

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

MULTI-CHEM GROUP, LLC

AI # 180596

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

* Settlement Tracking No.
* SA-MM-25-0057
* Enforcement Tracking No.
* MM-CN-19-00878
* Docket No. 2021-3919-DEQ
*

SETTLEMENT AGREEMENT

The following Settlement Agreement is hereby agreed to between Multi-Chem Group, 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 a chemical blending facility for oil and gas production operations located in Maurice, Vermilion Parish, Louisiana (“the Facility”).

II

On March 4, 2020, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement Tracking No. MM-CN-19-00878 (Exhibit 1).

III

In response to the Consolidated Compliance Order & Notice of Potential Penalty, Respondent made a timely request for a hearing.

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 EIGHT THOUSAND FIVE HUNDRED AND NO/100 DOLLARS (\$8,500.00), of which Two Thousand Eighty-Seven and 94/00 Dollars (\$2,087.94) 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).

VI

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.

VII

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.

VIII

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.

IX

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.

X

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

XI

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 Accounts Receivable, 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.

XII

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

XIII

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.

MULTI-CHEM GROUP, 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**
Courtney J. Burdette, 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

JOHN BEL EDWARDS
GOVERNOR



CHUCK CARR BROWN, PH.D.
SECRETARY

State of Louisiana
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE
March 4, 2020

CERTIFIED MAIL (7018 0360 0001 5039 1758)
RETURN RECEIPT REQUESTED

MULTI-CHEM GROUP, LLC
c/o Capitol Corporation Services, Inc.
Agent for Service of Process
8550 United Plaza Building II, Suite 305
Baton Rouge, LA 70809

EXHIBIT

1

**RE: CONSOLIDATED COMPLIANCE ORDER
& NOTICE OF POTENTIAL PENALTY
ENFORCEMENT TRACKING NO. MM-CN-19-00878
AGENCY INTEREST NO. 180596**

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 **MULTI-CHEM GROUP, 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 Adrienne Landry at (225) 219-3805.

Sincerely,

Celena J. Cage
Administrator
Enforcement Division

CJC/ARL/kwf
Alt ID No. LAR000078923; LAG480820
Attachment

STATE OF LOUISIANA
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE

IN THE MATTER OF

MULTI-CHEM GROUP, LLC
VERMILLION PARISH
ALT ID NO. LAR000078923

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

* ENFORCEMENT TRACKING NO.
* MM-CN-19-00878
* AGENCY INTEREST NO.
* 180596

CONSOLIDATED
COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY

The following **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is issued to **MULTI-CHEM GROUP, 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 the Maurice Facility, a chemical blending facility for oil and gas production operations, located at 13858 Louisiana Highway 92 in Maurice, Vermilion Parish, Louisiana. The Respondent is registered with the Department as a large quantity generator of hazardous waste and operates under EPA identification number LAR000078923.

II.

The Respondent was granted authorization under Louisiana Pollutant Discharge Elimination System (LPDES) General Permit LAG480820 effective on March 28, 2016 and with an expiration date of November 30, 2020. The Respondent was issued LPDES Permit LA0126899 on April 7, 2017 with an effective date of April 7, 2017 and an expiration date of April 6, 2022. Under the terms and conditions of LPDES Permits LAG480820 and LA0126899, the Respondent is authorized to discharge treated sanitary

wastewater, stormwater runoff, and reverse osmosis reject water to local drainage, thence into a roadside ditch along LA Highway 92, thence into Bayou Grand Marais, thence into Bayou Queue de Tortue (Subsegment 050501), all waters of the state. The Respondent was automatically authorized under Louisiana Sewage Sludge and Biosolids Use and Disposal General Permit LAJ660000 on August 1, 2012. Under the terms and conditions of Louisiana Sewage Sludge and Biosolids Use and Disposal General Permit LAJ660000, the Respondent is permitted to have sewage sludge pumped out or removed from a sanitary wastewater treatment works and transported by a hauler that possesses a valid Sewage Sludge Hauler Registration from LDEQ to a facility that is permitted by LDEQ to accept sewage sludge.

III.

