

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

SOLVAY USA INC.

AI # 193924

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

* Settlement Tracking No.
* SA-AE-21-0043
*
* Enforcement Tracking No.
* AE-PP-17-00983
*
*
*
*

SETTLEMENT

The following Settlement is hereby agreed to between Solvay USA Inc. (“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 corporation that owns and/or operates an organic specialty chemical producing facility located in Baton Rouge, East Baton Rouge Parish, Louisiana (“the Facility”).

II

On May 3, 2019, the Department issued to Respondent a Notice of Potential Penalty, Enforcement Tracking No. AE-PP-17-00983 (Exhibit 1).

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 NINE THOUSAND AND NO/100 DOLLARS (\$9,000.00), of which One Thousand Four Hundred Ninety-One and 36/100 Dollars (\$1,491.36) 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), 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 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.

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 A).

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.

SOLVAY USA INC.

BY: [Signature]
(Signature)

NATHAN ANTHONY KRAEMER
(Printed)

TITLE: PLANT MANAGER SOLVAY BATON ROUGE

THUS DONE AND SIGNED in duplicate original before me this 24th day of June, 20 07, at Baton Rouge, Louisiana

[Signature]
NOTARY PUBLIC (ID # 22987)

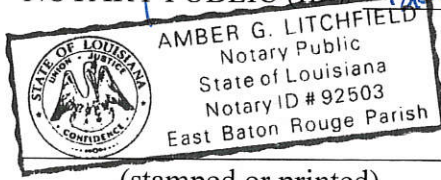
John M. Castille II
(stamped or printed)

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

BY: [Signature]
Celena J. Cage, Assistant Secretary
Office of Environmental Compliance

THUS DONE AND SIGNED in duplicate original before me this 9th day of August, 20 08, at Baton Rouge, Louisiana.

[Signature]
NOTARY PUBLIC (ID # 92503)



(stamped or printed)

Approved: [Signature]
Lourdes Iturralde, Assistant Secretary

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

NOTICE OF POTENTIAL PENALTY



Enforcement Tracking No.	AE-PP-17-00983	Certified Mail No.	7014 0510 0002 3595 4363
Agency Interest (AI) No.	193924	Contact Name	Dr. Jacqueline Prudente
Alternate ID No.	0840-00430	Contact Phone No.	(225) 219-3347
Respondent:	SOLVAY USA INC.	Facility Name:	CathyVal Plant
	c/o Corporation Service Company	Physical Location:	1275 Airline Highway
	Agent for Service of Process		
	501 Louisiana Avenue	City, State, Zip:	Baton Rouge, Louisiana 70805
Baton Rouge, LA 70802	Parish:	East Baton Rouge	

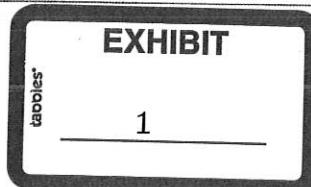
This NOTICE OF POTENTIAL PENALTY is issued by the Louisiana Department of Environmental Quality (the Department), under the authority granted by the Louisiana Environmental Quality Act (the Act), La. R.S. 30:2001, et seq., and 30:2050.3(B).

FINDINGS OF FACT

An authorized representative of the Department inspected the abovementioned facility or conducted a file review of the facility to determine the degree of compliance with regulations promulgated in the Louisiana Administrative Code, Title 33. The State regulatory citations for the violation(s) identified during the inspection and/or file review are indicated below.

I. The Respondent owns and/or operates the CathyVal plant (the Facility), an organic specialty chemical producing facility, located at 1275 Airline Highway in Baton Rouge, East Baton Rouge Parish, Louisiana. The Respondent sold a portion of the Facility (Sulfuric acid Plant) to Eco Services Operations LLC. (AI# 1314) and retained ownership of the CathyVal Plant with a new AI# 193924. The Facility currently operates under the authority of Minor Source Air Permit No. 0840-00430-02 issued on June 20, 2017. On or about January 31, 2017, through February 2, 2017, a Chemical Accident Prevention Program (CAPP) inspection of the Respondent's facility was performed to determine the degree of compliance with the Act and the Air Quality Regulations.

