

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

AMITECH USA, L.L.C.

AI # 96336

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

* **Settlement Tracking No.**
* **SA-AE-06-0035**
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* **Enforcement Tracking No.**
* **AE-PP-04-0206**
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SETTLEMENT

The following Settlement is hereby agreed to between Amitech USA, L.L.C. ("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 who owns and/or operates a pipe manufacturing facility located at 18585 Samuels Road, Zachary, East Baton Rouge Parish, Louisiana ("the Facility").

II

On November 22, 2004, the Department issued to Respondent a Notice of Potential Penalty, Enforcement No. AE-PP-04-0206, which was based upon the following findings of fact:

On or about February, 26, 2003, June 20, 2003, and September 26, 2003, inspections of Amitech USA-Zachary Pipe Manufacturing Facility, owned and/or operated by Amitech USA, L.L.C. (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 18585 Samuels Road in Zachary, East Baton Rouge Parish, Louisiana.

The following violations were noted during the course of the inspections:

- A. According to information submitted by the Respondent, the Respondent operated the facility without a condenser system to capture styrene vapors generated during the pipe manufacturing process for 48 days during the period February 17, 2003, through May 28, 2003. The condenser system is permitted to achieve a ninety-five percent reduction in hazardous air pollutant emissions. The operation without a condenser system is a violation of the Specific Condition of Air Permit Number 0840-00188-00, LAC 33:III.501.C.4, and Section 2057(A)(1) and 2057(A)(2) of the Act.
- B. The Respondent failed to notify the Department within ten calendar days from the date that construction was certified as complete and the estimated date of start-up of operations. This is a violation of General Condition VI of State Air Permit Number 0840-00188-00, LAC 33:III.501.C.4, and Section 2057(A)(2) of the Act.

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 FIFTY-SEVEN THOUSAND TWO HUNDRED AND NO/100 DOLLARS (\$157,200.00), of which Seven Hundred Thirty-One and 69/100 Dollars (\$731.69) represents DEQ's enforcement costs, in settlement of the claims set forth in this agreement. Payment shall be made pursuant to the following schedule: \$20,000 shall be made each quarter (January 1, April 1, July 1, October 1) for seven quarters commencing the first quarterly date after settlement is finalized. A final quarterly payment of \$17,200 shall be made on the eighth quarterly date after settlement is

finalized. The total amount of money expended by Respondent on cash payments to DEQ 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 inspection report(s), the 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.

VI

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.

VII

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 LSA- R. S. 30:2025(E) of the Act.

VIII

The Respondent has caused a public notice advertisement to be placed in the official journal of the parish governing authority in East Baton Rouge Parish, Louisiana. The advertisement, in form, wording, and size 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 a proof-of-publication affidavit 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.

IX

Payment is to be made in accordance with the schedule established in Paragraph IV of this Settlement. 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 Darryl Serio, Office of Management and Finance, 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).

X

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

XI

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.

AMITECH USA, L.L.C.

BY: *Maciej Korbasiewicz*
(Signature)

MACIEJ KORBASIEWICZ
(Print)

TITLE: PRESIDENT, MANAGING DIRECTOR

THUS DONE AND SIGNED in duplicate original before me this 26th day of December, 20 06, at 2:37 PM in Zachary, Louisiana.

Linda H. Tingle
NOTARY PUBLIC (ID # 82908)

Linda H. Tingle
(Print)

LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY
Mike D. McDaniel, Ph.D., Secretary

BY: *Harold Leggett*
Harold Leggett, Ph.D., Assistant Secretary
Office of Environmental Compliance

THUS DONE AND SIGNED in duplicate original before me this 7th day of March, 20 07, at Baton Rouge, Louisiana.

[Signature]
NOTARY PUBLIC (ID # 21676)

Approved: *Harold Leggett*
Harold Leggett, Ph.D., Assistant Secretary

G. Allen Kinkpatrick
(Print)