

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

H2EAUX LOGISTICS LLC

AI # 200075

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

* **Settlement Tracking No.**
* **SA-MM-25-0031**
*
* **Enforcement Tracking No.**
* **MM-CN-24-00089**
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SETTLEMENT AGREEMENT

The following Settlement Agreement is hereby agreed to between H2eaux Logistics 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 owned and/or operated a centralized wastewater treatment facility located in New Iberia, Iberia Parish, Louisiana (“the Facility”).

II

On July 31, 2024, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement Tracking No. MM-CN-24-00089 (Exhibit 1).

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 EIGHT THOUSAND EIGHT HUNDRED AND NO/100 DOLLARS (\$8,800.00), of which Two Thousand Fifty-Two and 55/100 Dollars (\$2,052.55) represents the Department's enforcement costs, in settlement of the claims set forth in this Settlement 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 inspection report(s), permit record(s), the Consolidated Compliance Order & Notice of Potential Penalty and this Settlement Agreement 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 Settlement 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 Settlement Agreement in any action by the Department to enforce this Settlement Agreement.

VII

This Settlement Agreement 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 Agreement, 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 Iberia Parish, Louisiana. The advertisement, in form and wording approved by the Department, announced the availability of this Settlement Agreement 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 Agreement 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 thirty (30) days from notice of the Secretary's signature. If payment is not received within that time, this Settlement Agreement is voidable at the option of the Department. The Respondent shall provide its tax identification number when submitting payment. 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 or by Electronic Funds Transfer (EFT) to the Department of Environmental Quality, in accordance with instructions provided to Respondent by the Financial Services Division. 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 Agreement.

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.

H2EAUX LOGISTICS 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**
Aurelia S. Giacometto, Secretary

BY: _____
Jerrie "Jerry" Lang, 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: 
Jerrie "Jerry" Lang, Assistant Secretary

JEFF LANDRY
GOVERNOR



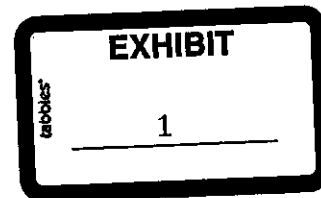
AURELIA S. GIACOMETTO
SECRETARY

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE

JUL 31 2024

CERTIFIED MAIL (7021 2720 0002 6035 4663)
RETURN RECEIPT REQUESTED



H2EAUX LOGISTICS LLC
c/o James Nichols
Agent for Service of Process
1430 Ducharme Lane
Lafayette, LA 70508

**RE: CONSOLIDATED COMPLIANCE ORDER
& NOTICE OF POTENTIAL PENALTY
ENFORCEMENT TRACKING NO. MM-CN-24-00089
AGENCY INTEREST NO. 200075**

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 **H2EAUX LOGISTICS LLC (RESPONDENT)** for the violations described therein.

Compliance is expected within the maximum time period established by each part of the **COMPLIANCE ORDER**. The violations 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 Deonne Bodin at (504) 736-7715 or Deonne.Bodin@la.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Angela Marse".

Angela Marse
Administrator
Enforcement Division

AM/ DB/gmg
Alt ID No. LAR000103056
Attachment

c: H2eaux Logistics LLC
c/o William O. Nichols
1010 Vortex Drive
New Iberia, LA 70560

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

IN THE MATTER OF

**H2EAUX LOGISTICS LLC
IBERIA PARISH
ALT ID NO. LAR000103056**

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

*
*
* **ENFORCEMENT TRACKING NO.**
*
* **MM-CN-24-00089**
*
* **AGENCY INTEREST NO.**
*
* **200075**
*

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

The following **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is issued to **H2EAUX LOGISTICS LLC (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 a centralized wastewater treatment (CWT) facility located at 1010 Vortex Drive in New Iberia, Iberia Parish, Louisiana (the Facility). The Facility accepts wastewater streams generated from a range of industrial wastewater generators, excluding exploration and production. The Respondent is a Categorical Industrial User (CIU). The Respondent was issued Control Mechanism LAP200075 on October 27, 2016, with an effective date of October 27, 2016, and expiration date of October 26, 2021. A modification of Control Mechanism LAP200075 was issued by the Department on December 8, 2016. The Department received a renewal application on or about June 8, 2021, and Control Mechanism LAP200075 was administratively continued until it was reissued on November 4, 2021, with an effective date of November 4, 2021. A modification of Control Mechanism LAP200075 was issued by the Department on April 5, 2022. LDEQ Pretreatment Control Mechanism

