

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

EAGLE US 2 LLC

AI # 1255

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

\* Settlement Tracking No.  
\* SA-AE-21-0024  
\*  
\* Enforcement Tracking Nos.  
\* AE-CN-14-00466  
\* AE-CN-14-00467  
\*  
\*  
\* Docket Nos. 2019-4219-DEQ  
\* 2020-2467-DEQ  
\*

SETTLEMENT

The following Settlement is hereby agreed to between Eagle US 2 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 an industrial chemical production complex located in Westlake, Calcasieu Parish, Louisiana (“the Facility”).

II

On June 15, 2018, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-14-00466 (Exhibit 1).

On December 21, 2018, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-14-00467 (Exhibit 2).

III

In response to the Consolidated Compliance Orders & Notices of Potential Penalty, Respondent made timely requests for hearings.

#### IV

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

#### V

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 THIRTY-FIVE THOUSAND AND NO/100 DOLLARS (\$35,000.00), of which Two Thousand Two Hundred Fifty-Five and 62/100 Dollars (\$2,255.62) 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).

#### VI

Respondent further agrees that the Department may consider the inspection report(s), permit record(s), the Consolidated Compliance Orders and Notices 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.

#### VII

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.

## VIII

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.

## IX

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.

## X

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

## XI

Payment is to be made within thirty (30) 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).

## 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 or her respective party, and to legally bind such party to its terms and conditions.

EAGLE US 2 LLC

BY: Curtis Brescher  
(Signature)

Curtis Brescher  
(Printed)

TITLE: Director - Operations, Region 1

THIS DONE AND SIGNED in duplicate original before me this 2nd day of July, 20 21, at Lake Charles, LA.

Sherell M. Rodriguez  
NOTARY PUBLIC (ID # 59559)

Sherell M. Rodriguez  
(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 14th day of December, 20 21, at Baton Rouge, Louisiana.

[Signature]  
NOTARY PUBLIC (ID # 92503)  
AMBER G. LITCHFIELD  
Notary Public  
State of Louisiana  
Notary ID # 92503  
East Baton Rouge Parish

(stamped or printed)

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 15, 2018

CERTIFIED MAIL (7014 0510 0002 3595 4356)  
RETURN RECEIPT REQUESTED

**EAGLE US 2 LLC**  
c/o C T Corporation System  
Agent for Service of Process  
3867 Plaza Tower Dr.  
Baton Rouge, LA 70816

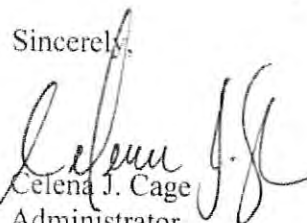
**RE: CONSOLIDATED COMPLIANCE ORDER  
& NOTICE OF POTENTIAL PENALTY  
ENFORCEMENT TRACKING NO. AE-CN-14-00466  
AGENCY INTEREST NO. 1255**

Dear Sir/Madam:

Pursuant to the Louisiana Environmental Quality Act (La. R.S. 30:2001, et seq.), the attached **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is hereby served on **EAGLE US 2 LLC (RESPONDENT)** for the violation described therein.

Compliance is expected within the maximum time period established by each part of the **COMPLIANCE ORDER**. The violation cited in the **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** could result in the issuance of a civil penalty or other appropriate legal actions.

Any questions concerning this action should be directed to Pascal Ojong at (225) 219-4468.

Sincerely,  
  
Celena J. Cage  
Administrator  
Enforcement Division

CJC/PON/pon  
Alt ID No. 0520-00004  
Attachment



c: Eagle US 2 LLC  
c/o Tyler Conlee, ESH&S Professional  
P.O. Box 1000  
Lake Charles, LA 70602





UNIT	PERMIT	ISSUE DATE	EXPIRATION DATE
	897-V7	4/29/2016	4/29/2021
Incinerators Unit	2040-V2	5/22/2009	2/21/2010
	2040-V3	8/13/2010	8/13/2015
	2040-V4	1/18/2011	8/13/2015
	2040-V5	10/5/2011	8/13/2014
	2040-V5AA	9/18/2012	8/13/2015
	2040-V5AA	9/26/2013	8/13/2015
	2040-V6	9/3/2015	9/3/2020
	2040-V6AA	10/20/2016	9/3/2020
	2040-V7	12/21/2016	9/3/2020
	2040-V8	11/8/2017	9/3/2020
Power/Utilities Unit	2106-V2AA	8/14/2009	3/20/2011
	2106-V3	1/27/2010	3/20/2011
	2106-V4	10/14/2011	10/14/2016
	2106-V5	6/14/2013	10/14/2016
	2106-V6	12/14/2015	10/14/2016
Derivative Docks	2206-V0AA	7/28/2009	6/29/2011
	2206-V1	3/20/2012	3/20/2017
	2206-V2	9/7/2017	9/7/2022
Waste Recovery Unit	2216-V1	3/1/2010	3/1/2015
	2216-V1AA	4/28/2010	3/1/2015
	2216-V2	3/12/2012	3/1/2015
	2216-V3	12/18/2012	3/1/2015
	2216-V4	3/6/2015	3/6/2020
Derivatives Shipping Unit	2229-V1AA	7/28/2009	6/29/2011
	2229-V2	5/9/2012	5/9/2017
	2229-V3	7/21/2017	7/21/2022
Mercury Recovery Unit	2231-V1	1/29/2008	3/3/2011
	2231-V2	2/28/2012	2/28/2017
	2231-V3	1/31/2017	1/31/2022
Derivatives Plant Common Sources	2269-V2	7/28/2009	6/29/2011
	2269-V3	2/17/2010	6/29/2011
	2269-V4	2/27/2012	2/27/2017
	2269-V5	4/25/2017	4/25/2022
Per/Tri Unit	2270-V1	10/12/2009	6/29/2011
	2270-V1AA	8/10/2010	6/29/2011
	2270-V2	8/10/2012	8/10/2017
	2270-V3	12/18/2012	8/10/2017

UNIT	PERMIT	ISSUE DATE	EXPIRATION DATE
	2270-V4	4/26/2013	8/10/2017
	2270-V5	5/19/2014	8/10/2017
Greater EDC Unit	2351-V1	8/14/2009	2/21/2010
	2350-V2	4/28/2010	4/28/2015
	2350-V3	12/18/2012	4/28/2015
	2350-V4	4/17/2014	4/28/2014
	2350-V5	7/9/2015	7/9/2020
	2350-V6	7/25/2017	7/9/2020
Complex Support Facilities	2359-V2	11/10/2009	6/29/2011
	2359-V3	3/4/2011	6/29/2011
	2359-V4	5/21/2012	5/21/2017
	2359-V5	9/20/2012	5/21/2017
	2359-V5AA	12/10/2012	5/21/2017
	2359-V5AA	2/12/2014	5/21/2017
	2359-V5AA	8/22/2014	5/21/2017
TE-2 Unit	2695-V1AA	7/28/2009	2/21/2010
	2695-V2	9/28/2010	9/28/2015
	2695-V3	8/17/2011	9/28/2015
	2695-V4	12/18/2012	9/28/2015
	2695-V5	5/22/2014	9/28/2015
	2695-V6	5/5/2016	5/5/2021
	2695-V7	10/25/2016	5/5/2021
	2695-V10	5/16/2018	5/5/2021
Chlor/Alkali Unit	2798-V1AA	5/1/2009	1/21/2014
	2798-V2	6/14/2013	1/21/2014
	2798-V3	8/22/2014	8/22/2019
	2798-V4	1/12/2015	8/22/2019
Membrane Chlor/Alkali Unit	3021-V1	10/12/2009	3/3/2011
	3021-V2	2/28/2012	2/28/2017
	3021-V3	6/14/2013	2/28/2017
	3021-V4	1/30/2017	1/30/2022
Ethylene Plant	3136-V0	12/14/2015	12/14/2020

II.

