 2017 1 <sup>st</sup> Semiannual Monitoring Report (03/20/2018)	3080-00010-V9	EQT 0071 Flare	05/03/2017-05/04/2017 (48 hours)	Except as provided in paragraphs (f) and (g) of this section, a root cause analysis and corrective action analysis must be completed as soon as possible, but no later than 45 days after a discharge meeting one of the conditions specified in paragraphs (c)(1) through (3) of this section.	RCA and CAA not completed within 45 days after discharge to the flare in excess of 500,000 standard cubic feet (scf) above the baseline in any 24-hour period. The flare flow alarm was incorrectly established too high in the DCS and was not sensitive enough to detect the increase in flow.	40 CFR 60.103a(d)
D.	Revision 2017 1 <sup>st</sup> Semiannual Monitoring Report (03/20/2018)	3080-00010-V9	EQT 0071 Flare	05/15/2017-05/16/2017 (48 hours)	Except as provided in paragraphs (f) and (g) of this section, a root cause analysis and corrective action analysis must be completed as soon as possible, but no later than 45 days after a discharge meeting one of the conditions specified in paragraphs (c)(1) through (3) of this section.	RCA and CAA not completed within 45 days after discharge to the flare in excess of 500,000 standard cubic feet (scf) above the baseline in any 24-hour period. The flare flow alarm was incorrectly established too high in the DCS and was not sensitive enough to detect the increase in flow.	40 CFR 60.103a(d)
E.	2017 2 <sup>nd</sup> Semiannual Monitoring Report (03/20/2018)	3080-00010-V10AA	EQT 0071 Flare	10/22/2017-10/23/2017 (48 hours)	Except as provided in paragraphs (f) and (g) of this section, a root cause analysis and corrective action analysis must be completed as soon as possible, but no later than 45 days after a discharge meeting one of the conditions specified in paragraphs (c)(1) through (3) of this section.	RCA and CAA not completed within 45 days after discharge to the flare in excess of 500,000 standard cubic feet (scf) above the baseline in any 24-hour period. The flare flow alarm was incorrectly established too high in the DCS and was not sensitive enough to detect the increase in flow.	40 CFR 60.103a(d)
F.	2017 2 <sup>nd</sup> Semiannual Monitoring Report (03/20/2018)	3080-00010-V10AA	EQT 0071 Flare	10/23/2017-10/24/2017 (48 hours)	Except as provided in paragraphs (f) and (g) of this section, a root cause analysis and corrective action analysis must be completed as soon as possible, but no later than 45 days after a discharge meeting one of the conditions specified in paragraphs (c)(1) through (3) of this section.	RCA and CAA not completed within 45 days after discharge to the flare in excess of 500,000 standard cubic feet (scf) above the baseline in any 24-hour period. The flare flow alarm was incorrectly established too high in the DCS and was not sensitive enough to detect the increase in flow.	40 CFR 60.103a(d)

