

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

SASOL CHEMICALS (USA) LLC

AI # 3271, 86057

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

* Settlement Tracking No.
* SA-WE-21-0023
*
* Enforcement Tracking No.
* WE-CN-17-01049
*
*
* Docket No. 2021-513-DEQ
*

SETTLEMENT

The following Settlement is hereby agreed to between Sasol Chemicals (USA) LLC (“Respondent”) and the Department of Environmental Quality (“DEQ” or “the Department”), under authority granted by the Louisiana Environmental Quality Act, La. R.S. 30:2001, et seq. (“the Act”).

I

Respondent is a limited liability company that owns and/or operates a chemical production facility located in Westlake, Calcasieu Parish, Louisiana (“the Facility”).

II

On September 23, 2019, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. WE-CN-17-01049 (Exhibit 1).

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

A file review conducted by the Department on or about July 14, 2020, revealed that the Respondent had the following unauthorized discharge:

Date	Description of Discharge	Amount Discharged	Receiving Stream
12/11/2019	Potentially contaminated storm water that bypassed treatment due to a leak in an underground pipe	1.2 million gallons	Bayou Verdine

The unauthorized discharge is a violation of La. R.S. 30:2076 (A)(1)(a), and LAC 33:IX.501.D.

File reviews conducted by the Department on or about July 14, 2020, and December 17, 2020, revealed that the Respondent exceeded effluent limitations. These effluent limitation exceedances, as reported by the Respondent on Discharge Monitoring Reports (DMRs), are summarized in the following table:

MP End Date	Outfall	Parameter	Limit	DMR Value
LA0003336 – AI 3271				
11/30/2019	081-A	BOD, 5-day, 20 deg. C --- MO AVG - lb/d	920	> 156
		BOD, 5-day, 20 deg. C --- DAILY MX - lb/d	2371	> 401
01/31/2020	081-A	BOD, 5-day, 20 deg. C --- DAILY MX - lb/d	2371	> 397
06/30/2020	081-A	BOD, 5-day, 20 deg. C --- MO AVG - lb/d	920	> 313
		BOD, 5-day, 20 deg. C --- DAILY MX - lb/d	2371	> 644
07/31/2020	081-A	BOD, 5-day, 20 deg. C --- MO AVG - lb/d	920	> 233
		BOD, 5-day, 20 deg. C --- DAILY MX - lb/d	2371	> 761

Each effluent exceedance is a violation of LPDES permit LA0003336 (Effluent Limitations and Monitoring Requirements, Page 38; and Standard Conditions for Louisiana Pollutant Discharge Elimination System Permits, Section A.2), La. R.S. 30:2076(A)(3), and LAC 33:IX.501.A.

III

In response to the Consolidated Compliance Order & Notice of Potential Penalty, Respondent made a timely request for a hearing.

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 THOUSAND AND NO/100 DOLLARS (\$30,000.00), of which One Thousand Nine Hundred Twelve and 76/100 Dollars (\$1,912.76) 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 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.

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 fourteen (14) 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.

SASOL CHEMICALS (USA) LLC

BY: [Signature]
(Signature)

ERIC STOUWER
(Printed)

TITLE: Senior Vice President - Americas Chemicals

THUS DONE AND SIGNED in duplicate original before me this 8th day of July, 20 21, at Sasol, Houston office

[Signature]
NOTARY PUBLIC (ID # 125575572)



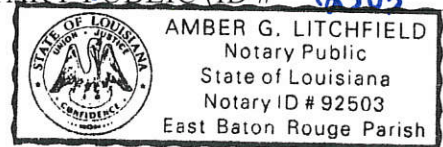
VERONICA C. PEREZ
(stamped or printed)

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

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

THUS DONE AND SIGNED in duplicate original before me this 17th day of September, 20 21, at Baton Rouge, Louisiana.

