

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

EQUISTAR CHEMICALS, LP

AI # 1253

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

* Settlement Tracking No.
* SA-AE-17-0066
*
* Enforcement Tracking No.
* AE-CN-10-01443
*
* Docket No. 2014-13788-EQ
*

SETTLEMENT

The following Settlement is hereby agreed to between Equistar Chemicals, LP (“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 partnership that owns and/or operates a chemical manufacturing facility located in Westlake, Calcasieu Parish, Louisiana (“the Facility”).

II

On September 26, 2013, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-10-01443 (Attachment 1). The violations alleged in Attachment 1 are included within the scope of this settlement. Additionally, the following violations, although not cited in Attachment 1, are included within the scope of this settlement:

1. In 2011 Second Semiannual Monitoring Report dated March 30, 2012, the

Respondent reported that Plant 5 flare EQT0138 had unauthorized release of 1328 lbs of VOCs on July 6, 2011 due to loosening of the nut holding the piston rod. This is a violation of Title V Permit No. 0520- 00006-V3 and LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

2. In 2011 Second Semiannual Monitoring Report dated March 30, 2012, the Respondent reported that Plant 5 flare EQT0138 had unauthorized release of 146 lbs of VOCs on October 18, 2011 due to a failed solenoid. This is a violation of Title V Permit No. 0520-00006-V3 and LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

3. In 2011 Second Semiannual Monitoring Report dated March 30, 2012, the Respondent reported that EQT0139, EQT0140, EQT0141, and EQT0142 had unauthorized release of 21 lbs of VOCs on November 6, 2011 due to valve failure in open position. This is a violation of Title V Permit No. 0520-00006-V3 and LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

4. In 2011 Second Semiannual Monitoring Report dated March 30, 2012, the Respondent reported that Plant 5 flare EQT0138 had unauthorized release of 25 lbs of VOCs on March 7, 2011 due to human error. This is a violation of Title V Permit No. 0520-00006-V3 and LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

5. In 2011 Second Semiannual Monitoring Report dated March 30, 2012, the Respondent reported that Plant 5 flare EQT0138 had unauthorized release due to faulty procedure for pressure testing equipment. This is a violation of Title V Permit No. 0520-00006-V3 and LAC 33:III.905.A and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

6. In 2011 Second Semiannual Monitoring Report dated March 30, 2012, the Respondent reported the failure to repair six (6) components on DOR on September 15, 2011. This

is a violation of Title V Permit No. 0520-00006-V3 and LAC 33:III.2122.C.3.b and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

7. In 2011 Second Semiannual Monitoring Report dated March 30, 2012, the Respondent reported two (2) open ended lines for the year 2011. The cause of the failure was identified as human error. This is a violation of Title V Permit No. 0520- 00006-V3 and LAC 33:III.2122.C.2.a and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

8. In 2011 Second Semiannual Monitoring Report dated March 30, 2012, the Respondent reported that the M-Line flare EQT0019 had unauthorized release of 319 lbs of VOC's on January 23, 2011 due to failure of a polymer transfer line. This is a violation of Title V Permit No. 2109-V5 and LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

9. In 2011 Second Semiannual Monitoring Report dated March 30, 2012, the Respondent reported that the M-Line flare EQT0019 had unauthorized release of 1993 lbs of VOC's on January 29, 2011 due to a plugged bag filter. This is a violation of Title V Permit No. 2109-V5 and LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

10. In 2011 Second Semiannual Monitoring Report dated March 30, 2012, the Respondent reported that the M-Line flare EQT0019 had unauthorized release of 644 lbs of VOC's on February 8, 2011 due to a failure of a compressor lube oil instrument transmitter. This is a violation of Title V Permit No. 2109-V5 and LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

11. In 2011 Second Semiannual Monitoring Report dated March 30, 2012, the Respondent reported that the M-Line flare EQT0019 had unauthorized release of 1550 lbs of VOC's on February 22, 2011 due to failure of a lube oil pump motor. This is a violation of Title V Permit No. 2109-V5 and LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

12. In 2011 Second Semiannual Monitoring Report dated March 30, 2012, the Respondent reported that the M-Line flare EQT0019 had unauthorized release of 75 lbs of VOC's on April 28, 2011 due to a plugged control valve. This is a violation of Title V Permit No. 2109-V5 and LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

13. In 2011 Second Semiannual Monitoring Report dated March 30, 2012, the Respondent reported that the M-Line flare EQT0019 had unauthorized release of 14 lbs of VOC's on June 3, 2011 due to failure of a heat exchanger tube. This is a violation of Title V Permit No. 2109-V5 and LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

14. In 2011 Second Semiannual Monitoring Report dated March 30, 2012, the Respondent reported that the M-Line flare EQT0019 had unauthorized release of 5 lbs of VOC's on August 14, 2011 due to human error. This is a violation of Title V Permit No. 2109-V5 and LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

15. In 2011 Second Semiannual Monitoring Report dated March 30, 2012, the Respondent reported that the M-Line flare EQT0019 had unauthorized release of 5 lbs of VOC's on August 14, 2011 due to human error. Operations personnel did not adequately purge a process blow down vessel before opening it to atmosphere resulting in a release of trapped gas. This is a violation of Title V Permit No. 2109-V5 and LAC 33:III.905.A and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

16. In 2011 Second Semiannual Monitoring Report dated March 30, 2012, the Respondent reported that the M-Line flare EQT0019 had unauthorized release of 412 lbs of VOC's on August 28, 2011 due to failure of the off-gas drying columns. This is a violation of Title V Permit No. 2109-V5 and LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

17. In 2011 Second Semiannual Monitoring Report dated March 30, 2012, the

Respondent reported that the M-Line flare EQT0019 had unauthorized release of 143 lbs of VOC's on August 26, 2011 due to failure of a bag filter. This is a violation of Title V Permit No. 2109-V5 and LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

18. In 2011 Second Semiannual Monitoring Report dated March 30, 2012, the Respondent reported that the M-Line flare EQT0019 had unauthorized release of 170 lbs of VOC's on September 3, 2011 due to lose wiring connections. This is a violation of Title V Permit No. 2109-V5 and LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

19. In 2011 Second Semiannual Monitoring Report dated March 30, 2012, the Respondent reported that the M-Line flare EQT0019 had unauthorized release of 1539 lbs of VOC's on April 21, 2011 due to a loss of catalyst activity and human error. This is a violation of Title V Permit No. 2109-V5 and LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

