STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:	*	**Settlement Tracking No.**
	*	**SA-AWE-07-0007A**
MOTIVA ENTERPRISES, LLC	*	
	*	
AI # 1406	*	**Enforcement Tracking No.**
	*	**AE-CN-02-0190, AE-PP-03-0217,**
PROCEEDINGS UNDER THE LOUISIANA	*	**WE-CN-01-0017, WE-CN-04-1034**
ENVIRONMENTAL QUALITY ACT	*	**WE-CN-04-1034A, AE-PP-05-0241**
LA. R.S. 30:2001, ET SEQ.	*	**Docket #2005-0747-EQ (WE-CN-04-1034)**

SETTLEMENT

The following Settlement is hereby agreed to between Motiva Enterprises, LLC (Respondent) and the Department of Environmental Quality (Department), under authority granted by the Louisiana Environmental Quality Act, La. R.S. 30:2001, et seq. ("the Act").

I

Respondent is a corporation that operates petroleum refinery facilities located at 15536 River Road in Norco, St. Charles Parish, Louisiana (Facility).

II

A. On September 24, 2001, the Department issued a Consolidated Compliance Order and Notice of Potential Penalty, Enforcement No. WE-CN-01-0017 (*EDMS Document No.1946363)*, to Respondent, attached herewith as Exhibit A.

B. On March 17, 2003, the Department issued a Consolidated Compliance Order and Notice of Potential Penalty, Enforcement No. AE-CN-02-0190 (*EDMS Document No.1712918)*, to Respondent, attached herewith as Exhibit B.

C. On March 10, 2004, the Department issued a Notice of Potential Penalty, Enforcement No. AE-PP-03-0217 (*EDMS Document No.457281)*, to Respondent, attached herewith as Exhibit C.

D. On November 23, 2004, the Department issued a Consolidated Compliance Order and Notice of Potential Penalty, Enforcement No. WE-CN-04-1034 (*EDMS Document No.2518341)*, to Respondent, attached herewith as Exhibit D.

E. On May 20, 2005, the Department issued an Amended Consolidated Compliance Order and Notice of Potential Penalty, Enforcement No. WE-CN-04-1034A (*EDMS Document No.2703912)*, to Respondent, attached herewith as Exhibit E.

F. On March 1, 2006, the Department issued a Notice of Potential Penalty, Enforcement No. AE-PP-05-0241 (*EDMS Document No.5408265)*, to Respondent, attached herewith as Exhibit F.

G. The following violations although not included in the foregoing enforcement actions, are included within the scope of the settlement herein. These violations have not been cited in any previous enforcement actions.

1. On January 28, 2005, Motiva submitted an excess emissions report for the RCCU flare (884: FE-201) for NO_x CMS downtimes on 11/15/04 -11/16/04 and 11/29/04-12/1/04.
2. The Respondent failed to meet effluent limits for TSS for the monitoring period of July 2005. Each effluent exceedance is a violation of LPDES permit LA0003522 (Part I, and Part III Section A.2), La. R.S. 30:2076(A)(1), La. R.S. 30:2076(A)(3), LAC 33:IX.501.A, LAC 33:IX.501.D, and LAC 33:IX.2701.A.
3. On August 4, 2005, sulfur dioxide and VOCs were released. The permit limits for sulfur dioxide and VOCs were exceeded for the RCCU Flare (EPN 8-84). The RQ and permit

limits for sulfur dioxide were exceeded for the WOGF (EPN 9-84). RQ for flammable gas and oil to land were exceeded from the slurry oil release to the land and atmosphere.

4. On November 24, 2005, unknown quantities of oil, hydrogen sulfide, xylenes, and PAH were released.

5. The Respondent failed to continuously measure pH for monitoring period of December 2005 as required by the LPDES permit. Each failure is in violation of LPDES permit LA0003522 (Part I, page 2 of 5, and Part III, Sections A.2 and B.3.a), La. R. S. 30:2076 (A) (3), and LAC 33:IX.2701.E.

6. The Respondent failed to follow approved test methods. Specifically, from February 13 through February 19, 2006, the Respondent reported invalid sample results for BOD_5 due to the residual dissolved oxygen being below acceptable limits at the conclusion of the test. This is in violation of LPDES permit LA0003522 (Part III, Sections A.2 and C.5.a), and LAC 33:IX.2701.J.4

7. On March 29, 2006, an investigation of the unauthorized air discharge occurring on March 28, 2006, at the refinery was performed to determine the degree of compliance with the Act and the Air Quality Regulations. The following violation was noted during the course of the investigation:

> The Department received an unauthorized discharge notification report from the Respondent dated March 5, 2007, regarding a release that occurred at the Respondent's facility on March 28, 2006. During this incident, approximately 56 pounds (lbs) of benzene, 9,527 lbs of volatile organic compounds (VOC), 278 lbs of hydrogen sulfide (H_2S), and 1,086 lbs of hexane were released to the atmosphere. According to the Respondent, the incident involved flaring at the HCU Flare (Emission Point 4-84) when a breaker was placed in the wrong position. Therefore, the root cause of the incident was operator error. This is a violation of LAC 33:III.905 which states "When facilities have been installed on a property, they shall be used and diligently maintained in proper working order whenever any emissions are being made which can be controlled by

the facilities, even thought the ambient air quality standards in an affected area are not exceeded." Control equipment as defined by LAC 33:III.111 is "any device or contrivance, operating procedure or abatement scheme used to prevent or reduce air pollution." This is also a violation of Sections 2057(A)(1) and 2057(A)(2) of the Act.

