

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

OXBOW CALCINING LLC

AI # 29884

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

\* Settlement Tracking No.  
\* SA-AE-19-0012  
\*  
\* Enforcement Tracking No.  
\* AE-CN-15-00592  
\* AE-CN-15-00592A  
\*  
\* Docket No. 2018-0400-EQ  
\*

SETTLEMENT

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

I

Respondent is a limited liability company that owns and/or operates a petroleum coke manufacturing facility located in East Baton Rouge Parish, Louisiana (“the Facility”).

II

On October 20, 2016, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-15-00592, attached as Exhibit A.

On October 19, 2018, the Department issued to Respondent an Amended Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-15-00592A, attached as Exhibit B.

III

In response to the Consolidated Compliance Orders & Notices of Potential Penalty,

Enforcement Nos. AE-CN-15-00592 and AE-CN-15-00592A, Respondent made a timely request for a hearing.

#### IV

The following violations, although not cited in the foregoing enforcement actions, are also included within the scope of this settlement:

- A. According to the Facility's 3<sup>rd</sup> Quarter 2017 SO<sub>2</sub> Excess Emissions Summary Report, dated January 16, 2018 (for the period July-September 2017), the Respondent reported that it inadvertently used a desulfurization rate different than outlined in Specific Requirement (SR) No. 27 of Air Permit 0840-00021-V6 to calculate calcined sulfur content of a petroleum coke blend resulting in higher feed rates and marginal three-hour exceedances of the SO<sub>2</sub> limit during the following periods:

07/08/2017 2300 through 07/09/2017 2200  
07/09/2017 1400 through 07/10/2017 1000  
07/18/2017 2300 through 07/21/2017 1300  
07/21/2017 1400 through 07/21/2017 1600  
08/08/2017 1500 through 08/10/2017 1300  
08/10/2017 1400 through 08/10/2017 2200  
08/15/2017 1100 through 08/15/2017 1400  
08/18/2017 0100 through 08/19/2017 2200  
08/19/2017 2300 through 08/20/2017 2200  
08/20/2017 2300 through 08/21/2017 1000  
08/21/2017 1100 through 08/21/2017 1400  
08/30/2017 2300 through 08/31/2017 1000  
08/31/2017 1100 through 09/01/2017 1000  
09/07/2017 0500 through 09/07/2017 1000

The calculation method is a violation of Specific Requirement No. 27 of Air Permit No. 0840-00021-V6. Each exceedance is a violation of Title V Air Permit No. 0840-00021-V6 Emissions Rates for Criteria Pollutants, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

B. According to the 2018 Title V 1st Semiannual Monitoring Report dated September 28, 2018, the Respondent reported the failure to conduct an oil and filter change on Non-NSPS Diesel Emergency Reciprocating Internal Combustion Engines (RICE) (EQT0036), (EQT0037), and (EQT0038), which are group members of CRG 0002. Specifically, the Respondent is required to change the oil filters every 500 hours or annually, whichever comes first. Each failure is a violation of Specific Requirement No. 1 of Title V Permit No. 0840-00021-V7, 40 CFR 63.6602, which language has been adopted as a Louisiana regulation in LAC 33:III.5122, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2). According to the 2018 Title V 1st Semiannual Monitoring Report dated September 28, 2018, the Respondent stated the oil filter was not changed within the twelve (12) month period due to parts not being available at the facility. Additionally, the Respondent stated an existing process has been amended to ensure that all oil filters will be available on site as a warehouse stock item.