G.	2017 2 <sup>nd</sup> Semiannual Monitoring Report (03/20/2018)	3080-00010- V10AA	EQT 0071 Flare	12/23/2017- 12/24/2017 (48 hours)	Except as provided in paragraphs (f) and (g) of this section, a root cause analysis and corrective action analysis must be completed as soon as possible, but no later than 45 days after a discharge meeting one of the conditions specified in paragraphs (c)(1) through (3) of this section.	RCA and CAA not completed within 45 days after discharge to the flare in excess of 500,000 standard cubic feet (scf) above the baseline in any 24-hour period. The flare flow alarm was incorrectly established too high in the DCS and was not sensitive enough to detect the increase in flow.	40 CFR 60.103a(d)
H.	2018 1 <sup>st</sup> Semiannual Monitoring Report (09/27/2018)	3080-0001- V10AA	EQT 0071 Flare	01/01/2018 (2,232 hours)	Alternative method uses ASTM 4952-02, "Standard Test Method for Qualitative Analysis for Active Sulfur Species in Fuels and Solvents (Doctor's Test)".	Doctor's Solution for Doctor's Test was expired	40 CFR 60.13(i), Specific Requirement 181
I.	2018 1 <sup>st</sup> Semiannual Monitoring Report (09/27/2018)	3080-0001- V10AA	EQT 0085 Loading Operations	01/17/2018 (3,960 hours)	Develop and implement a Quality Improvement Plan (QIP) as expeditiously as practicable.	QIP was not implemented upon excursion	40 CFR 64.8(c), Specific Requirement 265
J.	2018 1 <sup>st</sup> Semiannual Monitoring Report (09/27/2018)	3080-00001- V11	EQT 0071 Flare	04/04/2018 (2,112 hours)	Alternative method uses ASTM 4952-02, "Standard Test Method for Qualitative Analysis for Active Sulfur Species in Fuels and Solvents (Doctor's Test)".	Doctor's Solution for Doctor's Test was expired	40 CFR 60.13(i), Specific Requirement 181
K.	2018 1 <sup>st</sup> Semiannual Monitoring Report (09/27/2018)	3080-00001- V11	EQT 0085 Loading Operations	01/17/2018 (3,960 hours)	Develop and implement a Quality Improvement Plan (QIP) as expeditiously as practicable.	QIP was not implemented upon excursion	40 CFR 64.8(c), Specific Requirement 265
L.	2018 1 <sup>st</sup> Semiannual Monitoring Report (09/27/2018)	3080-00001- V11	EQT 0067 No. 1 Boiler	06/13/2018- 07/09/2018 (636 hours)	Determine compliance with standards using the test methods and procedures specified in 40 CFR 60.106(a) through (k).	The H <sub>2</sub> S calibration gas expired and was in use for several days in the fuel CEMS until the new gas was delivered on July 9, 2018.	40 CFR 60.106, Specific Requirement 166
M.	2018 1 <sup>st</sup> Semiannual Monitoring Report (09/27/2018)	3080-00001- V11	EQT 0068 No. 2 Boiler	06/13/2018- 07/09/2018 (636 hours)	Determine compliance with standards using the test methods and procedures specified in 40 CFR 60.106(a) through (k).	The H <sub>2</sub> S calibration gas expired and was in use for several days in the fuel CEMS until the new gas was delivered on July 9, 2018.	40 CFR 60.106, Specific Requirement 174

N.	2018 1 <sup>st</sup> Semiannual Monitoring Report (09/27/2018)	3080-00001-V11	EQT 0079 Hydrotreater Heater	06/13/2018-07/09/2018 (636 hours)	Determine compliance with standards using the test methods and procedures specified in 40 CFR 60.106(a) through (k).	The H <sub>2</sub> S calibration gas expired and was in use for several days in the fuel CEMS until the new gas was delivered on July 9, 2018.	40 CFR 60.106, Specific Requirement 226
O.	2018 1 <sup>st</sup> Semiannual Monitoring Report (09/27/2018)	3080-00001-V11	EQT 0080 No. 1 Hydrotreater Heater	06/13/2018-07/09/2018 (636 hours)	Determine compliance with standards using the test methods and procedures specified in 40 CFR 60.106(a) through (k).	The H <sub>2</sub> S calibration gas expired and was in use for several days in the fuel CEMS until the new gas was delivered on July 9, 2018.	40 CFR 60.106, Specific Requirement 234
P.	2018 1 <sup>st</sup> Semiannual Monitoring Report (09/27/2018)	3080-00001-V11	EQT 0083 700 Unit Process Heater	06/13/2018-07/09/2018 (636 hours)	Determine compliance with standards using the test methods and procedures specified in 40 CFR 60.106(a) through (k).	The H <sub>2</sub> S calibration gas expired and was in use for several days in the fuel CEMS until the new gas was delivered on July 9, 2018.	40 CFR 60.106, Specific Requirement 245
Q.	2018 2 <sup>nd</sup> Semiannual Monitoring Report (03/08/2019)	3080-00001-V11	EQT 0071 Flare	07/01/2018-09/17/2018 (1,872 hours)	Alternative method uses ASTM 4952-02, "Standard Test Method for Qualitative Analysis for Active Sulfur Species in Fuels and Solvents (Doctor's Test)".	Doctor's Solution for Doctor's Test was expired	40 CFR 60.13(i), Specific Requirement 181
R.	2018 2 <sup>nd</sup> Semiannual Monitoring Report (03/08/2019)	3080-00001-V11	EQT 0085 Loading Operations	07/01/2018-09/11/2018 (1,162 hours)	Develop and implement a Quality Improvement Plan (QIP) as expeditiously as practicable.	QIP was not implemented upon excursion	40 CFR 64.8(c), Specific Requirement 265
S.	2018 2 <sup>nd</sup> Semiannual Monitoring Report (03/08/2019)	3080-00001-V11	EQT 0067 No. 1 Boiler	03/04/2019 (2 hours)	Fuel gas: Hydrogen sulfide <=0.1 gr/dscf (230 mg/dscm)	The H <sub>2</sub> S content of the fuel gas was greater than 162 ppm; the cause was unknown.	40 CFR 60.104(a)(1), Specific Requirement 161
T.	2018 2 <sup>nd</sup> Semiannual Monitoring Report (03/08/2019)	3080-00001-V11	EQT 0068 No. 2 Boiler	03/04/2019 (2 hours)	Fuel gas: Hydrogen sulfide <=0.1 gr/dscf (230 mg/dscm)	The H <sub>2</sub> S content of the fuel gas was greater than 162 ppm; the cause was unknown.	40 CFR 60.104(a)(1), Specific Requirement 169