On or about December 20, 2013, the Department responded to an incident at the facility. On or about January 23, 2015, and June 1, 2018, file reviews of the facility were conducted.

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

In the seven (7) day and sixty (60) day written reports dated December 26, 2013; February 24, 2014; and April 25, 2014, the Respondent reported a release and fire event which occurred at the facility on December 20, 2013. The Respondent stated a pipe ruptured in the VC Production Unit causing a release of EDC, VCM, and HCl, which ignited and burned from approximately 1:41 p.m. to 2:38 p.m. As a result of the incident, U.S. Interstate 10 was shut down and a shelter-in-place order was issued for zones in areas downwind of the facility until 2:55 p.m. The Respondent reported that during restart of the No. 2 Vinyl Furnace following a trip condition, some burners would not stay lit due to the center gas flow control valve being closed preventing the center chamber burners from receiving gas. Reportedly, the center gas flow valve was acting as designed. The outside operators and instrument technicians asked the console operator several times to increase the gas pressure. Once some burners in the outer chambers were lit and the total gas flow increased, the middle gas flow control valve began opening to maintain the target percentage of total gas flow. By this time, in an attempt to provide enough gas pressure to light the burners, the console operator manually opened the main gas valve such that the gas pressure was approximately 38 psig, well above the 21 psig that was controlled prior to the furnace trip. The operator noticed a high outlet temperature on the Number 2 Pass, and closed back on the gas to the Number 2 Pass and opened up on the gas to the Number 1 Pass. The Respondent stated at this point the furnace was being over-fired, with the No. 2 pass at a higher firing rate than the No. 1 pass. This degree of over-firing caused very rapid increases in furnace temperatures. The Respondent reported adjustments were made to redistribute the gas, raise EDC feed, and reduce total gas flow in order to remedy the imbalance between the two (2) passes, but the adjustments were minor compared to what was needed. The high temperatures weakened the pipe until it could not withstand the internal pressure and ruptured.

According to the Respondent, a review of the temperature data revealed the temperature rise in the No. 2 Furnace was not being controlled. Personnel focus was on maintaining gas pressure instead of controlling No. 2 Furnace temperatures. Based on the capacities of the components involved and knowledge of the process, the Respondent reported amounts of pollutants which flowed into the fire as approximately 102,000 lbs EDC; 48,000 lbs VCM; and 26,000 lbs HCl. The Respondent estimated the combustion efficiency of the fire to be 95% and reported the emissions were 5,100 lbs EDC; 2,400 lbs VCM; and 123,000 lbs HCl. Following the incident and investigation, the Respondent reported the startup procedures were updated to address restart of a furnace after a trip condition, additional automatic shutdown scenarios were programmed in the Programmable Logic Controller, the furnace Safe Operating Envelope documentation was updated, and the unit personnel were trained on procedure changes prior to unit restart. This release is a violation of LAC 33:III.905 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

III.

On or about, November 3, 2015, the Respondent entered into a Consent Agreement & Final Order (CAFO), Docket No. CAA-06-2015-3337, with the United States Environmental Protection Agency (EPA). According to the CAFO, on or about April 8, 2013, the EPA inspected Respondent's facility and discovered five (5) violations of 40 CFR 68 Chemical Accident Prevention Provisions (CAPP) associated with the December 20, 2013, incident.

**COMPLIANCE ORDER**

Based on the foregoing, the Respondent is **hereby ordered**:

I.

To take, immediately upon receipt of this **COMPLIANCE ORDER**, any and all steps necessary to meet and maintain compliance with the Air Quality Regulations and all applicable permits.

II.

To submit to the Department, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, any and all updated emission calculations for the December 20, 2013, incident and an explanation of the discrepancy between the amounts outlined in the 60-day written report submitted to the Department April 25, 2014 and Consent Agreement & Final Order Docket No. CAA-06-2015-3337.

III.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, a written report that includes a detailed description of the circumstances surrounding the cited violation and actions taken or to be taken to achieve compliance with the Order. Portion of this **COMPLIANCE ORDER**. This report and all other reports or information required to be submitted to the Enforcement Division by this **COMPLIANCE ORDER** shall be submitted to:

Office of Environmental Compliance  
Post Office Box 4312  
Baton Rouge, Louisiana 70821-4312  
**Attn: Pascal Ojong**  
**Re: Enforcement Tracking No. AE-CN-14-00466**  
**Agency Interest No. 1255**

**THE RESPONDENT SHALL FURTHER BE ON NOTICE THAT:**

I.

The Respondent has a right to an adjudicatory hearing on a disputed issue of material fact or of law arising from this **COMPLIANCE ORDER**. This right may be exercised by filing a written request with the Secretary no later than thirty (30) days after receipt of this **COMPLIANCE ORDER**.

II.

The request for an adjudicatory hearing shall specify the provisions of the **COMPLIANCE ORDER** on which the hearing is requested and shall briefly describe the basis for the request. This request should reference the Enforcement Tracking Number and Agency Interest Number, which are located in the upper right-hand corner of the first page of this document and should be directed to the following:

Department of Environmental Quality  
Office of the Secretary  
Post Office Box 4302  
Baton Rouge, Louisiana 70821-4302  
**Attn: Hearings Clerk, Legal Division**  
**Re: Enforcement Tracking No. AE-CN-14-00466**  
**Agency Interest No. 1255**

III.

Upon the Respondent's timely filing a request for a hearing, a hearing on the disputed issue of material fact or of law regarding this **COMPLIANCE ORDER** may be scheduled by the Secretary of the Department. The hearing shall be governed by the Act, the Administrative Procedure Act (La. R.S.

49:950, et seq.), and the Division of Administrative Law (DAL) Procedural Rules. The Department may amend or supplement this **COMPLIANCE ORDER** prior to the hearing, after providing sufficient notice and an opportunity for the preparation of a defense for the hearing.

IV.

This **COMPLIANCE ORDER** shall become a final enforcement action unless the request for hearing is timely filed. Failure to timely request a hearing constitutes a waiver of the Respondent's right to a hearing on a disputed issue of material fact or of law under Section 2050.4 of the Act for the violation(s) described herein.

V.

The Respondent's failure to request a hearing or to file an appeal or the Respondent's withdrawal of a request for hearing on this **COMPLIANCE ORDER** shall not preclude the Respondent from contesting the findings of facts in any subsequent penalty action addressing the same violation(s), although the Respondent is estopped from objecting to this **COMPLIANCE ORDER** becoming a permanent part of its compliance history.

VI.

Civil penalties of not more than twenty-seven thousand five hundred dollars (\$27,500) for each day of violation for the violation(s) described herein may be assessed. For violations which occurred on August 15, 2004, or after, civil penalties of not more than thirty-two thousand five hundred dollars (\$32,500) may be assessed for each day of violation. The Respondent's failure or refusal to comply with this **COMPLIANCE ORDER** and the provisions herein will subject the Respondent to possible enforcement procedures under La. R.S. 30:2025, which could result in the assessment of a civil penalty in an amount of not more than fifty thousand dollars (\$50,000) for each day of continued violation or noncompliance.

VII.

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

**NOTICE OF POTENTIAL PENALTY**

I.

