

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

AMERICAS STYRENICS LLC

AI # 2384

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

* Settlement Tracking No.
* SA-AE-20-0063
*
* Enforcement Tracking No.
* AE-PP-17-01058
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SETTLEMENT

The following Settlement is hereby agreed to between Americas Styrenics 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 styrene monomer manufacturing facility located in St. James, St. James Parish, Louisiana (“the Facility”).

II

On June 25, 2018, the Department issued to Respondent a Notice of Potential Penalty, Enforcement No. AE-PP-17-01058 (Exhibit 1).

The following violations, although not cited in the foregoing enforcement action, are included within the scope of this settlement:

On April 6, 2015, the Respondent released 49.7 pounds of benzene from a benzene pump's outboard seal. 29.5 pounds was recovered in secondary containment and flushed to the process

sump. The amount released to the atmosphere was approximately 20.2 pounds of benzene. (T-162731) This is a violation of LAC 33:III.905 and La. R.S. 30:2057(A)(1).

On October 11, 2015, the Respondent released approximately 155.2 pounds of benzene from a vapor leak in the Benzene/Toluene Splitter Colum piping 60-feet above grade. (T-166668) This is a violation of LAC 33:III.905 and La. R.S. 30:2057(A)(1).

On January 18, 2016, the Respondent released approximately 85 pounds of benzene from a vapor leak on the discharge pipe of a vent gas compressor. (T-168294) This is a violation of LAC 33:III.905 and La. R.S. 30:2057(A)(1).

On October 31, 2016, the Respondent released approximately 20 pounds of benzene from the external floating roof of tank MF-3100. (T-173853) This is a violation of LAC 33:III.905 and La. R.S. 30:2057(A)(1).

On July 28, 2017, the Respondent released approximately 1,236 pounds of process vent gas from a vapor leak from process vent gas insulated piping approximately 60-feet above grade routed to the vent gas absorption system. Components of the process vent gas released to the atmosphere were approximately 56.5 pounds of benzene, 668.4 pounds of pentane, 343.4 pounds of methane, 55.8 pounds of ethane, 49.2 pounds of butane, 37.5 pounds of nitrogen, 9.2 pounds of oxygen, 6.7 pounds of carbon dioxide, 4.0 pounds of hexane, 2.5 pounds of ethylene, 1.7 pounds of propane, 0.4 pounds of ethylbenzene, 0.2 pounds of toluene, and 0.1 pounds of propylene. The only reportable quantity exceeded was the 10-pound RQ for benzene. This is a violation of LAC 33:III.905 and La. R.S. 30:2057(A)(1).

In October 2017, the Cylinder Gas Audit for E boiler was conducted one (1) day earlier than the requirement of once every four (4) calendar quarters and no closer than two (2) months apart. This is a violation of LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(1).

On January 2018, seven (7) internal floating roof inspections exceeded the "every 12 months" requirement by five (5) days. Specifically, the seven (7) internal floating roof inspections that were conducted in January 2018 occurred one (1) year and five (5) days after the previous internal floating roof inspections for the seven (7) tanks. This is a violation of LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(1).

III

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

IV

Nonetheless, Respondent, without making any admission of liability under state or federal statute or regulation, agrees to pay, and the Department agrees to accept, a payment in the amount of TWENTY-THREE THOUSAND FOUR HUNDRED FIFTY AND NO/100 DOLLARS (\$23,450.00), of which Two Thousand Four Hundred Forty-Five and 90/100 Dollars (\$2,445.90) 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 Notice of Potential Penalty and this Settlement for the purpose of determining compliance history in connection with any future enforcement or permitting action by the Department against Respondent, and in any such action Respondent shall be estopped from objecting to the above-referenced documents being considered as proving the violations alleged

herein for the sole purpose of determining Respondent's compliance history.

VI

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

VII

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

VIII

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

IX

The Respondent has caused a public notice advertisement to be placed in the official journal of the parish governing authority in St. James 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.

