

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

CHEMTRADE REFINERY SERVICES INC.

AI # 2340

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

\* Settlement Tracking No.  
\* SA-AE-22-0054  
\*  
\* Enforcement Tracking Nos.  
\* AE-CN-17-00164  
\* AE-CN-17-00164A  
\* AE-PP-20-00480  
\*  
\*  
\* Docket No. 2020-8247-DEQ  
\*

SETTLEMENT

The following Settlement is hereby agreed to between Chemtrade Refinery Services Inc. (“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 corporation that owned and/or operated a sulfuric acid manufacturing facility located in Shreveport, Caddo Parish, Louisiana (“the Facility”).

II

On June 26, 2019, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement Tracking No. AE-CN-17-00164 (Exhibit 1).

On December 10, 2020, the Department issued to Respondent an Amended Consolidated Compliance Order & Notice of Potential Penalty, Enforcement Tracking No. AE-CN-17-00164A (Exhibit 2).

On May 5, 2021, the Department issued to Respondent a Notice of Potential Penalty,

Enforcement Tracking No. AE-PP-20-00480 (Exhibit 3).

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 Five Thousand Two Hundred Ninety-Seven and 16/100 Dollars (\$5,297.16) 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, Amended Consolidated Compliance Order & Notice of Potential Penalty, 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 Caddo 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 ten (10) days from notice of the Secretary's signature. If payment is not received within that time, this Agreement is voidable at the option of the Department. Payments are to be made by check, payable to the Department of Environmental Quality, and mailed or delivered to the attention of Accountant Administrator, Financial Services Division, Department of Environmental Quality, Post Office Box 4303, Baton Rouge, Louisiana, 70821-4303. Each payment shall be accompanied by a completed Settlement Payment Form (Exhibit A).

## 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.

**CHEMTRADE REFINERY SERVICES INC.**

BY: \_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Printed)

TITLE: \_\_\_\_\_

THUS DONE AND SIGNED in duplicate original before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_, at \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC (ID # \_\_\_\_\_)

\_\_\_\_\_  
(stamped or printed)

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

BY: \_\_\_\_\_  
Celena J. Cage, Assistant Secretary  
Office of Environmental Compliance

THUS DONE AND SIGNED in duplicate original before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_, at Baton Rouge, Louisiana.

\_\_\_\_\_  
NOTARY PUBLIC (ID # \_\_\_\_\_)

\_\_\_\_\_  
(stamped or printed)

Approved:   
\_\_\_\_\_  
Celena J. Cage, Assistant Secretary



JOHN BEL EDWARDS  
GOVERNOR

CHUCK CARR BROWN, PH.D.  
SECRETARY

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

June 26, 2019

CERTIFIED MAIL (7016 2140 0000 5132 7522)  
RETURN RECEIPT REQUESTED

**CHEMTRADE REFINERY SERVICES INC.**  
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-17-00164  
AGENCY INTEREST NO. 2340**

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 **CHEMTRADE REFINERY SERVICES INC. (RESPONDENT)** for the violation(s) described therein.

Compliance is expected within the maximum time period established by each part of the **COMPLIANCE ORDER**. The violation(s) 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 Dr. Jacqueline Prudente at (225) 219-3347 or [Jacqueline.prudente@la.gov](mailto:Jacqueline.prudente@la.gov).

Sincerely,

Celena J. Cage  
Administrator  
Enforcement Division



CJC/JAP/jap  
Alt ID No. 0500-00003  
Attachment

c: Chemtrade Refinery Services Inc.  
c/o Danielle Rodriguez  
P.O. Box 52147  
Shreveport, LA 71135

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

<p><b>IN THE MATTER OF</b></p> <p><b>CHEMTRADE REFINERY SERVICES INC.</b> <b>CADDO PARISH</b> <b>ALT ID NO. 0500-00003</b></p> <p><b>PROCEEDINGS UNDER THE LOUISIANA ENVIRONMENTAL QUALITY ACT, La. R.S. 30:2001, ET SEQ.</b></p>	<p>*</p> <p>*</p> <p>*</p> <p>*</p> <p>*</p> <p>*</p> <p>*</p> <p>*</p> <p>*</p> <p>*</p>	<p><b>ENFORCEMENT TRACKING NO.</b></p> <p style="text-align: center;"><b>AE-CN-17-00164</b></p> <p><b>AGENCY INTEREST NO.</b></p> <p style="text-align: center;"><b>2340</b></p>
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**CONSOLIDATED**  
**COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY**

The following **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is issued to **CHEMTRADE REFINERY SERVICES INC. (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 Shreveport Sulfuric Acid Plant (the Facility), a sulfuric acid manufacturing facility, located at 10889 Louisiana Highway 1 South, in Shreveport, Caddo Parish, Louisiana. The Facility previously operated under the conditions of a Consent Decree (Civil Action No. 3:09-CV-00067-JGC) entered on January 12, 2009 and terminated on September 11, 2014. The Facility operates or has operated under the authority of the following Title V Air Permits:

PERMIT	ISSUE DATE	EXPIRATION DATE
0500-00003-V6	5/15/2018	3/4/2020
0500-00003-V5AA	6/23/2015	3/4/2020



PERMIT	ISSUE DATE	EXPIRATION DATE
0500-00003-V5	3/4/2015	3/4/2020
0500-00003-V4	8/22/2012	1/6/2015
0500-00003-V3	1/6/2010	1/6/2015

## II.

On or about November 3, 2016 and November 1, 2018, the Department conducted an inspection to determine the Respondent's degree of compliance with the Act and the Air Quality Regulations. On or about June 13, 2019, a subsequent file review was performed to determine the Respondent's degree of compliance with the Act and the Air Quality Regulations. While the investigation by the Department is not yet complete, the following violations were discovered during the inspection and subsequent file review:

- A. During the course of the November 3, 2016 inspection, the inspector noted that the Respondent failed to submit the 2nd half of 2014 Semiannual Monitoring Report by the March 31, 2015, deadline. Failure to timely submit the Semiannual Monitoring Report is a violation of Title V Permit No. 0500-00003-V5, LAC 33:III.535, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2). The 2nd Half of 2014 Semiannual Monitoring Report was postmarked April 24, 2017.
- B. During the course of the November 3, 2016 inspection, the inspector noted that the Respondent failed to submit the 2nd Half of 2015 Semiannual Monitoring Report by the March 31, 2016 deadline. Failure to timely submit the Semiannual Monitoring Report is a violation of Title V Permit No. 0500-00003-V5, LAC 33:III.535, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2). The 2nd half of 2015 Semiannual Monitoring Report was postmarked April 24, 2017.
- C. During the course of the November 3, 2016 inspection, the inspector noted that the Respondent failed to timely submit the total sulfur dioxide (SO<sub>2</sub>) emissions for 2013 and 2015 as required by the Consent Decree and the facility's Title V Air Permit. The inspector noted that the SO<sub>2</sub> Emissions data were not submitted by the March 31, 2014 and March 31, 2016, deadline. This is a violation of Specific Requirements 60 of Title V Permit No. 0500-00003-V4, and 62 of Title V Permit No. 0500-00003-V5, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2). The SO<sub>2</sub>

emission data were submitted in the 2013 and 2015 Emissions Inventory on April 23, 2014 and April 29, 2015, respectively.

III.

The Respondent reported the following violations from permitted operating parameter:

REPORT (date)	PERMIT NUMBER	EMISSION POINT	INCIDENT DATE (duration)	OPERATING PARAMETER	REPORTED CAUSE/CORRECTIVE ACTION	REGULATORY OF PERMIT REQUIREMENT
A 1st Quarter 2015 Deviation Reports (4/16/2015)	0500-00003-V4	EQT 0008	3/14/2015 - 3/16/2015 44 hours	Scrubber flow rate recordkeeping by electronic or hard copy once every 4 hours	Reading not taken during this period. According to 7/13/2017 and 7/26/2017 correspondences, an operator missed manual reading; 11/19/2018 email correspondence: in late 2017, readings were made available on Distributed Control System (DCS), plant control system that monitors overall plant operations. This allows the inside operator to monitor flow around the clock. Readings are now logged in DCS system (historian), paper records are reviewed from assistant operators, information retrieved from historian and gaps filled if needed.	Specific Requirement 42
B 1 <sup>st</sup> and 2 <sup>nd</sup> Half 2017 Semiannual Monitoring Report	0500-00003-V6	EQT 0008	3/13/2017 - 7/30/2017 40 hours	Scrubber flow rate recordkeeping by electronic or hard copy once every 4 hours	Scrubber flow rate was not recorded during eight (8) separate time periods in 2017. Correspondence dated February 1, 2019 stated that an alarm sounds if the flow dips below five (5) gallons per minute. All assistant operators were trained to correct the problem when an alarm sounds.	Specific Requirement 47
C 2013, 2015, and 2016 SO2 Data Reporting	0500-00003-V5 0500-00003-V6	SO2 CAP- Entire Facility	2013 2015 2016	SO2 data reporting each year by March 31 <sup>st</sup> of the following year	SO2 reports were late for 2013, 2015, and 2016 reporting years. The reports were combined with the annual emissions inventory (ERIC). The reporting date for ERIC data is April 30. The reports for 2013, 2015, and 2016 were submitted on April 23, 2014, April 29, 2016, and April 24, 2017, respectively. According to correspondence dated February 1, 2019, there was a confusion on the report due date. The issue has been rectified. Reports for 2017 and 2018 were submitted timely. Future SO2 data will be submitted with the annual ERIC data each year by March 31.	Specific Requirement 66 LAC 33:III.537.H.1a

Each failure to operate according to permitted requirements is a violation of the applicable permit and any associated requirement(s) listed above, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1), and 30:2057(A)(2).