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.

II.

Prior to the issuance of additional appropriate enforcement action(s), 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 Pascal Ojong at (225) 219-4468 within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**.

III.

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 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 violation(s) 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 that 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.

IV.

The Department assesses civil penalties based on LAC 33:I.Subpart1.Chapter7. To expedite closure of this **NOTICE OF POTENTIAL PENALTY** portion, 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 "**CONSOLIDATED COMPLIANCE ORDER AND NOTICE OF POTENTIAL PENALTY REQUEST TO CLOSE**" 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.

V.

This **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is effective upon receipt.

Baton Rouge, Louisiana, this 15<sup>th</sup> day of June, 2018.




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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  
P.O. Box 4312  
Baton Rouge, LA 70821-4312  
Attention: Pascal Ojong



LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY OFFICE OF ENVIRONMENTAL COMPLIANCE ENFORCEMENT DIVISION POST OFFICE BOX 4312 BATON ROUGE, LOUISIANA 70821-4312		CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY REQUEST TO CLOSE		
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Enforcement Tracking No.	AE-CN-14-00466	Contact Name	Pascal Ojong
Agency Interest (AI) No.	1255	Contact Phone No.	(225) 219-4468
Alternate ID No.	0520-00004		
Respondent:	<b>EAGLE US 2 LLC</b>	Facility Name:	Lake Charles Complex
	c/o C T Corporation System	Physical Location:	U.S. Interstate 10 and east of U.S. Interstate 220 in Lake Charles
	Agent for Service of Process		
	3857 Plaza Tower Dr.	City, State, Zip:	Lake Charles
Baton Rouge, LA 70816	Parish:	Calcasieu , Louisiana 70669	

**STATEMENT OF COMPLIANCE**

STATEMENT OF COMPLIANCE	Date Completed	Copy Attached?
A written report was submitted in accordance with Paragraph III of the "Order" portion of the COMPLIANCE ORDER.		
All necessary documents were submitted to the Department within 30 days of receipt of the COMPLIANCE ORDER in accordance with Paragraph II of the "Order" portion of the COMPLIANCE ORDER.		
All necessary documents were submitted to the Department within 45 days of receipt of the COMPLIANCE ORDER in accordance with Paragraph(s) ? of the "Order" portion of the COMPLIANCE ORDER.	N/A	N/A
All necessary documents were submitted to the Department within 90 days of receipt of the COMPLIANCE ORDER in accordance with Paragraph(s) ? of the "Order" portion of the COMPLIANCE ORDER.	N/A	N/A
All items in the "Findings of Fact" portion of the COMPLIANCE ORDER were addressed and the facility is being operated to meet and maintain the requirements of the "Order" portion of the COMPLIANCE ORDER. Final compliance was achieved as of:		

**SETTLEMENT OFFER (OPTIONAL)**

*(check the applicable option)*

_____	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:I.Subpart1.Chapter7.
_____	In order to resolve any claim for civil penalties for the violations in NOTICE OF POTENTIAL PENALTY (AE-CN-14-00466), the Respondent is interested in entering into settlement negotiations with the Department and would like to set up a meeting to discuss settlement procedures.
_____	In order to resolve any claim for civil penalties for the violations in NOTICE OF POTENTIAL PENALTY (AE-CN-14-00466), 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"> <li>• Monetary component = \$ _____</li> <li>• Beneficial Environmental Project (BEP) component (optional)= \$ _____</li> <li>• <b>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.</b></li> </ul>
	The Respondent has reviewed the violations noted in NOTICE OF POTENTIAL PENALTY (AE-CN-14-00466) and has attached a justification of its offer and a description of any BEPs if included in settlement offer.

CERTIFICATION STATEMENT		
<p><i>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.</i></p>		
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: Pascal Ojong		

JOHN BEL EDWARDS  
GOVERNOR



CHUCK CARR BROWN, PH.D.  
SECRETARY

**State of Louisiana**  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
OFFICE OF ENVIRONMENTAL COMPLIANCE

December 21, 2018

CERTIFIED MAIL (7014 0510 0001 7431 7380)  
RETURN RECEIPT REQUESTED

**EAGLE US 2 LLC**  
c/o C T Corporation System  
Agent for Service of Process  
3867 Plaza Tower Dr.  
Baton Rouge, LA 70816

**RE: CONSOLIDATED COMPLIANCE ORDER  
& NOTICE OF POTENTIAL PENALTY  
ENFORCEMENT TRACKING NO. AE-CN-14-00467  
AGENCY INTEREST NO. 1255**

Dear Sir/Madam:

Pursuant to the Louisiana Environmental Quality Act (La. R.S. 30:2001, et seq.), the attached **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is hereby served on **EAGLE US 2 LLC (RESPONDENT)** for the violations described therein.

Compliance is expected within the maximum time period established by each part of the **COMPLIANCE ORDER**. The violations cited in the **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** could result in the issuance of a civil penalty or other appropriate legal actions.

Any questions concerning this action should be directed to Christopher Clement at (225) 219-3748.

Sincerely,

A handwritten signature in black ink, appearing to read "Celena J. Cage".

Celena J. Cage  
Administrator  
Enforcement Division

CJC/CGC/cgc  
Alt ID No. 0520-00004  
Attachment



c: Eagle US 2 LLC  
c/o Tyler Conlee, ESH&S Professional  
P.O. Box 1000  
Lake Charles, LA 70602

STATE OF LOUISIANA  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
OFFICE OF ENVIRONMENTAL COMPLIANCE

IN THE MATTER OF	*	
	*	
EAGLE US 2 LLC	*	ENFORCEMENT TRACKING NO.
CALCASIEU PARISH	*	
ALT ID NO. 0520-00004	*	AE-CN-14-00467
	*	
	*	AGENCY INTEREST NO.
PROCEEDINGS UNDER THE LOUISIANA	*	
ENVIRONMENTAL QUALITY ACT,	*	1255
La. R.S. 30:2001, ET SEQ.	*	

**CONSOLIDATED**  
**COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY**

The following **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is issued to **EAGLE US 2 LLC (RESPONDENT)** by the Louisiana Department of Environmental Quality (the Department), under the authority granted by the Louisiana Environmental Quality Act (the Act), La. R.S. 30:2001, et seq., and particularly by La. R.S. 30:2025(C), 30:2050.2 and 30:2050.3(B).

**FINDINGS OF FACT**

I.