C. According to the 2018 2nd Title V Semiannual Report dated March 27, 2019, the Respondent reported a failure to continuously monitor the Kiln #1 Auxiliary Emergency Engine (EQT0047) during operation, which was approximately twenty-four hours and thirty minutes (24.5). Specifically, the Respondent discovered that the hour meter was not working on September 5, 2018 due to a malfunction of the hour meter. The hour meter was replaced on January 10, 2019. This is a violation of Specific Requirement No. 118 of Title V Permit Nos. 0840-00021-V6 and 0840-00021-V7, 40 CFR 63.6590(c), which language has been adopted as a Louisiana regulation in LAC 33:III.5122, and 40 CFR 60.4245(b), which language has been adopted as a Louisiana regulation in LAC 33:III.3003, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2). According to the 2018 Title V 2nd Semiannual Monitoring Report dated March 27, 2019, the Respondent stated that in order to identify broken hour meters on a more timely basis, the technicians have been

instructed to observe the first few and final few minutes of a generator run time to ensure the hour meter is functioning correctly.

D. The Respondent failed to continuously monitor Emergency Diesel Engine #2 (EQT0039) during twenty-three (23) hours of operation. Specifically, the Respondent discovered that the hour meter was not working on September 12, 2018 due to a malfunction of the hour meter and was replaced on November 27, 2018. This is a violation of Specific Requirement No. 99 of Title V Permit Nos. 0840-00021-V6 and 0840-00021-V7, 40 CFR 60.4209(a), which language has been adopted as a Louisiana regulation in LAC 33:III.3003, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2). According to the 2018 Title V 2nd Semiannual Monitoring Report dated March 27, 2019, the Respondent stated that upon discovery, the hour meter was changed out without the generator running during the period the work order was initiated and the repair was made to the generator. In order to identify broken hour meters on a timelier basis, the technicians have been instructed to observe the first few and final few minutes of a generator run time to ensure the hour meter is functioning correctly.

#### 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 SIXTEEN THOUSAND NINE HUNDRED and NO/100 DOLLARS (\$16,900.00), of which One Thousand Three Hundred Ninety and 82/100 Dollars (\$1,390.82) represents the Department's enforcement costs, in settlement of the claims set forth in this agreement. The total amount of money expended by Respondent on cash payments to the Department as described above, shall be considered a civil penalty for tax purposes, as required by La. R.S. 30:2050.7(E)(1).

## VI

Respondent further agrees that the Department may consider the inspection report(s)/permit record(s), Consolidated Compliance Orders & Notices 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 East Baton Rouge Parish, Louisiana. The advertisement, in form and wording approved by the Department, announced the availability of this settlement for public view and comment and the opportunity for a public hearing. Respondent has submitted an original proof-of-publication affidavit and an original public notice to the Department and, as of the date this Settlement is executed on behalf of the Department, more than forty-five (45) days have elapsed since publication of the notice.

XI

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

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.

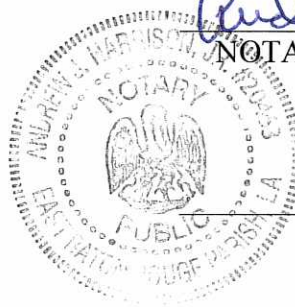
**Oxbow Calcining LLC**

BY: [Signature]  
(Signature)

Frank Michael Newman  
(Printed)

TITLE: Plant Manager

THUS DONE AND SIGNED in duplicate original before me this 13<sup>th</sup> day of November, 20 19, at 12 Noon.

[Signature]  
NOTARY PUBLIC (ID # 20463)  
  
(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 18<sup>th</sup> day of Dec, 20 19, at Baton Rouge, Louisiana.

[Signature]  
NOTARY PUBLIC (ID # 19181)

Perry Theriot  
(stamped or printed)

Approved: [Signature]  
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

October 20, 2016

CERTIFIED MAIL (7004 2510 0006 3853 4268)  
RETURN RECEIPT REQUESTED

**OXBOW CALCINING LLC**  
c/o Corporate Creations Network, Inc.  
Agent for Service of Process  
1070-B West Causeway Approach  
Mandeville, LA 70471

**RE: CONSOLIDATED COMPLIANCE ORDER  
& NOTICE OF POTENTIAL PENALTY  
ENFORCEMENT TRACKING NO. AE-CN-15-00592  
AGENCY INTEREST NO. 29884**

Dear Sir(s):

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 **OXBOW CALCINING 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 Richard LeBlanc at (225) 219-3165.