LAP200075 will expire on November 3, 2026. Under the terms and conditions of Control Mechanism LAP200075, the Respondent is permitted to discharge process wastewater to the City of New Iberia's Sucrose Drive WWTP (AI# 106791, LA0120201). Effective upon issuance of LPDES General Permit LAG535506 on April 21, 2017, the Respondent was automatically covered under the Louisiana Sewage Sludge and Biosolids Use or Disposal General Permit LAJ660000. The Facility is operating as a used oil processor and has been assigned EPA Identification No. LAR000103056.

II.

On or about December 5, 2023, the Department received an incident notification from the New Iberia Fire Department stating a pump malfunctioned at the Facility causing a release of wash water from a frac tank during siphoning procedures. Wash water was discharged into a roadside ditch.

III.

On or about December 8, 2023, an inspection was conducted to determine compliance with the Act and supporting regulations. The Department issued Warning Letter (WL) MM-L-24-00089 to the Respondent on or about February 16, 2024, for areas of concern noted during the inspection. Responses to the WL were submitted to the Department on or about February 23, 2024, February 27, 2024, March 18, 2024, and March 19, 2024, but they did not correct all areas of concern identified in the WL.

IV.

On or about December 8, 2023 and July 29, 2024, the Department performed an inspection and subsequent file review of the above referenced Facility in response to the December 5, 2023 incident to determine the degree of compliance with the Act and the Hazardous Waste and Water Quality Regulations. While the inspection by the Department is not yet complete, the following violations were noted during the course of the inspection and file review:

- A. The Respondent failed to obtain an EPA Identification No., in violation of LAC 33:V.4043.A. Specifically, the Facility operates as a used oil processor and did not obtain an EPA Identification No. The Respondent submitted Notification of Hazardous Waste Activity (HW-1) Forms dated January 19, 2024, and March 21, 2024, to the Department. The Facility was assigned EPA Identification No. LAR000103056. However, both of the above-referenced HW-1 Forms had deficiencies of which the Respondent was notified by the Department on or about March 14, 2024, and April 3, 2024. As of July 19, 2024, an accurate and complete HW-1 has not been submitted to the Department.

- B. The Respondent failed to have a Contingency Plan for the Facility, in violation of LAC 33:V.4045.B.1. Specifically, during the December 8, 2023 inspection, a representative of the Respondent stated the Facility did not have a Contingency Plan. On or about March 18, 2024, a representative of the Respondent submitted a written response that included a Used Oil Processor Contingency Plan for the Facility. This violation has been addressed.
- C. The Respondent failed to ensure the containment system, including walls and floor, is sufficiently impervious to used oil to prevent any used oil released in the containment system from migrating out of the system to the soil, groundwater, or surface water, in violation of LAC 33:V.4049.D.2. Specifically, the secondary containment for the four (4) 25,000 gallon frac tanks consists of four (4) frac tank spill containment berms made of polyethylene and an earthen berm. The Respondent did not provide any documentation to prove the secondary containment is sufficiently impervious to used oil. In a response dated March 19, 2024, a representative of the Respondent stated a contractor was hired to construct a non-permeable containment system.
- D. The Respondent failed to label or clearly mark containers and aboveground tanks used to store or process used oil with the words "Used Oil," in violation of LAC 33:V.4049.G.1. Specifically, during the December 8, 2023 inspection, four (4) of the five (5) frac tanks at the Facility were not labeled "Used Oil." In a response dated February 27, 2024, a photograph was submitted to the Department indicating the frac tanks were labeled "Used Oil." This violation has been addressed.
- E. The Respondent failed to clean up and properly manage released oil and other materials upon detection of a release of used oil to the environment, in violation of LAC 33:V.4049.H. Specifically, oil stained areas were observed in the earthen berm of the frac tanks and near the holding/aeration tanks. At the time of December 8, 2023 inspection, a representative of the Respondent stated the staining occurred during previous spills at the Facility. The Respondent failed to properly clean up and manage the spilled oil. In a response dated February 23, 2024, photographs were submitted to the Department indicating the oil stained areas were cleaned up. This violation has been addressed.