20. In 2011 Second Semiannual Monitoring Report dated March 30, 2012, the Respondent reported that the M-Line flare EQT0019 had unauthorized release of 1539 lbs of VOC's on April 21, 2011 due to an instrument technician incorrectly zeroing a flow meter. This is a violation of Title V Permit No. 2109-V5 and LAC 33:III.905.A and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

21. In 2011 Second Semiannual Monitoring Report dated March 30, 2012, the Respondent reported that the M-Line flare EQT0019 had unauthorized release of 305 lbs of VOC's on October 11, 2011 due to a plugged dryer. This is a violation of Title V Permit No. 2109-V5 and LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

22. In 2011 Second Semiannual Monitoring Report dated March 30, 2012, the Respondent reported that the M-Line flare EQT0019 had unauthorized release of 791 lbs of VOC's

on November 27, 2011 due to plugged bag filter. This is a violation of Title V Permit No. 2109-V5 and LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

23. In 2011 Second Semiannual Monitoring Report dated March 30, 2012, the Respondent reported that the M-Line flare EQT0019 had unauthorized release of 25 lbs of VOC's on December 14, 2011 due to human error. This is a violation of Title V Permit No. 2109-V5 and LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

24. In 2011 Second Semiannual Monitoring Report dated March 30, 2012, the Respondent reported that the M-Line flare EQT0019 had unauthorized release of 25 lbs of VOC's on December 14, 2011 due to human error. The bottom of a reactor which contained trapped gas was removed during maintenance activities. This is a violation of Title V Permit No. 2109-V5 and LAC 33:III.905.A and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

25. In 2011 Second Semiannual Monitoring Report dated March 30, 2012, the Respondent reported one (1) open ended line for the year 2011. This is a violation of Title V Permit No. 2109-V5 and LAC 33:III.2122.C.2.a and La. R.S. 30:2057(A)(1) and 30:2057(A)(2) and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

26. In 2011 Second Semiannual Monitoring Report dated March 30, 2012, the Respondent reported that the SD M-Line Maintenance Shutdowns EQT 020 had exceeded its permitted emission limits of butene and propylene. The permitted emission limit of butene is 0.20 tpy, and the facility had emissions of 0.56 tpy for the year 2011. The permitted emission limit of propylene is 1.84 tpy and the facility had emissions of 1.88 tpy for the year 2011. This is a violation of Title V Permit No. 2109-V5 and LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

27. In 2011 Second Semiannual Monitoring Report dated March 30, 2012, the

Respondent reported that Fire Tube Boiler 2 EQT0325 exceeded its permitted emission limits of NOx, CO, and PM10. The permitted emission limit of NOx is 0.06 tpy and the facility had emissions of 0.19 tpy for the year 2011. The permitted emission limit of CO is 0.01 tpy and the facility had emissions of 0.02 tpy for the year 2011. The permitted emission limit of PM10 is 0.01 tpy and the facility had emissions of 0.04 tpy for the year 2011. This is a violation of Title V Permit No. 2868-V1 and LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

28. In 2011 Second Semiannual Monitoring Report dated March 30, 2012, the Respondent reported that MSS-BET Boilers, Engines, and Turbine Startup/Shutdown Emissions EQT0329 exceeded its permitted emission limits of NOx and VOCs. The permitted emission limit of NOx is 0.21 tpy and the facility had emissions of 0.24 tpy for the year 2011. The permitted emission limit of VOCs is 0.01 tpy, and the facility had emissions of 0.12 tpy for the year 2011. This is a violation of Title V Permit No. 2868-V1 and LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

29. In 2011 Second Semiannual Monitoring Report dated March 30, 2012, the Respondent reported that MSS-VGCD Vent Gas Compressor Downtime Emissions EQT0328 exceeded its permitted emission limits of CO, NOx, and PM10. The permitted emission limit of CO is 1.89 tpy, and the facility had emissions of 5.57 tpy for the year 2011. The permitted emission limit of NOx is 0.35 tpy, and the facility had emissions of 1.02 tpy for the year 2011. The permitted emission limit of PM10 is 0.04 tpy and the facility had emissions of 0.11 tpy. This is a violation of Title V Permit No. 2868-V1 and LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

30. In 2012 Second Semiannual Monitoring Report dated April 1, 2013, the Respondent reported that M-line flare EQT0019 had unauthorized emission of 314 lbs VOCs on May 2,

2012 due to failure of a relief valve. This is a violation of Title V Permit No. 2109-V5 and LAC 33:III.2122.C.2.a and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

31. In 2012 Second Semiannual Monitoring Report dated April 1, 2013, the Respondent reported that M-line flare EQT0019 had unauthorized emission of 319 lbs VOCs on September 8, 2012 due to operations personnel overpressuring the storage tank. This is a violation of Title V Permit No. 2109- V5 and LAC 33:III.905.A and LAC 33:III.2122.C.2.a and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

32. In 2012 Second Semiannual Monitoring Report dated April 1, 2013, the Respondent reported that M-line flare EQT0019 had unauthorized emission of one (1) lb. of VOCs during maintenance line breaking activity when trapped gas escaped unexpectedly on December 17, 2012. This is a violation of Title V Permit No. 2109-V5 and LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

33. In 2012 Second Semiannual Monitoring Report dated April 1, 2013, the Respondent reported one (1) open ended line for FUG0001 for the year 2012. This is a violation of Title V Permit No. 2109-V5 and LAC 33:III.2122.C.2.a and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

34. In 2012 Second Semiannual Monitoring Report dated April 1, 2013, the Respondent reported SD M-Line Maintenance/Shutdowns EQT020 exceeded its permitted emission limits for butene, propylene, and VOCs. The permitted emission limit for butene is 0.20 tpy, and EQT020 had emissions of 0.29 tpy for the year 2012. The permitted emission limit for propylene is 1.84 tpy, and EQT020 had emissions of 1.99 tpy for the year 2012. The permitted emission limit of VOCs is 4.26 tpy, and EQT020 had emissions of 4.64 tpy for the year 2012. This is a violation of Title V Permit No. 2109-V5 and LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

35. In 2012 Second Semiannual Monitoring Report dated April 1, 2013, the Respondent reported ten (10) open-ended lines for FUG0002 for the year 2012. This is a violation of Title V Permit No. 0520-00006-V3 and LAC 33:III.2122.C.2.a and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

36. In 2012 Second Semiannual Monitoring Report dated April 1, 2013, the Respondent reported unauthorized emission of 50 lbs of VOCs from Plant 5 on July 29, 2012 due to a leak in compressor tubing. This is a violation of Title V Permit No. 0520-00006-V3 and LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

