

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

OCCIDENTAL CHEMICAL CORPORATION

AI # 3400

PROCEEDINGS UNDER THE LOUISIANA
ENVIRONMENTAL QUALITY ACT

LA. R.S. 30:2001, ET SEQ.

* Settlement Tracking No.
* SA-AE-13-0003
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* Enforcement Tracking No.
* AE-CN-09-0264
* AE-CN-09-0264A
* AE-CN-09-0264B
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SETTLEMENT

The following Settlement is hereby agreed to between Occidental Chemical Corporation (“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 corporation that owns and/or operates an industrial organic and inorganic chemicals manufacturing facility at or near 8318 Ashland Road in Geismar, Ascension Parish, Louisiana (“the Facility”).

II

On October 30, 2009, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-09-0264, which was based upon the following findings of fact:

The Respondent owns and/or operates an industrial organic and inorganic chemicals manufacturing facility located at or near 8318 Ashland Road in Geismar, Ascension Parish, Louisiana. The Respondent previously operated the facility under Title V Permit No. 0180-

00011-V3 issued on April 19, 2001, and amended on May 30, 2002. The Respondent currently operates the Offsites Area under Title V Permit No. 2923-V1 issued on October 9, 2007; the Chlorinated Organics Units under Title V Permit No. 2924-V0 issued on September 12, 2007; the F1 Hex Furnace under Title V Permit No. 2922-V0 issued on March 28, 2007 and the Caustic and Chlorine Units under Title V Permit No. 2921-V0 issued on May 3, 2007.

On or about August 15, 2008, representatives of the Respondent met with representatives of the Department to discuss permitting requirements for the T-105 Scrubber Vent (Emission Point No. ACT001 - 011806). It was discussed during the meeting that the T-105 Scrubber Vent (Emission Point No. ACT001 - 011806) was permitted for Startup/Shutdown emissions, primarily ethylene and ethylene dichloride, in Title V Permit No. 2924-V0. In the meeting, the representatives of the Respondent stated that it was recently learned that routine emissions from the EDC process have been going to this scrubber for some time. The representatives of the Respondent stated that it was their belief that the PCV-104 only opened during startup and shutdown. According to the representatives of the Respondent, the valve has some qualities of a safety valve but was found to release during routine operations. The representatives of the Respondent also stated during the meeting that the 2008 emissions calculations for the T-105 Scrubber Vent were still being performed. Representatives of the Respondent stated that a case-by-case insignificant activity request dated August 8, 2008, had been submitted to include the T-105 Scrubber Vent emissions from routine operating conditions. The case-by-case insignificant activity request was discussed. According to the representatives of the Respondent, the emissions would be approximately five (5) tons per year of VOCs with the institution of controls. However, based upon discussions during the meeting, the representatives of the Department determined that the emissions did not meet the criteria for a case-by-case insignificant activity,

and a permit modification application should be submitted to address the emissions. The representatives of the Respondent indicated that an air permit modification application would be submitted in approximately three (3) weeks. A letter signed on August 21, 2009, denied the August 8, 2008, case-by-case insignificant activity request.

On or about December 4, 2008, the representatives of the Respondent again met with the Department to discuss the previously reported T-105 Scrubber Vent issue. During the meeting, the representatives of the Respondent stated that it was their belief that the PCV-104 valves opened for approximately 131 hours (emissions permitted in Title V Permit No. 2924-V0 based on 48 hours of venting per year for startups and shutdowns). The representatives of the Respondent also stated that it was their belief that the emissions were subject to the LAC 33:III.2115 Waste Gas Disposal regulations. It was agreed to in the meeting that the Respondent would provide a letter to the Department to discuss the issue thoroughly and submit a plan with a request for interim limits. The representatives of the Respondent stated that they would model the emissions for compliance with the Ambient Air Standards (AAS) and a permit modification would also be requested.

The Respondent submitted the Title V semiannual monitoring report and Title V annual compliance certification under cover letters dated March 26, 2009, which reported the T-105 Scrubber Vent emission limit exceedances.

The Respondent submitted a letter dated February 11, 2009, providing more detail on the T-105 Scrubber Vent issue and an update on its review of the emissions. In this correspondence, the Respondent explained that due to variations in process conditions or maintenance activities in the Chloromethanes and Perchloroethylene Units, some of the anhydrous hydrogen chloride (aHCl) stream is vented to the T-105 scrubber system via the pressure control valve (PCV-104).

The Respondent noted that the scrubber has a design capture efficiency for HCl of 99.9%. According to the Respondent's February 11, 2009 letter, for permitting purposes, none of the organic compounds in the aHCl were captured by the T-105 scrubber, and thus would have been emitted to the atmosphere. In the letter, the Respondent noted that it was their belief that the emissions were limited to Startup/Shutdown events and that the emissions would consist of aHCl, along with a small quantity of impurities consisting of chloroethane, 1,2-dichloroethane and ethylene. In the Respondent's February 11, 2009 letter, the Respondent noted that it had been performing re-evaluations of air emission calculations to assure that the most representative data available was used in the determination of annual emissions. During the evaluation, the Respondent determined that in addition to being open for short periods during startup/shutdown events, PCV-104 was also periodically open for short periods of time for maintenance activities and during normal operational adjustments. The Respondent undertook an in-depth engineering evaluation of both current and potential operation of PCV-104, and the frequency, duration, and make-up of streams that might be vented under various operational scenarios. Based on this review, the Respondent determined that the emissions could be higher than those calculated for the case-by-case notification which had been previously submitted. The analysis indicated that estimated emissions of two (2) pollutants, specifically 1,2 dichloroethane and carbon tetrachloride would be above the minimum emission rate (MER) and that emissions of ethylene were higher than originally estimated. According to the Respondent's letter dated February 11, 2009, the Respondent's evaluation also determined that the T-105 Scrubber Vent may be subject to LAC 33:III.2115.

By letter dated April 30, 2009, the Respondent submitted a request for interim limitations for the T-105 Scrubber Vent (Emission Point No. ACT0001- 011806) to the Enforcement

Division.

Based on the meetings, correspondence and reports from the Respondent, a review was performed on or about May 4, 2009, to determine the degree of compliance with the Act and the Air Quality Regulations.

