

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

PPG INDUSTRIES, INC.

AI # 1255

PROCEEDINGS UNDER THE LOUISIANA
ENVIRONMENTAL QUALITY ACT
LA. R.S. 30:2001, ET SEQ.

* Settlement Tracking No.
* SA-AE-12-0060
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* Enforcement Tracking No.
* AE-CN-01-0226
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SETTLEMENT

The following Settlement is hereby agreed to between Eagle US 2 LLC (“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.A.

Respondent is a Limited Liability Company that owns and/or operates an industrial chemical production complex located south of U. S. Interstate 10 and east of U. S. Interstate 220 in Lake Charles, Calcasieu Parish, Louisiana (“the Facility”). At the time of the alleged violations, the Facility was owned and/or operated by PPG Industries, Inc.

I.B.

On or about January 28, 2013, Eagle US 2 LLC became the owner and/or operator of the former PPG Industries Inc., Lake Charles Chemical Manufacturing Complex, with the exception of the Silicas Plant, which is still owned and operated by PPG Industries, Inc. PPG Industries, Inc. and Eagle US 2 LLC timely submitted requests to transfer all applicable air permits not part of the Silicas Plant to Eagle US 2 LLC. Eagle US 2 LLC transferred these permits and environmental liability for compliance. Herein Eagle US 2 LLC will be referred to as Respondent due to its successor liability under the transferred permits.

II

On January 26, 2006, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-01-0226, which was based upon the following findings of fact:

The Respondent owns and/or operates an industrial chemical production complex known as the Lake Charles Complex located south of U. S. Interstate 10 and east of U. S. Interstate 220 in Lake Charles, Calcasieu Parish, Louisiana. The Respondent has a vinyl chloride manufacturing unit known as the VCM II Unit in Plant B (Derivatives) at the Lake Charles Complex. The VCM II Unit operated under Air Permit No. 897C (M-1) issued on September 20, 1995, which was administratively amended on September 13, 1996, until the issuance of Air Permit No. 897C (M-2) on September 26, 1997. The VCM II Unit is subject to 40 CFR 61 Subpart F (National Emission Standards for Vinyl Chloride). The Respondent operated its Hazardous Waste Incinerators at the complex under Air Permit No. 2040 (M-1) issued on February 20, 1995, until issuance of Title V Permit No. 2040-V0 on February 21, 2005, under which the Hazardous Waste Incinerators currently operate. The Temporary Boiler Facility at the complex operated under Title V Permit No. 2646-V0 issued on November 23, 1999, until Title V Permit No. 2646-V0 was terminated by the Department on August 31, 2004. The Power/Utilities (Powerhouse B units No. 5 and No. 6) at the complex operated under Title V Permit No. 2106-V0 and PSD Permit No. PSD-LA-637 issued on December 2, 1999. Title V Permit No. 2106-V0 was administratively amended on July 25, 2000. The Power/Utilities (Powerhouse B units No. 5 and No. 6) currently operate under Title V Permit No. 2106-V1 and PSD Permit No. PSD-LA-637 (M-1) issued on May 24, 2002. The Respondent's Per/Tri Production Unit at the Lake Charles Complex operates under Air Permit No. 2270 issued on July 21, 1994. The Respondent's CPC Unit operated under Air Permit No. 1929-V0 until it was terminated by the Department on May 3, 2004. The Respondent also operates under several other

permits for units, areas, and/or plants at the Lake Charles Complex.

On or about July 21, 2004, a file review of the Respondent's Lake Charles Complex 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. According to the Respondent's updated December 15, 2000, vinyl chloride quarterly report dated May 7, 2002, for the period of September 1, 2000 through November 30, 2000, there was one (1) event occurring on October 5, 2000, in which the 10 ppm (averaged on a three hour basis) vinyl chloride standard was exceeded for the PHH Vents. The Respondent reported nine (9), three-hour periods in which the vinyl chloride emissions were in excess of 10 ppm (average for three-hour period) for the event. Each exceedance of the 10 ppm 3-hour average for vinyl chloride is a violation of 40 CFR 61.63(a) which language has been adopted as a Louisiana regulation in LAC 33:III.5116, Specific Conditions 5 and 7 of Air Permit No. 897C (M-2), and Sections 2057(A)(1) and 2057(A)(2) of the Act.
- B. By letter dated February 4, 2002, the Department's Environmental Technology Division, Engineering Group 1 notified the Respondent of their review of the results of the Oxides of Nitrogen Performance Tests performed June 1 through June 30, 2001. The tests were for the Temporary Boilers (Emission Point Nos. 411T and 412T). In this letter, the Department notified the Respondent that two reports were received on January 25, 2002, and that these reports were not received within sixty (60) days after completion of the tests. The Respondent's Title V and PSD permits for the Temporary Boiler Facility require that test results shall be submitted to the Environmental Technology Division within sixty (60) days after the complete testing. The Enforcement Division's review noted that the performance tests were conducted between June 1 and June 30, 2001, and that the report was signed by an official of the Respondent on January 18, 2002, and received by the Department on January 25, 2002. Each failure to submit the test results to the Environmental Technology Division within sixty (60) days after testing is complete is a violation of the Louisiana Air Emission Permit General Condition VIII of Title V Permit No. 2646-V0 and PSD Permit No. PSD-LA-642, LAC 33:III.501.C.4, and Section 2057(A)(2) of the Act.
- C. Specific Condition 2 for Incinerator Nos. 1 and 2 (vents to a common stack, Emission Point No. 345) and Specific Condition 2 for Incinerator No. 3 (vents to a stack, Emission Point No. 346) of Air Permit No. 2040 (M-1) specify that the stack carbon monoxide (CO) concentration shall be controlled to 100 ppmv as a one (1) hour rolling average updated every minute. The Respondent submitted monthly incinerator performance reports as required by Specific Condition 3 for Incinerator Nos. 1 and 2

(Emission Point No. 345) and Specific Condition 3 for Incinerator No. 3 (Emission Point 346) of the air permit, reporting incidents during which specified operating variables for vent gas incineration drifted out of the permitted operating range for more than fifteen (15) minutes. The following incidents reported by the Respondent resulted in the exceedance of the stack CO concentration of 100 ppmv as a one (1) hour rolling average as follows:

Date of Report	Emission Points	Date of Incident	Cause
June 28, 2001	345 & 346	May 13, 2001	A power interruption occurred which affected many of the operating units, including the incineration facilities in the Lake Charles complex. As soon as the problem was resolved and the incinerators had reached proper operating temperatures, process vents were realigned to incineration. At the time process vents were reintroduced, the CO and O ₂ limits were not within the specified permit limitations; however, this was done in order to minimize the environmental impact of this incident.
November 22, 2002	345	October 5, 2002	An unplanned shutdown of the No. 3 Halogen Acid Furnace occurred due to an automatic safety shutdown system trip; vents were realigned to the No. 2 Incinerator in order to minimize the bypass of vent gas incineration. During the introduction of these additional vents into the No. 2 Incinerator, a temporary CO spike occurred.
January 13, 2003	345	December 5, 2002	Due to some plugging problems experience with the flame arrestors on the No. 3 Halogen Acid Furnace, vents were realigned to the No. 1 and No. 2 Incinerators. During the introduction of the vents from the No. 3 Halogen Acid Furnace into the No. 1 and No. 2 Incinerators, a temporary CO spike occurred.
January 13, 2003	345	December 7, 2002	Due to problems with liquid burning in the No. 3 Halogen Acid Furnace, the vents were realigned to the No. 1 and No. 2 Incinerators. During the introduction of the vents from the No. 3 Incinerator to the No. 1 and No. 2 Incinerators, a temporary CO spike occurred.
February 14, 2003	345	January 8, 2003	Unplanned shutdown of the No. 3 Halogen Acid Furnace when process vents were moved to the No. 2 Incinerator. The Respondent noted that while vents were being moved into the No. 2 Incinerator, a temporary CO spike occurred.
February 14, 2003	345	January 13, 2003	In response to operational problems with the No. 4 Thermal Oxidizer in the PHH Unit, it became necessary to divert the PHH unit vents to the No. 1 and No. 2 Incinerators at the Waste Treatment Unit. During the introduction of these vents into the No. 1 Incinerator, a temporary CO spike occurred.
April 17, 2003	345	March 4, 2003	An exceedance occurred while making adjustments to the liquid feed rate.

Date of Report	Emission Points	Date of Incident	Cause
April 17, 2003	345	March 14, 2003	After an unexpected shutdown of the No. 3 Halogen Acid Furnace (HAF), the vents routed to the No. 3 HAF were diverted to the No. 1 incinerator. During the introduction of these vents into the No. 1 incinerator, a temporary spike occurred.
May 8, 2003	345	April 21, 2003	After an unexpected shutdown of the No. 3 Halogen Acid Furnace (HAF), the vents routed to the No. 3 HAF were diverted to the No. 1 Incinerator. During the introduction of these vents into the No. 1 and 2 Incinerators, a temporary CO spike occurred.
June 9, 2003	345	May 4, 2003	Due to a power failure, the No. 2 Incinerator was shut down. Upon restart, the No. 2 Incinerator experienced a temporary CO spike.
November 11, 2003	345	October 7, 2003	Liquid lines plugged resulting in a surge of liquids to the incinerator.
December 5, 2003	345	November 13, 2003	Liquid lines plugged resulting in a surge of liquids to the incinerator.
December 5, 2003	345	November 13, 2003	The event occurred while attempting to clear a liquid line from the FCV through the HIC valve to the No. 2 incinerator.
December 5, 2003	345	November 13, 2003	Liquid lines plugged resulting in a surge of liquids to the incinerator.
December 5, 2003	345	November 25, 2003	Liquid guns plugged resulting in a CO spike.
May 3, 2004	345	April 1, 2004	In response to operational problems with the No. 3 Halogen Acid Furnace, process vents were moved to the No. 2 Incinerator. When the vents were moved, a temporary CO spike occurred.
June 2, 2004	345	May 23, 2004	Operators were attempting to introduce liquids into the No. 2 Incinerator. The CO began to increase due to operational problems encountered during the introduction of liquid feed. Liquid feed was tripped. The No. 3 Halogen Acid Furnace was shut down for maintenance. Operators could not move the process vents to another combustion unit.
June 2, 2004	345	May 24, 2004	Operations were processing liquids in the No. 2 Incinerator. Plugging in the liquid feed line caused the feed rate to swing. Liquid feed was tripped. The No. 3 Halogen Acid Furnace was shutdown for maintenance. Operators could not move the process vents to another combustion unit.

Date of Report	Emission Points	Date of Incident	Cause
June 2, 2004	345	May 24, 2004	Operators were attempting to introduce liquids into the No. 2 Incinerator. The CO began to increase due to operational problems encountered during the introduction of liquid feed. Liquid feed was tripped. The No. 3 Halogen Acid Furnace was shutdown for maintenance. Operators could not move the process vents to another combustion unit.
June 2, 2004	345	May 28, 2004	Operators were attempting to introduce liquids into the No. 2 Incinerator. The CO began to increase due to operational problems encountered during the introduction of liquid feed. Liquid feed was tripped. The No. 3 Halogen Acid Furnace was shutdown for maintenance. Operators could not move the process vents to another combustion unit.

Each exceedance of the stack CO concentration of 100 ppmv for a one (1) hour rolling average is a violation of Specific Condition 2 for Incinerator Nos. 1 and 2 (Emission Point No. 345) and Specific Condition 2 for Incinerator No. 3 (Emission Point No. 346) of Air Permit No. 2040 (M-1), LAC 33:III.501.C.4, and Sections 2057(A)(1) and 2057(A)(2) of the Act. In addition to the CO exceedance for the May 13, 2001, event, the stack oxygen (O₂) concentration (dry) was not controlled to two (2) percent minimum by volume. This is a violation of Specific Condition 2 for Incinerator Nos. 1 and 2 (Emission Point No. 345) of Air Permit No. 2040 (M-1), LAC 33:III.501.C.4, and Sections 2057(A)(1) and 2057(A)(2) of the Act.

- D. In a monthly incinerator performance report dated March 10, 2003, the Respondent reported an incident during which specified operating variables for vent gas incineration drifted out of the permitted control range for more than fifteen (15) minutes. The Respondent reported that on February 21, 2003, the pH on the secondary scrubbers of Incinerators Nos. 1 and 2 (Emission Point No. 345) and 3 (Emission Point No. 346) fell below 8.5 when the cell liquor supply was lost due to a power failure in Plant A. The Respondent's failure to maintain the pH at a minimum of 8.5 is a violation of Specific Condition 2 for Incinerator Nos. 1 and 2 (Emission Point No. 345) and 3 (Emission Point No. 346) of Air Permit No. 2040 (M-1), LAC 33:III.501.C.4, and Sections 2057(A)(1) and 2057(A)(2) of the Act.
- E. The Department was notified on January 15, 2002, of a release that began on or about January 10, 2002. The Respondent was required to notify the Department within 24 hours of the release. The failure to notify the Department within 24 hours of the release is a violation of LAC 33:III.5107.B.2 and Section 2057(A)(2) of the Act.

- F. The Respondent was issued Title V Permit No. 2646-V0 on November 23, 1999. The Department noted that Title V semiannual monitoring reports and annual compliance certifications had not been received for 1999 or 2000. The Department sent a letter of inquiry dated October 10, 2001, to the Respondent concerning the Department having no record of receipt of the Title V semiannual reports and the Title V annual compliance certifications. The Department received on October 17, 2001, the response from the Respondent to the Department's letter. The Respondent noted in the letter that the boilers did not operate in 1999 or 2000 and that the scheduled startup for the North Temporary Boiler was February 26, 2001, and the South Temporary Boiler was scheduled to startup the week of March 5, 2001. The Respondent failed to submit the semiannual monitoring report encompassing the period of July through December 1999 due by March 31, 2000, the semiannual monitoring report for the period encompassing January through June 2000 due by September 30, 2000, and the semiannual monitoring report encompassing the period of July through December 2000 due by March 31, 2001. The Respondent also failed to submit the annual compliance certification for the period encompassing January through December 1999 by March 31, 2000, and the annual compliance certification for the period encompassing January through December 2000 by March 31, 2001. Each failure to submit the semiannual monitoring reports and annual compliance certifications by the required dates is a violation of 40 CFR Part 70 General Condition K and 40 CFR Part 70 General Condition M, respectively, of Air Permit No. 2646-V0, LAC 33:III.501.C.4, and Section 2057(A)(2) of the Act.
- G. The Department received the Respondent's semiannual monitoring report dated October 3, 2001, for the period encompassing January through June 2001. The Respondent failed to submit the semiannual monitoring report to the Department no later than September 30, 2001, for the period encompassing January through June 2001. This is a violation of 40 CFR Part 70 General Condition K of Title V Permit No. 2646-V0, LAC 33:III.501.C.4, and Section 2057(A)(2) of the Act.
- H. The Department received the Respondent's semiannual monitoring report dated August 9, 2004 for the period encompassing July through December 2003. The Respondent failed to submit the semiannual monitoring report to the Department no later than March 31, 2004. This is a violation of 40 CFR Part 70 General Condition K of Air Permit No. 2646-V0, LAC 33:III.501.C.4, and Section 2057(A)(2) of the Act.
- I. The Department received a release follow-up report from the Respondent dated March 21, 2002, indicating a release of approximately 275 pounds of chlorine. The release began on or about March 15, 2002, at 9:00 a.m. with a small, brief release followed at 9:05 a.m. with a continuous release for the duration of four (4) minutes. According to the Respondent's report, chlorine cell circuits No. 15 and No. 16 were manually tripped due to control problems on the chlorine compressor. The control problems

started as an unintended consequence of an in-progress project to upgrade the instrument control system to state of the art computer controls. During the process of shutting down and safeguarding the equipment, various valves were closed to isolate the equipment. A stream from a chlorine recovery system was not immediately rerouted and an equipment protecting pressure seal was activated allowing the chlorine to escape. The Respondent's failure to immediately reroute a stream from a chlorine recovery system ultimately led to the resulting release. This is 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 is also a violation of Sections 2057(A)(1) and 2057(A)(2) of the Act.