37. In 2012 Second Semiannual Monitoring Report dated April 1, 2013, the Respondent reported that Plant 5 had an unauthorized release of 20 lbs VOCs on September 10, 2012 due to a leaking isolation valve. This is a violation of Title V Permit No. 0520-00006-V3 and LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

38. In 2012 Second Semiannual Monitoring Report dated April 1, 2013, the Respondent reported that Plant 5 had an unauthorized release of 20 lbs of VOCs on October 11, 2012 due to a leak in compressor piping. This is a violation of Title V Permit No. 0520-00006-V3 and LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

39. In 2012 Second Semiannual Monitoring Report dated April 1, 2013, the Respondent reported that Plant 5 had an unauthorized release of 22 lbs of VOCs on October 29, 2012 when a crack developed in a weld in process piping. This is a violation of Title V Permit No. 0520-00006-V3 and LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

40. In 2012 Second Semiannual Monitoring Report dated April 1, 2013, the Respondent reported that MSS-BET Boilers, Engines, and Turbine SU/SD Emissions EQT0329 exceeded its permitted emission limits for NO_x, CO, VOCs, SO₂, and PM₁₀. The permitted emission limit for

NOx is 0.21 tpy, and EQT0329 emitted 2.43 tpy for the year 2012. The permitted emission limit for CO is 1.19 tpy, and EQT0329 emitted 5.77 tpy for the year 2012. The permitted emission limit for VOCs is 0.10 tpy, and EQT0329 had emissions of 1.17 tpy for the year 2012. The permitted emission limit of SO2 is 0.01 tpy, and EQT0329 had emissions of 0.02 tpy for the year 2012. The permitted emission limit for PM10 is 0.01 tpy, and EQT0329 had emissions of 0.09 tpy for the year 2012. This is violation of Title V Permit No. 2868-V1 and LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

41. In 2012 Second Semiannual Monitoring Report dated April 1, 2013, the Respondent reported that MSS-VGCD Maintenance for Vent Gas Compressor exceeded its emission limits for NOx, CO, SO2 and PM10. The permitted emission limit of NOx is 0.35 tpy and EQT0328 emitted 0.70 tpy for the year 2012. The permitted emission limit of CO is 1.89 tpy and EQT0328 emitted 3.81 tpy for the year 2012. The permitted emission limit of SO2 is 0.010 tpy and EQT0328 emitted 0.01 tpy for the year 2012. The permitted emission limit of PM10 is 0.04 tpy and the EQT0328 emitted 0.06 tpy for the year 2012. This is a violation of Title V Permit No. 2868-V1 and LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

42. In 2012 Second Semiannual Monitoring Report dated April 1, 2013, the Respondent reported that MSS-VGCD Maintenance for Vent Gas Compressor exceeded its average hourly emission rates for NOx, CO, SO2, and PM10. The permitted emission rate for NOx is 2.89 lb/hr and EQT0328 had average emissions of 4.49 lb/hr for the year 2012. The permitted emission rate for CO is 15.74 lb/hr and EQT0328 had average emissions of 24.44 lb/hr for the year 2012. The permitted emission rate of SO2 is 0.030 lb/hr, and EQT0328 had average emissions of 0.04 lb/hr for the year 2012. The permitted emission rate for PM10 is 0.32 lb/hr and EQT0328 had average emissions of 0.49 lb/hr for the year 2012. This is a violation of Title V Permit No. 2868-V1 and

LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

43. In 2012 Second Semiannual Monitoring Report dated April 1, 2013, the Respondent reported that the Aeration Basin EQT0327 exceeded the maximum allowable flow rate of 1.5 million gallons per day for 32 days in 2012. This is a violation of Title V Permit No. 2868-V1 and LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

44. In 2012 Second Semiannual Monitoring Report dated April 1, 2013 2, the Respondent reported that GRP0010 ENG-CAP Cap for Engines 1-08 and 2-08 exceeded its annual permitted emission limits for CO and VOCs. The permitted emission limit for CO is 30.96 tpy, and GRP0010 emitted 35.84 tpy CO for the year 2012. The permitted emission limit for VOCs is 23.58 tpy, and GRP0010 emitted 73.61 tpy for the year 2012. This is a violation of Title V Permit No. 2868-V1 and LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

45. In 2012 Second Semiannual Monitoring Report dated April 1, 2013, the Respondent reported that GRP0010 ENG-CAP exceeded its hourly permitted emission rate for VOCs. The permitted emission rate for VOCs is 5.58 lbs/hr, and GRP0010 emitted an average of 10.62 lbs/hr for the year 2012. This is a violation of Title V Permit No. 2868-V1 and LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

46. In 2012 Second Semiannual Monitoring Report dated April 1, 2013, the Respondent reported that EQT 0324 Fire Tube Boiler 1 exceeded the maximum average hourly operating rate of 25.05 MMBtu/hr. The actual average hourly operating rate was estimated to be 26.64 MMBtu/hr. This is a violation of Title V Permit No. 2868-V1 and LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

47. In 2013 First Semiannual Monitoring Report dated September 26, 2013, the Respondent reported four (4) open-ended lines for FUG0002 for the first half of year 2013. This

is a violation of Title V Permit No. 0520-00006-V3 and LAC 33:III.2122.C.2.a and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

48. In 2013 First Semiannual Monitoring Report dated September 26, 2013, the Respondent reported that Plant 5 flare EQT0138 had unauthorized release of 4807 lbs of VOCs on May 8, 2013 due to tubing failure. This is a violation of Title V Permit No. 0520-00006-V3 and LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

49. In 2013 Second Semiannual Monitoring Report dated March 28, 2014, the Respondent reported three (3) open-ended lines for FUG0002 for the second half of year 2013. This is a violation of Title V Permit No. 0520-00006-V3 and LAC 33:III.2122.C.2.a and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

50. In 2013 Second Semiannual Monitoring Report dated March 28, 2014, the Respondent reported that Plant 5 flare EQT0138 had unauthorized release of 6492 lbs VOCs on August 29, 2013 due to failure of an instrument piping component caused by lack of support leading to metal fatigue. This is a violation of Title V Permit No. 0520-00006-V4 and LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

51. In 2013 Second Semiannual Monitoring Report dated March 28, 2014, the Respondent reported that ten (10) open-ended lines for FUG0001 for the second half of year 2013. This is a violation of Title V Permit No. 2109-V6 and LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

52. In 2013 Second Semiannual Monitoring Report dated March 28, 2014, the Respondent reported that Plant 5 had an incorrect piping component installed. This is a violation of Title V Permit No. 0520-00006-V4 and LAC 33:III.905.A and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

