

permit requirement and regulation listed in the table, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

- B. The Respondent failed to submit the 2008 Title V Annual Compliance Certification by the March 31, 2009, due date. This is a violation of Part 70 General Condition M of Title V Permit No. 2500-00006-V0, LAC 33:III.501.C.4, LAC 33:III.507.H.5, and La. R.S. 30:2057(A)(2).
- C. In the Respondent's 2008 First Semiannual Monitoring Report dated September 1, 2008, the Respondent reported failures to document the daily opacity reading for the following dates:

Emission Source	Dates	No. of failed opacity reading events
The Waste Heat Boiler (WHB) stack Emission Point 199	1/3/08-1/10/08	8
	1/12/08	1
	1/23/08-1/28/08	6
	2/3/08	1
	2/8/08	1
	2/12/08	1
	2/20/08-2/24/08	5
	3/19/08-3/21/08	3
The Waste Heat Boiler (WHB) stack Emission Point 199	3/23/08-3/25/08	3
	4/17/08-4/24/08	8
	4/26/08	1
	5/14/08	1
	5/16/08	1
	5/20/08-5/21/08	2
	6/13/08	1
	6/16/08-6/17/08	2

Each failure to record the opacity reading on each day is a violation of State Only Specific Condition 3 of Title V Permit No. 2500-00006-V0, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

- D. In the Respondent's 2009 Title V Annual Compliance Certification dated March 26, 2010, and Unauthorized Discharge Notification for Incident No. 113357 dated March 18, 2009, the Respondent reported an incorrect coke blend was placed in the feed system resulting in exceedance of sulfur dioxide (SO<sub>2</sub>) of Emission Point 199 on March 11, 2009. The discharge was reported as preventable due to operational error. Each exceedance of a permitted emission limit is a violation of Title V Permit No. 2500-00006-V0, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2). Each failure to use and diligently maintain a control device is a violation of LAC 33:III.905.A.
- E. The Respondent failed to submit the Criteria & Toxic Air Pollutant Emissions Certification Statement for 2011 by the April 30, 2012, deadline. The certification was postmarked June 11, 2012. The failure to

submit the Annual Emissions Criteria & Toxic Air Pollutant Emissions Certification Statement by the required due date is violation of LAC 33:III.501.C.4, LAC 33:III.919.A.1.d, and La. R.S. 30:2057(A)(2).

### COMPLIANCE ORDER

Based on the foregoing, the Respondent is hereby ordered:

I.

To take, immediately upon receipt of this **COMPLIANCE ORDER**, any and all steps necessary to meet and maintain compliance with the Air Quality Regulations, including but not limited to, Title V Air Permit No. 2500-00006-V2

II.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, a report that specifies the emissions per hour for each event cited in the table of Paragraph II.A of the Findings of Fact.

III.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, a start-up and shut-down dates and duration from the 2008 calendar year till present.

IV.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, the 2008 Title V Annual Compliance Certification for Title V Air Permit No. 2500-00006-V0.

V.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, a follow-up report for the March 17, 2009, through March 18, 2009, incident reported in the Unauthorized Discharge Notification for Incident No. 113467, providing additional information, including but not limited to, the amount of each pollutant released with the calculations.

VI.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, a follow-up report for the March 11, 2009, incident reported in the Unauthorized Discharge Notification for Incident No. 113357, providing additional information,

including but not limited to, the amount of the sulfur dioxide exceedance with the calculations and duration of the event.

VII.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, a written report that includes a detailed description of the circumstances surrounding the cited violations and actions taken or to be taken to achieve compliance with the Order Portion of this **COMPLIANCE ORDER**. This report and all other reports or information required to be submitted to the Enforcement Division by this **COMPLIANCE ORDER** shall be submitted to:

Office of Environmental Compliance  
Post Office Box 4312  
Baton Rouge, Louisiana 70821-4312  
Attn: **Guna Gunasekaran**  
Re: **Enforcement Tracking No. AE-CN-12-00155**  
**Agency Interest No. 2557**

**THE RESPONDENT SHALL FURTHER BE ON NOTICE THAT:**

I.

The Respondent has a right to an adjudicatory hearing on a disputed issue of material fact or of law arising from this **COMPLIANCE ORDER**. This right may be exercised by filing a written request with the Secretary no later than thirty (30) days after receipt of this **COMPLIANCE ORDER**.

II.

The request for an adjudicatory hearing shall specify the provisions of the **COMPLIANCE ORDER** on which the hearing is requested and shall briefly describe the basis for the request. This request should reference the Enforcement Tracking Number and Agency Interest Number, which are located in the upper right-hand corner of the first page of this document and should be directed to the following:

Department of Environmental Quality  
Office of the Secretary  
Post Office Box 4302  
Baton Rouge, Louisiana 70821-4302  
Attn: **Hearings Clerk, Legal Division**  
Re: **Enforcement Tracking No. AE-CN-12-00155**  
**Agency Interest No. 2557**

III.

Upon the Respondent's timely filing a request for a hearing, a hearing on the disputed issue of material fact or of law regarding this **COMPLIANCE ORDER** may be scheduled by the Secretary of the Department. The hearing shall be governed by the Act, the Administrative Procedure Act (La. R.S. 49:950, et seq.), and the Department's Rules of Procedure. The Department may amend or supplement this **COMPLIANCE ORDER** prior to the hearing, after providing sufficient notice and an opportunity for the preparation of a defense for the hearing.

IV.

This **COMPLIANCE ORDER** shall become a final enforcement action unless the request for hearing is timely filed. Failure to timely request a hearing constitutes a waiver of the Respondent's right to a hearing on a disputed issue of material fact or of law under Section 2050.4 of the Act for the violation(s) described herein.

V.

The Respondent's failure to request a hearing or to file an appeal or the Respondent's withdrawal of a request for hearing on this **COMPLIANCE ORDER** shall not preclude the Respondent from contesting the findings of facts in any subsequent penalty action addressing the same violation(s), although the Respondent is estopped from objecting to this **COMPLIANCE ORDER** becoming a permanent part of its compliance history.

VI.

Civil penalties of not more than twenty-seven thousand five hundred dollars (\$27,500) for each day of violation for the violation(s) described herein may be assessed. For violations which occurred on August 15, 2004, or after, civil penalties of not more than thirty-two thousand five hundred dollars (\$32,500) may be assessed for each day of violation. The Respondent's failure or refusal to comply with this **COMPLIANCE ORDER** and the provisions herein will subject the Respondent to possible enforcement procedures under La. R.S. 30:2025, which could result in the assessment of a civil penalty in an amount of not more than fifty thousand dollars (\$50,000) for each day of continued violation or noncompliance.

VII.

For each violation described herein, the Department reserves the right to seek civil penalties in any manner allowed by law, and nothing herein shall be construed to preclude the right to seek such penalties.

**NOTICE OF POTENTIAL PENALTY**

I.

Pursuant to La. R.S. 30:2050.3(B), you are hereby notified that the issuance of a penalty assessment is being considered for the violation(s) described herein. Written comments may be filed regarding the violation(s) and the contemplated penalty. If you elect to submit comments, it is requested that they be submitted within ten (10) days of receipt of this notice.

II.

Prior to the issuance of additional appropriate enforcement action(s), you may request a meeting with the Department to present any mitigating circumstances concerning the violation(s). If you would like to have such a meeting, please contact Guna Gunasekaran at (225) 219-3721 within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**.


