

**STATE OF LOUISIANA**

**DEPARTMENT OF ENVIRONMENTAL QUALITY**

**IN THE MATTER OF:**

**REYNOLDS METALS COMPANY, LLC**

**AI # 133**

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

\* **Settlement Tracking No.**  
\* **SA-AE-23-0069**  
\*  
\* **Enforcement Tracking Nos.**  
\* **AE-CN-07-0180**  
\* **AE-CN-12-00704**  
\*  
\*  
\* **Docket No. 2015-13948-EQ**  
\*

**SETTLEMENT AGREEMENT**

The following Settlement Agreement is hereby agreed to between Reynolds Metals Company, 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 facility located in Lake Charles, Calcasieu Parish, Louisiana (“the Facility”).

**II**

On September 19, 2008, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement Tracking No. AE-CN-07-0180 (Exhibit 1).

On August 1, 2014, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement Tracking No. AE-CN-12-00704 (Exhibit 2).

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

The Respondent's 2015 Title V First Semiannual Monitoring Report disclosed that the plant experienced an upset of the bake furnace control system for 0.67 hours on June 23, 2015. At the request of the Respondent, the Department issued an Authorization To Construct (ATC) an in-duct scrubber (IDS) Emission Point 5-01b on the anode bake furnace because bench and pilot scale testing indicated a potential to achieve higher control efficiencies than the current ESPs. During testing, while isolating gases to flow only through the IDS to evaluate the effectiveness of the control device alone, the ESP gates inlet slide gates were closed before the bypass gate opened. Safety controls for the bake furnace tripped, shutting down the furnace. For approximately 40 minutes, emissions were uncontrolled in the interim. SSM procedures brought the furnace back under control. The failure to use and maintain all control or operational devices which have been installed to regulate emission of contaminants to the atmosphere is a violation of Title V Permit No. 0520-00011-V5, LAC 33:III.905.A, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1), and La. R.S. 30:2057(A)(2). A new procedure was written and implemented for future test events.

The Respondent's 2015 Title V First Semiannual Monitoring Report disclosed the intermittent use of an unpermitted conveyor drop point in the coke transfer area and the crushing of coke with mobile equipment for five days from March 23 through March 27, 2015. The failure to use and maintain all control or operational devices which have been installed to regulate emission of contaminants to the atmosphere is a violation of Title V Permit No. 0520-00011-V5, LAC 33:III.905.A, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1), and La. R.S. 30:2057(A)(2).

The Respondent's 2015 Title V First Semiannual Monitoring Report disclosed that semiannual maintenance of the voltage controllers on the ESPs was not performed for April 2015 as scheduled. The failure to perform the maintenance for each ESP is a violation of SR 5 of Title V Permit No. 0520-00011-V5, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1), and La. R.S.

30:2057(A)(2). The maintenance was performed on August 7, 2015.

The Respondent reported on June 2, 2020 that, from 2015 through 2019, there were six (6) occasions of failures to complete either quarterly or semiannual preventative maintenance of dust bags. Each failure to perform the maintenance for each ESP is a violation of SR 167 and SR 168 of Title V Permit No. 0520-00011-V5, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1), and La. R.S. 30:2057(A)(2).

The 2017 Title V Annual Compliance Certification disclosed preventative maintenance was not conducted on the temperature sensor (TIC-100) for the afterburner on the calciner kiln (EQT 0018) during the third quarter of 2017. The failure to conduct the maintenance is a violation of SR 123 of Title V Permit No. 0520-00011-V5, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1), and La. R.S. 30:2057(A)(2).

### III

In response to the Consolidated Compliance Order & Notice of Potential Penalty (AE-CN-12-00704), 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 NINETY-NINE THOUSAND FIVE HUNDRED AND NO/100 DOLLARS (\$99,500.00), of which Three Thousand One Hundred Two and 13/100 Dollars (\$3,102.13) represents the Department's enforcement costs, in settlement of the claims set forth in this Settlement Agreement.

## VI

Reynolds agreed voluntarily to provide a Beneficial Environmental Project (“BEP”). The BEP is comprised of the grant of a servitude to the City of Lake Charles to construct a pipeline across Reynolds’ plant property to facilitate the discharge of treated effluent from the City’s new Publicly Owned Treatment Works (POTW) to the Industrial Channel. The servitude was granted initially on August 25, 2008, amended July 31, 2009, and the pipeline project was substantially completed on September 30, 2009. The first discharge of effluent through the pipeline occurred on February 18, 2010. Specifically, the pipeline constructed by virtue of the servitude is a conduit for the wastewater treated by the City of Lake Charles’ POTW to the Industrial Canal. The pipeline and servitude associated therewith are vital to the function of the POTW, which would be unable to discharge and therefore function in the absence thereof. Without this critical pipeline, the new treatment plant cannot discharge. The BEP facilitates direct and immediate improvements to the City of Lake Charles through its POTW to the quality of treated effluent discharges. The Department valued the BEP at \$200,842.50.

The total amount of money expended by Respondent on cash payments to the Department and on beneficial environmental projects, as described above, shall be considered a civil penalty for tax purposes, as required by La. R.S. 30: 2050.7(E)(1).

## VII

Respondent further agrees that the Department may consider the inspection report(s), permit record(s), the Consolidated Compliance Orders & Notices of Potential Penalty and this Settlement Agreement 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.

#### VIII

This Settlement 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 Settlement Agreement in any action by the Department to enforce this Settlement Agreement.

#### IX

This Settlement Agreement 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 Agreement, the Department considered the factors for issuing civil penalties set forth in La. R. S. 30:2025(E) of the Act and the rules relating to beneficial environmental projects set forth in LAC 33:I.Chapter 25.