53. In 2013 Second Semiannual Monitoring Report dated March 28, 2014, the Respondent reported that M-line flare EQT0019 had unauthorized release of 98 lbs VOCs on August 14, 2013 due to failure of a valve cover. This is a violation of Title V Permit No. 2109-V6 and LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

54. In 2013 First Semiannual Monitoring Report dated September 26, 2013, the Respondent reported that GRP0010 CAP for Engines 1-08 and 2-08 SR 38 exceeded average hourly permitted emission rates for CO and VOCs as determined by stack test. The permitted emission rate for CO is 7.33 lb/hr and the facility had average emissions of 34.55 lb/hr. The permitted emission rate for VOCs is 5.58 lb/hr and the facility had average emissions of 16.14 lb/hr. These occurred at some point after March 2012 and had unknown duration. This is a violation of Title V Permit No. 2868- V1 and LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

55. In 2013 First Semiannual Monitoring report dated September 26, 2013, the Respondent reported that the two (2) semiannual reports for reporting year 2012 for EQT0324 Fire Tube Boiler 1 were not submitted in a timely manner. The reports were submitted on September 26, 2013. This is a violation of Specific Requirement 26 of Title V Permit No. 2868-V1 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

56. In 2014 First Semiannual Monitoring Report dated September 25, 2014, the Respondent reported two (2) open ended lines for FUG0001 for the reporting period. This is a violation of Title V Permit No. 2109-V6 and LAC 33:III.2122.C.2.a and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

57. In 2014 First Semiannual Monitoring Report dated September 25, 2014, the Respondent reported two (2) open-ended lines for Cogen FUG0003 for the reporting period. This

is a violation of Title V Permit No. 2868-V2 and LAC 33:III.2122.C.2.a and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

58. In 2014 First Semiannual Monitoring Report dated September 25, 2014, the Respondent reported one (1) open-ended line for Plant 5 FUG0002 for the reporting period. This is a violation of Title V Permit No. 0520-00006-V4 and LAC 33:III.2122.C.2.a and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

59. In 2014 First Semiannual Monitoring Report dated September 25, 2014, the Respondent reported the unauthorized release of 669 lbs VOCs, 394 lbs CO, and 96 lbs NO_x from Plant 5 flare Z1 EQT0138 on June 22, 2014 due to human error. Ethylene was inadvertently introduced to the loop reactors, resulting in an abnormally high reaction rate. This is a violation of Title V Permit No. 0520-00006-V4 and LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

60. In 2014 First Semiannual Monitoring Report dated September 25, 2014, the Respondent reported an unauthorized release due to human error. Ethylene was inadvertently introduced to the loop reactors, resulting in an abnormally high reaction rate. This is a violation of Title V Permit No. 0520-00006-V4 and LAC 33:III.905.A and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

61. In 2014 First Semiannual Monitoring Report dated September 25, 2014, the Respondent reported the unauthorized release of 4.14 tons VOCs from Plant 5 Cooling Tower EQT0121 from June 27, 2014 till September 7, 2014 due to mechanical failure. Propylene was released to the atmosphere via the cooling tower when the propylene condenser leaked propylene into the cooling water. This is a violation of Title V Permit No. 0520-00006-V4 and LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

62. In 2014 Second Semiannual Monitoring Report dated March 31, 2015, the Respondent reported eleven (11) open-ended lines for Plant 5 FUG0002 for the reporting period. This is a violation of Title V Permit No. 0520-00006-V4 and LAC 33:III.2122.C.2.a and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

63. In 2014 Second Semiannual Monitoring Report dated March 31, 2015, the Respondent reported the unauthorized release of 877 lbs VOCs on July 31, 2014 when a small crack developed in the weld on an elbow of a small bore piping on the K line recycle compressor first stage suction silencer. The Respondent has identified the cause of the release as piping failure due to vibration. This is a violation of Title V Permit No. 0520-00006-V4 and LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

64. In 2014 Second Semiannual Monitoring Report dated March 31, 2015, the Respondent reported the unauthorized release of 2058 lbs VOCs, 1212 lbs CO, and 294 lbs NOx from Plant 5 Flare Z1 EQT0138 on October 9, 2014 when the K line Steamer Offgas Compressor failed. The Respondent has identified the cause of the flaring event as a lack of lubrication caused by the obstruction of the crankcase breather vent. The crankcase breather vent plugged, and the nitrogen purge increased the pressure in the crankcase resulting in a false oil level indication. This is a violation of Title V Permit No. 0520-00006-V4 and LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

65. In 2014 Second Semiannual Monitoring Report dated March 31, 2015, the Respondent reported the unauthorized release of 169 lbs VOCs, 102 lbs CO, and 25 lbs NOx from M-line Flare EQT0019 on July 5, 2014 due to operator error. An operator did not verify the controller output before establishing propane flow. This caused an interlock system to shut down the reactor. This is a violation of Title V Permit No. 2109-V6 and LAC 33:III.501.C.2 and La.

R.S. 30:2057(A)(1) and 30:2057(A)(2).

66. In 2014 Second Semiannual Monitoring Report dated March 31, 2015, the Respondent reported an unauthorized release on July 5, 2014 due to operator error. An operator did not verify the controller output before establishing propane flow. This caused an interlock system to shut down the reactor. This is a violation of Title V Permit No. 2109-V6 and LAC 33:III.905.A and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

67. In 2014 Second Semiannual Monitoring Report dated March 31, 2015, the Respondent reported the unauthorized release of 1127 lbs VOCs, 665 lbs CO, and 162 lbs NO_x from M-line Flare EQT0019 on August 18, 2014 due to power failure. Power was lost from Entergy resulting in unexpected unit shutdown. This is a violation of Title V Permit 2109-V6 and LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

68. In 2014 Second Semiannual Monitoring Report dated March 31, 2015, the Respondent reported the unauthorized release of 644 lbs VOCs, 379 lbs CO, and 92 lbs NO_x from M-line Flare EQT0019 on October 3, 2014 when a guide vane joint on the CGP splitter overhead compressor control system caused surge conditions that shut down the compressor. This is the first of three such incidents that occurred between 10/3/2014 and 10/30/2014 (2014 Violations 19, 20, and 21). At first, the mechanism of failure was not evident since internal parts that are not normally inspected had worn. It was only when these parts finally failed that the Respondent was able to identify the cause of the flaring event as the sudden and reasonably unforeseeable failure of the internal guide vane joint. This is a violation of Title V Permit No. 2109-V6 and LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