III.

The Department is required by La. R.S. 30:2025(E)(3)(a) to consider the gross revenues of the Respondent and the monetary benefits of noncompliance to determine whether a penalty will be assessed and the amount of such penalty. Please forward the Respondent's most current annual gross revenue statement along with a statement of the monetary benefits of noncompliance for the cited violation(s) to the above named contact person within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**. Include with your statement of monetary benefits the method(s) you utilized to arrive at the sum. If you assert that no monetary benefits have been gained, you are to fully justify that statement.

IV.

This **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is effective upon receipt.

Baton Rouge, Louisiana, this 25 day of March, 2013.

  
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Cheryl Sonnier Nolan  
Assistant Secretary  
Office of Environmental Compliance

Copies of a request for a hearing and/or related correspondence should be sent to:

Louisiana Department of Environmental Quality  
Office of Environmental Compliance  
Enforcement Division  
P.O. Box 4312  
Baton Rouge, LA 70821-4312  
Attention: Guna Gunasekaran



**BOBBY JINDAL**  
GOVERNOR

**PEGGY M. HATCH**  
SECRETARY

**State of Louisiana**  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
OFFICE OF ENVIRONMENTAL COMPLIANCE

March 1, 2013

CERTIFIED MAIL (7004 2510 0005 5768 7380)  
RETURN RECEIPT REQUESTED

**RAIN CII CARBON LLC**  
c/o Elwood F. Cahill, Jr.  
Agent for Service of Process  
Sher Garner Cahill Richter et al  
909 Poydras Street, 28<sup>th</sup> Floor  
New Orleans, LA 70112-1033

**RE: CONSOLIDATED COMPLIANCE ORDER  
& NOTICE OF POTENTIAL PENALTY  
ENFORCEMENT TRACKING NO. AE-CN-13-00169  
AGENCY INTEREST NO. 2557**

Dear Sir:

Pursuant to the Louisiana Environmental Quality Act (La. R.S. 30:2001, et seq.), the attached **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is hereby served on **RAIN CII CARBON LLC (RESPONDENT)** for the violations described therein.

Compliance is expected within the maximum time period established by each part of the **COMPLIANCE ORDER**. The violations cited in the **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** could result in the issuance of a civil penalty or other appropriate legal actions.

Any questions concerning this action should be directed to Trisha Barbay at (225) 219-3169.

Sincerely,

Celesta J. Cage  
Administrator  
Enforcement Division

CJC/TAB/tab  
Alt ID No. 2500-00006  
Attachment



c: Rain CII Carbon LLC  
c/o Jimmy Delaneuville, Plant Manager  
700 Coke Plant Road  
Chalmette, LA 70043



**STATE OF LOUISIANA  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
OFFICE OF ENVIRONMENTAL COMPLIANCE**

**IN THE MATTER OF**

**RAIN CII CARBON LLC  
SAINT BERNARD PARISH  
ALT ID NO. 2500-00006**

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

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**ENFORCEMENT TRACKING NO.**

**AE-CN-13-00169**

**AGENCY INTEREST NO.**

**2557**

**CONSOLIDATED**

**COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY**

The following **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is issued to **RAIN CII CARBON LLC (RESPONDENT)** by the Louisiana Department of Environmental Quality (the Department), under the authority granted by the Louisiana Environmental Quality Act (the Act), La. R.S. 30:2001, et seq., and particularly by La. R.S. 30:2025(C), 30:2050.2 and 30:2050.3(B).

**FINDINGS OF FACT**

**I.**

The Respondent owns and/or operates the Chalmette Coke Plant (the facility), a green petroleum coke calcining facility, located at 700 Coke Plant Road in Chalmette, Saint Bernard Parish, Louisiana. The facility previously operated under Title V Permit No. 2500-00006-V1 issued on August 28, 2010. The facility currently operates under Title V Permit No. 2500-00006-V2 issued on March 21, 2012.

**II.**

On or about February 13, 2013, the Department received a request for interim operating limits dated February 8, 2013, for multiple sources concerning unpermitted emissions at the facility. The following was noted during the review of the request:

- A. On or about October 7, 2010, the Respondent conducted a performance test on the Waste Heat Boiler/Baghouse, EQT 0003, in order to determine emissions of sulfur

dioxide and sulfuric acid. According to the stack test report received by the Department on or about January 17, 2013, the results of the performance test are as follows:

Pollutant	Maximum lb/hr Permit Limit	Stack Emissions in lb/hr during Test	Overall Removal Efficiency
Sulfur Dioxide (SO <sub>2</sub> )	2514.00	1069.4	8.8 %
Sulfuric Acid (H <sub>2</sub> SO <sub>4</sub> )	Unpermitted	4.739	92.3%

The unauthorized emissions of H<sub>2</sub>SO<sub>4</sub> is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). The Title V Permit Modification Application dated December 11, 2012, requested the incorporation of the sulfuric acid emissions.

- B. A file review conducted by the Department on or about February 27, 2013, revealed the Respondent failed to submit a timely and complete permit application after discovery of the unpermitted sulfuric acid is a violation of LAC 33:III.517.C, LAC 33:III.501.C.1, and La. R.S. 30:2057(A)(2). The Title V Permit Modification Application dated December 11, 2012, requested the incorporation of the sulfuric acid emissions.
- C. The Respondent submitted the 2010 and 2011 Annual Compliance Certifications for the Title V Air Permit Number 2500-00006-V1, dated March 31, 2011, and March 26, 2012, respectively. The reports certified continuous compliance with the terms and conditions of the permit without any deviations. The Respondent failed to report the violation cited in Paragraph II.A of the Findings of Fact. Each failure to submit an accurate Annual Compliance Certification is a violation of General Condition M of Title V Air Permit Number 2500-00006-V1, LAC 33:III.501.C.4, LAC 33:III.507.H.1, and La. R.S. 30:2057(A)(2).
- D. The Respondent submitted the 2010 Second, 2011 First and Second, and Revised 2012 First Semiannual Monitoring Report dated March 31, 2011, September 28, 2011, March 26, 2012, November 12, 2012, respectively. The reports certified continuous compliance with the terms and conditions of the permit without any deviations. The Respondent failed to report the violation cited in Paragraph II.A of the Findings of Fact. Each failure to submit an accurate Semiannual Monitoring Report is a violation of General Condition K of Title V Air Permit Numbers 2500-00006-V1 and 2500-00006-V2, LAC 33:III.501.C.4, LAC 33:III.507.H.1, and La. R.S. 30:2057(A)(2).
- E. On or about March 29, 2012, the Respondent conducted a performance test on the Waste Heat Boiler/Baghouse, EQT 0003, in order to determine emissions of hydrochloric acid (HCl). According to the stack test report dated October 17, 2012, the emissions averaged 2.0137 lbs/hr. The hydrochloric acid emissions are currently unpermitted. The unauthorized emissions of hydrochloric acid is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). The Title V Permit Modification Application dated December 11, 2012, requested the incorporation of the Hydrochloric Acid emissions.