[Signature]
NOTARY PUBLIC (ID # 92503)



(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

September 23, 2019

CERTIFIED MAIL (7017 0530 0000 5978 9968)
RETURN RECEIPT REQUESTED

SASOL CHEMICALS (USA) LLC
c/o C T Corporation System
Agent for Service of Process
3867 Plaza Tower Drive
Baton Rouge, Louisiana 70816

**RE: CONSOLIDATED COMPLIANCE ORDER
& NOTICE OF POTENTIAL PENALTY
ENFORCEMENT TRACKING NO. WE-CN-17-01049
AGENCY INTEREST NO. 3271; 86057**

Dear Sir:

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 **SASOL CHEMICALS (USA) 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 Bernie Boyett at (225) 219-0783.

Sincerely,

Celena J. Cage
Administrator
Enforcement Division

CJC/BKB/bkb
Alt ID.No. LA0003336; LAG420067; LAG679012
Attachments

c: e-copy-LDH/Office of Public Health



**STATE OF LOUISIANA
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE**

IN THE MATTER OF

**SASOL CHEMICALS (USA) LLC
CALCASIEU PARISH
ALT ID NO. LA0003336**

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

*
*
* **ENFORCEMENT TRACKING NO.**
*
* **WE-CN-17-01049**
*
* **AGENCY INTEREST NO.**
*
* **3271; 86057**
*

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

The following **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is issued to **SASOL CHEMICALS (USA) 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) and 30:2050.2.

FINDINGS OF FACT

I.

The Respondent owns and/or operates the Lake Charles Chemical Complex, a chemical production facility located at 2201 Old Spanish Trail in Westlake, Calcasieu Parish, Louisiana. The Respondent was issued Louisiana Pollutant Discharge Elimination System (LPDES) permit LA0003336 on May 23, 2014, with an effective date of May 23, 2014, and an expiration date of May 22, 2019. The Department issued a Major Modification to LPDES permit LA0003336 on December 13, 2017, with an effective date of December 13, 2017, and an expiration date of May 22, 2019. On or about November 13, 2018, the Department granted an extension of the

LPDES renewal application due date to December 23, 2018, via email. The Respondent submitted the LPDES permit renewal application to the Department on or about December 17, 2018. Under the terms and conditions of LPDES permit LA0003336, the Respondent is authorized to discharge process wastewater and process area storm water, utility wastewaters consisting of, but not limited to, cooling tower blowdown and boiler blowdown, groundwater remediation wastewater, sanitary wastewater, hydrostatic test wastewater, and non-process area storm water runoff to the Calcasieu River – Subsegment 030301 (Outfalls 001, C01, 081, and C81), and Bayou Verdine in Subsegment 030306 (Outfalls B01, 002, 004, 008, 030, 082, 083, 084, 085, 086, 087, 088, 089, 090, and 091), waters of the state. The Respondent was granted coverage under the following general permits:

Permit #	Description	Effective Date	Expiration Date	Receiving Stream
LAG679012	LPDES General Permit for Discharges of Hydrostatic Test and Vessel Testing Wastewater	04/13/2018	03/22/2023	Statewide Pipeline Operations
LAG420067	LPDES Short-Term and Emergency Discharges	06/12/2018	09/27/2018	Bayou Verdine
	LPDES General Permit LAG420067 Modification	09/28/2018	12/11/2018	
	LPDES General Permit LAG420067 Reissued	01/10/2019	06/11/2019	

All of the general permits listed in the above table discharge to waters of the state. LPDES general permit LAG679012 is a statewide permit and covers operations located in multiple parishes. LPDES general permit LAG679012 is under AI # 86057. All other permits mentioned above are under AI # 3271.

II.

Inspections conducted by the Department on or about May 1, 2015, September 30, 2016, September 25, 2018, and a subsequent file review conducted by the Department on or about August 5, 2019, revealed that the Respondent had the following unauthorized discharges:

Date	Description of Discharge	Amount Discharged	Receiving Stream
04/17/2015	Ethylene Oxide Released Due to Improper Mixing of Chemicals	715 lbs.	Local drainage, thence Fabacher Ditch, thence Bayou Verdine, thence the Calcasieu River
	Alcohol 1412 Released Due to Improper Mixing of Chemicals	371 lbs.	
04/30/2016	Process Area Storm Water Bypassed Treatment Due to Excessive Rainfall	2,300 gallons	Fabacher Ditch, thence Bayou Verdine
03/29/2017	Untreated Sanitary Wastewater Released Due to Heavy Rains	500 gallons	West Ditch, thence Bayou Verdine
	Lime Released Due to Heavy Rains	58 lbs.	