- J. The Respondent submitted a report in accordance with General Condition XI of Air Permit No. 2040 (M-1) dated June 6, 2002. The Respondent reported that on May 31 and June 1, 2002, the maximum pound per hour emission rate for CO was exceeded for the Nos. 1 and 2 Incinerator Stack (Emission Point No. 345). The permitted CO maximum pound per hour emission rate is 5.8. The Respondent noted that during the hourly period of 3:00 a.m. to 4:00 a.m. on May 31, 2002, the limitation was exceeded by 3.61 pounds. During the hourly period of 1:00 a.m. to 2:00 a.m. on June 1, 2002, the limitation was exceeded by 4.21 pounds. Each exceedance of the permitted CO maximum pound per hour emission limit of 5.8 for Emission Point No. 345 as listed on the Air Quality Data Sheet is a violation of General Condition II of Air Permit No. 2040 (M-1), LAC 33:III.501.C.4, and Sections 2057(A)(1) and 2057(A)(2) of the Act.
- K. The Respondent submitted a report in accordance with General Condition XI of Air Permit No. 2040 (M-1) dated June 11, 2002. The Respondent reported that on June 5, 2002, the maximum pound per hour emission rate for CO was exceeded for the No. 3 Halogen Acid Furnace Stack (Emission Point No. 346). The permitted CO maximum pound per hour emission rate is 8.0. The Respondent noted that during the hourly period of 4:00 p.m. to 5:00 p.m. on June 5, 2002, the limitation was exceeded by 3.91 pounds. The exceedance of the permitted CO maximum pound per hour emission limit of 8.0 for Emission Point 346 as listed on the Air Quality Data Sheet is a violation of General Condition II of Air Permit No. 2040 (M-1), LAC 33:III.501.C.4, and Sections 2057(A)(1) and 2057(A)(2) of the Act.
- L. The Respondent reported in the Title V Annual Compliance Certification for the Power/Utilities Unit under cover letter dated March 30, 2001, a release of nitrogen oxides that occurred from March 8 through March 11, 2000, from the Powerhouse B, No. 3 Boiler (Emission Point 007). The Respondent had previously reported the excess nitrogen oxides emissions

in a follow-up release report dated March 16, 2000. According to the report, the release began at 8:00 p.m. on March 8, 2000, until 1:00 p.m. on March 11, 2000 for a total of 65 hours. The Respondent noted that an estimated release of 5,595 pounds of nitrogen oxides in excess of permit limits occurred based on preliminary, unverified stack test data. The Respondent noted that the emission estimates could change based on subsequent stack testing. According to the Respondent, prior stack testing on or about June 16, 1998, indicated lower emissions that were well within permit limits. The Respondent began investigations into the cause of the excess emissions. The Respondent submitted a letter dated May 16, 2000, to report the results of the investigation. Further inspections noted no conditions that might be expected to cause the excess NO_x emissions. An additional compliance test was conducted on March 28, 2000, yielding the same results as that conducted on March 8, 2000. Based on recommendations by a C-E Air Heater representative, the Respondent planned to complete additional investigative actions including repairing and replacing the seals in the combustion air preheater and a third series of compliance emissions tests. The Respondent submitted the results of these actions in a letter dated June 5, 2000. The results of the tests still indicated that the permitted maximum pound per hour limit was exceeded. The exceedance of the permitted maximum pound per hour NO_x emission rate for the Powerhouse B, No. 3 Boiler (Emission Point 007) as listed on the Emission Inventory Questionnaire (EIQ) for Air Pollutants is a violation of General Condition II of Title V Permit No. 2106-V0, LAC 33:III.501.C.4, and Sections 2057(A)(1) and 2057(A)(2) of the Act.

Title V Permit No. 2106-V0 was administratively amended on July 25, 2000, to incorporate the NO_x emission rate based on the stack test data.

- M. In the letter dated February 25, 2002, the Respondent reported that the maximum pound per hour VOC limitation was exceeded for the Nos. 1 and 2 Incinerator Stack (Emission Point No. 345). The maximum pound per hour limitation for Emission Point No. 345 for VOC is 0.71 pounds per hour. The Respondent reported that on February 18, 2002, emissions from Emission Point No. 345 were 0.7484 pound per hour for VOC for a period of five (5) minutes. The Respondent's exceedance of the maximum pound per hour VOC emission limitation of 0.71 for Emission Point No. 345 as listed on the Air Quality Data Sheet is a violation of General Condition II of Air Permit No. 2040 (M-1), LAC 33:III.501.C.4, and Sections 2057(A)(1) and 2057(A)(2) of the Act.
- N. In a letter dated October 17, 2003, the Respondent requested an insignificant activity permit exemption for ammonia emissions from truck unloading that occurs 24 times per year. The Respondent estimated emissions of 0.0056 pounds per year. The Respondent noted in the request that "This infrequent activity was inadvertently omitted from the original application." It was noted that total emissions for the permitting

period are 445 pounds of ammonia. The Respondent's failure to submit a complete permit application containing the ammonia emissions is a violation of LAC 33:III.501.C.1 and Sections 2057(A)(1) and 2057(A)(2) of the Act.

- O. As reported by the Respondent in the Title V Annual Compliance Certification dated March 29, 2004, and in the 40 CFR Part 70 General Condition R and XI report dated June 27, 2003, the first semiannual report required by Specific Condition No. 2 of Air Permit No 2106-V1 for the Power/Utilities Unit was submitted late. The information was included in the June 2003 report. The report was due by March 31, 2003, in accordance with the reporting requirements of 40 CFR Part 70 General Condition K. The failure to submit the semiannual report by the required date is a violation of Specific Condition No. 2 of Title V Permit No. 2106-V1, LAC 33:III.501.C.4, and Section 2057(A)(2) of the Act.

On or about December 2, 2004, a file review of the Respondent's Lake Charles Complex 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. The Department had no record of receipt of the semiannual monitoring report for the period encompassing July through December 2003 that was due by March 31, 2004. On or about July 29, 2004, a Department representative contacted a representative of the Respondent to inquire about the missing report. The Respondent's representative referred to a letter dated March 3, 2003, that had been submitted to the Department's Office of Environmental Services. In this letter the Respondent noted that Temporary Boiler No. 1 was last operated on January 31, 2003, and Temporary Boiler No. 2 was last operated on December 20, 2002. Both boilers were permanently shutdown. The Department received the Respondent's semiannual monitoring report for the period encompassing July through December 2003 on or about August 12, 2004. The report was dated August 9, 2004, and postmarked on August 10, 2004. The Respondent failed to submit the semiannual monitoring report for the period encompassing July through December 2003 to the Department by March 31, 2004.

At a later date, it was noted the Department had no record of receipt of the semiannual monitoring report for the period encompassing January through June 2004 that was due by September 30, 2004. A representative of the Department again contacted a representative of the facility about the semiannual monitoring report. The Department received the Respondent's semiannual monitoring report for the period encompassing January through June 2004 on or about December 2, 2004. The report was dated November 29, 2004, and postmarked on November 30, 2004. The Respondent failed to submit the semiannual monitoring report for the

period encompassing January through June 2004 to the Department by September 30, 2004.

Each failure to submit the semiannual monitoring report by the required date is a violation of Part 70 General Condition K of Air Permit Number 2646-V0, LAC 33:III.501.C.4 and Section 2057(A)(2) of the Act.

On or about August 31, 2004, Title V Permit No. 2646-V0 was terminated by the Department.

- B. The Department had no record of receipt of the semiannual monitoring report for the period encompassing January through June 2004 that was due by September 30, 2004. On or about November 9 and November 18, 2004, a Department representative contacted a representative of the Respondent to inquire about the missing report. The representative of the Respondent explained that since Title V Permit No. 1929-V0 had been terminated as of May 3, 2004, no report was submitted by September 30, 2004. The Respondent had submitted a letter dated February 20, 2004, noting that the CPC Unit was last operated in December 2002 and had been permanently shutdown. The Respondent also noted that the CPC Unit Fugitive Equipment Leaks was to be permanently shutdown and that the Respondent no longer wishes to renew Title V Permit No. 1929-V0. The Department's representative explained that the Title V permit was still in effect until expiration on April 5, 2004, and that a report was required for this period. The Department received the Respondent's semiannual monitoring report for the period encompassing January through June 2004 on or about December 2, 2004. The report was dated November 29, 2004, and postmarked on November 30, 2004. The Respondent failed to submit the semiannual monitoring report for the period encompassing January through June 2004 to the Department by September 30, 2004. The failure to submit the semiannual monitoring report by the required date is a violation of Part 70 General Condition K of Air Permit Number 1929-V0, LAC 33:III.501.C.4, and Section 2057(A)(2) of the Act.

Based on Respondent's request that the Department consider additional factors in regard to paragraph II.N of the Findings of Fact portion of Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-01-0226, the Department has reviewed the cited violation. Based on the review, the Department hereby removes paragraph II.N in its entirety. Additionally, through this Settlement, the Department hereby removes paragraph II.H in its entirety from the Findings of Fact portion of Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-01-0226 as it

includes a violation that is duplicated in the first part of paragraph III.A. Paragraph III.A is not affected by this action.

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. In the Title V semiannual monitoring report dated September 22, 2005, for the first half of 2005, and the 2005 Title V annual compliance certification dated April 3, 2006, the Respondent reported that during an internal LDAR evaluation on June 2, 2005, at the Solvent Loading Area, an open-ended line in Trans® service was discovered. This is a violation of 40 CFR 63.167(a)(2) which language has been adopted as a Louisiana regulation in LAC 33:III.5122, Part 70 Specific Condition No. 2 of Title V Permit No. 2229-V0, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).
- B. The Respondent reported in the 2005 third quarterly report dated December 21, 2005; the 2005 second half Title V semiannual monitoring report dated March 30, 2006; the 2005 Title V annual compliance certification dated March 30, 2006; the 2006 Title V annual compliance certification dated March 27, 2007 and the 2006 Title V first semiannual monitoring report dated September 26, 2006, for the MC/DCE Scrubber (Emission Point 305) the annual tons per year emissions of 1,1-dichloroethane were not correctly calculated in the permit application which was the basis for Title V Permit No. 2695-V0. An administrative amendment request dated December 16, 2005, was submitted to the Department. An administrative amendment to Title V Permit No. 2695-V0 was issued to the Respondent on February 6, 2006, to reflect the change in emissions. The failure to accurately include in the permit application emissions of 1,1-dichloroethane from the MC/DCE Scrubber (Emission Point 305) is a violation of LAC 33:III.517.D.3.d, LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and La. R.S. 30:2057(A)(2).
- C. The Respondent reported in the 2005 third quarterly report dated December 21, 2005 and the 2005 second half Title V semiannual monitoring report dated March 30, 2006, that it conducted a performance test for the No. 1 and No. 2 Incinerators Tertiary Scrubber (Emission Point No. 345) during the period of September 20 through 26, 2004, as required by 40 CFR 63 Subpart EEE. According to the Respondent, the report was received on March 17, 2005, and showed that emissions of chromium, copper, lead, manganese, nickel, selenium, silver, thallium, and zinc were above their respective permitted limits in Title V Permit No. 2040-V0. The test also indicated the presence of emissions of carbon tetrachloride and chloromethane which were not listed in Title V Permit No. 2040-V0. According to the Respondent, the existing limits were based upon a prior stack test. Each exceedance of the permitted limits for each pollutant for Emission Point 345 is a violation of General Condition III of Title V Permit No. 2040-V0, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and La. R.S. 30:2057(A)(2). Each of the unpermitted emissions of carbon tetrachloride and chloromethane is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and La. R.S. 30:2057(A)(2).
- D. The Respondent reported in the 2005 first half Title V semiannual monitoring report dated September 22, 2005, and the 2005 Title V annual compliance certification dated March 30,

2006, for Title V Permit No. 2350-V0, that an ethylene valve was not repaired within 15 days as required by LAC 33:III.2122. The Respondent noted in the reports that the valve was not repaired immediately as it was thought that a repair attempt could cause an unacceptable increase in emissions. The first attempt was on April 29, 2005. After approximately two (2) months the valve was replaced. This is a violation of LAC 33:III.2122.C.3 and La. R.S. 30:2057(A)(2).