- F. A file review conducted by the Department on or about February 27, 2013, revealed the Respondent failed to submit a timely and complete permit application after discovery of the unpermitted hydrochloric acid is a violation of LAC 33:III.517.C, LAC 33:III.501.C.1, and La. R.S. 30:2057(A)(2). The Title V Permit Modification Application dated December 11, 2012, requested the incorporation of the Hydrochloric Acid emissions.
- G. The Respondent submitted the Revised 2012 First Semiannual Report dated November 12, 2012. The reports certified continuous compliance with the terms and conditions of the permit without any deviations. The Respondent failed to report the violation cited in Paragraph II.E of the Findings of Fact. The failure to submit an accurate Semiannual Monitoring Report is a violation of General Condition K of Title V Air Permit Number 2500-00006-V2, LAC 33:III.501.C.4, LAC 33:III.507.H.1, and La. R.S. 30:2057(A)(2).
- H. The Respondent in the interim limit request projected that the Waste Heat Boiler/Baghouse, EQT 0003, has unpermitted emissions of the following Toxic Air Pollutants (TAPs) and other pollutants based on a stack test conducted at the Respondent's Norco Coke Plant, Agency Interest (AI) No. 44866, located at 801 Prospect Avenue in Norco, Saint Charles Parish, Louisiana.

Pollutant	Maximum lb/hr Permit Limit	Requested lb/hr Limit	Annual tons/yr Permit Limit	Requested tons/yr Permit Limit
Carbon Disulfide (CS <sub>2</sub> )	Unpermitted	5.296	Unpermitted	19.33
Carbonyl Sulfide (COS)	Unpermitted	4.866	Unpermitted	17.76
Hydrogen Sulfide (H <sub>2</sub> S)	Unpermitted	0.855	Unpermitted	3.12
Sulfur Trioxide (SO <sub>3</sub> )	6.00	8.423	19.80	30.75
Total Reduced Sulfur (TRS)	Unpermitted	15.721	Unpermitted	57.38

The unpermitted emissions of each pollutant is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). The additional information for the Title V Permit Modification Application dated February 8, 2013, requested the incorporation of the emissions.

- I. According to the interim limit request, it was discovered that emissions of certain Toxic Air Pollutants (TAPs) were not included in the current air permit. The following emission points contain unpermitted TAPs:

Source	Subject Item Inventory No.	Pollutants
Waste Heat Boiler/Baghouse	EQT 0003	Antimony, Arsenic, Barium, Beryllium, Cadmium, Chlorine, Chromium VI, Cobalt, Copper, Lead, Manganese, Mercury, Naphthalene, Nickel, Phosphorus, Selenium, and Zinc
Pyroscubber Stack	EQT 0004	
Cooler Scubber Stack	EQT 0001	
Calcined Coke Storage Tank	EQT 0013	Antimony, Arsenic, Barium, Beryllium, Cadmium, Chlorine, Chromium VI, Cobalt, Copper, Lead, Manganese, Mercury, Nickel, Phosphorus, Selenium, and Zinc
Calcined Coke Storage Tank	EQT 0014	
Loadout Fugitives	FUG 0001	

The unpermitted emissions of the TAPs per emission source is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). The additional information for the Title V Permit Modification Application dated February 8, 2013, requested the incorporation of the TAP emissions.

- J. The Respondent in the interim limit request projected that the Cooler Scrubber Stack, EQT 001, has unpermitted emissions of the following Toxic Air Pollutants (TAPs) and other pollutants based on a stack test conducted at the Respondent's Norco Coke Plant, Agency Interest (AI) No. 44866, located at 801 Prospect Avenue in Norco, Saint Charles Parish, Louisiana.

Pollutant	Maximum lb/hr Permit Limit	Maximum lb/hr Emission Rate	Annual tons/yr Permit Limit	Annual tons/yr Emission Rate
Particulate Matter (PM <sub>2.5</sub> and PM <sub>10</sub> )	Unpermitted	6.30	Unpermitted	21.70
Sulfur Dioxide (SO <sub>2</sub> )	Unpermitted	14.90	Unpermitted	54.40
Carbon Disulfide (CS <sub>2</sub> )	Unpermitted	0.968	Unpermitted	3.531
Carbonyl Sulfide (COS)	Unpermitted	0.483	Unpermitted	1.761
Hydrogen Sulfide (H <sub>2</sub> S)	Unpermitted	0.017	Unpermitted	0.060
Sulfuric Acid (H <sub>2</sub> SO <sub>4</sub> )	Unpermitted	6.284	Unpermitted	22.938
Total Reduced Sulfur (TRS)	Unpermitted	2.172	Unpermitted	7.927

The unpermitted emissions of each pollutant is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). The additional information for the Title V Permit Modification Application dated February 8, 2013, requested the incorporation of the emissions.

III.

According to the response dated February 20, 2013, to the Administrative Order, Enforcement Tracking No. AE-AO-13-00034, the Respondent stated that lime is injected on an as needed basis to control plume opacity or emissions on the Waste Heat Boiler/Baghouse, EQT 0003. Additionally, the duration or quantities of lime injected were not provided.

**COMPLIANCE ORDER**

Based on the foregoing, the Respondent is hereby ordered:

I.

To take, immediately upon receipt of this **COMPLIANCE ORDER**, any and all steps necessary to meet and maintain compliance with the Air Quality Regulations and Title V Permit No. 2500-00006-V2.

II.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, a report providing details of the operating parameters that were used to establish the overall removal efficiency of pollutants for EQT 0003 noted in Paragraph II.A of the Findings of Fact. Additionally, provide a report specifying how the facility will continue operations that will ensure the overall removal efficiency achieved during the stack test. The report shall include the following:

1. Physical data/MSDS of lime that is injected.
2. Provide the details of lime injection during the 2010 stack test including, but not limited to, lime coating cycles log, operating status of all compartments in the baghouse, pressure drops measured across each compartment, feed rate, and bag cleaning activities.

III.

To conduct and complete a study, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, for seven (7) consecutive days of operation to compile the following to further evaluate the lime injection control noted in Paragraph III of the Findings of Fact:

1. Amount of lime injection;
2. Lime coating cycles log
3. Operating status of all compartments;
4. Pressure drop measures across each compartment;
5. Bag cleaning activities;
6. Feed data and production data;
7. Duration of any bypass to pyroscubber.

Submit the results of the study to the Enforcement Division, within fifteen (15) days of completion of the study.

IV.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, revised 2010, 2011, 2012 Semiannual Monitoring Reports and 2010, 2011 Annual Compliance Certifications as noted in Paragraphs II.C, II.D, and II.G of the Findings of Fact.

V.

To submit to the Enforcement Division and Air Permits Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, the report for the stack test conducted at the Norco Coke Plant which is used to establish the emissions for the Waste Heat Boiler Stack and Cooler Scrubber Stack as noted in Paragraphs II.H and II.J of the Findings of Fact.

VI.

To retain a contractor(s), within ten (10) days after receipt of this **COMPLIANCE ORDER**, to perform a third-party audit. The audit shall include, but not be limited to, the following:

1. An examination of all air pollutant emissions sources at the facility in order to determine if all qualifying emissions are permitted.
2. An examination of each air pollutant emission source subject to air permitting to verify the accuracy of the emission data contained in the current air permit.
3. Review and confirm the overall removal efficiencies of all emission control devices in use at the facility.
4. Verify that the facility procedures and protocols pertaining to the control and minimization of air pollutants are being followed and are adequate to ensure compliance with all applicable air quality regulations.
5. Perform a Quality Assurance/Quality Control (QA/QC) Analysis on the facility operating systems including, but not limited to, the following: Continuous Emission Monitoring System (CEMS) on the Waste Heat Boiler/Baghouse Stack, lime injection to the Waste Heat Boiler/Baghouse, Damper System, and Cooler Scrubber Stack.