#### X

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

#### XI

The Respondent has caused a public notice advertisement to be placed in the official journal of the parish governing authority in Calcasieu Parish, Louisiana. The advertisement, in form and wording approved by the Department, announced the availability of this Settlement Agreement 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 Agreement is executed on behalf of the Department, more than forty-five (45) days have elapsed since publication of the notice.

## XII

Payment is to be made within thirty (30) days from notice of the Secretary's signature. If payment is not received within that time, this Settlement 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 attached hereto.

## XIII

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

## XIV

Each undersigned representative of the parties certifies that he or she is fully authorized to execute this Settlement Agreement on behalf of his or her respective party, and to legally bind such party to its terms and conditions.

**REYNOLDS METALS COMPANY, LLC**

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**  
Roger W. Gingles, 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

BOBBY JINDAL  
GOVERNOR



HAROLD LEGGETT, PH.D.  
SECRETARY

State of Louisiana  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
OFFICE OF ENVIRONMENTAL COMPLIANCE

September 19, 2008

CERTIFIED MAIL (7003 2260 0000 5827 1155)  
RETURN RECEIPT REQUESTED



REYNOLDS METALS COMPANY  
c/o C T Corporation System  
Agent of Service  
5615 Corporate Blvd. Ste. 400B  
Baton Rouge, LA 70808

RE: **CONSOLIDATED COMPLIANCE ORDER  
& NOTICE OF POTENTIAL PENALTY  
ENFORCEMENT TRACKING NO. AE-CN-07-0180  
AGENCY INTEREST NO. 133**

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 **REYNOLDS METALS COMPANY (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 Mark E. Brown at (225) 219-3782.

Sincerely,

A handwritten signature in black ink, appearing to read "L. Iturralde".

Lourdes Iturralde  
Administrator  
Enforcement Division

LMI/MEB/meb  
Alt ID No. 0520-00011  
Attachment



c: Daniel Reyes  
Plant Manager  
Lake Charles Carbon Company  
3943 Granger Road  
Lake Charles, LA 70602

STATE OF LOUISIANA  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
OFFICE OF ENVIRONMENTAL COMPLIANCE

IN THE MATTER OF	*	
	*	
REYNOLDS METALS COMPANY	*	ENFORCEMENT TRACKING NO.
CALCASIEU PARISH	*	
ALT ID NO. 0520-00011	*	AE-CN-07-0180
	*	
	*	AGENCY INTEREST NO.
	*	
PROCEEDINGS UNDER THE LOUISIANA	*	133
ENVIRONMENTAL QUALITY ACT,	*	
La. R.S. 30:2001, <u>ET SEQ.</u>	*	

CONSOLIDATED  
COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY

The following **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is issued to **REYNOLDS METALS COMPANY (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 Lake Charles Carbon Company (the facility), a green coke calcining and anode production facility located at 3943 Granger Road in

Lake Charles, Calcasieu Parish, Louisiana. The facility currently operates under Title V Permit No. 0520-00011-V0, issued October 5, 2005.

## II.

On or about October 9, 10 and 15, 2007, inspections were conducted by the Department to determine the degree of compliance with the Act and Air Quality Regulations. On or about October 25, 2007, a file review of the facility was performed to determine the degree of compliance with the Act and the Air Quality Regulations.

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

- A. The current permit requires the facility to control emissions of toxic air pollutants from the anode baking furnaces to a degree that constitutes Maximum Available Control Technology (MACT). Approved MACT for the Anode Baking Furnaces was the installation of electrostatic precipitators (ESP's) which the facility has in place. The requirement further specifies that the ESP's shall be maintained according to manufacturer's specifications or according to an Operation and Maintenance (O&M) Plan developed by the facility that requires preventative maintenance at regular intervals. Preventive maintenance was not properly completed during 2004 (Major Annual, North ESP-not performed), 2005 (Major Annual, North ESP-not performed, South ESP-not complete), 2006 (Major Annual, North ESP-not complete, South ESP-not complete, Minor Annual, South ESP-not performed), and 2007 (Major Annual, South ESP-not performed, Minor Annual, North ESP-missed due date). Each failure to perform timely and complete preventive maintenance is a violation of Specific Requirement No. 137 of the current permit, LAC 33:III.501.C.4, LAC 33:III.5109.A and La. R.S. 30:2057(A)(1).
- B. The current permit requires the facility to prevent particulate matter from becoming airborne by taking all reasonable precautions. The facility minimizes fugitive coke dust from the green coke piles and storage area by spraying coke piles with a fine water mist using a Rainbird Spray System. The facility did not make daily entries of Rainbird System usage on twelve days in June 2007 and nine days in July 2007, and did not accurately complete the Rainbird Activation Record on June 21, 23, 24 and 27; on August 13, 29 and 30; and on September 7, during 2007 as specified in the Rainbird Standard Operating Procedures. Each failure to record each

daily entry is a violation of Specific Requirement No. 193 and Specific Requirement No. 205 of the current permit, LAC 33:III.501.C.4, LAC 33:III.1305.A.1, LAC 33:III.905.A and La. R.S. 30:2057(A)(2).

