

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

CHEVRON ORONITE COMPANY LLC

AI # 1708

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

\* Settlement Tracking No.  
\* SA-AE-17-0042  
\*  
\* Enforcement Tracking No.  
\* AE-CN-13-00643  
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\*  
\* Docket No. 2016-7618-EQ  
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SETTLEMENT

The following Settlement is hereby agreed to between Chevron Oronite Company 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

Respondent is a limited liability company that owns and/or operates a facility located in Belle Chasse, Plaquemines Parish, Louisiana (“the Facility”).

II

On June 16, 2015, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-13-00643, which was based upon the following findings of fact:

“The Respondent owns and/or operates Oak Point Plant (the facility), a lubricating and fuel application additives manufacturing facility, located at 10285 Louisiana Highway 23 in Belle Chasse, Plaquemines Parish, Louisiana. The facility operates or has operated under the authority of the following Title V Air Permits:

TITLE V PERMIT	ISSUE DATE	EFFECTIVE EXPIRATION DATE
2240-00001-V16	03/11/14	06/08/16
2240-00001-V15	09/04/13	03/10/14
2240-00001-V14	06/24/13	09/03/13
2240-00001-V13AA	10/16/12	06/23/13
2240-00001-V13	06/11/12	10/15/12
2240-00001-V12	09/19/11	06/10/12
2240-00001-V11	06/08/11	09/18/11
2240-00001-V10AA	07/01/10	06/07/11
2240-00001-V10	06/14/10	06/30/10
2240-00001-V9	10/20/08	06/13/10

On or about January 23-24, 2011, June 1, 2011, March 27, 2013, and April 2, 2013, inspections were conducted at the facility. On or about February 17, 2014, March 31, 2014, and March 31, 2015, file reviews of the Respondent's records were conducted. The inspections and file reviews were performed to determine the Respondent's degree of compliance with the Act, the Air Quality Regulations, and all applicable permits. While the Department's investigation is not complete, the following violations found in paragraphs III-VII of the Findings of Fact portion of this enforcement action were noted during the course of the inspections and subsequent file reviews.

The Respondent reported the following unauthorized releases:

	REPORT (date)	PERMIT NUMBER	INCIDENT DATE (duration)	POLLUTANTS RELEASED	REPORTABLE QUANTITY (LBS/DAY)	QUANTITY REPORTED (LBS)	REPORTED CAUSE	REGULATORY or PERMIT REQUIREMENTS
A.	Unauthorized Discharge Notification Report for Incident T129317 (02/21/11)	2240-00001-10AA	02/18/11 (2.9 h)	SO <sub>2</sub>	500	283	The Vent Gas Control System (VGCS) blower shut down due to a loss of power. Facility follow up investigation (04/11/11) determined discharge event was preventable.	LAC 33:III.905.A
B.	Unauthorized Discharge Notification Report for Incident T129632 (03/07/11)	2240-00001-10AA	03/02/11 (7.8 h)	SO <sub>2</sub>	500	303	VGCS and Blower system shut down due to electrical shed event. The event was caused by loss of plant power. Facility determined discharge was preventable.	LAC 33:III.905.A
				H <sub>2</sub> S	100	18		