- F. The Respondent failed to develop and follow a written used oil analysis plan describing the procedures that will be used to comply with the analysis requirements of LAC 33:V.4047, and if applicable, LAC 33:V.4081, in violation of LAC 33:V.4051. Specifically, during the December 8, 2023 inspection, a representative of the Respondent stated the Facility did not have an analysis plan. On or about March 18, 2024, a representative of the Respondent submitted a written response including an analysis plan for the Facility. However, the Respondent has failed to provide documentation or analytical data that the used oil analysis plan is being implemented.
- G. The Respondent failed to keep a complete record of each used oil shipment accepted for transport on a used oil reuse/recycle manifest, in violation of LAC 33:V.4053.A. Specifically, shipments of wastewaters contaminated with or containing used oil were not shipped on manifests meeting the used oil manifest content specified in LAC 33:V.4053.A.
- H. The Respondent, a used oil processor, failed to ensure that used oil is not a hazardous waste under the rebuttable presumption LAC 33:V.4003.B.1.b by determining whether the total halogen content of used oil being transported or stored at a transfer facility is above or below 1,000 parts per million (ppm), in violation of LAC 33:V.4047.A. Specifically, during the December 8, 2023 inspection, a representative of the Respondent stated the Facility did not have a used oil analysis plan. The used oil analysis plan specifies the sampling and analysis procedures necessary to ensure that shipments of used oil are not hazardous wastes under the rebuttable presumption. On or about March 18, 2024, a representative of the Respondent submitted a written response including a used oil analysis plan for the Facility which includes procedures to determine the total halogen content of used oil managed at the Facility. However, the response did not include documentation and/or analytical data demonstrating used oil is not a hazardous waste.
- I. The Respondent failed to sample the effluent from Outfall 001 on a semi-annual basis as required by Control Mechanism LAP200075. Specifically, the Respondent failed to conduct sampling during the July-December 2022 semiannual monitoring period. According to email correspondence from a representative of the Respondent following the inspection, the analysis report for the sample collected June 28, 2022, was the only

analysis conducted on a sample collected in 2022 for Control Mechanism LAP200075. The Respondent incorrectly reported the sample collected on or about January 24, 2023, on the July-December 2022 monitoring report. (LAP200075 (Effluent Limitations and Monitoring Requirements, page 1 of 3 and Standard Conditions for Control Mechanisms, Section A.1), La. R.S. 30:2076(A)(3), and LAC 33:IX.501.A)

- J. The Respondent failed to prepare and implement an adequate Spill Prevention and Control (SPC) Plan, in violation of La. R.S. 30:2076(A)(3) and LAC 33:IX.905.B. Specifically a file review revealed the facility has five (5) approximately twenty-five thousand (25,000) gallon frac tanks containing motor/hydraulic oil and wastewater on site which is greater than one thousand three hundred twenty (1,320) gallons, which requires the Respondent to develop a SPC Plan within one hundred eighty (180) days of the facility beginning operation and to fully implement a SPC Plan no later than one (1) year after beginning operation. See photos 2, 3, and 18 from the inspection. In email correspondence, the Department received an incomplete SPC Plan on December 12, 2023, which did not meet the requirements as outlined in LAC 33:IX.907. In email correspondence received by the Department on or about May 22, 2024, the Respondent provided a SPC Plan. Upon review of the plan, it was noted that the Respondent submitted a copy of a Spill Prevention, Control, and Countermeasures (SPCC) Plan pursuant to 40 CFR Part 112 and clearly indicated that it is acting as the facility's SPC Plan. The Department's review of this Plan revealed that it lacked specific information required in the State water quality regulations including:

1. Prediction of the rate of flow of applicable substances which could be spilled at the facility where experience indicates a reasonable potential for equipment failure and/or human error,
2. Provisions for an interlocked warning light, physical barrier system, or warning signs shall be provided in loading/unloading areas to prevent vehicular departure before complete disconnect of flexible or fixed transfer lines, and
3. Provisions for close examination of the lowermost drain and all outlets prior to filling and departure of any tank car or truck and if necessary, tightened, adjusted, and replaced to prevent leakage.

