

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

BLUE CUBE OPERATIONS LLC

AI # 196702

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

- * Settlement Tracking No.
- * SA-AE-23-0031
- * Enforcement Tracking Nos.
- * AE-CN-22-00615
- * AE-CN-20-00546
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LDPE RECEIPT
 2023 SEP 15 PM 12:50

SETTLEMENT AGREEMENT

The following Settlement Agreement is hereby agreed to between Blue Cube Operations 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 facility located in Plaquemine, Iberville Parish, Louisiana (“the Facility”).

II

On August 31, 2022, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement Tracking No. AE-CN-22-00615 (Exhibit 1).

On September 12, 2022, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement Tracking No. AE-CN-20-00546 (Exhibit 2).

III

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

Respondent made timely requests for hearings.

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 SIX HUNDRED THOUSAND AND NO/100 DOLLARS (\$600,000.00), of which Fifteen Thousand Seven Hundred Seventy-Six and 60/100 Dollars (\$15,776.60) represents the Department's enforcement costs, in settlement of the claims set forth in this Settlement 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) and permit record(s), the Consolidated Compliance Orders & Notices of Potential Penalty, and this Settlement Agreement 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 Settlement 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 Settlement Agreement in any action by the Department to enforce this Settlement Agreement.

VIII

This Settlement Agreement 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 Agreement, 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 Iberville Parish, Louisiana. The advertisement, in form and wording approved by the Department, announced the availability of this Settlement Agreement 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 Agreement 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 Settlement Agreement is voidable at the option of the Department. Payments are to be made by check, payable to the Louisiana 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 attached hereto.

XII

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

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.

BLUE CUBE OPERATIONS LLC

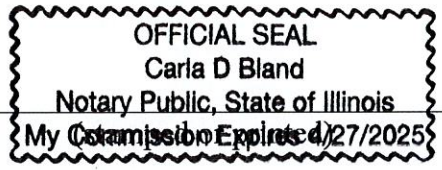
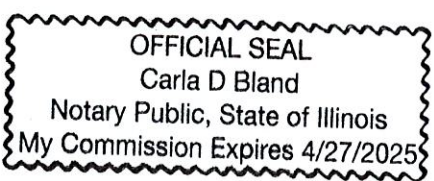
BY: [Signature]
(Signature)

SCOTT SUTTON
(Printed)

TITLE: PRESIDENT

THUS DONE AND SIGNED in duplicate original before me this 11th day of SEPTEMBER, 20 23, at 2:45 pm.

[Signature]
NOTARY PUBLIC (ID # 714115)



LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY
Roger W. Gingles, Secretary

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

THUS DONE AND SIGNED in duplicate original before me this 30th day of October, 20 23, at Baton Rouge, Louisiana.

[Signature]
NOTARY PUBLIC (ID # _____)

(stamped or printed)

Approved: [Signature]
Celena J. Cage, Assistant Secretary

JOHN BEL EDWARDS
GOVERNOR



CHUCK CARR BROWN, PH.D.
SECRETARY

State of Louisiana
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE

August 31, 2022

CERTIFIED MAIL (7018 3090 0002 0488 3692)
RETURN RECEIPT REQUESTED

BLUE CUBE OPERATIONS LLC
c/o C T Corporation System
Agent for Service of Process
3867 Plaza Tower Drive
Baton Rouge, LA 70816

**RE: CONSOLIDATED COMPLIANCE ORDER
& NOTICE OF POTENTIAL PENALTY
ENFORCEMENT TRACKING NO. AE-CN-22-00615
AGENCY INTEREST NO. 196702**

Dear Sir/Madam:

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 **BLUE CUBE OPERATIONS LLC (RESPONDENT)** for the violation(s) described therein.

Compliance is expected within the maximum time period established by each part of the **COMPLIANCE ORDER**. The violation(s) 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 Gabrielle Green at (225) 219-3468 or Gabrielle.Green2@la.gov.

Sincerely,

A handwritten signature in black ink that reads "Angela Marse".

Angela Marse
Administrator
Enforcement Division

AM/GJG/gjg
Alt ID No. 1280-00281
Attachment



**c: Blue Cube Operations, LLC
c/o Don Pulliam, EHS Manager
P.O. Box 424
Plaquemine, LA 70764**

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

<p>IN THE MATTER OF</p> <p>BLUE CUBE OPERATIONS LLC IBERVILLE PARISH ALT ID NO. 1280-00281</p> <p>PROCEEDINGS UNDER THE LOUISIANA ENVIRONMENTAL QUALITY ACT, La. R.S. 30:2001, ET SEQ.</p>	<p>*</p> <p>*</p> <p>*</p> <p>*</p> <p>*</p> <p>*</p> <p>*</p> <p>*</p> <p>*</p>	<p>ENFORCEMENT TRACKING NO.</p> <p style="text-align: center;">AE-CN-22-00615</p> <p>AGENCY INTEREST NO.</p> <p style="text-align: center;">196702</p>
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CONSOLIDATED
COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY

The following **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is issued to **BLUE CUBE OPERATIONS 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 **PLAQUEMINE SITE (FACILITY)**, located at a portion of 21255 Louisiana Highway 1 South in Plaquemine, Iberville Parish, Louisiana. The Respondent is a subsidiary of Olin Corporation (Olin). The Facility is located within The DOW Chemical Company (DOW) Plaquemine complex (Agency Interest No. 1409). The Facility is subject to Program Level 3 Chemical Accident Prevention Provisions (CAPP). The Facility operates or has operated under the authority of the following Title V Air Permits:

Permit	Permit No.	Issue Date	Expiration Date
Solvents/EDC I Plant	2188-V11	May 7, 2020	May 7, 2025
	2188-V10	September 23, 2019	October 7, 2019
	2188-V9	November 17, 2017	October 7, 2019

Solvents/EDC I Plant	2188-V8	January 31, 2017	October 7, 2019
	2188-V7	April 5, 2016	October 7, 2019
Chlorine/Cell Services	2573-V10	April 2, 2019	June 5, 2023
	2573-V9	June 5, 2018	June 5, 2023
	2573-V8	March 3, 2016	November 19, 2017

II.

On or about April 18, 2022, the Facility experienced an unauthorized discharge, Department Incident No. T208207, at approximately 8:38 pm. On or about April 18, 2022, the Department conducted an incident investigation at the Facility in response to the incident. The following is the timeline of events of the incident provided to the Department by the Respondent in correspondence dated June 16, 2022:

- Monday, April 18, 2022:
 - 6:32 pm – The Respondent’s first startup attempt of the refrigeration compressor (compressor C-650) after the compressor tripped due to high vibrations. The Respondent began trouble shooting to determine the cause of the first trip in order to make a decision on the second startup attempt.
 - 8:24 pm – The Respondent began the second attempt at compressor startup, which resulted in a chlorine release and a fire.
 - 8:26 pm – The Respondent then evacuated non-essential personnel out of the chlorine unit and accounted for all employees and contractors in the unit.
 - 8:27 pm – The Respondent’s emergency responders donned personal protective equipment and water monitors were placed in service to mitigate the fire. The fire damaged the chlorine compressor, piping, and other equipment in the unit.
 - 8:44 pm – The Respondent’s Environmental, Health, and Safety (EHS) Manager contacted Louisiana State Police (LSP) and the Local Emergency Planning Committee (LEPC).
 - 8:45 pm - The Respondent submitted an emergency notification to the Department of Public Safety’s (DPS) 24-Hour Louisiana Emergency Hazardous Materials Hotline.
 - 8:57 pm – The LEPC declared a shelter-in-place and part of Louisiana Highway 1 was closed. Louisiana Highway Nos. 988 and 1148 were also closed during a portion of the release.
 - 9:05 pm – A DOW representative began community air monitoring, on behalf of the Respondent.
 - 9:45 pm – The Department’s emergency responder arrived onsite.

- 10:15 pm – The fire was extinguished; however the chlorine release was ongoing.
- 10:23 pm – The Department’s emergency responder began air monitoring.
- Tuesday, April 19, 2022:
 - 12:05 am – The Joint Incident Command (JIC) lifted the shelter-in-place for the city of Plaquemine and opened Louisiana Highway Nos. 1, 988, and 1148 based on air monitoring data provided by the Respondent and the DOW representative.
 - 5:22 pm – The Respondent notified the Department that the open lines at the Facility had been cut and capped, allowing the remaining chlorine in the associated vessels to be removed utilizing a vacuum source.
- Wednesday, April 20, 2022:
 - 7:12 am – Olin, on behalf of the Respondent, called an all-clear on the release.

III.

The Respondent reported 6,512 pounds (lbs.) of chlorine was released as a result of this incident. Iberville Parish estimated that 6,395 households were affected by the shelter-in-place. DOW issued a shelter-in-place for the complex, which affected 250 employees.

IV.

On April 18, 2022 at approximately 10:23 pm, the Department’s emergency responder began community air monitoring, using a MultiRAE Lite air monitor, along with a DOW representative. The DOW representative reported air monitoring for chlorine from four (4) air monitors (AreaRAEs) deployed at various locations in the DOW complex and in the community. The AreaRAEs contained software to communicate with a computer in DOW’s Emergency Operations Center (EOC) building, which received the data in real-time. During a meeting with the JIC, a representative of the Respondent and a representative of DOW stated that all the air monitoring results were below the detection limit (non-detect) of the air monitoring equipment for chlorine prior to the lift of the shelter-in-place at approximately 12:05 am on April 19, 2022. Additionally, the Department’s emergency responder and LSP’s responder verbally instructed a representative for the Respondent and a representative for DOW, to immediately contact the Department’s responder and LSP’s responder if any air monitoring results were greater than or equal to (\geq) 1.0 parts per million (ppm) of chlorine at the fence line or in the community. The Department’s emergency responder and LSP’s responder also informed a representative for the Respondent and a representative for DOW that if any air monitoring results were greater than or equal to (\geq) 1.0 parts per million (ppm) of chlorine in the community, the JIC would need to reinstate protective actions.