- C. The current permit states that MACT for the Anode Baking Furnaces is installation and operation of ESP's on the Baking Furnaces. The facility opened the flue caps on one section of the bake furnace for a period of four hours on August 29, 2007. Those emissions were, therefore, not routed through the ESP's. The failure to maintain established bake furnace operating procedures is a violation of Specific Requirement No. 137 of the current permit, LAC 33:III.501.C.4, LAC 33:III.905.A LAC 33:III.5109.A. and La. R.S. 30:2057(A)(1).
- D. The current permit requires the facility to perform preventative maintenance once every six months or whenever visual checks indicate maintenance may be necessary. The facility did not conduct preventative maintenance when visual inspections indicated visible emissions for Emission Source 4-11, Anode Mixing & Forming; Emission Source 3-07, Butts Scraping & Drying; and Emission Source 5-09, Anode Grooving Saw No. 2 baghouse. Each failure to perform preventive maintenance for each emission source is a violation of Specific Requirement No. 250 of the current permit, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(1).
- E. The current permit requires the facility to perform preventative maintenance on dust collectors in GRP009 every six months. Maintenance records indicate the facility did not conduct that maintenance. Each failure to conduct the maintenance as required is a violation of Specific Requirement No. 250 of the current permit, LAC 33:III.501.C.4 and La. R.S. 2057(A)(2).
- F. The current permit requires the facility to submit Excess Emission & Continuous Monitoring System Performance Summary Reports quarterly when there is an excess emission. The facility did not submit a Quarterly Excess Emission Report for the period covering January 2007 through March 2007. The failure to submit the Quarterly Excess Emission Report is a violation of Specific Requirement No. 312 of the current permit, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).
- G. The current permit limits the maximum hourly emission rate of PM<sub>10</sub> for the bake furnace (Emission Source 5-01a, FUG014) during upsets, startup, shutdown and malfunction (SSM) events to 0.45 pounds per hour (lbs/hr). The facility has exceeded this emission limit during SSM events. Each failure to limit the emission rate during an SSM is a violation of the current permit, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(1).

- H. The current permit limits the maximum hourly emission rate of PM<sub>10</sub> for the Calciner Kiln (Emission Source No. 2-02a, FUG013) upset SSM to 2.40 lbs/hr. The facility has exceeded this emission limit during SSM events. Each failure to limit the emission rate during an SSM is a violation of LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(1).

### III.

On March 20, 2008, the Department met with the Respondent's representatives to discuss the inspections conducted October 9, October 10, and October 15, 2007. The Respondent's representatives stated that an ongoing, extensive, internal review of operations covering the period October 2005 through February 2008 was identifying additional deviations. The Respondent committed to complete its review and present the findings to the Department by April 15, 2008.

### IV.

On May 2, 2008, the Respondent's representatives met with the Department to submit redactions to the facility's Title V Annual Compliance Certifications for the years 2005, 2006 and 2007. The information included a complete list of deviations for those years, as well as a report of deviations for the period from January 2008 through February 2008.

While the Department's investigation is not yet complete, the following violations were disclosed by the Respondent:

- A. The current permit requires the facility to continuously monitor the dry coke scrubber coke feed rate and air flow (90% data availability based on a 4-hour average during normal operations). The facility's coke flow data availability was less than 90% during thirteen 4-hour periods during 2005, sixty-eight 4-hour periods during 2006 and forty-eight 4-hour periods during 2007. The facility's air flow data availability was less than 90% during thirteen 4-hour periods during 2005, sixty-five 4-hour periods during 2006 and forty-seven 4-hour periods during 2007. Each failure to continuously monitor coke feed rate is a violation of Specific Requirement No. 89 and each failure to monitor air flow is a violation of Specific Requirement No. 93 (air flow) of the current permit, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(1).

- B. The current permit requires the facility to maintain dry coke scrubber coke feed rate greater than or equal to 3,000 lb/hr when the anode production unit is operating at full capacity and greater than or equal to 2,200 lb/hr when the unit is operating at 50% or less capacity. The permit requires the facility to commence corrective action procedures identified in the startup, shutdown and malfunction (SSM) plan within one hour if 1) a monitoring device for a primary control device measures an operating parameter outside the established limits, or 2) if visible emissions indicating abnormal operation are observed from the exhaust stack during a daily inspection. The facility did not achieve the coke feed rate, but initiated corrective action, on three occasions during 2005, eleven occasions during 2006, eleven occasions during 2007 and sixteen occasions during 2008. The facility did not attain the coke feed rate, and did not initiate corrective action, on six occasions during 2005, two hundred-seventeen occasions during 2006, and seventy-eight occasions during 2007. Each failure to maintain the permitted feed rate is a violation of Specific Requirement No. 90 and each failure to take corrective action is a violation of Specific Requirement No. 96 of the current permit, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(1).
- C. The current permit requires the dry coke scrubber air flow rate be greater than or equal to 42,050 ft<sup>3</sup>/min and requires the facility to commence corrective action procedures identified in the SSM plan within one hour if 1) a monitoring device for a primary control device measures an operating parameter outside the established limits, or 2) if visible emissions indicating abnormal operation are observed from the exhaust stack during a daily inspection. The facility did not achieve the required air flow rate on three occasions during 2005, twenty-one occasions during 2006 and twenty-four occasions during 2007. The facility also did not achieve air flow rate on one occasion during 2007 and four occasions during 2008 though it did initiate corrective action. Each failure to initiate corrective action is a violation of Specific Requirement No. 96 and each failure to achieve the air flow rate is a violation of Specific Requirement No. 92 of the current permit, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(1).
- D. The current permit requires the average voltage of ESP control sections within each precipitator to be greater than or equal to twenty thousand volts (20 kV) during normal operating conditions. If an operating parameter is measured outside the limit specified, the facility must initiate corrective action procedures identified in the SSM Plan within one hour. Records must be kept of the event(s) and the corrective action(s) taken. The actions must be reported if not consistent with the SSM Plan. The facility recorded voltages less than 20 kV without a corresponding record of corrective action initiation during twenty monitoring events during 2005 and two events during 2006. The facility recorded voltage less than 20 kV with corrective action during one monitoring event during 2006,

one event during 2007 and two events during 2008. Each failure to maintain proper voltage is a violation of Specific Requirement No. 151 and each failure to take corrective action is a violation of Specific Requirement No. 168 of the current permit, LAC 33:III.501.C.4, LAC 33:III.5109.A and La. R.S. 30:2057(A)(1).

