

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

SHELL CHEMICAL LP

AI # 26336

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

* **Settlement Tracking No.**
* **SA-AE-24-0010**
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* **Enforcement Tracking No.**
* **AE-PP-22-00359**
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SETTLEMENT AGREEMENT

The following Settlement Agreement is hereby agreed to between Shell Chemical LP (“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 partnership that owned and/or operated a chemical manufacturing facility located in Norco, St. Charles Parish, Louisiana (“the Facility”).

II

On April 14, 2023, the Department issued to Respondent a Notice of Potential Penalty, Enforcement Tracking No. AE-PP-22-00359 (Exhibit 1)

III

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

IV

Nonetheless, Respondent, without making any admission of liability under state or federal

statute or regulation, agrees to pay, and the Department agrees to accept, a payment in the amount of ONE HUNDRED THIRTY-THREE THOUSAND TWO HUNDRED TWENTY-FIVE AND 49/100 DOLLARS (\$133,225.49), of which Three Thousand Two Hundred Twenty-Five and 49/100 Dollars (\$3,225.49) represents the Department's enforcement costs, in settlement of the claims set forth in this Settlement 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).

V

Respondent further agrees that the Department may consider the permit record(s), the Notice 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.

VI

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.

VII

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.

VIII

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.

IX

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

X

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. The Respondent shall provide its tax identification number when submitting payment. 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.

XI

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

XII

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.

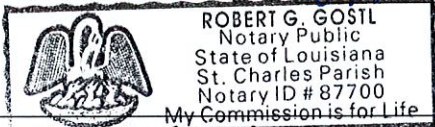
SHELL CHEMICAL LP

BY: Tammy Little
(Signature)

Tammy Little
(Printed)

TITLE: General Manager

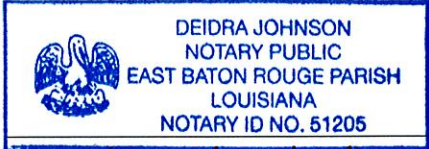
THUS DONE AND SIGNED in duplicate original before me this 27th day of August, 20 24, at 1240pm.

R. G. Gostl
NOTARY PUBLIC (ID # 87700)

(stamped or printed)

LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY
Aurelia S. Giacometto, Secretary

BY: [Signature]
Jerrie "Jerry" Lang, Assistant Secretary
Office of Environmental Compliance

THUS DONE AND SIGNED in duplicate original before me this 28th day of October, 20 24, at Baton Rouge, Louisiana.

Deidra Johnson
NOTARY PUBLIC (ID # 51205)

(stamped or printed)
Lifetime Commission

Approved: [Signature]
Jerrie "Jerry" Lang, Assistant Secretary



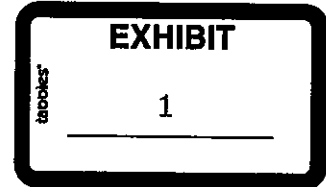
JOHN BEL EDWARDS
GOVERNOR

ROGER W. GINGLES
SECRETARY

State of Louisiana
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE

APR 14 2023

CERTIFIED MAIL (7020 2450 0001 6670 5045)
RETURN RECEIPT REQUESTED



SHELL CHEMICAL LP
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-22-00359
AGENCY INTEREST NO. 26336**

Dear Sir/Madam:

On or about February 1, 2023, a file review of the **SHELL NORCO CHEMICAL PLANT-EAST SITE (FACILITY)**, a chemical manufacturing facility, owned and/or operated by **SHELL CHEMICAL LP (RESPONDENT)**, was performed to determine the degree of compliance with the Louisiana Environmental Quality Act (the Act), the Air Quality Regulations, and all applicable permits. The Facility is located at 15536 River Road in Norco, St. Charles Parish, Louisiana. The Facility operates or has operated under the authority of the following Title V Air Permits.

Bollers East Unit	2283-V6	07/06/2022	06/03/2027
	2283-V5	06/03/2022	06/03/2027
	2283-V4	07/01/2015	07/01/2020
Butadiene Recovery Plant-Gasoline Olefins Plant-Olefins Plant	2520-V10	03/25/2021	11/17/2025
	2520-V9	11/17/2020	11/17/2025
	2520-V8	01/14/2019	07/22/2020
	2520-V7	08/01/2018	07/22/2020
Shared Sources	3047-V5	11/01/2019	07/17/2022*
	3047-V4	07/14/2017	07/17/2022
Gasoline Hydrotreater Unit	3078-V3	04/21/2022	04/21/2027

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	3078-V2	07/12/2017	11/20/2019
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* Permit No. 3047-V5 was rescinded on July 7, 2022. All emissions sources permitted under the permit were transferred to Permit Nos. 2520-V9, issued on November 17, 2020, and 2283-V5, issued June 3, 2022.

