STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

* Settlement Tracking No.

* SA-AE-19-0066

BOISE CASCADE WOOD PRODUCTS, L.L.C. *

.L.C. *

* AE-PP-14-00569A

PROCEEDINGS UNDER THE LOUISIANA ENVIRONMENTAL QUALITY ACT

LA. R.S. 30:2001, <u>ET SEQ.</u>

SETTLEMENT

The following Settlement is hereby agreed to between Boise Cascade Wood Products, L.L.C. ("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").

Ι

Respondent is a limited liability company that owned and/or operated facilities located in Allen Parish and Rapides Parish, Louisiana ("the Facilities").

II

On March 20, 2015, the Department issued to Respondent a Notice of Potential Penalty, Enforcement No. AE-PP-14-00569 (Exhibit 1).

On June 5, 2017, the Department issued to Respondent an Amended Notice of Potential Penalty, Enforcement No. AE-PP-14-00569A (Exhibit 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 FOUR THOUSAND FIVE HUNDRED AND NO/100 DOLLARS (\$4,500.00), of which One Thousand Five Hundred Sixty-Four and 73/100 Dollars (\$1,564.73) 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 permit record(s), the Notice of Potential Penalty, Amended 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.

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

VIII

As required by law, the Department has submitted this Settlement Agreement to the Louisiana Attorney General for approval or rejection. The Attorney General's concurrence is appended to this Settlement Agreement.

IX

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

X

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

70821-4303. Each payment shall be accompanied by a completed Settlement Payment Form (Exhibit A).

XI

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

XII

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

	BOISE CASCADE WOOD PRODUCTS, L.L.C.
at By	V:Signature)
	(Printed)
TI	TLE: Executive Vice President
	te original before me this day of , at
MY COMMISSION EXPIRES 4-6-2022	NOTARY PUBLIC (ID # 41833)
OF IDAMO	(stamped or printed)
	LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY Chuck Carr Brown, Ph.D., Secretary
BY	: Lourdes Iturralde, Assistant Secretary Office of Environmental Compliance
THUS DONE AND SIGNED in duplication of the company	te original before me this day of Baton Rouge, Louisiana.
	NOTARY PUBLIC (ID # 1918)
	Perry Therior (stamped or printed)
Approved:	(stamped of printed)

BOBBY JINDAL GOVERNOR



PEGGY M. HATCH SECRETARY

State of Louisiana

DEPARTMENT OF ENVIRONMENTAL QUALITY OFFICE OF ENVIRONMENTAL COMPLIANCE

March 20, 2015

CERTIFIED MAIL (7004 2510 0006 3854 2829) RETURN RECEIPT REQUESTED

BOISE CASCADE WOOD PRODUCTS, L.L.C.

c/o C T Corporation System Agent for Service of Process 5615 Corporate Blvd., Ste. 400B Baton Rouge, LA 70808

RE: NOTICE OF POTENTIAL PENALTY

ENFORCEMENT TRACKING NO. AE-PP-14-00569

AGENCY INTEREST NOS. 4045, 32742

Dear Sir:

On or about March 13, 2015, a file review of the OAKDALE PLYWOOD PLANT (the facility), AI# 4045, a plywood plant and veneer mill, owned and/or operated by BOISE CASCADE WOOD PRODUCTS, L.L.C. (RESPONDENT), was performed to determine the degree of compliance with the Louisiana Environmental Quality Act (the Act) and the Air Quality Regulations. The facility is located at 140 Van Ply Road in Oakdale, Allen Parish, Louisiana. The facility operates, or has operated, under the Title V Air Permits shown in Table A:

TABLE A

Permit No.	Permit Issue Date	Permit Expiration Date
0060-00008-V3	November 6, 2009	November 6, 2014
0060-00008-V4	June 27, 2013	June 27, 2018
0060-00008-V5	April 17, 2014	June 27, 2018
0060-00008-V6	September 12, 2014	June 27, 2018

While the investigation by the Louisiana Department of Environmental Quality (the Department) is not yet complete, the following violations were noted during the course of the file review:

A. In correspondence dated June 27, 2014, the Respondent submitted the results of emission testing performed on Emission Point EQT 0018 - Regenerative Catalytic/Thermal Oxidizer 1, conducted on or about May 6, 2014. Test results showed that the facility exceeded pounds per hour (lb/hr) limits of



Notice of Potential Penalty Boise Cascade Wood Products, L.L.C. - Oakdale Page 2

Title V Air Permit No. 0060-00008-V5 for formaldehyde and for methanol as shown in Table B:

TABLE B

Pollutant	Permit limit, lb/hr	Test results, lb/hr
Formaldehyde	Less than/equal to 0.100	0.21
Methanol	Less than/equal to .190	0.26

Each failure to maintain each pollutant below the permitted level is a violation of Title V Permit No. 0060-00008-V5, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). Title V Air Permit No. 0060-00008-V6 was issued September 12, 2014, incorporating the emission test results.