A report shall be submitted to the Enforcement Division, within fifteen (15) days after receipt of this **COMPLIANCE ORDER**, specifying the contractor(s) retained for the third-party audit and the schedule for completion of the audit. The third-party audit shall be completed no later than ninety (90) days after the contractor(s) are retained. To submit to the Enforcement Division within sixty (60) days after completion of the audit, the report of all findings of the third-party audit. The Respondent shall submit a permit modification application, within ninety (90) days of the submission of the audit report, for any discrepancies discovered in the audit.

VII.

To submit to the Emissions Reporting and Inventory Center (ERIC), within ninety (90) days after issuance of the modified permit, revised Emission Inventory (EI) reports for the years 2006 through 2011. To submit revised Toxic Emissions Inventory reports for the years 1993 through 2005 within ninety (90) days of the ERIC system becoming available to receive them. To submit to the Enforcement Division, a copy of the cover letter for each ERIC submission.

VII.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, a written report that includes a detailed description of the circumstances surrounding the cited violations and actions taken or to be taken to achieve compliance with the Order Portion of this **COMPLIANCE ORDER**. This report and all other reports or information required to be submitted to the Enforcement Division by this **COMPLIANCE ORDER** shall be submitted to:

Office of Environmental Compliance  
Post Office Box 4312  
Baton Rouge, Louisiana 70821-4312  
**Attn: Trisha Barbay**  
**Re: Enforcement Tracking No. AE-CN-13-00169**  
**Agency Interest No. 2557**

**THE RESPONDENT SHALL FURTHER BE ON NOTICE THAT:**

I.

The Respondent has a right to an adjudicatory hearing on a disputed issue of material fact or of law arising from this **COMPLIANCE ORDER**. This right may be exercised by filing a written request with the Secretary no later than thirty (30) days after receipt of this **COMPLIANCE ORDER**.

II.

The request for an adjudicatory hearing shall specify the provisions of the **COMPLIANCE ORDER** on which the hearing is requested and shall briefly describe the basis for the request. This request should reference the Enforcement Tracking Number and Agency Interest Number, which are located in the upper right-hand corner of the first page of this document and should be directed to the following:

Department of Environmental Quality  
Office of the Secretary  
Post Office Box 4302  
Baton Rouge, Louisiana 70821-4302  
**Attn: Hearings Clerk, Legal Division**  
**Re: Enforcement Tracking No. AE-CN-13-00169**  
**Agency Interest No. 2557**

III.

Upon the Respondent's timely filing a request for a hearing, a hearing on the disputed issue of material fact or of law regarding this **COMPLIANCE ORDER** may be scheduled by the Secretary of the Department. The hearing shall be governed by the Act, the Administrative Procedure Act (La. R.S. 49:950, et seq.), and the Department's Rules of Procedure. The Department may amend or supplement this **COMPLIANCE ORDER** prior to the hearing, after providing sufficient notice and an opportunity for the preparation of a defense for the hearing.

IV.

This **COMPLIANCE ORDER** shall become a final enforcement action unless the request for hearing is timely filed. Failure to timely request a hearing constitutes a waiver of the Respondent's right to a hearing on a disputed issue of material fact or of law under Section 2050.4 of the Act for the violation(s) described herein.

V.

The Respondent's failure to request a hearing or to file an appeal or the Respondent's withdrawal of a request for hearing on this **COMPLIANCE ORDER** shall not preclude the Respondent from contesting the findings of facts in any subsequent penalty action addressing the same violation(s), although the Respondent is estopped from objecting to this **COMPLIANCE ORDER** becoming a permanent part of its compliance history.

VI.

Civil penalties of not more than twenty-seven thousand five hundred dollars (\$27,500) for each day of violation for the violation(s) described herein may be assessed. For violations which occurred on August 15, 2004, or after, civil penalties of not more than thirty-two thousand five hundred dollars (\$32,500) may be assessed for each day of violation. The Respondent's failure or refusal to comply with this **COMPLIANCE ORDER** and the provisions herein will subject the Respondent to possible enforcement procedures under La. R.S. 30:2025, which could result in the assessment of a civil penalty



in an amount of not more than fifty thousand dollars (\$50,000) for each day of continued violation or noncompliance.

VII.

For each violation described herein, the Department reserves the right to seek civil penalties in any manner allowed by law, and nothing herein shall be construed to preclude the right to seek such penalties.

**NOTICE OF POTENTIAL PENALTY**

I.

Pursuant to La. R.S. 30:2050.3(B), you are hereby notified that the issuance of a penalty assessment is being considered for the violation(s) described herein. Written comments may be filed regarding the violation(s) and the contemplated penalty. If you elect to submit comments, it is requested that they be submitted within ten (10) days of receipt of this notice.

II.

Prior to the issuance of additional appropriate enforcement action(s), you may request a meeting with the Department to present any mitigating circumstances concerning the violation(s). If you would like to have such a meeting, please contact Trisha Barbay at (225) 219-3169 within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**.

III.

The Department is required by La. R.S. 30:2025(E)(3)(a) to consider the gross revenues of the Respondent and the monetary benefits of noncompliance to determine whether a penalty will be assessed and the amount of such penalty. Please forward the Respondent's most current annual gross revenue statement along with a statement of the monetary benefits of noncompliance for the cited violation(s) to the above named contact person within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**. Include with your statement of monetary benefits the method(s) you utilized to arrive at the sum. If you assert that no monetary benefits have been gained, you are to fully justify that statement.

IV.

This **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is effective upon receipt.

Baton Rouge, Louisiana, this 01 day of March, 2013.



Cheryl Sonnier Nolan  
Assistant Secretary  
Office of Environmental Compliance

Copies of a request for a hearing and/or related correspondence should be sent to:

Louisiana Department of Environmental Quality  
Office of Environmental Compliance  
Enforcement Division  
P.O. Box 4312  
Baton Rouge, LA 70821-4312  
Attention: Trisha Barbay



BOBBY JINDAL  
GOVERNOR

PEGGY M. HATCH  
SECRETARY

State of Louisiana  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
OFFICE OF ENVIRONMENTAL COMPLIANCE

April 1, 2013

CERTIFIED MAIL (7004 2510 0005 5768 7397)  
RETURN RECEIPT REQUESTED

RAIN CII CARBON, LLC  
c/o Elwood F. Cahill, Jr.  
Agent for Service of Process  
Sher Garner Cahill Richter et al  
909 Poydras Street, 28<sup>th</sup> Floor  
New Orleans, LA 70112-1033

RE: **CONSOLIDATED COMPLIANCE ORDER  
& NOTICE OF POTENTIAL PENALTY  
ENFORCEMENT TRACKING NO. AE-CN-13-00206  
AGENCY INTEREST NOS. 3439, 32804, & 44866**

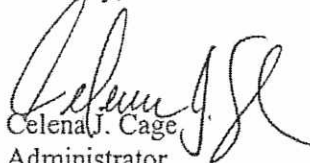
Dear Sir:

Pursuant to the Louisiana Environmental Quality Act (La. R.S. 30:2001, et seq.), the attached **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is hereby served on **RAIN CII CARBON, LLC (RESPONDENT)** for the violations described therein.