8. On April 21, 2006, an investigation of the unauthorized air discharge occurring on April 14-, 2006, at the refinery was performed to determine the degree of compliance with the Act and the Air Quality Regulations. The following violation was noted during the course of the investigation:

> The Department received an unauthorized discharge notification report from the Respondent dated April 21, 2006, regarding a release that occurred at the Respondent's facility on April 14, 2006. During this incident, 0.04 lbs of benzene, 7.41 lbs of flammable gas, and three barrels of oil were released. According to the Respondent, naphtha was released from a ¾ inch bleed valve that was left open for an unknown reason. Therefore, the root cause of the incident was operator error. This is a violation of LAC 33:III.905 which states "When facilities have been installed on a property, they shall be used and diligently maintained in proper working order whenever any emissions are being made which can be controlled by the facilities, even thought the ambient air quality standards in an affected area are not exceeded." Control equipment as defined by LAC 33:III.111 is "any device or contrivance, operating procedure or abatement scheme used to prevent or reduce air pollution." This is also a violation of Sections 2057(A)(1) and 2057(A)(2) of the Act.

9. On June 27, 2006, Motiva notified that it had not conducted a performance test or requested the substitution of prior flare assessment for the West Operations Ground Flare (9-84) to demonstrate compliance with 40 CFR 63 Subpart Y. In the Marine MACT Notification of Compliance Status submitted December 24, 2003, Motiva provided a notice of intention to conduct a performance test on the West Operations Ground Flare in accordance with 40 CFR 63.565 and 63.7. However, this performance test has not yet been conducted. On October 26, 2004, Shell Chemical LP-Norco Chemical Plant-East Site submitted a request to substitute a prior flare assessment on Motiva's West

Operations Ground Flare to satisfy 40 CFR 63 Subpart YY (Ethylene MACT) and 40 CFR 63 Subpart SS (Flare Requirements). Shell's request was approved on December 22, 2005. However the approval clearly spells out that the acceptance of the prior flare assessment applies only to compliance with the requirements of Ethylene MACT. At that time, Motiva did not submit a similar request to satisfy Marine MACT and 40 CFR 63 Subpart A requirements.

10. On July 19, 2006, an investigation of the unauthorized air discharge occurring on July 15, 2006, at the refinery was performed to determine the degree of compliance with the Act and the Air Quality Regulations. The following violation was noted during the course of the investigation:

> The Department received an unauthorized discharge notification report from the Respondent dated December 13, 2006, regarding a release that occurred at the Respondent's facility on July 15, 2006. During this incident, 1,131.74 pounds (lbs) of sulfur dioxide (SO_2), 2,906.77 lbs of carbon monoxide (CO), and 56.06 lbs of volatile organic compounds (VOC) were released to the atmosphere. According to the Respondent, the incident occurred during the shutdown and subsequent startup of the Residual Cat Cracking Unit's (RCCU) flue gas scrubber stack. During the RCCU shutdown, an increase in oxygen in the CO Heater (Emission Point EQT45; 2-91) from cooling air being directed into the CO Heater's CO annulus via the unit's I-5 trip system resulted in the system being tripped open. The system was not reset closed prior to restarting of the RCCU resulting in the release. Therefore, the root cause of the incident was operator error. This is a violation of LAC 33:III.905 which states "When facilities have been installed on a property, they shall be used and diligently maintained in proper working order whenever any emissions are being made which can be controlled by the facilities, even thought the ambient air quality standards in an affected area are not exceeded." Control equipment as defined by LAC 33:III.111 is "any device or contrivance, operating procedure or abatement scheme used to prevent or reduce air pollution." This is also a violation of Sections 2057(A)(1) and 2057(A)(2) of the Act.

11. On September 6, 2006, an inspection of the Norco Refinery was performed to determine the degree of compliance with the Act and the Air Quality Regulations in response to a

release. The following violation was noted during the course of the inspection:

> On or about May 26, 2006, the West Operations Ground Flare (Emission Point 9-84) experienced a release due to Shell Chemical LP's GO-1 process unit experiencing a leak on a line at the base of the process vessel during an online abrasive blasting job. To relieve pressure on this line, rates at the GO-1 process unit were reduced, resulting in flaring at the Respondent's West Operations Ground Flare. The failure to conduct abrasive blasting properly resulted in the failure to use and diligently maintain, in proper working order, all emission control equipment during plant operation, which is a violation of LAC 33:III.905 and Section 2057(A)(2) of the Act. In addition, during the release, one pound of toluene and 13 pounds of benzene were released to the atmosphere. The West Operations Ground Flare is only permitted to emit a maximum of 0.003 pounds per hour of toluene and 0.05 pounds per hour of benzene. The exceedance of the permitted maximum pounds per hour limit for toluene and benzene is a violation of Title V Permit No. 2510-V1, LAC 33:III.501.C.4, and Sections 2057(A)(1) and 2057(A)(2) of the Act.

12. On December 14, 2006, the Department performed a file review of the Norco Refinery. During the course of the file review, the deviations listed in the following table were found to be in violation of 40 CFR 60 Subpart NNN:

DEVIATION	REPORTED IN
Auditors in a voluntary third party audit determined that several vents in the MTBE Unit are potentially subject to NSPS Subpart NNN. The vents meet substantive control requirements, but potential applicable monitoring, recordkeeping, and reporting has not been implemented.	2002 Annual Compliance Certification and 2003 Annual Compliance Certification
The Respondent failed to meet the reporting and monitoring requirements of 40 CFR 60 Subpart NNN for several emission points. Notifications, performance testing, and firebox temperature monitoring required by Subpart NNN have not been conducted by the Respondent; however, control requirements have been met.	2002 Annual Compliance Certification and 2003 Annual Compliance Certification

13. On December 14, 2006, the Department performed a file review of the Norco Refinery. During the course of the file review, the deviations listed in the following table were found to be in violation of 40 CFR 60 Subpart QQQ.