While the investigation by the Louisiana Department of Environmental Quality (the Department) is not yet complete, the following violation(s) were noted during the course of the file review:

A. The Department received an Unauthorized Discharge Notification Report for Incident No. T193258 dated September 17, 2019, and a Follow-up Notification Report dated October 31, 2019. According to the reports, on September 12, 2019, the Utilities Unit experienced a boiler upset that caused flaring at the OL-5 Unit and the Residual Catalytic Cracking Unit (RCCU). The 1,300-pound steam header dropped below the desired operating pressure. The Utilities Systems process area operates four (4) boilers that produce steam for chemical and refining process units at the complex. The steam system is designed to operate with three (3) boilers if one (1) boiler is down for repair. At the time of the event, Boiler 8 was out of service for planned maintenance. Boiler 7 tripped offline due to a tube failure; the steam supply header began to lose pressure. After the loss of Boiler 7, the Respondent activated the steam load shed plan, which consists of operational measures to conserve steam and reduce process impacts across the site. During activation of the plan, Boiler 9 also came offline as a result of a fuel gas valve being inadvertently closed. The loss of the additional boiler resulted in the 1300-pound steam header dropping in pressure causing a feed diversion and systems shutdown and additional steam load shedding activities until the fuel gas and steam systems were stabilized. The Respondent determined the incident was not preventable. The Boiler 7 tube failure occurred prior to its expected end of life. The escalation of the incident due to Boiler 9 tripping offline was preventable. The tables below list the emission source(s), the pollutant(s), and the duration(s) for the event:

EQT 0056 GO-1 Flare	CO	11	40.18	2,204.42	1,792.33
	NO _x	11	7.39	418.93	343.07
	PM	11	0.81	45.84	37.52
	SO ₂	11	10.07	44,810.16	44,699.36
	VOC	11	36.31	1,764.04	1,392.71

EQT 0010 Utilities East Flare	Toluene	4	0.07	0.16	0.03
	2,2,4- Trimethylpe- -ntane	4	0.01	0.35	0.34

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EQT 0088 OL-5 Ground Flare	CO	154	525.20	35,986.62	73.79
	NO _x	154	96.52	6,834.13	36.73
	PM _{102.5}	154	10.57	748.74	4.13
	VOC	154	557.00	41,132.28	2,266.72
	1,3-Butadiene	154	7.59	1,850.32	1,346.49
	Benzene	154	1.51	940.58	882.13
	Toluene	154	0.01	658.74	658.39
	Xylene	154	0.001	339.99	339.96
Ethylbenzene	154	0.001	85.00	84.96	

EQT 0087 OL-5 Elevated Flare	CO	98	525.20	123,757.33	77,631.25
	NO _x	98	96.52	23,102.62	14,580.19
	PM _{102.5}	98	10.57	2,531.04	1,597.71
	VOC	98	557.00	142,770.48	93,988.96
	1,3-Butadiene	98	7.59	6,793.73	6,280.80
	Benzene	98	1.51	4,035.61	3,948.38
	Toluene	98	0.01	2,838.20	2,837.67
	Xylene	98	0.001	1,464.88	1,464.82
Ethylbenzene	98	0.001	366.22	366.17	

EQT 0075 10-76 OL-5 Pyrolysis Furnace	SO ₂	1	10.68	13.01	2.33
EQT 0078 13-76 OL-5 Pyrolysis Furnace	SO ₂	1	10.68	11.47	0.79
EQT 0079 14-76 OL-5 Pyrolysis Furnace	SO ₂	1	10.68	11.32	0.64
EQT 0081 16-76 OL-5 Pyrolysis Furnace	SO ₂	2	10.68	25.49	4.13
EQT 0082 17-76 OL-5 Pyrolysis Furnace	SO ₂	1	10.68	12.55	1.87

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EQT 0085 20-76 OL-5 Pyrolysis Furnace	SO ₂	2	10.68	29.31	7.95	

- i. Failure to operate control equipment, any device or contrivance, operating procedure or abatement scheme to prevent or reduce air pollution, in the proper manner is a violation of LAC 33:III.905.A and La. R.S. 30:2057(A)(2).
- ii. Each exceedance of a permitted emission limit is a violation of Title V Permit Nos. 2520-V8 and 3047-V4, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