V.

According to the Respondent's Risk Management Plan (RMP) (Plan Sequence No. 1000072780) for the Facility, submitted to the U.S. Environmental Protection Agency's (EPA) Central Data Exchange (CDX) database, the Respondent has contracted DOW to assist with response to accidental releases of hazardous materials. At approximately 1:27 am on April 19, 2022, the Department's responder contacted a representative of DOW's Emergency Services and Security (ES&S) group via phone and requested the global positioning system (GPS) coordinates of the Facility, and the highest chlorine concentration that DOW's ES&S group observed during air monitoring, as requested by the EPA's Federal On-Scene Coordinator (FOSC). The DOW representative provided the requested information on April 19, 2022 at approximately 1:31 am via text message. The Facility's GPS coordinates were 30°19'03" N and 91°14'05" W. Table A lists the AreaRAE number, GPS coordinates, time, and peak chlorine concentrations provided in the 1:31 am text by a DOW representative.

AreaRAE No.	Date/Time	GPS Coordinates	Chlorine Concentration
No. 1	April 18, 2022 - 9:52 pm	30°18'34" N 91°14'24" W	4.2 ppm
No. 3	April 18, 2022	30°18'09" N 91°14'31" W	Non-detect*
No. 4	April 18, 2022 - 9:45 pm	30°18'50" N 91°14'30" W	0.5 ppm

*≤0.1 ppm of chlorine

VI.

On April 19, 2022 at approximately 2:38 am, the Department's responder received a phone call from the EPA's FOSC. During this call, the FOSC informed the Department's responder that their contractors were observing air monitoring detections in excess of 1.0 ppm of chlorine during their community air monitoring; however, the Respondent did not contact the Department's responder to report the chlorine readings exceeding 1.0 ppm. According to the EPA's Pollution/Situation Report dated April 19, 2022, the EPA's Superfund Technical Assistance and Response Team (START) observed the highest chlorine concentrations of 1.4 ppm at 2:46 am and 3:26 am on April 19, 2022 in the community. On April 24, 2022, the Respondent provided the Department's responder with a spreadsheet of data from the air monitoring that was performed during a portion of the chlorine release. The AreaRAE air

¹ AreaRAE No. 2 was not included in the text from the DOW representative.

monitoring data provided to the Department was not consistent with the air monitoring information provided in the April 19, 2022, 1:31 am text message. The Respondent provided AreaRAE air monitoring data recorded April 18, 2022 from 9:05 pm through April 19, 2022 at 1:18 am for AreaRAE Nos. 1-4, as well as additional AreaRAE No. 3 air monitoring data recorded April 19, 2022 from 1:18 am through 1:48 am. The Respondent also provided the Department community air monitoring data recorded using a MultiRAE instrument on April 19, 2022, from 1:48 am through April 20, 2022 at 9:29 am, as well as air monitoring data recorded using a MiniRAE instrument on April 18, 2022, at 9:01 pm through April 19, 2022, at 1:09 am. In electronic correspondence dated June 15, 2022, the Department’s responder was informed by the DOW representative that additional air monitoring data was collected onsite; however, the Department has not received the additional data. Table B provides the location description for each AreaRAE and the associated monitoring time periods.

No.	Location Description	Monitoring Period 1	Monitoring Period 2
No. 1	Near Walker Street and Woodlawn Road (Outside DOW Fenceline) and Near DOW EOC (within DOW Fenceline)	April 18, 2022 – 9:05 pm	April 19, 2022 – 1:18 am
No. 2	Walker Street at Woodlawn Road (Outside DOW Fenceline) in the community and Southern Fenceline (Main entrance off of Louisiana Highway 1148)	April 18, 2022 – 9:05 pm	April 19, 2022 – 1:14 am
No. 3	Intersection of McDaniel Street and Brownie Street; On Walker Street between Woodlawn Road; and On Brownie Street between McDaniel Street and Homestead Drive (Outside DOW Fenceline)	April 18, 2022 – 9:05 pm	April 19, 2022 – 1:15 am
		April 19, 2022 – 1:18 am	April 19, 2022 – 1:48 am
No. 4	Parking Lot within DOW Fenceline within 500 feet of the Main Security Gate	April 18, 2022 – 9:05 pm	April 19, 2022 – 1:13 am

Attachment Nos. 1 and 2 to this Enforcement action were created by the Department using Google Earth. Attachment No. 1 depicts the peak chlorine concentrations recorded at each AreaRAE and their associated measurement locations during the shelter-in-place. Attachment No. 2 depicts the peak chlorine concentrations recorded at each AreaRAE and their associated measurement locations after the shelter-in-place was lifted. The American Industrial Hygiene Association (AIHA) Emergency Response Planning Guideline – 1 (ERPG-1) is the maximum airborne concentration of hazardous chemicals, which nearly all individuals could be exposed for up to one (1) hour without experiencing more than mild, transient, adverse health effects or without perceiving a clearly defined odor. The ERPG-1 for chlorine is 1.0 ppm. Tables C-F represent the highest chlorine readings each hour from 9:05 pm on April 18, 2022 to approximately 1:18 am on April 19, 2022, based on the AreaRAE air monitoring records provided by the

Respondent. The data listed in Table C was collected from AreaRAE No.1. At approximately 1:27 am on April, 19, 2022, the Department’s responder contacted a representative of DOW’s ES&S group via phone and requested the highest chlorine concentration that was observed during air monitoring. According to AreaRAE air monitoring records subsequently provided, and summarized in Table A, the highest chlorine concentration observed for AreaRAE No. 1 was 4.2 ppm at 9:52 pm on April 18, 2022. However, according to AreaRAE monitoring records subsequently provided by the Respondent, the actual highest chlorine concentration observed was 25.1 ppm on April 19, 2022 at 12:43:46 am. The first recording from AreaRAE No. 1 in excess of 1.0 ppm of chlorine after the shelter-in-place was lifted occurred on April 19, 2022 at 12:15:34 am. The location of AreaRAE No. 1 was outside of the boundary of the Facility, but within the boundary of the DOW complex, approximately 500 feet from the Southern Gate.

April 18, 2022	9:05:27 pm – 10:00:02 pm	9:52:57 PM	Latitude: 30.31465 Longitude: -91.23972	11.1 ppm
April 18, 2022	10:00:02 pm – 11:00:03 pm	10:46:18 PM	Latitude: 30.31507 Longitude: -91.23930	6.1 ppm
April 18, 2022 – April 19, 2022	11:00:03 pm – 12:00:09 am	11:00:27 PM	Latitude: 30.31507 Longitude: -91.23930	0.4 ppm
April 19, 2022	12:00:09 am – 1:00:00 am	12:04:29 AM	Latitude: 30.31489 Longitude: -91.23952	1.5 ppm
April 19, 2022	12:00:09 am – 1:00:00 am	12:43:46 AM	Latitude: 30.31495 Longitude: -91.23952	25.1 ppm
April 19, 2022	1:00:00 am – 1:18:15 am	01:01:01 AM	Latitude: 30.31494 Longitude: -91.23949	12 ppm

The data listed in Table D was collected from AreaRAE No. 2. The air sampling data that was provided by the Respondent in response to the Department’s request on April 19, 2022 at 1:27 am, summarized in Table A, did not indicate any air monitoring information for AreaRAE No. 2. The first recording from AreaRAE No. 2 of 1.0 ppm of chlorine after the shelter-in-place was lifted occurred on April 19, 2022 at 12:22:29 am. The location of AreaRAE No. 2 at this time was outside of the Southern Gate of the DOW complex, in the community.

April 18, 2022	9:05:23 pm – 10:00:02 pm	09:10:53 PM	Latitude: 30.31011 Longitude: -91.24014	4.4 ppm
April 18, 2022	10:00:02 pm – 11:00:03 pm	multiple	multiple	0.2 ppm
April 18, 2022 – April 19, 2022	11:00:03 pm – 12:00:01 am	entire duration	multiple	non-detect*
April 19, 2022	12:00:01 am – 1:00:00 AM	12:57:37 AM	Latitude: 30.31387 Longitude: -91.24055	7.8 ppm
April 19, 2022	1:00:00 AM – 1:14:09 AM	01:02:30 AM	Latitude: 30.31386 Longitude: -91.24056	3.3 ppm

*≤0.1 ppm of chlorine

The data listed in Table E was collected from AreaRAE No. 3. The air monitoring data that was provided by the Respondent in response to the Department's request at 1:27 am on April 19, 2022, summarized in Table A, indicated that all the air readings recorded were non-detect for chlorine. After the shelter-in-place was lifted, the readings collected from AreaRAE No. 3 were non-detect for chlorine.

April 18, 2022	9:05:03 pm – 10:00:04 pm	9:32:33 pm	Latitude: 30.30525 Longitude: -91.24147	2.4 ppm
April 18, 2022 – April 19, 2022	10:00:04 pm – 12:05:07 am	entire duration	multiple	non-detect*
April 19, 2022	12:05:07 am – 1:15:04 am	entire duration	multiple	non-detect*

*≤0.1 ppm of chlorine

The data listed in Table F was collected from AreaRAE No. 4. The air monitoring data that was provided by the Respondent in response to the Department's request at 1:27 am on April 19, 2022, summarized in Table A, indicated that the highest chlorine reading observed for AreaRAE No. 4 was 0.5 ppm. After the shelter-in-place was lifted, the readings collected from AreaRAE No. 4 were non-detect for chlorine.

