STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:	*	**Settlement Tracking No.**
	*	**SA-AE-15-0022**
BOISE CASCADE WOOD	*	
PRODUCTS, L.L.C.	*	**Enforcement Tracking No.**
AI # 1647	*	**AE-CN-13-00836**
	*	
PROCEEDINGS UNDER THE LOUISIANA	*	
ENVIRONMENTAL QUALITY ACT	*	
LA. R.S. 30:2001, ET SEQ.	*	

SETTLEMENT

The following Settlement is hereby agreed to between Boise Cascade Wood Products, 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 limited liability company that owns and/or operates a plywood plant facility located in Sabine Parish, Louisiana ("the Facility").

II

On April 21, 2014, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-13-00836, which was based upon the following findings of fact:

"The Respondent owns and/or operates Florien Plywood Plant (the facility), located at 225 Studeman Street in Florien, Sabine Parish, Louisiana. The facility operates or has operated under the authority of Title V Air Permits as shown in Table A:

TABLE A

UNIT	PERMIT NO.	ISSUE DATE	EXPIRATION DATE
Florien Plywood Plant	2700-00001-V0	1/31/2001	1/31/2006
Florien Plywood Plant	2700-00001-V1	5/1/2003	1/31/2006*
Florien Plywood Plant	2700-00001-V2	7/18/2007	7/18/2012
Florien Plywood Plant	2700-00001-V3	1/31/2012	1/31/2017

*The Respondent submitted an application dated 10/5/2005 to modify Title V Permit No. 2700-00001-V1, 113 days prior to expiration.

On or about September 18, 2013, a file review of the facility was performed to determine the 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. In correspondence dated July 23, 2013, the Respondent reported the results of emission testing conducted on or about May 30, 2013 for the Regenerative Catalytic/Thermal Oxidizer (RCO/RTO), EQT 15. Test results reported a Carbon Monoxide (CO) average level of 25.06 pounds per hour (lb/hr), exceeding the permit limit of 14.27 lb/hr, maximum. The failure to maintain CO below the permitted level is a violation of Title V Permit No. 2700-00001-V3, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

B. In correspondence dated September 4, 2013, and received September 9, 2013 the Respondent submitted an application to modify Title V Permit No. 2700-00001-V3 to incorporate the emission test results for CO and for formaldehyde for the RCO/RTO. In correspondence dated August 1, 2013, the Respondent reported receiving the emission test results on or about July 18, 2013. The application was dated 48 days after receiving the emission test results. The failure to request a permit modification within forty-five (45) days after receiving test results that demonstrate that a permit modification is required is a violation of LAC 33:III.523.A, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

C. In correspondence dated as shown, the Respondent submitted the facility's First Semiannual Monitoring Reports for the period encompassing January 1 through June 30 of the year shown and the facility's Second Semiannual Monitoring Reports for the period encompassing July 1 through December 31 of the year shown. Deviations reported that were not consistent with the facility's Startup/Shutdown/Malfunction (SSM) plan, and the Specific Requirement (SR) of Title V Permit No. 2700-00001-V2 are shown in table A:

TABLE A

Semiannual Report	Report Date	Deviation Date	Deviation	SR No.
First 2010	9/20/2010	1/9/2010	No maintenance record for control failure on RCO/RTO (EQT 15)	99
		4/22/10		
		6/5/10		
		6/19/10		
Second 2010	3/30/11	9/7/10	Temperature low on RCO/RTO for 0.2 hrs.	103
		11/7/10	No maintenance record for control failure on RCO/RTO (EQT 15)	99
		12/6/10		
		12/17/10		
		12/20/10		
		12/22/10		
First 2011	9/28/11	3/11/11	No maintenance record for control failure on RCO/RTO (EQT 15)	99
		3/20/11		
		3/20/11		
		4/14/11		
		4/30/11		
		5/6/11	Missed visual inspections BH1 – Baghouse and Secondary Filter 9 (EQT 3)	52
		5/7/11		
		5/18/11		
		5/23/11		
		5/6/11	Missed visual inspections C5 – Core Saw Cyclone (EQT 5)	60
		5/7/11		
		5/18/11		
		5/23/11		
		5/22/11	No maintenance record for control failure on RCO/RTO (EQT 15)	99
		6/3/11		
		6/6/11		
		6/19/11		
		6/20/11		
		6/21/11		
Second 2011	3/29/12	7/2/11	Hog Fuel-Fired Boiler (EQT I) Opacities not recorded	10
		7/2/11	Missed visual inspections BH1 – Baghouse and Secondary Filter (EQT 3)	52
		7/9/11		
		7/16/11		
		7/30/11		
		7/2/11	Missed visual inspections C5 – Core Saw Cyclone (EQT 5)	60
		7/9/11		