Compliance is expected within the maximum time period established by each part of the **COMPLIANCE ORDER**. The violations cited in the **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** could result in the issuance of a civil penalty or other appropriate legal actions.

Any questions concerning this action should be directed to Guna Gunasekaran at (225) 219-3721.

Sincerely,

  
Celena J. Cage  
Administrator  
Enforcement Division



CJC/TAB/tab  
Alt ID No. 0520-00048, 2560-00047, 2520-00003

Attachment

c: Rain CII Carbon, LLC  
c/o Mr. David Rhoden, Plant Manager  
1920 Pak Tank Road  
Carlyss, LA 70665

Rain CII Carbon, LLC  
c/o Mr. Brian Taylor, Plant Manager  
1140 Jefferson Highway  
Gramercy, LA 70052

Rain CII Carbon, LLC  
c/o Mr. Ross Gares, Plant Manager  
801 Prospect Avenue  
Norco, LA 70779

**STATE OF LOUISIANA  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
OFFICE OF ENVIRONMENTAL COMPLIANCE**

**IN THE MATTER OF**

**RAIN CII CARBON, LLC  
MULTIPLE PARISHES**

**ALT ID NO. 0520-00048, 2560-00047, 2520-00003**

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

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**ENFORCEMENT TRACKING NO.**

**AE-CN-13-00206**

**AGENCY INTEREST NO.**

**3439, 32804, & 44866**

**CONSOLIDATED  
COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY**

The following **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is issued to **RAIN CII CARBON, LLC (RESPONDENT)** by the Louisiana Department of Environmental Quality (the Department), under the authority granted by the Louisiana Environmental Quality Act (the Act), La. R.S. 30:2001, et seq., and particularly by La. R.S. 30:2025(C), 30:2050.2 and 30:2050.3(B).

**FINDINGS OF FACT**

**I.**

The Respondent owns and/or operates the Lake Charles Calcining Plant (the facility), Agency Interest (AI) No. 3439, a coke calcining plant, located at 1920 Pak Tank Road in Sulphur, Calcasieu Parish, Louisiana. The facility previously operated under Title V Permit No. 0520-00048-V1 issued on March 16, 2010, and Title V Permit No. 0520-00048-V2 issued on April 13, 2012. The facility currently operates under Title V Permit No. 0520-00048-V3 issued on November 5, 2012.

**II.**

On or about March 4, 2013, a file review of the Respondent's facility emissions was performed to determine the degree of compliance with the Act and the Air Quality Regulations. While the Department's investigation is not yet complete, the following violations were noted during the course of the file review of the facility's emission sources:

- A. Title V Permit No. 0520-00048-V1 dated March 16, 2010, incorporated the addition of emission source WHB/Baghouse System Stack, RLP 0037. According to the Revised Title V Renewal Air Permit Application and Minor Modification Request dated May 23, 2011, the Respondent requested the emissions of sulfuric acid ( $H_2SO_4$ ) to be incorporated into RLP 0037:

Emission Point/Operating Scenario	Requested Maximum lb/hr Limit	Requested tons/yr Permit Limit	Overall Removal Efficiency
1-09 WHB/Baghouse System Stack (RLP 0037)	3.52	-	99.35% Emissions of Sulfuric Acid based on control system vendor guarantee.
CAP-09 Stack Emissions CAP which includes RLP0037 (GRP 0002)	-	6.52	

The unauthorized emissions of  $H_2SO_4$  from date of installation of RLP 0037 through April 13, 2012, is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). Title V Permit No. 0520-00048-V2 incorporated the sulfuric acid emissions.

- B. The Title V Air Permit Modification Application dated February 25, 2013, projected that the following emission points have unpermitted emissions of hydrochloric acid based on a stack testing data obtained from the other similar facility owned by the Respondent. The requested permitted limits are as follows:

Emission Point (Equipment No.)	Requested Maximum lb/hr Limit	Requested tons/yr Limit
4-87 Kiln Stack (RLP 0006) under Operating Scenario 1	5.51	-
4-87 Kiln Stack (RLP 0006) under Operating Scenario 2	5.99	-
1-09 WHB/Baghouse System Stack (RLP 0037) under Operating Scenario 1	5.51	-
1-09 WHB/Baghouse System Stack (RLP 0037) under Operating Scenario 2	5.99	-
1-09 WHB/Baghouse System Stack (RLP 0037) under Operating Scenario 3	6.48	-
CAP-09 Stack Emissions CAP which includes RLP 0006 and RLP 0037 (GRP 0002)	-	15.42

Each unauthorized emissions of hydrochloric acid for each emission source is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

- C. The Title V Air Permit Modification Application dated February 25, 2013, projected that the following emission points have unpermitted emissions of the following pollutants based on a stack testing data obtained from the other similar facility owned by the Respondent. The requested permitted limits are as follows:

Emission Point (Equipment No.)	Pollutant	Requested Maximum lb/hr Limit	Requested tons/yr Limit
4-87 Kiln Stack (RLP 0006) under Operating Scenarios 1 & 2	Carbon Disulfide	30.10	-
	Carbonyl Sulfide	24.39	-
	Hydrogen Sulfide	4.12	-
	Total Reduced Sulfur	84.11	-
1-09 WHB/Baghouse System Stack (RLP 0037) under Operating Scenarios 1, 2, & 3	Carbon Disulfide	12.16	-
	Carbonyl Sulfide	9.86	-
	Hydrogen Sulfide	1.66	-
	Total Reduced Sulfur	33.98	-
CAP-09 Stack Emissions CAP which includes RLP 0006 and RLP 0037 (GRP 0002)	Carbon Disulfide	-	84.27
	Carbonyl Sulfide	-	68.30
	Hydrogen Sulfide	-	11.53
	Total Reduced Sulfur	-	235.51

Each unpermitted emission for each emission source is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

### III.

The Respondent owns and/or operates the Gramercy Coke Plant (the facility), AI No. 32804, a green petroleum coke calcining facility, located at 1140 Jefferson Highway in Gramercy, Saint James Parish, Louisiana. The facility previously operated under Title V Permit No. 2560-00047-V0 issued on April 10, 2006. The facility currently operates under Title V Permit No. 2560-00047-V1 issued on August 14, 2012.

