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### UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGIONAL HEARING CLERK EPA REGION 6

#### **REGION 6**

IN THE MATTER OF

WCC Energy Group, LLC Potash Facility Plaquemines Parish, LA CWA SECTION 311 CLASS I CONSENT AGREEMENT AND FINAL ORDER UNDER 40 CFR § 22.13(b)

Respondent.

Docket No. CWA-06-2023-4808

### **LEGAL AUTHORITY**

1. This Consent Agreement is proposed and entered into under the authority vested in the Administrator of the U.S. Environmental Protection Agency (EPA) by Section 311(b)(6)(B)(i) of the Clean Water Act (Act), 33 U.S.C. § 1321(b)(6)(B)(i), as amended by the Oil Pollution Act of 1990, and under the authority provided by 40 CFR §§ 22.13(b) and 22.18(b)(2). The Administrator has delegated these authorities to the Regional Administrator of EPA, Region 6. Pursuant to the April 17, 2019, Region 6 Realignment: General Delegation Memo (General Delegation Memo), the Regional Administrator delegated these authorities to the successor Division Director or Office Director in accordance with the Region 6 2019 reorganization, to wit: the Enforcement and Compliance Assurance Division of EPA, Region 6. The General Delegation Memo has, in turn, further redelegated these authorities to the comparable official subordinate to the Enforcement and Compliance Assurance Division Director, to wit: the Branch Chief, Water Enforcement Branch in Region 6.

# **CONSENT AGREEMENT**

#### **SPCC Stipulations**

The parties, in their own capacity or by their attorneys or other authorized representatives, hereby stipulate:

- 2. Section 311(j)(1)(C) of the Act, 33 USC § 1321(j)(1)(C), provides that the President shall issue regulations "establishing procedures, methods, and equipment and other requirements for equipment to prevent discharges of oil from onshore or offshore vessels and from onshore or offshore facilities, and to contain such discharges."
- 3. Initially by Executive Order 11548 (July 20, 1970), 35 Fed. Reg. 11677 (July 22, 1970), and most recently by Section 2(b)(1) of Executive Order 12777 (October 18, 1991), 56 Fed. Reg. 54757 (October 22, 1991), the President delegated to EPA his Section 311(j)(1)(C) authority to issue the regulations referenced in the preceding Paragraph for non-transportation-related onshore facilities.
- 4. EPA subsequently promulgated the Spill Prevention Control & Countermeasure (SPCC) regulations pursuant to delegated statutory authorities, and pursuant to its authorities under the Clean Water Act, 33 USC § 1251 et seq., which established certain procedures, methods and other requirements upon each owner and operator of a non-transportation-related onshore or off-shore facility, if such facility, due to its location, could reasonably be expected to discharge oil into or upon the navigable waters of the United States and their adjoining shorelines in such quantity as EPA has determined in 40 CFR § 110.3 may be harmful to the public health or welfare or the environment of the United States (harmful quantity).

- 5. In promulgating 40 CFR § 110.3, which implements Section 311(b)(4) of the Act, 33 USC § 1321(b)(4), EPA has determined that discharges of harmful quantities include oil discharges that cause either (1) a violation of applicable water quality standards or (2) a film, sheen upon, or discoloration of the surface of the water or adjoining shorelines, or (3) a sludge or emulsion to be deposited beneath the surface of the water or upon adjoining shorelines.
- 6. Respondent is a firm conducting business in the State of Louisiana, with a place of business located at 3838 N. Causeway Blvd., Suite 2880, Metairie, LA 70002, and is a person within the meaning of Sections 311(a)(7) and 502(5) of the Act, 33 U.S.C. §§ 1321(a)(7) and 1362(5), and 40 CFR § 112.2.
- 7. Respondent is the owner within the meaning of Section 311(a)(6) of the Act, 33 USC § 1321(a)(6), and 40 CFR § 112.2 of a crude oil production facility, located in Plaquemines Parish, LA (the facility). The approximate coordinates of the facility are 29.482429 ° N and -89.698536 ° W. Drainage from the facility drains into a drainage canal which leads to the Parish pump station which send the water to Lake Washington.
- 8. The facility has an aggregate above-ground storage capacity greater than 1320 gallons of oil in containers each with a shell capacity of at least 55 gallons. Facility capacity is approximately 368,004 gallons.
- Lake Washington is a navigable waters of the United States within the meaning of 40 CFR § 112.2.
- 10. Respondent is engaged in drilling, producing, gathering, storing, processing, refining, transferring, distributing, using or consuming oil or oil products located at the facility.