	REPORT (date)	PERMIT NUMBER	INCIDENT DATE (duration)	POLLUTANTS RELEASED	REPORTABLE QUANTITY (LBS/DAY)	QUANTITY REPORTED (LBS)	REPORTED CAUSE	REGULATORY or PERMIT REQUIREMENTS
C.	Unauthorized Discharge Notification Report for Incident T131535 (06/03/11)	2240-00001-V10AA	05/29/11 (0.9 h)	Sulfuric acid SO <sub>2</sub>	1000 500	84 (20 to air) 2	Sulfuric acid was released while emptying the sulfonic acid manufacturing (SAM) unit's legs.	LAC 33:III.905.A
	2011 1 <sup>st</sup> Semiannual Monitoring Report (09/30/11)							
D.	Unauthorized Discharge Notification Report for Incident T132465 (07/13/11)	2240-00001-V11	07/10/11 (3.02 h)	SO <sub>2</sub>	500	2,732	The VGCS blower shut down due to electrical power failure. One of the Co-generation Units went down due to diverter valve malfunction. Facility follow up investigation determined cause of the incident to be intermittent flame scanner failure, PLC logic failure causing the diverter to time out, and an abnormal condition caused by the event.	LAC 33:III.905.A
E.	Unauthorized Discharge Notification Report for Incident T136182 (01/04/12)	2240-00001-V12	12/28/11 (0.5 h)	Sulfur Trioxide	100	92	Odor detected while initiating the startup of the sulfonic acid manufacturing unit after a scheduled maintenance shutdown. The root cause was a malfunctioning breather vent that was repaired during the shutdown.	LAC 33:III.905.A
	2011 2 <sup>nd</sup> Semiannual Monitoring Report (01/31/12)							
F.	Unauthorized Discharge Notification Report for Incident T140212 (06/07/12)	2240-00001-V12	06/02/12 (0.3 h)	ammonia	100	86	The leak was caused by valve failure during shutdown maintenance.	LAC 33:III.905.A
	2012 1 <sup>st</sup> Semiannual Monitoring Report (09/30/12)							

Each unauthorized release of emissions is a violation of any applicable permit and associated requirement(s) listed above, LAC 33:III.501.C.2, and La. R.S. 30:2057(A)(2).

The Respondent reported the following violations from permitted operating parameters:

	REPORT (date)	PERMIT NUMBER	EMISSION POINT	INCIDENT DATE (duration)	OPERATING PARAMETER	REPORTED CAUSE	REGULATORY or PERMIT REQUIREMENTS
A.	2009 2 <sup>nd</sup> Semiannual Monitoring Report (03/31/10)	2240- 00001-V9	EQT050 C-5290 Incinerator	11/04/09 (0.5 h)	The caustic absorber (C-5290) shall be operated at all times with a minimum liquid flow rate >=800 gallons/min.	Belts on the C-5290 pre-scrubber pump P-5289A failed.	Specific Requirement 5
B.	2009 2 <sup>nd</sup> Semiannual Monitoring Report (03/31/10)	2240- 00001-V9	EQT050 C-5290 Incinerator	11/29/09 (0.25 h)	Use and maintain control facilities in proper working order.	Incinerator shutdown on high gas pressure due to heavy liquid carryover caused by steam from the overheads pot	Specific Requirement 333 LAC 33:III.905
C.	2009 1 <sup>st</sup> Semiannual Monitoring Report (03/31/10)	2240- 00001-V9	EQT050 C-5290 Incinerator	12/09/09 (1.72 h)	Use and maintain control facilities in proper working order.	Incinerator shutdown during removal of the old burner; low combustion air flow	Specific Requirement 333 LAC 33:III.905
D.	2010 1 <sup>st</sup> Semiannual Monitoring Report (09/30/10)	2240- 00001-V9	EQT050 C-5290 Incinerator	01/06/10 (2.25 h)	The operating temperature for incinerating vent gases shall not be less than 1500F	Loss of flare; valve failure allowed excess air in the incinerator system	Specific Requirement 18
E.	2010 1 <sup>st</sup> Semiannual Monitoring Report (09/30/10)	2240- 00001-V9	EQT050 C-5290 Incinerator	02/21/10 (1.10 h)	The operating temperature for incinerating vent gases shall not be less than 1500F	Flame knocked out on incinerator	Specific Requirement 18
F.	2010 1 <sup>st</sup> Semiannual Monitoring Report (09/30/10)	2240- 00001-V9	EQT050 C-5290 Incinerator	03/10/10 (1.5 h)	The operating temperature for incinerating vent gases shall not be less than 1500F	Flame knocked out on incinerator	Specific Requirement 18
G.	2010 2 <sup>nd</sup> Semiannual Monitoring Report (01/27/11)	2240- 00001- V10AA	EQT050 C-5290 Incinerator	10/20/10 (1.65 h)	The operating temperature for incinerating vent gases shall not be less than 1500F	Flame knocked out on incinerator	Specific Requirement 18
H.	2011 1 <sup>st</sup> Semiannual Monitoring Report (09/30/11)	2240- 00001- V10AA	EQT050 C-5290 Incinerator	02/28/11 (2.9 h)	The operating temperature for incinerating vent gases shall not be less than 1500F	VGCS shutdown due to a loss of plant power; human error	Specific Requirement 18
I.	2011 1 <sup>st</sup> Semiannual Monitoring Report (09/30/11)	2240- 00001- V10AA	EQT050 C-5290 Incinerator	03/02/11 (7.8 h)	The operating temperature for incinerating vent gases shall not be less than 1500F	VGCS and Blower System shut down due to electrical load shed event; human error	Specific Requirement 18
J.	2011 2 <sup>nd</sup> Semiannual Monitoring Report (01/31/12)	2240- 00001- V11	EQT050 C-5290 Vent Gas Control System	07/21/11 (3.5 h)	The operating temperature for the combustion unit shall not be less than the temperature required to achieve 95% DRE	VGCS flame knocked out on furnace. The system temperature dropped below 558F	Specific Requirement 18
K.	2013 1 <sup>st</sup> Semiannual Monitoring Report (09/23/13)	2240- 00001- V13AA	EQT0050 5290 Vent Gas Control System	06/09/13 (14 h)	The caustic absorber shall be operated at all times	Blower shut down for repairs after leak detection	Specific Requirement 37 LAC 33:III.1503.C
L.	2013 2 <sup>nd</sup> Semiannual Monitoring Report (03/19/14)	2240- 00001- V14	EQT0050 5290 Vent Gas Control System	07/15/13 (0.1 h)	The caustic absorber shall be operated at all times	VGCS pre scrubber malfunction	Specific Requirement 38 LAC 33:III.1503.C