IV.

The Respondent reported the following recordkeeping violations:

	REPORT (Date)	PERMIT NUMBER	EMISSION POINT	INCIDENT DATE	RECORD REQUIREMENT	REPORTED CAUSE	SPECIFIC REQUIREMENT OF REGULATION
A	2012 1 <sup>st</sup> Semiannual Monitoring Report (9/28/2012)	0500-00003-V3	EQT 0007	1/22/2012 – 5/25/2012 420 hours	Scrubber flow rate recordkeeping by electronic or hard copy once every 4 hrs.	Reading not taken during this period. According to 7/13/2017 and 7/26/2017 correspondences, an operator missed manual reading; 11/19/2018 email correspondence: in late 2017, readings were made available on Distributed Control System (DCS) - plant control system that monitors overall plant operations. This allows the inside operator to monitor flow around the clock. Readings are now logged in DCS system (historian), paper records are reviewed from assistant operators, information retrieved from historian and gaps filled if needed.	Specific Requirement 34
B	2012 1 <sup>st</sup> Semiannual Monitoring Report (9/28/2012)	0500-00003-V3	EQT 0008	1/3/2012- 6/8/2012 44 hours	Scrubber flow rate recordkeeping by electronic or hard copy once every 4 hours	Reading not taken during this period. According to 7/13/2017 and 7/26/2017 correspondences, an operator missed manual reading; 11/19/2018 email correspondence: in late 2017, readings were made available on Distributed Control System (DCS)- plant control system that monitors overall plant operations. This allows the inside operator to monitor flow around the clock. Readings are now logged in DCS system (historian), paper records are reviewed from assistant operators, information retrieved from historian and gaps filled if needed.	Specific Requirement 41
C	2012 2 <sup>nd</sup> Semiannual Monitoring Report (3/26/2013)	0500-00003-V4	EQT 0007	10/3/2012- 12/30/2012 16 hours	SO2 recordkeeping by electronic or hard copy monthly	Reading not taken during this period. According to 7/13/2017 and 7/26/2017 correspondences, an operator missed manual reading; 11/19/2018 email correspondence: in late 2017, readings were made available on Distributed Control System (DCS)- plant control system that monitors overall plant operations. This allows the inside operator to monitor flow around the clock. Readings are now logged in DCS system (historian), paper records are reviewed from assistant operators, information retrieved from historian and gaps filled if needed.	Specific Requirement 34
D	2012 3 <sup>rd</sup> Quarter Deviation Report (10/24/2012)	0500-00003-V4	EQT 0007	7/12-13/2012 26 hours	Scrubber flow rate recordkeeping by electronic or hard copy once every 4 hours	Reading not taken during this period. According to 7/13/2017 and 7/26/2017 correspondences, an operator missed manual reading; 11/19/2018 email correspondence: in late 2017, readings were made available on Distributed Control System (DCS)- plant control system that monitors overall plant operations. This allows the inside operator to monitor flow around the clock. Readings are now logged in DCS system (historian), paper records are reviewed from assistant operators, information retrieved from historian and gaps filled if needed.	Specific Requirement 34

	REPORT (Date)	PERMIT NUMBER	EMISSION POINT	INCIDENT DATE	RECORD REQUIREMENT	REPORTED CAUSE	SPECIFIC REQUIREMENT or REGULATION
E	2012 3 <sup>rd</sup> Quarter Deviation Report (10/24/2012)	0500-00003-V4	EQT 0007	8/19/2012 4 hours	Scrubber flow rate recordkeeping by electronic or hard copy once every 4 hours	Reading not taken during this period. According to 7/13/2017 and 7/26/2017 correspondences, an operator missed manual reading; 11/19/2018 email correspondence: in late 2017, readings were made available on Distributed Control System (DCS)- plant control system that monitors overall plant operations. This allows the inside operator to monitor flow around the clock. Readings are now logged in DCS system (historian), paper records are reviewed from assistant operators, information retrieved from historian and gaps filled if needed.	Specific Requirement 41
F	2014 Annual Compliance Certification (3/27/2015)	0500-00003-V4	EQT 0008	1/2/2014-8/30/2014 116 hours			Specific Requirement 42
G	2015 1st Quarter Deviation Report (4/16/2015)	0500-00003-V5	EQT 0008	3/14-16/2015 44 hours	Scrubber flow rate recordkeeping by electronic or hard copy once every 4 hours	Reading not taken during this period. According to 7/13/2017 and 7/26/2017 correspondences, an operator missed manual reading; 11/19/2018 email correspondence: in late 2017, readings were made available on Distributed Control System (DCS)- plant control system that monitors overall plant operations. This allows the inside operator to monitor flow around the clock. Readings are now logged in DCS system (historian), paper records are reviewed from assistant operators, information retrieved from historian and gaps filled if needed.	Specific Requirement 46
H	2015 1st Semiannual Report (4/27/2017)	0500-00003-V5AA	EQT 0008	5/6/2015 4 hours 10/5/2015 4 hours			Specific Requirement 47

Each failure to maintain the required records is a violation of the applicable permit, any associated permit requirement listed above, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(2).