- 11. The facility is therefore a non-transportation-related onshore facility which, due to its location, could reasonably be expected to discharge oil to a navigable water of the United States or its adjoining shorelines in a harmful quantity (an SPCC-regulated facility).
- 12. Pursuant to Section 311(j)(1)(C) of the Act, E.O. 12777, and 40 CFR § 112.1 Respondent, as the owner of an SPCC-regulated facility, is subject to the SPCC regulations.

## SPCC Allegations

- 13. Paragraphs 6 through 12 above are re-stipulated as though fully set forth herein.
- 14. 40 CFR § 112.3 requires that the owner or operator of an SPCC-regulated facility must prepare a SPCC plan in writing and implement that plan in accordance with 40 CFR § 112.7 and any other applicable section of 40 CFR Part 112.
- 15. On January 25, 2023, EPA inspected the facility and found that Respondent had failed to develop and implement an SPCC plan for the facility as follows:
  - a. Respondent failed to submit the appropriate information to the RA, more specifically, respondent failed to submit notifications of spills within 60 days of the spill occurring as required in 40 CFR § 112.4(a),(c).
  - b. Respondent failed to address within the plan changes required by the RA as required in 40 CFR § 112.4(d),(e).
  - c. Respondent failed to provide within the plan physical layout of facility and includes a diagram that identifies. Specifically, respondent failed to provide facility descriptions to go along with the diagrams in accordance with 40 CFR § 112.7(a)(3).
  - d. Respondent failed to provide within the plan discharge prevention measures, including procedures for routine handling of products (loading, unloading, and facility transfers, etc.) in accordance with 40 CFR § 112.7(a)(3)(ii).

- e. Respondent failed to provide within the plan discharge or drainage controls, such as secondary containment around containers, and other structures, equipment, and procedures for the control of a discharge in accordance with 40 CFR § 112.7(a)(3)(iii).
- f. Respondent failed to provide within the plan countermeasures for discharge discovery, response, and cleanup (both facility's and contractor's resources) in accordance with 40 CFR § 112.7(a)(3)(iv).
- g. Respondent failed to provide within the plan methods of disposal of recovered materials in accordance with applicable legal requirements in accordance with 40 CFR § 112.4(a)(3)(v).
- Respondent failed to provide in the plan appropriate containment and/or diversionary structures or equipment for oil-field operational equipment and transfer areas, equipment and activities as required in 40 CFR § 112.7(c).
- Respondent failed to implement at the facility appropriate inspections and tests in accordance with written procedures. Respondent also failed to address in the plan and maintain at the facility records of inspections or tests signed by supervisor or inspector and kept with the Plan for at least 3 years in accordance with 40 CFR § 112.7(e).
- j. Respondent failed to provide within the plan and maintain at the facility training of oil-handling personnel in operation and maintenance of equipment to prevent discharges; discharge procedure protocols; applicable pollution control laws, rules, and regulations; general facility operations; and contents of SPCC Plan accordance with 40 CFR § 112.7(f)(1).
- k. Respondent failed to provide within the plan and provide at the facility person designated as accountable for discharge prevention at the facility and reports to facility management in accordance with 40 CFR § 112.7(f)(2).
- Respondent failed to implement at the facility at the facility discharge prevention briefings conducted at least once a year for oil handling personnel to assure adequate understanding of the Plan. Briefings highlight and describe known discharges as described in §112.1(b) or failures, malfunctioning components, and any recently developed precautionary measures in accordance with 40 CFR § 112.7(f)(3).

