



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 6
1201 ELM STREET, SUITE 500
DALLAS, TEXAS 75270-2102**

September 16, 2020

TRANSMITTED VIA E-MAIL

Mr. Harry S. Chen, Sr. SHE Advisor
Nalco Company LLC
7701 90 HWY A
Sugarland, TX 77478
harry.chen@ecolab.com

Re: Administrative Order, Docket Number: CWA-06-2020-1794
Facility Permit Number: GMG29061F

Dear Mr. Chen:

Enclosed is an Administrative Order (AO) issued to Nalco Company LLC by the United States Environmental Protection Agency, Region 6 (EPA) for violation of the Clean Water Act (CWA), 33 U.S.C. §§ 1251-1387. This AO requires Nalco Company LLC to comply with the provisions set forth in the attached AO for violations identified during a review of Discharge Monitoring Reports (DMRs) submitted to EPA.

This AO does not assess a monetary penalty; however, it does require compliance with applicable federal regulations. The first compliance deadline is within thirty days of receipt of this AO. EPA is committed to ensuring compliance with the requirements of the National Pollutant Discharge Elimination System (NPDES) program, and my staff will assist you in any way possible. Please reference AO Docket Number CWA-06-2020-1794 and NPDES Permit Number GMG29061F in your response.

EPA acknowledges that the COVID-19 pandemic may impact your business. If that is the case, please contact us regarding any specific issues you need to discuss.

If you have any questions, please contact Ms. Kayla Woods, of my staff, at woods.kayla@epa.gov.

Sincerely,

Cheryl T. Seager, Director
Enforcement and
Compliance Assurance Division

Enclosure

ECC: Ramona Sanders, Chief
Environmental Inspection and Enforcement Unit (EIEU)
Bureau of Safety and Environmental Enforcement
Gulf of Mexico OCS Office – MS GE466
Ramona.Sanders@bsee.gov



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 6
1201 ELM STREET, SUITE 500
DALLAS, TEXAS 75270-2102**

**FINDINGS OF VIOLATION AND COMPLIANCE ORDER
Docket Number: CWA-06-2020-1794; Facility Permit Number: GMG29061F**

STATUTORY AUTHORITY

The following findings are made, and Order issued, under the authority vested in the Administrator of the United States Environmental Protection Agency ("EPA") by Section 309(a) of the Clean Water Act ("the Act"), 33 U.S.C. § 1319(a). The Administrator of EPA delegated the authority to issue this Order to the Regional Administrator of EPA Region 6, who further delegated such authority to the Director of the Enforcement and Compliance Assurance Division.