Additionally, the Plan did not account for the fifth frac tank located at the facility. (LAC 33:IX.708.C.1.b & LAC 33:IX.907.C&F)

- K. The Respondent failed to submit Pretreatment Monitoring Reports (PMRs) in a timely manner. The Respondent is required to submit semi-annual PMRs no later than the 28th day of the month following each semi-annual monitoring period. Specifically a file review revealed the Respondent did not submit timely PMRs for the semi-annual monitoring period of January 1, 2022 to June 30, 2022. The PMR was received by the Department on or about February 6, 2024. (LAP200075 (Submittal/Action Requirements, page 2 of 3 and Standard Conditions for Control Mechanisms, Section A.1, La. R.S. 30:2076(A)(3), and LAC 33:IX.2701.L.4)
- L. The Respondent failed to comply with Control Mechanism LAP200075. Specifically a file review revealed, the Respondent failed to submit electronic Pretreatment Monitoring Reports (PMRs). Control Mechanism LAP200075 requires PMRs to be submitted electronically. The Respondent submitted paper PMRs for the semi-annual monitoring periods for Outfall 001 from November 2021 to December 2023. (LAP200075 (Prior to April 5, 2022, Submittal/Action Requirements, page 1 of 3 and Standard Conditions for Control Mechanisms, Section A.1, Beginning April 5, 2022 Submittal/Action Requirements, page 2 of 3 and Standard Conditions for Control Mechanisms, Section A.1), La. R.S. 30:2076(A)(3), and LAC 33:IX.2701.L.4.a)
- M. A file review revealed that the Respondent failed to submit the annual Sewage Sludge & Biosolids Use or Disposal Reporting Form for Sewage Sludge Pumped Out or Removed from a Sanitary Wastewater Treatment Works and Sold, Given Away, and/or Hauled Off-site for a Fee or Other Consideration (Form 7264) for the years of 2019, 2020, 2021, and 2022 due by January 28th of each following year as required by Louisiana Sewage Sludge and Biosolids, Use or Disposal General Permit LAJ660000. (LAJ660000 (Part II, Section C and Part III, Section A.2), La. R.S. 30:2076 (A)(3), and LAC 33:IX.7313.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 Hazardous Waste and Water Quality Regulations.

II.

To submit to the Office of Environmental Services, within seven (7) days after receipt of this **COMPLIANCE ORDER**, a complete and accurate HW-1 Notification Form. The HW-1 Notification Form shall include, but not be limited to, the current facility name, contact person, hazardous waste generator status, and the hazardous waste codes for all hazardous wastes generated, in accordance with LAC 33:V.1017.A.

III.

To ensure, within ninety (90) days of receipt of this **COMPLIANCE ORDER**, the containment system is sufficiently impervious to used oil in accordance with LAC 33:V.4049.D.2. The Respondent shall submit documentation to the Enforcement Division within fifteen (15) days after completion, demonstrating compliance.

IV.

To implement, within seven (7) days after receipt of this **COMPLIANCE ORDER**, the written used oil analysis plan describing the procedures that will be used to comply with the analysis requirements for the processing of used oil and demonstrating that used oil is not a hazardous waste under the rebuttable presumption in accordance with LAC 33:V.4047 and LAC 33:V.4051. The Respondent shall submit documentation or analytical data to the Enforcement Division within fifteen (15) days demonstrating implementation of the plan.

V.

To institute procedures, immediately upon receipt of this **COMPLIANCE ORDER**, to ensure complete records of each used oil shipment accepted for transport and each used oil shipment accepted for processing are documented on used oil reuse/recycle manifests that meet the content requirements specified in LAC 33:V.4053.A.