The following violations were noted during the course of the review:

- A. The Respondent was permitted for Startup and Shutdown emissions from the T-105 Scrubber Vent (Emission Point No. ACT0001 - 011806). However, the Respondent was not permitted for other emissions from the T-105 Scrubber Vent, including routine emissions. Emissions of each of the unpermitted pollutants from the T-105 Scrubber Vent is a violation of LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
- B. The Respondent failed to comply with the applicable requirements of the Waste Gas Disposal regulations in LAC 33:III.2115 for the emissions from the T-105 Scrubber Vent (Emission Point No. ACT0001 – 011806) in violation of LAC 33:III.2115 and La. R.S. 30:2057(A)(2).

On or about May 5, 2009, a file review was performed, to determine the degree of compliance with the Act and the Air Quality Regulations.

The following violations were noted during the course of the file review:

- A. As reported by the Respondent in the third quarter 2006 General Condition R and XI report dated December 29, 2006; the second half 2006 Title V semiannual monitoring report dated March 21, 2007; and the 2006 Title V annual compliance certification dated March 21, 2007, a bypass of the F-2 Furnace (control device) occurred for 35 minutes on July 12, 2006. The bypass of the control device resulted in a release of 1.324 pounds of carbon tetrachloride. The bypass occurred when the control device was taken out of service for repair and the storage tank farm vent system was blocked in. According to the Respondent, the carbon tetrachloride storage tank ST-14A pressured up during the heating of the day causing its PSV to lift. The Respondent noted that the control device was quickly repaired and placed back into service to control the vent. This is also a violation of LAC 33:III.905 which states “When facilities have been installed on a property, they shall be used and diligently maintained in proper working order whenever any emissions are being made which can be controlled by the facilities, even though the ambient air quality standards in affected areas are not exceeded.” Control equipment as defined by LAC 33:III.111 is “any device or contrivance, operating procedure or abatement scheme used to

prevent or reduce air pollution.” This also constitutes a violation of La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

- B. As reported by the Respondent in the third quarter 2006 General Condition R and XI report dated December 29, 2006; the second half 2006 Title V semiannual monitoring report dated March 21, 2007; and the 2006 Title V annual compliance certification dated March 21, 2007, a bypass of the F-1 Furnace (control device) occurred for 1,380 minutes on August 17, 2006. The bypass of the control device resulted in 11.270 pounds of 1,2-dichloroethane; 15.950 pounds of 1,1,2-trichloroethane and 0.275 pounds of tetrachloroethene (PERC) being released. According to the Respondent, the bypass occurred when the control device (F-1) was down for repairs and DR-122A vented from the “weighted tank lid” as the tank was being placed back into service. The control device was quickly repaired and placed back into service to control the vent. This is also a violation of LAC 33:III.905 which states “When facilities have been installed on a property, they shall be used and diligently maintained in proper working order whenever any emissions are being made which can be controlled by the facilities, even though the ambient air quality standards in affected areas are not exceeded.” Control equipment as defined by LAC 33:III.111 is “any device or contrivance, operating procedure or abatement scheme used to prevent or reduce air pollution.” This also constitutes a violation of La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
- C. As reported by the Respondent in the third quarter 2006 General Condition R and XI report dated December 29, 2006; the second half 2006 Title V semiannual monitoring report dated March 21, 2007; and the 2006 Title V annual compliance certification dated March 21, 2007, a bypass of the F-2 Furnace (control device) occurred for approximately 5.33 minutes on August 28, 2006. The bypass of the control device resulted in 26.886 pounds of 1,2-dichloroethane; 4.282 pounds of chloroethane; 2.735 pounds of carbon tetrachloride; 0.223 pounds of vinyl chloride; 0.206 pounds of 1,1-dichloroethane; 0.078 pounds of chloroform; 0.028 pounds chloromethane; 0.025 pounds of 1,1,2-trichloroethane; 0.021 pounds of dichloromethane; 0.016 pounds of 1,1,1-trichloroethane and 0.007 pounds of cis 1,2-dichloroethylene being released. According to the Respondent, the bypass after loading a logic upgrade to the EDC DCS system the air based reactor vents diverted to the atmosphere for 5.33 minutes before being switched back to the normal operating positions. The logic error was corrected in the DCE system. This is also a violation of LAC 33:III.905 which states “When facilities have been installed on a property, they shall be used and diligently maintained in proper working order whenever any emissions are being made which can be controlled by the facilities, even though the ambient air quality standards in affected areas are not exceeded.” Control equipment as defined by LAC 33:III.111 is “any device or contrivance, operating procedure or abatement scheme used to prevent or reduce air pollution.” This also constitutes a violation of La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

- D. As reported by the Respondent in the third quarter 2006 General Condition R and XI reports dated December 29, 2006, and March 21, 2007; the second half 2006 Title V semiannual monitoring report dated March 21, 2007; and the 2006 Title V annual compliance certification dated March 21, 2007, a bypass of the F-2 Furnace (control device) occurred for 12 minutes on October 17, 2006. The bypass of the control device resulted in 7.600 pounds of ethylene being released. According to the Respondent, in the process of shutting down the MCI EDC reactor, the plant suffered a lightning strike which tripped the control device (F-2 Furnace). A combination of DCS Logic and operator actions allowed the reactor vent stream to vent to the atmosphere for a short period before corrections were made. This is a violation LAC 33:III.905 which states "When facilities have been installed on a property, they shall be used and diligently maintained in proper working order whenever any emissions are being made which can be controlled by the facilities, even though the ambient air quality standards in affected areas are not exceeded." Control equipment as defined by LAC 33:III.111 is "any device or contrivance, operating procedure or abatement scheme used to prevent or reduce air pollution." This also constitutes a violation of La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
- E. As reported by the Respondent in the third quarter 2006 General Condition R and XI report dated March 21, 2007; the second half 2006 Title V semiannual monitoring report dated March 21, 2007; and the 2006 Title V annual compliance certification dated March 21, 2007, a bypass of the F-2 Furnace (control device) occurred on October 26, 2006 for approximately 102 minutes. The bypass of the control device resulted in 0.017 pounds of chloromethane, 0.001 pounds of chloroethane, 0.043 pounds of dichloromethane, 0.003 pounds of 1,1-dichloroethane, 0.773 pounds of chloroform, 0.008 pounds of 1,1,1-trichloroethane, 1.102 pounds of carbon tetrachloride, 0.320 pounds of 1,2-dichloroethane (EDC) and 0.068 pounds of tetrachloroethene (PERC) were released. The release occurred when contractors erected scaffold around a vent knock out vessel and the air line to a vent valve was pinched causing a loss of air to the valve. The valve failed to the open position causing the knock out vessel to vent to the atmosphere. The air line was repaired and valve position restored. The pinching of the vent valve caused the resulting release. This is a violation of the Louisiana Air Quality Regulations, in particular LAC 33:III.905 which states "When facilities have been installed on a property, they shall be used and diligently maintained in proper working order whenever any emissions are being made which can be controlled by the facilities, even though the ambient air quality standards in affected areas are not exceeded." Control equipment as defined by LAC 33:III.111 is "any device or contrivance, operating procedure or abatement scheme used to prevent or reduce air pollution." This also constitutes a violation of La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