Each failure to operate according to permitted requirements is a violation of any applicable permit and associated requirement(s) listed above, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1), and 30:2057(A)(2).

VII.

The Respondent failed to meet the following reporting requirements:

A.	2017 2 <sup>nd</sup> Semiannual Monitoring Report (03/20/2018)	3080-00010-V10	Each owner or operator subject to this subpart shall submit an excess emissions report for all periods of excess emissions according to the requirements of §60.7(c) except that the report shall contain the information specified in paragraphs (d)(1) through (7) of this section	All reports shall be postmarked by the 30th day following the end of each six-month period	Not submitted	40 CFR 60.108a(d)
B.	2018 1 <sup>st</sup> Semiannual Monitoring Report (09/27/2018)	3080-00001-V11	Submit a report: Due to DEQ within 30 days of the annual visual inspection required by 40 CFR 60.113b(a)(2) that detects any of the conditions described in 40 CFR 60.113b(a)(2).	07/13/2018	09/14/2018	40 CFR 60.115b(a)(3), Specific Requirement 49

Each failure to meet reporting requirements is a violation of applicable permit and associated requirement(s) listed above, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1), and 30:2057(A)(2).

VIII.

The Respondent was required to retain a contractor to perform a third-party audit of the facility's Leak Detection and Repair (LDAR) program per Paragraph 50 of the Settlement Agreement. The LDAR audit was conducted on July 9-10, 2018. The audit findings were reported in Settlement SA-MM-10-0090 Semiannual Progress Report for July 1, 2018 through December 31, 2018 dated January 24, 2018 (2019). The following violations were discovered during the audit:

A.	3080-00010-V11	FUG 0002 Fugitive Emissions	Initial and annual CD training was not implemented for assigned contractor LDAR personnel	Specific Requirement 377	Training was conducted on July 3, 2018	Completed*
B.	3080-00010-V11	FUG 0002 Fugitive Emissions	Fifty-three (53) untagged components were discovered in the following units: 1. 400 Unit: Thirty-one (31) components untagged 2. HT Unit: Sixteen (16) components untagged 3. Storage Unit: Six (6) components untagged	Specific Requirement 377	The untagged components will be brought into the LDAR program using the MOC process (updated P&ID's and component identification).	12/31/2019*