- E. The current permit requires the facility to maintain ESP outlet temperatures less than or equal to 85°C. If an operating parameter is measured outside the limit specified, the facility must initiate corrective action within one hour. Records must be kept of the event(s) and the corrective action(s) taken. The actions must be reported if not consistent with the SSM Plan. The facility recorded outlet temperatures greater than 85°C without initiation of corrective action during nine monitoring events during 2006 and one event during 2007. Each failure to maintain proper temperature is a violation of Specific Requirement 152 and each failure to take proper corrective action is a violation of Specific Requirement 168 of the current permit, LAC 33:III.501.C.4, LAC 33:III.5109.A and La. R.S. 30:2057(A)(1).
- F. The permit requires the facility to conduct recordkeeping of corrective actions taken during a SSM event and report if procedures implemented are inconsistent with the SSM Plan. The facility must also keep records documenting corrective actions taken when voltage or temperature exceeds limits or when visible emissions indicate abnormal operating conditions. The facility's bake furnace ESP's were non-operational without a corresponding record of corrective action initiation during six periods during 2005, nine periods during 2006 and eight periods during 2007. Each failure to maintain records of corrective action is a violation of Specific Requirement No. 168 of the current permit, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).
- G. The current permit requires the facility to monitor opacity on a daily basis at EQT051, 5-01, Anode Baking Furnaces 1 & 2. Opacity must remain less than or equal to 20 percent, except for not more than one six-minute period in any sixty consecutive minutes. Corrective action must be initiated within one hour if visible emissions indicating abnormal operations are observed during a daily inspection. Failure to do so is a violation of the State MACT determination. Opacity exceeded 20 percent on October 17, 2005. The failure to monitor opacity is a violation of Specific Requirement No. 135 and the failure to commence corrective action is a violation of Specific Requirement No. 157 of the current permit, LAC 33:III.501.C.4, LAC 33:III.1311.C, LAC 33:III.5109.A and La. R.S. 30:2057(A)(1).

- H. The current permit requires the facility to monitor visible emissions of GRP009, Dust Filter Common Requirements Group, daily by visual inspection. Records must be kept of the visual inspections. The facility did not conduct daily visible emissions inspections on dust collectors on four occasions during 2005, eighteen occasions during 2006 and forty-eight occasions during 2007. Each failure to monitor visible emissions is a violation of Specific Requirement No. 247 of the current permit, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).
- I. The current permit requires the facility to monitor visible emissions of EQT022, Emission Source No. 3-07, Butts and Scrap-Drying daily by visual inspection. Records must be kept of the visual inspections. The facility did not conduct a daily visible emissions inspection on August 20, 2007. The failure to conduct a daily visual inspection is a violation of Specific Requirement No. 48 and Specific Requirement No. 49 of the current permit, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).
- J. The current permit requires the facility to monitor visible emissions daily at source EQT018, Emission Source No. 2-02, Calciner Kiln and Cooler, EQT039, Emission Source No. 4-11, Anode Mixing and Forming, EQT044, Emission Source No. 4-15, Pitch Storage Tank T402, EQT045, Emission Source No. 4-16, Pitch Intermediate Process Flow-through Tank T403, and EQT051, Emission Source No. 5-01, Anode Baking Furnaces No. 1 and No. 2. During 2007, the facility failed to monitor visible emissions on one occasion at each of the sources listed in this paragraph. Each failure to monitor visible emissions is a violation of Specific Requirement Nos. 28, 95, 111, 120, 164 and 175, respectively, of the current permit, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).
- K. The current permit requires the facility to initiate corrective action procedures in the SSM Plan within one hour if visible emissions indicating abnormal operation of the ESP's are observed and maintain records of initiating the action. The facility did not record the times when corrective actions commenced on three occasions during 2005, four occasions during 2006 and two occasions during 2007. Each failure to record the time of the initiation of corrective action is a violation of Specific Requirement No. 157 and Specific Requirement No. 164 of the current permit, LAC 33:III.501.C.4, LAC 33:III.5109.A and La. R.S. 30:2057(A)(2).
- L. The current permit requires the facility to initiate corrective action procedures in the SSM Plan within one hour if visible emissions indicating abnormal operation of the Calciner Kiln are observed and maintain records of initiating the action. The facility did not record the time when corrective action was initiated on November 1, 2005. The failure to record



the time of initiation of corrective action is a violation of Specific Requirement No. 27 and Specific Requirement No. 28 of the current permit, LAC 33:III.501.C.4, LAC 33:III.5109.A and La. R.S. 30:2057(A)(2).