- F. As reported by the Respondent in the first quarter 2007 General Condition R and XI report dated March 21, 2007; and the second half 2006 Title V semiannual monitoring report dated March 21, 2007; and the 2006 Title V annual compliance certification dated March 21, 2007, calculations for the 2006 calendar year revealed 0.0008 tons per year of 1,1,2-trichloroethane was emitted from the F-1 Furnace (Emission Point No. 10057) which was in excess of the 0.0001 tons per year permitted emissions limitation; 0.0011 tons of 1,2-dichloroethane which was in excess of the permitted emissions limit of 0.0001 tons per year; and 0.0018 tons of tetrachloroethene (Perc) which was in excess of the permitted emissions limitation of 0.0001 tons per year. Each exceedance of the individual pollutant limits on the Emissions Inventory Questionnaire for the permitted emissions point is a violation of General Condition II of Air Permit No. 0180-00011-V3, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2) of the Act.
- G. The Respondent reported occurrences in which open-ended valves or lines were discovered during routine inspections as follows:

Date of report (type)	Permit No. (Unit/Area)	Permit Condition No.	No. of open-ended valves/lines	Detection date
June 22, 2007 (Quarterly) September 29, 2007 (Semiannual) April 22, 2008 (Annual)	0180-00011-V3	Part 70 Specific Condition 2	4	March 30, 2007
September 28, 2007 (Quarterly) September 29, 2007 (Semiannual) April 22, 2008 (Annual)	0180-00011-V3	Part 70 Specific Condition 2	1	April 13, 2007
December 27, 2007 (Quarterly); March 31, 2008 (Semiannual) April 22, 2008 (Annual)	0180-00011-V3	Part 70 Specific Condition 2	16	July 3, 2007; July 5, 2007; July 6, 2007; July 27, 2007; August 8, 2007
March 31, 2008 (Quarterly); March 31, 2008 (Semiannual); April 22, 2008	2924-V0 (Methanes)	1158	3	September 21, 2007

Date of report (type)	Permit No. (Unit/Area)	Permit Condition No.	No. of open- ended valves/ lines	Detection date
(Annual)				
June 30, 2008 (Quarterly) September 30, 2008 (Semiannual) March 26, 2009 (Annual)	2924-V0 (Methanes)	1158	3	January 11, 2008
June 30, 2008 (Quarterly) September 30, 2008 (Semiannual) March 26, 2009 (Annual)	2924-V0 (5CP)	965	1	March 30, 2008
September 30, 2008 (Quarterly) September 30, 2008 (Semiannual) March 26, 2009 (Annual)	2924-V0 (5CP)	965	1	March 11, 2008
September 30, 2008 (Quarterly) September 30, 2008 (Semiannual) March 26, 2009 (Annual)	2924-V0 (Methanes)	1158	1	March 25, 2008
September 30, 2008 (Quarterly) September 30, 2008 (Semiannual) March 26, 2009 (Annual)	2923-V0 (Shipping)	147	10	April 2, 2008; April 4, 2008
September 30, 2008 (Quarterly) March 26, 2009 (Semiannual) March 26, 2009 (Annual)	2924-V0 (Perc)	1250	9	May 20, 2008; May 30, 2008; June 4, 2008; June 13, 2008; June 16, 2008; June 17, 2008; June 19, 2008
December 30, 2008 (Quarterly) March 26, 2009	2924-V0 (EDC)	1066	2	August 7, 2008; August 21, 2008

Date of report (type)	Permit No. (Unit/Area)	Permit Condition No.	No. of open-ended valves/lines	Detection date
(Semiannual) March 26, 2009 (Annual)				
December 30, 2008 (Quarterly) March 26, 2009 (Semiannual) March 26, 2009 (Annual)	2923-V0 (Shipping)	147	11	September 16, 2008; September 17, 2008; September 18, 2008; September 19, 2008
March 26, 2009 (Quarterly) March 26, 2009 (Semiannual) March 26, 2009 (Annual)	2924-V0 (EDC)	1066	1	October 10, 2008
March 26, 2009 (Quarterly) March 26, 2009 (Semiannual) March 26, 2009 (Annual)	2923-V0 (Shipping)	147	12	November 10, 2008

Each failure to seal open-ended valves or lines with a cap, a blind flange, a plug, or second valve is a violation of 40 CFR 63.167(a) which language has been adopted as a Louisiana regulation in LAC 33:III.5122, the Specific Requirement of the respective Title V Permit as indicated in the table above, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).

H. The Respondent reported occurrences in which weekly visual inspections of pumps subject to the requirements of 40 CFR 63 Subpart H (HON) were not performed as follows:

Date of report (type)	Permit No. (Unit/Area)	Permit Requirement No.	No. of weeks missed	Week missed (first day of week)
September 28, 2007 (Quarterly) September 29, 2007 (Semiannual) April 22, 2008 (Annual)	0180- 00011-V3 (Perc)	Part 70 Specific Condition 2	1	April 1, 2007

Date of report (type)	Permit No. (Unit/Area)	Permit Requirement No.	No. of weeks missed	Week missed (first day of week)
September 28, 2007 (Quarterly) September 29, 2007 (Semiannual) April 22, 2008 (Annual)	0180-00011-V3 (EDC)	Part 70 Specific Condition 2	1	June 17, 2007
December 27, 2007 (Quarterly) March 31, 2008 (Semiannual); April 22, 2008 (Annual)	2924-V0 (PERC)	1224	3	July 1, 2007; July 22, 2007; July 29, 2007
March 31, 2008 (Quarterly) March 31, 2008 (Semiannual); April 22, 2008 (Annual)	2923-V1 (Shipping)	120	3	October 20, 2007; November 24, 2007; December 15, 2007
March 31, 2008 (Quarterly) March 31, 2008 (Semiannual) April 22, 2008 (Annual)	2924-V0 (EDC)	1046	1	November 24, 2007
June 30, 2008 (Quarterly) September 30, 2008 (Semiannual) March 26, 2009 (Annual)	2921-V0 (Chlorine)	39	4	January 13, 2008; January 27, 2008; February 24, 2008; March 9, 2008
June 30, 2008 (Quarterly) September 30, 2008 (Semiannual) March 26, 2009 (Annual)	2924-V0 (EDC)	1046	4	December 30, 2007; January 6, 2008; February 3, 2008; January 20, 2008
June 30, 2008 (Quarterly) September 30, 2008 (Semiannual) March 26, 2009 (Annual)	2924-V0 (Perc)	1224	2	January 27, 2008; March 9, 2008