The Respondent owns and/or operates an industrial chemical production complex (the facility) located 1300 PPG Dr. (portion of) Westlake in Calcasieu Parish, Louisiana. On or about January 28, 2013, Eagle US 2 LLC became the owner and/or operator of the Lake Charles Chemical Manufacturing Complex owned by PPG Industries, Inc., with the exception of the Silicas Plant which is still owned and operated by PPG Industries, Inc. Requests to transfer all applicable air permits not part of the Silicas Plant to Eagle US 2 LLC were timely submitted, and the permits and environmental liability for compliance were transferred to Eagle US 2 LLC. The facility operates or has operated under the authority of the following Title V Air Permits:

UNIT	PERMIT	ISSUE DATE	EXPIRATION DATE
VC Production Unit	897-V1	10/12/2009	7/7/2010
	897-V2	10/15/2010	10/15/2015
	897-V3	8/17/2011	10/15/2015
	897-V4	12/18/2012	10/15/2015
	897-V5	4/29/2014	10/15/2015
	897-V6	12/18/2014	10/15/2015
	897-V7	4/29/2016	4/29/2021
Incinerators Unit	2040-V2	5/22/2009	2/21/2010
	2040-V3	8/13/2010	8/13/2015
	2040-V4	1/18/2011	8/13/2015
	2040-V5	10/5/2011	8/13/2014
	2040-V5AA	9/18/2012	8/13/2015
	2040-V5AA	9/26/2013	8/13/2015
	2040-V6	9/3/2015	9/3/2020
	2040-V6AA	10/20/2016	9/3/2020
	2040-V7	12/21/2016	9/3/2020
2040-V8	11/8/2017	9/3/2020	
Power/Utilities Unit	2106-V2AA	8/14/2009	3/20/2011
	2106-V3	1/27/2010	3/20/2011
	2106-V4	10/14/2011	10/14/2016
	2106-V5	6/14/2013	10/14/2016
	2106-V6	12/14/2015	10/14/2016
	2106-V7	5/4/2018	5/4/2023
Derivative Docks	2206-V0AA	7/28/2009	6/29/2011
	2206-V1	3/20/2012	3/20/2017
	2206-V2	9/7/2017	9/7/2022
Waste Recovery Unit	2216-V1	3/1/2010	3/1/2015
	2216-V1AA	4/28/2010	3/1/2015
	2216-V2	3/12/2012	3/1/2015
	2216-V3	12/18/2012	3/1/2015
	2216-V4	3/6/2015	3/6/2020
Derivatives Shipping Unit	2229-V1AA	7/28/2009	6/29/2011
	2229-V2	5/9/2012	5/9/2017
	2229-V3	7/21/2017	7/21/2022
Mercury Recovery Unit	2231-V1	1/29/2008	3/3/2011
	2231-V2	2/28/2012	2/28/2017
	2231-V3	1/31/2017	1/31/2022
Derivatives Plant Common Sources	2269-V2	7/28/2009	6/29/2011
	2269-V3	2/17/2010	6/29/2011
	2269-V4	2/27/2012	2/27/2017
	2269-V5	4/25/2017	4/25/2022
Per/Tri Unit	2270-V1	10/12/2009	6/29/2011
	2270-V1AA	8/10/2010	6/29/2011
	2270-V2	8/10/2012	8/10/2017
	2270-V3	12/18/2012	8/10/2017

UNIT	PERMIT	ISSUE DATE	EXPIRATION DATE
	2270-V4	4/26/2013	8/10/2017
	2270-V5	5/19/2014	8/10/2017
Greater EDC Unit	2351-V1	8/14/2009	2/21/2010
	2350-V2	4/28/2010	4/28/2015
	2350-V3	12/18/2012	4/28/2015
	2350-V4	4/17/2014	4/28/2014
	2350-V5	7/9/2015	7/9/2020
	2350-V6	7/25/2017	7/9/2020
Complex Support Facilities	2359-V2	11/10/2009	6/29/2011
	2359-V3	3/4/2011	6/29/2011
	2359-V4	5/21/2012	5/21/2017
	2359-V5	9/20/2012	5/21/2017
	2359-V5AA	12/10/2012	5/21/2017
	2359-V5AA	2/12/2014	5/21/2017
	2359-V5AA	8/22/2014	5/21/2017
TE-2 Unit	2695-V1AA	7/28/2009	2/21/2010
	2695-V2	9/28/2010	9/28/2015
	2695-V3	8/17/2011	9/28/2015
	2695-V4	12/18/2012	9/28/2015
	2695-V5	5/22/2014	9/28/2015
	2695-V6	5/5/2016	5/5/2021
	2695-V7	10/25/2016	5/5/2021
	2695-V10	5/16/2018	5/5/2021
Chlor/Alkali Unit	2798-V1AA	5/1/2009	1/21/2014
	2798-V2	6/14/2013	1/21/2014
	2798-V3	8/22/2014	8/22/2019
	2798-V4	1/12/2015	8/22/2019
Membrane Chlor/Alkali Unit	3021-V1	10/12/2009	3/3/2011
	3021-V2	2/28/2012	2/28/2017
	3021-V3	6/14/2013	2/28/2017
	3021-V4	1/30/2017	1/30/2022
Ethylene Plant	3136-V0	12/14/2015	12/14/2020

## II.

On or about April 29, 2013, April 15, 2014, August 8, 2014, and November 5, 2014, the Department conducted inspections and on or about September 9, 2018, a subsequent file review of the facility was conducted to determine the degree of compliance with the Act, Air Quality Regulations, and the Chemical Accident Prevention Provisions (CAPP) – Program Level 3.

While the Department's investigation is not yet complete, the following violations were noted during the course of the inspections and subsequent file review:

- A. In written reports dated January 30, 2013, and January 23, 2014, the Respondent reported a release and fire event which occurred at the facility on December 24, 2012. According to the reports, a release occurred from the Quench Drop Overhead (QDOH) return line in the VC Production Unit which resulted in a fire and one (1) operator being admitted to the hospital to receive medical attention. The following events lead to the incident on December 24, 2012: On November 4, 2012, a unit operator discovered a pinhole leak in a weld on the QDOH return line near the Quench Tower, and a temporary pipe clamp was installed to contain the leak. On November 12, 2012, an engineered clamp was installed on the line encasing the original temporary clamp. On November 28, 2012, after a power interruption, the Respondent determined the engineered clamp had a slight seepage from the sealing area. The contractor who installed the clamp returned to the site and re-pumped the clamp. On December 24, 2012, the QDOH return line pipe failed resulting in a fire and a release of approximately 18,508 lbs of EDC; 15,295 lbs of vinyl chloride monomer (VCM); and 20,624 lbs of HCl. Ultrasonic thickness readings conducted on the piping by the Respondent's investigation team after the incident indicated general thinning of the line with some localized areas of accelerated thinning. The investigation team found no evidence that formal inspections were performed on the line prior to the incident. The Respondent reported that Management of Change (MOC) number 10764 was initiated for the engineered clamp installation. The MOC document did not reveal an evaluation of the piping was performed to determine the suitability of installing an engineered clamp in the area of the leak. The Respondent stated the MOC process was less than adequate in addressing installation of the engineered clamp. The MOC document stated the reason for installing the engineered clamp was the temporary clamp had begun leaking. However, the Respondent's investigation team determined the temporary clamp had not been leaking. Following the internal investigation, the Respondent's investigation team recommended developing a process for using engineered clamps which requires a technical evaluation of the piping system, including the QDOH return line in a formal inspection program which requires thickness measurements at prescribed intervals, and upgrading the material of the return line to Alloy 600 to match the material of the drain lines from the Quench Tower. The failure to perform inspections on subject process equipment as required by the Chemical Accident Prevention Provisions is a violation of 40 CFR 68.73(d)(1), which language has been incorporated by reference in LAC 33:III.5901.A and La. R.S. 30:2057(A)(2).
- B. In the 2013 Second Semiannual Monitoring Report dated March 26, 2014, and in the 2013 Annual CAP Emission Report dated February 11, 2014, the Respondent reported the exceedance of the PM<sub>10</sub> permitted emission limit for the Hydrogen Stack Circuit CAP (GRP082). The Respondent reported the annual permit limit and 12-month rolling permit limit of 4.54 tpy PM<sub>10</sub> was exceeded from September 19 to November 21, 2013. Reportedly, the unit was shut down when the exceedance was discovered to make necessary repairs and eliminate the emissions. On November 22, 2013, the Respondent submitted a variance request to increase the PM<sub>10</sub> emission limit by 1.51 tons for the rest of 2013, which was



approved on November 22, 2013, and expired on December 31, 2013. The Respondent reported the following rolling monthly PM<sub>10</sub> totals:

MONTH	MONTHLY TOTAL	PRIOR 12 MONTH PERIOD TOTAL
September 2013	1.04 tons	5.10 tpy
October 2013	0.07 tons	4.96 tpy
November 2013	0.36 tons	5.26 tpy
December 2013	0.04 tons	5.30 tpy

Each exceedance of the permitted emission limit is a violation of Title V Permit No. 2798-V2, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

- C. In the 2013 Second Semiannual Monitoring Report dated March 26, 2014, the Respondent reported the failure to submit a written report of excess emissions within seven (7) days as required by Part 70 General Condition R.2. The Respondent reported the PM<sub>10</sub> excess emissions which occurred from the Hydrogen Stack Circuit CAP (GRP082) began on September 19, 2013, and continued longer than seven (7) days. The written report was submitted on November 22, 2013. The failure to submit a written report within seven (7) days is a violation of Specific Requirement 79 of Title V Permit No. 2798-V2, LAC 33:III.535.A, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).
- D. In the 2013 First Semiannual Monitoring Report dated September 16, 2013, and in the 2013 Second Semiannual Monitoring Report dated March 26, 2014, the Respondent reported the following exceedances of the permitted emission limits for the PHH Atmospheric Scrubber (EQT081):

	POLLUTANT	PERMIT LIMIT	REPORTED EMISSIONS
1.	HCl, lb/hr	37.31	50 incidents from February to June 2013 (emissions were not reported) 8 incidents from October to December 2013 (emissions were not reported)
2.	VOCs, tpy	12.01	25.55
3.	Carbon tetrachloride, tpy	0.05	0.06
4.	1,1-dichloroethane, tpy	0.14	0.15

Each exceedance of a permitted emission limit is a violation of Title V Permit No. 897-V4, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2). The Respondent submitted an application dated February 24, 2014, requesting a modification of the permit to adequately reflect the actual operation of the scrubber, and Title V Permit No. 897-V5 was issued on April 29, 2014, increasing the emissions limits for the above pollutants.

- E. In the 2013 Second Semiannual Monitoring Report dated March 26, 2014, the Respondent reported exceedances of the 2013 annual permitted emission limits

for the PHH Xceltherm Heater (EQT079). The Respondent stated the heater exceeded the operating hours upon which the permit limits were based, and the following exceedances were reported:

	POLLUTANT	PERMIT LIMIT	2013 REPORTED EMISSIONS
1.	CO. tpy	0.17	0.214
2.	NO <sub>x</sub> . tpy	0.20	0.255
3.	VOCs. tpy	0.10	0.014

Each exceedance of a permitted emission limit is a violation of Title V Permit No. 897-V4, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2). The Respondent submitted a permit application dated February 24, 2014, and Title V Permit No. 897-V5 was issued on April 29, 2014, increasing the emissions limits for the above pollutants.

- F. In the 2013 Second Semiannual Monitoring Report dated March 26, 2014, the Respondent reported the failure to monitor LDAR components as required. The Respondent stated that during August and October 2013, Method 21 inspections were not conducted on seven (7) pumps and one (1) agitator. The components were out of service during the technician's scheduled monitoring time, but were in service a portion of the month. This is a violation of 40 CFR 63.163(b)(1), which language has been incorporated by reference in LAC 33:III.5122, Title V Permit No. 2269-V4, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).
- G. In the 2013 Second Semiannual Monitoring Report dated March 26, 2014, the Respondent reported a leaking valve was not properly tagged. On October 23, 2013, the LDAR coordinator discovered a previously leaking valve with a tag missing. This is a violation of Specific Requirement 73 of Title V Permit No. 2269-V4, 40 CFR 63.162(f), which language has been incorporated by reference in LAC 33:III.5122, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).
- H. In the 2013 Second Semiannual Monitoring Report dated March 26, 2014, the Respondent reported the failure to re-monitor leaking LDAR components within 15 days. The Respondent reported one (1) leak in May 2012 and 11 leaks during the third and fourth quarters of 2013 which were repaired, but were not Method 21 monitored to verify the repair within 15 days. This is a violation of Specific Requirement 40, 57 and 61, of Title V Permit No. 2269-V4, 40 CFR 63.163(c), 63.164(g), and 63.165(b)(1), which language has been incorporated by reference in LAC 33:III.5122, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).
- I. In the 2013 Second Semiannual Monitoring Report dated March 26, 2014, the Respondent reported that a malfunction occurred during a shutdown of the No. 3 HAF (EQT0392) on July 24, 2013, which was not adequately addressed in the Startup, Shutdown, and Malfunction (SSM) plan. The Respondent failed to revise the SSM plan to address similar types of malfunctions within 45 days of the event. This is a violation of Title V Permit No. 2040-V5AA,

- 40 CFR 63.6(e)(3)(viii), which language has been incorporated by reference in LAC 33:III.5122, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).
- J. In the 2013 Second Semiannual Monitoring Report dated March 26, 2014, the Respondent reported the liquid to gas ratio for the No. 1 and No. 2 Incinerators/Scrubbers (EQT0261) No. 1 Primary Scrubber dropped below the permit limit of 62.5 gal/Mscf on November 1, 2013. The Respondent stated additional training on the appropriate situational response was provided for the operator. This is a violation of Specific Requirement 9 of Title V Permit No. 2040-V5AA, 40 CFR 63.1206(c)(1), which language has been incorporated by reference in LAC 33:III.5122, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).
- K. In the 2013 Second Semiannual Monitoring Report dated March 26, 2014, the Respondent reported the exceedance of an operating parameter for the No. 1 and No. 2 Incinerators/Scrubbers (EQT0261). On December 10, 2013, the combustion temperature hourly rolling average was 2,382 degrees Fahrenheit, below the permitted minimum of 2,383 degrees Fahrenheit. This is a violation of Specific Requirement 9 of Title V Permit No. 2040-V5AA, 40 CFR 63.1219, which language has been incorporated by reference in LAC 33:III.5122, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).
- L. In an unauthorized discharge report dated February 18, 2014, the Respondent reported the unauthorized release of hydrogen chloride from the facility. Reportedly, operations personnel were removing a bleed valve and assembly for replacement when approximately 350 lbs of hydrogen chloride gas were released. The Respondent determined the incident occurred due to the line not being adequately isolated prior to removal of the bleed valve and assembly. No injuries resulted from the incident, but a neighboring industrial facility had to take protective action. This release is a violation of LAC 33:III.905 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
- M. In the 2014 First Semiannual Monitoring Report dated September 29, 2014, the Respondent reported the failure to follow the facility's Management of Change (MOC) procedures. The Respondent stated an internal review found that a MOC review was not conducted prior to installing some new LDAR components. This is a violation of Specific Requirement 192 of Title V Permit No. 2359-V5AA, 40 CFR 68.75(b), which language has been incorporated by reference in LAC 33:III.5901.A, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).
- N. In the 2014 First Semiannual Monitoring Report dated September 29, 2014, the Respondent reported the failure to monitor a valve as required. The Respondent stated a valve on a rotomater was misidentified in the LDAR database as a connector and was not monitored during the third and fourth quarters of 2012. This is a violation of Specific Requirement 66 of Title V Permit No. 2269-V4, 40 CFR 63.168, which language has been incorporated by reference in LAC 33:III.5122, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