AMERICAS STYRENICS LLC

BY: [Signature]
(Signature)

JACOB L. LASAVIA
(Printed)

TITLE: PLANT MANAGER

THIS DONE AND SIGNED in duplicate original before me this 11 day of January, 20 21, at 11:00am.

[Signature]
NOTARY PUBLIC (ID # JP47-05)

Trina F. Moll, JP-47-05

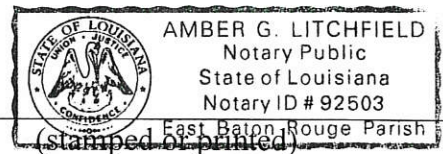
(stamped or printed)

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

BY: [Signature]
Lourdes Iturralde, Assistant Secretary
Office of Environmental Compliance

THIS DONE AND SIGNED in duplicate original before me this 25th day of March, 20 21, at Baton Rouge, Louisiana.

[Signature]
NOTARY PUBLIC (ID # 92503)



Approved: [Signature]
Lourdes Iturralde, Assistant Secretary

JOHN BEL EDWARDS
GOVERNOR



CHUCK CARR BROWN, Ph.D.
SECRETARY

State of Louisiana
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE

June 25, 2018



CERTIFIED MAIL (7004 1160 0000 3803 4353)
RETURN RECEIPT REQUESTED

AMERICAS STYRENICS LLC
c/o CT Corporation System
Agent for Service of Process
3867 Plaza Tower Drive
Baton Rouge, Louisiana 70816

**RE: NOTICE OF POTENTIAL PENALTY
ENFORCEMENT TRACKING NO. AE-PP-17-01058
AGENCY INTEREST NO. 2384**

Dear Sir:

On or about March 26, 2015, April 30, 2015, May 19, 2015, February 17, 2017, March 9, 2017, and March 14, 2017, the Department performed inspections and a subsequent file review on April 6, 2018, of the **ST. JAMES STYRENE FACILITY** (the facility), a styrene monomer manufacturing facility, owned and/or operated by **AMERICAS STYRENICS LLC (RESPONDENT)**, to determine the degree of compliance with the Louisiana Environmental Quality Act (the Act) and the Air Quality Regulations and all applicable permits for the time period of March 4, 2013 through March 28, 2018. The facility is located at or near 9901 Louisiana Highway 18 in St. James, St. James Parish, Louisiana. The facility currently operates under Title V Permit No. 2560-00007-V16 issued on June 14, 2017.

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 inspections and subsequent file review:

- A. According to the Respondent's Title V Semiannual Monitoring and Deviation Report dated March 4, 2013, the annual permitted benzene emission limit for FUG 0001 (Area Fugitive Emissions) of 1.80 tons per year was exceeded with a calculated emission rate of 2.43 tons per year for 2012. The Respondent also reported this deviation in the Title V Annual Monitoring Report dated March 22, 2013. According to the Respondent's Title V Semiannual Monitoring and Deviation Report dated March 13, 2014, the annual permitted benzene emission limit for FUG 0001 (Area Fugitive Emissions) of 1.80 tons