B. In correspondence postmarked as shown, the Respondent submitted the facility's Criteria & Toxic Air Pollutant Emission Inventory and Certification Statements for the reporting years as shown in Table C:

TABLE C

Reporting Year	Submission Due Date	Department's Time Stamp Date
2010	April 30, 2011	May 12, 2011
2012	April 30, 2013	May 10, 2013

Each failure to submit the annual Criteria & Toxic Air Pollutant Emission Inventory and Certification Statements on or before April 30 of the year following the reporting year is a violation of LAC 33:III.919.F.1.d, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).

On or about October 15, 2014, a file review of the ALEXANDRIA ENGINEERED WOOD PRODUCTS FACILITY (the facility), AI# 32742, an engineered wood products mill, owned and/or operated by BOISE CASCADE WOOD PRODUCTS, L.L.C. (RESPONDENT), was performed to determine the degree of compliance with the Act and the Air Quality Regulations. The facility is located at 8835 Louisiana Highway 1 North in Lena, Rapides Parish, Louisiana. The facility operates, or has operated, under the Title V Air Permits shown in Table D:

TABLE D

Permit No.	Permit Issue Date	Permit Expiration Date
2360-00080-V6	May 1, 2009	May 1, 2014
2360-00080-V7	April 17, 2014	April 17, 2019

While the investigation by the Department is not yet complete, the following violations were noted during the course of the file review:

A. In correspondence dated March 26, 2012, the Respondent submitted the facility's 2011 Second Semiannual Monitoring Report for the period

Notice of Potential Penalty Boise Cascade Wood Products, L.L.C. - Oakdale Page 3

encompassing July 1, 2011 through December 31, 2011. In correspondence dated March 28, 2014, the Respondent submitted the facility's 2013 Second Semiannual Monitoring Report for the period encompassing July 1, 2013 through December 31, 2013. The reports disclosed the Respondent's failure to conduct daily Method 9 opacity readings as shown in Table E:

TABLE E

Emission Source	Deviation Dates
I Joist Baghouse (EQT 001)	October 20, 2011; October 21, 2011;
Billet Prep Baghouse (EQT 004)	October 22, 2011; October 23, 2011; August 1, 2013; November 1, 2013;
LVL Baghouse (EQT 007)	November 21, 2013; November 29, 2013;
Finger Joint Baghouse (EQT 013)	December 1, 2013

Each failure to conduct daily Method 9 opacity monitoring of the Baghouse Group (CRG 0001) is a violation of Specific Requirement 17 of Title V Permit No. 2360-00080-V6, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

C. In correspondence postmarked as shown, the Respondent submitted the Criteria & Toxic Air Pollutant Emission Inventory and Certification Statements for the reporting years as shown in Table F:

TABLE F

	Reporting Year	Submission Due Date	Department's Time Stamp Date
	2010	April 30, 2011	May 12, 2011
\vdash	2012	April 30, 2013	May 10, 2013

Each failure to submit the annual Criteria & Toxic Air Pollutant Emission Inventory and Certification Statements on or before April 30 of the year following the reporting year is a violation of LAC 33:III.919.F.1.d, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).

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 violations described herein. Written comments may be filed regarding the violations 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.

Prior to the issuance of any additional appropriate enforcement action, you may request a meeting with the Department to present any mitigating circumstances concerning the violations. If you would like to have such a meeting, please contact Mark E. Brown at (225) 219-3782 within ten (10) days of receipt of this NOTICE OF POTENTIAL PENALTY.

The Department is required by La. R.S. 30:2025(E)(3)(a) to consider the gross revenues of the Respondent and the monetary benefits of noncompliance in order to determine whether a penalty will be assessed and the amount of such penalty. Please forward the Respondent's most current annual gross revenue statement along with a statement of the monetary benefits of noncompliance for the cited

LDEQ-EDMS Document 9701883, Page 4 of 4

Notice of Potential Penalty Boise Cascade Wood Products, L.L.C. - Oakdale Page 4

violations to the above named contact person within ten (10) days of receipt of this NOTICE OF POTENTIAL PENALTY. Include with your statement of monetary benefits the method(s) you utilized to arrive at the sum. If you assert that no monetary benefits have been gained, you are to fully justify this statement.

For each violation described herein, the Department reserves the right to seek civil penalties and the right to seek compliance with its rules and regulations in any manner allowed by law, and nothing herein shall be construed to preclude the right to seek such penalties and compliance.

