STATE OF LOUISIANA
DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:
AXIALL, LLC, F/K/A GEORGIA GULF CHEMICALS & VINYL, LLC
AI NO. 2455

AND

AXIALL, LLC, SUCCESSOR BY MERGER OF GEORGIA GULF LAKE CHARLES, LLC
AI NO. 4013

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

SETTLEMENT

The following Settlement is hereby agreed to between Axiall, LLC ("Respondent"), f/k/a Georgia Gulf Chemicals & Vinylls, LLC ("GGCV") and successor by merger of Georgia Gulf Lake Charles, LLC ("GGLC"), 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 an organic chemical manufacturing facility located in Iberville Parish, Louisiana, and a vinyl chloride monomer plant located in Calcasieu Parish, Louisiana.

II

On November 30, 2004, the Department issued to GGCV a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-04-0311, attached as Exhibit A.
On December 11, 2009, the Department issued to GGCV a Notice of Potential Penalty, Enforcement No. MM-PP-05-0069, attached as Exhibit B.

On September 29, 2010, the Department issued to GGCV a Compliance Order, Enforcement No. HE-C-10-01050, attached as Exhibit C.

On September 29, 2010, the Department issued to GGLC a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-10-00457, attached as Exhibit D.

On December 21, 2011, the Department issued to GGLC an Amended Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-10-00457A, attached as Exhibit E, wherein the Department amended the Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-10-00457, attached as Exhibit D, to remove certain paragraphs of the Findings of Fact portion thereof and otherwise amend other paragraphs of the Findings of Fact portion thereof, as more fully stated in Exhibit E.

On September 29, 2010, the Department issued to GGCV a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-09-0083, attached as Exhibit F.

On June 28, 2013, the Department issued to GGCV an Amended Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-09-0083A, attached as Exhibit G, wherein the Department amended the Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-09-0083A, attached as Exhibit F, to remove certain paragraphs of the Findings of Fact portion thereof, as more fully stated in Exhibit G.

III

The following incidents and alleged violations, although not cited in the foregoing enforcement actions, are included within the scope of this settlement.
Agency Interest No. 2455

A. Unauthorized Discharge Notification dated October 19, 2005: On or about October 15, 2005, 274 pounds of Nitrogen Oxide were released as a result of the faulty transmitter causing the addition of steam to be tripped numerous times. This is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

B. Unauthorized Discharge Notification dated October 28, 2005: On or about October 24, 2005, there was a release of 13 pounds Vinyl Chloride due to a packing leak on a valve on VCM weigh tank #3. The leak that was the root cause of the unauthorized discharge is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

C. Unauthorized Discharge Notification dated October 28, 2005: On or about October 25, 2005, there was a release of 2.04 pounds Vinyl Chloride due to a leaking flange on a transfer line. The leak that was the root cause of the unauthorized discharge is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

D. Unauthorized Discharge Notification dated December 9, 2005: On or about December 6, 2005, 303 pounds of Nitrogen Oxide were released as a result of the faulty transmitter causing the addition of steam to be tripped numerous times. This is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

E. Unauthorized Discharge Notification dated August 16, 2006: On or about August 11, 2006, there was a release of 1.5 pounds Vinyl Chloride due to a leaking flange on a transfer line as a result of a rupture disk on process exchanger. The leak that was the root cause of the unauthorized discharge is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
F. Unauthorized Discharge Notification dated September 19, 2008: On or about September 16, 2008, 2,253 pounds of Sulfuric Acid were released as a result of an open bleed valve following sulfuric acid system maintenance. This is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

G. Unauthorized Discharge Notification dated December 23, 2008: On or about December 20, 2008, there was a release of 11.27 pounds Vinyl Chloride due to a failed bearing. This is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

H. Unauthorized Discharge Notification dated June 22, 2009: On or about June 16, 2009, there was a release of 11.3 pounds Vinyl Chloride due to tank hatch lifts. This is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

I. Unauthorized Discharge Notification dated December 7, 2009: On or about December 2, 2009, there was a release of 3.75 pounds Vinyl Chloride due to operator error the operator disconnected a chemical hose deriving as a temporary vent header. The failure to maintain the control system is a violation of LAC 33:III.905, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

J. Unauthorized Discharge Notification dated July 8, 2010: On or about July 6, 2010, there was a release of 2.1 pounds Vinyl Chloride due to gauge failure. This is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

K. Unauthorized Discharge Notification dated July 21, 2010: On or about July 16, 2010, there was a release of 16.6 pounds Vinyl Chloride due to internal corrosion. Insulation was found stripped and a pinhole was found in the nozzle. This is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
L. Unauthorized Discharge Notification dated August 30, 2010: On or about August 23, 2010, there was a release of 9.68 pounds Vinyl Chloride due to a leak from a 1/2" orifice and isolate. This is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

M. Unauthorized Discharge Notification dated May 17, 2011: On or about May 12, 2011, there was a release of 67 pounds Vinyl Chloride due to a "tattle tale" pressure gauge on the rupture disk. This is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

N. Unauthorized Discharge Notification dated June 30, 2011: On or about June 26, 2011, there was a release of 6.4 pounds Vinyl Chloride due to a failed gasket. This is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