FINDINGS

1. Nalco Company LLC ("Respondent") is a "person," as that term is defined at Section 502(5) of the Act, 33 U.S.C. § 1362(5), and 40 C.F.R. § 122.2.
2. At all times relevant to this Order ("all relevant times"), Respondent owned or operated offshore oil and gas production and/or exploration facilities located in the Central and Western Portions of the Gulf of Mexico in the Outer Continental Shelf ("facilities"), and is, therefore, an "owner or operator" within the meaning of 40 C.F.R. § 122.2. The mailing address for Respondent is 7701 90 HWY A, Sugarland, TX 77478.
3. At all relevant times, the facilities are "point sources" of "discharges" of "pollutants" to the receiving waters of the Gulf of Mexico, which is considered a "water of the United States" within the meaning of Section 502(12) and (14) of the Act, 33 U.S.C. § 1362(12), (14), and 40 C.F.R. § 122.2.
4. Because Respondent owns or operates facilities that act as point sources of discharges of pollutants to a water of the United States, Respondent and the facilities are subject to the Act and the National Pollutant Discharge Elimination System ("NPDES") program.
5. Under Section 301 of the Act, 33 U.S.C. § 1311, it is unlawful for any person to discharge any pollutant from a point source to waters of the United States, except with the authorization of, and in compliance with, a NPDES permit issued pursuant to Section 402 of the Act, 33 U.S.C. § 1342.
6. Section 402(a) of the Act, 33 U.S.C. § 1342(a), provides that the Administrator of EPA may issue permits under the NPDES program for the discharge of pollutants from point sources to waters of the United States. Any such discharge is subject to the specific terms and conditions prescribed in the applicable permit.
7. Pursuant to Section 402(a) of the Act, 33 U.S.C. § 1342(a), EPA issued the "Final NPDES General Permit for New and Existing Sources and New Dischargers in the Offshore Subcategory of the Oil and Gas Extraction Category for the Western Portion of the Outer Continental Shelf of the Gulf of Mexico" (GMG290000) ("permit"), which was reissued and took effect in its current form on October 1, 2017, 77 Fed. Reg. 61605. The permit authorizes discharges from new sources, existing sources, and new dischargers in the Offshore Subcategory of the Oil and Gas Extraction Point Source Category (40 C.F.R. Part 435, Subpart A) by operators of lease blocks located in Federal Waters of the Central and Western Portions of the Gulf of Mexico. The permit does not authorize discharges from facilities located in, or discharging to, the territorial seas of Louisiana or Texas or from facilities defined as "coastal," "onshore," or "stripper" (40 C.F.R. Part 435, Subparts C, D, and E). The permit does, however, authorize the discharge of produced water to the Central and Western portions of the Federal Waters of the Gulf of Mexico from wells located in lease blocks, and is available on the Internet at https://www.epa.gov/sites/production/files/2017-09/documents/2017_final_gp_for_fr_091817.pdf.
8. Part I.B of the permit places certain limitations on the quality and quantity of effluent discharges by Respondent. The relevant discharge limitations are listed in Attachment A, which is incorporated by reference.
9. Part I of the permit requires Respondent to sample and test its effluent and monitor its compliance with permit conditions according to specific procedures in order to determine the facilities' compliance or noncompliance with the permit and applicable regulations. Part II.D of the permit requires Respondent to file with EPA certified Discharge Monitoring Reports ("DMRs") of the results of monitoring, and Noncompliance Reports when appropriate.

10. A DMR review was conducted by representatives of EPA, for the monitoring period of April 1, 2017 to March 14, 2020. The certified DMRs filed by the Respondent to EPA show the respondent failed to meet the requirements outlined in the GMG290000 permit. Multiple violations were identified for the Respondent's facilities located in the central to western portion of the Gulf of Mexico.

11. Part II.D.4 of the permit was violated in that the Respondent failed to properly submit the DMRs following the II.C.7.b. quarterly monitoring periods. The DMR (non-receipt) violations are specified in Attachment B, which is incorporated by reference. Respondent must submit any missing DMRs and limit sets in order to meet the requirements outlined in Paragraph 13 of this Administrative Order.

12. Each violation of the conditions of the permit was a violation of Section 301 of the Act, 33 U.S.C. § 1311.

SECTION 309(a)(3) COMPLIANCE ORDER

13. Based on the foregoing Findings and pursuant to the authority of Section 309(a)(3) of the Act, EPA hereby orders Respondent to take the following action:

A. Within thirty (30) days of the effective date of this Order, Respondent shall take such steps as necessary to comply with the effluent limitation provisions of the permit, as outlined in Attachment A.

B. Within thirty (30) days of the effective date of this Order, Respondent must certify compliance with the terms and conditions of the permit.

C. Within thirty (30) days of the effective date of this Order, Respondent shall provide EPA with a list of all mechanical, management and operational deficiencies and a narrative describing the specific actions taken to correct all cited violations.

D. In the event it will take Respondent longer than thirty (30) days to achieve compliance, a listing of all non-compliance related deficiencies and a schedule for repair/correction for each deficiency shall be submitted to EPA for review and approval.

E. Any approved compliance schedule will be incorporated and reissued in a future administrative order.

F. To ask questions or comment on this matter, please contact Ms. Kayla Woods, of my staff, at 214-665-6482.

G. Any information or correspondence submitted by Respondent to EPA under this Order shall be addressed to the following:

Ms. Kayla Woods
U.S. Environmental Protection Agency, Region 6
Water Enforcement Branch (ECDWE)
1201 Elm Street, Suite 500
Dallas, TX 75270
woods.kayla@epa.gov

GENERAL PROVISIONS

Respondent may seek federal judicial review of the Order pursuant to Chapter 7 of the Administrative Procedure Act, 5 U.S.C. §§ 701–706, which states the scope of such review.