- O. In the 2014 First Semiannual Monitoring Report dated September 29, 2014, the Respondent reported the failure to meet the 75 percent data monitoring requirement for the No. 1 and No. 2 Incinerators/Scrubbers (EQT0261). On February 4, 2014, the facility did not have a valid hour of data for at least 75 percent of the operating hours due to an unchanging value for the secondary scrubber L/G parameter. This is a violation of 40 CFR 63.152(c)(2)(ii)(A)(2), which language has been incorporated by reference in LAC 33:III.5122, Title V Permit No. 2040-V5AA, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).
- P. In the 2014 First Semiannual Monitoring Report dated September 29, 2014, the Respondent reported the exceedance of the maximum total combustion air flow rate for the No. 1 and No. 2 Incinerators/Scrubbers (EQT261) on February 23, 2014. The Respondent stated the exceedance was due to lack of recognition of good operating practice. Following the exceedance, the operator was counseled on the proper operating techniques. This is a violation of Specific Requirement 9 and Appendix A of Title V Permit No. 2040-V5, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
- Q. In the 2014 First Semiannual Monitoring Report dated September 29, 2014, the Respondent reported the failure to comply with the SSM plan. On January 21-22, 2014, the No. 4 Thermal Oxidizer Secondary Scrubber (EQT0393) recirculation flow had an unchanging pH. The Respondent failed to take the action specified in the SSM plan for this type of incident. The Respondent believes there were no excess emissions as a result of the incident, and refresher training was provided to all VC Production Unit personnel. The failure to follow the procedures outlined in the SSM plan is a violation of 40 CFR 63.6(e)(1)(i), which language has been incorporated by reference in LAC 33:III.5122, Title V Permit No. 2040-V5AA, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).
- R. In an unauthorized discharge notification report dated August 11, 2014, the Respondent reported the unauthorized release of 427 lbs of ethyl chloride (EC). On August 4, 2014, a leak was observed at a flange on an EC loading line, and the facility immediately isolated the leak. The Respondent's investigation of the incident determined the rupture disc and safety relief device had relieved to a containment header, as designed, due to an unexpected pressure surge that occurred during the lineup of the material for transfer. However, the gasket installed in the flange did not appear to be installed as designed, allowing for material to escape once pressure was exerted on the flange. The Respondent stated a new type of valve was being investigated in order to minimize the risk of unexpected pressure surges, and measures will be taken to address the quality control of gasket installation. The failure to perform checks and inspections to assure that equipment is installed properly and consistent with design specifications and the manufacturer's instructions is a violation of 40 CFR 68.73(f)(2), which language has been incorporated by reference in

LAC 33:III.5901.A, LAC 33:III.5907.A, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

- S. The Respondent reported open ended lines (OELs) were found at the facility during the following monitoring periods:

	REPORT (date)	NO. OF OELS	REGULATORY or PERMIT REQUIREMENTS
1	2013 First Semiannual Monitoring Report (9/16/2013)	10	Specific Requirement 65
2	2013 Second Semiannual Monitoring Report (3/26/2014)	9	Specific Requirement 65
3	2014 First Semiannual Monitoring Report (9/29/2014)	10	Specific Requirement 65

Each deviation from fugitive emission requirements is a violation of 40 CFR 63.167, which language has been incorporated by reference in LAC 33:III.5122, Title V Permit No. 2269-V3 and 2269-V4, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

- T. In the 2013 Second Semiannual Monitoring Report dated March 26, 2013, and in correspondence dated September 10 and October 22, 2014, the Respondent reported exceedances of the annual permitted emission limits and emissions of unpermitted pollutants from the facility's cooling towers. The Respondent stated all cooling tower data generated through the calendar year was being utilized to calculate emissions, not just sample results specifically for compliance or emission calculations. Some of the data was generated as a screening tool to identify and eliminate process leaks, and was not of a robust quality sufficient to be relied upon for emission calculations or permitting. However, the Respondent considered the data credible evidence and utilized it in emission calculations when better quality data did not exist. In order to provide more accurate and reproducible data, the Respondent began analyzing process leak screening samples from the cooling towers on analytical equipment better able to identify specific compounds, better able to quantify trace levels of those compounds, and with higher levels of quality assurance. As a result of the more accurate information, the Respondent reported the following emission exceedances and emission of unpermitted pollutants:

EMISSION SOURCE	PERMIT	YEAR	POLLUTANT	PERMIT LIMIT (tpy)	EMISSIONS (tpy)
EDC/Versa Trans Cooling Tower (EQT495)	2350-V3	2013	Bromoform	0.2	0.71
TE-II Cooling Tower (EQT444)	2695-V4	2013	Bromoform	0.13	0.41
Per/Tri Unit Cooling Tower (EQT279)	2270-V4	2013	Bromoform	0.24	0.71

Each exceedance of a permitted emission limit is a violation of the applicable Title V Permit, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

- U. In the 2014 First Semiannual Monitoring Report the Respondent reported three (3) fugitive components were not included in the LDAR inventory and were not monitored. Each failure to include components into inventory and monitor them is a violation of Specific Requirement 66 of Title V Permit No. 2269-V4, 40 CFR 63.168, which language has been incorporated by reference in LAC 33:III.5122, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).
- V. In the 2013 Second Semiannual Monitoring Report dated March 26, 2014, and in the 2014 First Semiannual Monitoring Report dated September 29, 2014, the Respondent reported multiple exceedances of the CO emission standard at the No. 1 and No. 2 Incinerators/Scrubbers (EQT261). For each event listed below, the Respondent reported the Automatic Waste Feed Cut Off (AWFCO) functioned as designed and hazardous waste was not in the combustion chamber for a period longer than the 3.3 second residence time. The following events resulted in exceedances of the 100 ppm maximum hourly average CO limit:
1. On September 1, 2013, the vents were inadvertently transferred to the No. 1 Incinerator instead of the No. 2 Incinerator. Following the event, the control panel was reconfigured and the event was discussed with the operator to prevent inadvertently transferring vents.
  2. On October 3, 2013, the vents were transferred to the No. 2 Incinerator while there was insufficient air flow. Following the event, the SOP was modified. The Respondent also stated modification to the logic programming will be evaluated on the No. 2 vent valve.
  3. On October 5, 2013, the vents were transferred from the No. 3 HAF to the No. 2 Incinerator while the differential pressure was high. Following the incident, the SOP was modified to address high differential pressure situations.
  4. On November 25, 2013, a power failure caused by a contractor testing switches for a switch gear in another area of the plant led to an increase in vents. Reportedly, the plant was to install test switches on related circuits which would allow testing without a power interruption.

5. On June 8, 2014, the emission standard was exceeded while combustion air flow was being reduced. The Respondent stated the operator was counseled and instructed on proper operating techniques.
6. On June 16 and 18, 2014, the emission standard was exceeded due to an unexpected increase in vent flow from another unit. The Respondent stated the unit procedure was updated to improve communication between the units.

Each event is a violation of LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

- W. The Respondent reported six (6) unauthorized releases occurred from May 3, 2010, to February 1, 2011, as a result of corrosion. For each incident detailed below, the Respondent reported either in the verbal or written notification that the cause of the release was corrosion.