- E. The Respondent reported in the 2005 first half Title V semiannual monitoring report dated September 22, 2005, and the 2005 Title V annual compliance certification dated April 3, 2006, that the SSM plan required by 40 CFR 63, Subpart EEE was revised on June 23, 2005. According to the Respondent, the revision was not reported in the 40 CFR Part 63, Subpart EEE semiannual report as required. The failure to report the revision in the semiannual report is a violation of 40 CFR 63.6(e)(3)(viii) which language has been adopted as a Louisiana regulation in LAC 33:III.5122, Part 70 Specific Condition 1 as it requires compliance with Table 2 of Title V Permit No. 2040-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2). The revised report was submitted to the Department on September 20, 2005.
- F. As reported in the 2006 first half HON Startup, Shutdown, and Malfunction (SSM) report dated August 29, 2006, for the PER TRI CMPU, the event which occurred on April 2, 2006, was the result of human error and did not meet the definition of malfunction. However, the vents were routed to the Per/Tri Reactor Area Scrubber (EQT 269), which is capable of reducing HCl emissions by 95 percent, in accordance with the SSM plan. According to the report, the electrician went to fix the limit switch problem for the degasser to BAT valve and the wire that controls the No. 2 reactor vent valve was loosened. The valve opened and then closed sending a small amount of vents to the scrubber instead of the incinerator. The loosened wire led to the resulting release. This is a violation of LAC 33:III.905 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2). During the events the Respondent failed to reduce organic hazardous air pollutants by 98 weight percent in violation of 40 CFR 63.113(a)(2) which language has been adopted as a Louisiana regulation in LAC 33:III.5122, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
- G. As reported in the 2006 first half semiannual HON semiannual monitoring report dated August 29, 2006, the Derivatives Dock Permit No. 2206-V0 does not contain a specific allowance for the use of a temporary carbon adsorption system during periods of maintenance on the refrigerated condenser system. The Respondent failed to obtain prior authorization in order to use such systems for this activity. This is a violation of LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(2). Title V Permit No. 2206-V1 was issued on March 20, 2012, which authorizes the use of such carbon adsorption systems.
- H. As reported in the 2006 first half HON Startup, Shutdown, and Malfunction (SSM) report dated August 29, 2006, and the Unauthorized Discharge Report dated February 8, 2006, for the Tri-ethane Production CMPU, the event which on February 2, 2006, was preventable. The Respondent reported a release of approximately 637 pounds of 1,1 dichloroethane, 822 pounds of hydrogen chloride (gas) and 59 pounds of vinyl chloride. According to the reports, the safety relief valve on the DCE reactor lifted for about 20 seconds when the process operator introduced feed to the furnace while the furnace temperature was outside of the recommended range for startup. This resulted in the scrubber valve opening briefly in response to the high pressure on the DCE reactor overhead. The operator's introduction of

feed to the furnace while the furnace temperature was outside of the recommended range led to the resulting release. This is a violation of LAC 33:III.905 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

- I. According to the Respondent, the events reported in the 2006 first half HON SSM report dated August 29, 2006; that occurred on February 15, 2006; June 14, 2006 and June 28, 2006 in the PHH CMPU were the result of human error and did not meet the definition of malfunction. However, the Respondent notes that the vents were routed to the scrubber to reduce HCl emissions by 95 percent consistent with the SSM plan. Each failure to properly follow procedures is a violation of LAC 33:III.905 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2). During the events the Respondent failed to reduce organic hazardous air pollutants by 98 weight percent in violation of 40 CFR 63.113(a)(2) which language has been adopted as a Louisiana regulation in LAC 33:III.5122, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
- J. The Department received a HON semiannual report dated February 5, 2007, for 40 CFR 63 Subparts A, F, and G for the period of July 1, 2006 through December 31, 2006. The Respondent reported an event in which there was a bypass of a control device in the Vinyl Chloride Production CMPU on September 25, 2006. According to the Respondent's report, maintenance was prooftesting HCl and oxygen flows on the #6 Reactor. The flow transmitters were not bypassed while prooftesting. This caused makeup nitrogen to open up to the Reactor which increased reactor pressure and caused the LPCV to open up to the atmospheric scrubber. The Respondent noted that the operator was counseled and all console operators had refresher training on prooftesting procedures. The operator's failure to follow the prooftesting procedures caused the control device bypass and the resulting release. This is a violation of LAC 33:III.905 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
- K. The Department received a HON semiannual report dated February 5, 2007, for 40 CFR 63 Subparts A, F, and G for the period of July 1, 2006 through December 31, 2006. The Respondent reported an event in which there was a bypass of a control device in the Vinyl Chloride Production CMPU on October 4, 2006. According to the Respondent's report, after blowing down the reactor, nitrogen was left on which increased reactor pressure and caused LPCV 9590 to open to the atmospheric scrubber. The operator was counseled and proper blowdown procedures were reviewed with all outside operators. The operator's failure to follow the proper blowdown procedures caused the bypass of the control device and the resulting release. This is a violation of LAC 33:III.905 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
- L. The Respondent reported exceedances of permitted limits for the No. 1 and No. 2 Incinerators Tertiary Scrubber (Emission Point No. 345) in the 2006 Title V annual compliance certification dated March 27, 2007; 2007 second half semiannual monitoring report dated September 25, 2007; 2007 third quarterly deviation report dated December 17, 2007; 2007 fourth quarterly deviation report dated March 26, 2008; 2007 second half Title V semiannual monitoring report dated March 26, 2008; 2007 first quarterly deviation report dated June 25, 2007; 2008 first quarterly deviation report dated June 23, 2008, and 2008 second quarterly deviation report dated September 24, 2008. According to the Respondent, it conducted a performance test for the No. 1 and No. 2 Incinerators Tertiary Scrubber (Emission Point No. 345) during the period of September 20 through 26, 2004, as required

by 40 CFR 63 Subpart EEE. Based on the results of the test, the Respondent reported that it exceeded annual and maximum permit limits for copper, manganese, nickel, selenium, zinc and trichloroethylene in 2006 and 2007 and exceeded annual and maximum permit limits for copper, zinc and trichlorethylene in 2008. According to the Respondent, the existing limits were based upon a prior stack test. Each exceedance is a violation of General Condition III of Title V Permit No. 2040-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2). The Respondent also indicated in the reports that newly identified compounds of carbon tetrachloride, dichloromethane and chloromethane were discovered which were not permitted. Each failure to permit the emissions of carbon tetrachloride and chloromethane is a violation of LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

- M. As reported in the Title V annual compliance certification dated March 27, 2007, and the 2006 first quarterly deviation report dated June 26, 2006, in February 2006, the Respondent conducted a performance test for the No. 1 and No. 2 Incinerators Tertiary Scrubber (Emission Point No. 345) as part of an internal effort to optimize feed rates. According to the reports, higher than expected Low Volatile Metals (LVM) results (chromium, nickel, and manganese) caused emissions greater than the LVM standard during one (1) out of the three (3) test conditions, though it was complying with the then stated feed rate limits for LVM metals during the test. The Respondent does not believe that the LVM emissions were caused by the waste feed, but rather were caused by deminimis amounts of metal from the burner feed guns. According to the Respondent, the high nickel, chromium, and manganese are believed to be the result of a nonroutine one-time event associated with testing and are not indicative of routine emissions. The duration was during the miniburn for the length of time of one condition of the test only. Each exceedance of the LVM standard is a violation of 40 CFR 63.1206(b)(14)(ii)(C) which language has been adopted as a Louisiana regulation in LAC 33:III.5122, Part 70 Specific Condition No. 1 as it requires compliance with Table 2 of Title V Permit No. 2040-V0, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
- N. As reported in the 2006 Title V annual compliance certification dated March 27, 2007, the 2006 first quarterly deviation report dated June 26, 2006, and in the letter dated June 7, 2006, on August 23, 2005, the Respondent notified the Department of planned routine maintenance on the No. 4 Incinerator Secondary Scrubber (Emission Point No. 347). The Respondent also notified the Department of its intent to replace the 2-inch CVPC "intalox" saddles with a different type of packing that was to be equal or greater efficiency (Q-pack). It was believed that there would be no effect on emissions. The Respondent replaced the packing and the unit started up on September 3, 2005. According to the Respondent, voluntary testing was conducted on January 24, 2006. The stack test report indicated emissions of hydrochloric acid (HCl) in excess of the maximum permitted limit of 2.00 pounds per hour. The Respondent's in-house screening tests for HCl were contrary to the testing. Further testing was conducted on March 24, 2006, which indicated an average of 4.76 pounds per hour. The Respondent shut down the No. 4 Thermal Oxidizer on April 3, 2006. After investigations of the cause, it was decided to remove the Q-pack and replace it with the original 2 inch CVPC "Intalox" saddles. After startup of the No. 4 Thermal Oxidizer, testing on April 25, 2006, showed that emissions of HCl were 0.17 pound per hour, which was below the permitted limit. Each exceedance of the permitted HCl maximum pound per hour emission limitation as listed on the Emission Inventory Questionnaire (EIQ) for the No. 4 Incinerator Secondary

Scrubber (Emission Point No. 347) is a violation of General Condition III of Title V Permit No. 2040-V0, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

- O. As reported in the 2006 Title V annual compliance certification dated March 27, 2007, and the 2006 first half Title V semiannual monitoring report dated September 26, 2006, the Respondent exceeded the carbon monoxide (CO) annual tons per year limit for the OHC Thermalane Heater (Emission Point No. 20). According to the Respondent, the exceedance was due to an error in the permit application in which the application stated that the CO emissions were 0.001 tons per year rather than 0.10 tons per year. The Respondent failed to provide all of the emissions of CO for the OHC Thermalane Heater in its October 2003 permit application which was the basis for the issuance of Title V Permit No. 2695-V0. This is a violation of LAC 33:III.517.D.3.d and La R.S. 30:2057(A)(2).
- P. As reported in the 2006 Title V annual compliance certification dated March 27, 2007, and the 2006 second quarterly deviation report dated September 26, 2006, five (5) daily samples for mercury emission rates may have been above the permitted maximum hourly emission rate for the Mercury Recovery Vent (Emission Point No. 131 – EQT 245). Each exceedance of the permitted maximum emission rate of 0.0005 pounds per hour of mercury as listed on the Emission Rates for TAP/HAP & Other Pollutants for the Mercury Recovery Vent (Emission Point No. 131 – EQT 245) is a violation of General Condition III of Title V Permit No. 2231-V0, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

Q. The Respondent reported that it had discovered open-ended lines as follows:

Date of Report	Title of Report	No. of open-ended lines	Unit	Title V Permit	Specific Condition or Narrative Requirement of Title V Permit
June 26, 2006	2006 first quarterly deviation report	6	Waste Recovery Unit	2216-V0	Facility Specific Requirements 1, 22 and 49 for Fug 2 Waste Recovery Unit Equipment Leaks (349E)
March 27, 2007	2006 fourth quarterly deviation report	4	Waste Recovery Unit	2216-V0	Facility Specific Requirements 1, 22 and 49 for Fug 2 Waste Recovery Unit Equipment Leaks (349E)
March 27, 2007	2006 fourth quarterly deviation report	1	Per/Tri Unit	2270-V0	Specific Requirements 180,181 and 213

Date of Report	Title of Report	No. of open-ended lines	Unit	Title V Permit	Specific Condition or Narrative Requirement of Title V Permit
March 27, 2007	2006 fourth quarterly deviation report	4	TE-II Unit	2695-V0	Part 70 Specific Condition 2
March 27, 2007	2006 fourth quarterly deviation report	6	VC Production Unit	897-V0	Part 70 Specific Condition 1
March 27, 2007	2006 fourth quarterly deviation report	6	Greater EDC Unit	2350-V0	Part 70 Specific Condition 2
September 25, 2007	2007 second quarterly deviation report	1	TE-II Unit	2695-V0	Part 70 Specific Condition 2
September 25, 2007	2007 second quarterly deviation report	3	Greater EDC Unit	2350-V0	Part 70 Specific Condition 2
September 25, 2007	2007 second quarterly deviation report	3	Derivatives Shipping	2229-V1	Specific Requirements 16, 17 and 43
December 17, 2007	2007 third quarterly deviation report	1	Waste Recovery Unit	2216-V0	Facility Specific Requirements 1, 22 and 49 for Fug 2 Waste Recovery Unit Equipment Leaks (349E)
December 17, 2007	2007 third quarterly deviation report	3	Per/Tri Unit	2270-V0	Specific Requirements 180,181 and 213
December 17, 2007	2007 third quarterly deviation report	5	VC Production Unit	897-V0	Specific Condition 1

Date of Report	Title of Report	No. of open-ended lines	Unit	Title V Permit	Specific Condition or Narrative Requirement of Title V Permit
December 17, 2007	2007 third quarterly deviation report	3	Greater EDC Unit	2350-V0	Part 70 Specific Condition 2
December 17, 2007	2007 third quarterly deviation report	2	TE-II Unit	2695-V0	Part 70 Specific Condition 2
March 26, 2008	2007 fourth quarterly deviation report	2	Per/Tri Unit	2270-V0	Specific Requirements 180,181 and 213
March 26, 2008	2007 fourth quarterly deviation report	7	TE-II Unit	2695-V0	Part 70 Specific Condition 2
March 26, 2008	2007 fourth quarterly deviation report	126	VC Production Unit	897-V0	Specific Condition 1
March 26, 2008	2007 fourth quarterly deviation report	13	Greater EDC Unit	2350-V0	Part 70 Specific Condition 2
June 23, 2008	2008 first quarterly deviation report	16	TE-II Unit	2695-V0	Part 70 Specific Condition 2
June 23, 2008	2008 first quarterly deviation report	47	VC Production Unit	897-V0	Specific Condition 1
June 23, 2008	2008 first quarterly deviation report	11	Greater EDC Unit	2350-V0	Part 70 Specific Condition 2

Date of Report	Title of Report	No. of open-ended lines	Unit	Title V Permit	Specific Condition or Narrative Requirement of Title V Permit
June 23, 2008	2008 first quarterly deviation report	28	Waste Recovery Unit	2216-V0	Facility Specific Requirements 1, 22 and 49 for Fug 2 Waste Recovery Unit Equipment Leaks (349E)
September 24, 2008	2008 second quarterly deviation report	3	VC Production Unit	897-V0	Specific Condition 1
September 24, 2008	2008 second quarterly deviation report	3	Per/Tri Unit	2270-V0	Specific Requirements 180,181 and 213
September 24, 2008	2008 second quarterly deviation report	3	Derivatives Shipping Unit	2229-V1	Specific Requirements 16, 17 and 43
September 24, 2008	2008 second quarterly deviation report	1	Wastewater Unit	2269-V0	
September 24, 2008	2008 second quarterly deviation report	1	TE-II Unit	2695-V0	Part 70 Specific Condition 2
September 24, 2008	2008 second quarterly deviation report	8	Waste Recovery Unit	2216-V0	Facility Specific Requirements 1, 22 and 49 for Fug 2 Waste Recovery Unit Equipment Leaks (349E)
September 24, 2008	2008 second quarterly deviation report	5	Greater EDC Unit	2350-V0	Part 70 Specific Condition 2

