

STATE OF LOUISIANA
LDEQ RECEIPT

DEPARTMENT OF ENVIRONMENTAL QUALITY
2008 DEC 22 PM 1 16

IN THE MATTER OF:

* Settlement Tracking No.

* SA-AE-08-0025

BASF CORPORATION

*

* Enforcement Tracking No.

AI # 2049

* AE-PP-07-0067

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**PROCEEDINGS UNDER THE LOUISIANA
ENVIRONMENTAL QUALITY ACT**

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LA. R.S. 30:2001, ET SEQ.

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SETTLEMENT

The following Settlement is hereby agreed to between BASF Corporation ("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 chemical plant facility located at 8404 River Road in Geismar, Ascension Parish, Louisiana ("the Facility").

II

On August 31, 2007, the Department issued to Respondent a Notice of Potential Penalty, Enforcement No. AE-PP-07-0067, which was based upon the following findings of fact:

On or about April 19, 2007, a file review of the Geismar Facility, owned and/or operated by BASF Corporation (Respondent), was 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 8404 River Road in Geismar, Ascension Parish, Louisiana.

The following violations were noted during the course of the file review:

The Respondent submitted written notification to the Department dated March 20, 2007, reporting that a release of 2015 lbs of monomethylamine (MMA) occurred at the Respondent's facility on March 13, 2007, beginning at approximately 1020 hrs and ending at approximately 1048 hrs. The Reportable Quantity for MMA, CAS No. 74-89-5, is 100 lbs. The Respondent indicated that the discharge was believed to have been preventable because internal written procedures were not followed when a performance contract crew inadvertently opened an isolating valve, thereby releasing MMA to the atmosphere. This is a violation of LAC 33:III.905 which states, "When facilities have been installed on a property, they shall be used and diligently maintained in proper working order whenever any emissions are being made which can be controlled by the facilities, even though the ambient air quality standards in affected areas are not exceeded." Additionally, this is a violation of LAC 33:III.501.C.4 and Sections 2057(A)(1) and 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 THOUSAND ONE HUNDRED AND NO/100 DOLLARS (\$1,100.00), of which Three Hundred Twenty-four and 43/100 Dollars (\$324.43) represents DEQ's enforcement costs, in settlement of the claims set forth in this agreement. The total amount of money expended by Respondent on cash payments to 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 Ascension 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 within ten (10) days from notice of the Secretary's signature. If payment is not received within that time, this Agreement is voidable at the option of the Department. Payments are to be made by check, payable to the Department of Environmental Quality, and mailed or delivered to the attention of Accountant Administrator, Financial Services Division, Department of Environmental Quality, Post Office Box 4303, Baton Rouge, Louisiana, 70821-4303. Each payment shall be accompanied by a completed Settlement Payment Form (Exhibit A).

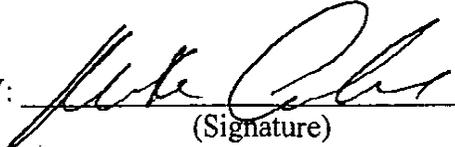
X

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.

BASF CORPORATION

BY: 
(Signature)

MIKE COHEN
(Print)

TITLE: Sr VP & General Manager

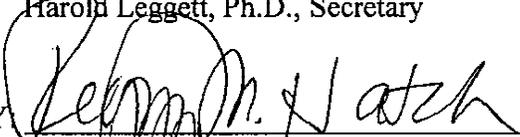
THUS DONE AND SIGNED in duplicate original before me this 16 day of October, 20 08, at Geismar, LA.


NOTARY PUBLIC (ID # 56333)

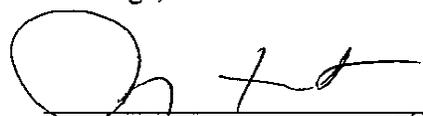
Jennifer Kunkle
(Print)

JENNIFER KUNKLE
NOTARY PUBLIC #56333
STATE OF LOUISIANA
PARISH OF ASCENSION
MY COMMISSION IS FOR LIFE

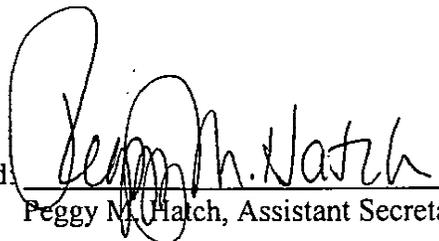
LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY
Harold Leggett, Ph.D., Secretary

BY: 
Peggy M. Hatch, Assistant Secretary
Office of Environmental Compliance

THUS DONE AND SIGNED in duplicate original before me this 9th day of Feb., 20 09, at Baton Rouge, Louisiana.


NOTARY PUBLIC (ID # 19181)

Perry Theriot
(Print)

Approved: 
Peggy M. Hatch, Assistant Secretary