### IV.

On or about March 4, 2013, a file review of the Respondent's facility emissions was performed to determine the degree of compliance with the Act and the Air Quality Regulations. While the Department's investigation is not yet complete, the following violations were noted during the course of the file review of the facility's emission sources:

- A. On or about October 19, 2011, the Department received the facility's 2008 First Semiannual Monitoring Report dated September 1, 2011. The Respondent's failure to submit the report by September 30, 2008, due date is a violation of Specific Requirement 62 of Title V Permit No. 2560-00047-V0, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).
- B. According to Title V Annual Compliance Certification dated March 25, 2010, the Respondent reported an opacity exceedance due to low temperature for Emission Point EQT004, 8-72 Pyroscrubber, on December 08, 2009, and the duration of the incident was 15 minutes. The opacity exceedance in excess of 20 percent for not more than

one (1) six-minute period in any 60 consecutive minutes is a violation of Specific Requirement 27 of Title V Permit No. 2560-00047-V0, LAC 33:III.1101.B, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

- C. On or about May 06, 2011, the Department received the facility's 2010 Second Semiannual Monitoring Report. The Respondent's failure to submit the report by March 31, 2011, due date is a violation of Specific Requirement 62 of Title V Permit No. 2560-00047-V0, LAC33:III.501.C.4, and La. R.S. 30:2057(A)(2).
- D. On or about May 06, 2011, the Department received the facility's 2010 Specific Requirement Report. The Respondent's failure to submit the report by March 31, 2011, due date is a violation of Specific Requirements 9 and 68 of the Title V Permit No. 2560-00047-V0, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).
- E. On or about May 06, 2011, the Department received the facility's 2010 Annual Compliance Certification. The Respondent's failure to submit the 2010 Annual Compliance Certification by March 31, 2011, due date is a violation of Specific Requirement 64 of Title V Permit No. 2560-00047-V0, LAC 33:III.501.C4, and La. R.S. 30:2057(A)(2).
- F. In the Respondent's Title V Annual Compliance Certification dated September 06, 2011, the Respondent reported an opacity reading of 30 percent for Emission Point EQT003, 7-72 Waste Heat Boiler, on October 28, 2010, and the duration of the incident was one (1) hour. Each opacity exceedance in excess of 20 percent for not more than one (1) six-minute period in any 60 consecutive minutes is a violation of Specific Requirements 16 and 27 of Title V Permit No. 2560-00047-V0, LAC 33:III.1101.B, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
- G. According to the Title V Annual Compliance Certification dated September 06, 2011, the Respondent reported a fire atop the calcined tank on December 20, 2010, for duration of 50 minutes. The written follow-up notification was submitted on January 07, 2011. Failure to submit the written report for any unauthorized discharge that requires notification within seven (7) days after initial notification of incident is a violation LAC 33:I.3925.A, Title V Permit No. 2560-00047-V0, LAC 33:III.501.C.4., and La. R.S. 30:2057(A)(2).
- H. According to the Title V Annual Compliance Certification dated September 06, 2011, the Respondent reported a fire atop the calcined tank on December 20, 2010, for duration of 50 minutes. According to the correspondence received by the Department from the Respondent dated September 19, 2011, the Respondent noted the plant's Uninterruptible Power Supply (UPS) was in test



mode during this event. The batteries failed and thus the plant's Distributed Control System (DCS) shut down. Upon shut down, a unit upset overloaded the cooler and product exiting cooler was hotter than normal and started to burn in the calcined tank. The Respondent further noted the events were not foreseeable or preventable. However, in response the facility replaced the UPS and implemented a procedure to replace the UPS batteries annually to prevent recurrence. The Respondent's failure to replace the UPS batteries annually prior to the incident is a violation of LAC 33:III.905, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

- I. According to the Title V First Semiannual Monitoring Report dated September 27, 2011, an operator error resulted in gases being discharged from Emission Point No. EQT003, waste heat boiler, on May 30, 2011, for three (3) hours with an average SO<sub>2</sub> concentration of 2,002 parts per million by volume (ppmv). The discharge of gases that contain concentrations of SO<sub>2</sub> in excess of 2,000 ppmv is a violation of Specific Requirement 19 of Title V Permit No. 2560-00047-V0, LAC 33:III.1503.C, La. R. S. 30:2057(A)(1) and 30:2057(A)(2). This is also a violation of LAC 33:III.905.
- J. On or about July 29, 2011, the Respondent conducted a performance test on the Waste Heat Boiler, EQT 0003, in order to determine emissions of sulfuric acid (H<sub>2</sub>SO<sub>4</sub>). According to the stack test report dated August 26, 2011, the results of the performance test are as follows:

Pollutant	Maximum lb/hr Permit Limit in 2560-00047-V0	Average Stack Emission in lb/hr during Test
Sulfur Dioxide (SO <sub>2</sub> )	2000.00	1332.41
Sulfuric Acid (H <sub>2</sub> SO <sub>4</sub> )	unpermitted	70.10

The unauthorized emissions of H<sub>2</sub>SO<sub>4</sub> are in violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). The supplemental information to the Permit Modification Application dated October 17, 2011, requested to incorporate the sulfuric acid emission. Title V Permit No. 2560-00047-V1 incorporated the sulfuric acid emissions.

- K. In review of the facility's emissions in the current operating permit (2560-00047-V1), the Department noted that the emission source Waste Heat Boiler, EQT 0003, is not permitted for hydrochloric acid, carbon disulfide, carbonyl sulfide, hydrogen sulfide, sulfuric acid, sulfur trioxide, total reduced sulfur, and other Toxic Air Pollutants (TAPs). A stack test was conducted on the Waste Heat Boiler (WHB) at a similar facility owned by the Respondent identified the above mentioned pollutants are emitted from the WHB. Each unpermitted emissions of each pollutant are in violation of Title V Permit 2560-00047-V1, LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
- L. In review of the facility's emissions in the current operating permit (2560-00047-V1), the Department noted that the emission source Cooler Scrubber, EQT 0001 is not permitted for sulfur dioxide, carbon disulfide, carbonyl sulfide, hydrogen

sulfide, sulfuric acid, total reduced sulfur, and other Toxic Air Pollutants (TAPs). A stack test was conducted on the Cooler Scrubber at a similar facility owned by the Respondent identified the above mentioned pollutants are emitted from the WHB. Each unpermitted emissions of each pollutant are in violation of Title V Permit 2560-00047-V1, LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

## V.

The Respondent owns and/or operates the Norco Coke Plant (the facility), AI No. 44866, a green petroleum coke calcining facility, located at 801 Prospect Avenue in Norco, Saint Charles Parish, Louisiana. The facility currently operates under Title V Permit No. 2520-00003-V1 issued on June 16, 2009, and administratively amended on June 1, 2012.

## VI.

On or about February 18, 2013, the Department received a request dated February 13, 2013 for interim operating limits for multiple sources concerning unpermitted emissions at the facility. The following were noted during the review of the request:

- A. The Respondent, in the interim limit request, projected that the following emission points have unpermitted emissions of sulfuric acid based on a stack test conducted on or about October 7, 2010, at the Respondent's Chalmette Coke Plant, Agency Interest (AI) No. 2557, located at 700 Coke Plant Road in Chalmette, Saint Bernard Parish, Louisiana:

Emission Point (Equipment No.)	Requested lb/hr Limit	Requested tons/yr Permit Limit
N-8 Heat Recovery Boiler Stack (EQT 0005)	11.24	-
N-7 Pyroscrubber Stack (EQT 0006)	11.24	-
N-CAP78 Pyroscrubber Stack/HRB CAP (GRP 0004)	-	39.33

Each unauthorized emissions of  $H_2SO_4$  are a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

- B. A file review conducted by the Department on or about March 4, 2013, revealed the Respondent failed to submit a timely and complete permit application after discovery of the unpermitted sulfuric acid. The failure to submit a timely and complete permit application is a violation of LAC 33:III.517.C, LAC 33:III.501.C.1, and La. R.S. 30:2057(A)(2).
- C. The Respondent submitted the 2010 and 2011 Annual Compliance Certifications for the Title V Air Permit Number 2520-00003-V1, dated March 31, 2011, and March 22, 2012, respectively. The reports certified continuous compliance with the terms and conditions of the permit. The Respondent failed to report the violation

cited in Paragraph VI.A of the Findings of Fact. Each failure to submit an accurate Annual Compliance Certification is a violation of General Condition M of Title V Air Permit Number 2520-00003-V1, LAC 33:III.501.C.4, LAC 33:III.507.H.1, and La. R.S. 30:2057(A)(2).