Date of Report	Title of Report	No. of open-ended lines	Unit	Title V Permit	Specific Condition or Narrative Requirement of Title V Permit
December 17, 2008	2008 third quarterly deviation report	4	Per/Tri Unit	2270-V0	Specific Requirements 180,181 and 213
December 17, 2008	2008 third quarterly deviation report	1	Derivatives Docks	2206-V0	Specific Requirement 201
December 17, 2008	2008 third quarterly deviation report	13	VC Production Unit	897-V0	Specific Condition 1
December 17, 2008	2008 third quarterly deviation report	4	Waste Recovery Unit	2216-V0	Facility Specific Requirements 1, 22 and 49 for Fug 2 Waste Recovery Unit Equipment Leaks (349E)
December 17, 2008	2008 third quarterly deviation report	1	Greater EDC Unit	2350-V0	Part 70 Specific Condition 2
December 17, 2008	2008 third quarterly deviation report	6	TE-II Unit	2695-V0	Part 70 Specific Condition 2
March 30, 2009	2008 fourth quarterly deviation report	1	Derivatives Shipping Unit	2229-V1	Specific Requirements 16, 17 and 43
March 30, 2009	2008 fourth quarterly deviation report	1	Waste Recovery Unit	2216-V0	Facility Specific Requirements 1, 22 and 49 for Fug 2 Waste Recovery Unit Equipment Leaks (349E)

Date of Report	Title of Report	No. of open-ended lines	Unit	Title V Permit	Specific Condition or Narrative Requirement of Title V Permit
March 30, 2009	2008 fourth quarterly deviation report	2	Greater EDC Unit	2350-V0	Part 70 Specific Condition 2
March 30, 2009	2008 fourth quarterly deviation report	1	VC Production Unit	897-V0	Specific Condition 1
March 30, 2009	2008 fourth quarterly deviation report	3	Per/Tri Unit	2270-V0	Specific Requirements 180,181 and 213
September 28, 2009	2009 first half semiannual report	1	Derivatives Shipping Unit	2229-V1	Specific Requirements 16, 17 and 43
September 28, 2009	2009 first half semiannual report	1	TE-II Unit	2695-V1	Specific Requirement 105
September 28, 2009	2009 first half semiannual report	2	Waste Recovery Unit	2216-V0	Facility Specific Requirements 1, 22 and 49 for Fug 2 Waste Recovery Unit Equipment Leaks (349E)
September 28, 2009	2009 first half semiannual report	2	Greater EDC Unit	2350-V0	Part 70 Specific Condition 2
September 28, 2009	2009 first half semiannual report	4	VC Production Unit	897-V0	Specific Condition 1
September 28, 2009	2009 first half semiannual report	1	Per/Tri Unit	2270-V0	Specific Requirements 180, 181 and 213

Date of Report	Title of Report	No. of open-ended lines	Unit	Title V Permit	Specific Condition or Narrative Requirement of Title V Permit
March 23, 2010	2009 second half semiannual monitoring/deviation report	1	Greater EDC Unit	2350-V0	Part 70 Specific Condition 2
March 23, 2010	2009 second half semiannual monitoring/deviation report	1	VC Production Unit	897-V0	Specific Condition 1
March 23, 2010	2009 second half semiannual monitoring/deviation report	6	Derivatives Plant Common Source	2269-V2	Specific Requirement 131

Each open-ended line is a violation of 40 CFR 63.167(a)(1) which language has been adopted as a Louisiana regulation in LAC 33:III.5122, each facility Specific Condition or Narrative Requirement of each Title V Permit as listed in the table above, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).

- R. As reported by the Respondent in the 2006 fourth quarterly deviation report dated March 27, 2007, an internal spot check of follow-up leaker monitoring noted instances of remonitoring being conducted "quarterly" rather than within "the first three months" (within 90 days) of identification of the leak as required by 40 CFR 63.168(f)(3). Each failure to monitor at least once within the first three (3) months after repair of the valve is a violation of 40 CFR 63.168(f)(3), which language has been adopted as a Louisiana regulation in LAC 33:III.5122, Part 70 Specific Conditions 1 and 2 of Title V Permit No. 2350-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).
- S. As reported in the 2006 fourth quarterly deviation report dated March 27, 2007, an investigation by the Respondent of its LDAR contractor indicated that the response time test was not conducted prior to the use of an extension probe for monitoring as required by Section 8.1.3 of 40 CFR 60, Appendix A, Method 21. Each failure to conduct the response time test before placing the instrument sample probe into service is a violation of the 40 CFR 63.180(b) which requires that monitoring comply with Method 21 of 40 CFR Part 60 Appendix A and which language has been adopted as a Louisiana regulation in LAC 33:III.5122, Part 70 Specific Condition 1 as it requires compliance with Table 4 of Title V Permit No. 2695-V0, Specific Requirement 172 of Title V Permit No. 897-V0, Specific Requirement 43 of Title V Permit No. 2216-V0, Part 70 Specific Condition 1 as it requires

compliance with Table 4 of Title V Permit No. 2350-V0, Specific Requirement 227 of Title V Permit No. 2206-V0, Specific Requirement 242 of Title V Permit No. 2270-V0, Part 70 Specific Condition 2 of Title V Permit No. 2229-V0 and Specific Requirements 5, 8, and 22 of Title V Permit No. 2229-V1, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).

- T. As reported in the 2006 fourth quarterly deviation report dated March 27, 2007, an internal evaluation revealed the calibration gases at the 10,000 ppmv and 100 ppmv concentrations were not certified with an accuracy of 2 percent as required by Section 7.2 of 40 CFR 60, Appendix A, Method 21. Each failure to analyze and certify cylinder calibration gas mixtures by the manufacturer to be within 2 percent accuracy is a violation of the 40 CFR 63.180(b) which requires that monitoring comply with Method 21 of 40 CFR Part 60 Appendix A and which language has been adopted as a Louisiana regulation in LAC 33:III.5122, Part 70 Specific Condition 1 as it requires compliance with Table 4 of Title V Permit No. 2695-V0, Specific Requirement 172 of Title V Permit No. 897-V0, Specific Requirement 43 of Title V Permit No. 2216-V0, Part 70 Specific Condition 1 as it references Table 4 of Title V Permit No. 2350-V0, Specific Requirement 227 of Title V Permit No. 2206-V0, Specific Requirement 242 of Title V Permit No. 2270-V0, Part 70 Specific Condition 2 of Title V Permit No. 2229-V0 and Specific Requirements 5, 8, and 22 of Title V Permit No. 2229-V1, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).
- U. As reported in the 2006 fourth quarterly deviation report dated March 27, 2007, and the 2006 second half Title V semiannual monitoring report dated March 27, 2007, a review of housekeeping records showed seven (7) days of housekeeping rounds were not documented as being conducted by operators. Each is a violation of 40 CFR 61.55(d) which language has been adopted as a Louisiana regulation in LAC 33:III.5116, Specific Requirement 73 of Title V Permit No. 2231-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).
- V. As reported in the 2006 fourth quarterly deviation report dated March 27, 2007, and 2006 second half Title V semiannual monitoring report dated March 27, 2007, the quarterly linearity check, as described in 40 CFR 75 Appendix B 2.2.1, for the CEMS on Powerhouse Cogeneration Unit 5 was conducted late. The failure to comply with Standard Requirement No. 1 of the Monitoring Requirements section of Acid Rain Permit No. 2646-IV0 by performing the linearity test quarterly as described in 40 CFR 75 Appendix B 2.2.1 is a violation of Specific Requirement 92 of Title V Permit No. 2106-V2, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).
- W. As reported in the 2006 fourth quarterly deviation report dated March 27, 2007, and 2006 second half Title V semiannual monitoring report dated March 27, 2007, the Respondent submitted the semiannual Mercury NESHAP report on September 25, 2006, instead of the applicable regulatory frequency date of September 15 for the second half of 2006 semiannual reporting period. The failure to submit the semiannual Mercury NESHAP report by September 15 is a violation of 61.55(b)(8) which language has been adopted as a Louisiana regulation in LAC 33:III.5116, Specific Requirement 71 of Title V Permit No. 2231-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).
- X. As reported in the 2006 fourth quarterly deviation report dated March 27, 2007 and the 2006 second half Title V semiannual monitoring report dated March 27, 2007, the Respondent

exceeded the 2006 annual fugitive emissions limits for carbon tetrachloride, tetrachloroethylene, chloroethane, vinylidene chloride, 1,1-dichloroethane and dichloromethane for the following emission points in their respective permitted unit: 349A (TE-2 Unit), 349B (Greater EDC Unit), 349C (Waste Recovery Unit), 349E (Per/Tri Unit), 349F (VC Production), 349G (Derivative Shipping), and 349H (Derivative Docks). Each exceedance of each permitted pollutant limitation for each emission point is a violation of General Condition III of Title V Permit Nos. 2695-V0, 2350-V0, 2216-V0, 2270-V0, 897-V0, 2229-V1 and 2206-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

- Y. In the 2006 annual Silicas Scrubbers Report dated March 28, 2007, the Respondent reported four (4) hours for which the Respondent operated outside of the permitted flow rate range for the No. 1 Dryer Scrubber (EQT 203); 2 hours for the No. 2 Dryer Scrubber (EQT 204); and 22 hours for the No. 4 Dryer Scrubber (EQT 211). Each exceedance is a violation of Specific Requirements 33 and/or 32 for EQT 203 of Title V Permit Nos. 2085-V0 and 2085-V1, respectively; Specific Requirements 39 and/or 38 for EQT 204 of Title V Permit Nos. 2085-V0 and 2085-V1, respectively; and 53 and/or 52 for EQT 211 of Title V Permit Nos. 2085-V0 and 2085-V1, respectively, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).
- Z. As reported in the 2007 first quarterly deviation report dated June 25, 2007, bypass valve 527 was in a non-diverted position, but was not secured with a car-seal. Each failure to secure the bypass line valve in the non-diverting position with a car-seal or a lock-and-key type configuration is a violation of 40 CFR 63.114(d)(2) which language has been adopted as a Louisiana regulation in LAC 33:III.5122 and La. R.S. 30:2057(A)(2).
- AA. As reported by the Respondent in the 2007 first quarterly deviation report dated June 25, 2007, during a planned outage of the Per/Tri Unit, DH Feed tank levels were taken down to minimal levels. Upon completion of the emission minimization procedure, it was discovered that the DH Feed Tanks vent header was not lined up to carbon when maintenance began on the line. According to the Respondent, the SSM Plan was not followed for this event. The Respondent also notes that it failed to report this within 2 working days after commencing actions inconsistent with the plan, and failed to follow up with a letter within 7 working days after the end of the event, in accordance with 40 CFR 63.10(d)(5). The failure to report its inconsistency with following the SSM Plan within 2 working days after commencing actions inconsistent with the plan and the failure to submit a letter within 7 working days after the end of the event are each violations of 40 CFR 63.6(e)(3)(iv) which language has been adopted as a Louisiana regulation in LAC 33:III.5122, Specific Requirement 321 of Title V Permit No. 2270-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2). The Respondent failed to follow the startup, shutdown, and malfunction plan for this event. This is a violation of 40 CFR 63.6(e)(3)(ii) which language has been adopted as a Louisiana regulation in LAC 33:III.5122, LAC 33:III.905 and La. R.S. 30:2057(A)(2) of the Act. The failure to control emissions of hazardous air pollutant or volatile organic compounds to 95% or greater is a violation of 63.172(b) which language has been adopted as a Louisiana regulation in LAC 33:III.5122, Specific Requirement 227 of Title V Permit No. 2270-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

- BB. As reported by the Respondent in the 2007 first half semiannual Hazardous Organic NESHAP (HON) report dated August 29, 2007, for the Tri-ethane Production C MPU - MC Stabilization/Product Storage Vent System; Tri-ethane Production C MPU - MC Absorber Refrigeration System and the Per/Tri Production C MPU - Trichlor Chiller Refrigeration System, the tank vents are controlled by a refrigerated condenser system that meets the requirements of 40 CFR 63.119. The regulation allows vents to be diverted for up to 240 hours per year when it is necessary to perform maintenance on the tank control device, subject to the general duty to minimize emissions. The Respondent complies with this requirement by routing the storage vessel vents to a carbon adsorption system that achieves the same or better control of such vents as does the refrigerated condenser systems during temporary outages of the condenser system for maintenance. However, the Respondent failed to obtain prior authorization in order to use such systems for this activity. This is a violation of LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(2).
- CC. The Respondent reported in the 2007 second quarterly deviation report dated September 25, 2007, and the 2007 first half Title V semiannual monitoring report dated September 25, 2007, that on May 1, 2007, a carbon monoxide (CO) hourly rolling average of greater than 100 ppm occurred. The high CO was caused by an unexpected upstream process issue. The EC/Shipping vent flow suddenly increased from 7,000 scfh to about 25,000 scfh. Investigation found that the most likely reason was due to a vinyl sample point inadvertently being left open. There was no release of vinyl chloride to the atmosphere. However, the result of the vinyl sample point being left open was an increase in emissions due to ceasing of the hazardous waste feed and subsequent startup. This is a violation of LAC 33:III.905 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
- DD. As reported in the 2007 second quarterly deviation report dated September 25, 2007, one (1) leaking component was not repaired within 15 days as required. The failure to make every reasonable effort to repair the component within 15 days is a violation of LAC 33:III.2122.C.3, Part 70 Specific Condition 2 of Title V Permit No. 2350-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).
- EE. As reported in the 2007 third quarterly deviation report dated December 17, 2007, and 2007 fourth quarterly deviation report dated March 26, 2008, 2008 first quarterly deviation report dated June 23, 2008, 2008 second quarterly deviation report dated September 24, 2008, the 2008 fourth quarterly deviation report dated March 30, 2009, the 2009 first half semiannual monitoring/deviation report dated September 28, 2009, and the 2009 second half semiannual monitoring/deviation report dated March 23, 2010, the Respondent exceeded the 2007, 2008 and 2009 maximum pound per hour emission limits and 2007 and 2008 annual tons per year emission limits for particulate matter (PM₁₀ and/or PM_{2.5}) from the following cooling towers: EIQs 533A #1 PHH Cooling Tower and 533B #2 PHH Cooling Tower (Emission Points 87 and 88) in the Vinyl Chloride Production Permit (897-V0); EIQ 533C (EQT 0444) Cooling Tower in the TE-2 Permit (2695-V0); EIQ 533D EDC/Versa TRANS Cooling Tower and EIQ 533E EC/HCl Cooling Tower in the Greater EDC Permit (2350-V0); EIQ 533F (EQT 279) Cooling Tower from the Per/Tri Permit (2270-V0); EIQ 533G WTU/Tetra Cooling Tower (EQT 025) in the Waste Recovery Unit Permit (2216-V0); 533I Silicas Furnace