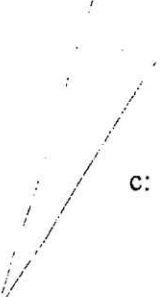
Sincerely,

Celena J. Cage  
Administrator  
Enforcement Division

CJC/RDL/rdl  
Alt ID No. 0840-00021  
Attachment







c: Oxbow Calcining LLC  
P.O. Box 4448  
Baton Rouge, LA 70821

STATE OF LOUISIANA  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
OFFICE OF ENVIRONMENTAL COMPLIANCE

IN THE MATTER OF

OXBOW CALCINING LLC  
EAST BATON ROUGE PARISH  
ALT ID NO. 0840-00021

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

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ENFORCEMENT TRACKING NO.

AE-CN-15-00592

AGENCY INTEREST NO.

29884

CONSOLIDATED  
COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY

The following **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is issued to **OXBOW CALCINING 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 Baton Rouge Calcined Coke Plant (facility), an existing petroleum coke manufacturing facility located at 2200 Brooklawn Drive in Baton Rouge, East Baton Rouge Parish, Louisiana. The facility operated under Title V Air Permit No. 0840-00021-V3 issued on May 6, 2011. The facility currently operates under Title V Air Permit No. 0840-00021-V4 issued on June 4, 2014.

II.

On or about November 18, 2014, through November 19, 2014, the Department conducted an inspection for the facility to determine compliance with the Act and the Air Quality Regulations. Additionally, the Department conducted a file review for the facility on or about September 14, 2016.

While the Department's investigation is not yet complete, the following violations were discovered during the course of the inspection and file review:

- A. In the facility's 2012, 2013 and 2014 Annual Compliance Certifications submitted to the Department on or about March 25, 2013, March 31, 2014, and March 31, 2015, respectively, the Respondent reported the following operations violations for 48 - Natural Gas Kiln Auxiliary Engine (EQT0032) for a total of 7.9 hours from November 21, 2011, until the engine was replaced with a new EPA-certified engine on or about March 25, 2015:
1. In the facility's 2012, 2013 and 2014 Annual Compliance Certifications the Respondent reported failures to operate the emergency engine according to the emission standards in Table 1 of 40 CFR 60 Subpart JJJJ. Specifically, the Respondent failed to operate the engine with nitrogen oxides (NOx) emissions less than 10 g/HP-hr (grams per horsepower-hour) and carbon monoxide (CO) emissions less than 387 g/HP-hr. Each CO and NOx emissions exceedance prior to June 4, 2014, is a violation of Title V Air Permit No. 0840-00021-V3 Specific Requirement 116, which incorporates by reference 40 CFR 60.4233(d), and Specific Requirement 123, which incorporates by reference 40 CFR 63.6590(c). Each CO exceedance after June 4, 2014, is a violation of Title V Air Permit No. 0840-00021-V4 Specific Requirement 116, which incorporates by reference 40 CFR 60.4233(d), and Specific Requirement 130, which incorporates by reference 40 CFR 63.6590(c). Each NOx exceedance after June 4, 2014, is a violation of Title V Air Permit No. 0840-00021-V4 Specific Requirement 117, which incorporates by reference 40 CFR 60.4233(d), and Specific Requirement 130, which incorporates by reference 40 CFR 63.6590(c). Each exceedance is also a violation of LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
  2. In the facility's 2012, 2013 and 2014 Annual Compliance Certifications the Respondent reported failures to operate and maintain the emergency engine to achieve the CO and NOx emissions standards of 40 CFR 60 Subpart JJJJ over the entire life of the engine. Each failure prior to June 4, 2014, is a violation of Title V Air Permit No. 0840-00021-V3 Specific Requirement 117, which incorporates by reference 40 CFR 60.4234. Each failure after June 4, 2014, is a violation of Title V Air Permit No. 0840-00021-V4 Specific Requirement 118, which incorporates by reference 40 CFR 60.4234. Each failure is also a violation of LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
  3. In the facility's 2012, 2013 and 2014 Annual Compliance Certifications the Respondent reported failures to demonstrate compliance according to the emission standards specified in 40 CFR 60.4233(d) for the emergency engine. Each failure prior to June 4, 2014, is a violation of Title V Air Permit No. 0840-00021-V3 Specific Requirement 118, which incorporates by reference 40 CFR 60.4243(b)(1). Each failure after June 4, 2014, is a violation of Title V Air Permit No. 0840-00021-V4 Specific Requirement 121, which incorporates by reference 40 CFR 60.4243(b)(2). Each failure