DEVIATION	REPORTED IN
Auditors in a voluntary third party audit determined that	2002 Annual Compliance

the drain systems associated with the MVR (Emission Point 5-89 A&B) are subject to 40 CFR 60 Subpart QQQ and are not equipped with proper controls. Additionally, monitoring, recordkeeping, and reporting for these drains have not been implemented.	Certification, 2003 Annual Compliance Certification, 2004 Annual Compliance Certification, and 2005 Annual Compliance Certification
The Respondent has determined that Tank A-405 (Emission Point 1207-95) is subject to 40 CFR 60 Subpart QQQ. Substantive control and recordkeeping requirements have been met; however, this tank has not been included in Subpart QQQ periodic reports or inspection programs.	2003 Annual Compliance Certification

14. On December 14, 2006, the Department performed a file review of the Norco Refinery. During the course of the file review, the deviations listed in the following table were found to be in violation of 40 CFR 60.103(a).

DEVIATION	REPORTED IN
CO emissions from the F-7002 CO Heater (Emission Point 2-91) were in excess of the 500 ppm hourly average for the following times: one hour on 11/3/02 and two hours on 11/9/02 due to air/oxygen limitations on R&R operations, and one hour on 11/3/02 due to steam generator flow transmitter malfunction.	2002 Annual Compliance Certification
CO in excess of the 500 ppm hourly standard for F-7002 CO Heater on 7/6/03 for five hours and 10/27/03 for seven hours.	2003 Annual Compliance Certification

15. On December 14, 2006, the Department performed a file review of the Norco Refinery. During the course of the file review, the deviations listed in the following table were found to be in violation of 40 CFR 60.104(a)(1).

DEVIATION	REPORTED IN
The excess emission report for the FE-201 RCCU Flare (Emission Point 8-84) showed an exceedance of the H_2S 160 ppm three hour rolling average on 11/6/04.	2004 Annual Compliance Certification
The excess emission report for the FE-201 RCCU Flare showed an exceedance of the H_2S 160 ppm three hour rolling average on	2005 Annual Compliance Certification
The excess emissions report for the FE-201 RCCU Flare showed an exceedance of the H_2S 160 ppm three hour rolling average on 4/30/05-5/18/05 and 5/23/05-6/30/05.	2005 Annual Compliance Certification

The excess emissions report for the FE-201 RCCU Flare showed an exceedance of the H_2S 160 ppm three hour rolling average on 6/30/04.	2004 Annual Compliance Certification
H_2S in the fuel gas of several emission points was in excess of the 0.1 gr/dscf three hour rolling average on 1/13/04.	2004 Annual Compliance Certification
H_2S in the fuel gas of several emission points was in excess of the 0.1 gr/dscf three hour rolling average on 9/25/03 and 9/27/03.	2003 Annual Compliance Certification
H_2S in the fuel gas of several emission points were in excess of the 0.1 gr/dscf three hour rolling average on 1/2/02, 8/19/02, and 8/20/02.	2002 Annual Compliance Certification

16. On December 14, 2006, the Department performed a file review of the Norco Refinery. During the course of the file review, the deviations listed in the following table were found to be in violation of 40 CFR 63 Subpart CC.

DEVIATION	REPORTED IN
Auditors in a voluntary third party audit determined that approximately 20 process vents to the RCCU Flare are potentially 40 CFR 63 Subpart CC process vents not previously identified.	2002 Annual Compliance Certification, 2003 Annual Compliance Certification, and 2004 Annual Compliance Certification
Auditors in a voluntary third party audit determined that the Disulfide Separator Vent, which is combusted in F-164 (Emission Point 3-91), is a 40 CFR 63 Subpart CC Group 1 process vent. This process vent was not reported in the Notification of Compliance Status, nor had it been included in semiannual Refinery MACT report. A performance test had not been conducted on F-164, and potentially applicable monitoring, recordkeeping, and reporting for this vent had not been implemented.	2002 Annual Compliance Certification, 2003 Annual Compliance Certification, and 2004 Annual Compliance Certification
Auditors in a voluntary third party audit determined that the following vents to the UE Flare (permitted to Shell Chemical LP) are 40 CFR 63 Subpart CC process vents: Sour Water Flash Drum vent (Group 1), PV-781 DIH Feed Surge Drum vent (Group 1), PV-764 Sour Water Surge Drum vent (Group 1), and PVC-195B vent (Group 1). These vents meet substantive control requirements, but potentially applicable monitoring, recordkeeping, and reporting for these vents has not been implemented.	2002 Annual Compliance Certification
Auditors in a voluntary third party audit determined that the vent from the Caustic Degassing Drum is a 40 CFR 63 Subpart CC process vent.	2002 Annual Compliance Certification, 2003 Annual Compliance Certification,

	and 2004 Annual Compliance Certification

17. On December 14, 2006, the Department performed a file review of the Norco Refinery. During the course of the file review, the deviations listed in the following table were found to be in violation of 40 CFR 63 Subpart Y.

DEVIATION	REPORTED IN
The Respondent determined that the West Operations Ground Flare Emission Point 9-84) is subject to 40 CFR 63 Subpart Y.	2003 Annual Compliance Certification, 2004 Annual Compliance Certification, and 2005 Annual Compliance Certification
The Respondent has not conducted a performance test or requested the substitution of prior flare assessment for the West Operations Ground Flare to demonstrate compliance with 40 CFR 63 Subpart Y.	A letter dated August 29, 2006

18. On December 14, 2006, the Department performed a file review of the Norco Refinery. During the course of the file review, the deviations listed in the following table were found to be in violation of 40 CFR 63.567.

DEVIATION	REPORTED IN
Auditors in a voluntary third party audit found that an engineering report describing the MVR vent system design was not provided to the EPA with the MVR performance test.	2003 Annual Compliance Certification
Auditors in a voluntary third party audit determined that vapor tightness documentation was not retained at the site for the Seabulk Mariner, which loaded material on January 23, 2002.	2002 Annual Compliance Certification

19. On December 14, 2006, the Department performed a file review of the Norco Refinery. During the course of the file review, the deviations listed in the following table were found to be in violation of 40 CFR 63.6(e)(3).