Issuance of this Section 309(a)(3) Compliance Order shall not be deemed an election by EPA to forego any administrative or judicial, civil or criminal action to seek penalties, fines, or any other relief appropriate under the Act for the violations cited herein, or other violations that become known. EPA reserves the right to seek any remedy available under the law that it deems appropriate. Failure to comply with this Section 309(a)(3) Compliance Order or the Act can result in further administrative action, or a civil judicial action initiated by the United States Department of Justice.

This Order does not constitute a waiver or modification of the terms or conditions of Respondent's NPDES permit which remain in full force and effect.

Compliance with the terms and conditions of this Order does not relieve Respondent of its obligations to comply with any applicable federal, state, or local law or regulation.

The effective date of this Order is the date it is received by Respondent.

September 16, 2020

Date

Cheryl T. Seager, Director
Enforcement and
Compliance Assurance Division

ATTACHMENT A

NPDES ID(s): GMG29061F

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Environmental Protection Agency**Effluent Limitations, Prohibitions and Monitoring Requirements**

Discharge	Regulated & Monitored Parameter	Discharge Limitations/ Prohibition	Measurement Frequency	Monitoring Requirements	
				Sample Type or Method	Recorded Value(s)
Drilling fluid	Free Oil	No free oil	Once/week	Static sheen	Number of days sheen observed
	Toxicity 96-hr LC50	30,000 ppm daily min 30,000 ppm monthly avg. min.	Once/month Once/end of well Once/month	Grab Grab Grab	96-hr LC50 96-hr LC50 96-hr LC50
	Discharge Rate	1,000 barrels/hour	Once/hour	Estimate	Max. hourly rate
	Discharge Rate for controlled rate areas		Once/hour	Measure	Max. hourly rate
	Mercury and cadmium	No discharge of drilling fluids to which barite has been added, if such barite contains mercury in excess of 1.0 mg/kg or cadmium in excess of 3.0 mg/kg (dry weight)	Once prior to drilling each well	Absorption Spectro-photometry	mg mercury/kg barite mg mercury/kg barite
	Oil Based or Inverse Emulsion Drilling Fluids	No Discharge			
	Oil Contaminated Drilling Fluids	No discharge			
	Diesel Oil	No discharge of drilling fluids to which diesel oil has been added			
	Mineral Oil	Mineral oil may be used only as a carrier fluid, lubricity additive, or pill			
	Non aqueous Based Fluids	No discharge except that which adheres to drill cuttings			
All Drill Cuttings	Free Oil	No free oil	Once/week	Static sheen	Number of days sheen observed
	Toxicity 96-hr LC50	No discharge of cuttings generated using drilling fluids which exhibit a toxicity of less than 30,000 ppm daily min. or 30,000 ppm monthly avg. min.			
	Mercury and cadmium	No discharge. If generated using drilling fluids to which barite is added which contains mercury in excess of 1.0 mg/kg or cadmium in excess of 3.0 mg/kg			
	Cuttings generated using Oil Contaminated Drill Fluids	No discharge			
	Cuttings generated using drilling fluids to which Diesel Oil has been added	No discharge			
	Cuttings generated using drilling fluids to which Mineral Oil has been added	Mineral oil may be used only as a carrier fluid, lubricity additive, or pill			

ATTACHMENT A

NPDES ID(s): GMG29061F

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Environmental Protection Agency