INCIDENT DATE	LOCATION	POLLUTANTS	AMOUNT RELEASED	REPORTED CAUSE
12/7/2009	Vinyl Chloride Transfer Line.	Vinyl chloride	35 lbs	1/8 inch hole caused by corrosion.
5/3/2010	Line in the Derivative Chlorinated Solvents area.	Chloroform	3 lbs	Leak due to corrosion.
5/17/2010	The main chlorine header from C Chlorine to Liquefaction.	Chlorine	10.6 lbs	Line corrosion under insulation.
6/3/2010	A chlorine sniff line at Liquefaction.	Chlorine	50.85 lbs	A hole caused by external corrosion.
7/6/2010	Transfer line.	Ethylene	3,300 lbs	External corrosion caused a transfer line failure.
2/1/2011	Not Reported.	Chlorine	3.7 lbs	A leak most likely due to corrosion.
12/27/2011	Leak from instrument fittings in the TE-2 Unit.	Chlorine	32 lbs	Leak caused by external corrosion.

An inspection conducted by the Department on or about April 15, 2014, revealed that prior to 2013 the Respondent's inspection process for corrosion monitoring and visual inspections failed to meet recognized and generally accepted good engineering practices for inspection procedures and the frequency of inspections. Specifically, the failure to correct deficiencies in equipment that are outside acceptable limits before further use or in a safe and timely manner when necessary means are taken to assure safe operation is a violation of 40 CFR 68.73(e), which language has been incorporated by reference in LAC 33:III.5901.A and La. R.S. 30:2057(A)(2).

### III.

On April 15, 2014, the Department conducted an inspection of the VC Production Unit (PHH Unit) to determine compliance with the Chemical Accident Prevention Program (CAPP) provisions. On

or about October 9, 2018, a subsequent file review of the facility was conducted to determine the degree of compliance with the Act and the Air Quality Regulations.

While the Department's investigation is not yet complete, the following violations were noted during the course of the inspection:

- A. The Respondent failed to provide refresher training at least every three (3) years to each employee involved in operating a process to assure the employee understands and adheres to the current operating procedures. The Respondent switched to a new online database to track training records and was unable to track the training records for several months. During this time, the Respondent was unable to identify when refresher training was due for operators, and as a result, the Respondent failed to provide training to three (3) operators by the due date. This is a violation of 40 CFR 68.71(b), which language has been incorporated by reference in LAC 33:III.5901.A, Title V Permit No. 2359-V5AA, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2). At the time of the inspection, the new system had been put in place, and all the operators had received refresher training.
- B. Prior to the fixed equipment inspection program, initiated in 2013, the inspection process for corrosion monitoring and visual inspections failed to meet recognized and generally accepted good engineering practices for inspection procedures and the frequency of inspections. The Department's inspection noted that prior to 2013, there was no systematic calculations of long or short term corrosion rates or remaining life for vessels or pipe lines. Specifically, corrosion monitoring locations were not repeatable leaving the gathered measurements deficient for predicting valid long term corrosion rates. Visual inspections were not conducted by American Petroleum Institute (API) certified inspectors, and identification of visually inspected areas was not definitive enough to assure that all piping was inspected. The following specific information was noted for the equipment reviewed during the inspection:
  1. Corrosion monitoring was not conducted on pipe asset numbers 42-10578, 42-10576, and 42-10561 prior to 2013 and visual inspections did not comply with recognized and generally accepted good engineering practice.
  2. Visual inspections and corrosion monitoring were not conducted on Vessel C-31103 prior to 2013.
  3. Visual Inspections had not been conducted on Tank T-31208 at the time of the inspection.
  4. Corrosion rates were not calculated or consistent corrosion monitoring locations (CMLSs) were not established to provide measurement repeatability or establish valid long term corrosion rates for Vessel C-31103 and Tank T-31208 prior to 2013.



5. Corrosion monitoring was not conducted within ten (10) years of the 1995 corrosion data for Tank T-31208.
6. Limited corrosion data was acquired for Tank T-31208 in 2011. The data did not meet good engineering practices for the evaluation of long term corrosion rates.
7. Corrosion monitoring was not performed within the time limits allowed by good engineering practices for the absorber, asset no. 67158.

Each failure to follow recognized and generally accepted good engineering practices for inspection procedures and the frequency of inspections is a violation of 40 CFR 68.73(d), which language has been incorporated by reference in LAC 33:III.5901.A, Title V Permit No. 2359-V5, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

#### IV.

The Respondent submitted Title V Semiannual reports and Unauthorized Discharge Notification Reports for 2013 and 2014 as listed in Compliance Order Paragraph III. The reports were inadequate in their level of detail for the Department to make a violation determination. Therefore, the Department requires the information ordered in Compliance Order Paragraph III to make a final determination.

### COMPLIANCE ORDER

Based on the foregoing, the Respondent is **hereby ordered**:

#### I.

To take, immediately upon receipt of this **COMPLIANCE ORDER**, any and all steps necessary to meet and maintain compliance with the Act, Air Quality Regulations and all applicable permits.

#### II.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, documentation demonstrating that SRV are being monitored using Method 21 as referenced in Findings of Fact Paragraph II.H.

#### III.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, a written report that includes the information as denoted by an asterisk (\*) in the following table:

REPORT (date)	PERMIT or UNIT	EMISSION POINT	DATE (duration)	DESCRIPTION
2013 First Semiannual Monitoring Report (9/16/2013) 2013 Second Semiannual Monitoring Report (3/26/2014)	897-V4	PHH Atmospheric Scrubber (EQT081)	2013	HCl emissions exceeded the maximum lb/hr permit limit for 50 occurrences from February to June and 8 occurrences from October to December. <b>*Report HCl emissions for each incident.</b>
2013 Second Semiannual Monitoring Report (3/26/2014)	2040-V5AA	No. 1 and No. 2 Incinerators/ Scrubbers (EQT261)	12/13/2013	The CO emission standard of 100 ppm was exceeded when the vents were transferred from the No. 3 HAF to the No. 2 Incinerator. The AWFCO occurred as designed and hazardous waste was not in the combustion chamber longer than the 3.3 second residence time. Reportedly, the proper response to the event was discussed with the operator. <b>*Report root cause. Was this preventable?</b>
Unauthorized Discharge Notification Report (7/18/2013)	Triethane unit	N/A	7/17/2013	The East HCl compressor failed causing the compressor to shift on its concrete base. The resulting misalignment caused the HCl discharge header to come apart releasing approximately 2,462 lbs of HCl and 29 lbs of vinyl chloride. <b>*Report root cause of failure.</b>
Unauthorized Discharge Notification Report (10/10/2013)	Not Reported	N/A	10/7/2013 (5 min)	During start-up preparations following routine maintenance activity, operations discovered a feed pipeline leaking. Approximately 114 lbs of EDC was released to the atmosphere. <b>*Report root cause of leak and date of last inspection conducted on this section of pipeline. Describe inspection and maintenance procedures/schedule.</b>
Unauthorized Discharge Notification Report (9/5/2014)	Not Reported	N/A	8/29/2014	Reportedly, a safety release valve on the MC Product Still relieved for three (3) minutes due to unexpected excess pressure on the system. To prevent recurrence, the Respondent intends to review the standard operating procedure and revise it if necessary. Reportedly, 1,164 lbs of 1,1,1 trichloroethane and 1,164 lbs of HCl were released as a result of the incident. <b>*Report root cause of excess pressure.</b>
2014 First Semiannual Monitoring Report (9/29/2014)	2359-V5AA	Complex Support Facilities (UNF001)	Not Reported	The Respondent reported the MOC procedures were not followed and some LDAR components were installed without conducting an MOC review. <b>*Report duration of violation. Report number of components installed without the appropriate MOC review.</b>
2014 First Semiannual Monitoring Report (9/29/2014)	2040-V5AA	No. 3 HAF/Scrubbers (EQT393)	2/23/2014 3/29/2014	The CO emission standard of 100 ppm maximum hourly average was exceeded due to liquids in the vent line or header. The Respondent reported additional measures are being taken to ensure that liquids are removed. The AWFCO functioned as designed and hazardous waste was not in the combustion chamber longer than the 3.3 second residence time. <b>*Report cause of liquids in vent lines or header, describe the additional measures referenced, and report why these measures were not taken prior to the incidents. Were these events preventable?</b>

## IV.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, documentation demonstrating that the SSM Plan has been revised as referenced in Findings of Fact Paragraph II.I.