**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 permit(s).

II.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, the 2015 total SO<sub>2</sub> emission data as referenced in Finding of Facts paragraph II.C.

III.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, the scrubber flow rate data from the time logging of readings in DCS began to present as referenced in Finding of Facts paragraphs III.A and IV.

IV.

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(s) 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: Dr. Jacqueline Prudente**  
**Re: Enforcement Tracking No. AE-CN-17-00164**  
**Agency Interest No. 2340**

**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-17-00164**  
**Agency Interest No. 2340**

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 Enforcement Contact Name at phone number 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 26<sup>th</sup> day of June, 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: Dr. Jacqueline Prudente





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-17-00164	Contact Name	Dr. Jacqueline Prudente
Agency Interest (AI) No.	2340	Contact Phone No.	(225)219-3347
Alternate ID No.	0500-00003		
Respondent:	Chemtrade Refinery Services Inc.	Facility Name:	Shreveport Sulfuric Acid Plant
	c/o C T Corporation system	Physical Location:	10889 Louisiana Highway 1 South
	Agent for Service of Process		
	3867 Plaza Tower Dr. Baton Rouge, LA 70816	City, State, Zip: Parish:	Shreveport LA 71115 Caddo

**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 and III of the "Order" portion of the COMPLIANCE ORDER.		
A written report was submitted to the Department within 30 days of receipt of the COMPLIANCE ORDER in accordance with Paragraph IV of the "Order" portion of the COMPLIANCE ORDER.		
A l 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:l.Subpart1.Chapter7.
- In order to resolve any claim for civil penalties for the violations in CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY (AE-CN-17-00164), 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 CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY (AE-CN-17-00164), 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.
  - 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 CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY (AE-CN-17-00164) and has attached a justification of its offer and a description of any BEPs if included in settlement offer.

CERTIFICATION STATEMENT		
<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>		
Respondent's Signature	Respondent's Printed Name	Respondent's Title
Respondent's Physical Address	Respondent's Phone #	Date
<b>MAIL COMPLETED DOCUMENT TO THE ADDRESS BELOW:</b>		
Louisiana Department of Environmental Quality Office of Environmental Compliance Enforcement Division P.O. Box 4312 Baton Rouge, LA 70821 Attn: Dr. Jacqueline Prudente		



JOHN BEL EDWARDS  
GOVERNOR

CHUCK CARR BROWN, PH.D.  
SECRETARY

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

December 10, 2020

CERTIFIED MAIL (7012 2210 0001 1915 6028)  
RETURN RECEIPT REQUESTED

**CHEMTRADE REFINERY SERVICES, INC.**  
c/o C T Corporation System  
Agent for Service of Process  
3867 Plaza Tower Drive  
Baton Rouge, Louisiana 70816

**RE: AMENDED CONSOLIDATED COMPLIANCE ORDER &  
NOTICE OF POTENTIAL PENALTY  
ENFORCEMENT TRACKING NO. AE-CN-17-00164A  
AGENCY INTEREST NO. 2340**

Dear Sir:

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

Any questions concerning this action should be directed to Alissa Cockerham at (225) 219-3785.

Sincerely,

Celena J. Cage  
Administrator  
Enforcement Division

CJC/ARC/arc  
Alt ID No. 0500-00003  
Attachment

c: Chemtrade Refinery Services Inc.  
c/o Nestor Gomez  
P.O. Box 51247  
Shreveport, Louisiana 71135



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

<b>IN THE MATTER OF</b>	*	
	*	
<b>CHEMTRADE REFINERY SERVICES, INC.</b>	*	<b>ENFORCEMENT TRACKING NO.</b>
<b>CADDO PARISH</b>	*	
<b>ALT ID NO. 0500-00003</b>	*	<b>AE-CN-17-00164A</b>
	*	
	*	<b>AGENCY INTEREST NO.</b>
	*	
<b>PROCEEDINGS UNDER THE LOUISIANA</b>	*	<b>2340</b>
<b>ENVIRONMENTAL QUALITY ACT,</b>	*	
<b>La. R.S. 30:2001, ET SEQ.</b>	*	

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

The Louisiana Department of Environmental Quality (the Department) hereby amends the **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY, ENFORCEMENT TRACKING NO. AE-CN-17-00164** issued to **CHEMTRADE REFINERY SERVICES, INC. (RESPONDENT)** on June 26, 2019, in the above-captioned matter as follows:

I.

