

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

GRAMERCY HOLDINGS I LLC

AI # 1388

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

\* Settlement Tracking No.  
\* SA-MM-18-0073  
\*  
\* Enforcement Tracking No.  
\* MM-PP-17-01008  
\*  
\*  
\*  
\*

SETTLEMENT

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

I

Respondent is a limited liability company that owns and/or operates an alumina extraction facility located in St. James and St. John the Baptist Parishes, Louisiana (“the Facility”).

II

On February 7, 2018, the Department issued to Respondent a Notice of Potential Penalty, Enforcement No. MM-PP-17-01008, attached as Exhibit A.

III

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

IV

Nonetheless, Respondent, without making any admission of liability under state or federal statute or regulation, agrees to pay, and the Department agrees to accept, a payment in the amount of FIVE THOUSAND ONE HUNDRED AND NO/100 DOLLARS (\$5,100.00) of which One Thousand Eighty-Five and 47/100 Dollars (\$1,085.47) represents the Department's enforcement costs, in settlement of the claims set forth in this agreement. The total amount of money expended by Respondent on cash payments to the Department as described above, shall be considered a civil penalty for tax purposes, as required by La. R.S. 30:2050.7(E)(1).

V

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

VI

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

## VII

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

## VIII

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.

## IX

The Respondent has caused a public notice advertisement to be placed in the official journal of the parish governing authority in St. James and St. John the Baptist Parishes, 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.

## X

Payment is to be made within ten (10) days from notice of the Secretary's signature. If payment is not received within that time, this Agreement is voidable at the option of the Department. Payments are to be made by check, payable to the Department of Environmental Quality, and mailed or delivered to the attention of Accountant Administrator, Financial Services Division, Department of Environmental Quality, Post Office Box 4303, Baton Rouge, Louisiana, 70821-4303. Each

payment shall be accompanied by a completed Settlement Payment Form (Exhibit B).

XI

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

XII

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.

**Gramercy Holdings I LLC**

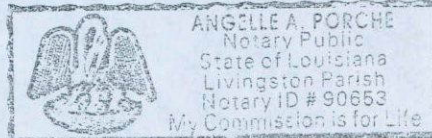
BY: *J E P*  
(Signature)

Joseph E. Pampinto  
(Printed)

TITLE: Vice President / GM

THUS DONE AND SIGNED in duplicate original before me this 27<sup>th</sup> day of March, 20 19, at Gramercy, LA.

*Angelle A Porche*  
NOTARY PUBLIC (ID # 90653)



(stamped or printed)

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

BY: *LI*  
Lourdes Iturralde, Assistant Secretary  
Office of Environmental Compliance

THUS DONE AND SIGNED in duplicate original before me this 19<sup>th</sup> day of June, 20 19, at Baton Rouge, Louisiana.

*Oy + it*  
NOTARY PUBLIC (ID # 19181)

Perry Theriot  
(stamped or printed)

Approved: *LI*  
Lourdes Iturralde, Assistant Secretary

JOHN BEL EDWARDS  
GOVERNOR



CHUCK CARR BROWN, PH.D.  
SECRETARY

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

February 7, 2018

CERTIFIED MAIL (7017 1070 0000 2657 7796)  
RETURN RECEIPT REQUESTED

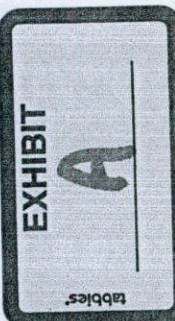
**GRAMERCY HOLDINGS I LLC**  
c/o C T Corporation System  
Agent for Service of Process  
3867 Plaza Tower Drive  
Baton Rouge, LA 70816

**RE: NOTICE OF POTENTIAL PENALTY  
ENFORCEMENT TRACKING NO. MM-PP-17-01008  
AGENCY INTEREST NO. 1388**

Dear Sir/Madam:

On or about June 26, 2017, and July 17, 2017, inspections of **NORANDA ALUMINA**, an alumina extraction facility, owned and/or operated by **GRAMERCY HOLDINGS I LLC (RESPONDENT)**, were performed to determine the degree of compliance with the Louisiana Environmental Quality Act (the Act) and the Hazardous Waste and Water Quality Regulations. The facility is located at 1111 East Airline Highway in Gramercy, St. James and St. John Parishes, Louisiana. The Respondent is registered as a large quantity generator of hazardous waste and has been assigned EPA identification number LAD008182289.