Date	Description of Discharge	Amount Discharged	Receiving Stream
06/05/2017	Flammable Liquid Solvent Stripper Overhead Released due to an Open Bleeder Line	1,069 lbs.	Fabacher Ditch, thence Bayou Verdine
08/31/2017	Untreated Sanitary Wastewater Released Due to a Cracked Sewer Line	~50 gallons	Fabacher Ditch, thence Bayou Verdine
02/23/2018	Untreated Sanitary Wastewater Released Due to a Leak in the Sewer Hub	~231 lbs.	West Ditch, thence Bayou Verdine
05/22/2019	Condensate Containing Ethyl Alcohol Released Due to a Broken Flange	~463 gallons	Fabacher Ditch, thence Bayou Verdine

The release of Ethylene Oxide and Alcohol 1412 on April 17, 2015, resulted in the death of approximately ten to fifteen fish in Fabacher Ditch. The species included in the fish kill were Largemouth Bass, Bream, and Gar. None of the dead fish were larger than six inches. Each unauthorized discharge is a violation of La. R.S. 30:2076 (A)(1)(a), and LAC 33:IX.501.D. The destruction of fish is a violation of La. R.S. 30:2076 (A)(3), LAC 33:IX.501.A, LAC 33:IX.1113.B.1.d, and LAC 33:IX.1113.B.5. The failure to properly operate and maintain equipment is a violation of LPDES permit LA0003336 (Part III, Sections A.2 and B.3.a), La. R.S. 30:2076 (A)(3), and LAC 33:IX.2701.E.

III.

Inspections conducted by the Department on or about September 30, 2016, September 25, 2018, and a subsequent file review conducted by the Department on or about August 5, 2019, revealed that the Respondent exceeded effluent limitations. These effluent limitation exceedances, as reported by the Respondent on DMRs, are summarized in the following table:

Monitoring Period End Date	Outfall	Parameter	Permit Limit	Reported Value
LA0003336 – AI 3271				
06/30/2015	001Q	Fecal Coliform (Monthly Avg.) – col/100mL	200	756
		Fecal Coliform (Daily Max.) – col/100mL	400	1600
12/31/2015	001Q	Hexachlorobenzene (Monthly Avg.) – lbs/day	.0049	.11
		Hexachlorobenzene (Daily Max.) – lbs/day	.0120	.11
02/29/2016	001A	Solids, total suspended (Monthly Avg.) – lbs/day	841	858
04/30/2016	001A	pH range excursions > 60 minutes – occur/mo	0	3
05/31/2016	001A	Solids, total suspended (Daily Max.) – lbs/day	2510	6231
06/30/2016	001Q	Fecal Coliform (Monthly Avg.) – col/100mL	200	300

Monitoring Period End Date	Outfall	Parameter	Permit Limit	Reported Value
LA0003336 – AI 3271				
06/30/2017	002Q	Carbon, total organic (Daily Max.) – mg/L	50	70.6
		Oil and grease (Daily Max.) – mg/L	15	20.5
06/30/2017	004Q	Mercury, total - (Monthly Avg.) – lbs/day	.0013	.0019
		Mercury, total - (Daily Max.) – lbs/day	.0032	.019
06/30/2018	H82Q	Solids, total suspended (Daily Max.) – mg/L	135	136
03/31/2019	001A	BOD, 5-day – (Monthly Avg.) - lbs/day	579	>349
		BOD, 5-day – (Daily Max.) - lbs/day	1488	>746
	081A	pH range excursions > 60 minutes – occur/mo	0	1
	B01Q	Copper, total - (Monthly Avg.) – lbs/day	.06	.19
Copper, total - (Daily Max.) – lbs/day		.14	.19	
06/30/2019	B01Q	Copper, total - (Monthly Avg.) – lbs/day	.06	.51
		Copper, total - (Daily Max.) – lbs/day	.14	.51
		Nickel, total - (Monthly Avg.) – lbs/day	.25	.5
		Fecal Coliform (Daily Max.) – col/100mL	400	427

Each effluent exceedance is a violation of LPDES permit LA0003336 (Effluent Limitations and Monitoring Requirements, Pages 2, 3, 78, and 82 of 83 prior to December 13, 2017, and Pages 20, 29, 30, 38, 79, 81, 84 of 85 after December 13, 2017; and Part III, Section A.2), La. R.S. 30:2076(A)(3), and LAC 33:IX.501.A.