April 18, 2022	9:05:14 pm – 10:00:05 pm	09:07:07 PM	Latitude: 30.31460 Longitude: -91.24196	6.3
April 18, 2022 – April 19, 2022	10:00:05 pm – 12:05:58 am	entire duration	multiple	non-detect*
April 19, 2022	12:05:08 am – 01:13:40 am	entire duration	multiple	non-detect*

*≤0.1 ppm of chlorine

VII.

In correspondence dated June 16, 2022, the Respondent reported the following factors contributed to the incident:

- low sensitivity in existing moisture analyzer and existing location led to gradual accumulation of moisture and ferric chloride to go undetected;
- reduction in blowdown frequency contributed to evaporator blowdown line plugging. This reduced the capacity to manage ferric chloride accumulation in the refrigeration loop;
- no procedural guidance on restarting the compressor following a vibration trip, which allowed for Operations decision to restart without first seeking mechanical maintenance personnel input and evaluation;
- ferric chloride migrated during the first start into the machine internals;
- insufficient purge rate led to moisture accumulation;
- a seven (7)-second delay from the time that the vibration level was detected to the time when the control system tripped the compressor offline contributed to the vibration damage; and
- proximity of fuel source (bearing oil) contributed to the quantity of the chlorine released.

VIII.

In correspondence dated June 16, 2022, the Respondent reported the following recommendations resulting from the investigation:

- change compressor vibration alarm and trip set points to align with Olin’s most effective technology guidance;

- determine appropriate evaporator blowdown rate to prevent plugging and appropriate steps to ensure effective blowdown;
- determine optimum location for moisture detection capability;
- establish reoccurring interval to positively verify the compressor and associated piping and suction vessels are not accumulating ferric chloride;
- evaluate modification to current fire protection strategy;
- evaluate the viability of a liquid chlorine sample system as a means to detect accumulation of ferric chloride;
- evaluate the viability of installing a suction strainer on C-650 and C-550 chlorine compressors;
- hardwire Bentley vibration monitoring trip directly to motor relay;
- increase chlorine gas purge rate at fin fans;
- positively verify there is no ferric chloride accumulation internal to the suction piping and compressor;
- remove control system code delays from Bentley vibration monitoring system to trip logic;
- replace existing moisture analyzer with instrumentation capable of reliably detecting gradual increases in moisture; and
- update procedures for startup of compressors C-650, C-550, C-52, C-62, and C-100 relative to restart following mechanical trip.

IX.

The EPA, in conjunction with the Department's CAPP inspectors and Occupational Safety and Health Administration (OSHA), have initiated investigations into this incident. On or about April 18, 2022, the Department conducted an incident investigation of the Facility in response to the incident described in Findings of Fact Paragraph II to determine the degree of compliance with the Act, the Office of the Secretary Regulations, and the Air Quality Regulations, and all applicable permits. While the investigation is not yet complete, the following violations were found during the course of the inspection and subsequent file review performed on or about August 31, 2022:

- A. The Respondent failed to operate control equipment, any device or contrivance, operating procedure or abatement scheme to prevent or reduce air pollution, in proper working order. Specifically, the Respondent restarted the chlorine compressor (C-650), following a vibration trip due to high vibrations, without an evaluation by mechanical maintenance personnel. Additionally, in correspondence dated June 16, 2022, the

Respondent reported that there was no procedural guidance on restarting the compressor following the trip, which resulted in the compressor catching on fire, and causing at the minimum 6,512 lbs.² of chlorine to be released into the atmosphere. This is a violation of LAC 33:III.905.A, La. R.S. 30:2057(A)(1), and La. R.S. 30:2057(A)(2).

- B. The Respondent failed to notify the DPS 24-Hour Louisiana Emergency Hazardous Materials Hotline of any adverse change in nature or rate of the discharge of an unauthorized discharge resulting in an emergency condition. The American Industrial Hygiene Association (AIHA) Emergency Response Planning Guideline – 1 (ERPG-1) is the maximum airborne concentration of hazardous chemicals, which nearly all individuals could be exposed for up to one (1) hour without experiencing more than mild, transient, adverse health effects or without perceiving a clearly defined odor. The ERPG-1 for chlorine is 1.0 ppm. Specifically, the adverse change in the nature of the unauthorized discharge occurred when the ambient concentration of chlorine in the air within the community exceeded 1.0 ppm. The first recording from AreaRAE No. 2 of 1.0 ppm of chlorine after the shelter-in-place was lifted occurred on April 19, 2022 at 12:22:29 am. The location of AreaRAE No. 2 at this time was outside of the Southern Gate of the DOW complex, in the community. The Respondent failed to provide the DPS Hotline with an updated notification specifying that the chlorine concentration readings were above 1.0 ppm at the fenceline or in the community. This is a violation of LAC 33:I.3915.A.3 and La. R.S. 30:2057(A)(2).

COMPLIANCE ORDER

Based on the foregoing, the Respondent is hereby ordered:

I.

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

II.

To submit to the Enforcement Division, within sixty (60) days after receipt of this **COMPLIANCE ORDER**, documentation that includes the completion of the corrective actions to be

² Further clarification on the emission calculation of chlorine on this incident is expected from the Respondent.

taken in order to prevent recurrence of the incident or similar incidents, as described in Paragraph VIII of the **FINDINGS OF FACT** portion of this action.

III.

To immediately, upon receipt of this **COMPLIANCE ORDER**, institute procedures to immediately notify the DPS 24-Hour Louisiana Emergency Hazardous Materials Hotline of any adverse change in the nature or rate of the discharge for unauthorized discharges that cause an emergency condition.

IV.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, all additional air monitoring data at or beyond the Facility's fenceline from April 18, 2022 at 8:38 pm through April 20, 2022 at 7:12 am.

V.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, the Facility's emergency response plan pursuant to 40 CFR 68.95(a).

VI.

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 violation(s) and actions taken or to be taken to achieve compliance with the Order Portion of this **COMPLIANCE ORDER**. This shall include an explanation for the inconsistent air monitoring data provided to the Department during the chlorine release, as referenced in Paragraph VI of the **FINDINGS OF FACT** portion of this action. 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: Gabrielle Green
Re: Enforcement Tracking No. AE-CN-22-00615
Agency Interest No. 196702

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-22-00615
Agency Interest No. 196702

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 Division of Administrative Law (DAL) Procedural Rules. 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 Gabrielle Green at (225) 219-3468 or Gabrielle.Green2@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. 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.

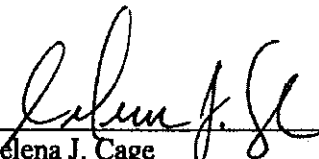
IV.

The Department assesses civil penalties based on LAC 33:1.Subpart1.Chapter7. To expedite closure of this **NOTICE OF POTENTIAL PENALTY** portion, the Respondent may offer a settlement amount 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 "**CONSOLIDATED COMPLIANCE ORDER AND NOTICE OF POTENTIAL PENALTY REQUEST TO CLOSE**" form. The Respondent may submit the settlement offer within one hundred and eighty (180) days of receipt of this **NOTICE OF POTENTIAL PENALTY** portion but no later than ninety (90) days of achieving compliance with the **COMPLIANCE ORDER** portion. 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.

V.

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

Baton Rouge, Louisiana, this 31st day of August, 2022.


Célena J. Cage
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: Gabrielle Green



LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY
 OFFICE OF ENVIRONMENTAL COMPLIANCE
 ENFORCEMENT DIVISION CONSOLIDATED COMPLIANCE ORDER &
 POST OFFICE BOX 4312 NOTICE OF POTENTIAL PENALTY
 BATON ROUGE, LOUISIANA 70821-4312 REQUEST TO CLOSE

Enforcement Tracking No.	AE-CN-22-00615	Contact Name	Gabrielle Green
Agency Interest (AI) No.	196702	Contact Phone No.	(225) 219-3468
Alternate ID No.	1280-00281	Email	Gabrielle.Green2@la.gov
Respondent:	Blue Cube Operations LLC	Facility Name:	Plaquemine Site
	c/o C T Corporation System	Physical Location:	21255 Louisiana Highway 1
	Agent for Service of Process		
	3867 Plaza Tower Drive	City, State, Zip:	Plaquemine, Louisiana 70764
	Baton Rouge, LA 70816	Parish:	Iberville

STATEMENT OF COMPLIANCE

STATEMENT OF COMPLIANCE	Date Completed	Copy Attached?
A written report was submitted in accordance with Paragraph VI of the "Order" portion of the COMPLIANCE ORDER.		
All necessary documents were submitted to the Department within 30 days of receipt of the COMPLIANCE ORDER in accordance with Paragraphs IV-V of the "Order" portion of the COMPLIANCE ORDER.		
All necessary documents were submitted to the Department within 60 days of receipt of the COMPLIANCE ORDER in accordance with Paragraph II of the "Order" portion of the COMPLIANCE ORDER.		
All Items in the "Findings of Fact" portion of the COMPLIANCE ORDER were addressed and the facility is being operated to meet and maintain the requirements of the "Order" portion of the COMPLIANCE ORDER. Final compliance was achieved as of:		

