

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

VALLOUREC TUBE-ALLOY, LLC

AI # 2708

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

* Settlement Tracking No.
* SA-HE-25-0053
*
* Enforcement Tracking No.
* HE-PP-24-00431
*
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SETTLEMENT AGREEMENT

The following Settlement Agreement is hereby agreed to between Vallourec Tube-Alloy, 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 metal fabricating company located in Houma, Terrebonne Parish, Louisiana (“the Facility”).

II

On October 8, 2024, the Department issued to Respondent a Notice of Potential Penalty, Enforcement Tracking No. HE-PP-24-00431 (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 SIX THOUSAND AND NO/100 DOLLARS (\$6,000.00), of which One Thousand Five Hundred Eighty-Five and 67/100 Dollars (\$1,585.67) 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), the 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 Terrebonne 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.

VALLOUREC TUBE-ALLOY, LLC

BY: _____

John Kettler
(Signature)

John Kettler
(Printed)

TITLE: President

THUS DONE AND SIGNED in duplicate original before me this 26 day of
August, 20 25, at VAM USA - Houston, TX

Alisia Laperuta
NOTARY PUBLIC (ID # 135101404)



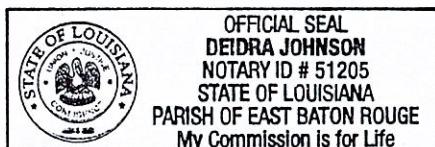
ALISIA LAPERUTA
Notary ID #135101404
My Commission Expires
September 20, 2028
(stamped or printed)

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 7th day of
January, 20 26, at Baton Rouge, Louisiana.



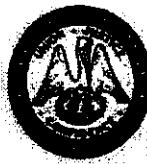
Deidra L. L. Johnson
NOTARY PUBLIC (ID # 51205)

(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

OCT 08 2024

CERTIFIED MAIL (7021 2720 0002 6035 4779)
RETURN RECEIPT REQUESTED

EXHIBIT

1

VALLOUREC TUBE-ALLOY, LLC
c/o Corporation Service Company
Agent for Service of Process
450 Laurel Street, 8th Floor
Baton Rouge, LA 70801

RE: NOTICE OF POTENTIAL PENALTY
ENFORCEMENT TRACKING NO. HE-PP-24-00431
AGENCY INTEREST NO. 2708

Dear Sir/Madam:

On or about February 14, 2024, the Louisiana Department of Environmental Quality (the Department) conducted an inspection of VALLOUREC TUBE ALLOY, a metal fabricating company, owned and/or operated by VALLOUREC TUBE-ALLOY, LLC (RESPONDENT), to determine the degree of compliance with the Louisiana Environmental Quality Act (the Act) and the Hazardous Waste Regulations. The facility is located at 1914 Grand Caillou Road in Houma, Terrebonne Parish, Louisiana. The Respondent is a Large Quantity Generator (LQG) of hazardous waste and operates under EPA identification number LAD065474942.

The Department issued Warning Letter (WL) HE-L-24-00431 to the Respondent on or about August 5, 2024, for areas of concern noted during the February 14, 2024 inspection. A response to the WL was submitted to the Department on or about August 15, 2024.

While the investigation by the Department is not yet complete, the following violations were noted during the course of the inspection:

- A. The Respondent failed to keep hazardous waste containers closed during accumulation, except when necessary to add, remove, or consolidate hazardous waste, in violation of LAC 33:V.1011.A.4.a. Specifically, during the February 14, 2024 inspection, one (1) milk crate located in the Waste Aerosol satellite accumulation area (SAA) containing unpunctured/undrained hazardous waste spent aerosol cans (D001) was not closed and was incapable of proper closure. On or about March 1, 2024, a photograph was submitted to the

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Department demonstrating the container had been replaced and the spent aerosol cans were removed. This violation has been addressed.

- B. The Respondent failed to label satellite accumulation containers of hazardous waste with the words "Hazardous Waste," in violation of LAC 33:V.1011.A.5.a. Specifically, the following observations were made during the February 14, 2024 inspection:
 - 1. One (1) partially full 55-gallon drum located in the Waste Aerosol SSA containing hazardous waste generated from the puncturing/draining of spent aerosol cans (D001) was not labeled with the words "Hazardous Waste." On or about March 1, 2024, a photograph was submitted to the Department indicating the container had been properly labeled with the words "Hazardous Waste." This violation has been addressed.
 - 2. The hazardous waste container aforementioned in Paragraph A was not labeled with the words "Hazardous Waste." On or about March 1, 2024, a photograph was submitted to the Department demonstrating the container had been replaced and the spent aerosol cans were removed. This violation has been addressed.
- C. The Respondent failed to label a satellite accumulation container of hazardous waste with an indication of the hazards of the contents, in violation of LAC 33:V.1011.A.5.b. Specifically, during the February 14, 2024 inspection, hazardous waste containers aforementioned in Paragraphs B.1 and B.2 were not labeled with the indication of the hazards of the contents. On or about March 1, 2024, and May 17, 2024, photographs were submitted to the Department indicating the containers had been labeled with the indication of the contents. This violation has been addressed.
- D. The Respondent failed to notify the Office of Environmental Services within seven (7) days if any information submitted in the notification of hazardous waste activity changes, in violation of LAC 33:V.1017.A. Specifically, the Respondent generated and shipped off-site for disposal hazardous waste with waste codes D008, D009, D035, and U154 during the 2021 to 2024 calendar years. In the August 15, 2024 WL response, an updated HW-1 Form including waste codes D008, D009, D035, and U154 was submitted to the Department. This violation has been addressed.
- E. The Respondent failed to include all EPA hazardous waste codes on the hazardous waste annual report, in violation of LAC 33:V.1021.A. Specifically,
 - 1. Hazardous Waste Manifest No. 016412649FLE dated July 29, 2021, indicated damaged mercury bulbs (D009) were generated and disposed during the 2021 reporting year; however, the 2021 hazardous waste annual report failed to list waste code D009.
 - 2. Hazardous Waste Manifest No. 0062520256GBF dated November 8, 2021, indicated waste ethanol (U154) was generated and disposed during the 2021 reporting year; however, the 2021 hazardous waste annual report failed to list waste code U154.