DEVIATION	REPORTED IN
Auditors in a voluntary third party audit determined that a SSMP did not exist for the H_2 Plant.	2002 Annual Compliance Certification
Auditors in a voluntary third party audit determined that	2002 Annual Compliance

the SSMP for PA had not been updated to address marine vessel loading and operation of the MVR.	Certification
Auditors in a voluntary third party audit noted that the FE-401 Coker Flare (Emission Point 2-84) SSMP did not discuss CMS malfunctions.	2002 Annual Compliance Certification
Auditors in a voluntary third party audit noted that the FE-301 HCU Flare (Emission Point 4-84) SSMP did not discuss CMS malfunctions.	2002 Annual Compliance Certification
Auditors in a voluntary third party audit noted that the RCCU Flare SSMP did not discuss CMS malfunctions.	2002 Annual Compliance Certification

20. On December 14, 2006, the Department performed a file review of the Norco Refinery. During the course of the file review, the deviations listed in the following table were found to be in violation of 40 CFR 63.646(a).

DEVIATION	REPORTED IN
During an inspection on 11/19/02 of Tank F-484 (Emission Point 1246-95), the total seal gap area was greater than one square inch per foot of tank diameter.	2002 Annual Compliance Certification
During an inspection on 2/11/02 of Tank F-482 (Emission Point 1239-95), the total seal gap area was greater than one square inch per foot of tank diameter.	2002 Annual Compliance Certification
During an inspection on 3/14/02 of Tank F-442, the total seal gap area was greater than one square inch per foot of tank diameter.	2002 Annual Compliance Certification
During an inspection on 3/19/02 of Tank F-469 (Emission Point 1255-95), the total seal gap area was greater than one square inch per foot of tank diameter.	2002 Annual Compliance Certification
During an inspection on 6/5/02 of Tank A-413 (Emission Point 1215-95), the total seal gap area was greater than one square inch per foot of tank diameter.	2002 Annual Compliance Certification
During an inspection on 9/5/02 of Tank A-420 (Emission Point 1222-95), the total seal gap area was greater than one square inch per foot of tank diameter.	2002 Annual Compliance Certification
During an inspection on 9/5/05 of Tank F-466 (Emission Point 1245-95), the total seal gap area was greater than one square inch per foot of tank diameter.	2002 Annual Compliance Certification
During an inspection on 3/11/03 of Tank A-420, individual gap widths exceeded ½ inch.	2003 Annual Compliance Certification
During gap measurement of Tank F-464 (Emission Point 1253-95) on 1/30/03, individual gap widths exceeded ½ inch.	2003 Annual Compliance Certification
The floating seal on Tank D-424 (Emission Point 1202-	2004 Annual Compliance

95) was not in continuous contact with the tank wall.	Certification
A visible gap was noted on Tank A-413 on 11/17/03 during a gap measurement inspection.	2003 Annual Compliance Certification
Seal gaps on Tank W-409 (Emission Point 1258-95) were found during the 10 year gap inspection on 7/19/04.	2004 Annual Compliance Certification

21. On December 14, 2006, the Department performed a file review of the Norco Refinery. During the course of the file review, the deviations listed in the following table were found to be in violation of 40 CFR 63.654(g)(3).

DEVIATION	REPORTED IN
A voluntary third party audit identified the potential noncompliance that inspection results and corrective actions for Tank F-464 were not included in the 9/10/01 Refinery MACT periodic report.	2002 Annual Compliance Certification
A voluntary third party audit identified the potential noncompliance that the date Tank A-405 (Emission Point 1207-95) was emptied was not included in the 2/27/02 Refinery MACT periodic report.	2002 Annual Compliance Certification
Auditors in a voluntary third party audit identified the potential noncompliance that actual gap measurements and corrective actions during inspections of Tank F-444 (Emission Point 1236-95) was not included in the 9/14/00 Refinery MACT periodic report.	2002 Annual Compliance Certification
Auditor in a voluntary third party audit identified the potential noncompliance that actual gap measurements and corrective actions during inspections of Tank F-476 (Emission Point 1265-95) was not included in the 9/14/00 Refinery MACT periodic report.	2002 Annual Compliance Certification
A voluntary third party audit determined the potential noncompliance that the estimated quantity of VOC emissions during seal failures of Tank A-405 and Tank D-424 during 2000 and 2001 were not quantified and recorded.	2002 Annual Compliance Certification
A voluntary third party audit determined the potential noncompliance that the estimated quantity of VOC emissions during seal failures of Tank D-413 during 2000 and 2001 were not quantified and recorded.	2002 Annual Compliance Certification
A voluntary third party audit determined the potential noncompliance that the estimated quantity of VOC emissions during seal failures of Tank F-481 (Emission Point 1230-95), Tank A-420, Tank F-479 (Emission Point 1242-95), and Tank F-465 (Emission Point 1254-95) during 2000 and 2001 were not quantified and	2002 Annual Compliance Certification

recorded.	
A voluntary third party audit determined the potential noncompliance that the estimated quantity of VOC emissions during seal failures of Tank F-476 and Tank D-422 (Emission Point 1257-95) during 2000 and 2001 were not quantified and recorded.	2002 Annual Compliance Certification
A voluntary third party audit determined the potential noncompliance that the estimated quantity of VOC emissions during seal failures of Tank F-485 (Emission Point 1206-95), Tank F-480 (Emission Point 1238-95), Tank F-482, Tank F-444, and Tank F-443 (Emission Point 1235-95) during 2000 and 2001 were not quantified and recorded.	2002 Annual Compliance Certification
A voluntary third party audit determined the potential noncompliance that the estimated quantity of VOC emissions during seal failures of Tank K-7600 (Emission Point 6-91) during 2000 and 2001 were not quantified and recorded.	2002 Annual Compliance Certification

22. On December 14, 2006, the Department performed a file review of the Norco Refinery. During the course of the file review, the deviations listed in the following table were found to be in violation of LAC 33:III.2103.D.2.