- M. The current permit requires the facility to initiate corrective action procedures in the SSM Plan within one hour if a monitoring device for a primary control device measures an operating parameter outside the limits established pursuant to 40 CFR 63.847(h), or if visible emissions indicating abnormal operation are observed from the exhaust stack of the dry coke scrubber during a daily inspection and maintain records of initiating the action. The facility did not record the times when corrective actions commenced on five occasions during 2005, five occasions during 2006 and one occasion during 2007. Each failure to record the times of initiating corrective action is a violation of Specific Requirement No. 96 of the current permit, LAC 33:III.501.C.4, LAC 33:III.5109.A, 40 CFR §63.848(h) and La. R.S. 30:2057(A)(2).
- N. The current permit requires the facility to comply with emission limits in the Emissions Rates Tables for EQT 051, 5-01a, Bake Furnaces, for PM<sub>10</sub>, antimony, arsenic, barium, beryllium, cadmium, chromium, lead, mercury, polycyclic organic matter (POM), and total suspended particulate. The facility must also comply with fugitive emissions limits for FUG014, Emission Source No. 5-01a, Bake Furnace – Upset SSM Emissions for PM<sub>10</sub> during upset/SSM events found in the Emissions Rates Tables. The facility exceeded the maximum hourly limits for PM<sub>10</sub> and other listed pollutants during twelve SSM events during 2005, twenty-six SSM events during 2006, thirty-eight SSM events during 2007 and two SSM events during 2008. Each failure to comply with these emission limits is a violation of the current permit, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(1).
- O. The current permit requires the facility to comply with emissions limits in the Emissions Rates Tables for EQT 018, Emission Source No. 2-02a, Calciner Kiln, for PM<sub>10</sub>, copper, dibutylphthalate, lead compounds, methylnaphthalene, naphthalene, nickel, phenol, total suspended particulate and zinc. The facility must also comply with emissions limits in the Emissions Rates Tables for fugitive emissions for FUG013, Emission Source No. 2-02a, Bake Furnace – Upset SSM Emissions for PM<sub>10</sub> during SSM events. The facility exceeded the maximum hourly limits for PM<sub>10</sub> during seven SSM events during 2005, eighteen SSM events during 2006, twenty SSM events during 2007 and three SSM events during 2008. The facility also exceeded the annual limit during 2006 and 2008. Each failure to comply with these emission limits is a violation of the current permit, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(1).

- P. The current permit requires the facility to maintain each water cooled condenser, EQT044, Emission Source No. 4-15, Pitch Storage Tank T402 and EQT045, Emission Source No. 4-16, Pitch Intermediate Process Flow-Through Tank T403, and to operate each in a manner consistent with good air pollution control practices for minimizing emissions according to an O&M Plan to achieve a 99 percent control efficiency for POM. The facility did not complete inspections of the tanks on three occasions during 2005, eighteen occasions during 2006, twenty-four occasions during 2007 and one occasion during 2008. Each failure to conduct inspections is a violation of Specific Requirement No. 113 and Specific Requirement No. 122, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).
- Q. The current permit requires the facility to control toxic air pollutants to a degree that constitutes MACT as approved by LDEQ. The MACT determination was the installation and operation of ESP's. This requires that the ESP's be maintained in accordance with manufacturer's specifications or an O&M Plan that ensures operation and maintenance is consistent with good operating practices. The facility did not conduct inspections of the ESP's on three occasions during 2005, eleven occasions during 2006 and eleven occasions during 2007. Each failure to conduct inspections of the ESP's is a violation of Specific Requirement No. 137 of the current permit, LAC 33:III.501.C.4, LAC 33:III.5109.A and La. R.S. 30:2057(A)(2).
- R. The current permit requires the facility to inspect dust collectors, GRP009, Dust Filter Common Requirements Group, once every six months or whenever visual checks indicate maintenance may be necessary. The facility did not conduct inspections on nine occasions during 2005, twenty-six occasions during 2006 and twenty-eight occasions during 2007. Each failure to complete conduct inspections of the dust collectors is a violation of Requirement No. 250 of the current permit, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).
- S. The current permit requires the facility to maintain and properly operate various pieces of equipment and, as part of maintenance, the facility must conduct calibrations on various pieces of equipment. This equipment includes the weigh feeder (40), the Fluke 75 multimeter (149), and the paste plant Abbot scale (162). The facility did not conduct calibrations on three occasions during 2005, twelve occasions during 2006 and nineteen occasions during 2007. Each failure to conduct calibrations on each piece of equipment is a violation of the current permit, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).
- T. The current permit requires the facility to submit Title V Quarterly Deviation / Excess Emission Reports and Title V Semi-annual Monitoring Reports. The facility submitted eight incomplete reports during 2006 and

2007. Each failure to submit a complete report is a violation of 40 CFR Part 70 General Conditions K and R, Specific Requirement No. 311 and Specific Requirement 312 of the current permit, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).t

- U. The current permit requires the facility to submit combined Semi-annual Gaseous and Opacity Excess Emission and CMS Performance Summary and SSM Summary Reports for Emissions Sources Nos. 4-11 and 5-01 and Semi-annual SSM Summary Reports for Emission Source No. 2-02 before the 30<sup>th</sup> day after the end of the calendar half. The facility submitted twelve late reports during 2006 and 2007. The facility's report for the 1<sup>st</sup> calendar half of 2007 did not contain 1<sup>st</sup> quarter 2007 information. Each failure to submit a timely report or to submit complete information is a violation of Specific Requirements Nos. 169, 284 and 309 of the current permit, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).
- V. The current permit requires the facility to submit Title V Annual Compliance Certifications. The facility submitted two incomplete reports for reporting years 2005 and 2006. Each failure to submit a complete Title V Annual Compliance Certification is a violation of the current permit, 40 CFR Part 70 General Condition M, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).
- W. The current permit requires the facility to apply for and obtain authorization to construct or, a permit or permit revision, prior to commencing any proposed construction or modification. During September 2007, the facility commenced the modification of EQT056, EIQ No. 5-08, Anode Grooving Saw No. 1, without obtaining prior authorization or a permit modification. Each failure to obtain authorization is a violation of the current permit, LAC 33:III.501.C.2, LAC 33:III.501.C.4, LAC 33:III.507.D.2 and La. R.S. 30:2057(A)(2).
- X. In correspondence dated November 15, 2007, the Respondent self-reported an excess PM<sub>10</sub> emission as a result of a Startup/Shutdown/Malfunction (SSM) event on the Bake Furnace, Emission Source 5-01. The incident released 221 lbs of PM<sub>10</sub> above the permitted level of 153 lbs. The failure to contain emission of PM<sub>10</sub> during an SSM is a violation of Specific Requirement 166 of the current permit, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

## COMPLIANCE ORDER

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

I.

