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UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGIONAL HEARING CLERK
EPA REGION 6

REGION 6

IN THE MATTER OF

Shamrock Products, LLC
Victoria Facility
Calcasieu Parish, Louisiana

CWA SECTION 311 CLASS I
CONSENT AGREEMENT
AND FINAL ORDER
UNDER 40 CFR § 22.13(b)

Respondent.

Docket No. CWA-06-2024-4805

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 Texas, with a place of business located at 1894 FM 1432, Victoria, TX 77905, 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 and blend stock oil storage facility, located in Galveston County, Texas (the facility). The approximate coordinates of the facility are 28.69454° N and -96.95854° W. Drainage from the facility drains into the Victoria Barge Canal.

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 630,000 gallons.

9. The Victoria Barge Canal is a navigable water 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 sections of 40 CFR Part 112.

15. On March 19, 2024, 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 adequately address in the plan, the physical layout of facility and include diagrams that identifies; location and contents of all regulated fixed oil storage containers, storage areas where mobile or portable containers are located, completely buried tanks otherwise exempt from the SPCC requirements, transfer stations, and connecting pipes, including intra-facility gathering lines that are otherwise exempt from the requirements in accordance with 40 CFR § 112.7(a)(3).
- b. Respondent failed to adequately address in the plan for each fixed container, the type of oil and storage capacity, in accordance with 40 CFR § 112.7(a)(3)(i).
- c. Respondent failed to adequately address in the plan discharge prevention measures. Specifically, respondent failed to including countermeasures for discharge discovery, response, and cleanup and methods of disposal of recovered materials in accordance with applicable legal requirements in accordance with 40 CFR § 112.7(a)(3)(iv-v).

- d. Respondent failed to address in the plan whether site specific procedures to be used when a discharge occurs will be readily usable in an emergency in accordance with 40 CFR § 112.7(a)(5).
- e. Respondent failed to address in the plan most likely spill calculation for appropriate containment and/or diversionary structures or equipment for transfer areas, equipment and activities as required in 40 CFR § 112.7(c).
- f. Respondent failed to adequately address in the plan and implement at the facility appropriate security. Specifically how they secure and control access to the oil handling, processing and storage areas; secure master flow and drain valves; prevent unauthorized access to starter controls on oil pumps; secure out-of-service and loading/unloading connections of oil pipelines; and address the appropriateness of security lighting to both prevent acts of vandalism and assist in the discovery of oil discharges in, accordance with 40 CFR § 112.7(g).
- g. Respondent failed to address in the plan secondary containment for the bulk storage tank installations at the facility, that can hold the entire capacity of the single largest container and sufficient freeboard for precipitation. Respondent also failed to address in the plan whether diked areas are sufficiently impervious to contain discharged oil, in accordance with 40 CFR § 112.8(c)(2).
- h. Respondent failed to adequately address in the plan the standard for testing or inspection of each aboveground container for integrity on a regular schedule and whenever material repairs are made, appropriate qualifications for personnel performing tests and inspections, frequency and type of testing and inspections documented in accordance with the industry standards, as required in 40 CFR § 112.8(c)(6).
- i. Respondent failed to adequately discuss in the plan the specific liquid level sensing devices used to prevent discharges from each container as required in 40 CFR § 112.8(c)(8).
- j. Respondent failed to address in the plan positioning of mobile or portable containers to prevent a discharge described in 40 CFR § 112.1(b).
- k. Respondent failed to address in the plan, secondary containment for mobile or portable containers, with sufficient capacity to contain the largest single compartment or container and sufficient freeboard to contain precipitation in accordance with 40 CFR § 112.8(c)(11).

16. Respondent's failure to properly develop and implement an adequate SPCC plan for the facility violated the requirements of 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.

18. By signing this consent agreement, respondent waives any rights or defenses that respondent has or may have for this matter to be resolved in federal court, including but not limited to any right to a jury trial, and waives any right to challenge the lawfulness of the final order accompanying the consent agreement."

Penalty

19. The Complainant proposes, and Respondent consents to, the assessment of a civil penalty of **\$19,900.00**.

Payment Terms

Based on the forgoing, the parties, in their own capacity or by their attorneys or authorized representatives, hereby agree that:

20. The Respondent shall pay to the United States a civil penalty in the amount of **\$19,900.00**, to settle the violations as alleged in the CAFO, in accordance with 40 C.F.R.

22.18(c). The Respondent shall make monthly installment payments of **\$620.85** per month, which includes principal and interest, for 36 months, until the total amount paid is **\$22,350.60**. The first payment must be made within thirty (30) days after the effective date of this CAFO, and each subsequent payment will be due on the 15th day of each month. 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 Chief
U. S. Environmental Protection Agency
Region 6 (6ECD-WE)
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-06-2024-4805**. 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
vaughn.loreana@epa.gov

21. 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

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

23. 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.

Shamrock Products, LLC

Date: 1/6/25



Shane Steagall
President
Shamrock Products, LLC

U.S. ENVIRONMENTAL PROTECTION AGENCY

Date: 1/14/2025




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: January 14, 2025



Digitally signed by
CHERYL SEAGER
Date: 2025.01.14 10:06:28
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Cheryl T Seager, Director
Enforcement and
Compliance Assurance Division

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Consent Agreement and Final Order was filed with the Regional Hearing Clerk, U.S. EPA - Region 6, 1201 Elm Street, Suite 500, Dallas, Texas 75270-2102, and that a true and correct copy was sent on this day in the following manner to the email address:

Copy via Email to Respondent – Delivery Receipt Requested

Shane Steagall
Shamrock Products, LLC, President
1110 NASA Parkway, Suite 460
Houston, Tx 77058
shane@shamrockproductsusa.com

**MICHAEL
BLAHA**

Digitally signed by MICHAEL
BLAHA
Date: 2025.01.16 11:19:58
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Michael Blaha
OPA Enforcement Officer