DEVIATION	REPORTED IN
A voluntary third party audit determined that notification of a tank failure for Tank A-420 upon inspection on 3/6/01 was made later than the seven day notification requirement.	2002 Annual Compliance Certification
A voluntary third party audit determined that notification of a tank failure for Tank F-464 upon inspection was made later than the seven day notification requirement.	2002 Annual Compliance Certification
A voluntary third party audit determined that notification of a tank failure for Tank F-485 upon inspection was made later than the seven day notification requirement.	2002 Annual Compliance Certification

23. On December 14, 2006, the Department performed a file review of the Norco Refinery. During the course of the file review, the deviations listed in the following table were found to be in violation of LAC 33:III.2113.A.

DEVIATION	REPORTED IN
During an inspection on 11/19/02, product was detected	2002 Annual Compliance

on the roof and in the seal of Tank D-422.	Certification
During an inspection on 4/14/03, hydrocarbon product was found floating on the roof of Tank F-480 (Emission Point 1238-95) due to a small opening on the roof deck.	2003 Annual Compliance Certification
Hydrocarbon product was found floating on the roof of Tank W-409 on 5/28/03.	2003 Annual Compliance Certification
Product was found on the floating roof for Tank A-420 on 3/9/04.	2004 Annual Compliance Certification
Product was found on the floating roof for Tank A-420 on 4/28/04.	2004 Annual Compliance Certification
Product was found on the floating roof of Tank F-493 (Emission Point 1247-95) due to heavy rainfall on 10/9/04.	2004 Annual Compliance Certification
Product was found on the floating roof of Tank F-493 due to heavy rainfall on 4/25/04.	2004 Annual Compliance Certification
Product identified on the floating roof of Tank D-413 on 10/30/03, and the gauge hatch was found in the open position.	2003 Annual Compliance Certification

24. On December 14, 2006, the Department performed a file review of the Norco Refinery. During the course of the file review, the deviations listed in the following table were found to be in violation of LAC 33:III.2121.B.3.

DEVIATION	REPORTED IN
The HCU (Emission Point 3011-95) missed the 15 day repair deadline on five components. The components were not put on delay of repair.	2002 Annual Compliance Certification
The HCU missed a 15 day repair deadline on one component.	2003 Annual Compliance Certification
The NHT (Emission Point 3015-95) missed the 15 day repair deadlines on one component. The component was not put on delay of repair.	2002 Annual Compliance Certification
One component on the Fugitive Emissions (Emission Point 9-91) missed the 15 day repair deadline.	2003 Annual Compliance Certification
The PA missed the 15 day repair deadlines on one component. The component was not put on delay of repair.	2002 Annual Compliance Certification
The RCCU (Emission Point 9-91) missed the 15 day deadlines on one component. The component was not put on delay of repair.	2002 Annual Compliance Certification
The PA area missed a 15 day repair deadline on two components.	2003 Annual Compliance Certification
The RCCU unit missed a 15 day repair deadline on three	2003 Annual Compliance

components.	Certification
The Coker (Emission Point 3002-95) missed the 15 day repair deadline on two components. The components were not put on delay of repair.	2002 Annual Compliance Certification
The CR-1 (Emission Point 3009-95) missed the 15 day repair deadlines on three components. The components were not put on delay of repair.	2002 Annual Compliance Certification
The DHT (Emission Point 3013-95) missed the 15 day repair deadlines on one component. The component was not put on delay of repair.	2002 Annual Compliance Certification
The DU-5 (Emission Point 3004-95) missed the five day first attempt at repair and the 15 day repair deadlines on one component. The component was not put on delay of repair.	2002 Annual Compliance Certification
The DU-5 unit missed a 15 day repair deadline on one component.	2003 Annual Compliance Certification
There were open-ended valves or lines with missing caps, blind flanges, and plugs identified for the following emission points during routine inspections: Distilling Fugitive Emissions, Coker Fugitive Emissions, CR-1 Fugitive Emissions, DHT Fugitive Emissions, NHT Fugitive Emissions, Distribution Fugitive Emissions (Emission Point 3003-95), ALKY Fugitive Emissions (Emission Point 3000-95), RCCU Fugitive Emissions, and HCU Fugitive Emissions.	2003 Annual Compliance Certification
There were open-ended valves or lines with missing caps, blind flanges, and plugs identified for the following emission points during routine inspections: Distilling Fugitive Emissions, Coker Fugitive Emissions, CR-1 Fugitive Emissions, CR-2 Fugitive Emissions (Emission Point 3010-95), DHT Fugitive Emissions, NHT Fugitive Emissions, Shared Fugitive Emissions, ALKY Fugitive Emissions, MTBE Fugitive Emissions (Emission Point 5-92), RCCU Fugitive Emissions, H_2 Plant Fugitive Emissions (Emission Point 5011-99), HCU Fugitive Emissions, RGHT Fugitive Emissions (Emission Point 5028-01), and Sulfur Plant No. 2 Fugitive Emissions (Emission Point 3008-95).	2005 Annual Compliance Certification
There were open-ended valves or lines with missing caps, blind flanges , and plugs identified for the following emission points during routine inspections: Distilling Fugitive Emissions, Coker Fugitive Emissions, CR-1 Fugitive Emissions, Kero Fugitive Emissions (Emission Point 3017-95), CR-2 Fugitive Emissions, DHT Fugitive Emissions, NHT Fugitive Emissions, Shared Fugitive	2004 Annual Compliance Certification

Emissions, ALKY Fugitive Emissions, MTBE Fugitive Emissions, RCCU Fugitive Emissions, H_2 Plant Fugitives, HCU Fugitive Emissions, RGHT Fugitive Emissions, Sulfur Plant No. 2 Fugitive Emissions, and Sulfur Plant No. 3 Fugitive Emissions (Emission Point 6-90).	
The ALKY missed the 15 day repair deadlines on one component. The component was not put on delay of repair within 15 days.	2002 Annual Compliance Certification

25. On December 14, 2006, the Department performed a file review of the Norco Refinery. During the course of the file review, the deviations listed in the following table were found to be in violation of LAC 33:III.501.C.4.