IV.

A file review conducted by the Department on or about August 5, 2019, revealed that the Respondent exceeded effluent limitations. These effluent limitation exceedances, as reported by the Respondent on DMRs, are summarized in the following table:

Monitoring Period End Date	Outfall	Parameter	Permit Limit	Reported Value
LAG420067 – AI 3271				
07/31/2018	001A	Solids, total suspended (Daily Max.) – mg/L	45	450
		Solids, total suspended (Monthly Avg.) – mg/L	30	450
08/31/2018	001A	pH Minimum – SU	6	3.6
		Solids, total suspended (Daily Max.) – mg/L	45	442
		Solids, total suspended (Monthly Avg.) – mg/L	30	147.3
10/31/2018	004A	Carbon, tot organic (Daily Max.) – mg/L	50	100
		Solids, total suspended (Daily Max.) – mg/L	45	83
		Solids, total suspended (Monthly Avg.) – mg/L	30	35
04/30/2019	001A	Solids, total suspended (Daily Max.) – mg/L	45	115
		Solids, total suspended (Monthly Avg.) – mg/L	30	60
05/31/2019	001A	Solids, total suspended (Daily Max.) – mg/L	45	345
		Solids, total suspended (Monthly Avg.) – mg/L	30	180.5

Each effluent exceedance is a violation of LPDES permit LAG420067 (Part I, Section B, Schedule E, Page 16 of 30; Part I, Section B, Schedule H, Page 21 of 30; and Part III, Section A.2), La. R.S. 30:2076(A)(3), and LAC 33:IX.501.A.

V.

A file review conducted by the Department on or about August 5, 2019, revealed that the Respondent exceeded an effluent limitation. This effluent limitation exceedance, as reported by the Respondent on a DMR, is summarized in the following table:

Monitoring Period End Date	Outfall	Parameter	Permit Limit	Reported Value
LAG679012 – AI 86057				
09/30/2018	001Q	Solids, total suspended (Daily Max.) – mg/L	90	506

The effluent exceedance is a violation of LPDES permit LAG679012 (Part I, Section B, Page 8 of 14; and Part III, Section A.2), La. R.S. 30:2076(A)(3), and LAC 33:IX.501.A.

VI.

A file review conducted by the Department on or about August 5, 2019, revealed that the Respondent failed to sample in accordance with LPDES permit LA0003336 for the following parameters:

Monitoring Period End Date	Outfall	Parameter	Frequency
03/31/2015	001Q	Coliform, fecal general	1/Qtr.
12/31/2015	001B	Nitrogen, ammonia total [as N]	1/60 Days
		Carbon tetrachloride	
		1,2-Dichloroethane	
		Chloroform	
		Toluene	
		Benzene	
		Chlorobenzene	
		Ethylbenzene	
		Methyl chloride [Chloromethane]	
		Methylene chloride	
		1,1-Dichloroethane	
		1,1,1-Trichloroethane	
		1,1,2-Trichloroethane	
Vinyl chloride			
Chloroethane			
06/30/2017	001Q	Benzo[a]pyrene	1/Qtr.
		Hexachlorobutadiene	
		Benzo[a]anthracene	
		Hexachlorobenzene	

Monitoring Period End Date	Outfall	Parameter	Frequency
10/31/2018	081B	Nitrogen, ammonia total [as N]	1/60 Days
		Carbon tetrachloride	
		1,2-Dichloroethane	
		Chloroform	
		Toluene	
		Benzene	
		Chlorobenzene	
		Ethylbenzene	
		Methyl chloride [Chloromethane]	
		Methylene chloride	
		1,1-Dichloroethane	
		1,1,1-Trichloroethane	
		1,1,2-Trichloroethane	
		Vinyl chloride	
		Chloroethane	
03/31/2019	081Q	Fecal Coliform	1/90 Days

Each failure to sample is a violation of LPDES permit LA0003336 (Effluent Limitations and Monitoring Requirements, Pages 2 and 3 of 83 prior to December 13, 2017, and Pages 38 and 39 of 85 after December 13, 2017; and Part III, Sections A.2, and C.2), La. R.S. 30:2076 (A)(3), and LAC 33:IX.501.A.