On or about August 20, 2019, the Department conducted an inspection at the above referenced facility to determine the degree of compliance with the Act and the supporting Regulations. While the investigation by the Department is not yet complete, the following violations were noted during the course of the inspection and subsequent file review performed on or about November 15, 2019:

- A. The Respondent failed to have the facility's waste minimization plan certified by a Louisiana registered professional engineer, as specified in LAC 33:V.2245.J, in violation of LAC 33:V.1109.E.1.e. On or about November 22, 2019, a representative of the Respondent provided a copy of the facility's waste minimization plan which was certified by a Louisiana registered professional engineer on October 31, 2019.
- B. The Respondent failed to notify the Office of Environmental Services within seven (7) days when the information submitted in the application for the identification number changed, in violation of LAC 33:V.1105.B. Specifically, a review of the facility's hazardous waste manifests revealed the HW-1, dated April 1, 2013, was missing the following hazardous waste codes: U239, U213, U161, D018, D022, D007, P106, F005, and F003. Additionally, the HW-1 listed the site contact as Cade Bourque. According to a representative of the Respondent, Mr. Bourque has not worked for the Respondent since March 2015. A file review performed on or about November 15, 2019 revealed an updated HW-1, dated August 23, 2019, was submitted to the Office of Environmental Services; however, hazardous waste codes U239 and U213 were missing. The updated HW-1, dated August 23, 2019, contained the current site contact.
- C. The Respondent failed to implement its Spill Prevention and Control (SPC) Plan in violation of La. R.S. 30:2076(A)(3) and LAC 33:IX.905.B. Specifically, totes were

not stored at least 2.5 feet away from the edge of containment as indicated in Inspection Form 2 (Monthly Inspection Checklist) and Inspection Form 3 (Annual Inspection Checklist) of the Respondent's SPC Plan, which is included in the Respondent's Spill Prevention, Control, and Countermeasure (SPCC) Plan. During an inspection conducted by the Department on or about April 10, 2019, an employee of the Respondent stated that a tote stacked on the second level that had been placed along the edge of containment had cracked, resulting in chemical product travelling over containment and into the soil. During an inspection to document the clean-up of the previously mentioned spill, conducted by the Department on or about August 20, 2019, the inspector noted totes against the edge of containment.

- D. The Respondent failed to sample the effluent from Outfall 002 on a monthly basis in violation of LPDES Permit LA0126899 (Effluent Limitations and Monitoring Requirements, Page 1 of 3 and Standard Conditions, Section A.2), La. R.S. 30:2076(A)(3), and LAC 33:IX.501.A. Specifically, the Respondent failed to sample the effluent from Outfall 002 for the monitoring period of July 2017 for Copper, pH, and TSS.
- E. The Respondent failed to report sewage sludge removal from the facility annually in violation of 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. Specifically, the Respondent failed to submit Sewage Sludge & Biosolids Use or Disposal Forms for the years of 2016, 2015, and 2014.

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**, an updated HW-1 notification form indicating all applicable hazardous waste codes, in accordance with LAC 33:V.1105.B. A copy shall be submitted to the Enforcement Division.

Alternatively, the Respondent shall submit documentation that hazardous waste codes U239 and U213 are no longer generated at the facility.

III.

To submit to the Department, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, Sewage Sludge & Biosolids Use or Disposal Forms for the years of 2016, 2015, and 2014.

IV.

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: Adrienne Landry
Re: Enforcement Tracking No. MM-C-19-00878
Agency Interest No. 180596

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-19-00878
Agency Interest No. 180596

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 Adrienne Landry at (225) 219-3805 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 33:1.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 4th day of March, 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: Adrienne Landry

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-C-19-00878	Contact Name	Adrienne Landry
Agency Interest (AI) No.	180596	Contact Phone No.	225-219-3805
Alternate ID No.	LAR000078923; LAG480820		
Respondent:	MULTI-CHEM GROUP, LLC	Facility Name:	Multi-Chem Group LLC – Maurice Facility
	c/o Capitol Corporate Services, Inc.	Physical Location:	13858 LA Hwy 92
	Agent for Service of Process		
	8550 United Plaza Building II, Ste 305		Maurice, LA 70555
	Baton Rouge, LA 70809		Vermilion

STATEMENT OF COMPLIANCE

STATEMENT OF COMPLIANCE	Date Completed	Copy Attached?
A written report was submitted in accordance with Paragraph IV of the "Order" portion of the COMPLIANCE ORDER.		
All necessary documents were submitted to the Department within 7 days of receipt of the COMPLIANCE ORDER in accordance with Paragraph II 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 III 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 33:1.Subpart1.Chapter7.
	In order to resolve any claim for civil penalties for the violations in NOTICE OF POTENTIAL PENALTY MM-C-19-00878, 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 MM-C-19-00878, 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. <p>The Respondent has reviewed the violations noted in NOTICE OF POTENTIAL PENALTY MM-C-19-00878 and has attached a justification of its offer and a description of any BEPs if included in settlement offer.</p>

CERTIFICATION STATEMENT

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: Adrienne Landry		