69. In 2014 Second Semiannual Monitoring Report dated March 31, 2015, the Respondent reported the unauthorized release of 644 lbs VOCs, 379 lbs CO, and 92 lbs NO_x

from M-line flare EQT0019 on October 30, 2014 when a guide vane joint on the CGP splitter overhead compressor control system caused surge conditions that shut down the compressor. This is the second of three such incidents that occurred between 10/3/2014 and 10/30/2014 (2014 Violations 19, 20, and 21). At first, the mechanism of failure was not evident since internal parts that are not normally inspected had worn. It was only when these parts finally failed that the Respondent was able to identify the cause of the flaring event as the sudden and reasonably unforeseeable failure of the internal guide vane joint. This is a violation of Title V Permit No. 2109-V6 and LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

70. In 2014 Second Semiannual Monitoring Report dated March 31, 2015, the Respondent reported the unauthorized release of 3049 lbs VOCs, 1729 lbs CO, and 420 lbs NOx from M-line Flare EQT0019 on October 30, 2014 when a guide vane joint on the CGP splitter overhead compressor control system caused surge conditions that shut down the compressor. This is the third of three such incidents that occurred between 10/3/2014 and 10/30/2014 (2014 Violations 19, 20, and 21). At first, the mechanism of failure was not evident since internal parts that are not normally inspected had worn. It was only when these parts finally failed that the Respondent was able to identify the cause of the flaring event as the sudden and reasonably unforeseeable failure of the internal guide vane joint. This is a violation of Title V Permit No. 2109-V6 and LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

71. In 2014 Second Semiannual Monitoring Report dated March 31, 2015, the Respondent reported the unauthorized release of 644 lbs VOCs, 379 lbs CO, and 92 lbs NOx from M-line flare EQT0019 on November 20, 2014 due to operator error. A faulty level transmitter shut down the CGP splitter overhead compressor, and a valve between the process and the pressure transmitter was found in the closed position when it should have been open. This is a

violation of Title V Permit No. 2109-V6 and LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

72. In 2014 Second Semiannual Monitoring Report dated March 31, 2015, the Respondent reported an unauthorized release due to human error. A faulty level transmitter shut down the CGP splitter overhead compressor, and a valve between the process and the pressure transmitter was found in the closed position when it should have been open. This is a violation of Title V Permit No. 2109-V6 and LAC 33:III.905.A and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

73. In 2014 Second Semiannual Monitoring Report dated March 31, 2015, the Respondent reported one (1) open-ended line for Cogen FUG0003 for the reporting period. This is a violation of Title V Permit No. 2868-V2 and LAC 33:III.2122.C.2.a and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

74. In 2014 Second Semiannual Monitoring Report dated March 31, 2015, the Respondent reported the unauthorized release of 112 lbs VOCs, 48 lbs CO, and 12 lbs NOx from Cogen flare EQT326 on October 24, 2014 when the vent gas compressor shut down on low suction pressure. This happened because of a weakness in the compressor control logic that resulted in low suction pressure during certain changes in operating conditions. This is a violation of Title V Permit No. 2868-V2 and LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

75. In 2014 Second Semiannual Monitoring Report dated March 31, 2015, the Respondent reported a failed stack test for Cogen flare EQT 321 on September 3, 2014. The stack test results for CO were 34.49 lb/hr, and the permit limit is 7.89 lb/hr. The stack test results for VOCs were 9.07 lb/hr, and the permit limit is 3.35 lb/hr. The stack test results for CO CAP

were 15.70 lb/hr, and the permit limit CAP is 12.76 lb/hr. Each exceedance of a permitted emission limit is a violation of Title V Permit No. 2868-V2, LAC 33:III.501.C.4 and 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 NINETY-FOUR THOUSAND AND NO/100 DOLLARS (\$94,000.00), of which Ten Thousand Seven Hundred Nine and 06/100 Dollars (\$10,709.06) 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 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 Calcasieu 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 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 or electronic funds transfer (ETF) , 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.

EQUISTAR CHEMICALS, LP

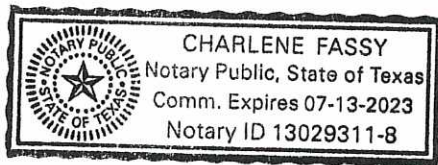
BY: Julie SolmerStine
(Signature)

Julie SolmerStine
(Printed)

TITLE: Lead Counsel-HSES

THUS DONE AND SIGNED in duplicate original before me this 29th day of January, 20 20, at HOUSTON, TEXAS.

Charlene Fassy
NOTARY PUBLIC (ID # 13029311-8)



CHARLENE FASSY
(stamped or printed)

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

BY: [Signature]
Lourdes Iturralde, Assistant Secretary
Office of Environmental Compliance

THUS DONE AND SIGNED in duplicate original before me this 10th day of March, 20 20, at Baton Rouge, Louisiana.

[Signature]
NOTARY PUBLIC (ID # 19181)

Perry Theriot
(stamped or printed)

Approved: [Signature]
Lourdes Iturralde, Assistant Secretary



Jeff Landry
Attorney General

State of Louisiana

DEPARTMENT OF JUSTICE
CIVIL DIVISION
P.O. BOX 94005
BATON ROUGE
70804-9005

RECEIVED

FEB 20 2020

LA DEPT OF ENV QUALITY
LEGAL DIVISION

February 18, 2020

Herman Robinson, General Counsel
La. Department of Environmental Quality
Legal Division
P.O. Box 4302
Baton Rouge, LA 70821-4302

Equistar Chemicals, LP
c/o C T Corporation System
Agent for Service of Process
3867 Plaza Tower Drive
Baton Rouge, LA 70816

Re: AG Review of DEQ Settlement;
Equistar Chemicals, LP
Settlement No.: SA-AE-17-0066

Dear Mr. Robinson and Equistar Chemicals, LP:

Louisiana Revised Statute 30:2050.7 authorizes the Louisiana Department of Environmental Quality, with the concurrence of the Attorney General, to settle claims for penalties under the Louisiana Environmental Quality Act or the regulations or permit terms and conditions applicable thereto. Specifically, La. R.S. 30:2050.7(E)(2)(a) provides, “[s]ettlements provided for under this Section shall be submitted to the attorney general for his approval or rejection...[a]pproval or rejection by the attorney general shall be in writing with a detailed written reason for rejection.”

Settlement No. SA-AE-17-0066, and the underlying enforcement action, has been submitted to me for approval or rejection as required by law. Pursuant to the authority granted to me by Art. IV, Sec. 8 of the state constitution and R.S. 30:2050.7, I approve the above referenced settlement.