B. The Department received an Unauthorized Discharge Notification Report for Incident No. T197064 dated June 3, 2020, and a Follow-Up Notification Report dated July 21, 2020. According to the reports, on May 28, 2020, Equilon Enterprises LLC-Noro Refinery's Distillation Unit (DU-5) experienced an upset due to an undesirable feed impact to the unit from a crude storage tank, A-413. The upset at the DU-5 resulted in the relief valves lifting as well as having to route materials to the Utilities East Flare (EQT 0010). The DU-5 Unit reported water in the crude. Operations reverted the crude tank line-ups and removed A-413 from crude feed. An investigation determined that only a portion of the water in A-413 was removed due to a change in operation of the FISH system, which works to dewater the crude tanks by circulating the tank bottoms through a horizontal Liquid/Liquid separator PV-80. Water/oil interface is controlled in the FISH by a guided radar transmitter that starts and stops the water pump (P-2541) to F-476 at 25% and 10%, respectively. Oil circulation is maintained by P-2540 and is directed back to either the 20 inch or 24 inch foreign crude line. During this event, the oil circulation was run in an alternate mode which at the time was generally accepted, and tank dewatering occurred only using the water pump. This led to additional water in the crude tank and subsequent flaring during unit shutdown. The Respondent determined the event was preventable. The table below lists the emission source, the pollutants, and the duration for the event:

EQT 0011 West Ops Elevated Flare	3047-V5	VOC	06/01/2020	6	2.97	29.47	44.43

- i. Failure to use and/or diligently maintain a control device in proper working order as required is a violation of LAC 33:III.905.A and La. R.S. 30:2057(A)(2).

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- ii. Exceeding a permitted emission limit is a violation of Title V Permit No. 3047-V5, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

C. The Department received an Unauthorized Discharge Notification Report for Incident No. T200071 dated December 2, 2020, and a Follow-up Unauthorized Discharge Notification Report dated January 20, 2021. According to the reports, on November 30, 2020, the OL-5 Unit experienced an Upset at the Process Gas Compressor (PGC) resulting in a release from the OL-5 Elevated Flare (EQT 0087) and the OL-5 Ground Flare (EQT 0088). The PGC tripped on low lube oil pressure due to the inadvertent shutdown of the electric lube oil pump, P-5106B. Operations switched P-5106B from auto to manual when troubleshooting the turbine-driven lube oil pump, P-5106A, which caused the low lube oil pressure trip. This resulted in sudden loss of feed to OL-5 coldside and flaring. The Respondent determined the event was preventable. The tables below list the emission source(s), the pollutant(s), and the duration(s) for the incident:

EQT 0087 OL-5 Elevated Flare	NO _x	51	106.41	322	84
	PM ₁₀		11.66	35	9
	PM _{2.5}		11.66	35	9
	CO		485.09	1,045	365
	VOC		563.20	1,265	486
	1,3-Butadiene		7.60	46	39
	Ethylbenzene		0.001	8	8
	Styrene		0.001	2	2
	Toluene		0.01	2	2
	Xylene (mixed isomers)		0.001	22	22

EQT 0088 OL-5 Ground Flare	Ethylbenzene	51	0.0001	0.75	0.75
	Styrene		0.0001	0.19	0.19
	Toluene		0.01	0.23	0.22
	Xylene (mixed isomers)		0.001	2.01	2.01

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- i. Failure to operate control equipment, any device or contrivance, operating procedure or abatement scheme to prevent or reduce air pollution, in the proper manner is a violation of LAC 33:III.905.A and La. R.S. 30:2057(A)(2).
 - ii. Each exceedance of a permitted emission limit is a violation of Title V Permit No. 2520-V9, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2). The violations were also reported in the Part 70 Semiannual Report-General Condition K Report: July 1, 2020 through December 30, 2020 Reporting Period dated March 24, 2021.
- D. The Department received an Unauthorized Discharge Notification Report for Incident No. T199420 dated October 20, 2020, and a Follow-up Unauthorized Discharge Notification Report dated December 15, 2020. According to the reports, on October 16, 2020, the OL-5 caustic column analyzer indicated an elevated CO2 concentration leaving the caustic column overhead. The OL-5 production team began troubleshooting the issue. On October 17, 2020, OL-5 Coldside closed off to the ethylene product pipeline and began flaring ethylene from the OL-5 Elevated Flare (EQT 0087) due to CO2 concentration exceeding specification limits. The cause of the increased CO2 concentrations originated from erroneous temperature indication due to switched wiring on thermocouples, which led to the decision to decoke furnace F-143 when there was no need to decoke. The Respondent determined the event was preventable. The table below lists the emissions source, the pollutant(s), and the duration for the event:

EQT 0087 OL-5 Elevated Flare	NOx	10	96.52	1,805	860
	PM10		10.57	198	94
	PM2.5		10.57	198	94
	CO		525.20	9,812	4,669
	VOC		557.00	10,419	4,964

- i. Failure to operate control equipment, any device or contrivance, operating procedure or abatement scheme to prevent or reduce air pollution, in the proper manner is a violation of LAC 33:III.905.A and La. R.S. 30:2057(A)(2).
- ii. Each exceedance of a permitted emission limit is a violation of Title V Permit No. 2520-V8, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2). The violations were also reported in the Part 70 Semiannual Report-General Condition K Report: July 1, 2020 through December 30, 2020 Reporting Period dated March 24, 2021.

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E. The Department received an Unauthorized Discharge Notification Report for Incident No. T202971 dated June 2, 2021, and a Follow-up Unauthorized Discharge Notification Report dated July 21, 2021. According to the reports, on May 31, 2021, the OP-1 Unit experienced an upset resulting in elevated flaring at the GO-1 Elevated Flare (EQT 0056) and the West Ops Ground Flare. The GO-1 Elevated Flare is owned and operated by the Respondent. The West Ops Ground Flare is owned and operated by Equilon Enterprises LLC dba Shell Oil Products US. During a dryer switch, a valve misalignment resulted in loss of feed to OP-1 cold side and subsequent flaring of Process Gas Compressor (PGC) discharge and Demethanizer feed split. Without feed to the Demethanizer and Deethanizer columns, there was a reduced load on the Propylene Refrigerant (PR) and Ethylene Refrigerant (ER) and the machines tripped on high level in the PV-1030 ER High Level drum. Since the ER and PR run on a common motor, both compressors tripped. Once the unit was stabilized, the machines were restarted, and cold side was brought up per procedure with on-specification product on June 2, 2021. The Respondent determined the event was preventable. The table below lists the emissions source, the pollutant(s), and the duration for the event:

EQT 0056 GO-1 Flare	NO _x	89	11.32	7,273	6,608
	PM ₁₀		1.24	796	724
	PM _{2.5}		1.24	796	724
	CO		51.6	33,139	30,108
	VOC		36.32	37,662	35,521
	1,3- Butadiene		2.16	2,282	2,158
	Benzene		1.61	449	359
	Toluene		0.17	31	22
	n-Hexane		0.04	319	317

- i. Failure to operate control equipment, any device or contrivance, operating procedure or abatement scheme to prevent or reduce air pollution, in the proper manner is a violation of LAC 33:III.905.A and La. R.S. 30:2057(A)(2).
 - ii. Each exceedance of a permitted emission limit is a violation of Title V Permit No. 2520-V10, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2). The violations were also reported in the Part 70 Semiannual Report-General Condition K Report: January 1, 2021 through June 30, 2021 Reporting Period dated October 26, 2021.
- F. The Department received an Unauthorized Discharge Notification Report for Incident No. T206107 dated December 7, 2021, and a Follow-up Unauthorized Discharge Notification Report dated January 11, 2022. According to the reports, on November 30, 2021, the OP-1 Process Gas Compressor (PGC) tripped due to B-case

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radial vibrations. The A-probe experienced issues on November 27, 2021. The issues were resolved; however, the alarm was not cleared on the Bentley Nevada rack which provided the first vote to trip for the two (2) out of two (2) trip system. On November 30, 2021, the B-probe was lost and provided the second vote required for the equipment to trip. The FGT feed was reduced to F-177, Valero Dry Gas was removed from the OP-1 Process Gas Compressor (PGC), and OL-MAD gas and dry gas feed were increased to OP-1 cold side. The PGC was brought back up later that afternoon and the unit was stabilized. The Respondent determined the event was preventable. The table below lists the emissions source, the pollutant(s), and the duration for the event:

EQT 0056 GO-1 Flare	NO _x	11	11.32	936	811
	PM ₁₀		1.24	98	85
	PM _{2.5}		1.24	98	85
	CO		51.6	4,098	3,530
	VOC		36.32	3,140	2,740
	SO ₂		10.08	110	14
	1,3- Butadiene		2.16	65	43
	Benzene		1.61	89	72