Date of report (type)	Permit No. (Unit/Area)	Permit Requirement No.	No. of weeks missed	Week missed (first day of week)
June 30, 2008 (Quarterly) September 30, 2008 (Semiannual) March 26, 2009 (Annual)	2923-V1 (Shipping)	120	4	January 12, 2008; February 10, 2008; February 24, 2008; March 23, 2008
June 30, 2008 (Quarterly) September 30, 2008 (Semiannual) March 26, 2009 (Annual)	2924-V0 (Methanes)	1132	1	January 27, 2008
September 30, 2008 (Quarterly) September 30, 2008 (Semiannual) March 26, 2009 (Annual)	2921-V0 (Chlorine)	39	3	April 6, 2008; June 1, 2008; June 15, 2008
September 30, 2008 (Quarterly) September 30, 2008 (Semiannual) March 26, 2009 (Annual)	2924-V0 (5CP)	939	1	March 30, 2008
December 30, 2008 (Quarterly) March 26, 2009 (Semiannual) March 26, 2009 (Annual)	2921-V0 (Chlorine)	39	1	September 21, 2008
March 26, 2009 (Quarterly) March 26, 2009 (Semiannual) March 26, 2009 (Annual)	2921-V0 (Chlorine)	39	1	November 30, 2008

Each failure to perform weekly visual inspections is a violation of 40 CFR 63.163(b)(3) or 40 CFR 63.163(e)(4) which language has been adopted as a Louisiana regulation in LAC 33:III.5122, the Specific Requirement of the respective Title V Permit as indicated in the table above, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).

I. The Respondent reported occurrences in which the sodium hydroxide concentration was only monitored once per shift during operations on certain weeks instead of the required twice per shift as follows :

Date of report (type)	Permit No.	Permit Requirement No.	Date(s) monitoring missed	Emission Point
September 28, 2007 (Quarterly) September 29, 2007 (Semiannual) April 22, 2008 (Annual)	2921-V0	27	May 3, 2007 – June 30, 2007	Membrane Seal Scrubber TW-1718 (Emission Point No. 130403 - EQT297)
September 28, 2007 (Quarterly); September 29, 2007 (Semiannual); April 22, 2008 (Annual)	2921-V0	17	May 3, 2007 – June 30, 2007	Diaphragm Seal Scrubber TW-705 (Emission Point No. 070603 – EQT294)
December 27, 2007 (Quarterly); March 31, 2008 (Semiannual); April 22, 2008 (Annual)	2921-V0	27	July 1, 2007 - September 12, 2007	Membrane Seal Scrubber TW-1718 (Emission Point No. 130403 - EQT297)
December 27, 2007 (Quarterly); March 31, 2008 (Semiannual) April 22, 2008 (Annual)	2921-V0	17	July 1, 2007 - September 12, 2007	Diaphragm Seal Scrubber TW-705 (Emission Point No. 070603 – EQT294)
March 31, 2008 (Quarterly); March 31, 2008 (Semiannual); April 22, 2008 (Annual)	2921-V0	17	November 13, 2007; December 16, 2007	Diaphragm Seal Scrubber TW-705 (Emission Point No. 070603 – EQT294)

Date of report (type)	Permit No.	Permit Requirement No.	Date(s) monitoring missed	Emission Point
March 31, 2008 (Quarterly); March 31, 2008 (Semiannual); April 22, 2008 (Annual)	2921-V0	27	November 30, 2007; December 28, 2007	Membrane Seal Scrubber TW-1718 (Emission Point No. 130403 - EQT297)
June 30, 2008 (Quarterly) September 30, 2008 (Semiannual) March 26, 2009 (Annual)	2921-V0	27	March 6, 2008	Membrane Seal Scrubber TW-1718 (Emission Point No. 130403 - EQT297)

Each failure to monitor sodium hydroxide concentration twice per shift during operations is a violation of either Specific Requirement 17 or 27 of Title V Permit 2921-V0 as indicated in the table above, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).

- J. As reported by the Respondent in the second quarter 2007 General Condition R and XI reports dated September 28, 2007; the first half 2007 Title V semiannual report dated September 29, 2007; and the 2007 Title V annual compliance certification dated April 22, 2008, logsheets for the weeks of April 1, 2007; April 8, 2007; April 15, 2007; April 22, 2007 and April 29, 2007 for the EDC Unit Fugitives (Emission Point No. 010491) could not be located. In accordance with 40 CFR 63.181(c), for visual inspections of equipment subject to 40 CFR 63 Subpart H, the owner or operator shall document that the inspection was conducted and the date of the inspection including maintaining the information specified for leaking equipment and retain the records for two (2) years. The Respondent's failure to retain these records is a violation of 40 CFR 63.181(c) which language has been adopted as a Louisiana regulation in LAC 33:III.5122, Specific Requirement 2 of Title V Permit No. 0180-00011-V3, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).
- K. As reported by the Respondent in the second and third Quarter 2007 General Condition R and XI reports dated September 28, 2007 and December 27, 2007, respectively; the first and second half 2007 Title V semiannual reports dated September 29, 2007, and March 31, 2008, respectively; and the 2007 Title V annual compliance certification dated April 22, 2008, the scrubbing agent flow for the Diaphragm Seal Scrubber TW-705 (Emission Point No. 070603 – EQT294) was less than 350 gallons per minute for approximately

four (4) minutes on June 20, 2007, due to swapping of pumps. The failure to maintain the scrubbing agent flow of 350 gallons per minute or greater is a violation of Specific Requirement 12 of Title V Permit No. 2921-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).