- is also a violation of LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
4. In the facility's 2013 and 2014 Annual Compliance Certifications the Respondent reported failures to maintain and operate the air-to-fuel controller appropriately in order to ensure proper operation of the emergency engine and control device to minimize emissions at all times. Specifically, the air-to-fuel controller was discovered by the Respondent as being faulty and replaced in 2013. This is a violation of Title V Air Permit No. 0840-00021-V3 Specific Requirement 120, which incorporates by reference 40 CFR 60.4243(g), LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
  5. In the facility's 2012 Annual Compliance Certification the Respondent reported that the emergency engine operated for approximately 2.1 hours in 2012 with maximum hourly emissions exceedances for CO and volatile organic compounds (VOCs). In the facility's 2013 First Semiannual Monitoring Report submitted to the Department on or about September 24, 2013, the Respondent reported that the emergency engine operated for approximately two (2) hours during the covered period with ~~maximum~~ hourly emissions exceedances for CO. In the facility's 2013 Annual Compliance Certification the Respondent reported that the emergency engine operated for approximately 2.5 hours in 2013 with maximum hourly emissions exceedances for NOx. Each exceedance is a violation of Title V Air Permit No. 0840-00021-V3 Emission Rates for Criteria Pollutants, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
- B. In the facility's 2014 Annual Compliance Certification, the Respondent reported a failure to comply with 40 CFR 63 Subpart A for 54 - Emergency Fire Water Pump (EQT0038). Specifically, the Respondent reported that according to maintenance personnel the oil and filter for the pump were changed every 500 hours of operation or annually. However, the Respondent is unable to prove that the maintenance occurred due to a documentation failure. This documentation failure is a violation of Title V Air Permit No. 0840-00021-V4 Specific Requirement 192, which incorporates by reference 40 CFR 63.10(b)(1), LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2). The Respondent reported that the mechanic has been trained in recordkeeping procedures.
- C. In the facility's 2014 Annual Compliance Certification, the Respondent reported a failure to install a non-resettable hour meter on 51 - Diesel Kiln #1 Auxiliary Engine (EQT0035) according to 40 CFR 63.6625(f). Specifically, an hour meter installed on or about May 3, 2013, was incorrectly wired to record hours when the power switch was "on" but the engine was not running. The failure was discovered and the hour meter was correctly re-wired on or about March 26, 2015. This failure is a violation of Title V Air Permit No. 0840-00021-V4 Specific Requirement 182, which incorporates by reference 40 CFR 63.6625(f), LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).