O. Unauthorized Discharge Notification dated October 12, 2011: On or about October 6, 2011, there was a release of 4,896 pounds Sodium Hydroxide due to a failed bolts on a drain valve. This is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

P. Unauthorized Discharge Notification dated December 20, 2011: On or about December 14, 2011, there was a release of 59.5 pounds Vinyl Chloride due to PSV lift on torpedo. This is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

Q. Unauthorized Discharge Notification dated January 3, 2012: On or about December 28, 2011, there was a release of 30 pounds Vinyl Chloride due to PSV lift on reactor. This is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

R. Unauthorized Discharge Notification dated January 16, 2007: On or about January 11 and 12, 2007, there was a release of 1422 pounds Cumene due to a cooling water supply
failure. This is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

S. General Condition R Report dated June 7, 2011: On or about May 3, 2011, there was a control system bypass due to seal failure and low hydraulic oil pressure.

T. According to a report dated September 7, 2011, and a General Condition R Report dated December 9, 2011, the Respondent discovered three (3) open-ended lines one (1) in the PVC and two (2) in the VCM at the Plant. This is a violation of 40 CFR 63.167(a)(1), which language has been adopted as a Louisiana regulation in LAC 33:III.5122; LAC 33:III.501.C.4; and La. R.S. 30:2057(A)(2).

U. Unauthorized Discharge Notification dated December 15, 2006: On or about December 11, 2006, there was a release of 1.35 pounds of Phenol Mixed Oils due to failure of a loading line. This is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

V. Unauthorized Discharge Notification dated March 30, 2010: On or about March 25, 2010, there was a release of 10 pounds EDC Heavy ends due to a corrosion of pipe. This is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).


X. HON Semi-Annual Report dated November 3, 2010: On April 18, 2010, there was a control system bypass for two minutes.

Y. HON Semi-Annual Report dated May 2, 2011: On February 18, 2011, there was a control system bypass for four minutes due to unknown causes.
Z. Unauthorized Discharge Notification March 11, 2011: On or about March 6, 2011, there was a release of 1,126 pounds Sodium Hypochlorite due to a broken chemical injection quill.

AA. HON Semi-Annual Report dated November 3, 2010: On May 6, 2010, there was a control system bypass for 1.09 hours due to flame failure.

BB. HON Semi-Annual Report dated November 3, 2010: On May 20, 2010, there was a control system bypass for four minutes due to flame failure.

CC. HON Semi-Annual Report dated November 3, 2010: On June 27, 2010, there was a control system bypass for 0.75 hours due to a power failure.

DD. HON Semi-Annual Report dated November 3, 2010: On July 10, 2010, there was a control system bypass for four minutes due to flame failure.

EE. HON Semi-Annual Report dated November 3, 2010: On August 5, 2010, there was a control system bypass for 72 hours due to power failure.

FF. HON Semi-Annual Report dated May 2, 2011: On March 5, 2011, there was a control system bypass for 1.07 hours due to a power dip and storm.

GG. Unauthorized Discharge Notification dated August 25, 2011: On August 22, 2011, there was a release of 117.4 lbs. of Vinyl Chloride due to a power loss.

HH. HON Semi-Annual Report dated November 2, 2011: On August 22, 2011, there was a control system bypass for 2.78 hours due to a power loss.

II. Unauthorized Discharge Notification dated September 1, 2011: On August 31, 2011, there was a release of 19,765 lbs. of Sodium Hydroxide due to power loss and cell line trench overflow.
JJ. HON Semi-Annual Report dated May 1, 2012: On December 7, 2011, there was a control system bypass for 2.10 hours due to a power failure.

KK. HON Semi-Annual Report dated May 1, 2012: On December 8, 2011, there was an incinerator bypass for approximately two minutes due to a power failure.

LL. HON Semi-Annual Report dated May 1, 2012: On December 27, 2011, there was a control system bypass for 17.92 hours due to a power failure.

MM. Unauthorized Discharge Notification dated January 3, 2012: On December 27, 2011, there was a release of 683 lbs. of Vinyl Chloride due to a power loss.

Agency Interest No. 4013

A. Unauthorized Discharge Notification dated November 22, 2005: On or about November 20, 2005, there was a release of 1129 pounds Ethylene Dichloride and 537 pounds Vinyl Chloride due to a leaking exchanger tube. This is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

B. Unauthorized Discharge Notification dated December 29, 2005: On or about December 21, 2005, there was a release of 13 pounds Vinyl Chloride. The release occurred due to Unit Shutdown VS901 Bypass. This is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

C. Unauthorized Discharge Notification dated February 15, 2006: On or about February 14, 2006, there was a release of 64.2 pounds Vinyl Chloride due to S206 caustic decanter outlet pinhole leak. This is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

D. Unauthorized Discharge Notification dated February 22, 2006: On or about February 15, 2006, there was a release of 652 pounds Ethyl Chloride, 652 pounds Chloroform, 652 lbs.
of Carbon Tetrachloride and 4990 pounds Vinyl Chloride. The release occurred due to thermal oxidizer i-901A shutdown during OXY startup. This is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