L. As reported by the Respondent in the second and third quarter 2007 General Condition R and XI reports dated September 28, 2007, and December 27, 2007, respectively; the first and second half 2007 Title V semiannual reports dated September 29, 2007, and March 31, 2008, respectively; and the 2007 Title V annual compliance certification dated April 22, 2008, the Loading Dock Vapor Recovery Unit (Emission Point No. 092803 – FUG006 - VRU) components were not identified and monitored until October 2007. The deviation lasted from March 1, 2007 through September 30, 2007. The failure to identify each piece of equipment in a process unit such that it can be distinguished readily from equipment that is not subject to 40 CFR 63 Subpart H is a violation of 40 CFR 63.162(c) and Specific Requirement 127 of Title V Permit No 2923-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2). The failure to institute a leak detection and repair program meeting the requirements of 40 CFR 63 Subpart H for the control of fugitive emissions from the VRU is a violation of 40 CFR Part 70 Specific Condition No. 1 and Specific Requirement 125 of Title V Permit No. 2923-V0, LAC 33:III.501.C.4 and La. R.S.30:2057(A)(2).

M. As reported by the Respondent in the second quarter 2007 General Condition R and XI report dated September 28, 2007; the first half 2007 Title V semiannual report dated September 29, 2007; and the 2007 Title V annual compliance certification dated April 22, 2008, logsheets for the week of May 13, 2007 for the Offsites Fugitives (Emission Point 092803 – FUG006) could not be located. In accordance with 40 CFR 63.181(c), for visual inspections of equipment subject to 40 CFR 63 Subpart H, the owner or operator shall document that the inspection was conducted and the date of the inspection including maintaining the information specified for leaking equipment and retain the records for two (2) years. The Respondent's failure to retain these records is a violation of 40 CFR 63.181(c) which language has been adopted as a Louisiana regulation in LAC 33:III.5122, Specific Requirement 200 of Title V Permit No. 2923-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).

The Respondent submitted a letter dated June 30, 2009, to the Department with a schedule for engineering, construction, and startup of any new equipment, if required, for the Vent Containment Project.

The Department performed a review of the interim limitations. During its review of the interim limitations, the Department requested modeling data from the Respondent to determine

compliance with the Ambient Air Standards. The Respondent submitted modeling data to the Department in correspondences dated June 29, 2009 and August 3, 2009. To complete its review of the interim limitations, the Department requested through an email sent on September 29, 2009, that the Respondent provide additional information to the Department. To this date, the Department has not received the requested information.

On February 4, 2010, the Department issued to Respondent an Amended Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-09-0264A, which was based upon the following findings of fact:

The Department hereby adds paragraph X to the Findings of Fact portion of Consolidated Compliance Order & Notice of Potential Penalty, Enforcement Tracking No. AE-CN-09-0264 which shall read as follows:

“X.

As required by paragraph II of the Order Portion of the Consolidated Compliance Order & Notice of Potential Penalty, Enforcement Tracking No. AE-CN-09-0264, by letter dated November 18, 2009, the Respondent submitted the information in regard to the previously submitted modeling data for its interim limitations request. Following the November 18, 2009 letter, the Respondent submitted updated modeling data under cover letter dated December 10, 2009, for the Department’s review.”

The Department incorporated all of the remainder of the original Consolidated Compliance Order & Notice of Potential Penalty, Enforcement Tracking No. AE-CN-09-0264 and Agency Interest No. 3400, as if reiterated therein.

On May 27, 2011, the Department issued to Respondent an Amended Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-09-0264B, which

was based upon the following findings of fact:

The Department hereby adds paragraphs XI, XII, XIII, and XIV to the Findings of Fact portion of Amended Consolidated Compliance Order & Notice of Potential Penalty, Enforcement Tracking No. AE-CN-09-0264A, which shall read as follows:

“XI.

On or about July 29, 2010, a meeting was held with representatives of the Respondent at which time the Respondent notified the Department of the need to change the scope of its Vent Containment Project plan. According to the Respondent’s representatives, the emissions from the T-105 Scrubber Vent were to be routed to the F-2 Oxy Vent Furnace (Emission Point No. EQT 105 – 100683). The Respondent’s representatives stated that the F-2 Oxy Vent Furnace would be undersized to control all of the emissions from the T-105 Scrubber Vent, especially for venting during startups and shutdowns, which could result in a potential safety issue. According to the representatives of the Respondent, a modification to the original project design would be necessary. During the meeting the representatives of the Respondent indicated that the vent streams routed to the T-105 Scrubber Vent were intermittent and therefore, would not be subject to 40 CFR 63 Subpart F and 40 CFR 63 Subpart G (HON). The representatives of the Respondent also stated that the vent streams associated with the T-105 Scrubber Vent may not actually be subject to the requirements of LAC 33:III.2115 during startups and shutdowns, only during normal operations. Based on discussions in the meeting, the representatives of the Respondent proposed to request a determination in regard to the applicability of the HON, LAC 33:III.2115 and other regulations for the vent streams associated with the T-105 Scrubber Vent. It was agreed that the Respondent would postpone performing its current plan for the Vent Containment Project.

XII

By letter dated August 13, 2010, ENVIRON International Corporation, on behalf of the Respondent submitted a request for an applicability determination regarding atmospheric vents routed to the T-105 Scrubber Vent. The Department performed an evaluation of the information pertaining to the T-105 Scrubber Vent. While the Department performed its evaluation, the Respondent requested two (2) extensions to the compliance schedule in the Amended Consolidated Compliance Order & Notice of Potential Penalty, Enforcement Tracking No. AE-CN-09-0264A (ACONOPP) until such time as the Department provided a determination. Extensions of the deadlines in the ACONOPP to complete installation of the Vent Containment Project and commence startup and commissioning of the Vent Containment Project were granted by the Department in letters dated November 30, 2010 and February 28, 2011.

XIII

Based on the evaluation, the Department concluded in the letter dated March 31, 2011, that the vent stream exiting the T-105 Scrubber Vent was subject to the HON and was a HON process vent. In the letter dated March 31, 2011, the Department confirmed that the vent stream exiting the T-105 is a Group 2 HON process vent which, according to the process vent provisions of the HON, does not require controls. The Department concurred with the Respondent that the T-105 Scrubber Vent was subject to the applicable requirements of LAC 33:III.2115; however the emissions associated with process startups and shutdowns were not affected by the provisions of this regulation.

XIV

By letter dated May 2, 2011, the Respondent provided a modified project schedule.

Additionally, included in the May 2, 2011 letter was a date for submitting a second air permit application to modify/replace the air permit application dated December 31, 2009, which was submitted as required by paragraph IV of the Order portion of the ACONOPP, Enforcement Tracking No. AE-CN-09-0264A.”

The Department hereby amends paragraphs III.D, III.E, and III.F of the Order portion of Amended Consolidated Compliance Order & Notice of Potential Penalty, Enforcement Tracking No. AE-CN-09-0264A to extend the deadlines for the completion of the Vent Containment Project tasks, which shall read as follows:

- “D. To complete procurement of equipment for the Vent Containment Project by August 31, 2011.
- E. To complete installation of the Vent Containment Project by November 30, 2011.
- F. Commencement of startup and commissioning of the Vent Containment Project shall occur by December 31, 2011.”