On or about December 12, 2016, the Department received a Notification of Change Form (NOC-1) from the Respondent. The NOC-1 form indicated that effective October 28, 2016, ownership of the Noranda Alumina facility was transferred from Noranda Alumina LLC to the Respondent. The NOC-1 form requested the transfer of Louisiana Pollutant Discharge Elimination System (LPDES) permit LA0079961 from Noranda Alumina LLC. By letter dated January 24, 2017, the Department transferred LPDES Permit LA0079961 to the Respondent with the effective date of October 28, 2016. LPDES permit LA0079961 has an expiration date of October 31, 2020. Under the terms and conditions of LPDES permit LA0079961, the Respondent is authorized to discharge treated decant wastewater, utility wastewater, miscellaneous wastewater, process area stormwater runoff, and non-process area stormwater runoff (Outfall 001); utility wastewater (Outfall 002); non-process stormwater runoff and/or previously treated sanitary wastewater (Outfalls 003, 004, 005, and 006), and wastewater from dock cleaning operations and non-process area stormwater runoff (Outfall 007) to the Mississippi River (Outfalls 001, 002, and 007) and/or Blind River Swamp via local drainage (Outfalls 003, 004, 005, and 006), all waters of the state.



Gramercy Holdings I LLC

MM-PP-17-01008

Page 2

While the investigation by the Louisiana Department of Environmental Quality (the Department) is not yet complete, the following violations were noted during the course of the inspections:

- A. The Respondent failed to label or mark clearly universal waste batteries or a container in which the batteries are contained with any one of the following phrases: "Universal Waste—Battery(ies)," or "Waste Battery(ies)," or "Used Battery(ies)," in violation of LAC 33:V.3823.A.1. Specifically, eight (8) universal waste batteries stored at the Auto Shop were not labeled during the June 26, 2017 inspection. The subsequent inspection on July 17, 2017, revealed that the facility labeled the universal waste batteries with the words "Used Battery."
- B. The Respondent failed to contain any universal waste battery that shows evidence of leakage, spillage, or damage that could cause leakage under reasonably foreseeable conditions in a container, in violation of LAC 33:V.3821.A.1. Specifically, the Respondent failed to properly store damaged batteries. Two (2) of the universal waste batteries located in the Auto Shop were leaking. Liquid was noted leaking from the cases of the batteries during the June 26, 2017 inspection. The concrete under the batteries was lighter in color than the surrounding concrete, indicating the batteries affected the concrete. During the subsequent inspection on July 17, 2017, a universal waste battery was in a bucket. No leaking universal waste batteries were observed during the subsequent inspection.
- C. The Respondent failed to clearly mark or label a container used to store used oil with the words "Used Oil," in violation of LAC 33:V.4013.D. Specifically, the June 26, 2017, and July 17, 2017 inspections revealed the following:
  1. The June 26, 2017 inspection revealed that the Respondent failed to label one (1) half-drum containing used oil and used oil filters, which was located on a containment pallet in the area near the underground storage tank (UST) located on the south side of the Auto Shop. The July 17, 2017 inspection revealed that the half-drum was removed from the Auto Shop area.
  2. The June 26, 2017 inspection revealed that the half-drum described in Paragraph C.1 was leaking into the containment pallet it was stored on. During the July 17, 2017 inspection the half-drum was removed from the Auto Shop area and the containment pallet was mostly emptied of used oil; however, the containment pallet was not labeled "Used Oil." A facility representative provided photographs following the July 17, 2017 inspection showing the containment pallet was labeled "Used Oil."
  3. The Respondent failed to label a portable drip pan next to the used oil UST, which was being used to drain used oil filters, with the words "Used Oil." A facility representative provided photographs following the inspection showing the drip pan was labeled "Used Oil."
  4. The Respondent failed to label approximately five (5) to ten (10) 5-gallon buckets outside near the west side of the Auto Shop and an additional eleven (11) 5-gallon buckets near the Diesel Storage Tanks west of the Auto Shop with the words "Used Oil." During the June 26, 2017 inspection, the facility representatives did not know what was in the containers, but indicated after the inspection that the 5-gallon buckets were emptied into a drum and managed as used oil. Therefore, the 5-gallon buckets should have been labeled with the words "Used Oil."