COMPLIANCE ORDER

Based on the foregoing, the Respondent is hereby ordered:

I.

To immediately take, upon receipt of this **COMPLIANCE ORDER**, any and all steps necessary to achieve and maintain compliance with LPDES permit LA0003336, LAG420067, LAG679012, and the Water Quality Regulations including, but not limited to, ceasing all unauthorized discharges, complying with all effluent limitations, and sampling as required by the permits.

II.

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
Attention: Bernie Boyett
Enforcement Tracking No. WE-CN-17-01049
Agency Interest No. 3271

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. WE-CN-17-01049
Agency Interest No. 3271

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's (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 Bernie Boyett at (225) 219-0783 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.

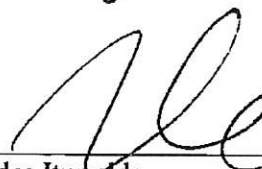
IV.

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 23rd day of September, 2019.



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: Bernie Boyett



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**

Enforcement Tracking No.	WE-CN-17-01049	Contact Name	Bernie Boyett
Agency Interest (AI) No.	3271	Contact Phone No.	(225) 219-0783
Alternate ID No.	LA0003336; LAG420067; LAG679012		
Respondent:	SASOL CHEMICALS (USA) LLC	Facility Name:	Lake Charles Chemical Complex
	c/o C T Corporation System	Physical Location:	2201 Old Spanish Trail
	Agent for Service of Process		
	3867 Plaza Tower Drive	City, State, Zip:	Westlake, LA 70669
	Baton Rouge, Louisiana 70816	Parish:	Calcasieu

STATEMENT OF COMPLIANCE

STATEMENT OF COMPLIANCE	Date Completed	Copy Attached?
A written report was submitted in accordance with Paragraph II 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)

_____	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.
_____	In order to resolve any claim for civil penalties for the violations in NOTICE OF POTENTIAL PENALTY (WE-CN-17-01049) , 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 (WE-CN-17-01049) , the Respondent is interested in entering into settlement negotiations with the Department and offers to pay \$ _____ which shall include LDEQ enforcement costs and any monetary benefit of non-compliance. <ul style="list-style-type: none"> • Monetary component = \$ _____ • Beneficial Environmental Project (BEP) component (optional)= \$ _____ • DO NOT SUBMIT PAYMENT OF THE OFFER WITH THIS FORM- the Department will review the settlement offer and notify the Respondent as to whether the offer is or is not accepted.
	The Respondent has reviewed the violations noted in NOTICE OF POTENTIAL PENALTY (WE-CN-17-01049) 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:		
<p>Louisiana Department of Environmental Quality Office of Environmental Compliance Enforcement Division P.O. Box 4312 Baton Rouge, LA 70821 Attn: Bernie Boyett</p>		

SETTLEMENT AGREEMENTS

WHAT IS A SETTLEMENT AGREEMENT?

Once the Department has determined that a penalty is warranted for a violation, the Assistant Secretary of the Department, with the concurrence of the Attorney General, may enter into a settlement agreement with the Respondent as a means to resolve the Department's claim for a penalty.

HOW DOES THE SETTLEMENT AGREEMENT PROCESS WORK?

To begin the settlement agreement process, the Department must receive a written settlement offer. Once this offer is submitted, it is sent for approval by the Assistant Secretary of the Office of Environmental Compliance. The formal Settlement Agreement is drafted and sent to the Attorney General's office where the Attorney General has a 90 day concurrence period. During this time, the Respondent is required to run a public notice in an official journal and/or newspaper of general circulation in each affected parish. After which, a 45 day public comment period is opened to allow the public to submit comments. Once the Department has received concurrence, the settlement agreement is signed by both parties. The Department then forwards a letter to the responsible party to establish a payment plan and/or beneficial environmental project (BEP).