- D. In the facility's 2014 Annual Compliance Certification, the Respondent reported failures to observe opacity by using Method 9 of 40 CFR Part 60, Appendix A for EQT0035 and 52 – Water Well #3 Auxiliary Engine (EQT0036) while operating. Each monitoring failure is a violation of Title V Air Permit No. 0840-00021-V4 Specific Requirement 189, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2). The Respondent reported that the engines were added to the list of equipment requiring Method 9 opacity observations while operating.
- E. In the facility's 2014 Annual Compliance Certification, the Respondent reported failures to determine hourly sulfur dioxide (SO<sub>2</sub>) emissions according to the permit for 1 – No. 1 Kiln – Coke Calciner (EQT0004), 2 – No. 2 Kiln – Coke Calciner (EQT0005), 3 – No. 3 Kiln – Coke Calciner (EQT0006) and 4 – No. 4 Kiln – Coke Calciner (EQT0007). Specifically, the Respondent was using emission rates over a 24-hour period to apply a 24-hour weighted average to generate hourly SO<sub>2</sub> emissions rather than using the information to generate a 3-hour average SO<sub>2</sub> emission rate. These failures are violations of Title V Air Permit No. 0840-00021-V4 Specific Requirements 22, 46, 70 and 94, respectively. Each failure is also a violation of ~~LAC 33:III.1511.C.3, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).~~ The Respondent reported that the violations were corrected by using available data to calculate 3-hour average SO<sub>2</sub> emissions rates.
- F. In the facility's 2014 Annual Compliance Certification, the Respondent reported failures to determine 3-hour average SO<sub>2</sub> concentrations according to the permit for EQT0004, EQT0005, EQT0006 and EQT0007. Specifically, the Respondent was using 24-hour weighted averages to generate 3-hour average SO<sub>2</sub> concentrations rather than using 3-hour average SO<sub>2</sub> emission rates. These failures are violations of Title V Air Permit No. 0840-00021-V4 Specific Requirements 26, 50, 74 and 98, respectively. Each failure is also a violation of LAC 33:III.1511.C.3, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2). The Respondent reported that the violations were corrected by using available data to calculate 3-hour average SO<sub>2</sub> concentrations using 3-hour average SO<sub>2</sub> emissions rates.
- G. In the facility's 2014 Annual Compliance Certification, the Respondent reported failures to determine the sulfur content of calcined coke according to the permit for EQT0004, EQT0005, EQT0006 and EQT0007. Specifically, the Respondent was using samples to establish a 24-hour weighted average sulfur content on an "all-operating" kiln basis rather than calculating 24-hour weighted averages for each kiln separately. These failures are violations of Title V Air Permit No. 0840-00021-V4 Specific Requirements 27, 51, 75 and 99, respectively. Each failure is also a violation of LAC 33:III.1511.C.3, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2). The Respondent reported that the violations were corrected by using available data to calculate 24-hour weighted averages per kiln.
- H. The Respondent reported the following SO<sub>2</sub> exceedances above the maximum hourly permit limit of 1201.5 pounds per hour (lb/hr) in the facility's 2014 Annual

Compliance Certification, 2015 1<sup>st</sup> Quarter Excess Emissions Report submitted to the Department on or about June 30, 2015, and 2015 1<sup>st</sup> Semiannual Monitoring Report submitted to the Department on or about September 30, 2015:

| Emission Source | Date         | Time       | Hours |
|-----------------|--------------|------------|-------|
| EQT0005         | 9/15-16/2014 | 19:00-1:00 | 6     |
| EQT0006         | 9/15-16/2014 | 19:00-1:00 | 6     |
| EQT0007         | 9/16/2014    | 1:00-16:00 | 15    |
| EQT0007         | 11/22/2014   | 1:00-7:00  | 6     |
| EQT0007         | 4/23/15      | 1:00-13:00 | 12    |
| EQT0006         | 5/29/2015    | 1:00-16:00 | 15    |

Each exceedance is a violation of Title V Air Permit No. 0840-00021-V4 Emission Rates for Criteria Pollutants and CO<sub>2</sub>e, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