The Department hereby removes Paragraphs III.C, IV.A, IV.C, and IV.D of the Findings of Fact portion of Consolidated Compliance Order & Notice of Potential Penalty, Enforcement Tracking No. AE-CN-17-00164.

II.

The Department hereby amends Paragraphs II.C, III.A, III.B, and IV.E of the Findings of Fact portion of Consolidated Compliance Order & Notice of Potential Penalty, Enforcement Tracking No. AE-CN-17-00164 to read as follows:

“II.

C. During the course of the November 3, 2016, inspection, the inspector noted that the Respondent failed to timely submit the total sulfur dioxide (SO<sub>2</sub>) emissions for 2015 as required by the Consent Decree and the facility’s Title V Air Permit. The inspector noted that the SO<sub>2</sub> Emissions data was not submitted by the March 31, 2016, deadline. The file review revealed the total SO<sub>2</sub> Emissions data for 2016 was not submitted by the March 31, 2017, deadline. This is a violation of Specific Requirements 62 of Title V Permit No. 0500-00003-V5 and 66 of Title V Permit No. 0500-00003-V6, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2). The SO<sub>2</sub> emission data were submitted in the 2015 and 2016 Emissions Inventories on April 29, 2016, and April 24, 2017, respectively.

III.

The Respondent reported the following violations from permitting operating parameters:

	REPORT (date)	PERMIT NUMBER	EMISSION POINT	INCIDENT DATE (duration)	RECORD REQUIREMENT	REPORTED CAUSE	REGULATORY or PERMIT REQUIREMENTS
A.	1 <sup>st</sup> Quarter 2015 Deviation Report (4/16/2015)	0500-0003-V5	EQT 0008	3/14/2015 – 3/16/2015 44 hours	Scrubber flow rate recordkeeping by electronic or hand copy once every 4 hours	Reading not taken during this period. According to 7/13/2017 and 7/26/2017 correspondences, an operator missed manual reading; 11/19/2018 email correspondence: in late 2017, readings were made available on Distributed Control System (DCS) -plant control system that monitors overall plant operations. This allows the inside operator to monitor flow around the clock. Readings are not logged in DCS system (historian), paper records are reviewed from assistant operators, information received from historian and gaps filled if needed.	Specific Requirement 47
B.	1 <sup>st</sup> and 2 <sup>nd</sup> Half 2017 Semiannual Monitoring Reports	0500-0003-V5AA	EQT 0008	3/13/2017 – 7/30/2017 40 hours	Scrubber flow rate recordkeeping by electronic or hand copy once every 4 hours	Reading not taken during this period. According to 7/13/2017 and 7/26/2017 correspondences, an operator missed manual reading; 11/19/2018 email correspondence: in late 2017, readings were made available on Distributed Control System (DCS) -plant control system that monitors overall plant operations. This allows the inside operator to monitor flow around the clock. Readings are not logged in DCS system (historian), paper records are reviewed from assistant operators, information received from historian and gaps filled if needed.	Specific Requirement 47

Each failure to operate according to permitted requirements is a violation of the applicable permit and any associated requirement(s) listed above, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1), and 30:2057(A)(2).

IV.

The Respondent reported the following recordkeeping violations:

	REPORT (date)	PERMIT NUMBER	EMISSION POINT	INCIDENT DATE (duration)	RECORD REQUIREMENT	REPORTED CAUSE	REGULATORY or PERMIT REQUIREMENTS
B	2012 1 <sup>st</sup> Semiannual Monitoring Report (9/28/2012)	0500-00003-V3	EQT 0008	1/3/2012-6/8/2012 44 hours	Scrubber flow rate recordkeeping by electronic or hard copy once every 4 hours	Reading not taken during this period. According to 7/13/2017 and 7/26/2017 correspondences, an operator missed manual reading; 11/19/2018 email correspondence: in late 2017, readings were made available on Distributed Control System (DCS)- plant control system that monitors overall plant operations. This allows the inside operator to monitor flow around the clock. Readings are now logged in DCS system (historian), paper records are reviewed from assistant operators, information retrieved from historian and gaps filled if needed.	Specific Requirement 41
E.	2012 3 <sup>rd</sup> Quarter Deviation Report (10/24/2012)	0500-0003-V3	EQT 0008	8/19/2012 4 hours	Scrubber flow rate recordkeeping by electronic or hand copy once every 4 hours	Reading not taken during this period. According to 7/13/2017 and 7/26/2017 correspondences, an operator missed manual reading; 11/19/2018 email correspondence: in late 2017, readings were made available on Distributed Control System (DCS)- plant control system that monitors overall plant operations. This allows the inside operator to monitor flow around the clock. Readings are not logged in DCS system (historian), paper records are reviewed from assistant operators, information received from historian and gaps filled if needed.	Specific Requirement 41
F	2014 Annual Compliance Certification (3/27/2015)	0500-00003-V4	EQT 0008	1/2/2014-8/30/2014 116 hours	Scrubber flow rate recordkeeping by electronic or hard copy once every 4 hours	Reading not taken during this period. According to 7/13/2017 and 7/26/2017 correspondences, an operator missed manual reading; 11/19/2018 email correspondence: in late 2017, readings were made available on Distributed Control System (DCS)- plant control system that monitors overall plant operations. This allows the inside operator to monitor flow around the clock. Readings are now logged in DCS system (historian), paper records are reviewed from assistant operators, information retrieved from historian and gaps filled if needed.	Specific Requirement 42
G	2015 1st Quarter Deviation Report (4/16/2015)	0500-00003-V5	EQT 0008	3/14-16/2015 44 hours			Specific Requirement 46
H	2015 1st Semiannual Report (4/27/2017)	0500-00003-V5AA	EQT 0008	5/6/2015 4 hours			Specific Requirement 47