DEVIATION	REPORTED IN
Annual permit emissions limits for the CWT-20 MTBE/Dimersol Cooling Tower (Emission Point 2-93) were exceeded for VOC and PM due to increased water circulation rates.	2005 Annual Compliance Certification
Annual permit emissions limits were exceeded for several pollutants during the 2003, 2004, and 2005 calendar years for several emission points at the facility.	2003 Annual Compliance Certification, 2004 Annual Compliance Certification, and 2005 Annual Compliance Certification
Auditors in a voluntary third party audit determined that appliance service records from 7/25/01 and 8/7/01 documenting compliance with 40 CFR 82 did not include the type of service being performed on the refrigeration units, nor do the records estimate the leak rates.	2002 Annual Compliance Certification
During a review of 40 CFR 70 General Condition R reporting requirements, the Respondent discovered it had inadvertently not submitted quarterly reports as required by Part 70 General Condition R.3.	A letter dated August 29, 2006
During a review of 40 CFR 70 General Condition R reporting requirements, the Respondent discovered it had not been including certification language in seven day emission exceedance reports as required by 40 CFR 70.5(d).	A letter dated August 29, 2006
Excess emissions of benzene from Tank W-406 (Emission Point 1086-95) for the calendar year of 2004.	2004 Annual Compliance Certification
Excess emissions of benzene, ethylbenzene, naphthalene, toluene, xylene, and total VOC from Tank F-493 on 4/25/04.	2004 Annual Compliance Certification
Excess emissions of CO and hexane from the FG-201	2003 Annual Compliance

West Operations Ground Flare on 10/31/03.	Certification
Excess emissions of CO from the FE-301 HCU Flare (Emission Point 4-84) on 4/5/03.	2003 Annual Compliance Certification
Excess emissions of CO from the West Operations Ground Flare reported from 9/14/04-9/21/04 and 9/23/04-9/27/04.	2004 Annual Compliance Certification
Excess emissions of CO, benzene, and cyclohexane from the FE-301 HCU Flare on 9/7/03.	2003 Annual Compliance Certification
Excess emissions of CO, NOx, SO_2, PM VOC, 1,3-butadiene, benzene, and cyclohexane from the Coker Flare (Emission Point 2-84) on 6/3/04. The RQ for NOx and SO_2 were exceeded.	2004 Annual Compliance Certification
Excess emissions of CO, SO_2, and PM from the HCU Flare when depressuring the 1st and 2nd stage HP Circuit vented to the flare for four hours on 9/12/04.	2004 Annual Compliance Certification
Excess emissions of NOx, SO_2 and VOC from the FE-201 RCCU Flare on 6/25/02. The RQ for NOx and SO_2 was exceeded.	2002 Annual Compliance Certification
Excess emissions of NOx, SO_2, and VOC from the FE-401 Coker Flare. The RQ for NOx and SO_2 was exceeded.	2002 Annual Compliance Certification
Excess emissions of NOx, SO_2, and VOC from the FE-201 RCCU Flare on 6/23/02. The RQ for NOx and SO_2 was exceeded.	2002 Annual Compliance Certification
Excess emissions of NOx, SO_2, and VOC from the FE-201 RCCU Flare on 7/21/02. The RQ for NOx and SO_2 was exceeded.	2002 Annual Compliance Certification
Excess emissions of NOx, SO_2, CO, VOC, 1,3-butadiene, benzene, PM, and cyclohexane from the FE-401 Coker Flare on 11/14/02. The RQ for NOx and SO_2 was exceeded.	2002 Annual Compliance Certification
Excess emissions of NOx, SO_2, PM, and VOC from the FE-201 RCCU Flare on 8/1/03. The RQ for NOx was exceeded.	2003 Annual Compliance Certification
Excess emissions of NOx, SO_2, PM,, CO and VOC from the FE-201 RCCU Flare on 5/5/03. The RQ for NOx and SO_2 was exceeded.	2003 Annual Compliance Certification
Excess emissions of NOx, SO_2, PM, CO and VOC from the FE-201 RCCU Flare on 8/14/03. The RQ for NOx was exceeded.	2003 Annual Compliance Certification
Excess emissions of NOx, SO_2, PM, CO and VOC from the FE-201 RCCU Flare on 8/20/03. The RQ for NOx was exceeded.	2003 Annual Compliance Certification
Excess emissions of SO_2 and CO from the Coker Flare on 1/7/04. The RQ for SO_2 was exceeded.	2004 Annual Compliance Certification
Excess emissions of SO_2, and VOC from the FE-201	2004 Annual Compliance

RCCU Flare on 5/6/04.	Certification
Excess emissions of SO_2 from F-7002 CO Heater (Emission Point 2-91) on 12/16/03.	2003 Annual Compliance Certification
Excess emissions of the permit limit for benzene from Tank W-406 on 3/31/05.	2005 Annual Compliance Certification
Excess emissions of total VOC from Tank D-422 on 1/18/04.	2004 Annual Compliance Certification
Excess emissions of VOC and SO_2 from the Coker Flare and HCU Flare on 5/3/05 when the unit shutdown due to loss of instrument air.	2005 Annual Compliance Certification
Excess emissions of VOC, SO_2, and n-hexane from the flare when the Hydrocracker unit tripped on 3/23/05 due to a gasket leak on Compressor K-1929.	2005 Annual Compliance Certification
Furnace F-51 (Emission Point 29-71) smoked on 6/13/04 for approximately 20 minutes.	2004 Annual Compliance Certification
The permit limit and RQ for SO_2 was exceeded due to the shutdown of the RCCU on 8/4/05.	2005 Annual Compliance Certification
Release of 176.3 barrels of heavy gas oil on 8/16/05. The permit limit for VOC and naphthalene was exceeded. The RQ for oil was exceeded.	2005 Annual Compliance Certification
The DU-5 missed seven out of 26 weekly visible emissions checks, and the Coker missed 11 out of 66 weekly visible emissions checks.	2005 Annual Compliance Certification
Closed loop sample stations on Tank D-413 and D-422 were not in place.	2002 Annual Compliance Certification, 2003 Annual Compliance Certification, and 2004 Annual Compliance Certification
Excess emissions of SO_2, CO, PM, and VOC from the FE-301 HCU Flare on 3/28/03.	2003 Annual Compliance Certification

26. On December 14, 2006, the Department performed a file review of the Norco Refinery. During the course of the file review, the deviations listed in the following table were found to be in violation of LAC 33:III.905.