VI.

To develop and implement, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, an adequate Spill Prevention and Control Plan (SPC) as outlined in LAC 33:IX.907 and submit a copy to the Enforcement Division within forty-five (45) days after receipt of this **COMPLIANCE ORDER**.

VII.

To submit a completed NetDMR Subscriber Agreement to the Department for approval to submit Control Mechanism LAP200075 PMRs electronically using NetDMR, within thirty (30) days after receipt of this **COMPLIANCE ORDER**. The Subscriber Agreement shall be signed and dated with an original signature and submitted to the Enforcement Division. (NetDMR is accessed through: <https://netdmr.epa.gov>. For assistance establishing and maintaining a NetDMR account or for NetDMR training, see attached instructions or contact the Permit Compliance Unit at deqnetdmr@la.gov.)

VIII.

To submit PMRs for Control Mechanism LAP200075 and associated reports electronically using NetDMR beginning with the first monitoring period after approval of the NetDMR Subscriber Agreement unless otherwise notified in writing by the Department.

IX.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, the annual Sewage Sludge & Biosolids Use or Disposal Reporting Forms (Form 7264) for the years 2019, 2020, 2021, and 2022 mentioned in Paragraph IV.M of the "Findings of Fact" portion of this Order.

X.

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: Deonne Bodin
Re: Enforcement Tracking No. MM-CN-24-00089
Agency Interest No. 200075

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-24-00089
Agency Interest No. 200075

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 thirty-two thousand five hundred dollars (\$32,500) for each day of violation for the violation(s) described herein may be assessed. 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 Deonne Bodin at (504) 736-7715 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 may submit the settlement offer within one hundred and eighty (180) days of receipt of this **NOTICE OF POTENTIAL PENALTY** portion but no later than ninety (90) days of achieving compliance with the **COMPLIANCE ORDER** portion. 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 31st day of July, 2024.



Jerry Lange
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: Deonne Bodin



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-24-00089	Contact Name	Deonne Bodin
Agency Interest (AI) No.	200075	Contact Phone No.	(504) 736-7715
Alternate ID No.	LAR000103056		
Respondent:	H2EAUX LOGISTICS LLC	Facility Name:	H2eaux Logistics
	c/o James Nichols	Physical Location:	1010 Vortex Drive
	Agent for Service of Process	City, State, Zip:	New Iberia, LA 70560
	1430 Ducharme Lane	Parish:	Iberia
	Lafayette, LA 70508		

STATEMENT OF COMPLIANCE	Date Completed	Copy Attached?
A written report was submitted in accordance with Paragraph X of the "Order" portion of the COMPLIANCE ORDER .		
All necessary documents were submitted to the Department in accordance with Paragraphs II, III, IV, VI, VII, VIII and IX 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:		

(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 CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY (MM-CN-24-00089) , the Respondent is interested in entering into settlement negotiations with the Department and would like to set up a meeting to discuss settlement procedures.
_____	<p>In order to resolve any claim for civil penalties for the violations in CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY (MM-CN-24-00089), 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. The Respondent may submit the settlement offer within one hundred and eighty (180) days of receipt of this NOTICE OF POTENTIAL PENALTY portion but no later than ninety (90) days of achieving compliance with the COMPLIANCE ORDER portion.</p> <ul style="list-style-type: none"> • Monetary component = \$_____ • Beneficial Environmental Project (BEP) component (optional)= \$_____ • <u>DO NOT SUBMIT PAYMENT OF THE OFFER WITH THIS FORM</u>- the Department will review the settlement offer and notify the Respondent as to whether the offer is or is not accepted. <p>The Respondent has reviewed the violations noted in CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY (MM-CN-24-00089) and has attached a justification of its offer and a description of any BEPs if included in settlement offer.</p>

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.

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:		
Louisiana Department of Environmental Quality Office of Environmental Compliance Enforcement Division P.O. Box 4312 Baton Rouge, LA 70821 Attn: Deonne Bodin		