Each failure to maintain the required records is a violation of the applicable permit, any associated permit requirement listed above, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).”

III.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **AMENDED CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY**, a written report that includes a detailed description of the circumstances surrounding the cited violations added in this **AMENDED CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** and actions taken or to be taken to achieve compliance with the Order Portion of this **AMENDED CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL**

**PENALTY.** This report and all other reports or information required to be submitted to the Enforcement Division by this **AMENDED CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** shall be submitted to:

Office of Environmental Compliance  
Post Office Box 4312  
Baton Rouge, Louisiana 70821-4312  
**Attn: Alissa Cockerham**  
**Re: Enforcement Tracking No. AE-CN-17-00164A**  
**Agency Interest No. 2340**

IV.

The Department incorporates all of the remainder of the original **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY, ENFORCEMENT TRACKING NO. AE-CN-17-00164A** and **AGENCY INTEREST NO. 2340** as if reiterated herein.

V.

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

Baton Rouge, Louisiana, this 10<sup>th</sup> day of December, 2020.



\_\_\_\_\_  
Lourdes Iturralde  
Assistant Secretary  
Office of Environmental Compliance

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

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



JOHN BEL EDWARDS  
GOVERNOR

CHUCK CARR BROWN, PH.D.  
SECRETARY

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

May 5, 2021



CERTIFIED MAIL (7014 0510 0001 7431 7779)  
RETURN RECEIPT REQUESTED

**CHEMTRADE REFINERY SERVICES, INC.**  
c/o C T Corporation System  
Agent for Service of Process  
3867 Plaza Tower Drive  
Baton Rouge, Louisiana 70816

**RE: NOTICE OF POTENTIAL PENALTY  
ENFORCEMENT TRACKING NO. AE-PP-20-00480  
AGENCY INTEREST NO. 2340**

Dear Sir or Madam:

On or about February 20, 2018, and June 11, 2020, inspections of the **SHREVEPORT SULFURIC ACID PLANT (FACILITY)**, a sulfuric acid manufacturing facility, owned and/or operated by **CHEMTRADE REFINERY SERVICES, INC. (RESPONDENT)**, were performed to determine the degree of compliance with the Louisiana Environmental Quality Act (the Act) and the Air Quality Regulations. The facility is located at 10889 Louisiana Highway 1 South in Shreveport, Caddo Parish, Louisiana. The Facility currently operates under the authority of Title V Air Permit No. 0500-00003-V6, issued on May 15, 2018. The Respondent submitted a request to rescind the Part 70 Operating Permit – Title V to the Department dated February 19, 2021.

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

- A. The Respondent failed to submit a revised notice of demolition and renovation and asbestos-contaminated debris activity form, AAC-2, when a change in transporter occurred and when the amount of asbestos affected changed by twenty (20) percent. Specifically, the Respondent submitted form AAC-2(a) to the Department on February 15, 2018, for an emergency asbestos abatement of one (1) cubic yard of regulated asbestos containing material (RACM) consisting of thermal system insulation (TSI) from piping associated with the start-up boiler. Additionally, the aforementioned AAC-2(a) listed Republic Services as the transporter associated with solid waste transporter no. T-017-10635. However, solid waste transporter no. T-017-10635 is registered with the Department as being assigned to BFI Waste Services. On



Chemtrade Refinery Services, Inc.  
 AE-PP-20-00480  
 Page 2

February 21, 2018, the Department issued asbestos debris verification form (ADVF) No. 42428, which listed BFI Waste Services as the transporter. On the completed ADVF No. 42428 received by the Department on April 3, 2018, the transporter name was hand altered from BFI Waste Services to Hazmat Services, and the quantity of RACM disposed was three (3) cubic yards. The failure to submit a revised AAC-2, when a change in transporter occurred and when the amount of asbestos affected changed is a violation of LAC 33:III.5151.F.2.b and La. R.S. 30:2057(A)(2).