Cooling Tower (EQT 235) and 533J Silicas AP/SD Cooling Tower (EQT 236) in the Silicas Permit (2085-V2); 533K Sulfur Chloride Cooling Tower (EQT 0011), 533M Plant C Caustic Cooling Tower (EQT 0012) and 533O Cooling Tower (EQT 0013) in the Chlor/Alkali Permit (2798-V0); 533L Cooling Tower (EQT 0382) in the Membrane Chlor/Alkali Unit Permit (3021-V0); and the 533N Powerhouse B Cooling Tower (EQT 072) in the Power/Utilities Unit (2106-V2). According to the Respondent's Administrative Amendment dated December 18, 2008, for the Cooling Towers, the Respondent noted that the amendment was to correct and reconcile the PM₁₀ emissions limits for the cooling towers because in the past there had been an inadvertent systematic error in the AP-42 based methodology that the Respondent used to calculate the PM₁₀ emissions. Each of the Respondent's failure to accurately quantify, in the permit application for each of the above listed Title V permits, particulate matter emissions from each cooling tower is a violation of LAC 33:III.517.D.3.d and La. R.S. 30:2057(A)(1) and 30:2057(A)(2). In addition, each exceedance of the individual pollutant limits for each of the permitted emissions points is a violation of each of the above listed permits, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

- FF. As reported in the 2007 third quarterly deviation report dated December 17, 2007, three (3) leaking components were not repaired within 15 days as required by LAC 33:III.2122.C.3, Specific Condition 1 of Title V Permit No. 897-V0, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).
- GG. As reported by the Respondent in the 2007 second half HON semiannual report dated January 10, 2008, for the Tri-ethane Production CMPU - MC Stabilization/Product Storage Vent System; Tri-ethane Production CMPU - MC Absorber Refrigeration System and Per/Tri Production CMPU - Trichlor Chiller Refrigeration System, tank vents at issue are controlled by a refrigerated condenser system that meets the requirements of 40 CFR 63.119. The regulation allows vents to be diverted for up to 240 hours per year when it is necessary to perform maintenance on the tank control device, subject to the general duty to minimize emissions. The Respondent complies with this requirement by routing the storage vessel vents to a carbon adsorption system that achieves the same or better control of such vents as does the refrigerated condenser systems during temporary outages of the condenser system for maintenance. However, the Respondent failed to obtain prior authorization from the Department to use such systems for this activity. This is a violation of LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(2).
- HH. As reported by the Respondent in the 2007 second half semiannual Hazardous Organic NESHAP (HON) report dated January 10, 2008, a car-seal was found missing on the #5 OHC Rx Primary MLS Bypass on July 10, 2007, and a car-seal was found missing on the #6 OHC Rx LPCV Bypass on July 9, 2007. Each failure to secure the bypass line valve in the non-diverting position with a car-seal or a lock-and-key type configuration is a violation of 40 CFR 63.114(d)(2) which language has been adopted as a Louisiana regulation in LAC 33:III.5122, Specific Requirement 280 of Title V Permit No. 897-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).
- II. As reported in the 2007 fourth quarterly deviation report and 2007 second half Title V semiannual monitoring report dated March 26, 2008, during a startup of the OHC reactor on July 20, 2007, startup vents were being controlled by routing them to the scrubber, per the

facility's SSM plan; however the operator could only achieve a water flow to the scrubber of 70 gallons per minute (gpm) versus the SSM plan recommended level of 135 gpm. The duration of the event was approximately 20 minutes. The Respondent cleaned some scale from the piping to increase the scrubber flow. The event was not reported in the HON Startup, Shutdown and Malfunction (SSM) Report for the second half of 2007 dated January 10, 2008, but was later reported in the SSM report dated July 16, 2008. The failure to report the revision in the semiannual report as required is a violation of 40 CFR 63.6(e)(3)(viii) which language has been adopted as a Louisiana regulation in LAC 33:III.5122, Part 70 Specific Condition 1 of Permit No. 2695-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).

- JJ. As reported in the 2007 fourth quarterly deviation report and 2007 second half Title V semiannual monitoring report dated March 26, 2008, during a startup of the OHC reactor on March 14, 2007, startup vents were being controlled by routing them to the scrubber, per the facility's SSM plan. The operator increased the flow to the maximum degree feasible by fully opening the valves, but was only able to achieve a water flow to the scrubber of 71-72 gpm versus the SSM plan recommended level of 135 gallons per minute. The duration of the event was approximately 32 minutes. The event was not reported in the HON Startup, Shutdown and Malfunction (SSM) Report for the first half of 2007 dated August 29, 2007, but was later reported in the SSM report dated July 16, 2008. The Respondent failed to follow the startup, shutdown, and malfunction plan for this event. This is a violation of 40 CFR 63.6(e)(3)(ii) which language has been adopted as a Louisiana regulation in LAC 33:III.5122, Part 70 Specific Condition 1 of Permit No. 2695-V0, LAC 33:III.905 and La. R.S. 30:2057(A)(2) of the Act. The failure to report the revision in the semiannual report as required is a violation of 40 CFR 63.6(e)(3)(viii) which language has been adopted as a Louisiana regulation in LAC 33:III.5122, Part 70 Specific Condition 1 of Permit No. 2695-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).
- KK. As reported in the 2007 fourth quarterly deviation report dated March 26, 2008, the Respondent discovered ten (10) incidents at the TE-II Unit and 35 incidents at the VC Production Unit which do not show proper documentation of a response to the vinyl chloride monitor alarms. The Respondent failed to comply with the requirements of the area vinyl chloride monitoring plan approved under 40 CFR 61.56(b)(8). This is a violation of 40 CFR 61.65(b)(8) which language has been adopted as a Louisiana regulation in LAC 33:III.5116, Specific Requirement No. 52 of Title V Permit No. 897-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).
- LL. As reported in the 2007 fourth quarterly deviation report dated March 26, 2008, the Respondent noted that for the ethylene pipeline to the Greater EDC Unit, it could not conclusively certify that all required weekly visual, audible, olfactory inspections were performed. Each failure to perform weekly visual, audible, olfactory inspections is a violation of LAC 33:III.2122.D.1.d.i, Part 70 Specific Condition 2 of Title V Permit No. 2350-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).
- MM. As reported in the 2007 fourth quarterly deviation report dated March 26, 2008, the Respondent had insufficient data to calculate actual emissions associated with the Greater EDC Unit Fugitives Equipment Leaks (Emission Point 349B). Based on an estimate using the conservative default leak rate for the connectors associated with the ethylene pipeline for

2007, not actual leak rates, an exceedance of the ethylene permitted emission limit of 1.188 TPY and total VOC permitted emission limit of 8.037 TPY was indicated. Subsequent refined calculations, which were used in reporting emissions in the 2007 Emissions Inventory, indicated only an exceedance of the ethylene permitted emission limit of 1.188 TPY. The exceedance of the permitted annual emissions limitation for ethylene in 2007 for the Greater EDC Unit Fugitives Equipment Leaks (Emission Point 349B) is a violation of General Condition III of Title V Permit No. 2350-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

- NN. As reported in the 2007 fourth quarterly deviation report dated March 26, 2008, the Respondent believed that monitoring for nitrogen oxides (NO_x) was performed continuously for the Powerhouse B-Cogeneration Unit 5 (EQT 067, EIQ 032) and the Powerhouse B-Cogeneration Unit 6 (EQT 068, EIQ 033). According to the Respondent, the NO_x emissions were monitored per the requirements of 40 CFR Part 75 and reports submitted per Part 75. However, the units are subject to 40 CFR 63 Subpart GG, and the Respondent noted that it did not submit separate reports in accordance with NSPS, 40 CFR 60.7 as it believed that the reports were superseded by the requirements of 40 CFR Part 75. Each failure to submit reports of excess emissions and monitor downtime for the Powerhouse B-Cogeneration Unit 5 and the Powerhouse B-Cogeneration Unit 6 is a violation of Specific Requirements 80 and 113 of Title V Permit No. 2106-V2, 40 CFR 60.7(c) as required by 40 CFR 60.334(j), LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).
- OO. As reported in the 2007 fourth quarterly deviation dated March 26, 2008, and 2007 second half Title V semiannual monitoring report dated March 26, 2008, tetrachloroethylene permitted annual and maximum permit limits were exceeded in 2007. According to the Respondent, the permit limits were erroneously established at 0.01 lb/hr for both the average and maximum pound per hour and less than 0.001 tpy for the annual. Each exceedance of the tetrachloroethylene annual ton per year limit and maximum pound per hour limit for 2007 for the Drum Loading Carbon Beds Vent (EQT 262) is a violation of General Condition III of Title V Permit No. 2229-V1, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
- PP. As reported in the 2007 fourth quarterly deviation dated March 26, 2008, and 2007 second half Title V semiannual monitoring report dated March 26, 2008, ethylene, chloroform, hydrogen chloride and carbon monoxide emissions annual permit limits were exceeded in 2007 for the TE-2 Unit Fugitive Equipment Leaks (EIQ 349A). Each exceedance of the annual ton per year permit limit for the TE-2 Unit Fugitive Equipment Leaks (EIQ 349A) is a violation of General Condition III of Title V Permit No. 2695-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
- QQ. As reported in the 2007 fourth quarterly report dated March 26, 2008, and 2007 second half Title V semiannual monitoring report dated March 26, 2008, the Respondent exceeded the 2007 annual tons per year (tpy) permit limits of 0.05 tpy for PM₁₀ and 0.004 tpy for copper for the 531 A No. 5 OHC Fluidization Scrubber (EQT 083). The Respondent calculated emissions of 0.059 tons for PM₁₀ and 0.0049 tons per year for copper. The Respondent noted that it may have underestimated the hours of usage for this scrubber since it is an intermittent source used only for fluidization operations. Each exceedance of each permitted limit is a

violation of General Condition III of Title V Permit No. 897-V0, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

- RR. As reported in the 2007 fourth quarterly deviation report dated March 26, 2008, and 2007 second half Title V semiannual monitoring report dated March 26, 2008, the Respondent exceeded the annual permitted emissions limits for carbon tetrachloride, tetrachloroethylene, 1,1,1,2-tetrachloroethane, 1,1,2-trichloroethane, 1,2-dichloroethane, chlorine, chloroform, and ethylene for the 349F – VC Production Equipment Leaks (FUG 006). Each exceedance of each permitted limit is a violation of General Condition III of Title V Permit No. 897-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
- SS. As reported in the 2007 second quarterly deviation report and first half 2007 Title V semiannual monitoring report dated September 25, 2007, 2007 third quarterly deviation report dated December 17, 2007, 2007 fourth quarterly deviation report, and 2007 second half Title V semiannual monitoring report dated March 26, 2008 and 2008 first quarterly deviation report dated June 23, 2008, the Respondent exceeded the annual ton per year (tpy) limit for 1,2 dichloroethane and chloroethane in 2007 for the ARE043 Lift Stations (EIQ 386). According to the Respondent, there were minor calculation errors in the permit application back-up calculations for 1,2-dichloroethane and chloroethane. Additionally, as reported in the 2008 second quarterly deviation report dated September 24, 2008, 2008 third quarterly deviation report dated December 17, 2008 and the fourth quarterly deviation report dated March 30, 2009, the Respondent exceeded the annual ton per year (tpy) limit for 1,2 dichloroethane, 1,1,1,2-tetrachloroethane and chloroethane in 2008 for the ARE043 Lift Stations (EIQ 386). Each exceedance of each permitted limit is a violation of General Condition III of Title V Permit No. 2269-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2). Each failure to accurately quantify, in the permit application for Title V Permit No 2269-V0, emissions from the ARE043 Lift Stations is a violation of LAC 33:III.517.D.3.d and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
- TT. As reported in the 2007 fourth quarterly deviation report dated March 26, 2008, and 2007 second half Title V semiannual monitoring report dated March 26, 2008, the Respondent exceeded the annual ton per year (tpy) limit for chloroethane in 2007 for the 349H: Dock Area Fugitives (GRP 079). The exceedance of the chloroethane annual permit limit for the 349H: Dock Area Fugitives (GRP 079) is a violation of General Condition III of Title V Permit No. 2206-V0, LAC 33:III.501.C.4 and La R.S. 30:2057(A)(1) and 30:2057(A)(2).
- UU. As reported in the 2007 fourth quarterly deviation report dated March 26, 2008, the 2007 second half Title V semiannual monitoring report dated March 26, 2008, and the 2008 fourth quarterly deviation report dated March 30, 2009, the Respondent exceeded the annual tons per year emissions limits for hydrogen chloride (HCl) in 2007 and 2008 for the 349C: Per/Tri Unit Fugitives (FUG 010). The exceedance of the HCl annual tons per year emissions limit for the 349C: Per/Tri Unit Fugitives (FUG 010) is a violation of Title V Permit No. 2270-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
- VV. As reported in the 2008 first quarterly deviation report dated June 23, 2008, 2008 second quarterly deviation report dated September 24, 2008, 2008 third quarterly deviation report dated December 17, 2008, and the 2008 fourth quarterly deviation report dated March 30, 2009, the Respondent exceeded the 2007 and 2008 annual tons per year emission limits and

the permitted maximum pound per hour emission limits in 2007 and 2008 for VOC, biphenyl, and/or methylene chloride for the 110A – Chlor/Alkali Unit Fugitives Equipment Leaks. Each exceedance of each permitted limit is a violation of General Condition III of Title V Permit No. 2798-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

- WW. As reported in the 2008 first quarterly report dated June 23, 2008, the Respondent noted that it determined that rotometers associated with seal flushing process equipment to pump seals were not currently captured in the LDAR program. The Respondent noted that the rotometers are part of the instrument systems and these will be identified and monitored by December 31, 2008. Each failure to identify each piece of equipment in the process unit to which 40 CFR 63 Subpart H applies is a violation of 40 CFR 63.162(c) which language has been adopted as a Louisiana regulation in LAC 33:III.5122, Specific Requirements 225 and 226 of Title V Permit No. 2270-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2). Each failure to perform monitoring of the instrument system and make repairs if a leak is detected is a violation of 63.169 which language has been adopted as a Louisiana regulation in LAC 33:III.5122, Specific Requirements 186 and 187 of Title V Permit No. 2270-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).
- XX. As reported by the Respondent in the 2008 first quarterly report dated June 23, 2008, during a recent DEQ inspection, an issue was raised concerning whether certain components that are part of sampling systems should be included in the LDAR program such that the component monitoring requirements in 40 CFR 63.166 and/or open-ended line requirements in 40 CFR 63.167 are applicable. Each failure to identify each piece of equipment in the process unit to which 40 CFR 63 Subpart H applies is a violation of 40 CFR 63.162(c) which language has been adopted in LAC 33:III.5122, Specific Requirements 181 and 184 of Title V Permit No. 2270-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2). Each failure to comply with each of the applicable standards in 40 CFR 63.166 for sampling connection systems and each of the applicable standards in 40 CFR 63.167 for open-ended valves or lines is a violation of the applicable standards in 40 CFR 63.166 and 40 CFR 63.167, Specific Requirements 212 and 213 of Title V Permit No. 2270-V0, Specific Requirements 42 and 43 of Title V Permit No. 2229-V1, Part 70 Specific Condition 2 of Title V Permit No. 2695-V0, Specific Requirements 21 and 22 of Title V Permit No. 2216-V0, Part 70 Specific Condition 2 of Title V Permit No. 2350-V0, Specific Requirements 130 and 131 of Title V Permit No. 897-V0 and Specific Requirements 200 and 201 of Title V Permit No. 2206-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).
- YY. As reported in the 2008 first quarterly deviation report dated June 23, 2008, one (1) component on delay of repair did not have a leak tag affixed to it. This is a violation of 40 CFR 63.181(b)(10) which language has been adopted as a Louisiana regulation in LAC 33:III.5122, Part 70 Specific Condition 2 of Title V Permit No 2695-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).
- ZZ. As reported in the 2008 first quarterly deviation report dated June 23, 2008, two (2) components on delay of repair did not have a leak tag affixed to them. Each failure to have a leak tag affixed to each of the two (2) components is a violation of 40 CFR 63.181(b)(10)

which language has been adopted as a Louisiana regulation in LAC 33:III.5122, Part 70 Specific Condition 2 of Title V Permit No 2350-V0, LAC 33:II.501.C.4 and La. R.S. 30:2057(A)(2).

