

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA**

UNITED STATES OF AMERICA	* CIVIL ACTION
VS.	* NO. 17-6756
MARDI GRAS PIPELINE, LLC	* SECTION “ ”
	* JUDGE
	* MAGISTRATE JUDGE

COMPLAINT

NOW INTO COURT, through the undersigned Assistant United States Attorney, comes plaintiff, the United States of America, and, in support of its complaint, alleges the following.

Parties, Jurisdiction, and Venue

1.

Plaintiff is the United States of America proceeding in its sovereign capacity under 28 U.S.C. § 1345.

2.

Defendant is Mardi Gras Pipeline, LLC (“Mardi Gras”), a limited liability company domiciled in the State of Louisiana.

3.

Jurisdiction is proper under 28 U.S.C. § 1345.

4.

Venue is proper in this judicial district under 28 U.S.C. § 1391(b)(1) since Mardi Gras is domiciled in this judicial district.

Facts

5.

Mardi Gras owned and operated a natural gas pipeline system consisting of approximately 22.2 miles of 8-inch and 12-inch diameter pipeline in Louisiana and Mississippi. The pipeline was subsequently transferred to, and is now operated by, Torch Energy Services, Inc.

6.

On April 16-20, 2007, pursuant to 49 U.S.C. § 60117, a representative of the Department of Transportation, Pipeline and Hazardous Materials Safety Administration (“PHMSA”), Office of Pipeline Safety, conducted an on-site pipeline safety inspection of the integrity management program procedures and records of Mardi Gras in Covington, Louisiana. The inspection revealed six violations:

1. 49 C.F.R. § 192.905(a) - failing to properly identify the High Consequence Areas (“HCAs”) of the pipeline;
2. 49 C.F.R. § 192.905(b) - failing to use public officials as a resource in identifying HCAs;
3. 49 C.F.R. § 192.945(a) - failing to submit performance records to PHMSA on a semi-annual basis;
4. 49 C.F.R. § 192.911(m) - failing to have a communication plan developed;
5. 49 C.F.R. § 192.915 - failing to ensure that personnel had the knowledge and training needed to carry out the program; and
6. 49 C.F.R. § 192.805(b) - failing to have a written qualification program to ensure personnel were evaluated and qualified.

7.

PHMSA personnel issued a Notice of Probable Violation, Proposed Civil Penalty, and Proposed Compliance Order to Mardi Gras on March 4, 2009, which proposed assessing a civil penalty of \$63,800.00 for the alleged violations. On October 14, 2009, Mardi Gras contested the allegations and requested a hearing. An informal hearing was held on February 10, 2010. The Final Order (CPF No. 4-2009-1007) was issued on December 19, 2011. The order withdrew violation number six above, thus reducing the total penalty amount from \$63,800.00 to \$35,000.00, which was to be paid within 20 days of the order date. Failure to pay the \$35,000.00 timely would result in accrual of interest as well as a late penalty charge of 6% (if not made within 110 days of the order date).

8.

In October 2012, PHMSA referred the delinquent debt to the Department of Treasury, Bureau of Fiscal Service, for administrative debt collection, as required by the Debt Collection Improvement Act of 1996, 31 U.S.C. § 3701, *et seq.* Between November 2012 and March 2017, the debt was referred to two private collection agencies under contract with Fiscal Service for additional collection efforts.

9.

On February 14, 2012, Mardi Gras acknowledged the debt and submitted a compromise offer of \$20,000.00. On September 9, 2013, the United States accepted the offer and it went into effect September 10, 2013, with full payment of \$20,000.00 due October 4, 2013. Mardi Gras did not make any payments toward the compromise and defaulted on December 3, 2013. Mardi Gras has not made any payments towards the debt.

Cause of Action

10.

Mardi Gras is indebted to the United States in the amount of \$48,536.02 for the principal penalty of \$35,000.00, plus interest, administrative fees, penalty charges, Debt Management Services fees, and Department of Justice fees, all totaling \$13,536.02. *See* Certificate of Indebtedness, Exhibit 1.

WHEREFORE, the United States prays that its complaint be deemed good and sufficient and that, after due proceedings, there be judgment in its favor and against Mardi Gras awarding:

1. the amount of \$48,536.01;
2. post-judgment interest; and
3. any further relief the Court deems proper.