The Department hereby adds paragraph IX to the Order portion of Amended Consolidated Compliance Order & Notice of Potential Penalty, Enforcement Tracking No. AE-CN-09-0264A which shall read as follows:

“IX.

To submit to the Air Permits Division by June 30, 2011, the appropriate permit application to modify Title V Permit No. 2924-V0 to accurately reflect the operations and emissions based on the T-105 Scrubber Vent Containment Project. Additionally, the Respondent shall submit a copy of the cover letter attached to the permit application to the Enforcement Division.”

The Department incorporated all of the remainder of the original Amended Consolidated Compliance Order & Notice of Potential Penalty, Enforcement Tracking No. AE-CN-09-0264A

and Agency Interest No. 3400, as if reiterated therein.

The issues listed below are not the subject matter of an enforcement action issued by the Department, but are included as a part of this Settlement:

- A. The Department issued an Amended Consolidated Compliance Order & Notice of Potential Penalty (ACONOPP), Enforcement Tracking No. AE-CN-09-0264B, to the Respondent on or about May 27, 2011. Paragraph IX of the Order portion of the Amended CONOPP ordered the Respondent to submit to the Air Permits Division by June 30, 2011, the appropriate permit application to modify Title V Permit No. 2924-V0 to accurately reflect the operations and emissions based on the T-105 Scrubber Vent Containment Project. Additionally, it was to submit a copy of the cover letter attached to the permit application to the Enforcement Division. The Department received the air permit application under cover letter dated July 14, 2011. The air permit application was received by the Department on July 14, 2011, and the cover letter noted that the application was hand-delivered. The Respondent failed to comply with the ACONOPP, Enforcement Tracking No. AE-CN-09-0264B. The failure to take corrective action to comply as required by the CONOPP, Enforcement Tracking No. AE-CN-09-0264B is a violation of La. R.S. 30:2025(E)(2).
- B. The Respondent reported occurrences in which open-ended valves or lines were discovered during routine inspections as follows:

Date of report (type)	Permit No. (Unit/Area)	Permit Requirement No.	No. of open-ended valves/lines	Detection date
September 30, 2009 (Quarterly); September 30, 2009 (Semiannual); March 10, 2010 (Annual)	2924-V0 (EDC)	1066	1	April 23, 2009
September 30, 2009 (Quarterly); September 30, 2009 (Semiannual); March 10, 2010 (Annual)	2924-V0 (Perc)	1250	2	May 18, 2009;
September 30, 2009 (Quarterly); September 30, 2009	2924-V0 (EDC)	1066	3	June 2, 2009

Date of report (type)	Permit No. (Unit/Area)	Permit Requirement No.	No. of open- ended valves/ lines	Detection date
(Semiannual); March 10, 2010 (Annual)				
September 30, 2009 (Quarterly); September 30, 2009 (Semiannual); March 10, 2010 (Annual)	2924-V0 (EDC)	1066	2	June 3, 2009
September 30, 2009 (Quarterly); September 30, 2009 (Semiannual); March 10, 2010 (Annual)	2924-V0 (Perc)	1250	1	June 8, 2009
September 30, 2009 (Quarterly); September 30, 2009 (Semiannual); March 10, 2010 (Annual)	2924-V0 (Perc)	1250	1	June 15, 2009
September 30, 2009 (Quarterly); September 30, 2009 (Semiannual); March 10, 2010 (Annual)	2923-V1 (Utilities)	147	3	April 9, 2009
September 30, 2009 (Quarterly); September 30, 2009 (Semiannual); March 10, 2010 (Annual)	2923-V1 (Utilities)	147	1	April 15, 2009
December 15, 2009 (Quarterly); March 10, 2010 (Semiannual); March 10, 2010 (Annual)	2924-V0 (EDC)	1066	3	July 23, 2009
December 15, 2009 (Quarterly);	2924-V0 (EDC)	1066	5	July 24, 2009

Date of report (type)	Permit No. (Unit/Area)	Permit Requirement No.	No. of open- ended valves/ lines	Detection date
March 10, 2010 Semiannual); March 10, 2010 (Annual)				
December 15, 2009 (Quarterly); March 10, 2010 (Semiannual); March 10, 2010 (Annual)	2924-V0 (Methanes)	1158	4	July 30, 2009
December 15, 2009 (Quarterly); March 10, 2010 (Semiannual); March 10, 2010 (Annual)	2924-V0 (EDC)	1066	1	September 16, 2009
December 15, 2009; (Quarterly); March 10, 2010 (Semiannual); March 10, 2010 (Annual)	2923-V1 (Utilities)	147	1	July 9, 2009
December 15, 2009 (Quarterly); March 10, 2010 (Semiannual); March 10, 2010 (Annual)	2923-V1 (Shipping)	147	1	August 20, 2009
December 15, 2009 (Quarterly); March 10, 2010 (Semiannual); March 10, 2010 (Annual)	2923-V1 (Shipping)	147	4	September 4, 2009
March 10, 2010 (Quarterly) March 10, 2010 (Semiannual); March 10, 2010 (Annual)	2923-V1 (Shipping)	147	2	October 30, 2009
March 10, 2010	2923-V1	147	2	November 3, 2009

Date of report (type)	Permit No. (Unit/Area)	Permit Requirement No.	No. of open-ended valves/lines	Detection date
(Quarterly) March 10, 2010 (Semiannual); March 10, 2010 (Annual)	(Shipping)			
March 10, 2010 (Quarterly) March 10, 2010 (Semiannual); March 10, 2010 (Annual)	2923-V1 (Shipping)	147	1	November 5, 2009
June 10, 2010 (Quarterly); September 20, 2010 (Semiannual); March 16, 2011 (Annual)	2921-V0 (Chlorine)	65	2	January 7, 2010
June 10, 2010 (Quarterly); September 20, 2010 (Semiannual); March 16, 2011 (Annual)	2924-V0 (5CP)	965	1	January 14, 2010
June 10, 2010 (Quarterly); September 20, 2010 (Semiannual); March 16, 2011 (Annual)	2924-V0 (EDC)	1066	2	January 21, 2010
June 10, 2010 (Quarterly); September 20, 2010 (Semiannual); March 16, 2011 (Annual)	2924-V0 (Methanes)	1158	1	March 23, 2010
June 10, 2010 (Quarterly); September 20, 2010 (Semiannual); March 16, 2011 (Annual)	2924-V0 (Methanes)	1158	1	March 26, 2010