Discharge	Regulated & Monitored Parameter	Discharge Limitations/ Prohibition	Measurement Frequency	Monitoring Requirements	
				Sample Type or Method	Recorded Value(s)
Stock Limits for Drill Cuttings Generated using Non-aqueous Based Drilling Fluids	Polynuclear Aromatic Hydrocarbons (PAH)	0.00001 grams PAH per gram of base fluid	Once/year on each base fluid blend	PAH content of Oil by HPLC/UV, EPA Method 1654 [see 40 C.F.R. 435.11(u)]	gram PAH / gram stock base fluid
	Sediment Toxicity	Ration of 10-day LC50s not to exceed 1.0	Once/year on each base fluid blend	ASTM method E1367- 99	Ratio of C16-C18 IO LC50 to stock base fluid LC50
	Biodegradation Rate	Biodegradation rate ratio not to exceed 1.0	Once/year on each base fluid blend	Modified ISO 11734:1995	Ratio of C16-C18 IO biodegradation to stock base fluid biodegradation
Discharge Limits for Cuttings Generated using Non-aqueous Based Drilling Fluids	Sediment Toxicity	Ratio of 4-day LC50s not to exceed 1.0	Once/month	GCMS	
	Formation Oil	No Discharge	Once prior to drilling Once/week	RPE	
	Base fluids Retained on Cuttings	6.9% IO 9.4% ester	Once/day	Retort Test Method	Percent retained
Deck Drainage	Free Oil	No free Oil	Once/day	Visual sheen	Number of days sheen observed
Produced Water	Oil and grease	42 mg/L daily max 29 mg/L monthly avg.	Once/month	Grab	Daily Max., monthly average
	Toxicity	7-day min. NOEC and monthly avg. min. NOEC	Rate Dependent	Grab	Lowest NOEC for either species
	Free Oil	Monitor	Once/day	Visual sheen	Number of days sheen observed
	Flow (bbl/day)	Monitor	Once/month	Estimate	Monthly Average
Produced Sand	No Discharge				
Well treatment fluids, completion fluids, workover fluids (includes packer fluids); and pipeline brine	Free Oil	No free oil	Once/day	Static sheen	Number of days sheen observed Daily max., Monthly average
	Oil & Grease	42 mg/L daily max. 29 mg/L monthly avg.	Once/month	Grab	

ATTACHMENT A

NPDES ID(s): GMG29061F

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Environmental Protection Agency

Discharge	Regulated & Monitored Parameter	Discharge Limitations/ Prohibition	Measurement Frequency	Monitoring Requirements	
				Sample Type or Method	Recorded Value(s)
Sanitary waste continuously manned for 30 or more days by 10 or more persons	Residual chlorine	1 mg/L (minimum)	Once/month	Grab	Concentration
	Solids	No floating solids	Once/day	Observation	Number of days solids observed
Sanitary waste continuously manned for thirty or more days by 9 or fewer persons or intermittently by any number	Solids	No floating solids	Once/day	Observation	Number of days solids observed
Domestic waste	Solids	No floating solids or foam	Once/day	Observation	Number of days observed
Miscellaneous discharges: Desalinization unit discharge; blowout preventer fluid; uncontaminated ballast water; uncontaminated bilge water; uncontaminated freshwater; mud, cuttings and cement as seafloor; uncontaminated seawater; boiler blowdown; source water and sand; diatomaceous earth filter media; excess cement slurry; bulk pipeline brine; transfer powder subsea wellhead preservation fluids; subsea production control fluid; umbilical steel tube storage fluid; leak tracer fluid; riser tensioner fluids;	Free oil	No free Oil	Once/week	Visual sheen	Number of days sheen observed
	Toxicity	7-day NOEC < 50 mg/L (produced-specific NOEC for powder dye)	Once/year	Grab	Lowest NOEC observed for either of the two species
Miscellaneous discharges of seawater and freshwater to which treatment chemicals have been added: excess seawater which permits the continuous operation of fire control and utility lift pumps, excess seawater from pressure maintenance and secondary recovery projects, water released during training of personnel in fire protection, seawater used to pressure test new and existing piping and pipelines, ballast water, once-through non-contact cooling water	Treatment chemicals	Most stringent of: EPA label registration, maximum manufacturers recommended dose, or 500 mg/L			
	Discharge Rate	Monitor	Once/month	Estimate	Monthly average
	Free oil	No free oil	Once/week	Visual sheen	Number of days sheen observed
	Toxicity	48-hour average min. NOEC and monthly average min. NOEC	Rate Dependent	Grab	Lowest NOEC observed for either of the two species
Hydrate Control Fluids (if discharged alone)	Toxicity	7-day NOEC (Product- specific NOEC)	Once/year	Grab	Lowest NOEC observed for either of the two species
Cooling Water Intake Structure Non-Fixed and Fixed with Sea Chest	Intake Screen Velocity	0.5 ft/sec.	Continuous	Measuring Device	Maximum value
	Visual/remote Inspection	Report	Once/month	Observation	Fish number
Cooling Water Intake Structure Fixed without Sea Chest	Intake Screen Velocity	0.5 ft/sec.	Continuous	Measuring Device	Maximum value
	Visual/remote Inspection	Report	Once/month	Observation	Fish number
	Entrainment Study				