- AAA. As reported in the 2008 first quarterly deviation report dated June 23, 2008, the closed vent header system to the control device was shut down for repair after a leak on September 11, 2007, to the vent line to the Incinerator, necessitating redirecting the vent to a water scrubber while the system was repaired. According to the Respondent, the leak on the closed vent system was not specifically listed as a malfunction on the list of malfunction types under the SSM plan. Furthermore, the Respondent reported that it did not amend the SSM plan within 45 days as required by 40 CFR 63.6(e)(3)(viii) to describe such closed vent header leaks as malfunctions, but did subsequently amend such plan. The Respondent failed to revise the startup, shutdown, and malfunction plan within 45 days after the event to include detailed procedures for operating and maintaining the source during similar malfunction events and a program of corrective action for similar malfunctions of process or air pollution control and monitoring equipment. This is a violation of 40 CFR 63.6(e)(3)(viii) which language has been adopted as a Louisiana regulation in LAC 33:III.5122, Specific Requirement 321 of Title V Permit No. 2270-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).
- BBB. As reported in the 2008 first quarterly deviation report dated June 23, 2008, on January 3, 2008, the Respondent routed vents from the surge control vessels/bottoms receivers (EQT 280, 289, 292, 293 and 295) temporarily to the carbon beds while a safety relief valve (SRV) was replaced on an auxiliary vent compressor on the closed vent system for about four (4) minutes. According to the Respondent, the carbon beds were control devices that comply with the requirements of 40 CFR 63.172; however, records of the design specifications for the carbon system were not maintained. In accordance with 40 CFR 63.181, the Respondent was to maintain records of the design specifications and performance demonstrations as specified in 40 CFR 63.181(g)(1)(i) through 63.181(g)(1)(iv) for closed vent systems and control devices subject to the provisions of 40 CFR 63.172. Each failure to maintain records of the design specifications for the carbon systems is a violation of 40 CFR 63.181(g)(1) which language has been adopted as a Louisiana regulation in LAC 33:III.5122, Specific Requirement 243 of Title V Permit No. 2270-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).
- CCC. The Respondent reported in the 2008 first quarterly deviation report dated June 23, 2008, that it made changes to the startup shutdown and malfunction (SSM) plan required by 40 CFR 63, Subpart EEE in January 2007. According to the Respondent, the revision was not reported in the 40 CFR Part 63, Subpart EEE semiannual report as required. The failure to report the revision in the semiannual report is a violation of 40 CFR 63.6(e)(3)(viii) which language has been adopted as a Louisiana regulation in LAC 33:III.5122, Part 70 Specific Condition 1 as it requires compliance with Table 2 of Title V Permit No. 2040-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).
- DDD. The Respondent reported in the 2006 third quarterly deviation report dated December 13, 2006, 2007 second quarterly deviation report and 2007 second semiannual report dated September 25, 2007, 2007 third quarterly deviation report dated December 17, 2007 and 2008 first quarterly deviation report dated June 23, 2008, that for the ARE 045 Metal Removal Area Source (EIQ 396) in Title V Permit No. 2269-V0, emissions of methyl

chloride, vinyl chloride, ethyl chloride, vinylidene, 1,1 dichloroethane, 1,1,1 trichloroethane, 1,2 dichloroethane, trichloroethylene, 1,1,2,2 tetrachloroethane, perchloroethylene, 1,1,2 trichloroethane, trans-1,2-dichloroethylene, cis-1,2 dichloroethylene were not permitted. Additionally it was reported that for the ARE 044 Formate, Dechlorination Area Source (EIQ 395) in Title V Permit No. 2269-V0, emissions of vinyl chloride, methylene chloride, 1,1,1 trichloroethane, benzene, trichloroethylene, and perchloroethylene were not permitted. The pollutants were identified when the Respondent performed a sampling during the period of May 2005 through June 2005, which according to the Respondent was conducted to not only improve wastewater treatment at the facility but also to provide the Department with the best available information for the emission inventory. According to the Respondent, the existing permit limits were based upon a prior sampling event and represented the best available information at that time. Each failure to permit each pollutant is a violation of LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

- EEE. As reported in the 2008 first half 40 CFR 63 Subparts A, F, and G HON Startup, Shutdown and Malfunction Report dated July 16, 2008, on April 21, 2008, while maintenance was removing hand rails on one of the waste storage tanks, an instrument air line was accidentally disconnected on a control valve going to the combustion device causing the valve to close. This caused the scrubber valve to open and may have resulted in an emission limitation exceedance. The disconnecting of the instrument air line ultimately resulted in the excess emissions in violation of LAC 33:III.905 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
- FFF. As reported in the 2008 second quarterly deviation report dated September 24, 2008, on April 9, 2008, vents from the #3 Per-Tri Stripper Feed Tank (EQT 363 - permitted in 2269-V0), were temporarily routed to a carbon adsorption system while the tank was taken out of service for maintenance to be performed on a broken sight glass that could not be isolated from the unit. The duration of the event was about six (6) hours. The process vents are usually routed to the #1 and #2 incinerators, #3 HAF or #4 thermal oxidizer capable of controlling HAPs to 98 percent and HCl to 95 percent. During the maintenance period the emissions were routed to the carbon adsorption system with a control efficiency of 95% or greater. However, the control device did not have a design evaluation that would enable it to be used as an alternative HON control device. The carbon adsorption system is not authorized to be used for this activity in a violation of LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
- GGG. As reported in the 2008 second quarterly deviation report dated September 24, 2008, there were excess NO_x emissions on April 13, 2008, for two (2) hours from the 033-Powerhouse B Cogen Unit 6 (EQT068). The maximum hourly NO_x emission limit is 237.20 pounds per hour. The resulting emissions were 244.3 pounds for one (1) hour and 245.4 pounds for one (1) hour. Each exceedance of the NO_x maximum pound per hour emission limit is a violation of General Condition III of Title V Permit No. 2106-V2, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
- HHH. As reported in the 2008 second quarterly deviation report dated September 24, 2008, one (1) sampling system was not repaired within fifteen (15) days. For each component associated with the sampling system, each failure to repair leaks as soon as practicable, but not later than 15 calendar days after it is detected is a violation of 40 CFR 63.164(g)(1), 40 CFR 63.168(f)(1), 40 CFR 63.169(c)(1), 40 CFR 63.172(h)(2), 40 CFR 63.173(d)(6)(iii) and 40 CFR 63.174(h)(2) which language has been adopted as a Louisiana regulation in LAC

33:III.5122, Part 70 Specific Conditions 1 and 2 of Title V Permit No. 2350-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).

- III. As reported in the 2008 second quarterly deviation report dated September 24, 2008, one valve in the 349B – Unit Fugitives was improperly marked as out of service and had not been monitored since 2006. The failure to monitor the valves at the required frequency is a violation of 40 CFR 63.168(d)(2), 40 CFR 63.168(d)(3) or 40 CFR 63.168(d)(4) which language has been adopted as a Louisiana regulation in LAC 33:III.5122, Specific Condition 1 which requires compliance with Table 3 and Part 70 Specific Condition 2 of Title V Permit No. 2350-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).
- JJJ. As reported in the 2008 second quarterly deviation report dated September 24, 2008, a valve was discovered on or about April 1, 2008, that was not identified and was not included in the LDAR program. Each failure to identify each piece of equipment in the process unit to which 40 CFR 63 Subpart H applies is a violation of 40 CFR 63.162(c) which language has been adopted as a Louisiana regulation in LAC 33:III.5122, Specific Condition 1 which requires compliance with Table 3 and Part 70 Specific Condition 2 of Title V Permit No. 2350-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).
- KKK. As reported in the 2008 second quarterly deviation report dated September 24, 2008, for the 349A – Unit Fugitives, seven (7) sampling systems were not repaired within fifteen (15) days. For each component associated with the seven (7) sampling systems, each failure to repair leaks as soon as practicable, but not later than fifteen (15) calendar days after it is detected is a violation of 40 CFR 63.164(g)(1), 40 CFR 63.168(f)(1), 40 CFR 63.169(c)(1), 40 CFR 63.172(h)(2), 40 CFR 63.173(d)(6)(iii) and 40 CFR 63.174(h)(2) which language has been adopted as a Louisiana regulation in LAC 33:III.5122, Part 70 Specific Conditions 1 and 2 of Title V Permit No. 2695-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).
- LLL. As reported in the 2008 second quarterly deviation report dated September 24, 2008, one (1) incident was discovered in which there was no proper documentation of a response to the vinyl chloride monitor alarm. The failure to have a record of the leaks detected by the vinyl chloride alarm monitoring system as required by 40 CFR 61.65(b)(8) is a violation of Part 70 Specific Condition 2.iv, 40 CFR 61.71(a)(1) which language has been adopted in LAC 33:III.3003, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).
- MMM. As reported in the 2008 second quarterly deviation report dated September 24, 2008, one (1) sampling system was not repaired within fifteen (15) days. The failure to repair the leak as soon as practicable, but not later than fifteen (15) calendar days after it is detected is a violation of 40 CFR 63.164(g)(1), 40 CFR 63.168(f)(1), 40 CFR 63.169(c)(1), 40 CFR 63.172(h)(2), 40 CFR 63.173(d)(6)(iii) and 40 CFR 63.174(h)(2) which language has been adopted as a Louisiana regulation in LAC 33:III.5122, Specific Requirement 180 and 181 of Title V Permit No. 2270-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).
- NNN. As reported in the 2008 second quarterly deviation report dated September 24, 2008, one (1) component on delay of repair did not have a leak tag affixed to it. This a violation of 40 CFR 63.181(b)(10) which language has been adopted as a Louisiana regulation in LAC 33:III.5122, Part 70 Specific Condition 173 of Title V Permit No 897-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).

- OOO. As reported in the 2008 second quarterly deviation report dated September 24, 2008, ten (10) sampling systems were not repaired within 15 days. The failure to repair the leak as soon as practicable, but not later than 15 calendar days after it is detected is a violation of 40 CFR 63.164(g)(1), 40 CFR 63.168(f)(1), 40 CFR 63.169(c)(1), 40 CFR 63.172(h)(2), 40 CFR 63.173(d)(6)(iii) and 40 CFR 63.174(h)(2) which language has been adopted as a Louisiana regulation in LAC 33:III.5122, Specific Condition No. 1 of Title V Permit No. 897-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).
- PPP. As reported in the 2008 second quarterly deviation report dated September 24, 2008, and the semiannual fugitive emissions report for the first half of 2008 dated July 28, 2008, one leaking component (valve number C9160) was not repaired in fifteen (15) days. The Respondent originally considered the component not to be repairable until the unit was shutdown. The Respondent noted that after further review, another repair attempt was performed and that the repair was completed on the sixteenth day. The failure to make the repair within fifteen (15) calendar days after the leak was detected is a violation of 40 CFR 63.168(f)(1), Specific Requirement 136 of Title V Permit No. 897-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).
- QQQ. As reported in the 2008 third quarterly deviation report dated December 17, 2008, on September 11, 2008, through September 15, 2008 vents from the Per/Tri Stripper Feed Tanks (EQT 361, 362, and 363 – in Permit No. 2269-V0), were temporarily routed to a carbon adsorption system to allow for maintenance on the vent header system. The process vents are usually routed to the #1 and #2 incinerators, #3 HAF or #4 thermal oxidizer capable of controlling HAPs to 98% and HCl to 95%. During the maintenance period the emissions were routed to the carbon adsorption system with a control efficiency of 95% or greater for the VOHAPS. The carbon adsorption system has had a design evaluation that demonstrates that it is acceptable as an alternative HON control device. However, the carbon adsorption system is not authorized to be used for this activity in violation of LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
- RRR. As reported in the 2008 third quarterly deviation report dated December 17, 2008, for EQT 280, 281, 282, 283, 284, 285, 286, 287, 288 and 289 Auxiliary Tanks, the vents from these vessels went to the carbon drums instead of the incinerators on two (2) occasions between the dates of September 15, 2008 and September 25, 2008, to allow for maintenance activities on the vent header system. However the carbon adsorption system is not authorized to be used for this activity in violation of LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
- SSS. As reported in the 2008 third quarterly deviation report dated December 17, 2008, for EQT 280, 281, 282, 283, 284, 285, 286, 287, 288 and 289 Auxiliary Tanks and for EQT 297, 298, 299, 300, 301, 302, 303, 304 and 305 Product Tanks, the vents from these vessels went to the carbon drums instead of the incinerators on two (2) occasions (49 hours) between the dates of September 5, 2008 and September 9, 2008, to allow for replacement of a section of vent header and other maintenance activities. However the carbon adsorption system is not authorized to be used for this activity in a violation of LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