C.	3080-00010-V11	FUG 0002 Fugitive Emissions	Instrument 1603 from morning reading and end of the day reading drifted 10% at 2000 ppm on October 14, 2015. The instrument monitored a total of 96 valves that day, of which eight (8) were found to be between 100 and 500 ppm	Specific Requirement 377	Instrument 1603 was recalibrated/corrected on June 21, 2018 after the Shreveport audit (same finding)	Completed*
D.	3080-00010-V11	FUG 0002 Fugitive Emissions	Fifty-six (56) open-ended line (OELs) were observed during the audit. 1. 400 Unit: Five (5) OELs 2. HT Unit: Three (3) OELs 3. Storage Unit: Forty-eight (48) OELs	40 CFR 60.482-6, Specific Requirement 355	Audit and identify all sample points and drains that need to be reconfigured with two (2) block valves.	Completed*
E.	3080-00010-V11	FUG 0002 Fugitive Emissions	One (1) valve (02477) was not monitored monthly since it was placed on Delay of Repair (DOR). The valve was placed on DOR on 04/18/2018.	40 CFR 60.482-7(c)(1), Specific Requirement 368	Updated the LeakDas schedule on October 8, 2018, to shift all leaking valves to monthly monitoring until the component has passed for two (2) consecutive months.	Completed*
F.	3080-00010-V11	FUG 0002 Fugitive Emissions	LDAR monitoring technicians used an extension probe during monitoring but did not conduct response time tests of this sampling configuration before employing the extension probe. Response test times were not documented for extension tubing/probes prior to changing the flow configuration and thus the response time.	40 CFR 60.485(b), Specific Requirement 350	Technicians were retrained on June 21, 2018 on response time requirements for changes in instrument configurations.	Completed*

\* as reported in Settlement SA-MM-10-0090 Semiannual Progress Report for July 1, 2018 through December 31, 2018 dated January 24, 2019

Each violation found during the LDAR audit is a violation of the regulatory and/or permit requirements listed above, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

IX.

The Respondent owns and/or operates Calumet Fitch Station [Agency Interest Number 52346] (Fitch Station), a refined oil pipeline facility, located on Route 7 one (1) mile south of Sarepta in Webster Parish, Louisiana. The Facility currently operates under the authority of Minor Source Permit No. 3080-00023-03 issued on October 3, 2017.

X.

The Respondent failed to submit a Notification of Change Form (NOC-1) to the Department for Fitch Station (Agency Interest No. 52346) within forty-five (45) days after a change in ownership. The NOC-1 was postmarked November 21, 2017, and listed the effective date of change as September 1, 2017. Failure to submit the NOC-1 within forty-five (45) days after the change of ownership is a violation of

LAC 33:III.517.G and La. R.S. 30:2057(A)(2). The Respondent acquired ownership and/or operational control of the facility effective September 1, 2017. The facility's air quality permit was transferred on December 5, 2017. The unauthorized operation of the facility from the date the facility was acquired until a permit was transferred is a violation of LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 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 Act, the Air Quality Regulations, and all applicable permits.

II.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, a written report that shall include, but is not limited to, the following information related to the violations cited in Paragraph VI.I, K, and R of the **FINDINGS OF FACT** portion of this action: 1) a copy of the Compliance Assurance Monitoring (CAM) Plan and 2) a summary of the Quality Implementation Plan (QIP) in place to address the excursions or exceedances.

III.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, the actual H<sub>2</sub>S concentration for the violations cited in Paragraph VI.S-T of the **FINDINGS OF FACT** portion of this action.

IV.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, the missing semiannual report as cited in Paragraph VII.A of the **FINDINGS OF FACT** port of this action.

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 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: Enforcement Writer**  
**Re: Enforcement Tracking No. MM-CN-17-01170**  
**Agency Interest Nos. 312 & 52346**

**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. MM-CN-17-01170**  
**Agency Interest Nos. 312 & 52346**

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.

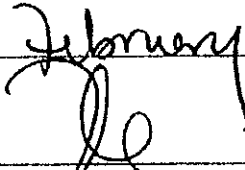
IV.

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 14<sup>th</sup> day of February, 2020.