Respectfully submitted,

DUANE A. EVANS
ACTING UNITED STATES ATTORNEY

s/ Peter M. Mansfield

PETER M. MANSFIELD (# 28671)

Assistant United States Attorney

650 Poydras Street, Suite 1600

New Orleans, Louisiana 70130

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United States will send request for waiver of service to:

***Mardi Gras Pipeline, LLC
c/o John Burge
428 North Florida St.
Covington, LA 70433***



U.S. DEPARTMENT OF THE TREASURY
BUREAU OF THE FISCAL SERVICE
WASHINGTON, D.C. 20227

ACTING ON BEHALF OF
Department of Transportation,
Pipeline & Hazardous Materials Safety Administration
CERTIFICATE OF INDEBTEDNESS

Debtor Name(s) and Address(es):

Mardi Gras Pipeline, LLC
c/o John Burge
428 North Florida St
Covington, LA 70433

The debtor named above is indebted to the United States in the amount stated as follows:

Principal:	\$35,000.00
Interest through 10/12/12*:	\$ 163.34
Admin fees:	\$ 72.00
Penalty charges through 10/12/12*:	\$ 980.00
DMS fees:	\$10,864.60
DOJ fees:	\$ 1,456.08

(pursuant to 31 U.S.C. 3717(e) and 3711(g)(6), (7); 31 C.F.R. 285.12(j) and 31 C.F.R. 901.1(f); and 28 U.S.C. 527, note)

TOTAL debt owed as of 3/15/17: \$48,536.02

*NOTE: Per the creditor agency, once the debt is referred to Fiscal Service, no additional prejudgment interest or penalty is to be accrued on the debt, by either Fiscal Service or Department of Justice.

CERTIFICATION: Pursuant to 28 USC ss. 1746, I certify under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief based upon information provided by the Department of Transportation, Pipeline & Hazardous Materials Safety Administration.

X 

March 15, 2017

Signed by: Ashleigh N. Edmonds

Ashleigh Edmonds
Financial Program Specialist
U.S. Department of the Treasury
Bureau of the Fiscal Service



CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

I. (a) PLAINTIFFS

UNITED STATES OF AMERICA

(b) County of Residence of First Listed Plaintiff (EXCEPT IN U.S. PLAINTIFF CASES)

(c) Attorneys (Firm Name, Address, and Telephone Number) Peter M. Mansfield, United States Attorney's Office 650 Poydras St., Suite 1600, New Orleans, LA 70130 Tel: (504) 680-3047

DEFENDANTS

MARDI GRAS PIPELINE, LLC

County of Residence of First Listed Defendant St. Tammany Parish (IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED

Attorneys (If Known)

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)

- 1 U.S. Government Plaintiff, 2 U.S. Government Defendant, 3 Federal Question, 4 Diversity

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)

- Citizen of This State, Citizen of Another State, Citizen or Subject of a Foreign Country, PTF DEF, Incorporated or Principal Place of Business In This State, Incorporated and Principal Place of Business In Another State, Foreign Nation

IV. NATURE OF SUIT (Place an "X" in One Box Only)

Table with 5 columns: CONTRACT, REAL PROPERTY, TORTS, CIVIL RIGHTS, PRISONER PETITIONS, FORFEITURE/PENALTY, LABOR, IMMIGRATION, BANKRUPTCY, SOCIAL SECURITY, FEDERAL TAX SUITS, OTHER STATUTES. Includes various legal categories like Personal Injury, Contract, Labor, etc.

V. ORIGIN (Place an "X" in One Box Only)

- 1 Original Proceeding, 2 Removed from State Court, 3 Remanded from Appellate Court, 4 Reinstated or Reopened, 5 Transferred from Another District, 6 Multidistrict Litigation - Transfer, 8 Multidistrict Litigation - Direct File

VI. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity): 49 U.S.C. § 60117. Brief description of cause: Recovery of a debt

VII. REQUESTED IN COMPLAINT:

CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P. DEMAND \$ CHECK YES only if demanded in complaint: JURY DEMAND: Yes No

VIII. RELATED CASE(S) IF ANY

(See instructions): JUDGE DOCKET NUMBER

DATE 07/14/2017 SIGNATURE OF ATTORNEY OF RECORD s/Peter M. Mansfield

FOR OFFICE USE ONLY

RECEIPT # AMOUNT APPLYING IFP JUDGE MAG JUDGE