E. Unauthorized Discharge Notification dated April 12, 2006: On or about April 8, 2006, there was a release of 381 pounds Ethylene Dichloride, and 300 pounds Vinyl chloride. The release occurred due to an exchanger leak. This is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

F. Unauthorized Discharge Notification dated April 18, 2006: On or about April 13, 2006, there was a release of 706.4 pounds Ethylene Dichloride. The release occurred due to a leak on R101. This is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

G. Unauthorized Discharge Notification dated October 26, 2007: On or about October 20, 2007, there was a release of 4.08 pounds Vinyl Chloride. The release occurred due to premature failure of RD745. This is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

H. Unauthorized Discharge Notification dated August 6, 2009: On or about July 31, 2009, there was a release of 9.1 pounds Vinyl Chloride. The release occurred due to leak on loading circulation line. This is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

I. Unauthorized Discharge Notification dated August 11, 2009: On or about August 7, 2009, there was a release of 59 pounds Vinyl Chloride. The release occurred due to leaking valve enclosure. This is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
J. Unauthorized Discharge Notification dated October 23, 2009: On or about October 20, 2009, there was a release of 71 pounds chloroform. The release occurred due to exchange tube leak on H-106. This is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

K. Unauthorized Discharge Notification dated April 5, 2010: On or about March 31, 2010, there was a release of 1759 pounds Vinyl Chloride and 3131 lbs. of Hydrogen Chloride. Releases occurred due to leak on from thermowell on H211. This is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

L. Unauthorized Discharge Notification dated November 9, 2010: On or about November 4, 2010, there was a release of 9 pounds Vinyl Chloride. The release occurred due to failure of a vent line on H211. This is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

M. Unauthorized Discharge Notification dated January 11, 2011: On or about January 6, 2011, there was a release of 42 pounds Vinyl Chloride. The release occurred due to pump failure. This is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

N. Title V Semiannual Monitoring Report dated September 22, 2010: One (1) missing cap was discovered on March 19, 2010. This missing cap represents an open-ended valve and, thus, is a violation of Part 70 Specific Condition No. 2 of Title V Permit No. 0520-00012-V0; 40 CFR 63.167(a)(1), which language has been adopted as a Louisiana regulation in LAC 33:III.5122; LAC 33:III.501.C.4; and La. R.S. 30:2057(A)(2).

O. Unauthorized Discharge Notification dated October 8, 2009: On or about October 5, 2009, there was a release of 16 pounds Vinyl Chloride. The release occurred due to a control
device shutdown/bypass during maintenance work on steam supply to facility, caused by a loss of combustion air causing 1901 to trip. This is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

P. Title V Semiannual Monitoring Report dated March 30, 2010: On or about October 5, 2009, there was a release of 0.4 lbs. of Dichloroethane in exceedance of the annual tons/year limit for F-412.

Q. Title V Semiannual Monitoring Report dated March 30, 2010: There was an exceedance of the annual tons/year limits for Chloroform and Chloroethane.

IV

In response to the Compliance Order and each Consolidated Compliance Order & Notice of Potential Penalty and Amended Consolidated Compliance Order & Notice of Potential Penalty cited in Paragraph II, GGCV and GGLC made timely requests for hearing.

V

Respondent denies it committed any violations 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 ONE HUNDRED SIXTY-TWO THOUSAND FIVE HUNDRED AND NO/100 DOLLARS ($162,500.00), of which Four Thousand Ninety-Eight and 47/100 Dollars ($4,098.47) 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)/permit record(s), the Notice of Potential Penalty, the Compliance Order, each Consolidated Compliance Order & Notice of Potential Penalty and Amended 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. It is expressly understood and agreed, however, that (a) the Findings of Fact paragraphs that were removed by the Amended Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-10-00457A, attached as Exhibit E, or the Amended Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-09-0083A, attached as Exhibit G, and (b) portions of any inspection reports or permits records related to such removed paragraphs, shall not be considered for purposes 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 La. R. S. 30:2025(E) of the Act.

X

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.

XI

The Respondent has caused a public notice advertisement to be placed in the official journal of the parish governing authority in Iberville and Calcasieu Parishes, 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.

XII

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).
XIII

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

XIV

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.
Axiall, LLC, f/k/a Georgia Gulf Chemicals &
Vinyls, LLC and successor by merger of Georgia
Gulf Lake Charles, LLC

BY:  

(Douglas E. Knittel)

(Signature)

(Douglas E. Knittel)

(Printed)

TITLE:  DIRECTOR OPERATIONS REGION 2

THUS DONE AND SIGNED in duplicate original before me this 23 day of
March 2020, at 10:15 AM.

(Signed)

NOTARY PUBLIC (ID #15163)

(Sarah Simmers)
Notary Public
State of Louisiana
West Baton Rouge Parish
Notary ID # 145163
My Commission Expires On Death

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 duplicate original before me this 6th day of
May 2020, at Baton Rouge, Louisiana.

(Signed)

NOTARY PUBLIC (ID #19181)

Perry Theriot
(stamped or printed)

Approved:

(Lourdes Iturralde, Assistant Secretary

SA-MM-18-0031