Gramercy Holdings I LLC

MM-PP-17-01008

Page 3

- D. The Respondent failed to label each lamp or container or package in which waste lamps are contained with one of the following phrases: "Universal Waste—Lamp(s)," or "Waste Lamp(s)," or "Used Lamp(s)," in violation of LAC 33:V.3823.A.6. Specifically, the Respondent failed to label sixteen (16) boxes of universal waste lamps at the Warehouse. The inspection conducted on July 17, 2017, revealed all but one (1) of the boxes of universal waste lamps were removed. The remaining box was labeled and closed.
- E. The Respondent failed to ensure that the containers and packages of universal waste lamps remain closed, in violation of LAC 33:V.3821.D.1. Specifically, most of the boxes of universal waste lamps described in Paragraph D were not closed. The inspection conducted on July 17, 2017, revealed all but one (1) of the boxes of universal waste lamps were removed. The remaining box was labeled and closed.
- F. The Respondent failed to label or mark clearly universal waste batteries or a container in which the batteries are contained with any one of the following phrases: "Universal Waste—Battery(ies)," or "Waste Battery(ies)," or "Used Battery(ies)," in violation of LAC 33:V.3823.A.1. Specifically, two (2) 5-gallon buckets of universal waste batteries located in the Warehouse were labeled "Universal Waste." During the June 26, 2017 inspection, a facility representative added the word "Batteries" to the label.
- G. The Respondent failed to label a container of hazardous waste with the words "Hazardous Waste" or with other words that identify the contents of the containers, in violation of LAC 33:V.1109.E.4. Specifically, the June 26, 2017, and July 17, 2017 inspections revealed the following:
1. During the June 26, 2017 inspection, one (1) 55-gallon drum of paint waste, managed as satellite accumulation, inside the Paint Shop Building was not labeled with the words "Hazardous Waste." The paint waste is generated from the cleaning of the spray gun machine. During the inspection, a facility representative labeled the drum "Paint Waste."
  2. During the June 26, 2017 inspection, one (1) 55-gallon drum of aerosol cans, managed as satellite accumulation, inside the Paint Shop Building was not labeled with the words "Hazardous Waste." The drum was equipped with an aerosol can puncturing device and a filter for air emissions. During the inspection, a facility representative labeled the drum "Waste Aerosol Can Contents."
- H. An inspection conducted on or about June 26, 2017, revealed that the Respondent failed to implement its Storm Water Pollution Prevention Plan (SWP3). Specifically, the inspection revealed that there was stormwater in the secondary containment for the east tank (6,000 gallons) as well as stormwater on the outside of the containment. A sheen was observed on the stormwater inside and outside of the secondary containment. The valve to close off the containment was open. There was no facility representative at the time supervising the area. Some of the water reached the dirt roadway next to the concrete pad. The Respondent failed to implement its SWP3 by not keeping the drain valve for the secondary containment in the closed position except during supervised discharge. This is a violation of LPDES permit LA0079961 (Part II, Sections K.3 and K.5.f and Part III, Section A.2), La. R.S.



Gramercy Holdings I LLC

MM-PP-17-01008

Page 4

30:2076(A)(3), and LAC 33:IX.2701.A. The inspection on July 17, 2017, indicated that the secondary containment valve was found closed, and absorbent pads were observed being used to remove the sheen from the storm water.

- I. A file review conducted on or about November 6, 2017, revealed the following effluent limitation exceedances as reported by the Respondent on its Discharge Monitoring Reports (DMRs):

| Monitoring Period  | Outfall        | Parameter                                      | Permit Limit                | Reported Value                  |
|--------------------|----------------|--|-----------------------------|---------------------------------|
| 11/2016            | 501            | BOD <sub>5</sub><br>(Monthly Average)          | 30 mg/L                     | 32 mg/L                         |
| 02/2017            | 001            | pH range excursions<br>(# events > 60 minutes) | 0 events                    | 1 event                         |
| <del>08/2017</del> | <del>004</del> | <del>pH (max)</del>                            | <del>9 Standard Units</del> | <del>10.67 Standard Units</del> |

Each effluent exceedance is a violation of LPDES permit LA0079961 (Part I, pages 2, 8, and 10 of 12; Part II, Section I; and Part III, Section A.2), La. R.S. 30:2076(A)(3), and LAC 33:IX.501.A.

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.

Prior to the issuance of any additional appropriate enforcement action, 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 Cynthia Arrison at (225) 219-3796 within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**.

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 in order 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 violations 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 this statement. If the Respondent chooses not to submit the requested most current annual gross revenues statement within ten (10) days, it will be viewed by the Department as an admission that the Respondent has the ability to pay the statutory maximum penalty as outlined in La. R.S. 30:2025.