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 CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY (AE-CN-22-00615), 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 CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY (AE-CN-22-00615), 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. The Respondent may submit the settlement offer within one hundred and eighty (180) days of receipt of this NOTICE OF POTENTIAL PENALTY portion but no later than ninety (90) days of achieving compliance with the COMPLIANCE ORDER portion. <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 CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY (AE-CN-22-00615) 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: Gabrielle Green		

Attachment 1

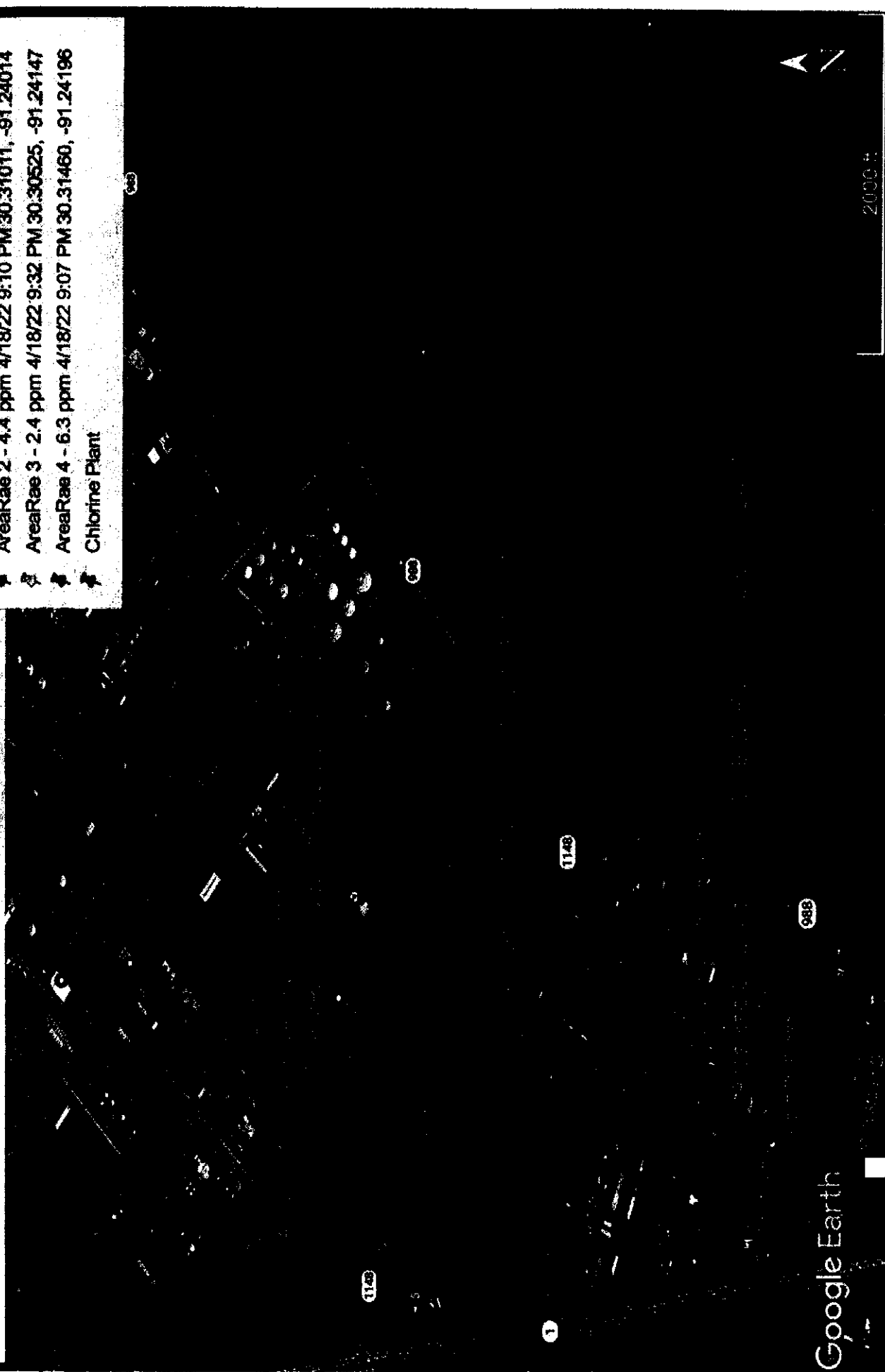
Google Earth Peak Chlorine (Cl₂) Readings during Shelter-in-Place

Peak Chlorine Readings During Shelter-in-place

Source: Dow's AreaRae data EDMS Document ID 13424519 Attachment 3

Legend

- AreaRae 1 - 11.1 ppm 4/18/22 9:52 PM 30.31465, -91.23972
- AreaRae 2 - 4.4 ppm 4/18/22 9:10 PM 30.31011, -91.24014
- AreaRae 3 - 2.4 ppm 4/18/22 9:32 PM 30.30525, -91.24147
- AreaRae 4 - 6.3 ppm 4/18/22 9:07 PM 30.31460, -91.24196
- Chlorine Plant



Attachment 2

Google Earth Peak Chlorine (Cl₂) Readings after Shelter-in-Place was Lifted

Peak Chlorine Readings After Shelter-in-place lifted

Source: Dow's AreaRae data EDMS Document D 13424519 Attachment 3

Legend

- AreaRae 1 - 25.1 ppm 4/19/22 12:43 AM 30.31495, -91.23952
- AreaRae 2 - 7.8 ppm 4/19/22 12:57 AM 30.31387, -91.24055
- AreaRae 3 - 0 ppm 30.31027, -91.23415
- AreaRae 4 - 0 ppm 30.31460, -91.24196
- Blue Cube Operations LLC Chlorine Plant

WHAT IS A SETTLEMENT AGREEMENT?

Once the Department has determined that a penalty is warranted for a violation, the Assistant Secretary of the Department, with the concurrence of the Attorney General, may enter into a settlement agreement with the Respondent as a means to resolve the Department's claim for a penalty.

HOW DOES THE SETTLEMENT AGREEMENT PROCESS WORK?

To begin the settlement agreement process, the Department must receive a written settlement offer. Once this offer is submitted, it is sent for approval by the Assistant Secretary of the Office of Environmental Compliance. The formal Settlement Agreement is drafted and sent to the Attorney General's office where the Attorney General has a 90 day concurrence period. During this time, the Respondent is required to run a public notice in an official journal and/or newspaper of general circulation in each affected parish. After which, a 45 day public comment period is opened to allow the public to submit comments. Once the Department has received concurrence, the settlement agreement is signed by both parties. The Department then forwards a letter to the responsible party to establish a payment plan and/or beneficial environmental project (BEP).

WHAT SHOULD I INCLUDE IN A SETTLEMENT AGREEMENT?

The Department uses the penalty determination method defined in LAC 33:1.705 as a guideline to accepting settlement offers. The penalty matrix is used to determine a penalty range for each violation based on the two violation specific factors, the nature and gravity of the violation and the degree of risk/impact to human health and property.

		NATURE AND GRAVITY OF THE VIOLATION		
		MAJOR	MODERATE	MINOR
DEGREE OF RISK OR IMPACT TO HUMAN HEALTH OR PROPERTY	MAJOR	\$32,500 to \$20,000	\$20,000 to \$15,000	\$15,000 to \$11,000
	MODERATE	\$11,000 to \$8,000	\$8,000 to \$5,000	\$5,000 to \$3,000
	MINOR	\$3,000 to \$1,500	\$1,500 to \$500	\$500 to \$100

Degree of Risk to Human Health or Property

Major: (actual measurable harm or substantial risk of harm) A violation of major impact to an environmental resource or a hazard characterized by high volume and/or frequent occurrence and/or high pollutant concentration.

Moderate: (potential for measurable detrimental impact) A violation of moderate impact and hazard may be one characterized by occasional occurrence and/or pollutant concentration that may be expected to have a detrimental effect under certain conditions

Minor: (no harm or risk of harm) A violation of minor impact are isolated single incidences and that cause no measurable detrimental effect or are administrative in nature.

Nature and Gravity of the Violation

Major: Violations of statutes, regulations, orders, permit limits, or permit requirements that result in negating the intent of the requirement to such an extent that little or no implementation of requirements occurred.

Moderate: Violations that result in substantially negating the intent of the requirements, but some implementation of the requirements occurred.

Minor: Violations that result in some deviation from the intent of the requirement; however, substantial implementation is demonstrated.

The range is adjusted using the following violator specific factors:

1. history of previous violations or repeated noncompliance;
2. gross revenues generated by the respondent;
3. degree of culpability, recalcitrance, defiance, or indifference to regulations or orders;
4. whether the Respondent has failed to mitigate or to make a reasonable attempt to mitigate the damages caused by the violation; and
5. whether the violation and the surrounding circumstances were immediately reported to the department, and whether the violation was concealed or there was an attempt to conceal by the Respondent.



Given the previous information, the following formula is used to obtain a penalty amount.

$$\text{Penalty Event Total} = \text{Penalty Event Minimum} + (\text{Adjustment Percentage} \times (\text{Penalty Event Maximum} - \text{Penalty Event Minimum}))$$

After this, the Department adds any monetary benefit of noncompliance to the penalty event. In the event that a monetary benefit is gained due to the delay of a cost that is ultimately paid, the Department adds the applicable judicial interest. Finally, the Department adds all response costs including, but not limited to, the cost of conducting inspections, and the staff time devoted to the preparation of reports and issuing enforcement actions.

WHAT IS A BEP?