Each failure to operate according to permitted requirements is a violation of any applicable permit and associated requirement(s) listed above, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

The Respondent reported the following violations of monitoring requirements:

	REPORT (date)	PERMIT NUMBER	EMISSION POINT	POLLUTANTS RELEASED	INCIDENT DATE	DEVIATION	REGULATORY or PERMIT REQUIREMENTS
A.	2009 1 <sup>st</sup> Quarter Deviation Report (06/30/09)	2240- 00001-V9	EQT0298	PM <sub>10</sub>	03/31/09- 04/29/09	Missed required six month opacity reading	Specific Requirement 296
B.	2009 2 <sup>nd</sup> Semiannual Monitoring Report (03/31/10)	2240- 00001-V9	FUG0001	VOC	05/00- 12/09	Failed to check pumps monthly for leaks	40 CFR 60.482- 2.a.1, Specific Requirement 226, LAC 33:III.2121
C.	2010 1 <sup>st</sup> Semiannual Monitoring Report (09/30/10)	2240- 00001-V9	EQT0050 C-5290 Incinerator	SO <sub>2</sub>	01/99- 08/10	Failed to perform annual RATA on C-5290 CEMS	Specific Requirement 8, LAC 33:III.1511.A
D.	2013 2 <sup>nd</sup> Semiannual Monitoring and Deviation Report (03/19/14)	2240- 00001-V15	EQT050 C-5290 Vent Gas Control System	SO <sub>2</sub>	4 <sup>th</sup> Quarter of 2013	Scheduled cylinder gas audit was not conducted for the SO <sub>2</sub> continuous emissions monitoring system in the 4 <sup>th</sup> quarter of 2013.	LAC 33:III.1511.A Specific Requirement 40

Each failure to monitor as required is a violation of any applicable permit and associated requirement(s) listed above, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

According to the 2013 First Semiannual Monitoring Report dated September 24, 2013, the Respondent failed to conduct the annual performance test for Turbine G-1NA (EQT 0461) to demonstrate compliance with the nitrogen oxide (NO<sub>x</sub>) standard. The annual performance test was due to be conducted within fourteen (14) months of the previous test. The previous test was conducted on March 7, 2012; the deadline to conduct the test was May 7, 2013. Failure to conduct the performance test within the specified period is a violation 40 CFR 60.4400(a), which has been incorporated by reference in LAC 33:III.3003, Specific Requirement 13 of Title V Permit No. 2240-0001-V13AA, LAC 33:III.501.C.4, and La. R.S 30:2057(A)(2). The annual performance test for EQT 0461 was conducted on October 9, 2013. The Department received the test results on October 29, 2013.

