

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

PRAXAIR, INC

AI # 42895

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

* Settlement Tracking No.
* SA-AE-10-0043
*
* Enforcement Tracking No.
* AE-CN-08-0219 and AE-CN-08-0219A
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SETTLEMENT

The following Settlement is hereby agreed to between Praxair, Inc (“Respondent”) and the Department of Environmental Quality (“DEQ” or “the Department”), under authority granted by the Louisiana Environmental Quality Act, La. R.S. 30:2001, et seq. (“the Act”).

I

Respondent is a corporation that owns and/or operates a hydrogen production facility that is located at 4451 Louisiana Highway 108 South in Sulphur, Calcasieu Parish, Louisiana (“the Facility”).

II

On June 23, 2009, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty with Enforcement Tracking No. AE-CN-08-0219 which was based upon the following findings of fact:

The Respondent owns and/or operates the Sulphur Facility which is a hydrogen production facility that is located at 4451 Louisiana Highway 108 South in Sulphur, Calcasieu

Parish, Louisiana. The Sulphur Facility currently operates under Air Permit No. 0520-00170-V0 Sulphur Facility issued on April 18, 2007.

On or about September 24, 2008, an inspection of Sulphur Facility was performed to determine the degree of compliance with the Act and the Air Quality Regulations.

The following violation was noted during the course of the inspection:

The Respondent has self reported in their 2007 and 2008 Semi-Annual Monitoring reports, Quarterly reports and the 2008 Annual Compliance report that the facility has minor ammonia emissions currently not in the facility's permit. The inspector requested calculations for ammonia released per year. The Respondent provided these calculations which showed that approximately 1.86 tons/year of ammonia is being released. The Respondent's failure to control ammonia emissions and to include these emissions in their Title V Permit is a violation of LAC 33:III.501.C.4, La. R.S. 30:2052(A)(1) and 30:2057(A)(2).

On December 10, 2008 a permit modification for Title V permit No. 0520-00170-V0, was submitted to the Department to include the previously inadvertently omitted ammonia emissions for the facility.

On or about January 19, 2009, the Respondent requested interim authorization to emit ammonia emissions from the facility until a permit modification granting authority is issued by the Department. Additional information was submitted to the Department on January 29, 2009, and February 5, 2009.

On September 29, 2009, the Department issued to Respondent an Amended Consolidated Compliance Order & Notice of Potential Penalty with Enforcement Tracking No. AE-CN-08-0219A which was based upon the following findings of fact:

“The Department hereby amends Paragraph I of the Findings of Fact to read as follows:

I.

The Respondent owns and/or operates the Sulphur Facility which is a hydrogen production facility that is located at 4451 Louisiana Highway 108 South in Sulphur, Calcasieu

Parish, Louisiana. The Sulphur Facility currently operates under Air Permit No. 0520-00170-V0 Sulphur Facility issued on April 18, 2007.

The Department hereby amends Paragraph I.A of the Compliance Section to read as follows:

I.

To protect air quality, the Respondent is required to comply with the following:

- A. If the Respondent chooses to emit any air contaminant in the state of Louisiana, the following interim limitations shall apply:

	Pollutant	Ave lb/hr	Max lb/hr	Ave ton/yr
Deaerator Vent (EP ID 4)	VOC*	0.94	1.12	4.10
	Methanol*	0.940	1.120	4.100
	Ammonia	0.300	0.360	1.300
Misc Steam Vents (EP ID 7)	Ammonia	0.111	0.113	0.485

*The Department acknowledges that these limits are already in the permit. However, since the data was submitted with the interim limit request they have been included into this action.

All other emission limitations, monitoring requirements, and permit conditions of Title V Permit No. 0520-00170-V0 shall remain in effect and enforceable. The interim limitations shall remain in effect until the issuance of the new permit. The Respondent shall at all times properly operate and maintain all facilities and systems of control (and related appurtenances) which are installed or used by the Respondent to achieve compliance with the conditions of these interim limitations.”

The Department incorporated all of the remainder of the original Consolidated Compliance Order & Notice of Potential Penalty, Enforcement Tracking No. AE-CN-08-0219 and Agency Interest No. 42895, as if reiterated therein.

III

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

IV

Nonetheless, Respondent, without making any admission of liability under state or federal statute or regulation, agrees to pay, and the Department agrees to accept, a payment in the amount of ONE THOUSAND FIVE HUNDRED AND NO/100 DOLLARS (\$1,500.00), of which Five Hundred Thirteen and 07/100 Dollars (\$513.07) represents the Department's enforcement costs, in settlement of the claims set forth in this agreement. The total amount of money expended by Respondent on cash payments to the Department as described above, shall be considered a civil penalty for tax purposes, as required by La. R.S. 30:2050.7(E)(1).

V

Respondent further agrees that the Department may consider the inspection report, the Consolidated Compliance Order & Notice of Potential Penalty, the Amended Consolidated Compliance Order & 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. The consideration of such documents for the sole purpose of determining Respondent's compliance history and the estoppel pertaining thereto, do not negate or render null and void Respondent's denials herein of 1) any violations, including statutory and regulatory violations, and 2) any liability for any fines, forfeitures and/or penalties, and such denials are, and shall remain, in full force and effect in all respects.

VI

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.

VII

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.

VIII

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.

IX

Payment is to be made within ten (10) days from notice of the Secretary's signature. If payment is not received within that time, this Agreement is voidable at the option of the Department. Payments are to be made by check, payable to the Department of Environmental

Quality, and mailed or delivered to the attention of Accountant Administrator, Financial Services Division, Department of Environmental Quality, Post Office Box 4303, Baton Rouge, Louisiana, 70821-4303. Each payment shall be accompanied by a completed Settlement Payment Form (Exhibit A).

X

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

XI

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.

PRAXAIR, INC.

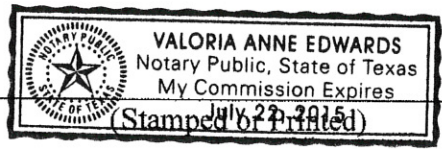
BY: Michael D. Jordan
(Signature)

MICHAEL D. JORDAN
(Print)

TITLE: VICE PRESIDENT

THUS DONE AND SIGNED in duplicate original before me this 25th day of February, 2013, at The Woodlands, TX.

Valoria Anne Edwards
NOTARY PUBLIC (ID # _____)



LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY
Peggy M. Hatch, Secretary

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

THUS DONE AND SIGNED in duplicate original before me this 25th day of July, 2013, at Baton Rouge, Louisiana.

[Signature]
NOTARY PUBLIC (ID # 19181)

Perry Theriot
(Stamped or Printed)

Approved: CSHL
Cheryl Sonnier Nolan, Assistant Secretary