To reduce document handling, please refer to the Enforcement Tracking Number and Agency Interest Number on the front of this document on all correspondence in response to this action.

D. Chance McNeely Assistant Secretary

Office of Environmental Compliance

DCM/MEB/meb Alt ID Nos. 0060-00008, 2360-00080

c: Boise Cascade Wood Products, L.L.C.

John Miller, EHS 140 Van Ply Road Oakdale, LA 71463 JOHN BEL EDWARDS
GOVERNOR



CHUCK CARR BROWN, PH.D. SECRETARY

State of Louisiana

DEPARTMENT OF ENVIRONMENTAL QUALITY OFFICE OF ENVIRONMENTAL COMPLIANCE

June 5, 2017

CERTIFIED MAIL (7004 2510 0006 3854 3147) RETURN RECEIPT REQUESTED

BOISE CASCADE WOOD PRODUCTS, L.L.C.

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

RE: AMENDED NOTICE OF POTENTIAL PENALTY ENFORCEMENT TRACKING NO. AE-PP-14-00569A AGENCY INTEREST NOS. 4045, 32742

Dear Sir:

Pursuant to the Louisiana Environmental Quality Act (La. R.S. 30:2001, et seq.), the attached AMENDED NOTICE OF POTENTIAL PENALTY is hereby served on BOISE CASCADE WOOD PRODUCTS, L.L.C. (RESPONDENT) for the violations described therein.

Any questions concerning this action should be directed to Mark E. Brown at (225) 219-3782.

Sincerel

Celena J. Cage Administrator

Enforcement Division

CJC/MEB/meb Alt ID Nos. 0060-00008, 2360-00080

c: Boise Cascade Wood Products, L.L.C.
 John Miller, EHS
 140 Van Ply Road
 Oakdale, LA 71463



STATE OF LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY

OFFICE OF ENVIRONMENTAL COMPLIANCE

IN THE MATTER OF

BOISE CASCADE WOOD PRODUCTS, L.L.C. * ALLEN, RAPIDES PARISHES

ENFORCEMENT TRACKING NO.

ALT ID NOS. 0060-00008, 2360-00080

AE-PP-14-00569A

AGENCY INTEREST NOS.

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

4045, 32742

AMENDED NOTICE OF POTENTIAL PENALTY

The Louisiana Department of Environmental Quality (the Department) hereby amends the NOTICE OF POTENTIAL PENALTY, ENFORCEMENT TRACKING NO. AE-PP-14-00569 issued to BOISE CASCADE WOOD PRODUCTS, L.L.C. (RESPONDENT) on March 20, 2015 in the above-captioned matter as follows:

The Department hereby amends Paragraph A of the ALEXANDRIA ENGINEERED WOOD PRODUCTS section to read as follows:

"In correspondence dated March 26, 2012, the Respondent submitted the facility's 2011 Second Semiannual Monitoring Report for the period encompassing July 1, 2011 through December 31, 2011. In correspondence dated March 28, 2014, the Respondent submitted the facility's 2013 Second Semiannual Monitoring Report for the period encompassing July 1, 2013 through December 31, 2013. The reports disclosed the Respondent's failure to conduct daily visible emission monitoring as shown in Table E:

TABLE E

Emission Source	Deviation Dates
I Joist Baghouse (EQT 001)	October 20, 2011; October 21, 2011;
Billet Prep Baghouse (EQT 004)	October 22, 2011; October 23, 2011;
LVL Baghouse (EQT 007)	August 1, 2013; November 1, 2013; November 21, 2013; November 29, 2013;
Finger Joint Baghouse (EQT 013)	December 1, 2013

Each failure to conduct daily visible emission monitoring of the Baghouse Group (CRG 0001) is a violation of Specific Requirement 17 of Title V Permit No. 2360-00080-V6, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(1).

III.

The Department incorporates all of the remainder of the original NOTICE OF POTENTIAL PENALTY, ENFORCEMENT TRACKING NO. AE-PP-14-00569 and AGENCY INTEREST NOS. 4045, 32742 as if reiterated herein.

IV.

This AMENDED NOTICE OF POTENTIAL PENALTY is effective upon rec	OTENTIAL PENALTY is effective upon re	on receipt.
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Baton Rouge, Louisiana, this ()

. 2017

Lourdes Iturralde Assistant Secretary

Office of Environmental Compliance

Copies of a request for a hearing and/or related correspondence should be sent to:

Louisiana Department of Environmental Quality
Office of Environmental Compliance
Enforcement Division
Post Office Box 4312
Baton Rouge, LA 70821-4312

Attention: Mark E. Brown