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

The Department assesses civil penalties based on LAC 33:I.Subpart I.Chapter 7. To expedite closure of this **NOTICE OF POTENTIAL PENALTY**, the Respondent may offer a settlement amount

Gramercy Holdings I LLC

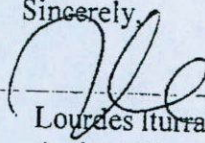
MM-PP-17-01008

Page 5

to resolve any claim for civil penalties for the violation(s) described herein. The Respondent may offer a settlement amount, but the Department is under no obligation to enter into settlement negotiations. The decision to proceed with a settlement is at the discretion of the Department. The settlement offer amount may be entered on the attached "**NOTICE OF POTENTIAL PENALTY REQUEST TO SETTLE**" form. The Respondent must include a justification of the offer. **DO NOT** submit payment of the offer amount with the form. The Department will review the settlement offer and notify the Respondent as to whether the offer is or is not accepted.

To reduce document handling, please refer to the Enforcement Tracking Number and Agency Interest Number on the front of this document on all correspondence in response to this action.

Sincerely,



Lourdes Iturralde  
Assistant Secretary  
Office of Environmental Compliance

LI/CLA/ro

Alt ID Nos. LAD008182289; LA0079961

c: Noranda Alumina  
c/o Bud Preston, Environmental Manager  
1111 East Airline Highway  
Gramercy, LA 70052

LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY  
 OFFICE OF ENVIRONMENTAL COMPLIANCE  
 ENFORCEMENT DIVISION  
 POST OFFICE BOX 4312  
 BATON ROUGE, LOUISIANA 70821-4312



**NOTICE OF POTENTIAL PENALTY  
 REQUEST TO SETTLE (OPTIONAL)**

|                          |                              |                    |                           |
|--------------------------|------------------------------|--------------------|---------------------------|
| Enforcement Tracking No. | MM-PP-17-01008               | Contact Name       | Cynthia Arrison           |
| Agency Interest (AI) No. | 1388                         | Contact Phone No.  | (225) 219-3796            |
| Alternate ID Nos.        | LAD008182289; LA0079961      |                    |                           |
| Respondent:              | GRAMERCY HOLDINGS I LLC      | Facility Name:     | Noranda Alumina           |
|                          | c/o C T Corporation System   | Physical Location: | 1111 East Airline Highway |
|                          | Agent for Service of Process |                    |                           |
|                          | 3867 Plaza Tower Drive       | City, State, Zip:  | Gramercy, LA 70052        |
| Baton Rouge, LA 70816    | Parish:                      | St. James          |                           |

**SETTLEMENT OFFER (OPTIONAL)**

*(check the applicable option)*

The Respondent is not interested in entering into settlement negotiations with the Department with the understanding that the Department has the right to assess civil penalties based on LAC 33:1.Subpart1.Chapter7.

In order to resolve any claim for civil penalties for the violations in **NOTICE OF POTENTIAL PENALTY (MM-PP-17-01008)**, the Respondent is interested in entering into settlement negotiations with the Department and would like to set up a meeting to discuss settlement procedures.

In order to resolve any claim for civil penalties for the violations in **NOTICE OF POTENTIAL PENALTY (MM-PP-17-01008)**, the Respondent is interested in entering into settlement negotiations with the Department and offers to pay \$ \_\_\_\_\_ which shall include LDEQ enforcement costs and any monetary benefit of non-compliance.

- Monetary component = \$ \_\_\_\_\_
- Beneficial Environmental Project (BEP) component (optional)= \$ \_\_\_\_\_

**DO NOT SUBMIT PAYMENT OF THE OFFER WITH THIS FORM-** the Department will review the settlement offer and notify the Respondent as to whether the offer is or is not accepted.

The Respondent has reviewed the violations noted in **NOTICE OF POTENTIAL PENALTY (MM-PP-17-01008)** and has attached a justification of its offer and a description of any BEPs if included in settlement offer.

**CERTIFICATION STATEMENT**

*I certify, under provisions in Louisiana and United States law that provide criminal penalties for false statements, that based on information and belief formed after reasonable inquiry, the statements and information attached and the compliance statement above, are true, accurate, and complete. I also certify that I do not owe outstanding fees or penalties to the Department for this facility or any other facility I own or operate. I further certify that I am either the Respondent or an authorized representative of the Respondent.*

|                               |                           |                    |
|-------------------------------|---------------------------|--------------------|
|                               |                           |                    |
| Respondent's Signature        | Respondent's Printed Name | Respondent's Title |
| Respondent's Physical Address | Respondent's Phone #      | Date               |

**MAIL COMPLETED DOCUMENT TO THE ADDRESS BELOW:**

Louisiana Department of Environmental Quality  
 Office of Environmental Compliance  
 Enforcement Division  
 P.O. Box 4312  
 Baton Rouge, LA 70821  
 Attn: Cynthia Arrison