- B. The Respondent failed to include the quantity of asbestos-containing waste material (ACWM) shipped in cubic yards on the ADVF. Specifically, the Respondent completed the owner/operator/contractor certification section of ADVF No. 4248 on March 2, 2018, and listed the quantity shipped as 580 pounds in lieu of cubic yards. This is a violation of LAC 33:III.5151.F.2.f.ii and La. R.S. 30:2057(A)(2).
- C. The Respondent is required by LAC 33:III.1101.B to maintain opacity at less than or equal to twenty (20) percent and is required by 40 CFR 60.83(a)(2) to maintain opacity at less than ten (10) percent for the sulfur dioxide (SO<sub>2</sub>) at the tail gas vent (EQT 0007). The Respondent reported the following opacity exceedance:

REPORT (date)	INCIDENT NO.	PERMIT NUMBER	EMISSION POINT	INCIDENT DATE (duration)	Opacity Exceedance	REPORTED CAUSE	REGULATORY or PERMIT REQUIREMENTS
Unauthorized Discharge Notification Report (June 11, 2020) & 1 <sup>st</sup> 2020 Semiannual Monitoring Report (July 28, 2020)	T-197233	0500-00003-V6	EQT 0007 SO <sub>2</sub> Tail Gas Vent	June 9, 2020 (62 minutes)	> 20% opacity	A leak on the sulfur furnace required shutdown. Acid circulation was stopped to facilitate repairs. The facility will prevent future occurrences by ensuring acid circulation absorption is not stopped unless plans are to shut down for a long period of time.	LAC 33:III.1101.B 40 CFR 60.83(a)(2) Specific Requirements 15 & 20

The failure to maintain opacity equal to or less than twenty (20) percent is a violation of any applicable permit and associated requirement(s) listed above, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1), and 30:2057(A)(2).

- D. The Respondent reported the following violations of permitted operating parameters:

	REPORT (date)	PERMIT NUMBER	EMISSION POINT	INCIDENT DATE (duration)	OPERATING PARAMETER	REPORTED CAUSE	REGULATORY or PERMIT REQUIREMENTS
1.	2018 1st Semiannual Monitoring Report (July 30, 2018)	0500-0003-V5	EQT 0008 Spent SO <sub>2</sub> Acid Storage Scrubber	February 23, 2018 – February 24, 2018 (16 hours)	Scrubber Flow Rate must be greater than or equal to five (5) gallons per minute	Buildup in pipe limited flow to below five (5) gallons per minute. The buildup of material was removed from the pipe.	Specific Requirement 43 LAC 33:III.501.C.6

Chemtrade Refinery Services, Inc.

AE-PP-20-00480

Page 3

	REPORT (date)	PERMIT NUMBER	EMISSION POINT	INCIDENT DATE (duration)	OPERATING PARAMETER	REPORTED CAUSE	REGULATORY or PERMIT REQUIREMENTS
2.	2018 1st Semiannual Monitoring Report (July 30, 2018)	0500-0003- V5	EQT 0008 Spent SO2 Acid Storage Scrubber	February 24, 2018 – February 25, 2018 (12 hours)	Scrubber Flow Rate must be greater than or equal to five (5) gallons per minute	Buildup in pipe limited flow to below five (5) gallons per minute. The buildup of material was removed from the pipe.	Specific Requirement 43 LAC 33:III.501.C.6
3.	2018 1st Semiannual Monitoring Report (July 30, 2018)	0500-0003- V5	EQT 0008 Spent SO2 Acid Storage Scrubber	March 3, 2018 (8 hours)	Scrubber Flow Rate must be greater than or equal to five (5) gallons per minute	Buildup in pipe limited flow to below five (5) gallons per minute. The buildup of material was removed from the pipe.	Specific Requirement 43 LAC 33:III.501.C.6

Each failure to operate according to permitted requirements is a violation of any applicable permit and associated requirement(s) listed above, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1), and 30:2057(A)(2).

E. According to the Respondent's 2018 Second Semiannual Monitoring Report dated March 28, 2019, the Relative Accuracy Test Audit (RATA) for the continuous emission monitoring system (CEMS) for the sulfur dioxide scrubber tail gas vent (EQT 0007), required every four (4) quarters by 40 CFR 60 Appendix F, was not conducted in 2017 or 2018. The last RATA was conducted in the fourth quarter of 2016. A stack test company was contracted by the Respondent to perform the RATA in the second quarter of 2019, and the RATA was performed on May 14, 2019. The failure to conduct the RATA for the CEMS every four (4) quarters is a violation of Specific Requirement No. 16 of Title V Air Permit Nos. 0500-00003-V5 and 0500-00003-V6, 40 CFR 60.84(d), which language has been adopted as a Louisiana regulation in LAC 33:III.3003, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1), and 30:2057(A)(2).