- TTT. As reported in the 2008 third quarterly deviation report dated December 17, 2008, emissions from EQT 69A-T-132, 69A-T-133, 69A-T-134, 69A-T-135, 69A-T-136, 69A-T-137 (Storage Tanks) vents went to carbon drums for less than one (1) minute to allow the dock transfer line to be pigged instead of being controlled by combustion in Incinerators Nos. 1 or 2 or the Halogen Acid Furnace. The carbon drums are not authorized by Title V Permit No. 2695-V0 to be used for this activity in violation of LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
- UUU. As reported in the 2008 third quarterly deviation report dated December 17, 2008, the DH Feed Tank (EQT 36) and the Product Tanks (EQT 42) were diverted to carbon beds to control standing losses during a maintenance turnaround on the vent header system and the Dehydration Still. The maintenance project lasted from September 18, 2008, through September 25, 2008. According to the Respondent the maintenance was delayed due to Hurricane Ike. The carbon adsorption system is not authorized by Title V Permit No. 2216-V0 to be used for this activity in violation of LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
- VVV. As reported in the 2008 third quarterly deviation report dated December 17, 2008, the Tetra Tanks (EQT 26 and 41) were diverted to carbon beds when the P/T vent header was down. The maintenance activity was performed on the Per/Tri vent header for 76 hours that commenced on September 11, 2008, and was completed on September 14, 2008. According to the Respondent, the maintenance project lasted longer than usual due to the effects of Hurricane Ike. The carbon adsorption system is not authorized by Title V Permit No. 2216-V0 to be used for this activity in violation of LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
- WWW. In the Administrative Amendment request dated December 18, 2008, for Title V Permit No. 2270-V0, the Respondent noted that in the process of reconciling the PM-10 emissions from the PPG Cooling Towers, the chlorine emission limits in each of the permits were reviewed versus the chlorine emission estimation methods currently used. The Respondent discovered that the Cooling Tower, Emission Point No. 533F (EQT 279), did not show any chlorine emissions in Title V Permit No. 2270-V0, whereas chlorine is and has been routinely used as a biocide in this cooling tower. The chlorine emissions increase was less than 0.01 tpy. The failure to permit the chlorine emissions is a violation of LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(2).
- XXX. As reported in the 2008 fourth quarterly deviation report dated March 30, 2009, the annual permit emissions limits for 1,2-butylene oxide and ethylene were exceeded in 2008 for the TE-2 Unit Fugitive Equipment Leaks (EIQ 349A). Each exceedance of each permit limit for the TE-2 Unit Fugitive Equipment Leaks (EIQ 349A) is a violation of General Condition III of Title V Permit No. 2695-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
- YYY. The Department received the Respondent's 2008 annual report for the Silicas Plant dated March 26, 2009, describing the performance of the individual scrubber systems. The Respondent reported occurrences in which scrubber flow rate fell below the permitted minimum on February 4, 2008, through February 8, 2008, and March 4, 2008, for the No. 1 Dryer Scrubber (Emission Point No. 203). The Respondent reported occurrences on

February 5, 2008, through February 10, 2008, in which the scrubber flow rate fell below the permitted minimum for the No. 2 Dryer Scrubber (Emission Point No. 204) for approximately 144 hours. The Respondent also reported occurrences on January 21, 2008, in which scrubber flow rate fell below the permitted minimum for the No. 4 Dryer Scrubber (Emission Point No. 211). Each failure to maintain the minimum flow rate for No. 1 Dryer Scrubber (Emission Point No. 203), the No. 2 Dryer Scrubber (Emission Point No. 204), and the No. 4 Dryer Scrubber (Emission Point No. 211) is a violation of Specific Requirements 35, 37, and 51, respectively, of Title V Permit No. 2085-V2, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

ZZZ. As reported in the 2008 fourth quarterly deviation report dated March 30, 2009, the Respondent exceeded the 2008 annual permitted emissions limits for chloroethane, ethylene, and vinylidene chloride for the 349B Unit Fugitives (Greater EDC Unit). Each exceedance of each permitted pollutant limitation is a violation of General Condition III of Title V Permit No. 2350-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

AAAA. As reported in the 2008 fourth quarterly deviation report dated March 30, 2009, the Respondent exceeded the 2008 annual permitted emissions limits for 1,1,2,2 tetrachloroethane; 1,1,2-trichloroethane; 1,2 dichloroethane; carbon tetrachloride; chlorine; chloroethane; chloroform; ethylene; and hydrogen chloride for the 349F Unit Fugitives (FUG 006). Each exceedance of each permitted pollutant limitation is a violation of General Condition III of Title V Permit No. 897-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

BBBB. As reported in the 2008 fourth quarterly deviation report dated March 30, 2009, the Respondent exceeded the 2008 annual permitted emissions limits for 1,1,1 trichloroethane; 1,1,2 trichloroethane; and trichloroethylene in 2008 for the 349H: Dock Area Fugitives (FUG 007). Each exceedance of each permitted pollutant limit is a violation of General Condition III of Title V Permit No. 2206-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

CCCC. As reported in the 2008 second half Title V semiannual monitoring report dated March 30, 2009, the Respondent failed to submit written notice of the date of periodic relative accuracy testing for the Powerhouse B-Cogeneration Unit 5 (EIQ 032) and the Powerhouse B-Cogeneration Unit 6 (EIQ 033) no later than 21 days prior to the first scheduled day of testing to the Department and EPA in accordance with 40 CFR 75.61(a)(5). Each failure to comply with the applicable provisions of the Acid Rain Permit is a violation of Specific Requirements 92 and 125 of Title V Permit No. 2106-V2, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).

DDDD. As reported in the 2008 fourth quarterly deviation report dated March 30, 2009, on December 9, 2008, a valve was found to be leaking and repair attempts on December 12 and 13, 2008, were unsuccessful. The valve was repaired on December 30, 2008. The Respondent failed to make the repair as soon as practicable but no later than 15 calendar days after the leak is detected except as provided in 40 CFR 63.171. This is a violation of 40 CFR 63.168(f)(1) which language has been adopted as a Louisiana regulation in LAC 33:III.5122, Specific Requirement 136 of Title V Permit No. 897-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).

- EEEE. As reported in the 2008 fourth quarterly deviation report dated March 30, 2009, the 2008 maximum hourly limit for NO_x for the Silicas No. 2 Furnace – EQT 168 (EIQ 29) was exceeded intermittently between November 11 and December 2, 2008. The report also indicated that the nitrogen oxides (NO_x) maximum hourly limit was exceeded for seven (7) consecutive days in November, but written notification was not made within seven (7) days. Additionally, the Respondent reported that a review of past data indicated that there were also six (6) days in the third quarter of 2008 that exceeded the NO_x maximum hourly limit. However, the Respondent believes that the NO_x emissions are in compliance with the tons per year limit. The Respondent believes that the cause of the exceedances is that the parametric model for calculating NO_x emissions is overly conservative for determination of maximum hourly NO_x values under current operating conditions. Each exceedance of the NO_x maximum hourly permitted emissions limit for the Silicas No. 2 Furnace – EQT 168 (EIQ 29) is a violation of General Condition III of Title V Permit No. 2085-V2, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2). The failure to submit a written report within seven (7) days of the exceedance of the NO_x maximum permitted hourly limit for seven (7) consecutive days in November is a violation of 40 CFR Part 70 General Condition R.2 of Title V Permit No. 2085-V2, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).
- FFFF. As reported in the 2008 fourth quarterly deviation report dated March 30, 2009, for EQT 335 W. Gasoline Storage Tank (EIQ 138A) and EQT 336 E. Gasoline Storage Tank (EIQ 138B) vapor balancing was not used during a short period in December 2008 when it changed its primary refueling procedures and fuel supplier. This is a violation of LAC 33:III.2103.A, Specific Requirements 19 and 27 of Title V Permit No. 2359-V1, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).
- GGGG. As reported in the 2009 first half Title V semiannual monitoring report dated September 28, 2009, the Respondent tasked its contractor to perform a comprehensive program to retag components and to reevaluate all unit equipment to ensure all equipment in organic hazardous air pollutants service was identified and is being monitored. The results of the program indicated 1,370 additional components were identified and added to the LDAR program. The additional components consisted of 1 pressure relief device; 199 valves in gas/vapor service or light liquid service; and 1,099 connectors in gas/vapor or light liquid service. Each failure to identify each piece of equipment in the process unit to which 40 CFR 63 Subpart H applies is a violation of 40 CFR 63.162(c) which language has been adopted as a Louisiana regulation in LAC 33:III.5122, Specific Requirement 105 of Title V Permit No. 2695-V1, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2). Each failure to monitor each of the 199 valves in gas/vapor service or light liquid service at each specified interval as required is a violation of 63.168(b) which language has been adopted as a Louisiana regulation in LAC 33:III.5122, Specific Requirements 105 of Title V Permit No. 2695-V1, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2). Each failure to monitor each of the 1,099 connectors in gas/vapor service or light liquid service at each specified interval as required is a violation of 63.174(b)(3) which language has been adopted as a Louisiana regulation in LAC 33:III.5122, Specific Requirements 105 of Title V Permit No. 2695-V1, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).

- HHHH. As reported in the 2009 first half Title V semiannual monitoring report dated September 28, 2009, the Respondent discovered on July 8, 2008, that the secondary scrubber pH and differential pressure (dP) meters were not calibrated at the listed frequency of the CMS Performance Evaluation Plan (CMS PEP) of the CMS QC Program for the No. 3 Halogen Acid Furnace (EIQ 346). The pH and dP meters were not calibrated in May 2009. The pH meter is to be calibrated on a monthly basis and the dP meter is to be calibrated on an annual basis according to the CMS PEP. The dP meter was last calibrated on May 3, 2008. Each failure to perform the monthly calibrations of the pH meter is a violation of 40 CFR 63.8(d)(2) which language has been adopted as a Louisiana regulation in LAC 33:III.5122, Specific Requirement 28 of Title V Permit No. 2040-V1, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2). The failure to perform the annual calibrations of the dP meter is a violation of 40 CFR 63.8(d)(2) which language has been adopted as a Louisiana regulation in LAC 33:III.5122, Specific Requirement 28 of Title V Permit No. 2040-V1, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).
- III. As reported in the 2009 first half Title V semiannual monitoring report dated September 28, 2009, an internal review determined that purged process fluid was not always collected and recycled to a process. Each failure to collect and recycle the purged process fluid to a process is a violation of 40 CFR 63.166(b)(2) which language has been adopted as a Louisiana regulation in LAC 33:III.5122, Specific Requirement 130 of Title V Permit No. 897-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).
- JJJ. As reported in the 2009 first half Title V semiannual monitoring report dated September 28, 2009, on May 26, 2009, a connector was found to be leaking. The repair was attempted within five (5) days. On June 10, 2009, the leaking connector was isolated (taken out of organic hazardous air pollutant service), replaced and returned to service without confirming that the connector was not leaking. Routine monitoring on June 18, 2009, found the replaced connector to be leaking. The connector was successfully repaired on June 18, 2009. The failure to repair the connector as soon as practicable, but no later than 15 calendar days after the leak is detected is a violation of 40 CFR 63.174(d) which language has been adopted as a Louisiana regulation in LAC 33:III.5122, Specific Requirement 165 of Title V Permit No. 897-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).
- KKKK. As reported in the 2009 second half Title V semiannual monitoring report dated March 23, 2010, the Respondent tasked its contractor to perform a comprehensive program to retag components and to reevaluate all unit equipment to ensure all equipment in organic hazardous air pollutants service was identified and was being monitored. The results of the program indicated 2,934 additional components were identified and added to the LDAR program. The additional components consisted of 41 pressure relief device; 1,055 valves in gas/vapor service or light liquid service; 1,835 connectors in gas/vapor or light liquid service; one (1) compressor; and two (2) sample point systems. Each failure to identify each piece of equipment in the process unit to which 40 CFR 63 Subpart H applies is a violation of 40 CFR 63.162(c) which language has been adopted as a Louisiana regulation in LAC 33:III.5122, Specific Requirement 101 of Title V Permit No. 897-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2). Each failure to monitor each of the 1,055 valves in gas/vapor service or light liquid service at each specified interval as required is a violation of 63.168(b) which language has been adopted as a Louisiana regulation in LAC 33:III.5122, Specific

Requirements 133 of Title V Permit No. 897-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2). Each failure to monitor each of the 1,835 connectors in gas/vapor service or light liquid service at each specified interval as required is a violation of 63.174(b)(3) which language has been adopted as a Louisiana regulation in LAC 33:III.5122, Specific Condition 1 of Title V Permit No. 897-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2). Each failure to monitor the compressor at each specified interval as required is a violation of 63.164(i)(2) which language has been adopted as a Louisiana regulation in LAC 33:III.5122, Specific Requirements 124 of Title V Permit No. 897-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2). Each failure to comply with the applicable requirements of 40 CFR 63.166 for each of the two (2) sample point systems is a violation of 40 CFR 63.166 which language has been adopted as a Louisiana regulation in LAC 33:III.5122, Specific Condition 1 of Title V Permit No. 897-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).

LLLL. As reported in the 2009 second half Title V semiannual monitoring report dated March 23, 2010, and in the Unauthorized Discharge Notification Report dated October 29, 2009, the Respondent had a release of 41.3 pounds of chlorine on October 24, 2009. According to the Respondent a process upset caused this release event. The release occurred when low liquid level in the primary absorber allowed vent gas to bypass the secondary absorber which resulted in temporarily exceeding the vent scrubber's design removal capability. According to the Respondent a secondary low level alarm in the absorber was added to the digital control system. The Respondent indicated that the release was preventable. The failure to maintain the liquid level in the primary absorber above the minimum required ultimately led to the resulting release. This is a violation of LAC 33:III.905 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

MMMM. As reported in the 2009 second half Title V semiannual monitoring report dated March 23, 2010, the Respondent failed to perform the Absolute Calibration Audit (ACA) during a quarter. This is a violation of 40 CFR 63.1209(d)(2) as it refers to Section 5.2 of the Appendix to 40 CFR 63 Subpart EEE which language has been adopted as a Louisiana regulation in LAC 33:III.5122, Specific Requirement 2 of Title V Permit No. 2040-V2, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).

NNNN. As reported in the 2009 second half Title V semiannual monitoring report dated March 23, 2010, for the #1 HCl Compressor Distance Piece Vent (Emission Point 69A-J-102) and the #2 HCl Compressor Distance Piece Vent (Emission Point 69A-J-108), subsequent testing indicated results greater than 500 ppm for one of the two compressors. According to the Respondent, the vents were to be re-routed to the process and any excess emissions were mitigated by being sent to the EQT 434 Scrubber which has a 90 percent control efficiency. The failure to adequately control the emissions is a violation of 40 CFR 63.164(a) which language has been adopted as a Louisiana regulation in LAC 33:III.5122, Specific Requirements 118, 181 and 182 of Title V Permit No. 2269-V2, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).