A BEP is a project that provides for environmental mitigation which the respondent is not otherwise legally required to perform, but which the defendant/respondent agrees to undertake as a component of the settlement agreement. Project categories for BEPs include public health, pollution prevention, pollution reduction, environmental restoration and protection, assessments and audits, environmental compliance promotion, and emergency planning, preparedness and response. Other projects may be considered if the Department determines that these projects have environmental merit and is otherwise fully consistent with the intent of the BEP regulations.

WHAT HAPPENS IF MY OFFER IS REJECTED?

If an offer is rejected by the Assistant Secretary, the Legal Division will contact the responsible party, or anyone designated as an appropriate contact in the settlement offer, to discuss any discrepancies.

WHERE CAN I FIND EXAMPLES AND MORE INFORMATION?

Settlement Offers	searchable in <u>EDMS</u> using the following filters Media: Air Quality, Function: Enforcement, Description: Settlement
Settlement Agreements	<u>Enforcement Division's website</u> specific examples can be provided upon request
Penalty Determination Method	<u>LAC 33:1 Chapter 7</u>
Beneficial Environmental Projects	<u>LAC 33:1 Chapter 25</u> <u>FAQs</u>
Judicial Interest.....	<u>provided by the Louisiana State Bar Association</u>





JOHN BEL EDWARDS
GOVERNOR

CHUCK CARR BROWN, PH.D.
SECRETARY

State of Louisiana
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE

SEP 12 2022

CERTIFIED MAIL (7021 0950 0001 9072 9024)
RETURN RECEIPT REQUESTED

BLUE CUBE OPERATIONS LLC
c/o C T Corporation System
Agent for Service of Process
3867 Plaza Tower Drive
Baton Rouge, LA 70816

**RE: CONSOLIDATED COMPLIANCE ORDER
& NOTICE OF POTENTIAL PENALTY
ENFORCEMENT TRACKING NO. AE-CN-20-00546
AGENCY INTEREST NO. 196702**

Dear Sir/Madam:

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 **BLUE CUBE OPERATIONS LLC (RESPONDENT)** for the violation(s) described therein.

Compliance is expected within the maximum time period established by each part of the **COMPLIANCE ORDER**. The violation(s) 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 Gabrielle Green at (225) 219-3468 or Gabrielle.Green2@la.gov.

Sincerely,

Angela Marse
Administrator
Enforcement Division

AM/GJG/gjg
Alt ID No. 1280-00281
Attachment



**c: Blue Cube Operations LLC
c/o Don Pulliam, EHS Manager
P.O. Box 424
Plaquemine, LA 70764**

**STATE OF LOUISIANA
DEPARTMENT OF ENVIRONMENTAL QUALITY**

OFFICE OF ENVIRONMENTAL COMPLIANCE

<p>IN THE MATTER OF</p> <p>BLUE CUBE OPERATIONS LLC IBERVILLE PARISH ALT ID NO. 1280-00281</p> <p>PROCEEDINGS UNDER THE LOUISIANA ENVIRONMENTAL QUALITY ACT, La. R.S. 30:2001, ET SEQ.</p>	<p>*</p> <p>*</p> <p>*</p> <p>*</p> <p>*</p> <p>*</p> <p>*</p> <p>*</p> <p>*</p>	<p>ENFORCEMENT TRACKING NO.</p> <p style="text-align: center;">AE-CN-20-00546</p> <p>AGENCY INTEREST NO.</p> <p style="text-align: center;">196702</p>
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CONSOLIDATED
COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY

The following **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is issued to **BLUE CUBE OPERATIONS 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 **PLAQUEMINE SITE (FACILITY)**, located at 21255 Louisiana Highway 1 South in Plaquemine, Iberville Parish, Louisiana (the Facility). The Facility operates or has operated under the authority of the following Title V Air Permits:

FACILITY	PERMIT	ISSUE DATE	EXPIRATION DATE
Solvents/EDC I Plant	2188-V11	May 7, 2020	May 7, 2025
	2188-V10	September 23, 2019	October 7, 2019
	2188-V9	November 17, 2017	October 7, 2019
	2188-V8	January 31, 2017	October 7, 2019
	2188-V7	April 5, 2016	October 7, 2019
Chlorine/Cell Service Plant	2573-V10	April 2, 2019	June 5, 2023
	2573-V9	June 5, 2018	June 5, 2023
Chlorine/Cell Service Plant	2573-V8	March 3, 2016	November 19, 2017

II.

On or about November 13, 2019, the Department conducted an inspection of the SOLVENTS/EDC I PLANT, to determine the Respondent's degree of compliance with the Act, the Air Quality Regulations, and all applicable permits. While the review is not complete, the Department noted the following violations were discovered during the course of the inspection and subsequent file review conducted on September 12, 2022:

A. The Respondent reported the following open-ended lines at the facility for DN – Fugitive Emissions (FUG 0001):

Report Number	Report Title	Report Date	Permit ID	Inspection Date	Equipment	Violation Description	Applicable Requirement
1.	2020 Title V First Semiannual Monitoring Report (September 30, 2020)	2188-V10	FUG0001	February 3, 2020	Equip with a cap, blind flange, plug, or a second valve.	One (1) open-ended line was found during routine operational rounds.	40 CFR 63.167 Specific Requirement No. 241
2.	2019 Title V Second Semiannual Monitoring Report (March 24, 2020)	2188-V10	FUG0001	December 4, 2019	Equip with a cap, blind flange, plug, or a second valve.	One (1) open-ended line was found during the reporting period.	40 CFR 63.167 Specific Requirement No. 241
3.	2018 Title V First Semiannual Monitoring Report (September 30, 2018)	2188-V9	FUG0001	January 1, 2018 – June 30, 2018	Equip with a cap, blind flange, plug, or a second valve.	Seven (7) open-ended lines were found throughout the reporting period.	40 CFR 63.167 Specific Requirement No. 252
4.	2017 Title V Second Semiannual Monitoring Report (March 29, 2018)	2188-V8	FUG0001	November 13, 2017	Equip with a cap, blind flange, plug, or a second valve.	One (1) open-ended line was found during routing monitoring.	40 CFR 63.167 Specific Requirement No. 269

Each failure to cap the open-ended line is a violation of any applicable permit and associated requirement(s) listed above, 40 CFR 63.167, 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).

B. The Respondent reported the following components were not included and monitored in the leak detection and repair (LDAR) database for DN – Fugitive Emissions (FUG 0001):

1.	2019 Title V Second Semiannual Monitoring Report (March 24, 2020)	2188-V10	FUG0001	November 18, 2019	Identify each piece of equipment in a process unit such that it can be distinguished readily from equipment that is not subject to 40 CFR 63 Subpart H.	Ten (10) valves and thirty-eight connectors were discovered to be missing from the LDAR Program.	40 CFR 63.162(c), adopted as a Louisiana regulation in LAC 33:III.5122 Specific Requirement No. 226
2.	2017 Title V Second Semiannual Monitoring Report (March 29, 2018) Response to Warning Letter (September 24, 2020)	2188-V7	FUG0001	January 1, 2017 – December 31, 2017	The facility shall monitor pressure relief valves in gas/vapor service four (4) times a year (quarterly). The facility shall inspect or monitor all flanged connectors in light liquid and gas/vapor service four (4) times per year (quarterly).	Pressure relief devices and instrumentation systems (421 components) were not monitored at the correct monitored frequency in accordance with Louisiana Consolidated Fugitive Emissions Program (LCFEP) for Solvents/EDC I. In correspondence dated September 24, 2020, the Respondent stated all components identified were included in the routine quarterly monitoring schedule beginning 1 st Quarter 2018.	LAC 33:III.2122.D.1.b.ii LAC 33:III.2122.D.1.d.ii
		2188-V8					
		2188-V9					
3.	2017 Title V First Semiannual Monitoring Report (September 28, 2017)	2188-V7	FUG0001	January 1, 2017 – June 31, 2017	Identify each piece of equipment in a process unit such that it can be distinguished readily from equipment that is not subject to 40 CFR 63 Subpart H.	Thirteen (13) valves were discovered to be incorrectly classified in the Leak DAS database and were not monitored within the semiannual reporting period.	40 CFR 63.162(c), adopted as a Louisiana regulation in LAC 33:III.5122 Specific Requirement No. 259
		2188-V8					40 CFR 63.162(c), adopted as a Louisiana regulation in LAC 33:III.5122 Specific Requirement No. 254

Each failure to include and monitor each eligible component in each monitoring period is a violation of any applicable permit and associated requirement(s) listed above, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