- m. Respondent failed to provide within the plan discussion of conformance with applicable more stringent State rules, regulations, and guidelines and other effective discharge prevention and containment procedures listed in 40 CFR part 112 in accordance with 40 CFR § 112.7(j).
- n. Respondent failed to provide within the plan how retained rainwater is inspected to ensure that its presence will not cause a discharge as described in §112.1(b). Respondent also failed to provide within the plan and provide at the facility adequate records of drainage are kept; for example, records required under permits issued in accordance with §122.41(j)(2) and (m)(3), and bypass valve opened and resealed under responsible supervision in accordance with 40 CFR § 112.9(b)(1).
- Respondent failed to address within the plan field drainage systems (e.g., drainage ditches or road ditches) and oil traps, sumps, or skimmers inspected at regularly scheduled intervals for oil, and accumulations of oil promptly removed in accordance with 40 CFR § 112.9(b)(2).
- p. Respondent failed to address within the plan secondary containment provided for all tank battery, separation and treating facilities sized to hold the capacity of largest single container and sufficient freeboard for precipitation with the flow-through process vessels in §112.9(c)(5) and produced water containers in §112.9(c)(6) exempt. Respondent also failed to address within the plan and sufficiently implement at the facility drainage from undiked area safely confined in a catchment basin or holding pond in accordance with 40 CFR § 112.9(c)(2).
- q. Respondent failed to address within the plan saltwater (oil field brine) disposal facilities inspected often to detect possible system upsets capable of causing a discharge, particularly following a sudden change in atmospheric temperature in accordance with 40 CFR § 112.9(d)(2).
- r. Respondent failed to address within the plan and implement at the facility an oil spill contingency plan following the provisions of 40 CFR part 109 in accordance with 40 CFR § 112.9(d)(3)(i).
- s. Respondent failed to address within the plan flowlines and intra-facility gathering lines and associated valves and equipment are compatible with the type of production fluids, their potential corrosivity, volume, and pressure, and other conditions expected in the operational environment in accordance with 40 CFR § 112.9(d)(4)(i).

- t. Respondent failed to address within the plan if flowlines and intra-facility gathering lines are not provided with secondary containment in accordance with §112.7(c), the frequency and type of testing allows for the implementation of a contingency plan as described under 40 CFR 109 or an FRP submitted under §112.20 in accordance with 40 CFR § 112.9(d)(4)(ii).
- u. Respondent failed to address within the plan repairs or other corrective actions made to any flowlines and intra-facility gathering lines and associated appurtenances as indicated by regularly scheduled visual inspections, tests, or evidence of a discharge in accordance with 40 CFR § 112.9(d)(4)(iii).
- v. Respondent failed to address within the plan oil removed or other actions initiated to promptly stabilize and remediate any accumulations of oil discharges associated with the flowlines, intra-facility gathering lines, and associated appurtenances in accordance with 40 CFR § 112.9(d)(4)(iv).
- 16. Respondent's failure to fully develop and implement its SPCC plan for the facility violated 40 CFR § 112.3 and impacted its ability to prevent an oil spill.

## Waiver of Rights

17. Respondent admits the jurisdictional allegations set forth above and neither admits nor denies the other specific violations alleged above. Respondent waives the right to a hearing under Section 311(b)(6)(B)(i) of the Act, 33 U.S.C. § 1321(b)(6)(B)(i), and to appeal any Final Order in this matter under Section 311(b)(6)(G)(i) of the Act, 33 U.S.C. §1321(b)(6)(G)(i), and consents to the issuance of a Final Order without further adjudication.

## Penalty

18. The Complainant proposes, and Respondent consents to, the assessment of a civil penalty of \$32,700.00.

#### **Payment Terms**

- 19. Based on the forgoing, the parties, in their own capacity or by their attorneys or authorized representatives, hereby agree that Respondent shall pay to the United States a civil penalty in the amount of thirty-two thousand seven hundred dollars (\$32,700.00) plus interest to settle the violations as alleged in the Complaint, in accordance with 40 C.F.R. § 22.18(c).
- 20. Based on Respondent's documented inability to pay claim, and in accordance with applicable laws, EPA determined that the Assessed Penalty is an appropriate amount to settle this action, which Respondent consents to pay as follows:
  - a. The Assessed Penalty will be paid in 36 equal installments, in order to complete payment of the entire Assessed Penalty and interest, which is assessed at the IRS standard underpayment rate. Including the Assessed Penalty and interest, the total amount that will be paid upon completion of all payments will be \$36,223.56. The first payment is due within thirty (30) days after the date the Final Order ratifying this Agreement is filed with the Regional Hearing Clerk (Filing Date). Respondent's subsequent payments shall thereafter be due in thirty-day intervals from said Filing Date.
  - b. Respondent shall make payments in accordance with the following schedule:

    Respondent shall make monthly installment payments of \$1,006.21, which includes

    principal and interest, for three (3) years, until the total amount paid is \$36,223.56. The

    first payment shall be made within thirty (30) days after the Filing Date, and subsequent

    payments shall thereafter be due in thirty-day intervals from said Filing Date.