Date of report (type)	Permit No. (Unit/Area)	Permit Requirement No.	No. of open- ended valves/ lines	Detection date
September 20, 2010 (Quarterly); September 20, 2010 (Semiannual); March 16, 2011 (Annual)	2924-V0 (Methanes)	1158	2	April 9, 2010
September 20, 2010 (Quarterly); September 20, 2010 (Semiannual); March 16, 2011 (Annual)	2924-V0 (Methanes)	1158	1	April 20, 2010
September 20, 2010 (Quarterly); September 20, 2010 (Semiannual); March 16, 2011 (Annual)	2924-V0 (Methanes)	1158	1	April 21, 2010
September 20, 2010 (Quarterly); September 20, 2010 (Semiannual); March 16, 2011 (Annual)	2924-V0 (EDC)	1066	1	April 22, 2010
September 20, 2010 (Quarterly); September 20, 2010 (Semiannual); March 16, 2011 (Annual)	2924-V0 (Perc)	1250	1	June 3, 2010
March 16, 2011 (Quarterly); March 16, 2011 (Semiannual); March 16, 2011 (Annual)	2923-V1 (Shipping)	147	5	November 19, 2010
June 25, 2011 (Quarterly); September 28, 2011 (Semiannual); March 20, 2012	2924-V0 (EDC)	1066	1	January 20, 2011

Date of report (type)	Permit No. (Unit/Area)	Permit Requirement No.	No. of open- ended valves/ lines	Detection date
(Annual)				
September 28, 2011 (Semiannual); March 20, 2012 (Annual)	2924-V0 (EDC)	1066	1	April 20, 2011
September 28, 2011 (Semiannual); March 20, 2012 (Annual)	2924-V0 (Methanes)	1158	1	April 11, 2011
September 28, 2011 (Semiannual); March 20, 2012 (Annual)	2924-V0 (Methanes)	1158	2	April 27, 2011
September 28, 2011 (Semiannual); March 20, 2012 (Annual)	2924-V0 (Methanes)	1158	3	May 2, 2011
September 28, 2011 (Semiannual); March 20, 2012 (Annual)	2924-V0 (Methanes)	1158	1	May 13, 2011
September 28, 2011 (Semiannual); March 20, 2012 (Annual)	2924-V0 (Methanes)	1158	1	May 27, 2011
September 28, 2011 (Semiannual); March 20, 2012 (Annual)	2923-V1 (Shipping)	147	1	May 27, 2011
September 28, 2011 (Semiannual); March 20, 2012 (Annual)	2924-V0 (Perc)	1250	2	June 3, 2011

Date of report (type)	Permit No. (Unit/Area)	Permit Requirement No.	No. of open-ended valves/lines	Detection date
September 28, 2011 (Semiannual); March 20, 2012 (Annual)	2924-V0 (Perc)	1250	1	June 20, 2011
March 20, 2012 (Semiannual); March 20, 2012 (Annual)	2924-V0 (5CP)	965	2	July 14, 2011
March 20, 2012 (Semiannual); March 20, 2012 (Annual)	2923-V1 (Shipping)	147	2	August 25, 2011
March 20, 2012 (Semiannual); March 20, 2012 (Annual)	2924-V0 (EDC)	1066	1	August 29, 2011
March 20, 2012 (Semiannual); March 20, 2012 (Annual)	2923-V1 (Shipping)	147	4	September 8, 2011
March 20, 2012 (Semiannual); March 20, 2012 (Annual)	2923-V1 (Shipping)	147	1	October 6, 2011
March 20, 2012 (Semiannual); March 20, 2012 (Annual)	2924-V0 (EDC)	1066	2	October 20, 2011
March 20, 2012 (Semiannual); March 20, 2012 (Annual)	2924-V0 (Methanes)	1158	1	October 27, 2011
March 20, 2012 (Semiannual); March 20, 2012 (Annual)	2923-V1 (Shipping)	147	1	November 2, 2011
March 20, 2012 (Semiannual); March 20, 2012 (Annual)	2924-V0 (Methanes)	1158	1	December 13, 2011

Date of report (type)	Permit No. (Unit/Area)	Permit Requirement No.	No. of open-ended valves/lines	Detection date
March 20, 2012 (Semiannual); March 20, 2012 (Annual)	2924-V0 (EDC)	1066	1	December 13, 2011
September 14, 2012 (Semiannual)	2923-V1 (Shipping)	147	1	January 23, 2012
September 14, 2012 (Semiannual)	2923-V1 (Shipping)	147	1	February 9, 2012
September 14, 2012 (Semiannual)	2923-V1 (Shipping)	147	3	May 17, 2012
September 14, 2012 (Semiannual)	2924-V0 (Perc)	1250	1	January 24, 2012
September 14, 2012 (Semiannual)	2924-V0 (Methanes)	1158	1	April 11, 2012
September 14, 2012 (Semiannual)	2924-V1 (Perc)	1292	2	April 16, 2012
September 14, 2012 (Semiannual)	2924-V1 (Methanes)	1200	1	April 18, 2012

Each failure to seal open-ended valves or lines with a cap, a blind flange, a plug, or second valve is a violation of 40 CFR 63.167(a) which language has been adopted as a Louisiana regulation in LAC 33:III.5122, the Specific Requirement of the respective Title V Permit as indicated in the table above, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).

- C. The Respondent reported occurrences in which weekly visual inspections of pumps subject to the requirements of 40 CFR 63 Subpart H (HON) were not performed as follows:

Date of report (type)	Permit No. (Unit/Area)	Permit Requirement No.	No. of weeks missed	Week missed (first day of week)
June 30, 2009 (Quarterly); September 30, 2009 (Semiannual); March 10, 2010; (Annual)	2923-V1 (Shipping)	120	6	January 17, 2009; January 24, 2009; January 31, 2009; February 14, 2009; March 14, 2009; March 21, 2009