C. The Respondent reported the following violations from permitted operating parameters:

1.	2021 Title V First Semiannual Monitoring Report (September 30, 2021)	2188-V11	EQT0015 Q1 – Pressure Swing Adsorption System Vent	May 8, 2021	The owner or operator shall monitor the parameters specified in the Notification of Compliance Status required in §63.152(b) of this subpart or in the operating permit and shall operate and maintain the control device such that the monitored parameters remain within the ranges specified in the Notification of Compliance Status.	The PSA system experienced three (3) regeneration cycles during which the temperature of the carbon bed after regeneration was outside the established range. This was due to the bed inadvertently being left in absorption step for an extended period of time.	40 CFR 63.120(d)(5) Specific Requirement No. 89
2.	2021 Title V First Semiannual Monitoring Report (September 30, 2021)	2188-V11	EQT0006 A9 – HCl Storage Tank T-107B	February 24, 2021 (16 hours)	Demonstrate continuous compliance with 40 CFR 63 Subpart NNNNN, Table 1 and Table 2, as applicable, according to 40 CFR 63 Subpart NNNNN, Table 4 and Table 5.	The daily minimum effluent pH data for SC-107B (control device for EQT0006) cannot be validated between February 24, 2021 and February 25, 2021 due to a lack of water saturation caused by extreme freezing conditions.	40 CFR 63.9040(a) Specific Requirement No. 9
3.	2020 Title V Second Semiannual Monitoring Report (March 30, 2021)	2188-V11	EQT0095 SC-Scrubber SC-1500	September 6, 2020 – September 8, 2020 (53.17 hours)	Maintain the operating parameter(s) within the limits established during the performance test and according to the monitoring plan.	The minimum daily inlet flow was not maintained in accordance with Specific Requirement No. 1 for two (2) consecutive days due to the parameter alarm being deactivated.	40 CFR 63.9000(b) Specific Requirement No. 1
4.	2020 Title V Second Semiannual Monitoring Report (March 30, 2021)	2188-V10	EQT0006 A9 – HCl Storage Tank T-107B	April 14, 2020 – May 8, 2020 (579 hours)	Maintain the operating parameter(s) within the limits established during the performance test and according to the monitoring plan.	The daily minimum effluent pH data for SC-107B (control device for EQT0006) cannot be validated due to an excessive amount of water intermittently introduced into the system during this timeframe.	40 CFR 63.9000(b)
		2188-V11					40 CFR 63.9000(b) Specific Requirement No. 1

5.	2020 Title V First Semiannual Monitoring Report (September 30, 2020)	2188-V11	EQT0005 A8 – HCl Storage Tank T-107A	May 19, 2020 – June 23, 2020 (833 hours)	Maintain the operating parameter(s) within the limits established during the performance test and according to the monitoring plan.	SC-107A, a control device for EQT0005, operated below the daily minimum pH.	40 CFR 63.9000(b) Specific Requirement No. 1
6.	2020 Title V First Semiannual Monitoring Report (September 30, 2020)	2188-V10	EQT0002 3P – F-700 Thermal Treatment Unit (TTU)	March 18, 2020 (2 hours)	Equipment/operational data recordkeeping by electronic or hard copy at the regulation's specified frequency.	Due to an upgrade to the data control system, there was a loss of approximately two (2) hours of firebox temp, scrubber pH, and liquid/gas (L/G) data for EQT0002 data required under Hazardous Organic NESHAP (HON) Subpart H.	40 CFR 63.117(a) Specific Requirement No. 53
7.	2020 Title V First Semiannual Monitoring Report (September 30, 2020)	2188-V10	EQT0005 A8 – HCl Storage Tank T-107A EQT0006 A9 – HCl Storage Tank T-107B	January 21, 2020 (7 hours)	Demonstrate continuous compliance with 40 CFR 63 Subpart NNNNN, Table 1 and Table 2, as applicable, according to 40 CFR 63 Subpart NNNNN, Table 4 and Table 5.	Due to a conversion to a new data control system, an unexpected loss of continuous data collection was identified for SC-107A/B (control devices for EQT0005 & EQT0006). Approximately seven (7) hours of minimum effluent pH and inlet water flow.	40 CFR 63.9040(a) Specific Requirement No. 292
8.	2019 Title V First Semiannual Monitoring Report (September 30, 2019)	2188-V9	EQT0007 CS – HCl Storage Tanks T-500A/B	May 6, 2019 – May 9, 2019 (16 hours)	Demonstrate continuous compliance with 40 CFR 63 Subpart NNNNN, Table 1 and Table 2, as applicable, according to 40 CFR 63 Subpart NNNNN, Table 4 and Table 5.	SC-500, which controls T-500A/B, operated below the daily average water flow established by HCl maximum achievable control technology (MACT) over a two (2) day period due to interruptions on the water supply line. During this time, T-500A/B Storage Tanks intermittently exceeded the Hydrogen Chloride maximum permitted emissions hourly rate for approximately sixteen (16) hours.	40 CFR 63.9040 Specific Requirement No. 42

9.	2019 Title V First Semiannual Monitoring Report (September 30, 2019)	2188-V9	EQT0002 3P – TTU F-700	June 12, 2019 (4.5 hours)	Hydrogen chloride and chlorine gas (total chlorine) in excess of 32 parts per million by volume, combined emissions, expressed as a chloride equivalent, dry basis and corrected to 7 percent oxygen.	During pre-testing prior to a CPT, analysis indicated an elevated concentration of HCl/Cl when the unit was operating at testing conditions. The equipment was operating at maximum loading during the test runs which is significantly higher than normal operation. During the November 13, 2019 inspection, a representative of the Respondent stated that an analytical result showed approximately 145 parts per million (ppm) of HCl/Cl during the pre-test at maximum operating conditions.	40 CFR 63.1219(a)(6)
10.	2018 Title V First Semiannual Monitoring Report (September 30, 2020)	2188-V9	EQT0007 CS-HCl Storage Tanks T-500A/B	May 5, 2018 – May 22, 2018 (432 hours)	Demonstrate continuous compliance with 40 CFR 63 Subpart NNNNN, Table 1 and Table 2, as applicable, according to 40 CFR 63 Subpart NNNNN, Table 4 and Table 5.	Unit operated below the minimum daily average water flow due to a scrubber alarm set point error.	40 CFR 63.9040 Specific Requirement No. 42
11.	2018 Title V First Semiannual Monitoring Report (September 30, 2020)	2188-V9	EQT0015 Q1-Pressure Swing Adsorption System Vent	May 27, 2018 – May 31, 2018 (120 hours)	Comply with the requirements in paragraphs 40 CFR 63.120(d)(1) through (d)(7).	Unit operated below daily average regeneration flow rate due to plugging issues.	40 CFR 63.120(d) Specific Requirement No. 91
12.	2017 Title V Second Semiannual Monitoring Report (March 29, 2018)	2188-V7	*Report Emission Source	January 1, 2017 – September 30, 2017	The samples shall be collected either at the entrance and exit of each heat exchange system or at locations where the cooling water enters and exits each heat exchanger or any combination of heat exchangers.	The required statistical analysis was not able to be completed according to 40 CFR Part 63 Subpart F due to the incorrect number of samples analyzed for each sampling point of the HON Heat Exchanger Systems for the First, Second, and Third quarter of 2017. No leaks of these systems were detected during this timeframe.	40 CFR 63.104(b)(4)
		2188-V8					

Each failure to within the parameters as specified in the permitted requirements is a violation of any applicable permit and associated requirement(s) listed above, 40 CFR 63, 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).

D. The Respondent reported the following unpermitted emissions:

Permit No.	Reporting Period	Permit Title	Facility Name	Date of Incident	Duration	Substance	Quantity	Description of Incident
2188-V10	2020 Title V First Semiannual Monitoring Report (September 30, 2020)	EQT0025	C-500 – Absorber C-500	April 25, 2020	(0.12 hours)	Hydrochloric acid	14.4 lbs.	The premature rupture of a pressure relief device (PRD) resulted in approximately 14.4 lbs. of hydrochloric acid to be released.
2188-V9	2019 Title V First Semiannual Monitoring Report (September 30, 2019)	EQT0015	Pressure Swing Adsorption (PSA) System Vent	March 1, 2019	(2.4 hours)	1,2-Dichloroethylene	23 lbs.	An unplanned shutdown of the PSA Unit due to a valve malfunction caused approximately twenty-three (23) lbs. of 1,2-Dichloroethylene to be intermittently vented out of the six (6) controlled storage tanks over a 2.4 hour period.
2188-V9	2019 Title V First Semiannual Monitoring Report (September 30, 2019)	EQT0087	T-304 Storage Vessel	June 10, 2019	(0.12 hours)	1,2-Dichloroethylene	3.1 lbs.	Approximately 3.1 lbs. of 1,2-Dichloroethylene vented out of the two (2) tanks due to sudden pressure changes in the tanks. According to email correspondence dated April 19, 2021 in response to an information request, the Respondent stated that these were two (2) separate events during the reporting period. Additionally, the total vent time for both events was 0.14 hours and the total amount emitted for both events is 3.1 lbs.
		EQT0088	T-305 Storage Vessel	March 3, 2019	(0.02 hours)			
2188-V9	Unauthorized Discharge Notification Form Incident No. T192983 (August 29, 2019)	N/A		August 26, 2019	(26 minutes)	Chlorine	25 lbs.	A chlorine leak was detected on a flange in the Solvents/EDC I Plant. The flange was part of a chlorine recycle pumping system. Upon discovery, the line was immediately de-pressured to stop the release.

5.	2018 Title V Second Semiannual Monitoring Report (March 28, 2018)	2188-V9	EQT0084 T-112 – Storage Vessel	November 12, 2018 – November 18, 2018 (54.72 hours)	1,2-Dichloroethylene Chloroform Tetrachloroethylene	23 lbs. 3 lbs. 38 lbs.	Approximately twenty-three (23) lbs. of 1,2-Dichloroethylene, three (3) lbs. of Chloroform, and thirty-eight (38) lbs. of Tetrachloroethylene were intermittently vent out of the five (5) tanks over a seven (7) day period while the PSA Unit was shut down for emergency repairs due to a plugging malfunction.
			EQT0086 T-303 – Storage Vessel				
			EQT0087 T-304 – Storage Vessel				
			EQT0089 T-306 – Storage Vessel				
			EQT0091 T-807 – Storage Vessel				
6.	2017 Title V First Semiannual Monitoring Report (September 28, 2017)	2188-V8	EQT0089 T-306 – Storage Vessel	April 27, 2017 – June 29, 2017	1,2-Dichloroethylene	87 lbs.	An intermittent leak from a vacuum relief device was discovered on the storage tank. It has been estimated that approximately eighty-seven (87) lbs. of ethylene dichloride (EDC) was released to the atmosphere over several weeks.