- c. Notwithstanding Respondent's agreement to pay the Assessed Penalty in accordance with the installment schedule set forth above, Respondent may pay the entire Assessed Penalty of \$32,700.00 within thirty (30) days of the Filing Date and, thereby, avoid the payment of interest pursuant to 40 C.F.R. § 13.11(a). In addition, Respondent may, at any time after commencement of payments under the installment schedule, elect to pay the entire principal balance remaining, together with any interest and other charges accrued up to the date of such full payment.
- 21. Respondent shall pay the Assessed Penalty and any interest, fees, and other charges due using any method, or combination of appropriate methods, as provided below. The Respondent shall submit this Consent Agreement and Final Order, with original signature, along with documentation of the penalty payment via Mail and E-Mail to:

Energy Sector Compliance Section
U. S. Environmental Protection Agency
Region 6 (6ECD-WE)
1201 Elm Street
Dallas, TX 75270-2102
blaha.michael@epa.gov

- If you are paying by check, pay the check to "Environmental Protection Agency," noting on the check "OSTLF-311" and docket number CWA-06-2023-4808. If you use the U.S. Postal Service, address the payment to:

U.S. Environmental Protection Agency, Fines & Penalties P.O. Box 979077, St. Louis, MO 63197-9000

- If you use a private delivery service, address the payment to:

U.S. Bank 1005 Convention Plaza, Mail Station SL-MO-C2GL St. Louis, MO 63101 - The Respondent shall submit copies of the check (or, in the case of an EFT transfer, copies of the EFT confirmation) to the following person:

Lorena Vaughn
Regional Hearing Clerk (6RC)
U.S. Environmental Protection Agency
Region 6
1201 Elm Street
Dallas, TX 75270-2102

22. Failure by the Respondent to pay the penalty assessed by the Final Order in full by its due date may subject Respondent to a civil action to collect the assessed penalty, plus interest, attorney's fees, costs and an additional quarterly nonpayment penalty pursuant to Section 311(b)(6)(H) of the Act, 33 USC §1321(b)(6)(H). In any such collection action, the validity, amount and appropriateness of the penalty agreed to herein shall not be subject to review.

## **General Provisions**

23. The Final Order shall be binding upon Respondent and Respondent's officers, directors, agents, servants, employees, and successors or assigns.

24. The Final Order does not constitute a waiver, suspension or modification of the requirements of Section 311 of the Act, 33 USC §1321, or any regulations promulgated thereunder, and does not affect the right of the Administrator or the United States to pursue any applicable injunctive or other equitable relief or criminal sanctions for any violation of law. Payment of the penalty pursuant to this Consent Agreement resolves only Respondent's liability for federal civil penalties for the violations and facts stipulated to and alleged herein.

WCC Energy Group, LLC

Date: 5/9/25

William Weidner

President

WCC Energy Group, LLC

U.S. ENVIRONMENTAL PROTECTION AGENCY

Date: 5/09/2025

Bryant Smalley

Chief

Water Enforcement Branch

#### **FINAL ORDER**

Pursuant to Section 311(b)(6) of the Act, 33 USC §1321(b)(6) and the delegated authority of the undersigned, and in accordance with the "Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties, Issuance of Compliance or Corrective Action Orders, and the Revocation, Termination or Suspension of Permits," codified at 40 CFR Part 22, the forgoing Consent Agreement is hereby approved and incorporated by reference into this Final Order, and the Stipulations by the parties and Allegations by the Complainant are adopted as Findings in this Final Order.

The Respondent is ordered to comply with the terms of the Consent Agreement.

Date: May 13, 2025

Cheryl Seager, Director

**Enforcement and** 

Compliance Assurance Division

# **CERTIFICATE OF SERVICE**

I certify that the original and one copy of the foregoing "Consent Agreement and Final Order," issued pursuant to 40 C.F.R. 22.13(b), was filed on May 14, 2025, with the Regional Hearing Clerk, U.S. EPA Region 6, 1201 Elm Street, Dallas, TX 75270-2102; and that on the same date a copy of the same was sent to the following, in the manner specified below:

Copy by email, return receipt requested:

Mr. William Weidner

3838 N. Causeway Boulevard, Suite 2880

Metairie, LA 70002

wweidner@wccenergygroup.net

**JEANNE** 

Digitally signed by JEANNE

**ECKHART** 

**ECKHART** 

Date: 2025.05.14 12:36:15

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Jeanne Eckhart

**Energy Sector Compliance Section Supervisor**