- D. The Respondent submitted the 2010 Second, 2011 First and Second, and Revised 2012 First Semiannual Monitoring Report dated March 31, 2011, September 19, 2011, March 28, 2012, August 31, 2012, respectively. The reports certified continuous compliance with the terms and conditions of the permit. The Respondent failed to report the violation cited in Paragraph VI.A of the Findings of Fact. Each failure to submit an accurate Semiannual Monitoring Report is a violation of General Condition K of Title V Air Permit Number 2520-00003-V1, LAC 33:III.501.C.4, LAC 33:III.507.H.1, and La. R.S. 30:2057(A)(2).
- E. The Respondent, in the interim limit request, projected that the following emission points have unpermitted emissions of hydrochloric acid based on a stack test conducted on or about March 29, 2012, at the Respondent's Chalmette Coke Plant, Agency Interest (AI) No. 2557, located at 700 Coke Plant Road in Chalmette, Saint Bernard Parish, Louisiana:

Emission Point (Equipment No.)	Requested Maximum lb/hr Limit	Requested tons/yr Limit
N-8 Heat Recovery Boiler Stack (EQT 0005)	6.69	-
N-7 Pyroscubber Stack (EQT 0006)	6.69	-
N-CAP78 Pyroscubber Stack/HRB CAP(GRP 0004)	-	23.42

Each unauthorized emissions of hydrochloric acid is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

- F. A file review conducted by the Department on or about March 4, 2013, revealed that the Respondent failed to submit a timely and complete permit application after discovery of the unpermitted hydrochloric acid. The failure to submit a timely and complete permit application is a violation of LAC 33:III.517.C, LAC 33:III.501.C.1, and La. R.S. 30:2057(A)(2).
- G. The Respondent submitted the 2012 First Semiannual Report dated August 31, 2012. The report certified continuous compliance with the terms and conditions of the permit without any deviations. The Respondent failed to report the violations cited in Paragraph VI.E of the Findings of Fact. The failure to submit an accurate Semiannual Monitoring Report is a violation of General Condition K of Title V Air Permit Number 2520-00003-V1, LAC 33:III.501.C.4, LAC 33:III.507.H.1, and La. R.S. 30:2057(A)(2).
- H. The Respondent, in the interim limit request, determined that the following Emission Points have unpermitted emissions of the following Toxic Air Pollutants (TAPs) and other pollutants based on a stack test conducted at the facility:

Emission Point (Equipment No.)	Pollutant	Permitted Maximum lb/hr Permit Limit	Requested Maximum lb/hr Limit	Permitted Annual tons/yr Permit Limit	Requested tons/yr Limit
N-8 Heat Recovery Boiler Stack (EQT 0005)	Carbon Disulfide (CS <sub>2</sub> )	Unpermitted	4.797	-	-
	Carbonyl Sulfide (COS)	Unpermitted	4.407	-	-
	Hydrogen Sulfide (H <sub>2</sub> S)	Unpermitted	0.775	-	-
	Sulfur Trioxide(SO <sub>3</sub> )	6.00	31.673	-	-
	Total Reduced Sulfur (TRS)	Unpermitted	14.241	-	-
N-7 Pyroscubber Stack (EQT 0006)	Sulfur Trioxide (SO <sub>3</sub> )	14.40	101.13	-	-
N-CAP78 Pyroscubber Stack/HRB CAP (GRP 0004)	Carbon Disulfide (CS <sub>2</sub> )	-	-	Unpermitted	16.790
	Carbonyl Sulfide (COS)	-	-	Unpermitted	15.426
	Hydrogen Sulfide (H <sub>2</sub> S)	-	-	Unpermitted	2.711
	Sulfur Trioxide (SO <sub>3</sub> )	-	-	27.00	110.857
	Total Reduced Sulfur (TRS)	-	-	Unpermitted	49.842

Each unpermitted emission for each emission source is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

- I. The Respondent, in the interim limit request, determined that the Cooler Scrubber Stack, EQT 012, has unpermitted emissions of the following Toxic Air Pollutants (TAPs) and other pollutants based on a stack test conducted at the facility:

Pollutant	Requested Maximum lb/hr Limit	Requested tons/yr Limit
Sulfur Dioxide (SO <sub>2</sub> )	3.94	13.80
Carbon Disulfide (CS <sub>2</sub> )	0.869	3.04
Carbonyl Sulfide (COS)	0.433	1.52
Hydrogen Sulfide (H <sub>2</sub> S)	0.015	0.05
Sulfuric Acid (H <sub>2</sub> SO <sub>4</sub> )	5.648	19.77
Total Reduced Sulfur (TRS)	1.950	6.83

The unpermitted emissions of each pollutant are in violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

- J. According to the interim limit request, it was discovered that emissions of certain Toxic Air Pollutants (TAPs) were not included in the current air permit. The following emission points contain unpermitted TAPs:

Source	Subject Item Inventory No.	Pollutants
N-8 Heat Recovery Boiler Stack	EQT 0005	Antimony, Arsenic, Barium, Beryllium, Cadmium, Chlorine, Chromium VI, Cobalt, Copper, Lead, Manganese, Mercury, Naphthalene, Nickel, Phosphorus, Selenium, and Zinc
N-7 Pyroscrubber Stack	EQT 0006	
N-3 Calcined Coke Load out Spout	EQT 0002	Antimony, Arsenic, Barium, Beryllium, Cadmium, Chlorine, Chromium VI, Cobalt, Copper, Lead, Manganese, Mercury, Nickel, Phosphorus, Selenium, and Zinc
1A-96 Calcined Coke Storage Tank Vent	EQT 0003	
1B-96 Calcined Coke Storage Tank Vent	EQT 0004	
N-2 Cooler Scrubber Stack	EQT 0012	

The unpermitted emissions of the TAPs for each emission source is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

### COMPLIANCE ORDER

Based on the foregoing, the Respondent is **hereby ordered**:

#### I.

To take, immediately upon receipt of this **COMPLIANCE ORDER**, any and all steps necessary to meet and maintain compliance with the Air Quality Regulations and Title V Air Permit Nos. 0520-00048-V3, 2560-00047-V1, and 2520-00003-V1.

#### II.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, a report providing details of the operating parameters that were used to establish the overall removal efficiency of pollutants for the emission sources noted in Paragraph II.A and Paragraph VI.A of the Findings of Fact. The report shall include the following:

1. Physical data/MSDS of lime that is injected.
2. The details of lime injection, including but not limited to, lime coating cycles log, operating status of all compartments in the baghouse, pressure drops measured across each compartment, feed rate, and bag cleaning activities.

Additionally, provide a report specifying how the facility will continue operations that will ensure that the overall removal efficiency is maintained.

## III.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, a report that provides the dates and location of the stack test data utilized in emission calculations for emission sources noted in Paragraphs II.B and II.C of the Findings of Fact.

## IV.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, revised 2010, 2011, and 2012 Semiannual Monitoring Reports and 2010, and 2011 Annual Compliance Certifications as noted in Paragraph VI.C, VI.D and VI.G of the Findings of Fact.