To immediately take, after receipt of this **COMPLIANCE ORDER**, any and all steps necessary to achieve and maintain compliance with the Act, the Air Quality Regulations, and the terms and requirements of Title V Permit No. 0520-00011-V0.

II.

To immediately take, after receipt of this **COMPLIANCE ORDER**, any and all steps necessary to ensure EQT056, EIQ No. 5-08, Anode Grooving Saw No. 1 is operated only within the limits established by Title V Permit No. 0520-00011-V0.

III.

To submit a report of any additional deviations for the period March 1, 2008 through June 30, 2008 not previously reported or included herein within thirty (30) days of receipt of this **COMPLIANCE ORDER**.

IV.

To prepare and submit to the Department an application to reconcile changes made to EQT056, Emission Point No. 5-08, Anode Grooving Saw No. 1 no later than October 30, 2008, which the Department will evaluate and process with the intent of making any appropriate modification of the permit.

V.

To prepare and submit to the Department any appropriate requests for changes to Title V Permit No. 0520-00011-V0 by no later than October 30, 2008, which the Department

will evaluate and process with the intent of making appropriate clarifications and corrections to the permit. These requests may address emission limitations, inspection schedules and monitoring and recordkeeping requirements, among other appropriate provisions.

VI.

To prepare and submit a complete list of corrective actions implemented and/or to be implemented in the future to ensure compliance with Title V Permit No. 0520-00011-V0 by no later than October 30, 2008. The Respondent shall also submit a schedule for implementation of any corrective actions which are not yet in place by October 30, 2008. These corrective actions shall ensure compliance with emissions limits, adherence to and completion of inspection schedules and improvement in monitoring and recordkeeping.

VII.

To submit quarterly reports to the Department on or before the 30<sup>th</sup> day following the end of each calendar quarter. The Respondent shall commence submitting quarterly reports at the end of the calendar quarter ending on October 31, 2008 and continuing quarterly thereafter until all necessary corrective actions have been put in place and the success of each has been determined.

VIII.

To submit to the Department a report detailing the final implementation of all corrective actions within 30 days of completion of all corrective actions.

IX.

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  
P.O. Box 4312  
Baton Rouge, LA 70821-4312  
**Attention: Mark Brown**  
**Enforcement Tracking No. AE-CN-07-0180**  
**AI No. 133**

**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:

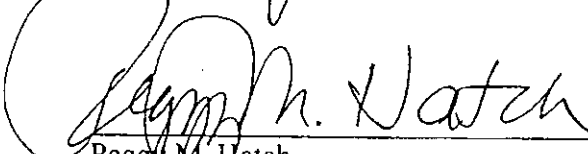
Department of Environmental Quality  
Office of the Secretary  
Post Office Box 4302  
Baton Rouge, Louisiana 70821-4302  
**Attn: Hearings Clerk, Legal Division**  
**Re: Enforcement Tracking No. AE-CN-07-0180**  
**Agency Interest No. 133**

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.

IV.

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

Baton Rouge, Louisiana, this 19<sup>th</sup> day of September, 2008.

  
\_\_\_\_\_  
Peggy M. Hatch  
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: Mark E. Brown



Louisiana Secretary of State  
COMMERCIAL DIVISION  
Corporations Database



*Louisiana Secretary of State  
Detailed Record*

Charter/Organization ID: 24400190F

Name: REYNOLDS METALS COMPANY

Type Entity: Business Corporation (Non-Louisiana)

Status: Active

Annual Report Status: In Good Standing **Add Certificate of Good Standing to Shopping Cart**

Last Report Filed on 09/09/2008

Mailing Address: 201 ISABELLA ST., PITTSBURGH, PA 15212

Domicile Address: 1209 ORANGE STREET, WILMINGTON, DE 19801

Principal Office: 6601 WEST BROAD STREET, RICHMOND, VA 23230

Principal Bus. Est. in Louisiana: 5615 CORPORATE BLVD., STE. 400B, BATON ROUGE, LA 70808

Qualified: 10/01/1958

Registered Agent (Appointed 1/16/2007): C T CORPORATION SYSTEM, 5615 CORPORATE BLVD., STE. 400B, BATON ROUGE, LA 70808

Vice President: DONNA C. DABNEY, 390 PARK AVE., NEW YORK, NY 10022-4608

Secretary: DONNA C. DABNEY, 390 PARK AVE., NEW YORK, NY 10022-4608

Director: DONNA C. DABNEY, 390 PARK AVE., NEW YORK, NY 10022-4608

Vice President: CHRISTIE BREVES, 201 ISABELLA ST., PITTSBURGH, PA 15212

Amendments on File

STMT OF CHG OR CHG PRIN BUS OFF (FOREIGN (01/29/2008)

STMT OF CHG OR CHG PRIN BUS OFF (FOREIGN (12/14/1998)

MERGER (02/13/1992)

STMT OF CHG OR CHG PRIN BUS OFF (FOREIGN (11/03/1987)

STMT OF CHG OR CHG PRIN BUS OFF (FOREIGN (04/01/1986)

STMT OF CHG OR CHG PRIN BUS OFF (FOREIGN (02/22/1985)

MERGER (12/11/1978)