V.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, emissions reports from February to June 2013 as referenced in Findings of Fact Paragraph II.D.

VI.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, documentation demonstrating that the corrosion monitoring and visual inspections follow a recognized and generally accepted good engineering practices as referenced in Findings of Fact Paragraph III. B.

VII.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, a written report that includes a detailed description of the circumstances surrounding the cited violations and actions taken or to be taken to achieve compliance with the Order Portion of this **COMPLIANCE ORDER**. This report and all other reports or information required to be submitted to the Enforcement Division by this **COMPLIANCE ORDER** shall be submitted to:

Office of Environmental Compliance  
Post Office Box 4312  
Baton Rouge, Louisiana 70821-4312  
Attn: **Christopher Clement**  
Re: **Enforcement Tracking No. AE-CN-14-00467**  
**Agency Interest No. 1255**

**THE RESPONDENT SHALL FURTHER BE ON NOTICE THAT:**

I.

The Respondent has a right to an adjudicatory hearing on a disputed issue of material fact or of law arising from this **COMPLIANCE ORDER**. This right may be exercised by filing a written request with the Secretary no later than thirty (30) days after receipt of this **COMPLIANCE ORDER**.

II.

The request for an adjudicatory hearing shall specify the provisions of the **COMPLIANCE ORDER** on which the hearing is requested and shall briefly describe the basis for the request. This request should reference the Enforcement Tracking Number and Agency Interest Number, which are located in the upper right-hand corner of the first page of this document and should be directed to the following:

Department of Environmental Quality  
Office of the Secretary  
Post Office Box 4302  
Baton Rouge, Louisiana 70821-4302  
**Attn: Hearings Clerk, Legal Division**  
**Re: Enforcement Tracking No. AE-CN-14-00467**  
**Agency Interest No. 1255**

III.

Upon the Respondent's timely filing a request for a hearing, a hearing on the disputed issue of material fact or of law regarding this **COMPLIANCE ORDER** may be scheduled by the Secretary of the Department. The hearing shall be governed by the Act, the Administrative Procedure Act (La. R.S. 49:950, et seq.), and the Department's Rules of Procedure. The Department may amend or supplement this **COMPLIANCE ORDER** prior to the hearing, after providing sufficient notice and an opportunity for the preparation of a defense for the hearing.

IV.

This **COMPLIANCE ORDER** shall become a final enforcement action unless the request for hearing is timely filed. Failure to timely request a hearing constitutes a waiver of the Respondent's right to a hearing on a disputed issue of material fact or of law under Section 2050.4 of the Act for the violation(s) described herein.

V.

The Respondent's failure to request a hearing or to file an appeal or the Respondent's withdrawal of a request for hearing on this **COMPLIANCE ORDER** shall not preclude the Respondent from contesting the findings of facts in any subsequent penalty action addressing the same violation(s), although the Respondent is estopped from objecting to this **COMPLIANCE ORDER** becoming a permanent part of its compliance history.

VI.

Civil penalties of not more than twenty-seven thousand five hundred dollars (\$27,500) for each day of violation for the violation(s) described herein may be assessed. For violations which occurred on August 15, 2004, or after, civil penalties of not more than thirty-two thousand five hundred dollars (\$32,500) may be assessed for each day of violation. The Respondent's failure or refusal to comply with this **COMPLIANCE ORDER** and the provisions herein will subject the Respondent to possible enforcement procedures under La. R.S. 30:2025, which could result in the assessment of a civil penalty

in an amount of not more than fifty thousand dollars (\$50,000) for each day of continued violation or noncompliance.

VII.

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

**NOTICE OF POTENTIAL PENALTY**

I.

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.

II.

Prior to the issuance of additional appropriate enforcement action(s), 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 Christopher Clement at (225) 219-3748 within ten (10) days within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**.

III.

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 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 violation(s) 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 that 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.

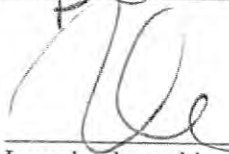
IV.

The Department assesses civil penalties based on LAC 33:I.Subpart1.Chapter7. To expedite closure of this **NOTICE OF POTENTIAL PENALTY** portion, 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 "**CONSOLIDATED COMPLIANCE ORDER AND NOTICE OF POTENTIAL PENALTY REQUEST TO CLOSE**" 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.

V.

This **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is effective upon receipt.

Baton Rouge, Louisiana, this 21<sup>st</sup> day of December, 2018.

  
\_\_\_\_\_  
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  
P.O. Box 4312  
Baton Rouge, LA 70821-4312  
Attention: Christopher Clement

LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY  
 OFFICE OF ENVIRONMENTAL COMPLIANCE  
 ENFORCEMENT DIVISION CONSOLIDATED COMPLIANCE ORDER &  
 POST OFFICE BOX 4312 NOTICE OF POTENTIAL PENALTY  
 BATON ROUGE, LOUISIANA 70821-4312 REQUEST TO CLOSE



Enforcement Tracking No.	AE-CN-14-00467	Contact Name	Christopher Clement
Agency Interest (AI) No.	1255	Contact Phone No.	(225) 219-3748
Alternate ID No.	0520-00004		
Respondent:	<b>EAGLE US 2 LLC</b>	Facility Name:	Lake Charles Complex
	c/o C T Corporation System	Physical Location:	U.S. Interstate 10 and east of U.S. Interstate 220 in Lake Charles
	Agent for Service of Process		
	3867 Plaza Tower Dr.	City, State, Zip:	Lake Charles
Baton Rouge, LA 70816	Parish:	Calcasieu, Louisiana 70669	

**STATEMENT OF COMPLIANCE**

STATEMENT OF COMPLIANCE	Date Completed	Copy Attached?
All necessary documents were submitted to the Department within 30 days of receipt of the COMPLIANCE ORDER in accordance with Paragraphs II through VI of the "Order" portion of the COMPLIANCE ORDER.		
All necessary documents were submitted to the Department within 30 days of receipt of the COMPLIANCE ORDER in accordance with Paragraph VII of the "Order" portion of the COMPLIANCE ORDER.		
All items in the "Findings of Fact" portion of the COMPLIANCE ORDER were addressed and the facility is being operated to meet and maintain the requirements of the "Order" portion of the COMPLIANCE ORDER. Final compliance was achieved as of:		

**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 CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY (AE-CN-14-00467), 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 CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY (AE-CN-14-00467), 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"> <li>• Monetary component = \$ _____</li> <li>• Beneficial Environmental Project (BEP) component (optional)= \$ _____</li> <li>• <b>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.</b></li> </ul>
<input type="checkbox"/>	The Respondent has reviewed the violations noted in CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY (AE-CN-14-00467) 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*

<i>other facility I own or operate. I further certify that I am either the Respondent or an authorized representative of the Respondent.</i>		
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: Christopher Clement		

If you have questions or need more information, you may contact Christopher Clement at (225) 219-3748 or [christopher.clement@la.gov](mailto:christopher.clement@la.gov)