- I. In the facility's 2015 1<sup>st</sup> Semiannual Monitoring Report submitted to the Department on or about September 30, 2015, the Respondent reported a failure to comply with 40 CFR 63.6602 and 63.6625 for EQT0036. Specifically, the Respondent failed to change the oil and filter annually which was due by March 29, 2015. This maintenance failure is a violation of Title V Air Permit No. 0840-00021-V4 Specific Requirement 175, which incorporates by reference 40 CFR 63.6602, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2). The required maintenance was conducted on or about April 28, 2015.
- J. In the facility's 2015 1<sup>st</sup> Semiannual Monitoring Report submitted to the Department on or about September 30, 2015, the Respondent reported a failure to comply with 40 CFR 63.6602 and 63.6625 for EQT0036. Specifically, the Respondent failed to inspect the air cleaner annually and replace as necessary which was due by March 29, 2015. This maintenance failure is a violation of Title V Air Permit No. 0840-00021-V4 Specific Requirement 176, which incorporates by reference 40 CFR 63.6602, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2). The required maintenance was conducted on or about April 28, 2015.
- K. In the facility's 2015 1<sup>st</sup> Semiannual Monitoring Report submitted to the Department on or about September 30, 2015, the Respondent reported a failure to comply with 40 CFR 63.6602 and 63.6625 for EQT0036. Specifically, the Respondent failed to inspect all hoses and belts annually and replace as necessary which was due by March 29, 2014. This maintenance failure is a violation of Title V Air Permit No. 0840-00021-V4 Specific Requirement 177, which incorporates by reference 40 CFR 63.6602, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2). The required maintenance was conducted on or about April 28, 2015.

## 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.

II.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, a written report that includes the specific rate exceedance amounts mentioned above in Findings of Fact subparagraphs II.A.1, II.A.5 and II.H, including the permit limit exceeded for each pollutant and the date and duration of each exceedance.

III.

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: **Richard LeBlanc**  
Re: **Enforcement Tracking No. AE-CN-15-00592**  
**Agency Interest No. 29884**

### 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-15-00592**  
**Agency Interest No. 29884**

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 Richard LeBlanc at (225) 219-3165 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 20<sup>th</sup> day of October, 2016.

  
\_\_\_\_\_  
Lourdes Iturralde  
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: Richard LeBlanc



JOHN BEL EDWARDS  
GOVERNOR

CHUCK CARR BROWN, PH.D.  
SECRETARY

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

October 19, 2018

CERTIFIED MAIL (7016 0910 0000 2673 0484)  
RETURN RECEIPT REQUESTED

**OXBOW CALCINING LLC**  
c/o Corporate Creations Network, Inc.  
Agent for Service of Process  
1070-B West Causeway Approach  
Mandeville, LA 70471

**RE: AMENDED CONSOLIDATED COMPLIANCE ORDER &  
NOTICE OF POTENTIAL PENALTY  
ENFORCEMENT TRACKING NO. AE-CN-15-00592A  
AGENCY INTEREST NO. 29884**

Dear Sir(s):

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

Any questions concerning this action should be directed to Madison Kirkland at (225) 219-3165 or [Madison.Kirkland@la.gov](mailto:Madison.Kirkland@la.gov).

Sincerely,

Celena J. Cage  
Administrator  
Enforcement Division

CJC/MLK/mlk  
Alt ID No. 0840-00021  
Attachment

c: Oxbow Calcining LLC  
David C. Postelthwait, Plant Manager  
P.O. Box 4448  
Baton Rouge, LA 70821



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

**IN THE MATTER OF**

**OXBOW CALCINING LLC  
EAST BATON ROUGE PARISH  
ALT ID NO. 0840-00021**

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

\*  
\*  
\* **ENFORCEMENT TRACKING NO.**  
\*  
\* **AE-CN-15-00592A**  
\*  
\* **AGENCY INTEREST NO.**  
\*  
\* **29884**  
\*

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

The Louisiana Department of Environmental Quality (the Department) hereby amends the **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY, ENFORCEMENT TRACKING NO. AE-CN-15-00592**, issued to **OXBOW CALCINING LLC (RESPONDENT)** on October 20, 2016, in the above-captioned matter as follows:

I.