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In the August 15, 2024 WL response, an amended 2021 hazardous waste annual report including waste codes D009 and U154 was submitted to the Department. This violation has been addressed.

- F. The Respondent failed to make arrangements with the local police department, fire department, other emergency response teams, and local hospitals, taking into account the types and quantities of hazardous wastes handled at the facility, in violation of LAC 33:V.1049.A. Specifically, in correspondence dated May 17, 2024, a representative of the Respondent stated the Facility had only made arrangements with the local fire station. In a response dated June 7, 2024, documentation of arrangements made with local fire department, police department, and hospitals was submitted to the Department. This violation has been addressed.
- G. 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.1015.B.9. Specifically, the Facility's waste minimization plan dated August 2022 was not certified by a Louisiana registered professional engineer. In the August 15, 2024 WL response, an updated waste minimization plan certified by a Louisiana registered professional engineer was submitted to the Department. This violation has been addressed.
- H. The Respondent failed to develop and retain a waste minimization plan onsite, which includes ongoing and proposed waste minimization projects and tentative beginning dates for proposed projects, in accordance with LAC 33:V.2245.K, in violation of LAC 33:V.1015.B.9. Specifically, the waste minimization plan did not include proposed waste minimization projects or tentative start dates for proposed projects. In the August 15, 2024 WL response, an updated waste minimization plan including ongoing and proposed waste minimization projects and tentative beginning dates for proposed projects was submitted to the Department. This violation has been addressed.

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.

Prior to the issuance of any additional appropriate enforcement action, 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 or Deonne.Bodin@la.gov within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**.

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 in order 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 violations 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 this statement. If the Respondent chooses not to submit the requested most current annual gross revenues

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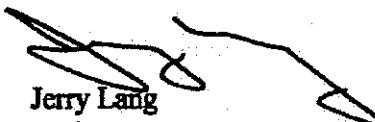
statement within ten (10) days, it will be viewed by the Department as an admission that the Respondent has the ability to pay the statutory maximum penalty as outlined in La. R.S. 30:2025.

For each violation described herein, the Department reserves the right to seek civil penalties and the right to seek compliance with its rules and regulations in any manner allowed by law, and nothing herein shall be construed to preclude the right to seek such penalties and compliance.

The Department assesses civil penalties based on LAC 33:1.Subpart1.Chapter 7. To expedite closure of this **NOTICE OF POTENTIAL PENALTY**, 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 "**NOTICE OF POTENTIAL PENALTY REQUEST TO SETTLE**" form. The Respondent may submit the settlement offer within one hundred and eighty (180) days of receipt of this **NOTICE OF POTENTIAL PENALTY**. 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.

To reduce document handling, please refer to the Enforcement Tracking Number and Agency Interest Number on the front of this document on all correspondence in response to this action.

Sincerely,



Jerry Lang
Assistant Secretary
Office of Environmental Compliance

JL/DB/db

Alt ID No. LAD065474942

c: Jody Hebert
2107 City West Boulevard
Houston, TX 77042

LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE

ENFORCEMENT DIVISION

POST OFFICE BOX 4312

BATON ROUGE, LOUISIANA 70821-4312

NOTICE OF POTENTIAL PENALTY
REQUEST TO SETTLE (OPTIONAL)

Enforcement Tracking No.	HE-PP-24-00431	Contact Name	Deonne Bodin
Agency Interest (AI) No.	2708	Contact Phone No.	(504) 736-7715
Alternate ID No.	LAD065474942		
Respondent:	VALLOUREC TUBE-ALLOY, LLC c/o Corporation Service Company Agent for Service of Process 450 Laurel Street, 8th Floor Baton Rouge, LA 70801	Facility Name: Physical Location: City, State, Zip: Parish:	Vallourec Tube Alloy 1914 Grand Caillou Road Houma, LA 70363 Terrebonne

(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 (HE-PP-24-00431), the Respondent is interested in entering into settlement negotiations with the Department and would like to set up a meeting to discuss settlement procedures.
	The Respondent may submit the settlement offer within one hundred and eighty (180) days of receipt of this NOTICE OF POTENTIAL PENALTY (HE-PP-24-00431).
	In order to resolve any claim for civil penalties for the violations in NOTICE OF POTENTIAL PENALTY (HE-PP-24-00431), the Respondent is interested in entering into settlement negotiations with the Department and offers to pay \$_____ which shall include LDEQ enforcement costs and any monetary benefit of non-compliance. <ul style="list-style-type: none"> • Monetary component = \$_____ • Beneficial Environmental Project (BEP) component (optional) = \$_____ • DO NOT SUBMIT PAYMENT OF THE OFFER WITH THIS FORM - the Department will review the settlement offer and notify the Respondent as to whether the offer is or is not accepted.
	The Respondent has reviewed the violations noted in NOTICE OF POTENTIAL PENALTY (HE-PP-24-00431) and has attached a justification of its offer and a description of any BEPs if included in settlement offer.

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