## V.

To retain a contractor(s) for the Lake Charles Calcining Plant, Gramercy Coke Plant, and the Norco Coke Plant, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, to perform third-party audits. The audits shall include, but not be limited to, the following:

1. An examination of all air pollutant emissions sources at the facility in order to determine if all qualifying emissions are permitted.
2. An examination of each air pollutant emission source subject to air permitting to verify the accuracy of the emission data contained in the current air permit.
3. Review and confirm the overall removal efficiencies of all emission control devices in use at the facility.
4. Verify that the facility procedures and protocols pertaining to the control and minimization of air pollutants are being followed and are adequate to ensure compliance with all applicable air quality regulations.
5. Perform a Quality Assurance/Quality Control (QA/QC) Analysis on the facility operating systems including, but not limited to, the following: Continuous Emission Monitoring System (CEMS) on the Waste Heat Boiler/Baghouse Stack, lime injection to the Waste Heat Boiler/Baghouse, Damper System, and Cooler Scrubber Stack, if applicable.

A report for each facility shall be submitted to the Enforcement Division, within fifteen (15) days after retaining a contractor(s), specifying that the contractor(s) retained for the third-party audits and the schedule for completion of the audits. The third-party audits shall be completed no later than sixty (60) days after the contractor(s) are retained for each facility. The report of all findings for each third-party audit shall be submitted to the Enforcement Division within thirty (30) days after completion of the audit. The Respondent shall submit a permit modification application to the Department, within thirty (30) days of the completion of the audit reports, for any discrepancies discovered in the audits.

VI.

To submit to the Emissions Reporting and Inventory Center (ERIC), within sixty (60) days after receipt of this **COMPLIANCE ORDER**, revised Emission Inventory (EI) reports for the years 2006 through 2011, for the Lake Charles Calcining Plant, Gramercy Coke Plant, and the Norco Coke Plant. Revised Toxic Emissions Inventory reports shall be submitted for the years 1993 through 2005 within ninety (90) days of the ERIC system becoming available to receive them for the Lake Charles Calcining Plant, Gramercy Coke Plant, and the Norco Coke Plant. Submit to the Enforcement Division, a copy of the cover letter for each ERIC submission.

VII.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, a written report that includes a detailed description of the circumstances surrounding the cited violations and actions taken or to be taken to achieve compliance with the Order. Portion of this **COMPLIANCE ORDER**. This report and all other reports or information required to be submitted to the Enforcement Division by this **COMPLIANCE ORDER** shall be submitted to:

Office of Environmental Compliance  
Post Office Box 4312  
Baton Rouge, Louisiana 70821-4312  
**Attn: Guna Gunasekaran**  
**Re: Enforcement Tracking No. AE-CN-13-00206**  
**Agency Interest No. 3439, 32804, & 44866**

**THE RESPONDENT SHALL FURTHER BE ON NOTICE THAT:**

I.

The Respondent has a right to an adjudicatory hearing on a disputed issue of material fact or of law arising from this **COMPLIANCE ORDER**. This right may be exercised by filing a written request with the Secretary no later than thirty (30) days after receipt of this **COMPLIANCE ORDER**.

II.

The request for an adjudicatory hearing shall specify the provisions of the **COMPLIANCE ORDER** on which the hearing is requested and shall briefly describe the basis for the request. This request should reference the Enforcement Tracking Number and Agency Interest Number, which are located in the upper right-hand corner of the first page of this document and should be directed to the following:

Department of Environmental Quality  
Office of the Secretary  
Post Office Box 4302  
Baton Rouge, Louisiana 70821-4302  
**Attn: Hearings Clerk, Legal Division**  
**Re: Enforcement Tracking No. AE-CN-13-00206**  
**Agency Interest Nos. 3439, 32804, & 44866**

III.

Upon the Respondent's timely filing a request for a hearing, a hearing on the disputed issue of material fact or of law regarding this **COMPLIANCE ORDER** may be scheduled by the Secretary of the Department. The hearing shall be governed by the Act, the Administrative Procedure Act (La. R.S. 49:950, et seq.), and the Department's Rules of Procedure. The Department may amend or supplement this **COMPLIANCE ORDER** prior to the hearing, after providing sufficient notice and an opportunity for the preparation of a defense for the hearing.

IV.

This **COMPLIANCE ORDER** shall become a final enforcement action unless the request for hearing is timely filed. Failure to timely request a hearing constitutes a waiver of the Respondent's right to a hearing on a disputed issue of material fact or of law under Section 2050.4 of the Act for the violation(s) described herein.

V.

The Respondent's failure to request a hearing or to file an appeal or the Respondent's withdrawal of a request for hearing on this **COMPLIANCE ORDER** shall not preclude the Respondent from contesting the findings of facts in any subsequent penalty action addressing the same violation(s), although the Respondent is estopped from objecting to this **COMPLIANCE ORDER** becoming a permanent part of its compliance history.

VI.

Civil penalties of not more than twenty-seven thousand five hundred dollars (\$27,500) for each day of violation for the violation(s) described herein may be assessed. For violations which occurred on August 15, 2004, or after, civil penalties of not more than thirty-two thousand five hundred dollars (\$32,500) may be assessed for each day of violation. The Respondent's failure or refusal to comply with this **COMPLIANCE ORDER** and the provisions herein will subject the Respondent to possible enforcement procedures under La. R.S. 30:2025, which could result in the assessment of a civil penalty



in an amount of not more than fifty thousand dollars (\$50,000) for each day of continued violation or noncompliance.

VII.

For each violation described herein, the Department reserves the right to seek civil penalties in any manner allowed by law, and nothing herein shall be construed to preclude the right to seek such penalties.

**NOTICE OF POTENTIAL PENALTY**

I.

Pursuant to La. R.S. 30:2050.3(B), you are hereby notified that the issuance of a penalty assessment is being considered for the violation(s) described herein. Written comments may be filed regarding the violation(s) and the contemplated penalty. If you elect to submit comments, it is requested that they be submitted within ten (10) days of receipt of this notice.

II.

Prior to the issuance of additional appropriate enforcement action(s), you may request a meeting with the Department to present any mitigating circumstances concerning the violation(s). If you would like to have such a meeting, please contact Guna Gunasekaran at (225) 219-3721 within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**.

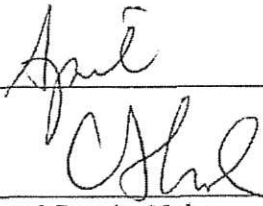
III.

The Department is required by La. R.S. 30:2025(E)(3)(a) to consider the gross revenues of the Respondent and the monetary benefits of noncompliance to determine whether a penalty will be assessed and the amount of such penalty. Please forward the Respondent's most current annual gross revenue statement along with a statement of the monetary benefits of noncompliance for the cited violation(s) to the above named contact person within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**. Include with your statement of monetary benefits the method(s) you utilized to arrive at the sum. If you assert that no monetary benefits have been gained, you are to fully justify that statement.

IV.

This **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is effective upon receipt.

Baton Rouge, Louisiana, this 01 day of April, 2013.

  
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Cheryl Sonnier Nolan  
Assistant Secretary  
Office of Environmental Compliance

Copies of a request for a hearing and/or related correspondence should be sent to:

Louisiana Department of Environmental Quality  
Office of Environmental Compliance  
Enforcement Division  
P.O. Box 4312  
Baton Rouge, LA 70821-4312  
Attention: Guna Gunasekaran