- i. Failure to operate control equipment, any device or contrivance, operating procedure or abatement scheme to prevent or reduce air pollution, in the proper manner is a violation of LAC 33:III.905.A and La. R.S. 30:2057(A)(2).
 - ii. Each exceedance of a permitted emission limit is a violation of Title V Permit No. 2520-V10, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2). The violations were also reported in the Part 70 Semiannual Report-General Condition K Report: January 1, 2021 through June 30, 2021 Reporting Period dated October 26, 2021.
- G. The Department received an Unauthorized Discharge Notification Report for Incident No. T205960 dated November 23, 2021, and a Follow-up Unauthorized Discharge Notification Report dated January 11, 2022. According to the reports, on November 17, 2021, the GO-1 Unit experienced a power loss in the monitoring trip system within the Process Gas Compressor (PGC) which resulted in elevated flaring at the GO-1 Elevated Flare (EQT 0056). The PGC was manually taken down to repair, and furnace lineups were put in place in preparation for PGC startup that night. During the recovery and maintenance repairs of the PGC, the Ethylene Refrigerant Compressor (ERC) tripped and after startup of the PGC, the Propylene Refrigerant Compressors (PRC) tripped. Further investigation pointed to ethylene and ethane in the PRC loop causing loss of condensing and subsequent trip. The PRC was vented and the unit was

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restarted on November 20, 2021. The Respondent determined the event was preventable. The table below lists the emissions source, the pollutant(s), and the duration for the event:

EQT 0056 GO-1 Flare	NO _x	83	11.32	20,380	19,440
	PM ₁₀		1.24	2,201	2,098
	PM _{2.5}		1.24	2,201	2,098
	CO		51.6	91,568	87,289
	VOC		36.32	100,034	97,029
	SO ₂		10.08	22,508	21,852
	1,3- Butadiene		2.16	4,484	4,314
	Benzene		1.61	3,074	2,957
	Toluene		0.17	37	25
	n-Hexane		0.04	382	380

- i. Failure to operate control equipment, any device or contrivance, operating procedure or abatement scheme to prevent or reduce air pollution, in the proper manner is a violation of LAC 33:III.905.A, and La. R.S. 30:2057(A)(2). To prevent recurrence, a guide for implementing the power supply has been created along with labeling of the power supplies to ensure the voltages are reset prior to a power supply swap. A documented procedure will also be created and applied for swapping power supplies.
- ii. Each exceedance of a permitted emission limit is a violation of Title V Permit No. 2520-V10, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(1) and 30:2057(A)(2). The violations were also reported in the Part 70 Semiannual Report-General Condition K Report: January 1, 2021 through June 30, 2021 Reporting Period dated October 26, 2021.

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 Antoinette Cobb at (225) 219-3072 or antoinette.cobb@la.gov within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**.

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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 to arrive at the sum. If you assert that no monetary benefits have been gained, you are to fully justify this 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.

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 may submit the settlement offer within one hundred and eighty (180) days of receipt of this **NOTICE OF POTENTIAL PENALTY**. 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,



Celena F. Cage

Assistant Secretary

Office of Environmental Compliance

CJC/AFC/afc
Alt ID No. 2520-00079

c: Shell Chemical LP
c/o Ms. Tammy Little, General Manager
15536 River Road
Norco, LA 70079

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-22-00359	Contact Name	Antoinette Cobb
Agency Interest (AI) No.	26336	Contact Phone No.	(225) 219-3072
Alternate ID No.	2520-00079		
Respondent:	Shell Chemical LP	Facility Name:	Shell Norco Chemical Plant-East Site
	c/o C T Corporation System	Physical Location:	15536 River Road
	Agent for Service of Process		
	3867 Plaza Tower Drive	City, State, Zip:	Norco, LA 70079
Baton Rouge, Louisiana 70816	Parish:	St. Charles	

(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-22-00359)**, the Respondent is interested in entering into settlement negotiations with the Department and would like to set up a meeting to discuss settlement procedures.

The Respondent may submit the settlement offer within one hundred and eighty (180) days of receipt of this **NOTICE OF POTENTIAL PENALTY (AE-PP-22-00359)**.

In order to resolve any claim for civil penalties for the violations in **NOTICE OF POTENTIAL PENALTY (AE-PP-22-00359)**, 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-22-00359)** and has attached a justification of its offer and a description of any BEPs if included in settlement offer.

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: Antoinette Cobb