ATTACHMENT B

NPDES ID(s): GMG29061F
 State: GM
 Major/Minor Indicator: Minor
 Violation Date: 04/01/2017 - 03/14/2020
 Violation Type(s): DMR Non-Receipt Violation

Environmental Protection Agency Integrated Compliance Information System (ICIS) DMR Non-Receipt Violations Report GMG29061F

Created Date: 09/15/2010
 Refresh Date: 09/03/2020
 Report Version 1.5, Modified: 1/4/2017

Permittee Name:	Nalco Company LLC	Primary SIC Code:	Permit Issued:	04/27/2018
Permittee Address:	7701 HWY 90 A Sugarland, TX 77478	Primary SIC Desc:	Permit Effective:	04/27/2018
Major/Minor Indicator:	Minor	Primary NAICS Code:	Permit Expired:	09/30/2022
Compliance Track. Status:	On	Primary NAICS Desc:	Permit Status:	Effective
DMR Non Receipt Flag:	On	Cognizant Official:		
RNC Tracking Flag:	On	Cognizant Offcl. Ph.:		
		Receiving Body:		

Facility Information

Facility Name:	NALCO COMPANY LLC	County:	FRS ID:	110070229250
Facility Location:	7701 HWY 90 A SUGARLAND, TX 77478	Region:	Federal Facility Ownership:	
		06	Type of Ownership:	
		State-Region:		

ICIS Whole DMR and/or Individual Limit Set Non-Receipt Violations

Violation Code	Monitoring Period End Date	Permit Number	Limit Set	Lease Area/Block	Parameter	Mon. Loc.	DMR Value	NODI Code	DMR Due Date	DMR Submission Date	DMR Late Flag
D80	09/30/2018	GMG29061F	0001-DD	Viosca Knoll-786	82597 - Deck drainage, free oil	1	C3	C	11/30/2018	03/22/2019	
D80	09/30/2018	GMG29061F	0001-MD	Viosca Knoll-786	04239 - Misc. free oil in Western GOM, OCS	1	C3	C	11/30/2018	03/22/2019	
D80	09/30/2018	GMG29061F	0001-MD	Viosca Knoll-786	51726 - Critical Dilution	1	C3	C	11/30/2018	03/22/2019	
D90	09/30/2018	GMG29061F	0001-MD	Viosca Knoll-786	51938 - Miscellaneous Discharge Toxicity [Subsea Discharges] [Mysidopsis bahia]	1	C1	C	11/30/2018	03/22/2019	
D90	09/30/2018	GMG29061F	0001-MD	Viosca Knoll-786	51939 - Miscellaneous Discharge Toxicity [Subsea Discharges] [Menidia beryllina]	1	C1	C	11/30/2018	03/22/2019	
D80	09/30/2018	GMG29061F	0001-MD	Viosca Knoll-786	51940 - Miscellaneous Discharges [Pipeline Brine] [Free Oil]	1	C3	C	11/30/2018	03/22/2019	
D90	09/30/2018	GMG29061F	0001-MD	Viosca Knoll-786	51941 - Miscellaneous Discharges [Pipeline Brine] [Oil & Grease]	1	C3	C	11/30/2018	03/22/2019	
D80	09/30/2018	GMG29061F	0001-MD	Viosca Knoll-786	TOP3E - NOEC Lethal Static Renewal 7 Day Chronic Americamysis bahia	1	C3	C	11/30/2018	03/22/2019	
D80	09/30/2018	GMG29061F	0001-MD	Viosca Knoll-786	TOP6B - NOEC Lethal Static Renewal 7 Day Chronic Menidia menidia	1	C3	C	11/30/2018	03/22/2019	

