

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

CROMPTON CORPORATION

AI # 2119

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

- * Settlement Tracking No.
- * SA-AE-06-010
- *
- * Enforcement Tracking No.
- * AE-CN-05-0096
- * AE-CN-05-0096A
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SETTLEMENT

The following Settlement is hereby agreed to between Chemtura Corporation, the successor in interest of Crompton 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.

The Respondent is a corporation that owned/operated a chemical manufacturing facility located at 1805 Fourth Street in Harvey, Jefferson Parish, Louisiana ("the Facility"). The Facility operated under Title V Permit No. 2587-V0 issued on December 22, 1998, and which expired on December 22, 2003.

II.

On July 1, 2005, Crompton Corporation merged with Great Lakes Chemical Corporation. As a result of this merger, Crompton changed its name to Chemtura Corporation. Facility "Name Change/Change of Ownership" forms have been submitted for the former Crompton Corporation's Louisiana facilities.

On June 14, 2005, the Department issued to the Respondent, a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-05-0096, which was based upon the following findings of fact:

On or about May 5, 2005, a file review of the Respondent's facility was performed to determine the degree of compliance with the Act and Air Quality Regulations.

- A. The Respondent failed to submit the semiannual monitoring reports to the Department as required by Part 70 General Condition K of Title V Permit No. 2587-V0 as indicated in Table 1. Each failure to submit the semiannual monitoring report by the required date is a violation of Part 70 General Condition K of Title V Permit No. 2587-V0, LAC 33:III.501.C.4, and Section 2057(A)(2) of the Act.

Table 1

Semiannual Period	Date Due	Date Received
July - December 1998	March 31, 1999	No record of receipt
January-June 1999	September 30, 1999	No record of receipt
July - December 1999	March 31, 2000	No record of receipt
January - June 2000	September 30, 2000	No record of receipt
July - December 2000	March 31, 2001	No record of receipt
January - June 2001	September 30, 2001	No record of receipt
July - December 2001	March 31, 2002	No record of receipt
January - June 2002	September 30, 2002	No record of receipt
July - December 2002	March 31, 2003	No record of receipt
January - June 2003	September 30, 2003	No record of receipt
July - December 2003	March 31, 2004	No record of receipt
January - June 2004	September 30, 2004	No record of receipt
July- December 2004	March 31, 2005	No record of receipt

- B. The Respondent failed to submit the annual compliance certifications to the Department as required by Part 70 General Condition M of Title V Permit No. 2587-V0 as indicated in Table 2. Each failure to submit the annual compliance certification by the required date is a violation of Part 70 General Condition M of Title V Permit No. 2587-V0, LAC 33:III.501.C.4, and Section 2057(A)(2) of the Act.

Table 2

Calendar Year	Date Due	Date Received
1998	March 31, 1999	No record of receipt
1999	March 31, 2000	No record of receipt
2000	March 31, 2001	No record of receipt
2001	March 31, 2002	No record of receipt
2002	March 31, 2003	No record of receipt
2003	March 31, 2004	No record of receipt
2004	March 31, 2005	No record of receipt

On November 18, 2005, the Department issued to the Respondent, an Amended Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-05-0096A, which was based upon the following findings of fact:

On or about May 5, 2005, a file review of the Respondent's facility was performed to determine the degree of compliance with the Act and Air Quality Regulations, as well as written submissions from the Respondent showing the emission source for which the Title V Permit No. 2587-V0 was issued was shut down in November 2003.

After reviewing the Respondent's written submissions concerning the Title V Permit No. 2587-V0 emission source, the Department amended the violations in the action to read as follows:

- C. The Respondent failed to submit the semiannual monitoring reports to the Department as required by Part 70 General Condition K of Title V Permit No. 2587-V0 as indicated in Table 1. Each failure to submit the semiannual monitoring report by the required date is a violation of Part 70 General Condition K of Title V Permit No. 2587-V0, LAC 33:III.501.C.4, and Section 2057(A)(2) of the Act.

