

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

**IN THE MATTER OF:**

**FLOPAM INC.**

**AI # 166443**

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

\* **Settlement Tracking No.**  
\* **SA-AE-13-0021**  
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\* **Enforcement Tracking No.**  
\* **AE-CN-12-00440**  
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**SETTLEMENT**

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

I

Respondent is a corporation that owns and/or operates a chemical manufacturing facility located in Iberville Parish, Louisiana ("the facility").

II

On May 21, 2012, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-12-00440, which was based upon the following findings of fact:

The Respondent owns and/or operates Flopam Inc. (the facility), a chemical manufacturing facility located at 27450 United States Highway 405 in Plaquemine, Iberville Parish, Louisiana. The Respondent operates the facility under the following permits:

Title V Air Permit Number 1280-00141-V1, issued April 26, 2011; and

PSD Permit Number PSD-LA-747(M1), issued April 26, 2011.

On or about April 12, 2012, the Respondent conducted emissions testing on the POD01 Powder Plant (EQT 0082 and EQT 0083) that confirmed ammonia is being emitted from the powder plant stack. These sources have been operating since October 13, 2011, and are not currently permitted to emit ammonia. According to a letter submitted by the Respondent on April 26, 2012, preliminary data suggests between 300 and 1,000 pounds of ammonia are being emitted per day. The testing results were reported as required by LAC 33:I.3917 and given incident number 138813. Each unauthorized release of emissions is a violation of LAC 33:III.501.C.2, and La. R.S. 30:2057(A)(1) and (2). By letter dated April 26, 2012, the Respondent requested the Department grant interim limits for the continued operation of the powder plant until a permit modification is issued. On May 4, 2012, the Respondent submitted additional information supporting the request for interim limits.

On or about May 4, 2012, the Department conducted a file review to determine the Respondent's degree of compliance with the Act, the Air Quality Regulations, and Title V Air Permit Number 1280-00141-V1. While the review is not complete, the Department noted the violations as follows:

- A. The Respondent reported the following deviations from recordkeeping requirements in the 2011 Annual Compliance Certification:

EMISSION POINT	VIOLATION DATE(S)	RECORD REQUIREMENT	REPORTED CAUSE	SPECIFIC REQUIREMENT or REGULATION
CRG 0005 Dust Filters	10.13.2011 to 12.31.2011	maintain daily differential pressure reading records for 5 years	A catastrophic sitewide power failure on 1.7.2012 caused all records of the differential pressure readings, daily fuel rate, and monthly fuel consumption to be lost.	Specific Requirement 71 Specific Requirement 73
GRP 0032 Boilers	10.13.2011 to 12.17.2011	maintain daily fuel rate and monthly fuel consumption records for 2 years.		Specific Requirement 402 Specific Requirement 403
CRG 005	10.13- 19.2011 10.22- 24.2011 11.4.2011 11.17.2011 12.6-7.2011 (14 days)	maintain daily visual emission inspections for 5 years	Records of daily opacity checks were not maintained.	Specific Requirement 72 Specific Requirement 73

Each failure to maintain the required record is a violation of Title V Air Permit Number 1280-00141-V1, the associated specific requirements listed above,

LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(1) .

B. The Respondent reported the following deviations from monitoring requirements in the 2011 Annual Compliance Certification:

<b>EMISSION POINT</b>	<b>MONITORING REQUIREMENT</b>	<b>REPORTED CAUSE</b>	<b>SPECIFIC REQUIREMENT OR REGULATION</b>
<b>FUG-OTH Fugitive Emissions</b>	<b>initial monthly inspection of valves</b>	<b>166 valves were not monitored in the month of November</b>	<b>Specific Requirement 376 40 CFR 65 106(b)(3)</b>

Each deviation from monitoring requirements is a violation of Title V Air Permit Number 1280-00141-V1, the associated specific requirements and regulations listed above, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and (2) .

III

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

IV

Nonetheless, Respondent, without making any admission of liability under state or federal statute or regulation, agrees to pay, and the Department agrees to accept, a payment in the amount of FIVE THOUSAND EIGHT HUNDRED THIRTEEN AND 92/100 DOLLARS (\$5,813.92), of which Eight Hundred Thirteen and 92/100 Dollars (\$813.92) represents the Department's enforcement costs, in settlement of the claims set forth in this agreement. The total amount of money expended by Respondent on cash payments to the Department as described above, shall be considered a civil penalty for tax purposes, as required by La. R.S. 30:2050.7(E)(1).

V

Respondent further agrees that the Department may consider the inspection report(s), permit record(s), the Consolidated Compliance Order & Notice of Potential Penalty and this Settlement for the purpose of determining compliance history in connection with any future enforcement or permitting action by the Department against Respondent, and in any such action Respondent shall be

estopped from objecting to the above-referenced documents being considered as proving the violations alleged herein for the sole purpose of determining Respondent's compliance history.

## VI

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

## VII

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

## VIII

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, 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 an original proof-of-publication affidavit and an original public notice to the Department and, as of the date this Settlement is executed on behalf of the Department, more than forty-five (45) days have elapsed since publication of the notice.

IX

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

X

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

XI

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.

FLOPAM INC.

BY:

*Michael*

(Signature)

*Pete Nichols*

(Printed)

TITLE:

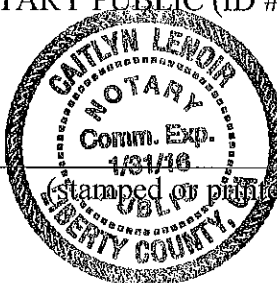
*President*

THUS DONE AND SIGNED in duplicate original before me this 20 day of September, 20 13, at Riceboro, GA.

*1/14/14*

*Caitlyn Lenoir*

NOTARY PUBLIC (ID # \_\_\_\_\_)



(stamped or printed)

LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY

Peggy M. Hatch Secretary

BY:

*Cshol*

Cheryl Sonnier Nolan, Assistant Secretary  
Office of Environmental Compliance

THUS DONE AND SIGNED in duplicate original before me this 20<sup>th</sup> day of November, 20 13, at Baton Rouge, Louisiana.

NOTARY PUBLIC (ID # 40539)

(stamped or printed)

Approved:

*Cshol*

Cheryl Sonnier Nolan, Assistant Secretary