AMENDMENT (06/12/1978)  
AMENDMENT (06/12/1978)  
AMENDMENT (07/14/1972)  
AMENDMENT (08/21/1969)  
AMENDMENT (08/01/1966)  
MERGER (06/04/1964)  
AMENDMENT (09/30/1963)  
MERGER (06/07/1962)  
MERGER (08/21/1961)  
AMENDMENT (08/04/1961)  
MERGER (05/10/1961)  
AMENDMENT (10/19/1959)  
AMENDMENT (03/12/1959)  
AMENDMENT (03/12/1959)

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BOBBY JINDAL  
GOVERNOR

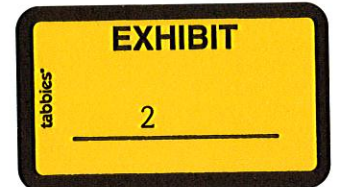


PEGGY M. HATCH  
SECRETARY

State of Louisiana  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
OFFICE OF ENVIRONMENTAL COMPLIANCE

August 1, 2014

CERTIFIED MAIL (7004 2510 0005 5763 9730)  
RETURN RECEIPT REQUESTED



**REYNOLDS METALS COMPANY**  
c/o C T Corporation System  
Agent of Service  
5615 Corporate Blvd., Ste. 400B  
Baton Rouge, LA 70808

**RE: CONSOLIDATED COMPLIANCE ORDER  
& NOTICE OF POTENTIAL PENALTY  
ENFORCEMENT TRACKING NO. AE-CN-12-00704  
AGENCY INTEREST NO. 133**

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 **REYNOLDS METALS COMPANY (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 Mark E. Brown at (225) 219-3782.

Sincerely,  
  
Celesta L. Cage  
Administrator  
Enforcement Division

CJC/MEB/meb  
Alt ID No. 0520-00011  
Attachment

c: Reynolds Metals Company  
Lake Charles Carbon  
Karen Ruhl  
3943 Granger Road  
Lake Charles, LA 70605

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

<p><b>IN THE MATTER OF</b></p> <p><b>REYNOLDS METALS COMPANY</b> <b>CALCASIEU PARISH</b> <b>ALT ID NO. 1520-00011</b></p> <p><b>PROCEEDINGS UNDER THE LOUISIANA</b> <b>ENVIRONMENTAL QUALITY ACT,</b> <b>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-12-00704</b></p> <p><b>AGENCY INTEREST NO.</b></p> <p style="text-align: center;"><b>133</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 **REYNOLDS METALS COMPANY (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 **LAKE CHARLES CARBON COMPANY** (the Facility), located at 3943 Granger Road in Lake Charles, Calcasieu Parish. The Facility operates or has operated under the authority of Title V Air Permits shown in Table A:

**TABLE A**

PERMIT	ISSUE DATE	EXPIRATION DATE
0520-00011-V0	10/5/2005	10/5/2010
0520-00011-V0AA	2/5/2009	10/5/2010
0520-00011-V1	9/9/2009	10/5/2010
0520-00011-V2	10/5/2010	10/5/2010
0520-00011-V2AA	1/5/2011	-
0520-00011-V3	6/11/2013	6/11/2018
0520-00011-V4	4/27/2014	6/11/2018

## II.

On or about February 23, 2010, through February 25, 2010, inspections of **LAKE CHARLES CARBON COMPANY** (the Facility), owned and/or operated by **REYNOLDS METALS COMPANY (RESPONDENT)**, were performed to determine the degree of compliance with the Louisiana Environmental Quality Act (the Act) and the Air Quality Regulations. On or about July 23, 2014, the Department conducted a file review 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 noted during the course of the inspection and file review:

- A. The Respondent submitted Quarterly Deviation Reports, dated as shown, reporting excess emissions of Particulate Matter (PM<sub>10</sub>), Antimony, Barium, Beryllium, Cadmium, Chromium, Lead, and Mercury for the Anode Baking Furnace 5-01a. The dates of exceedance, duration of exceedance, and cause are shown in Table B:

TABLE B

Deviation Report, Date	Source	Date of exceedance	Duration, hours	Cause
Second quarter, 8/28/09	Anode Baking Furnace 5-01a	5/11/09	0.80	Maintenance personnel error
Fourth Quarter, 3/11/10	Anode Baking Furnace 5-01a	10/12/09	1.25	Operator error

Each emission of pollutants in excess of permit limits is a violation of Title V Permit No. 0520-00011-V0, Title V Permit No. 0520-00011-V1, LAC 33:III.501.C.4, LAC:III.905.A, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

- B. The Respondent failed to submit written notification of excess emissions of pollutants as described in Table B of this enforcement action. Each failure to report an unauthorized discharge of toxic air pollutants which exceeds the permit limits, but does not cause an emergency condition within seven calendar days of learning of the emission is a violation of LAC 33:III.5107.B.4.a, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).
- C. In correspondence dated April 20, 2009, the Respondent submitted written notification of an excess discharge of PM<sub>10</sub> that occurred from the Calciner Kiln and Cooler, Emission Point 2-02. The discharge, in pounds (lb), is shown in Table C:

TABLE C

Date	Permit limit	Actual emission	Excess emission	Cause
4/17/2009	PM <sub>10</sub> at 41.5 lb/hr for 13 minutes = 9.0 lb	224.8 lb	215.8 lb	Plugged water filter from using well water as water source

The failure to maintain emission of  $PM_{10}$  below the permitted level is a violation of Title V Permit No.0520-00011-V0, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

D. The Respondent failed to meet reporting requirements shown in Table D:

**TABLE D**

REPORT	PERMIT NUMBER	DUE DATE	SUBMITTAL DATE
2009 First Semiannual Monitoring Report	0520-00011-V0AA	September 30, 2009	July 16, 2012
2009 Second Semiannual Monitoring Report	0520-00011-V0AA	March 31, 2010	
2010 First Semiannual Monitoring Report	0520-00011-V1	September 30, 2010	
2010 Second Semiannual Monitoring Report	0520-00011-V2AA	March 31, 2011	
2011 First Semiannual Monitoring Report	0520-00011-V2AA	September 30, 2011	
2011 Second Semiannual Monitoring Report	0520-00011-V2AA	March 31, 2012	

Each deviation from reporting requirements is a violation of applicable permits and associated requirements listed above, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1), and 30:2057(A)(2).