Sincerely,

JEFF LANDRY
ATTORNEY GENERAL

By: _____


Ryan M. Seidemann
Assistant Attorney General

SETTLEMENT PAYMENT FORM

Please attach this form to your settlement payment
and submit to:

Department of Environmental Quality
Financial Services Division
P. O. Box 4303
Baton Rouge, Louisiana 70821-4303
Attn: Accountant Administrator

Payment # _____

Respondent: Equistar Chemicals, LP

Settlement No: SA-AE-17-0066

Enforcement Tracking No(s): AE-CN-10-01443

Payment Amount: \$94,000.00

AI Number: 1253

Alternate ID No(s):

TEMPO Activity Number: ENF20140002

**For Official Use Only.
Do Not write in this Section.**

Check Number:

Check Date:

Check Amount:

Received Date:

PIV Number:

PIV Date:

Stamp "Paid" in the box to the right
and initial.

Route Completed form to:

Celena Cage, Administrator
Enforcement Division

And copy Perry Theriot
Legal Division

Attachment 1

BOBBY JINDAL
GOVERNOR



PEGGY M. HATCH
SECRETARY

State of Louisiana
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE

September 26, 2013

CERTIFIED MAIL (7005 0390 0006 1028 1565)
RETURN RECEIPT REQUESTED

EQUISTAR CHEMICALS, LP
c/o C T Corporation System
Agent for Service of Process
5615 Corporate Boulevard, Suite 400B
Baton Rouge, Louisiana 70808

**RE: CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY
ENFORCEMENT TRACKING NO. AE-CN-10-01443
AGENCY INTEREST NO. 1253**

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 **EQUISTAR CHEMICALS, LP (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 Amanda DeRouen Polito at 225.219.3093 or amanda.polito@la.gov.

Sincerely,

Celena J. Cage
Administrator
Enforcement Division

CJC/APDP
Alt ID No. 0520-00006
Attachment

c: Equistar Chemicals, LP
c/o Joe Bush, Environmental Engineer
Post Office Box 1687
Westlake, Louisiana 70669

STATE OF LOUISIANA
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE

IN THE MATTER OF

EQUISTAR CHEMICALS, LP
CALCASIEU PARISH
ALT ID NO. 0520-00006

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

*
*
* ENFORCEMENT TRACKING NO.
*
* AE-CN-10-01443
*
* AGENCY INTEREST NO.
*
* 1253
*

CONSOLIDATED
COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY

The following **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is issued to **EQUISTAR CHEMICALS, LP (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 a chemical manufacturing facility located at 4101 Louisiana Highway 108 in Westlake, Calcasieu Parish, Louisiana (the Facility). The Department has authorized the operation of the facility by issuing the following Title V Air Permits:

UNIT NAME	PERMIT NUMBER	ISSUE DATE	EXPIRATION DATE
M-Line Production	2109-V5	October 22, 2009	January 9, 2013
	2109-V4	January 9, 2008	October 21, 2009
	2109-V3	November 17, 2006	January 8, 2008
	2109-V2	April 21, 2005	November 16, 2006
	2109-V1	January 29, 2004	April 20, 2005

UNIT NAME	PERMIT NUMBER	ISSUE DATE	EXPIRATION DATE
Plant 5	0520-00006-V3	October 23, 2009	September 4, 2013
	0520-00006-V2	September 4, 2008	October 22, 2009
	0520-00006-V1	October 21, 2005	September 3, 2008
Cogeneration Plant	2868-V1	October 8, 2008	October 8, 2013
	2868-V0	December 1, 2003	October 7, 2008

II.

The Department conducted a file review on February 14, 2013, to determine the Respondent's degree of compliance with the Act, the Air Quality Regulations, and all applicable permits from 2007 through June 30, 2011. While the review is not complete, the Department noted the violations found in paragraphs III-VIII of the Findings of Fact portion of this enforcement action.

III.

The Respondent reported the following unauthorized releases:

	REPORT (date)	PERMIT NUMBER	EMISSION POINT	INCIDENT DATE	POLLUTANTS RELEASED	QUANTITY REPORTED	REPORTED CAUSE	REGULATORY or PERMIT REQUIREMENTS
A.	2007 Annual Compliance Certification (3.31.2008)	2109-V3	*not provided	3.23.2007	Ethylene	8-500 lbs	During the startup of the ethylene feed system, a leak was discovered in the monomer treatment unit.	LAC 33:III.501.C.2
B.	Unauthorized Release Notification for 106111 (5.31.2008)	-	J-Line C71301	5.31.2008	Propylene	175 lbs	Leak due to metal fatigue in pipe nipple. The incident was reported on 7.18.2008. A written Report was not submitted.	LAC 33:III.501.C.2 LAC 33:I.3925
C.	2007 Second Semiannual Monitoring Report (3.31.2008)	2109-V3	*not provided	9.1.2007 10.31.2007	VOC	0.97 tons	VOCs were intermittently released due to supplied monomer contamination.	LAC 33:III.501.C.2
D.	2008 First Quarterly Deviation Report (6.30.2008)	0520-00006-V1	*not provided	3.1.2008	VOC	656 lbs	A restriction in the prepoly outlet caused high pressure in the prepoly loop reactor.	LAC 33:III.501.C.2
E.	2008 First Semiannual Monitoring Report (10.24.2008)	0520-00006-V1	n/a	5.11.2008	VOC	50 lbs	The bottom manway on a blowdown vessel was opened due to operator error.	LAC 33:III.501.C.2 LAC 33:III.905.A
F.	2008 First Semiannual Monitoring Report (10.24.2008)	0520-00006-V1	n/a	5.24.2008	VOC	50 lbs	A recently serviced tube on the heat exchanger was plugged.	LAC 33:III.501.C.2