TABLE A

Semiannual Report	Report Date	Deviation Date	Deviation	SR No.
		7/16/11		
		7/30/11		
		11/10/11	Corrective action on RCO/RTO (EQT 15) not recorded	97

Each failure to record an action and or an observation is a violation of the Specific Requirement listed of Title V Permit No. 2700-00001-V2, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

D. In correspondence dated August 1, 2013, the Respondent requested interim limits to operate the emission sources listed until Title V Permit No. 2700-00001-V4 is issued, incorporating the results of the emission testing conducted on or about May 30, 2013."

The following violations, although not cited in the foregoing enforcement action(s), are included within the scope of this settlement.

A. In correspondence dated March 29, 2013 the Respondent submitted the facility's 2012 Second Semiannual Monitoring Report for the period encompassing July 1, 2012 through December 31, 2012. The report disclosed that on or about November 14, 2012, the RCO/RTO (EQT 0015) tripped and was off-line for 30 minutes when an electrical contractor opened an air pressure switch, through operator error. Each 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. 2700-00001-V3, LAC:III.905.A, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

B. In correspondence dated March 29, 2013 the Respondent submitted the facility's 2012 Second Semiannual Monitoring Report for the period encompassing July 1, 2012 through December 31, 2012. The report disclosed that on or about November 15, 2012, the RCO/RTO (EQT 0015) tripped and was off-line for 39 minutes when an electrical air pressure switch was incorrectly opened, through operator error. Each 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. 2700-00001-V3, LAC:III.905.A, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

C. In correspondence dated September 26, 2013 the Respondent submitted the facility's 2013 First Semiannual Monitoring Report for the period encompassing January 1, 2013 through June 30, 2013. The report disclosed that on or about March 31, 2013, the RCO/RTO (EQT 0015) tripped and was off-line for 30 minutes when a stop switch was incorrectly activated, through operator error. Each 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. 2700-00001-V3, LAC:III.905.A, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

D. In correspondence dated September 22, 2014, the Respondent submitted the facility's 2014 First Semiannual Monitoring Report for the period encompassing January 1, 2014 through June 30, 2014. The report disclosed that the facility failed to conduct daily Method 9 opacity readings for the Hogged Fuel Fired Boiler (EQT 0001) and for the Baghouse and Standard Filter #3 (EQT 0021) for the dates May 3, May 12, May 21, and May 31, 2014. Each failure to conduct a daily Method 9 opacity reading for EQT 0001 and for EQT 0021 is a violation of Specific Requirement 9 and Specific Requirement 21, respectively, of Title V Permit No. 2700-00001-V3, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

E. In correspondence postmarked May 12, 2011, the Respondent submitted the facility's Criteria & Toxic Air Pollutant Emissions Certification Statement for the reporting year 2010. The failure to submit the facility's 2010 Criteria & Toxic Air Pollution Emissions Certification Statement by the April 30, 2011 due date (extended by the Department to May

12, 2011), is a violation of LAC 33:III.919.F.1.d, LAC 33:III.501.C.4, and the La. R.S. 30:2057(A)(2).

F. In correspondence postmarked May 10, 2013, the Respondent submitted the facility's Criteria & Toxic Air Pollutant Emissions Certification Statement for the reporting year 2012. The failure to submit the facility's 2012 Criteria & Toxic Air Pollution Emissions Certification Statement by the April 30, 2013 due date is a violation of LAC 33:III.919.F.1.d, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).

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 SEVENTEEN THOUSAND AND NO/100 DOLLARS ($17,000.00), of which Nine Hundred Thirty-One and 64/100 Dollars ($931.64) represents the Department's enforcement costs, in settlement of the claims set forth in this agreement. The total amount of money expended by Respondent on cash payments to the Department as described above, shall be considered a civil penalty for tax purposes, as required by La. R.S. 30:2050.7(E)(1).

V

Respondent further agrees that the Department may consider the permit record 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 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 Sabine 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 an original proof-of-publication affidavit and an original public notice to the Department and, as of the date this

Settlement is executed on behalf of the Department, more than forty-five (45) days have elapsed since publication of the notice.

X

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).

XI

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

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.

BOISE CASCADE WOOD PRODUCTS, L.L.C.

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
Peggy M. Hatch Secretary

BY: _____
D. Chance McNeely, 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: _____
D. Chance McNeely, Assistant Secretary