Table 1

Semiannual Period	Date Due	Date Received
July – December 1998	March 31, 1999	No record of receipt
January-June 1999	September 30, 1999	No record of receipt
July – December 1999	March 31, 2000	No record of receipt

January – June 2000	September 30, 2000	No record of receipt
July – December 2000	March 31, 2001	No record of receipt
January – June 2001	September 30, 2001	No record of receipt
July – December 2001	March 31, 2002	No record of receipt
January – June 2002	September 30, 2002	No record of receipt
July – December 2002	March 31, 2003	No record of receipt
January – June 2003	September 30, 2003	No record of receipt
July – December 2003	March 31, 2004	No record of receipt

D. The Respondent failed to submit the annual compliance certifications to the Department as required by Part 70 General Condition M of Title V Permit No. 2587-V0 as indicated in Table 2. Each failure to submit the annual compliance certification by the required date is a violation of Part 70 General Condition M of Title V Permit No. 2587-V0, LAC 33:III.501.C.4, and Section 2057(A)(2) of the Act.

Table 2

Calendar Year	Date Due	Date Received
1998	March 31, 1999	No record of receipt
1999	March 31, 2000	No record of receipt
2000	March 31, 2001	No record of receipt
2001	March 31, 2002	No record of receipt
2002	March 31, 2003	No record of receipt
2003	March 31, 2004	No record of receipt

III.

After the issuance of the Consolidated Compliance Order and Notice of Potential Penalty AE-CN-05-0096 and as amended in Consolidated Compliance Order and Notice of Potential Penalty AE-CN-05-0096A, the Department conducted file reviews of the Respondent’s facility. During the course of these reviews, the following violations were noted:

A. The Respondent failed to record and maintain records of the amount of fuel combusted each day in Boiler No. 3, Emission Source 2-98, as required in Specific Condition 3.II.G of Title V Permit 2587-V0.

Daily records were not kept for the following periods:

Table 3

Period Start Date	Period End Date
December 13, 1999	December 31, 1999
January 1, 2000	June 30, 2000
July 1, 2000	December 31, 2000
January 1, 2001	June 30, 2001
July 1, 2001	July 11, 2001
November 1, 2003	November 6, 2003

Each failure to record and maintain the daily fuel combustion records is a violation of Specific Condition 3.II.G of Title V Permit 2587-V0, including the record keeping requirements of 40 C.F.R. 60.48 c (g), LAC 33:III.501.C.4, and Section 2057(A)(2) of the Act.

- B. The Respondent failed to submit the 2005 annual Toxic Emissions Data Inventory (TEDI) report to the Department by the July 1, 2006, due date, as required by Facility Specific Requirement No. 26 of Small Source Permit No. 1340-00005-07. The Department received the TEDI report on August 31, 2006. This failure to submit the annual Toxic Emissions Data Inventory report by the required due date is a violation of Facility Specific Requirement No. 26 of Permit No. 1340-00005-07, LAC 33:III.501.C.4, LAC 33:III.5107.A.2, and Section 2057(A)(2) of the Act.

IV.

In response to the Consolidated Compliance Order & Notice of Potential Penalty, the Respondent made a timely request for a hearing.

V.

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

VI.

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 TWENTY TWO THOUSAND AND NO/100 DOLLARS (\$22,000.00), of which FIVE HUNDRED EIGHTY SEVEN AND 84/100 DOLLARS (\$587.84) 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).

VII.

Respondent further agrees that the Department may consider the inspection report(s), the Consolidated Compliance Order & 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.

VIII.

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.

IX.

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.

X.

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

XI.

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 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).

XII.

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

XIII.

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

CHEMTURA CORPORATION, SUCCESSOR IN
INTEREST OF CROMPTON CORPORATION

BY: [Signature]
(Signature)
Lynn Schefsky
(Printed or Typed)

TITLE: Senior Vice President & General Counsel

THUS DONE AND SIGNED in duplicate original before me this 10th day of
January, 20 07, at Middletown, CT.

[Signature]
NOTARY PUBLIC (ID # 87503)

Nita F. Drakatos
State of Connecticut
Notary Public (ID # 87503)
My Commission Expires: 10/31/2008

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

BY: [Signature]
Harold Leggett, Ph.D., Assistant Secretary
Office of Environmental Compliance

THUS DONE AND SIGNED in duplicate original before me this 5th day of
April, 20 07, at Baton Rouge, Louisiana.

[Signature]
NOTARY PUBLIC (ID # 21679)
Ted R. Drayton, Jr.
(Printed or Typed)

Approved: [Signature]
Harold Leggett, Ph.D., Assistant Secretary