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- per year was exceeded with a calculated emission rate of 2.38 tons per year for 2013. The Respondent also reported this deviation in the Title V Annual Monitoring Report dated March 20, 2014. This is a violation of Title V Permit No. 2560-00007-V10, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
- B. The Department received a Follow-Up Unauthorized Notification Report for LDEQ Incident No. T-155521 from the Respondent dated May 2, 2014. According to the report, on April 25, 2014, the facility was in the process of shutting down the Ethylbenzene (EB) unit as part of the SM2/EB Unit Maintenance Turnaround. During the transfer of benzene from the EB Unit back to the benzene storage tank, MF-3000A (EQT 0015), the transfer pump lost prime and the line began to fill with vapors. As a result, when the pump regained proper suction, vapors were pushed through the tank. This resulted in approximately 6,774 gallons of benzene being forced past the external floating roof (EFR) seal system onto the roof. Area air monitoring demonstrated there was no off-site impact and approximately 96% of the total release was recovered back to the process. The total amount released to the atmosphere, due to evaporation, was estimated to be approximately 2,120 pounds of benzene over approximately 4.5 hours during the draining of the roof. The Respondent determined the release to be preventable. The Respondent also reported this deviation in the Title V Semiannual Monitoring and Deviation Report dated September 25, 2014, and the Title V Annual Monitoring and Deviation Report dated March 26, 2015. The failure to reduce hazardous air pollutant emissions to the atmosphere by operating and maintaining the external floating roof system is a violation of Specific Requirement No. 79 of Title V Permit No. 2560-00007-V11, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
- C. According to the Respondent's Title V Semiannual Monitoring and Deviation Report dated March 12, 2015, three (3) events occurred regarding the automatic daily calibration drift for the E-600# boiler (EQT 0040) that did not meet the requirements for daily calibration drift (CD) in accordance with 40 CFR 60.13(d). On November 27, 2014, the automatic daily CD test exceeded two (2) times the limits of the CD test and adjustments were not made. Additionally, on November 28, 2014, and November 30, 2014, the CD tests were not completed. Each is a violation of Specific Requirement 345 of Title V Permit No. 2560-00007-V13, 40 CFR 60.48b(e), which language has been adopted as a Louisiana regulation in LAC 33:III.3003, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).
- D. According to Respondent's Title V Annual Monitoring and Deviation Report dated March 30, 2016, the facility exceeded the annual permitted limits for volatile organic compounds (VOCs) and styrene for the Styrene Day Tank Cap (GRP 0006). The permitted limit for VOCs is 5.35 tons per year; the facility emitted 5.65 tons for 2015. The permitted limit for styrene is 5.31

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tons per year; the facility emitted 5.64 tons for 2015. Each is a violation of Title V Permit No. 2560-00007-V14, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

- E. According to the Unauthorized Discharge Notification dated February 17, 2017, for Incident 175917, the Respondent discovered a vapor release coming from a bleed valve on piping to the fuel gas mix drum in the Ethylbenzene Process Unit on February 14, 2017. Once the leak was discovered, the operator routed the process gas to the GY-3312 Flare Stack (EQT 0044). The fuel gas mix drum header was depressurized and the bleed valve was closed. During this event, approximately 853 pounds of pentane, 265 pounds of benzene, 612.5 pounds of methane, and 45.7 pounds of nitrogen, were released to the atmosphere. According to the Respondent's follow-up notification report dated June 8, 2017, it was determined that during the January 2017 turnaround, maintenance work was completed that required the opening of the bleed valve. When the maintenance work was complete, the proper post job actions were not completed, which resulted in the valve not being identified as remaining open. The failure to control emissions is a violation of LAC 33:III.905, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
- F. The Respondent failed to submit a 60-day follow up written notification to update the Department on the investigation into the incident (T-175917). At the time of the 7-day written notification dated February 17, 2017, a root cause investigation of the incident had been initiated. According to the United States Postal Service website, the follow-up written notification dated June 8, 2017 was received by the Department on June 12, 2017, which was more than 60 days past the initial written notification. This is a violation of LAC 33:I.3925.A.3 and La. R.S. 30:2057(A)(2).
- G. According to the Respondent's Title V Semiannual Monitoring and Deviation Report dated September 28, 2017, on April 12, 2017, during routine monitoring of carbon canisters used to control hydrocarbon emissions from an ethylbenzene process sewer sump, it was identified the canisters were only achieving 88% efficiency. The failure to comply with 40 CFR 63.139(c) to reduce total organic hazardous air pollutants emissions vented to the control device by 95% by weight or greater is a violation of Specific Requirement 157 of Title V Permit No. 2560-00007-V16, 40 CFR 63.149(a), which language has been adopted as a Louisiana regulation in LAC 33:III.5122, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
- H. According to the Respondent's Title V Semiannual Monitoring and Deviation Report dated March 15, 2018, on October 7, 2017, the automatic daily calibration drift for the E-600# boiler (EQT 0040) did not meet the requirements for daily calibration drift (CD) in accordance with 40 CFR 60.13(d). This is a violation of Specific Requirement 352 of Title V Permit No. 2560-00007-V16, 40 CFR 60.48b(e), which language has been

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adopted as a Louisiana regulation in LAC 33:III.3003, 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 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.