WHAT SHOULD I INCLUDE IN A SETTLEMENT AGREEMENT?

The Department uses the penalty determination method defined in LAC 33:1.705 as a guideline to accepting settlement offers. The penalty matrix is used to determine a penalty range for each violation based on the two violation specific factors, the nature and gravity of the violation and the degree of risk/impact to human health and property.

	NATURE AND GRAVITY OF THE VIOLATION		
	MAJOR	MODERATE	MINOR
MAJOR	\$32,500 to \$20,000	\$20,000 to \$15,000	\$15,000 to \$11,000
	MODERATE	\$11,000 to \$8,000	\$8,000 to \$5,000
MINOR	\$3,000 to \$1,500	\$1,500 to \$500	\$500 to \$100

Degree of Risk to Human Health or Property

Major: (actual measurable harm or substantial risk of harm) A violation of major impact to an environmental resource or a hazard characterized by high volume and/or frequent occurrence and/or high pollutant concentration.

Moderate: (potential for measurable detrimental impact) A violation of moderate impact and hazard may be one characterized by occasional occurrence and/or pollutant concentration that may be expected to have a detrimental effect under certain conditions

Minor: (no harm or risk of harm) A violation of minor impact are isolated single incidences and that cause no measurable detrimental effect or are administrative in nature.

Nature and Gravity of the Violation

Major: Violations of statutes, regulations, orders, permit limits, or permit requirements that result in negating the intent of the requirement to such an extent that little or no implementation of requirements occurred.

Moderate: Violations that result in substantially negating the intent of the requirements, but some implementation of the requirements occurred.

Minor: Violations that result in some deviation from the intent of the requirement; however, substantial implementation is demonstrated.

The range is adjusted using the following violator specific factors:

1. history of previous violations or repeated noncompliance;
2. gross revenues generated by the respondent;
3. degree of culpability, recalcitrance, defiance, or indifference to regulations or orders;
4. whether the Respondent has failed to mitigate or to make a reasonable attempt to mitigate the damages caused by the violation; and
5. whether the violation and the surrounding circumstances were immediately reported to the department, and whether the violation was concealed or there was an attempt to conceal by the Respondent.



SETTLEMENT AGREEMENTS

Given the previous information, the following formula is used to obtain a penalty amount.

$$\text{Penalty Event Total} = \text{Penalty Event Minimum} + (\text{Adjustment Percentage} \times [\text{Penalty Event Maximum} - \text{Penalty Event Minimum}])$$

After this, the Department adds any monetary benefit of noncompliance to the penalty event. In the event that a monetary benefit is gained due to the delay of a cost that is ultimately paid, the Department adds the applicable judicial interest. Finally, the Department adds all response costs including, but not limited to, the cost of conducting inspections, and the staff time devoted to the preparation of reports and issuing enforcement actions.

WHAT IS A BEP?

A BEP is a project that provides for environmental mitigation which the respondent is not otherwise legally required to perform, but which the defendant/respondent agrees to undertake as a component of the settlement agreement.

Project categories for BEPs include public health, pollution prevention, pollution reduction, environmental restoration and protection, assessments and audits, environmental compliance promotion, and emergency planning, preparedness and response. Other projects may be considered if the Department determines that these projects have environmental merit and is otherwise fully consistent with the intent of the BEP regulations.

WHAT HAPPENS IF MY OFFER IS REJECTED?

If an offer is rejected by the Assistant Secretary, the Legal Division will contact the responsible party, or anyone designated as an appropriate contact in the settlement offer, to discuss any discrepancies.

WHERE CAN I FIND EXAMPLES AND MORE INFORMATION?

Settlement Offers	searchable in EDMS using the following filters Media: Air Quality, Function: Enforcement; Description: Settlement
Settlement Agreements	Enforcement Division's website specific examples can be provided upon request
Penalty Determination Method	LAC 33:1 Chapter 7
Beneficial Environmental Projects	LAC 33:1 Chapter 25 FAQs
Judicial Interest.....	provided by the Louisiana State Bar Association