The Respondent reported the following emission exceedances:

	REPORT (date)	PERMIT NUMBER	EMISSION POINT	INCIDENT DATE (duration)	POLLUTANTS RELEASED	PERMIT LIMIT (Max. lb/hr)	AMOUNT RELEASED ABOVE PERMITTED QUANTITY (lbs)
A.	2010 1 <sup>st</sup> Semiannual Monitoring Report (09/15/10)	2240-00001-V9	EQT050 C-5290 Incinerator	03/28/10 (2.5 h)	SO <sub>2</sub>	228.34	13.54
B.	2011 2 <sup>nd</sup> Semiannual Monitoring Report (01/31/12)	2240-00001-V11	EQT0050 C-5290 Vent Gas Control System	08/17/11 (31.8 h)	CO	5.91	72.062
C.	2011 2 <sup>nd</sup> Semiannual Monitoring Report (01/31/12)	2240-00001-V11	EQT0050 C-5290 Vent Gas Control System	08/23/11 (3.5 h)	CO	5.91	29.315
D.	2012 1 <sup>st</sup> Semiannual Monitoring Report (09/30/12)	2240-00001-V12	FUG0001	2011 Year	VOC	0.57 tpy	0.98 tpy

Each emission exceedance is a violation of any applicable permit and associated requirement(s) listed above, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1), and 30:2057(A)(2).”

### III

In response to the Consolidated 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 SEVEN THOUSAND FIVE HUNDRED AND NO/100 DOLLARS (\$7,500.00), of which Two Thousand Five Hundred Sixty-Three and 20/100 Dollars (\$2,563.20) 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).

## VI

Respondent further agrees that the Department may consider the inspection report(s), permit record(s), the 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.

## VII

This agreement shall be considered a final order of the Secretary for all purposes, including, but not limited to, enforcement under La. R.S. 30:2025(G)(2), and Respondent hereby waives any right to administrative or judicial review of the terms of this agreement, except such review as may be required for interpretation of this agreement in any action by the Department to enforce this agreement.

## VIII

This settlement is being made in the interest of settling the state's claims and avoiding for both parties the expense and effort involved in litigation or an adjudicatory hearing. In agreeing to the compromise and settlement, the Department considered the factors for issuing civil penalties set forth in La. R. S. 30:2025(E) of the Act.

## IX

As required by law, the Department has submitted this Settlement Agreement to the Louisiana Attorney General for approval or rejection. The Attorney General's concurrence is appended to this Settlement Agreement.



X

The Respondent has caused a public notice advertisement to be placed in the official journal of the parish governing authority in Plaquemines Parish, Louisiana. The advertisement, in form and wording 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.

XI

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).

XII

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

XIII

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.



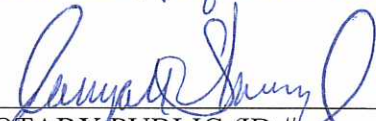
CHEVRON ORONITE COMPANY LLC

BY:   
(Signature)

Fredrick C. Walker  
(Printed)

TITLE: Americas Regional Manager

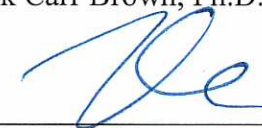
THUS DONE AND SIGNED in duplicate original before me this 9<sup>th</sup> day of April, 20 18, at Belle Chasse, Plaquemines Parish Louisiana

  
NOTARY PUBLIC (ID # \_\_\_\_\_)

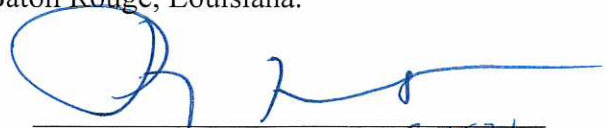
Tanya M. Silvernagel  
Notary Public  
I.D. # 152084

(stamped or printed)


**LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY**  
Chuck Carr Brown, Ph.D., Secretary

BY:   
Lourdes Iturralde, Assistant Secretary  
Office of Environmental Compliance

THUS DONE AND SIGNED in duplicate original before me this 18<sup>th</sup> day of May, 20 18, at Baton Rouge, Louisiana.

  
NOTARY PUBLIC (ID # 19181)

Perry Theriot  
(stamped or printed)

Approved:   
Lourdes Iturralde, Assistant Secretary