	Date of Violation	Description of Violation
II.	CAPP Inspection January 31, 2017- February 2, 2017	The Respondent failed to assure that recommendations are resolved in a timely manner and that resolutions were documented. Specifically, Recommendations Case 450/451 from 2016 Process Hazard Analysis (PHA) revalidation both were scheduled to be completed by June 30, 2016, but these recommendations were not completed at the time of the inspection. The failure to assure that recommendations are resolved in a timely manner and that the resolution is documented is a violation of 40 CFR 68.67(e), which language has been incorporated by reference in LAC 33:III.5901.A, and La. R.S. 30:2057(A)(2). In correspondence dated February 17, 2017, the Respondent stated that the management review checklist was revised on February 17, 2017, to include a column that defines if action items are accepted or rejected by management. The Respondent stated that the inspection frequency of two years for the top-head thickness of 251-batch reactor was input into the inspection database on February 9, 2017. The Respondent stated that the completed PHA action items have been marked complete in the site's Manufacturing Solutions database on February 9, 2017.
III.	CAPP Inspection January 31, 2017- February 2, 2017	The Respondent failed to include consequences of deviations and steps required to correct or avoid deviations in written operation procedures as described in 40 CFR 68.69(a)(2). Specifically, the Respondent failed to list or reference safety and health considerations within each written operating procedure as described in 40 CFR 68.69(a)(3), and the Respondent failed to list safety systems and their functions in written procedures as described in 40 CFR 68.69(a)(4). The failure to include consequences of deviations and steps required to correct or avoid deviations, list safety and health considerations and list safety systems and their functions is a violation of 40 CFR 68.69(a), which language has been incorporated by reference in LAC 33:III.5901.A, and La. R.S. 30:2057(A)(2). In correspondence dated February 17, 2017, the Respondent submitted two updated written procedures covering all necessary information required in operating procedures. In addition, the Respondent submitted a list of procedures that will be updated over the next three years and templates used to rewrite these procedures will be followed moving on. EPA Region 6 Compliance Assurance and Enforcement Division conducted an