Date of report (type)	Permit No. (Unit/Area)	Permit Requirement No.	No. of weeks missed	Week missed (first day of week)
September 30, 2009 (Quarterly); September 30, 2009 (Semiannual); March 10, 2010; (Annual)	2923-V1 (Shipping)	120	3	May 10, 2009; May 31, 2009; June 14, 2009
March 10, 2010 (Quarterly); March 10, 2010 (Semiannual); March 10, 2010; (Annual)	2924-V0 (EDC)	1039	10	October 11, 2009; October 18, 2009; October 25, 2009; November 1, 2009; November 15, 2009; November 15, 2009; November 22, 2009; November 22, 2009; December 6, 2009; December 13, 2009
June 10, 2010 (Quarterly); September 20, 2010 (Semiannual) March 16, 2011 (Annual)	2924-V0 (EDC)	1039	3	January 3, 2010; January 10, 2010; January 31, 2010
September 20, 2010 (Quarterly); September 20, 2010 (Semiannual) March 16, 2011 (Annual)	2924-V0 (Methanes)	1132	1	April 10, 2010
December 10, 2010 (Quarterly); September 20, 2010 (Semiannual); March 16, 2011 (Annual)	2921-V0 (Chlorine)	39	2	July 23, 2010; August 12, 2010
September 28, 2011 (Semiannual)	2921-V0 (Chlorine)	39	2	April 8, 2011; April 23, 2011

Each failure to perform weekly visual inspections is a violation of 40 CFR 63.163(b)(3) or 40 CFR 63.163(e)(4) which language has been adopted as a Louisiana regulation in LAC 33:III.5122, the Specific Requirement of the respective Title V Permit as indicated in the table above, LAC

33:III.501.C.4 and La. R.S. 30:2057(A)(2).

D. The Respondent reported occurrences in which the sodium hydroxide concentration was not performed twice per shift for the scrubbers in accordance with permitted requirements as follows:

Date of report (type)	Permit No. (Unit/Area)	Permit Requirement No.	Dates monitoring missed	Emission Point
September 28, 2011 (Semiannual)	2921-V0 (Chlorine)	17	May 9, 2011; May 10, 2011; May 11, 2011; May 12, 2011; May 13, 2011; May 14, 2011; May 28, 2011	Diaphragm Seal Scrubber TW-705 (Emission Point No. 070603 – EQT294)
September 28, 2011 (Semiannual)	2921-V0 (Chlorine)	27	May 9, 2011; May 10, 2011; May 11, 2011; May 12, 2011; May 13, 2011; May 14, 2011; May 22, 2011	Membrane Seal Scrubber TW-1718 (Emission Point No. 130403 – EQT297)
September 14, 2012 (Semiannual)	2921-V0 (Chlorine)	17	February 16, 2012; June 10, 2012	Diaphragm Seal Scrubber TW-705 (Emission Point No. 070603 – EQT294)
September 14, 2012 (Semiannual)	2921-V0 (Chlorine)	27	June 21, 2012	Membrane Seal Scrubber TW-1718 (Emission Point No. 130403 – EQT297)

Each failure to monitor sodium hydroxide concentration twice per shift is a violation of either Specific Requirement 17 or 27 of Title V Permit No. 2921-V0 as indicted in the table above, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

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 EIGHTY-THREE THOUSAND AND NO/100 DOLLARS (\$83,000.00), of which Five Thousand Six Hundred Seventeen and 90/100 Dollars (\$5,617.90) represents the Department's enforcement costs, in settlement of the claims set forth in this agreement.

V

Respondent, in addition to the penalty amount specified in paragraph IV above and as part of this Settlement, agrees to expend the amount of \$37,000.00 to implement and/or perform the following beneficial environmental project (BEP):

- A. Respondent agrees to donate \$37,000.00 to the Department to complete funding for Ozone Attainment Demonstration modeling in which the Department engaged following the implementation of the 2008 ozone standard. This effort is examining a grid size that covers the entire state. With potential nonattainment areas in Lake Charles, Shreveport, and New Orleans, the ability to run additional sensitivity analyses for these particular areas is of vital importance. In particular, this funding will be used to complete the tasks related to the development of future year ozone design values. Respondent agrees to make such donation within ten (10) days from notice of the Secretary's signature in accordance with paragraph X of this Settlement. However, this payment shall be made by separate

check from the payment amount described in paragraph IV of this Settlement. In the event that this donation cannot be used for this specific BEP, the Department, at its discretion and agreed to with Respondent, may use this money to fund another BEP that meets the rules relating to beneficial environmental projects as set forth in LAC 33:I.Chapter 25.

- B. The total amount of money expended by Respondent on cash payments to the Department and on beneficial environmental projects, as described above, shall be considered a civil penalty for tax purposes, as required by La. R.S. 30:2050.7(E)(1).

VI

Respondent further agrees that the Department may consider the permit records, the Consolidated Compliance Order and Notice of Potential Penalty, the Amended Consolidated Compliance Orders and Notices of Potential Penalties, and this Settlement 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.

VII

This 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 agreement in any action by the Department to enforce this agreement.

VIII

This settlement 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, the Department considered the factors for issuing civil penalties set forth in LSA- R. S. 30:2025(E) of the Act and the rules relating to beneficial environmental projects set forth in LAC 33:I.Chapter 25.

IX

The Respondent has caused a public notice advertisement to be placed in the official journal of the parish governing authority in Ascension Parish, Louisiana. The advertisement, in form, wording, and size approved by the Department, announced the availability of this settlement 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 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 ten (10) days from notice of the Secretary's signature. If payment is not received within that time, this Agreement is voidable at the option of the Department. 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. The payment specified in paragraph IV shall be accompanied by a completed Settlement Payment Form (Exhibit A). The payment specified in paragraph V shall be accompanied by a completed Settlement BEP Payment Form (Exhibit B).

XI

In consideration of the above, any claims for penalties are hereby compromised and settled in accordance with the terms of this Settlement.

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.

OCcidental Chemical Corporation

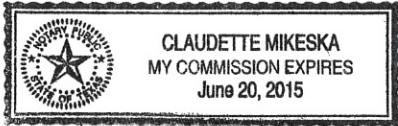
BY: [Signature]
(Signature)

Scott A. King
(print)

TITLE: Vice President of General Counsel

THUS DONE AND SIGNED in duplicate original before me this 2nd day of April, 20 13, at Dallas, TX.

Claudette Mikeska
NOTARY PUBLIC (ID # _____)



CLAUDETTE MIKESKA
(stamped or printed)

LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY
Peggy M. Hatch, Secretary

BY: [Signature]
Cheryl Sonnier Nolan, Assistant Secretary
Office of Environmental Compliance

THUS DONE AND SIGNED in duplicate original before me this 16th day of August, 20 13, at Baton Rouge, Louisiana.

[Signature]
NOTARY PUBLIC (ID # 40539)
Ted L. Boyles, II
(stamped or printed)

Approved: [Signature]
Cheryl Sonnier Nolan, Assistant Secretary