  
\_\_\_\_\_  
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 POST OFFICE BOX 4312 BATON ROUGE, LOUISIANA 70821-4312		CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY REQUEST TO CLOSE		
Enforcement Tracking No.	MM-CN-17-01170	Contact Name	Antoinette Cobb	
Agency Interest (AI) Nos.	312 & 52346	Contact Phone No.	(225) 219-3072	
Alternate ID Nos.	3080-00010; 3080-00023, P-0196-R1-M4			
Respondent:	Calumet Cotton Valley Refining, LLC	Facility Names:	Cotton Valley Refinery Calumet Fitch Station	
	c/o C T Corporation System	Physical Locations:	1756 Old Highway 7 Route 7 one (1) mile south of Sarepta	
	Agent for Service of Process	City, State, Zip:	Cotton Valley, LA 71018	
	3867 Plaza Tower Drive	Parish:	Webster	
	Baton Rouge, LA 70816			
<b>STATEMENT OF COMPLIANCE</b>				
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-IV 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) ? of the "Order" portion of the COMPLIANCE ORDER.				
All necessary documents were submitted to the Department within 90 days of receipt of the COMPLIANCE ORDER in accordance with Paragraph(s) ? 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:				
<b>SETTLEMENT OFFER (OPTIONAL)</b>				
<i>(check the applicable option)</i>				
<input type="checkbox"/>	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 33:1.Subpart1.Chapter7.			
<input type="checkbox"/>	In order to resolve any claim for civil penalties for the violations in NOTICE OF POTENTIAL PENALTY (MM-CN-17-01170), the Respondent is interested in entering into settlement negotiations with the Department and would like to set up a meeting to discuss settlement procedures.			
<input type="checkbox"/>	In order to resolve any claim for civil penalties for the violations in NOTICE OF POTENTIAL PENALTY (MM-CN-17-01170), 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"> <li>• Monetary component = \$ _____</li> <li>• Beneficial Environmental Project (BEP) component (optional)= \$ _____</li> <li>• <b>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.</b></li> </ul>			
<input type="checkbox"/>	The Respondent has reviewed the violations noted in NOTICE OF POTENTIAL PENALTY (MM-CN-17-01170) and has attached a justification of its offer and a description of any BEPs if included in settlement offer.			

<b>CERTIFICATION STATEMENT</b>		
<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>		
<b>Respondent's Signature</b>	<b>Respondent's Printed Name</b>	<b>Respondent's Title</b>
<b>Respondent's Physical Address</b>	<b>Respondent's Phone #</b>	<b>Date</b>
<b>MAIL COMPLETED DOCUMENT TO THE ADDRESS BELOW:</b>		
<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

April 13, 2021

CERTIFIED MAIL (7019 2970 0000 6037 3077)  
RETURN RECEIPT REQUESTED

**CALUMET COTTON VALLEY REFINING, LLC**  
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. MM-CN-17-01170A  
AGENCY INTEREST NOS. 312 & 52346**

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 **CALUMET COTTON VALLEY REFINING, LLC (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](mailto:antoinette.cobb@la.gov).

Sincerely,

A handwritten signature in black ink, appearing to read "Celeha J. Cage".

Celeha J. Cage  
Administrator  
Enforcement Division

CJC/AFC/afc  
Alt ID Nos. 3080-00010; 3080-00023, P-0196-R1-M4  
Attachment



c: Calumet Cotton Valley Refining, LLC  
c/o Mr. Brian Marcinkus, Plant Manager  
1756 Old Highway 7  
Cotton Valley, Louisiana 71018



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

<b>IN THE MATTER OF</b>	*	
	*	
<b>CALUMET COTTON VALLEY REFINING, LLC</b>	*	<b>ENFORCEMENT TRACKING NO.</b>
<b>WEBSTER PARISH</b>	*	
<b>ALT ID NO. 3080-000010; 3080-00023</b>	*	<b>MM-CN-17-01170A</b>
<b>P-0196-R1-M4</b>	*	
	*	<b>AGENCY INTEREST NOS.</b>
	*	
<b>PROCEEDINGS UNDER THE LOUISIANA ENVIRONMENTAL QUALITY ACT, La. R.S. 30:2001, ET SEQ.</b>	*	<b>312 &amp; 52346</b>
	*	

**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. MM-CN-17-01170** issued to **CALUMET COTTON VALLEY REFINING, LLC (RESPONDENT)** on February 14, 2020, in the above-captioned matter as follows:

I.

The Department hereby removes Paragraph VI.C-G of the Findings of Fact in their entirety.


II.

The Department incorporates all of the remainder of the original **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY, ENFORCEMENT TRACKING NO. MM-CN-17-01170** and **AGENCY INTEREST NOS. 312 & 52346** as if reiterated herein.

III.

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

Baton Rouge, Louisiana, this 13<sup>th</sup> day of April, 2021.

  
\_\_\_\_\_  
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