		inspection on November 3, 2014 through November 6, 2014, and noted violations described in 40 CFR 68.69(a)(2) and 40 CFR 68.69(a)(3) as mentioned above.																									
IV.	CAPP Inspection January 31, 2017- February 2, 2017	The Respondent failed to ensure that the frequency of inspections and tests of process equipment was consistent with applicable manufacturer's recommendations and good engineering practice. The following inspections were not completed within established frequencies:																									
		<table border="1"> <thead> <tr> <th>Process equipment</th> <th>Inspection type and frequency</th> <th>Previous inspection Date</th> <th>Latest inspection Date</th> <th>Deviation</th> </tr> </thead> <tbody> <tr> <td>Vessel C 251 Batch Reactor</td> <td>External inspection every 2 years</td> <td>8/30/2013</td> <td>12/18/2015</td> <td>3.5 months</td> </tr> <tr> <td>Vessel C 251 Batch Reactor</td> <td>Ultrasonic thickness testing every 2 years</td> <td>12/2014</td> <td>2/2017</td> <td>3 months late</td> </tr> <tr> <td>Vessel C 132</td> <td>Internal inspection Every 10 years</td> <td>1/23/2004</td> <td>7/2015</td> <td>1.5 years late</td> </tr> <tr> <td>Piping circuit F203 C20</td> <td>Thickness testing every 5 years</td> <td>3/6/2009</td> <td>4/28/2015</td> <td>1 year late</td> </tr> </tbody> </table>	Process equipment	Inspection type and frequency	Previous inspection Date	Latest inspection Date	Deviation	Vessel C 251 Batch Reactor	External inspection every 2 years	8/30/2013	12/18/2015	3.5 months	Vessel C 251 Batch Reactor	Ultrasonic thickness testing every 2 years	12/2014	2/2017	3 months late	Vessel C 132	Internal inspection Every 10 years	1/23/2004	7/2015	1.5 years late	Piping circuit F203 C20	Thickness testing every 5 years	3/6/2009	4/28/2015	1 year late
		Process equipment	Inspection type and frequency	Previous inspection Date	Latest inspection Date	Deviation																					
		Vessel C 251 Batch Reactor	External inspection every 2 years	8/30/2013	12/18/2015	3.5 months																					
		Vessel C 251 Batch Reactor	Ultrasonic thickness testing every 2 years	12/2014	2/2017	3 months late																					
		Vessel C 132	Internal inspection Every 10 years	1/23/2004	7/2015	1.5 years late																					
Piping circuit F203 C20	Thickness testing every 5 years	3/6/2009	4/28/2015	1 year late																							
The failure to conduct inspection and test of process equipment at a frequency consistent with applicable manufacturer's recommendation and good engineering practice is a violation of 40 CFR 68.73(d)(3), which language has been incorporated by reference in LAC 33:III.5901.A, and La. R.S. 30:2057(A)(2). In correspondence dated February 17, 2017, the Respondent stated that covered equipment C132 and C136 inspections were current and complete, and C251 top-head thickness was inspected and completed on February 6, 2017.																											
V.	CAPP Inspection January 31, 2017- February 2, 2017	The Respondent failed to document the name of the inspector and date an inspection was conducted. In correspondence dated February 17, 2017, the Respondent stated that the facility failed to document the name of the inspector and date the inspection was conducted for 251 Batch Reactor water jacket thickness and piping F202-MC033 thickness. The failure to document the inspector who performed the inspection and the date of the inspection is a violation of 40 CFR 68.73(d)(4), which language has been incorporated by reference in LAC 33:III.5901.A, and La. R.S. 30:2057(A)(2). In correspondence dated February 17, 2017, the Respondent stated that the facility has begun to provide the inspector for rotating equipment a Preventive Maintenance round sheet that defines what is being inspected, full name of the inspector and the date of the inspection.																									
VI.	CAPP Inspection January 31, 2017- February 2, 2017	The Respondent changed its Management of Change (MOC) process; however not all of the changes were incorporated into the MOC procedure HSLC 8.0. The MOC process in place at the time of the inspection did not follow the procedure. The failure to establish and implement writing procedures to manage changes is a violation of 40 CFR 68.75(a), which language has been incorporated by reference in LAC 33:III.5901.A, and La. R.S. 30:2057(A)(2). In correspondence dated February 17, 2017, the Respondent stated that the facility will assure that the current Process Safety Management MOC procedure is in alignment with the Manufacturing Solutions MOC database.																									
VII.	CAPP Inspection January 31, 2017- February 2, 2017	The Respondent failed to maintain documentation of training for MOC-PPA-BR-16-1738 and MOC-PPA-BR-16-1668. The training sign sheets did not have a date demonstrating that the employees were trained prior to start-up of the process. The failure to maintain training records is a violation of 40 CFR 68.200, which language has been incorporated by reference in LAC 33:III.5901.A, and La. R.S. 30:2057(A)(2). In correspondence dated February 17, 2017, the Respondent stated the facility revised the training form to include a column for the name, date and initials of the employee being trained.																									

VIII.	<p style="text-align: center;">CAPP Inspection January 31, 2017- February 2, 2017</p>	<p>The Respondent failed to perform Pre-Startup Safety Review (PSSR) for MOC-PPA-BR-15-1493 and MOC-PPA-BR-16-1738. The PSSR for MOC-PPA-BR-16-1738 was not filled out completely in that the MOC number, the date and the approval signatures were missing. In addition, the PSSR for MOC-PPA-BR-15-1493 was completed prior to the MOC being approved. The forms were determined to be invalid since the forms were not filled properly and did not have approval signatures. The failure to perform a PSSR is a violation of 40 CFR 68.77(a), which language has been incorporated by reference in LAC 33:III.5901.A, and La. R.S. 30:2057(A)(2). In correspondence dated February 17, 2017, the Respondent stated that Operations Superintendent conducted a review with area personnel to apply focus on thorough and complete forms prior to attaching documents and closing applicable MOC's.</p>
IX.	<p style="text-align: center;">CAPP Inspection January 31, 2017- February 2, 2017</p>	<p>The Respondent failed to provide refresher training at least every three (3) years, for employees involved in operating the Daphne Process as required by 40 CFR 68.71(b). The failure to conduct refresher training every three (3) years, and more often if necessary to employees involved in operating a process is a violation of 40 CFR 68.71(b), which language has been incorporated by reference in LAC 33:III.5901.A, and La. R.S. 30:2057(A)(2). In correspondence dated March 17, 2017, the Respondent stated that a corrective action plan has been implemented. In electric correspondence dated March 2, 2018, the Respondent stated that refresher training was conducted on July 8, 2014, through September 16, 2014, October 1, 2017 and on November 24, 2017. EPA Region 6 Compliance Assurance and Enforcement Division conducted an inspection on November 3, 2014 through November 6, 2014, and noted the violation described in 40 CFR 68.71(b) as mentioned above.</p>