DEVIATION	REPORTED IN
During a follow up inspection on 12/10/02, a tear was found on the show seal fabric of Tank D-422.	2002 Annual Compliance Certification
Five barrels of oil were released to land on 3/8/05.	2005 Annual Compliance Certification
The automatic bleeder valve vent on Tank W-409 was found in the open position and the floating roof was not in contact with the liquid surface on 5/20/04.	2004 Annual Compliance Certification
Bypass of an emission control device on the F-164 Steam	2004 Annual Compliance

Superheater (Emission Point 3-91) on 1/6/04.	Certification
Bypass of an emission control device on the F-164 Steam Superheater on 5/5/03.	2003 Annual Compliance Certification
Bypass of an emission control device on the F-164 Steam Superheater on 5/9/02.	2002 Annual Compliance Certification
Bypass of an emission control device on the F-164 Steam Superheater on 6/22/02.	2002 Annual Compliance Certification
Bypass of an emission control device on the F-164 Steam Superheater on 7/21/02.	2002 Annual Compliance Certification
Bypass of an emission control device on the F-164 Steam Superheater on 8/15/03.	2003 Annual Compliance Certification
Tank F-490 overflowed on 10/31/05. Approximately 200 barrels were released to the ground. The RQ for VOC and PAH was exceeded.	2005 Annual Compliance Certification
The gauge hatch cover on Tank F-440 (Emission Point 1225-95) parted from its connection on 2/18/04.	2004 Annual Compliance Certification
The gauge hatch cover on Tank F-481 (Emission Point 1230-95) was found in the open position on 1/23/04.	2004 Annual Compliance Certification
Release of oil, H_2S, xylenes, and PAHs on 11/24/05.	2005 Annual Compliance Certification
The rim vent cover was broken.	2005 Annual Compliance Certification
A splice was noted in the tank seal fabric of Tank F-493 (Emission Point 1247-95) on 3/24/04.	2004 Annual Compliance Certification
The tank seal fabric was torn on Tank D-422 on 11/24/03, and the gauge hatch was found in the open position.	2003 Annual Compliance Certification
Three floating roof vents on Tank F-455 (Emission Point 1227-95) were found in the open position on 4/12/04 when the roof was lowered below the low gauge level.	2004 Annual Compliance Certification
Two seal tension pipes were found to be out of compliance on Tank F-455 on 10/28/03.	2003 Annual Compliance Certification

27. On December 14, 2006, the Department performed a file review of the Norco Refinery. During the course of the file review, the deviations listed in the following table were found to be violations.

DEVIATION	CITATION	REPORTED IN
Opacity emissions were in excess of 30% in six minutes/one hour for the following instances: 120 minutes on 5/16/02, 60 minutes on 6/28/02, 60 minutes on 7/22/02, 180 minutes on 12/13/02, 240 minutes on 12/15/02, and 60	40 CFR 60.102(a)(2)	2002 Annual Compliance Certification

minutes on 12/16/02.		
SO2 was in excess of 50 ppm for the seven day rolling average during 10/28/03-11/9/03.	40 CFR 60.104(b)(1)	2003 Annual Compliance Certification
An excess emissions report submitted for the CO Heater showed CO CMS downtimes on 1/17/04-1/18/04, 1/26/04-1/27/04, 1/28/04-1/29/04, 2/14/04-2/15/04, and 3/19/04-3/21/04.	40 CFR 60.105(a)(2)	2004 Annual Compliance Certification
An excess emissions report submitted for the RCCU Flare showed H_2S CMS downtimes on 10/21/04-10/23/04, 10/30/04-11/2/04, and 11/12/04-11/15/04.	40 CFR 60.105(a)(5)	2004 Annual Compliance Certification
The RCCU Flare smoked for 30 minutes on 10/31/05.	40 CFR 60.18	2005 Annual Compliance Certification
Ten random connectors were inadvertently missed during annual monitoring.	40 CFR 63.649(b)	2002 Annual Compliance Certification
Auditors in a voluntary third party audit determined that the Respondent's semiannual Refinery MACT reports did not include compliance data for the UE Flare (permitted to Shell Chemical LP), the control device for the Vacuum Flasher Waste Gas Vent.	40 CFR 63.654(h)	2002 Annual Compliance Certification
The MVR had visible opacity from 0800-0900 hours on 4/21/03.	LAC 33:III.1101.B	2003 Annual Compliance Certification
The Respondent was unable to burn nonhalogenated hydrocarbons from the VF waste gas due to a UE Flare pilot outage for 575 hours on 7/19/05.	LAC 33:III.2115.B	2005 Annual Compliance Certification
The Butadiene Lab Vent is not currently permitted. Emitted VOC and 1,3-butadienne.	LAC 33:III.501.C.2	2005 Annual Compliance Certification
A voluntary third party review of the 1999 and 2000 EIS and TEDI reports indicated that some insignificant activities and GC XVII sources were not included in these reports.	LAC 33:III.919 LAC 33:III.5107	2002 Annual Compliance Certification
A notification of the start of	40 CFR 60.7(a)(1)	2002 Annual Compliance

construction of the LSG Unit was not submitted within 30 days of the start of construction.		Certification

28. On March 13, 2007, an inspection conducted by the Department revealed that the Respondent did caused or allowed the unauthorized discharge of firewater (industrial wastewater) to the Mississippi River. Specifically, on or about February 1, 2007, once-through non-contact cooling water that flows through the alkylation unit and becomes firewater (industrial wastewater) that is used to provide a seal flush for the Shell Chemical River Water Pump was discharging out of the leaking seal into the Mississippi River. The unauthorized discharge of industrial wastewater is in violation of LPDES permit LA0003522 (Part I, Part III, Sections A.2 and D.1.b), La. R. S. 30:2075, La. R. S. 30:2076 (A) (1) (a), La. R. S. 30:2076 (A) (3), LAC 33:IX.501.A, LAC 33:IX.501.C, LAC 33:IX.501.D, and LAC 33:IX.2311.A.1.