OOOO. As reported in the 2009 second half Title V semiannual monitoring report dated March 23, 2010, on July 31, 2010 and August 21, 2010, the load to the EIQ 032 Powerhouse B – Cogeneration Unit 5 (EQT 067) and EIQ 033 Powerhouse B Cogeneration Unit 6 (EQT 068) dropped, and the emissions of carbon monoxide and volatile organic compounds may have exceeded the maximum pound per hour limit for 14 hours and 19 hours respectively. Each

exceedance of the maximum pound per hour limit is a violation of General Condition III of Title V Permit No. 2106-V2, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2). Each failure to accurately include in the permit application, emissions of carbon monoxide (CO) and volatile organic compounds (VOC) for EIQ 032 Powerhouse B – Cogeneration Unit 5 (EQT 067) and EIQ 033 Powerhouse B Cogeneration Unit 6 (EQT 068) is a violation of LAC 33:III.517.D.3.d, LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and La. R.S. 30:2057(A)(2).

- PPPP. As reported in the 2009 second half Title V semiannual monitoring report dated March 23, 2010, that a carbon monoxide spike occurred on September 19, 2009, while raising temperature and reintroducing liquids on the No. 3 Halogen Acid Furnace (EIQ 346). The Respondent noted that the procedures were reviewed with the operator concerning the reintroduction of liquid wastes. The failure to follow the procedures resulted in an increase in emissions released. This is a violation of LAC 33:III.905 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
- QQQQ. In an unauthorized discharge report dated April 21, 2008, the Respondent reported a release of vinyl chloride monomer on April 17, 2008, that occurred over a duration of approximately forty (40) minutes. Approximately 150 pounds of vinyl chloride monomer were released during that time. According to the report, a nipple on the transfer header failed. The failure to diligently maintain equipment is a violation of LAC 33:III.905 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
- RRRR. In an unauthorized discharge report dated June 2, 2009, the Respondent reported a release of 1,2-dichloroethane (EDC) on May 28, 2009, that occurred over a duration of approximately eight (8) hours. Approximately 291 pounds of EDC were released during that time. According to the report, a tube failure within the EDC reactor side arm cooler allowed reactor liquor to enter the cooling tower water. The leak was difficult to locate due to an unrelated shutdown of the reactor. The failure to diligently maintain equipment is a violation of LAC 33:III.905 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
- SSSS. In an unauthorized discharge report dated June 11, 2009, the Respondent reported a release of chlorine gas on June 7, 2009, that occurred over a duration of approximately two (2) minutes. Approximately 12.5 pounds of chlorine were released during that time. According to the report, pressure buildup on the #4 acid tower at the Plant A Chlorine Unit caused the release from the top of the tower. The buildup of chlorine pressure was caused by a shutdown of the liquefaction process which according to the Respondent normally condenses the chlorine gas into liquid for distribution. The liquefaction process was shutdown from an upset in the steam supply that powers the compressor. The Respondent noted that extra focus on shutdown system training and better communication between units will be emphasized. The lack of communication between the units contributed to the resulting release. This is a violation of LAC 33:III.905 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
- TTTT. In an unauthorized discharge report dated August 10, 2009, the Respondent reported a release of ethyl chloride on August 6, 2009, that occurred over a duration of approximately 16 hours. Approximately 17,598 pounds of ethyl chloride were released during that time. According to the report, a tube failure occurred within the EC reactor side arm cooler that allowed reactor liquor to enter the cooling tower water. The Respondent explained in the

report that the leak was difficult to find because the reactor was shutdown for an unrelated reason. The failure to diligently maintain equipment is a violation of LAC 33:III.905 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

The Department conducted additional inspections which revealed alleged violations noted below:

June 4-7, 2007:

- A. The Department received the Respondent's annual report for the Pels® Dowtherm Vent Recovery System (Emission Point 390) dated June 7, 2005. The report was submitted as a requirement of State Only Specific Condition No. 4 of Title V Permit No. 2798-V0. State Only Specific Condition No. 4 requires the report be submitted by February 15, 2005. The failure to submit the report of the number of breakthroughs by February 15, 2005, for calendar year 2004 is a violation of State Only Specific Condition No. 4 of Title V Permit No. 2798-V0, LAC 33:III.501.C.4, and Section 2057(A)(2) of the Act.
- B. An inspection performed on or about June 4-7, 2007, noted the following violation: The Respondent failed to conduct testing of the automatic waste feed cut-off system for the second quarter of 2005. This is a violation of Specific Requirement 7.B of Title V Permit No. 2231, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).
- C. An inspection performed on or about June 4-7, 2007, noted the following violation: Based on a review of asbestos filter inspection forms, the Respondent was not operating the asbestos baghouse (Emission Point 112) within its differential pressure ranges for the filters established for its proper operation for the days, including but not limited to, September 12, 2006 through September 15, 2006 and on October 27, 2006. According to the Respondent, daily visible emissions inspections were conducted and no visible emissions were noted. Each failure to properly operate the asbestos baghouse (Emission Point 112) by maintaining the filter differential pressure within its established ranges is a violation of State Only Specific Condition 3 of Title V Permit No. 2798-V0, LAC 33:III.501.C.4, LAC 33:III.5151.O.2, LAC 33:III.905 and La. R.S. 30:2057(A)(2).
- D. An inspection performed on or about June 4-7, 2007, noted the following violation: The Respondent exceeded its toluene ton per year permitted emission limit of 0.02 tons per year in 2004. The 2004 toluene emissions were estimated to be 0.03 tons. This is a violation of General Condition III of Title V Permit No. 2798-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

June 16-18, 2008:

- A. An inspection performed on or about June 16-18, 2008, noted the following violation: The Respondent failed to report a broken and/or missing car-seal on the No. 2 EDC plant vent to the scrubber valve, VDCM vent to the scrubber valve and the TRANS vent to the scrubber valve from the February 2007 monthly car-seal inspection. The Respondent failed to report a broken and/or missing car-seal on the No. 2 EDC plant vent to the scrubber valve and a broken car-seal on the VDCM vent to the scrubber valve from the March 2007 monthly car-seal inspection. The failure to report the broken and/or missing car-seals in the 40 CFR 63

Subpart A, F & G HON Semi-annual report dated August 29, 2007 is a violation of 40 CFR 63.118(a), Part 70 Specific Condition 1 which references Table 2 of Title V Permit No. 2350-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).

- B. An inspection performed on or about June 16-18, 2008, noted the following violation: The Department received an unauthorized discharge report dated February 25, 2008, as a written follow-up to an air release of approximately 209 pounds of 1,2 dichloroethane (EDC). The air release occurred at approximately 5:00 p.m. on February 21, 2008, and lasted approximately 7 minutes. According to the Respondent's report, one tube end plug on the sidarm cooler fin fan failed. The Department requested additional information on the root cause of the release. By letter dated June 24, 2008, the Respondent noted that the release was called when an inspection plug failed in a fin-fan condenser. The Respondent's investigation determined that the plug was the incorrect material of construction. The plug was carbon steel which erodes over time from the EDC instead of stainless steel. The Respondent's use of a plug constructed of material not suitable for the service for which it was in resulted in the release. This is a violation of LAC 33:III.905 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

June 8-11, 2009:

- A. An inspection performed on or about June 8-11, 2009, noted the following violation: During the Waste Recovery Unit (Title V Permit No. 2216-V0) walk through a manual bypass valve in the #1 Waste Storage Tank (EQT 059) was found not secured with a car-seal. The Respondent failed to secure the bypass line valve in the non-diverting position with a car-seal or a lock-and-key type configuration. This is a violation of 40 CFR 63.114(d)(2) which language has been adopted as a Louisiana regulation in LAC 33:III.5122, Specific Requirement No. 4 for GRP 32 – Tanks (67A-T-10-No. 1) of Title V Permit No. 2216-V0, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2). The Respondent later reported this in the 2009 first semiannual monitoring report dated September 28, 2009. In this report, the Respondent noted that the seal was immediately replaced. Additionally, the Respondent noted that the routine plant inspection on June 6, 2009, documented the existence of the tag and that plant records indicated no bypass of vents between June 6, 2009, and June 9, 2009.

III

In response to the Compliance Order & Notice of Potential Penalty, Respondent made a timely request for a hearing.

IV

Respondent denies it committed any violations or that it is liable for any fines, forfeitures and/or penalties.

V

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 FOUR HUNDRED THOUSAND AND NO/100 DOLLARS (\$400,000.00), of which TWO THOUSAND FIVE HUNDRED SEVENTEEN AND 09/100 DOLLARS (\$2,517.09) represents the Department's enforcement costs, in settlement of the claims set forth in this agreement.

VI

As part of this Settlement, Respondent agrees to expend the amount of \$190,000.00 (One Hundred Ninety Thousand and 00/100 Dollars) to implement and/or perform the following beneficial environmental project:

Respondent will implement an enhanced Leak Detection and Repair (LDAR) program at the Lake Charles Complex that would go beyond the requirements of applicable federal and state law. The Respondent will employ this program commencing in the first calendar quarter of 2013 and continue for a period of three (3) calendar years.

The estimated cost of this project is at least One Hundred Ninety Thousand Dollars (\$190,000.00) for the life of the project. The enhanced LDAR program provisions that shall be implemented are as follows:

- Monitor all non-closed vent system connectors in gas/vapor service at least annually, regardless of leak rate (this does not apply to non-closed vent system connectors that are inaccessible and are not co-located with difficult to monitor valves). In addition, monitor connectors in EDC and/or VCM service on a quarterly basis when they have a historical leak concentration greater than 50 ppm periodically. "Historical leak concentration" means the average over the last 8 quarters of monitoring events.

- Use a leak definition of 100 ppm as a trigger for the first attempt at repair (using Method 21 monitoring) for connectors that are both in gas/vapor service and in EDC and/or VCM service. “In EDC service or VCM service” shall mean that a piece of equipment either contains or contacts a fluid (liquid or gas) that is at least 5 percent by weight EDC or VCM. The “initial attempt” at repair and re-monitor of such equipment will be made within five (5) calendar days of identification. Unless the re-monitored leak rate is greater than 500 ppm, no further action will be taken.
- Monitor components in the trichloroethylene cooling system recirculation loop (in the Per/Tri CMPU) annually.
- Monitor components in Closed Vent Systems subject to 40 CFR 63.172(f)(1)(i), through Method 21 monitoring in 2013 and in 2015. The leak definition shall be 500 ppm. When a leak is detected, it will be repaired per 40 CFR 63.172(h).
- Monitor pressure relief devices (PRDs) annually and within five (5) days after any relief through the device. This currently consists of 105 pressure relief devices. (This does not include PRDs with rupture disks.)
- “Skip” periods of monitoring shall not be used, even if it would otherwise qualify for “skip” periods.
- An independent third party shall be retained to conduct an LDAR program audit for Respondent’s compliance with 40 CFR 63, Subpart H LDAR requirements before July 1, 2014. The LDAR audit will include:
 - (a) Performing comparative monitoring;
 - (b) reviewing a sufficiently representative number of records to ensure monitoring and repairs were timely completed;

- (c) reviewing component identification procedures, tagging procedures, data management procedures, a sufficiently representative number of field tag records for leaks and turnaround components; and
- (d) observation of LDAR technicians' calibration and monitoring techniques per Method 21.

Respondent shall submit quarterly reports regarding its progress on this project. The first shall be due 30 days after the end of the first full calendar quarter following the date the Department signs this Settlement. Quarterly reports shall be submitted 30 days after each full calendar quarter thereafter until the project is completed. Each such report shall include a description of the project, tasks completed, tasks remaining, and money expended on each project through the date of the report. Upon completion of all projects required under this Settlement, Respondent shall submit a final report to include a summary of all the information previously submitted and a total amount spent on the projects listed above. It shall also contain a certification that the projects were completed as described.

If Respondent does not spend the amount of \$190,000.00, then it shall, in its final report, propose additional projects for the Department's approval [or: pay to the Department] in an amount equal to the difference between the amount of money agreed to be spent and the amount of money actually spent.

VII.

As part of this Settlement, as a Beneficial Environmental Project, Respondent will donate Thirty Thousand Dollars (\$30,000.00) to McNeese State University for its Naturelab program for any of the following purposes consistent with the Naturelab Usage Guidelines for such educational center:

- Upgrade existing facilities (bathrooms, benches, etc.) to be American Disability

Act (“ADA”) compliant.

- Add a new ADA complaint trail, or upgrade an existing trail to be ADA compliant.
- Provide mini-grants to local teachers/professors for research at, or involving, Naturelab.
- Install one or more auxiliary shelters for the protection of students from inclement weather.

The Naturelab is an outdoor learning facility operated by McNeese State University with over 5,000 feet of trails used by students to conduct research on plant and soil sciences, resource conservation and wildlife behavior. Respondent agrees to make such donation through an Act of Donation within thirty (30) days after the effective date of the Settlement Agreement. Respondent will submit a report to the Department verifying that the funds have been donated. Respondent shall make such report within thirty (30) days after the act of donation or in the first quarterly report after the donation is made.

VIII

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).

IX

Respondent further agrees that the Department may consider the inspection report(s), the Consolidated Compliance Order and Notice of Potential Penalty 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.

X

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.

XI

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.

XII

The Respondent has caused a public notice advertisement to be placed in the official journal of the parish governing authority in Calcasieu 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.

XIII

Payment is to be made within thirty (30) 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. Each payment shall be accompanied by a completed Settlement Payment Form (Exhibit A).

XIV

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

XV

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.

EAGLE US 2 LLC

BY: Jonathan P. Manns
(Signature)

Jonathan P. Manns
(Print)

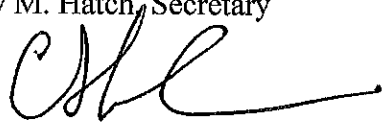
TITLE: Works manager

THUS DONE AND SIGNED in duplicate original before me this 23rd day of
October, 20 13, at Lake Charles, LA.

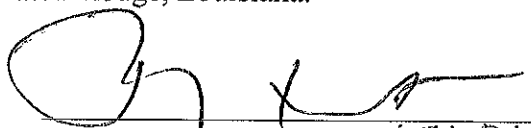
Beth Lee Mueller
NOTARY PUBLIC (ID # 68629)

Beth Lee Mueller
(stamped or printed)


LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY
Peggy M. Hatch, Secretary

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

THUS DONE AND SIGNED in duplicate original before me this 5th day of Feb, 2014, at Baton Rouge, Louisiana.


NOTARY PUBLIC (ID # 19181)

Perry Theriot
(stamped or printed)

Approved: 
Cheryl Sonnier Nolan, Assistant Secretary