Pursuant to La. R.S. 30:2050.3(B), you are hereby notified that the issuance of a penalty assessment is being considered for the violation(s) described herein. Written comments may be filed regarding the violation(s) and the contemplated penalty. If you elect to submit comments, it is requested that they be submitted within ten (10) days of receipt of this notice.

Prior to the issuance of any additional appropriate enforcement action, you may request a meeting with the Department to present any mitigating circumstances concerning the violation(s). If you would like to have such a meeting, please contact Alissa Cockerham at (225) 219-3785 or [Alissa.cockerham@la.gov](mailto:Alissa.cockerham@la.gov) within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**.

The Department is required by La. R.S. 30:2025(E)(3)(a) to consider the gross revenues of the Respondent and the monetary benefits of noncompliance in order to determine whether a penalty will be assessed and the amount of such penalty. Please forward the Respondent's most current annual gross revenue statement along with a statement of the monetary benefits of noncompliance for the cited violations to the above named contact person within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**. Include with your statement of monetary benefits the method(s) you utilized

Chemtrade Refinery Services, Inc.  
AE-PP-20-00480  
Page 4

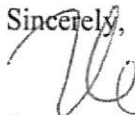
statement within ten (10) days, it will be viewed by the Department as an admission that the Respondent has the ability to pay the statutory maximum penalty as outlined in La. R.S. 30:2025.

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

The Department assesses civil penalties based on LAC 33:I.Subpart1.Chapter 7. To expedite closure of this **NOTICE OF POTENTIAL PENALTY**, the Respondent may offer a settlement amount to resolve any claim for civil penalties for the violation(s) described herein. The Respondent may offer a settlement amount, but the Department is under no obligation to enter into settlement negotiations. The decision to proceed with a settlement is at the discretion of the Department. The settlement offer amount may be entered on the attached "**NOTICE OF POTENTIAL PENALTY REQUEST TO SETTLE**" form. The Respondent must include a justification of the offer. **DO NOT** submit payment of the offer amount with the form. The Department will review the settlement offer and notify the Respondent as to whether the offer is or is not accepted.

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

Sincerely,



Lourdes Iturralde  
Assistant Secretary  
Office of Environmental Compliance

LI/ARC/arc  
Alt ID No. 0500-00003

c: Chemtrade Refinery Services Inc.  
c/o Nestor Gomez  
10889 La. Highway 1 South  
Shreveport, LA 71115

LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY  
OFFICE OF ENVIRONMENTAL COMPLIANCE

ENFORCEMENT DIVISION

POST OFFICE BOX 4312

BATON ROUGE, LOUISIANA 70821-4312

NOTICE OF POTENTIAL PENALTY  
REQUEST TO SETTLE (OPTIONAL)



Enforcement Tracking No.	AE-PP-20-00480	Contact Name	Alissa Cockerham
Agency Interest (AI) No.	2340	Contact Phone No.	(225) 219-3785
Alternate ID No.	0500-00003		
Respondent:	Chemtrade Refinery Services, Inc.	Facility Name:	Shreveport Sulfuric Acid Plant
	c/o C T Corporation System	Physical Location:	10889 La. Highway 1 South
	Agent for Service of Process		
	3867 Plaza Tower Drive	City, State, Zip:	Shreveport, Louisiana 71115
	Baton Rouge, Louisiana 70816	Parish:	Caddo

**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 (AE-PP-20-00480)**, 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-PP-20-00480)**, 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.
- 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 (AE-PP-20-00480)** and has attached a justification of its offer and a description of any BEPs if included in settlement offer.

**CERTIFICATION STATEMENT**

*I certify, under provisions in Louisiana and United States law that provide criminal penalties for false statements, that based on information and belief formed after reasonable inquiry, the statements and information attached and the compliance statement above, are true, accurate, and complete. I also certify that I do not owe outstanding fees or penalties to the Department for this facility or any other facility I own or operate. I further certify that I am either the Respondent or an authorized representative of the Respondent.*

Respondent's Signature	Respondent's Printed Name	Respondent's Title
Respondent's Physical Address	Respondent's Phone #	Date

**MAIL COMPLETED DOCUMENT TO THE ADDRESS BELOW:**

Louisiana Department of Environmental Quality  
Office of Environmental Compliance  
Enforcement Division  
P.O. Box 4312  
Baton Rouge, LA 70821  
Attn: Alissa Cockerham

# 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	
DEGREE OF RISK OR IMPACT TO HUMAN HEALTH OR PROPERTY	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	\$5,000 to \$3,000
	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](#)