29. A file review conducted by the Department on or about November 9, 2010, revealed the Respondent experienced the following overflows/spills/releases from its facility.

Date of Incident	Type of incident & cause	Amount	Written Report
02/02/2005	Unauthorized discharge due to heavy rain		Unanticipated Bypass/ yes
02/27/2005	Unauthorized discharge due to plugged line**		Yes
05/20/2005	Unauthorized discharge due to lift station malfunction**	30 gallons	No
6/15/2005	Unauthorized discharge due to plugged sewer line**		Yes
06/16/2005	Unauthorized discharge due to plugged sewer line**	Unknown	No
08/01/2005	Line Leak/bad gasket on a flange**16/2005	1 barrel	Low sulfur diesel spill/yes
08/16/2005	Affected soil/175 barrels	175 barrels	Yes

	released into secondary containment		
08/16/2005	Unauthorized discharge /Chlorine injection not working		Yes
9/25/2005	Oil spill	3 barrels	Yes
10/07/2005	Oil spill	2 barrels	Yes
10/12/2005	Oil spill	5 gallons	No
12/14/2005	Unauthorized discharge/sewage sump overflowed**		Yes
04/01/2006	Unauthorized discharge of sewage/pipe overflowed**	Unknown	Yes
04/15/2006	Unauthorized discharge of sewage	Unknown	yes
04/16/2006	Unauthorized discharge from a manhole	Unknown	No
05/10/2006	Unauthorized discharge of sewage due to a plugged line	Unknown	No
06/24/2006	Unauthorized discharge of crude oil **	70 Barrels	yes

**O & M violation

Each unauthorized discharge of untreated wastewater from a location not specified in the permit is in violation of LPDES permit LA003522 (Part III, Section A.2), La. R.S. 30:2076 (A) (1) (a), and LAC 33:IX.501.D. The failure to properly operate and maintain the collection system is in violation of LPDES permit LA003522 (Part III, Sections A.2 and B.3.a), La. R. S. 30:2076 (A) (3), and LAC 33:IX.2701.E.

III

Respondent made a timely request for an Administrative Hearing for Consolidated Compliance Order and Notice of Potential Penalty Enforcement No. AE-CN-02-0190 (*Denied 5/16/03*), and Enforcement No. WE-CN-04-1034 (*Granted 1/31/05 - Docket No. 2005-0747-EQ*).

IV

In a letter dated August 29, 2006, Respondent provided the Department a compilation of deviations that had occurred at its Facility. The deviations the Department determined not to be

violations are listed in a Memo to the File signed on February 29, 2008 (*EDMS Document No. 6454982),* and January 19, 2011 *(EDMS Document No. 7790846).* The Memos to File are attached herewith as Exhibit G.

V

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

VI

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 TWO HUNDRED FIFTEEN THOUSAND SIX HUNDRED SIXTY-TWO AND NO/100 DOLLARS ($215,662.00) of which Five Thousand Five Hundred thirty-seven and 11/100 Dollars ($5,537.11) represents the Department's enforcement costs, in settlement of the claims set forth in this agreement. The total amount of money expended by Respondent on cash payments to the Department as described above, shall be considered a civil penalty for tax purposes, as required by La. R.S. 30:2050.7(E)(1).

VII

Respondent further agrees that the Department may consider the inspection report(s), the Enforcement Actions listed above, the additional violations included herein, and this Settlement for the purpose of determining compliance history in connection with any future enforcement or permitting action by the Department against Respondent, and in any such action Respondent shall be estopped from objecting to the above-referenced documents being considered as proving the violations alleged herein for the sole purpose of determining Respondent's compliance history.

VIII

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

IX

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

X

The Respondent has caused a public notice advertisement to be placed in the official journal of the parish governing authority in St. Charles Parish, Louisiana. The advertisement, in form, wording, and size approved by the Department, announced the availability of this settlement for public view and comment and the opportunity for a public hearing. Respondent has submitted a proof-of-publication affidavit to the Department and, as of the date this Settlement is executed on behalf of the Department, more than forty-five (45) days have elapsed since publication of the notice.

XI

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

of Environmental Quality Post Office Box 4303, Baton Rouge, Louisiana, 70821-4303. Each payment shall be accompanied by a completed Settlement Payment Form (Exhibit H).

XII

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

XIII

Each undersigned representative of the parties certifies that he or she is fully authorized to execute this Settlement Agreement on behalf of his/her respective party, and to legally bind such party to its terms and conditions.

MOTIVA ENTERPRISES LLC

BY: _____
(Signature)

_____
(Printed)

TITLE: _____

THUS DONE AND SIGNED in duplicate original before me this _____ day of _____, 20 _____, at _____.

_____
NOTARY PUBLIC (ID #_____)

_____
(stamped or printed)

LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY
Peggy M. Hatch Secretary

BY: _____
Cheryl Sonnier Nolan, Assistant Secretary
Office of Environmental Compliance

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

_____
NOTARY PUBLIC (ID # _____)

_____
(stamped or printed)

Approved: _____
Cheryl Sonnier Nolan, Assistant Secretary