NOTICE OF POTENTIAL PENALTY	
I.	<p>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.</p>
II.	<p>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 Pascal Ojong at (225) 219-4468 within ten (10) days of receipt of this NOTICE OF POTENTIAL PENALTY.</p>
III.	<p>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.</p>
IV.	<p>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.</p>
V.	<p>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.</p>

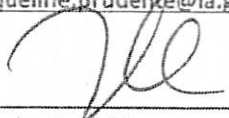
CONTACTS AND SUBMITTAL OF INFORMATION	
Enforcement Division:	Physical Address (if hand delivered):
Louisiana Department of Environmental Quality Office of Environmental Compliance Air Enforcement Division P.O. Box 4312 Baton Rouge, LA 70821 Attn: Dr. Jacqueline Prudente	Department of Environmental Quality 602 N Fifth Street Baton Rouge, LA 70802

HOW TO REQUEST CLOSURE OF THIS NOTICE OF POTENTIAL PENALTY

To expedite closure of the **NOTICE OF POTENTIAL PENALTY**, the Respondent may offer a settlement amount to resolve any claim for civil penalties for the violation(s) described herein.

- The Department assesses civil penalties based on LAC 33:1.Subpart1.Chapter7.
- The Respondent may offer a settlement amount but the Department is under no obligation to enter into settlement negotiations. It is decided upon on a discretionary basis.
- 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.

If you have questions or need more information, you may contact Dr. Jacqueline Prudente at (225) 219-3347 or jacqueline.prudente@la.gov.



 Lourdes Iturralde
 Assistant Secretary
 Office of Environmental Compliance

Date: 5-3-19

c: Solvay USA Inc.
 c/o Matt Griscom, Plant Manager
 1275 Airline Highway
 Baton Rouge, LA 70805

Attachment
 Request to Settle

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.	AE-PP-17-00983	Contact Name	Dr. Jacqueline Prudente
Agency Interest (AI) No.	193924		
Alternate ID No.	0840-00430	Contact Phone No.	(225) 219-3347
Respondent:	SOLVAY USA INC.	Facility Name:	CathyVal Plant
	c/o Corporation Service Company	Physical Location:	1275 Airline Highway
	Agent for Service of Process		
	501 Louisiana Avenue	City, State, Zip:	Baton Rouge, Louisiana 70805
	Baton Rouge, LA 70802	Parish:	East Baton Rouge

SETTLEMENT OFFER (OPTIONAL)

(check the applicable option)

<input type="checkbox"/>	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:I.Subpart1.Chapter7.
<input type="checkbox"/>	In order to resolve any claim for civil penalties for the violations in NOTICE OF POTENTIAL PENALTY (AE-PP-17-00983), the Respondent is interested in entering into settlement negotiations with the Department and would like to set up a meeting to discuss settlement procedures.
<input type="checkbox"/>	In order to resolve any claim for civil penalties for the violations in NOTICE OF POTENTIAL PENALTY (AE-PP-17-00983), 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. <ul style="list-style-type: none"> • 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.
<input type="checkbox"/>	The Respondent has reviewed the violations noted in NOTICE OF POTENTIAL PENALTY (AE-PP-17-00983) 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: Dr. Jacqueline Prudente

If you have questions or need more information, you may contact Dr. Jacqueline Prudente at (225) 219-3347 or jacqueline.prudente@la.gov.