E. In correspondence dated October 29, 2013, the Respondent submitted the facility's 2013 Third Quarter Deviation Report. In correspondence dated January 30, 2014, the Respondent submitted the facility's 2013 Second Semiannual Monitoring Report. The reports identified a discrepancy between the assumed feed rate of green coke to the Calciner, EQT0018 2-02, and the actual, measured feed rate. In correspondence dated August 9, 2013, the Respondent reported the results of an actual, measured feed rate trial conducted July 26, 2013 through August 6, 2013. The facility meets the emission limit for particulate matter ( $PM_{10}$ ) in pounds per hour (lb/hr) by limiting the feed rate of green coke in tons per hour (tph), based on a correlation provided by the equipment manufacturer. The discrepancy indicated the North Feeder feed rate was actually 4.3% higher than the assumed rate. The facility reduced the feed rate from 52 tph to 50 tph. In correspondence dated August 9, 2013, the Respondent stated that the estimated emissions of  $PM_{10}$  at the prior feed rate exceeded the permit Specific Requirements as shown in Table E:

**TABLE E**

Title V Permit No.	Specific Requirement	$PM_{10}$ limit
0520-00011-V2	No. 16	41.50 lb/hr
0520-00011-V3	No. 104	44.94 lb/hr

In electronic correspondence dated January 10, 2014, the Respondent reported an estimated worst case scenario of emission of PM<sub>10</sub> at the higher feed rate was 45.1 lb/hr. The failure to restrict the actual operating rate of the Calciner, EQT0018 2-02, to 52 tph, and the resulting exceedance of the PM<sub>10</sub> permit limit, is a violation of Title V Permit No. 0520-00011-V2, Title V Permit No. 0520-00011-V3, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

### III.

On or about September 17, 2013, through September 19, 2013, inspections of LAKE CHARLES CARBON COMPANY (the Facility), owned and/or operated by REYNOLDS METALS COMPANY (RESPONDENT), were performed to determine the degree of compliance with the Louisiana Environmental Quality Act (the Act) and the Air Quality Regulations. Additional information was provided by the inspection team in electronic correspondence dated December 23, 2013. On or about December 26, 2013, the Department conducted a file review 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 noted during the course of the inspection and file review:

During the course of the inspection, and during previous off-site surveillance, airborne particulate of petroleum coke was observed by inspectors leaving the facility boundaries. The dates observed, the emission sources and the Specific Requirements (S.R.) violated are shown in Table F:

**TABLE F**

Emission Source	Emission ID No.	Date	S.R.
Title V Permit No. 0520-00011-V2AA			
Green Coke Stockpile and Anode Butt Crushing Area	FUG0001 and FUG0007	June 22, 2012	258
Green Coke Stockpile	FUG0001	June 26, 2012	
Green Coke Stockpile	FUG0001	June 27, 2013	
Anode Butt Crushing Area	FUG0007	July 1, 2013	
Green Coke Stockpile	FUG0001	July 3, 2013	
Title V Permit No. 0520-00011-V3			
Anode Butt Crushing Area	FUG0007	July 15, 2013	61
Green Coke Stockpile	FUG0001	July 16, 2013	169
Anode Butt Crushing Area	FUG0001	August 9, 2013	169
Green Coke Stockpile and Anode Butt Crushing Area	FUG0001 and FUG0007	August 12, 2013	169, 61
Green Coke Stockpile and Anode Butt Crushing Area	FUG0001 and FUG0007	August 13, 2013	169, 61
Green Coke Stockpile	FUG0001	September 17, 2013	169

Each failure to prevent airborne particulate from leaving the facility boundaries is a violation of the Specific Requirements listed of Title V Permit No. 0520-00011-V2, of Title V Permit No. 0520-00011-V3, LAC 33:III.501.C.4, LAC 33:III.1305, La. R.S. 30:2057(A)(1) and 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.

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  
Attn: **Mark E. Brown**  
Re: **Enforcement Tracking No. AE-CN-12-00704**  
**Agency Interest No. 133**

**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-12-00704**  
**Agency Interest No. 133**

III.

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

IV.

This **COMPLIANCE ORDER** shall become a final enforcement action unless the request for hearing is timely filed. Failure to timely request a hearing constitutes a waiver of the Respondent's right to a hearing on a disputed issue of material fact or of law under Section 2050.4 of the Act for the violations 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 violations, 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 violations 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 violations described herein. Written comments may be filed regarding the violations 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 actions, you may request a meeting with the Department to present any mitigating circumstances concerning the violations. If you would like to have such a meeting, please contact Mark E. Brown at (225) 219-3782 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 violations to the above named contact person within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**. Include with your statement of monetary benefits the method(s) you utilized to arrive at the sum. If you assert that no monetary benefits have been gained, you are to fully justify that statement.

IV.

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

Baton Rouge, Louisiana, this 01 day of August, 2014.



Cheryl Sonnier Nolan  
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: Mark E. Brown