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 violation(s). If you would like to have such a meeting, please contact Alissa Cockerham at (225) 219-3785 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 violations to the above named contact person within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**. Include with your statement of monetary benefits the method(s) you utilized to arrive at the sum. If you assert that no monetary benefits have been gained, you are to fully justify this statement. If the Respondent chooses not to submit the requested most current annual gross revenues statement within ten (10) days, it will be viewed by the Department as an admission that the Respondent has the ability to pay the statutory maximum penalty as outlined in La. R.S. 30:2025.

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.

The Department assesses civil penalties based on LAC 33:I.Subpart1.Chapter 7. To expedite closure of this **NOTICE OF POTENTIAL PENALTY**, the Respondent may offer a settlement amount to resolve any claim for civil penalties for the violation(s) described herein. The 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 "**NOTICE OF POTENTIAL PENALTY REQUEST TO SETTLE**" form. The Respondent must include a justification of the offer. **DO NOT** submit payment of the offer amount with the form. The Department will review the settlement offer and notify the Respondent as to whether the offer is or is not accepted.

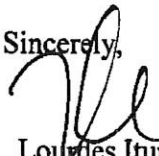
Americas Styrenics LLC

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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.

Sincerely,



Lourdes Iturralde

Assistant Secretary

Office of Environmental Compliance

LI/ARC/arc

Alt ID No. 2560-00007

c: Americas Styrenics LLC

c/o Stephen L. Koontz, Plant Manager

P. O. Box 78

St. James, Louisiana 70086

LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE

ENFORCEMENT DIVISION

NOTICE OF POTENTIAL PENALTY

POST OFFICE BOX 4312

REQUEST TO SETTLE (OPTIONAL)

BATON ROUGE, LOUISIANA 70821-4312



Enforcement Tracking No.	AE-PP-17-01058	Contact Name	Alissa Cockerham
Agency Interest (AI) No.	2384	Contact Phone No.	(225) 219-3785
Alternate ID No.	2560-00007		
Respondent:	Americas Styrenics LLC	Facility Name:	St. James Styrene Facility
	c/o CT Corporation System	Physical Location:	9901 La. Highway 18
	Agent for Service of Process		
	3867 Plaza Tower Drive	City, State, Zip:	St. James, LA 70086
	Baton Rouge, LA 70816	Parish:	St. James

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 NOTICE OF POTENTIAL PENALTY (AE-PP-17-01058), the Respondent is interested in entering into settlement negotiations with the Department and would like to set up a meeting to discuss settlement procedures.
<input type="checkbox"/>	In order to resolve any claim for civil penalties for the violations in NOTICE OF POTENTIAL PENALTY (AE-PP-17-01058), the Respondent is interested in entering into settlement negotiations with the Department and offers to pay \$ _____ which shall include LDEQ enforcement costs and any monetary benefit of non-compliance. <ul style="list-style-type: none"> • Monetary component = \$ _____ • Beneficial Environmental Project (BEP) component (optional) = \$ _____ • DO NOT SUBMIT PAYMENT OF THE OFFER WITH THIS FORM- the Department will review the settlement offer and notify the Respondent as to whether the offer is or is not accepted.
<input type="checkbox"/>	The Respondent has reviewed the violations noted in NOTICE OF POTENTIAL PENALTY (AE-PP-17-01058) 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: Alissa Cockerham