D80	09/30/2018	GMG29061F	0001-MD	Viosca Knoll-786	TPP3E - NOEC Sub-Lethal Static Renewal 7 Day Chronic Americamysis bahia	1	C3	C	11/30/2018	03/22/2019
D80	09/30/2018	GMG29061F	0001-MD	Viosca Knoll-786	TPP6B - NOEC Sub-Lethal Static Renewal 7 Day Chronic Menidia menidia	1	C3	C	11/30/2018	03/22/2019
D90	09/30/2018	GMG29061F	0001-WF	Viosca Knoll-786	04379 - Well fluids, oil & grease	1	C2		11/30/2018	03/19/2019
D90	09/30/2018	GMG29061F	0001-WF	Viosca Knoll-786	04379 - Well fluids, oil & grease	1	C3		11/30/2018	03/19/2019
D80	09/30/2018	GMG29061F	0001-WF	Viosca Knoll-786	82603 - Well fluids, free oil	1	C3		11/30/2018	03/19/2019
D80	06/30/2018	GMG29061F	0001-DD	Viosca Knoll-786	82597 - Deck drainage, free oil	1	C3		08/30/2018	
D80	06/30/2018	GMG29061F	0001-MD	Viosca Knoll-786	04239 - Misc. free oil in Western GOM, OCS	1	C3		08/30/2018	
D80	06/30/2018	GMG29061F	0001-MD	Viosca Knoll-786	51726 - Critical Dilution	1	C3		08/30/2018	
D90	06/30/2018	GMG29061F	0001-MD	Viosca Knoll-786	51938 - Miscellaneous Discharge Toxicity [Subsea Discharges] [Mysidopsis bahia]	1	C1		08/30/2018	
D90	06/30/2018	GMG29061F	0001-MD	Viosca Knoll-786	51939 - Miscellaneous Discharge Toxicity [Subsea Discharges] [Menidia beryllina]	1	C1		08/30/2018	
D80	06/30/2018	GMG29061F	0001-MD	Viosca Knoll-786	51940 - Miscellaneous Discharges [Pipeline Brine] [Free Oil]	1	C3		08/30/2018	
D90	06/30/2018	GMG29061F	0001-MD	Viosca Knoll-786	51941 - Miscellaneous Discharges [Pipeline Brine] [Oil & Grease]	1	C3		08/30/2018	
D80	06/30/2018	GMG29061F	0001-MD	Viosca Knoll-786	TOP3E - NOEC Lethal Static Renewal 7 Day Chronic Americamysis bahia	1	C3		08/30/2018	
D80	06/30/2018	GMG29061F	0001-MD	Viosca Knoll-786	TOP6B - NOEC Lethal Static Renewal 7 Day Chronic Menidia menidia	1	C3		08/30/2018	
D80	06/30/2018	GMG29061F	0001-MD	Viosca Knoll-786	TPP3E - NOEC Sub-Lethal Static Renewal 7 Day Chronic Americamysis bahia	1	C3		08/30/2018	
D80	06/30/2018	GMG29061F	0001-MD	Viosca Knoll-786	TPP6B - NOEC Sub-Lethal Static Renewal 7 Day Chronic Menidia menidia	1	C3		08/30/2018	
D90	06/30/2018	GMG29061F	0001-WF	Viosca Knoll-786	04379 - Well fluids, oil & grease	1	C2		08/30/2018	
D90	06/30/2018	GMG29061F	0001-WF	Viosca Knoll-786	04379 - Well fluids, oil & grease	1	C3		08/30/2018	
D80	06/30/2018	GMG29061F	0001-WF	Viosca Knoll-786	82603 - Well fluids, free oil	1	C3		08/30/2018	