	REPORT (date)	PERMIT NUMBER	EMISSION POINT	INCIDENT DATE	POLLUTANTS RELEASED	QUANTITY REPORTED	REPORTED CAUSE	REGULATORY or PERMIT REQUIREMENTS
G.	2008 Annual Compliance Certification (3.30.2009)	2109-V4	unnamed flare	8.14.2008	Ethylene	4.53 lbs	Difficulties in hydrogen metering caused excess and inconsistent reactions that plugged the reactor.	LAC 33:III.501.C.2
H.					Propylene	0.13 tons		
I.					VOCs	0.34 tons		
J.					Butene	18.39 lbs		
K.	2009 First Semiannual Monitoring Report (10.20.2009)	0520-00006-V2	blowdown vessel	1.20.2009	VOC	10lbs	Due to high reaction rate, hydrocarbons broke through process vessels to the product transfer system. Production was diverted to blowdown vessels until normal operation could resume.	LAC 33:III.501.C.2
L.	2009 Annual Compliance Certification (3.29.2010)	2109-V5	unnamed flare	12.6.2009 12.29.2009	Propylene	.825 tons	For 23 days the Respondent flared propylene monomer due to excess moisture.	LAC 33:III.501.C.2
M.	2009 Annual Compliance Certification (3.29.2010)	0520-00006-V2	second loop reactor	12.18.2009	Propylene	17,300 lbs	Corrosion under insulation caused a hole in the top of the second loop reactor.	LAC 33:III.501.C.2
N.	2010 Second Semiannual Monitoring Report (3.30.2011)	2109-V5	unnamed flare	1.9.2010	Propylene	0.32 tons	Due to cold temperatures and heavy winds the units were shutdown per cold weather procedures.	LAC 33:III.501.C.2
O.	2010 Second Semiannual Monitoring Report (3.30.2011)	2109-V5	unnamed flare	2.11.2010	VOC	.06 tons	An electrical breaker component overheated due to being improperly routed through the circuits.	LAC 33:III.501.C.2 LAC 33:III.905.A
P.	Unauthorized Release Report for 129613 (3.1.2011)	*not provided	unnamed flare	3.1.2011	Propylene & Ethylene	2640 lbs	Power was lost to the J&K Line. The units were shut down and contents flared.	LAC 33:III.501.C.2
Q.	Unauthorized Release Report for Incident 122194 (3.18.2010)	2109-V5	railcar PSV and unnamed flare	3.17.2010	Propane	900 lbs	The PSV on the railcar prematurely lifted on 2 separate occasions during loading operations. The outlet was connected to the flare system to empty the railcar.	LAC 33:III.501.C.2
R.	2010 Second Semiannual Monitoring Report (3.30.2011)	2109-V5	unnamed flare	4.14.2010	VOC	.2 tons	The unit was shutdown when the reactor levels could not be controlled within the normal operating range.	LAC 33:III.501.C.2

	REPORT (date)	PERMIT NUMBER	EMISSION POINT	INCIDENT DATE	POLLUTANTS RELEASED	QUANTITY REPORTED	REPORTED CAUSE	REGULATORY or PERMIT REQUIREMENTS
S.	2010 First semiannual Monitoring Report (9.2.2010)	0520-00006-V3	*not provided	4.28.2010	VOC	25 lbs	Water was drained from a process vessel.	LAC 33:III.501.C.2
T.	2010 Second Semiannual Monitoring Report (3.30.2011)	2109-V5	unnamed flare	4.29.2010	VOC	.23 tons	The unit was shutdown when the company and labor union failed to reach an agreement.	LAC 33:III.501.C.2 LAC 33:III.905
					Propylene	.8 tons		
U.	2010 Annual Compliance Certification (3.30.2011)	2109-V5	unnamed flare	5.11.2010	Propylene	.32 tons	The unit shutdown due to a tripped compressor.	LAC 33:III.501.C.2
V.	2010 First semiannual Monitoring Report (9.2.2010)	2109-V5	*not provided	6.14.2010	Propylene	12,100 lbs	The compressor in the propylene purification unit repeatedly causes unit shutdown due to misplaced vibration detectors.	LAC 33:III.501.C.2 LAC 33:III.905.A
W.	2010 Second Semiannual Monitoring Report (3.30.2011)	2109-V5	unnamed flare	6.19.2010	Propylene	1.8 tons	The unit shut down due to high vibration readings caused by the incorrectly placed vibration probes.	LAC 33:III.501.C.2 LAC 33:III.905.A
X.	2010 Second Semiannual Monitoring Report (3.30.2011)	2109-V5	Emergency Flare EQT 019	7.4.2010	*not provided	*not provided	The auto-ignition system failed to relight the pilot lights.	LAC 33:III.501.C.2
Y.	2010 Second Semiannual Monitoring Report (3.30.2011)	0520-00006-V3	unnamed flare	7.18.2010	VOC	55 lbs	A leaking pressure relief valve released prematurely.	LAC 33:III.501.C.2
Z.	2010 Second Semiannual Monitoring Report (3.30.2011)	2109-V5	unnamed flare	8.23.2010	Propylene	.32 tons	The unit shutdown due to a broken joint in the guide vanes control mechanism on a compressor.	LAC 33:III.501.C.2
AA.	2010 Annual Compliance Certification (3.30.2011)	2868-V0	unnamed flare	10.20.2010	not provided	not provided	The plant was deinventoried prior to shutdown for scheduled maintenance.	LAC 33:III.501.C.2
BB.	2010 Second Semiannual Monitoring Report (3.30.2011)	2109-V5	unnamed flare	10.21.2010	VOC	.25 tons	Inadequate design of the level indicator allowed liquid hydrocarbons to pass through the light end stripper vent.	LAC 33:III.501.C.2 LAC 33:III.905.A
CC.	2010 Second Semiannual Monitoring Report (3.30.2011)	2109-V5	unnamed flare	11.5.2010	Propylene	.16 tons	Unit shutdown caused by a shorted out compressor motor during start-up operations.	LAC 33:III.501.C.2
DD.	2010 Second Semiannual Monitoring Report (3.30.2011)	2109-V5	unnamed flare	11.15.2010	VOC	.33 tons	Unit shutdown caused by a failure in a power booster process pump.	LAC 33:III.501.C.2

	REPORT (date)	PERMIT NUMBER	EMISSION POINT	INCIDENT DATE	POLLUTANTS RELEASED	QUANTITY REPORTED	REPORTED CAUSE	REGULATORY or PERMIT REQUIREMENTS
EE.	2010 Second Semiannual Monitoring Report (3.30.2011)	2109-V5	process vessel	12.6.2010	VOC	50 lbs	During verification of shutdown trapped hydrocarbons were released through a blower housing that was open for maintenance.	LAC 33:III.501.C.2 LAC 33:III.905.A
FF.	2011 First Semiannual Monitoring Report (9.27.2011)	0520-00006- V3	unnamed flare	1.11.2011	VOC	27 lbs	The unit shutdown due to monomer poison.	LAC 33:III.501.C.2
GG.	2011 First Semiannual Monitoring Report (9.27.2011)	0520-00006- V3	*not provided	6.1.2011	VOC	25 lbs	Water was drained from a process vessel.	LAC 33:III.501.C.2
HH.	2011 First Semiannual Monitoring Report (9.27.2011)	0520-00006- V3	unnamed flare	3.1.2011	hydrocarbons	2460 lbs	Unit shutdown caused by power failure. The power failure was caused by operator.	LAC 33:III.501.C.2 LAC 33:III.905.A
II.	2011 First Semiannual Monitoring Report (9.27.2011)	0520-00006- V3	unnamed flare	5.6.2011	Propylene	644 lbs	Unit shutdown caused by a failure of the CGP cooling tower level indicator.	LAC 33:III.501.C.2

Each of the preventable unauthorized releases 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)(1) and (2).