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

E. The Respondent reported the following exceedances:

Incident No.	Report Title	Permit No.	Facility Name	Incident Date	Pollutant	Quantity Released	Details
1.	2020 Title V First Semiannual Report (September 30, 2020)	2188-V11	A9 – HCl Storage Tank T-107B	May 8, 2020 – May 11, 2020 (68 hours)	*Report pollutant*	*Report approximate quantity released in max lb/hr*	The vent pipe on EQT0006 unexpectedly disconnected from the scrubber causing approximately seventy-eight (78) lbs. of Cl/HCl to vent to the atmosphere over three (3) days.
2.	2019 Title V First Semiannual Monitoring Report (September 30, 2019)	2188-V9	EQT0007 CS – HCl Storage Tanks T-500A/B	May 6, 2019 – May 9, 2019 (16 hours)	Hydrogen Chloride (0.09 max lb/hr)	*Report approximate quantity released in max lb/hr*	SC-500, which controls T-500A/B, operated below the daily average water flow established by HCl MACT over a two (2) day period due to interruptions on the water supply line. During this time, T-500A/B Storage Tanks intermittently exceeded the Hydrogen Chloride maximum permitted emissions hourly rate for approximately sixteen (16) hours.

3.	2019 Title V First Semiannual Monitoring Report (September 30, 2019)	2188-V9	EQT0002 3P - TTU F-700	June 12, 2019 (4.5 hours)	<i>*Report pollutant(s)*</i>	<i>*Report approximate quantity/quantities released in max lb/hr*</i>	During pre-testing prior to a CPT, analysis indicated an elevated concentration of HCl/Cl when the unit was operating at testing conditions. The equipment was operating at maximum loading during the test runs which is significantly higher than normal operation. According to a representative of the Respondent, analytical results showed approximately 145 parts per million (ppm) of HCl/Cl during the pre-test at maximum operating conditions.
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Each exceedance is a violation of any applicable permit listed above, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1), and La. R.S. 30:2057(A)(2).

F. The Respondent failed to submit updates every sixty (60) days about the status of the ongoing investigation of an unauthorized discharge until the investigation was completed and the results of the investigation were submitted. Specifically, on or about August 26, 2019, a chlorine leak was detected on a flange at the facility. The flange was part of a chlorine recycle pumping system. Approximately twenty-five (25) pounds of chlorine was released into the atmosphere. In correspondence dated August 29, 2019, the Respondent reported that the cause of the flange failure was still under investigation. The Respondent did not submit updates every sixty (60) days until the investigation was complete; and the results of the investigation was not submitted to the Department. On March 31, 2021, the Enforcement Division sent an information request to the Respondent regarding Title V reported deviations and incidents. In response to the information request on or about April 19, 2021, the Respondent reported that an unknown defect in a gasket resulted in the failure of the flange seal. The failure to submit updates every sixty (60) days about the status of the ongoing investigation of an unauthorized discharge until the investigation was completed and the results of the investigation were submitted is a violation of LAC 33:I.3925.A.3 and La. R.S. 30:2057(A)(2).

III.

On or about December 19, 2018, the Respondent submitted a Notification of Intent to Conduct Performance Test for Pressure Swing Absorber (EQT0015). EQT0015 is the control system for Volatile Organic Compound (VOC) and Hazardous Air Pollutant (HAP) emissions from storage tanks and loading activities and is subject to the emission control requirements of 40 CFR 63 Subparts F, G, and H, in

addition to LAC 33:III.Chapter 21. According to the Notification of Intent to Conduct Performance Test, the testing was scheduled to take place the week of January 21, 2019. Specific Requirement No. 91 of Title V Air Permit No. 2188-V9, which was issued on November 17, 2017, requires the Respondent to comply with the requirements specified in 40 CFR 63.120(d)(1) through (d)(7). The federal regulation, 40 CFR 6.120(d)(1), states that the owner or operator shall either prepare a design evaluation, which includes the information specified in paragraph (d)(1)(i) of this section, or submit the results of a performance test as described in paragraph (d)(1)(ii) of this section. Paragraph (d)(1)(ii) states that the owner or operator is not required to prepare a design evaluation for the control device if the performance tests meets the criteria specified in paragraphs (d)(1)(ii)(A) and (d)(1)(ii)(B) of this section. The Department has no record that a performance test was conducted for EQT0015. The federal regulation, 40 CFR 63.120(d)(3), states that the owner or operator shall submit, as part of the Notification of Compliance Status required by 40 CFR 63.152(b), the information specified in paragraphs (d)(3)(i) and, if applicable, (d)(3)(ii) of this section. This includes the submittal of the Notification of Compliance Status and the results of the performance test as described in paragraph (d)(1)(ii) of the section. The Department has no record of a Notification of Compliance Status for EQT0015.

IV.

In the 2021 Title V First Semiannual Monitoring Report dated September 30, 2021, the Respondent reported excursions from the pH limits established in Comprehensive Performance Test (CPT) conducted on January 20, 2020 for LM – Scrubber C-81 (EQT0014). According to the Title V report, the January 2020 test was conducted while the load rack was out of service. Since EQT0014 controls the hydrogen chloride (HCl) emissions from the load rack, and the load rack was out of service during the test, the test results were invalid. In the 2021 Title V Second Semiannual Monitoring Report dated March 29, 2022, the Respondent performed a CPT during August 17 through 18, 2021, while the load rack was operational; this test established the minimum pH limit of 2.37. In order to comply with 40 CFR 63 Subpart NNNNN, the Respondent was required to maintain the operating parameters established during a CPT performed on January 27, 2015, until the next valid test was performed. Therefore, the Respondent was required to maintain a pH of 2.5 from the January 27, 2015 test until the next CPT performed in August 2021 established the new operating limit of 2.37.

V.

On or about September 12, 2022, the Department conducted a file review of the **CHLORINE/CELL SERVICE PLANT**, to determine the degree of compliance with the Act, Air

Quality Regulations, and all applicable permits. While the Department's investigation is not yet complete, the following violations were discovered during the course of the review:

- A. In the 2020 Title V Second Semiannual Monitoring Report dated March 30, 2021, the Respondent reported that visual inspections for opacity were not completed during weekly readiness checks for EG – Emergency Generator (EQT0249) from July 6, 2020 to January 25, 2021. Each failure to conduct weekly visual inspections for opacity is a violation of Specific Requirement No. 33 of Title V Air Permit No. 2573-V10, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).
- B. The Respondent reported the failure to identify that visual inspections for opacity were not completed during weekly readiness checks for EG- Emergency Generator (EQT0249) from January 1, 2021 to January 25, 2021, in the 2021 Title V First Semiannual Monitoring Report dated September 30, 2021. Specifically, the Respondent reported that the deviation occurred from July 6, 2020 to January 25, 2021; however, in the 2021 First Semiannual Monitoring Report, the Respondent reported that no deviations occurred for the monitoring period of January 1, 2021 to June 30, 2021. The failure to identify the deviation in the 2021 First Semiannual Monitoring Report is a violation of Specific Requirement No. 109 of Title V Air Permit No. 2573-V10, LAC 33:III.501.C.4, LAC 33:III.535 General Condition K, and La. R.S. 30:2057(A)(2).
- C. In the 2017 First Title V Semiannual Monitoring Report dated September 28, 2017, the Respondent reported that on February 10, 2017, during a planned shutdown, an instrument failure caused 1O – Chlorine Carbonate Tower AT-11C (EQT0184) to exceed the permitted 0.27 max lb/hr chlorine emission rate for one (1) hour. This emission exceedance is a violation of Title V Air permit No. 2573-V8, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1), and La. R.S. 30:2057(A)(2).

COMPLIANCE ORDER

Based on the foregoing, the Respondent is hereby ordered:

I.

To take, immediately upon receipt of this **COMPLIANCE ORDER**, any and all steps necessary to meet and maintain compliance with the 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 the required information denoted by an asterisk (**Report Emission Source*), as referenced in Paragraph II.C.13 of the **FINDINGS OF FACT** portion of this action.

III.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, a written report that includes the required information denoted by an asterisk (**Report pollutant(s)*), as referenced in Paragraph II.E.1 and Paragraph II.E.3 of the **FINDINGS OF FACT** portions of this action.

IV.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, a written report that includes the required information denoted by an asterisk (**Report approximate quantity/quantities released in max lb/hr*), as referenced in Paragraph II.E.1-E.3 of the **FINDINGS OF FACT** portion of this action.

V.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, the updated unauthorized discharge report, as referenced in Paragraph II.F of the **FINDINGS OF FACT** portion of this action.

VI.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, the Notification of Compliance Status for EQT0015, as referenced in Paragraph III of the **FINDINGS OF FACT** portion of this action.

VII.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, a written report that includes the pH and flow rates of EQT0014, during May 21, 2021 through July 27, 2021, as referenced in Paragraph IV of the **FINDINGS OF FACT** portion of this action.

VIII.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, the 2021 Title V First Semiannual Monitoring Report, as referenced in Paragraph V.B of the **FINDINGS OF FACT** portion of this action.

IX.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, a written report that includes the approximate amount of chlorine released in max lb/hr for EQT0184, as referenced in Paragraph V.C of the **FINDINGS OF FACT** portion of this action.

X.

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 violation(s) 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: Gabrielle Green
Re: Enforcement Tracking No. AE-CN-20-00546
Agency Interest No. 196702

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-20-00546
Agency Interest No. 196702

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 Division of Administrative Law (DAL) Procedural Rules. 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 Gabrielle Green at (225) 219-3468 or Gabrielle.Green2@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. 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.