The Department hereby amends Findings of Fact paragraph II.A.5 and paragraph II.H. to read as follows:

“5. In the facility’s 2012 Annual Compliance Certification the Respondent reported that the emergency engine operated approximately 2.1 hours in 2012 with maximum hourly emissions exceedances for volatile organic compounds (VOCs). This exceedance is a violation of Title V Air Permit No. 0840-00021-V3 Emission Rates for Criteria Pollutants, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

H. In the response to AE-CN-15-00592 dated January 31, 2017, the Respondent reported the following SO<sub>2</sub> exceedances above the maximum hourly permit limit of 1201.5 pounds per hour (lbs/hr):

| DATE    | KILN # | TIME  | TPH (3-HOUR AVERAGE) | % SULFUR (WEIGHTED AVERAGE) | MOISTURE (%) | SO <sub>2</sub> lbs/hr | SO <sub>2</sub> PERMIT LIMIT (lbs/hr) | DIFFERENCE (lbs/hr) |
|---------|--------|-------|----------------------|-----------------------------|--------------|------------------------|---------------------------------------|---------------------|
| 4/23/15 | 4      | 1:00  | 21                   | 4.47                        | 8.0625       | 1205.62                | 1201.5                                | 4.12                |
| 4/23/15 | 4      | 4:00  | 21                   | 4.47                        | 8.0625       | 1205.62                | 1201.5                                | 4.12                |
| 4/23/15 | 4      | 7:00  | 21                   | 4.47                        | 8.0625       | 1205.62                | 1201.5                                | 4.12                |
| 4/23/15 | 4      | 10:00 | 21                   | 4.47                        | 8.0625       | 1205.62                | 1201.5                                | 4.12                |

| DATE      | KILN # | TIME  | TPH (3-HOUR AVERAGE) | % SULFUR (WEIGHTED AVERAGE) | MOISTURE (%) | SO <sub>2</sub> lbs/hr | SO <sub>2</sub> PERMIT LIMIT (lbs/hr) | DIFFERENCE (lbs/hr) |
|-----------|--------|-------|----------------------|-----------------------------|--------------|------------------------|---------------------------------------|---------------------|
| 4/23/15   | 4      | 13:00 | 21                   | 4.47                        | 8.0625       | 1205.62                | 1201.5                                | 4.12                |
| 5/29/2015 | 3      | 1:00  | 20                   | 4.66                        | 7.15         | 1235.05                | 1201.5                                | 33.55               |
| 5/29/2015 | 3      | 4:00  | 20                   | 4.66                        | 7.15         | 1235.05                | 1201.5                                | 33.55               |
| 5/29/2015 | 3      | 7:00  | 20                   | 4.66                        | 7.15         | 1236.34                | 1201.5                                | 34.84               |
| 5/29/2015 | 3      | 10:00 | 20                   | 4.66                        | 7.15         | 1235.05                | 1201.5                                | 33.55               |
| 5/29/2015 | 3      | 13:00 | 20                   | 4.66                        | 7.15         | 1233.77                | 1201.5                                | 32.27               |
| 5/29/2015 | 3      | 16:00 | 19.6                 | 4.66                        | 7.15         | 1211.89                | 1201.5                                | 10.39               |

Each exceedance is a violation of Title V Air Permit No. 0840-00021-V4, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and 30:2057(A)(2)."

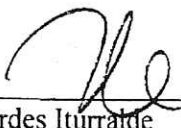
II.

The Department incorporates all of the remainder of the original **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY, ENFORCEMENT TRACKING NO. AE-CN-15-00592**, and **AGENCY INTEREST NO. 29884** as if reiterated herein.

III.

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

Baton Rouge, Louisiana, this 19<sup>th</sup> day of October, 2018.

  
 Lourdes Iturralde  
 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  
 Post Office Box 4312  
 Baton Rouge, LA 70821-4312  
 Attention: Madison Kirkland