IV.

The incidents detailed in paragraph III.U and Z of the Findings of Fact section exceeded the reportable quantity of 100 pounds for propylene. The Respondent's failure to report the incidents to the Department within twenty-four (24) hours of learning of the discharge is a violation of Title V Air Permit Number 2109-V5, LAC 33:III.3917.A, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

V.

The Respondent reported the following exceedances of permitted emission rates:

	REPORT (date)	PERMIT NUMBER or UNIT	EMISSION POINT	INCIDENT DATE	POLLUTANTS RELEASED (permit limit)	QUANTITY REPORTED	REPORTED CAUSE	REGULATORY or PERMIT REQUIREMENTS
A.	2007 Third Quarterly Deviation Report (12/21/2007)	2109-V3	FPE Fugitive Emissions M-Line FUG 001	7.19.2007	VOC (max 10.35 lb/hr)	1100 lbs	The supply meter was recommissioned prior to the re-alignment of the vent system to the flare header due to operator error.	LAC 33:III.905.A
B.	2007 Second Semiannual Monitoring Report (3.31.2008)	2109-V3	SD M-Line Maintenance/Shutdowns EQT 020	2007	Propylene (3.64 tpy)	*not provided	*not provided	Specific Requirement 22
C.	2008 Annual Compliance Certification (3.30.2009)	2109-V4	SD M-Line Maintenance/Shutdowns EQT 020	2.26.2008	Butene (.20 tpy)	.21 tons	The shutdown of monomer treatment and R-202 for a production trial.	Emission Rates for TAP/HAP & Other Pollutants Table
D.			FPE Fugitive Emissions M-Line FUG 001	2008	VOC (45.3 tpy)	66.61 tons	Additional shutdowns, change in calculation methodology, and an increase in monitored components lead to the emissions.	Emission Rates for Criteria Pollutants Table & Emission Rates for TAP/HAP & Other Pollutants Table
E.					Propylene (25.40 tpy)	*not provided		
F.			M-Line Production Area GRP 009	2008	VOC (56.42 tpy)	66.61 tons		
G.					Propylene (29.07 tpy)	*not provided		
H.			Butene (.20 tpy)	.32 tons				
I.	2009 Annual Compliance Certification (3.29.2010)	2109-V5	SD M-Line Maintenance Shutdowns (EQT 020)	2009	Propylene (1.84 tpy)	1.90 tons		Emission Rates for Criteria Pollutants Table & Emission Rates for TAP/HAP & Other Pollutants Table
J.					VOC (4.26 tpy)	4.28 tons		
K.	2010 Second Semiannual Monitoring Report (3.30.2011)	2109-V5	SD M-Line Maintenance Shutdowns (EQT 020)	2011	Butene (.20 tpy)	.35 tons		Emission Rates for TAP/HAP & Other Pollutants Table

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

VI.

The Respondent reported the following violations from recordkeeping requirements:

	REPORT (date)	PERMIT NUMBER	EMISSION POINT	INCIDENT DATE	RECORD	REGULATORY or PERMIT REQUIREMENTS
A.	2008 First Semiannual Monitoring Report (10.24.2008)	2109-V3	FPE Fugitive Emissions M- Line FUG 001	week of 12.30.2007	Weekly AVO inspections record.	40 CFR 60.486 Specific Requirement 32
B.		2109-V4		week of 1.6.2008		
C.				week of 1.13.2008		
D.				week of 1.20.2008		
E.				week of 4.13.2008		

Each failure to meet recordkeeping requirements is a violation of the applicable permit, any associated requirement(s) listed above, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2). Failure to report the violations listed above in the 2008 Annual Compliance Certification is a violation of 40 CFR Part 70 General Condition M of Title V Permit Number 2109-V3 and 4, LAC 33:III.507.H.5.c.iii, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(1) and (2).

VII.

The Respondent failed to meet the following reporting requirements:

	PERMIT NUMBER	REPORTING REQUIREMENT	DUE DATE	SUBMITTAL DATE	REGULATORY or PERMIT REQUIREMENTS
A.	2109-V3	2007 First Quarterly Deviation Report	6.30.2007	Incorporated into the 2007 Annual Compliance Certification (3.31.2008) and 2007 Second Semiannual Monitoring Report (3.31.2008)	40 CFR 70 General Condition R.3 Louisiana General Condition IX Specific Requirement 62
B.		2007 Second Quarterly Deviation Report	9.30.2007		

Each failure to meet reporting requirements is a violation of the applicable permit, the associated requirement(s) listed above, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(1) and (2).

VIII.

The Respondent submitted the 2008 Annual Compliance Certification for Title V Air Permit Numbers 0520-0006-V1 and V2, dated March 30, 2009, that certified continuous compliance with the terms and conditions of the permit without any deviations. However, the Respondent reported violations cited in paragraphs III.D, E, and F of this section. The Respondent's failure to accurately certify their

compliance status is a violation of General Condition L of Title V Air Permit Number 0520-0006-V1 and V2 LAC 33:III.501.C.4, LAC 33:III.507.H.5.c.iii, and La. R.S. 30:2057(A)(2).

COMPLIANCE ORDER

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

I.

To submit, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, a written report to include all information indicated in the Findings of Fact as “*not provided.”

II.

To submit, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, the following corrected reports:

2008 Annual Compliance Certification for Title V Air Permit Number 0520-0006-V1 and V2, and
2008 Annual Compliance Certification for Title V Permit Number 2109-V3 and V4.

The reports shall be submitted in accordance with LAC33:III.507.

III.

To take, immediately upon receipt of this **COMPLIANCE ORDER**, any and all steps necessary to meet and maintain compliance with the Act, the Air Quality Regulations, and all applicable permits.

II.

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: **Amanda DeRouen Polito**
Re: **Enforcement Tracking No. AE-CN-10-01443**
Agency Interest No. 1253

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-10-01443
Agency Interest No. 1253

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 Amanda DeRouen Polito at 225.219.3093 or amanda.polito@la.gov 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 24 day of September, 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: Amanda DeRouen Polito