IV.

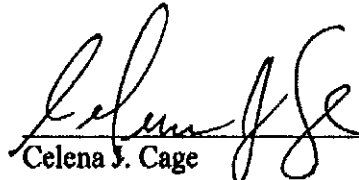
The Department assesses civil penalties based on LAC 33:I.Subpart1.Chapter7. To expedite closure of this **NOTICE OF POTENTIAL PENALTY** portion, the Respondent may offer a settlement amount to resolve any claim for civil penalties for the violation(s) described herein. The Respondent may

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 "CONSOLIDATED COMPLIANCE ORDER AND NOTICE OF POTENTIAL PENALTY REQUEST TO CLOSE" form. The Respondent may submit the settlement offer within one hundred and eighty (180) days of receipt of this NOTICE OF POTENTIAL PENALTY portion but no later than ninety (90) days of achieving compliance with the COMPLIANCE ORDER portion. 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.

V.

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

Baton Rouge, Louisiana, this 12th day of September, 2022.



Celena J. Cage
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: Gabrielle Green



LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY
 OFFICE OF ENVIRONMENTAL COMPLIANCE
 ENFORCEMENT DIVISION CONSOLIDATED COMPLIANCE ORDER &
 POST OFFICE BOX 4312 NOTICE OF POTENTIAL PENALTY
 BATON ROUGE, LOUISIANA 70821-4312 REQUEST TO CLOSE

Enforcement Tracking No.	AE-CN-20-00546	Contact Name	Gabrielle Green
Agency Interest (AI) No.	196702	Contact Phone No.	(225) 219-3468
Alternate ID No.	1280-00281		
Respondent:	Blue Cube Operations LLC	Facility Name:	Plaquemine Site
	c/o C T Corporation System	Physical Location:	21255 Louisiana Highway 1
	Agent for Service of Process		
	3867 Plaza Tower Drive	City, State, Zip:	Plaquemine, Louisiana 70764
	Baton Rouge, LA 70816	Parish:	Iberville

STATEMENT OF COMPLIANCE

STATEMENT OF COMPLIANCE	Date Completed	Copy Attached?
A written report was submitted in accordance with Paragraph X of the "Order" portion of the COMPLIANCE ORDER.		
All necessary documents were submitted to the Department within 30 days of receipt of the COMPLIANCE ORDER in accordance with Paragraph(s) II-IX of the "Order" portion of the COMPLIANCE ORDER.		
All items in the "Findings of Fact" portion of the COMPLIANCE ORDER were addressed and the facility is being operated to meet and maintain the requirements of the "Order" portion of the COMPLIANCE ORDER. Final compliance was achieved as of:		

SETTLEMENT OFFER (OPTIONAL)

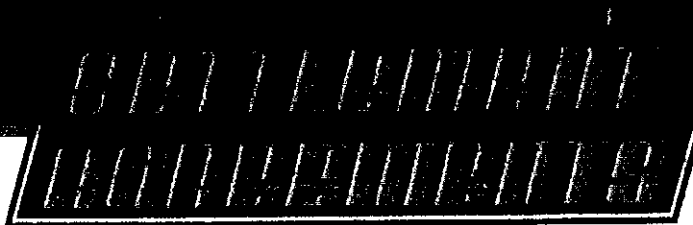
(check the applicable option)

<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 33:1.Subpart1.Chapter7.
<input type="checkbox"/>	In order to resolve any claim for civil penalties for the violations in CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY (AE-CN-20-00546), 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 CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY (AE-CN-20-00546), 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. The Respondent may submit the settlement offer within one hundred and eighty (180) days of receipt of this NOTICE OF POTENTIAL PENALTY portion but no later than ninety (90) days of achieving compliance with the COMPLIANCE ORDER portion. <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 CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY (AE-CN-20-00546) 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: Gabrielle Green		



WHAT IS A SETTLEMENT AGREEMENT?

Once the Department has determined that a penalty is warranted for a violation, the Assistant Secretary of the Department, with the concurrence of the Attorney General, may enter into a settlement agreement with the Respondent as a means to resolve the Department's claim for a penalty.

HOW DOES THE SETTLEMENT AGREEMENT PROCESS WORK?

To begin the settlement agreement process, the Department must receive a written settlement offer. Once this offer is submitted, it is sent for approval by the Assistant Secretary of the Office of Environmental Compliance. The formal Settlement Agreement is drafted and sent to the Attorney General's office where the Attorney General has a 90 day concurrence period. During this time, the Respondent is required to run a public notice in an official journal and/or newspaper of general circulation in each affected parish. After which, a 45 day public comment period is opened to allow the public to submit comments. Once the Department has received concurrence, the settlement agreement is signed by both parties. The Department then forwards a letter to the responsible party to establish a payment plan and/or beneficial environmental project (BEP).

WHAT SHOULD I INCLUDE IN A SETTLEMENT AGREEMENT?

The Department uses the penalty determination method defined in LAC 33:1.705 as a guideline to accepting settlement offers. The penalty matrix is used to determine a penalty range for each violation based on the two violation specific factors, the nature and gravity of the violation and the degree of risk/impact to human health and property.

		NATURE AND GRAVITY OF THE VIOLATION		
		MAJOR	MODERATE	MINOR
DEGREE OF RISK OR IMPACT TO HUMAN HEALTH OR PROPERTY	MAJOR	\$32,500 to \$20,000	\$20,000 to \$15,000	\$15,000 to \$11,000
	MODERATE	\$11,000 to \$8,000	\$8,000 to \$5,000	\$5,000 to \$3,000
	MINOR	\$3,000 to \$1,500	\$1,500 to \$500	\$500 to \$100

Degree of Risk to Human Health or Property

- Major: (actual measurable harm or substantial risk of harm) A violation of major impact to an environmental resource or a hazard characterized by high volume and/or frequent occurrence and/or high pollutant concentration.
- Moderate: (potential for measurable detrimental impact) A violation of moderate impact and hazard may be one characterized by occasional occurrence and/or pollutant concentration that may be expected to have a detrimental effect under certain conditions
- Minor: (no harm or risk of harm) A violation of minor impact are isolated single incidences and that cause no measurable detrimental effect or are administrative in nature.

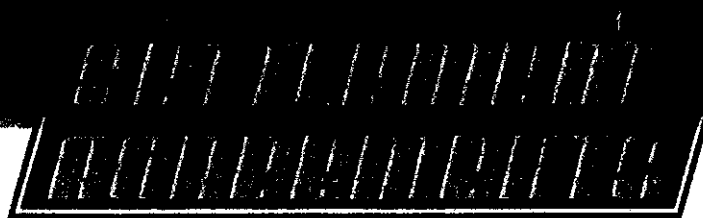
Nature and Gravity of the Violation

- Major: Violations of statutes, regulations, orders, permit limits, or permit requirements that result in negating the intent of the requirement to such an extent that little or no implementation of requirements occurred.
- Moderate: Violations that result in substantially negating the intent of the requirements, but some implementation of the requirements occurred.
- Minor: Violations that result in some deviation from the intent of the requirement; however, substantial implementation is demonstrated.

The range is adjusted using the following violator specific factors:

1. history of previous violations or repeated noncompliance;
2. gross revenues generated by the respondent;
3. degree of culpability, recalcitrance, defiance, or indifference to regulations or orders;
4. whether the Respondent has failed to mitigate or to make a reasonable attempt to mitigate the damages caused by the violation; and
5. whether the violation and the surrounding circumstances were immediately reported to the department, and whether the violation was concealed or there was an attempt to conceal by the Respondent.





Given the previous information, the following formula is used to obtain a penalty amount.

$$\text{Penalty Event Total} = \text{Penalty Event Minimum} + (\text{Adjustment Percentage} \times (\text{Penalty Event Maximum} - \text{Penalty Event Minimum}))$$

After this, the Department adds any monetary benefit of noncompliance to the penalty event. In the event that a monetary benefit is gained due to the delay of a cost that is ultimately paid, the Department adds the applicable judicial interest. Finally, the Department adds all response costs including, but not limited to, the cost of conducting inspections, and the staff time devoted to the preparation of reports and issuing enforcement actions.

WHAT IS A BEP?

A BEP is a project that provides for environmental mitigation which the respondent is not otherwise legally required to perform, but which the defendant/respondent agrees to undertake as a component of the settlement agreement. Project categories for BEPs include public health, pollution prevention, pollution reduction, environmental restoration and protection, assessments and audits, environmental compliance promotion, and emergency planning, preparedness and response. Other projects may be considered if the Department determines that these projects have environmental merit and is otherwise fully consistent with the intent of the BEP regulations.

WHAT HAPPENS IF MY OFFER IS REJECTED?

If an offer is rejected by the Assistant Secretary, the Legal Division will contact the responsible party, or anyone designated as an appropriate contact in the settlement offer, to discuss any discrepancies.

WHERE CAN I FIND EXAMPLES AND MORE INFORMATION?

Settlement Offers	searchable in <u>EDMS</u> using the following filters Media: Air Quality, Function: Enforcement, Description: Settlement
Settlement Agreements	<u>Enforcement Division's website</u> specific examples can be provided upon request
Penalty Determination Method	<u>LAC 33:I Chapter 7</u>
Beneficial Environmental Projects	<u>LAC 33:I Chapter 25</u> <u>FAQs</u>
Judicial Interest.....	<u>provided by the Louisiana State Bar Association</u>

