

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

EXXON MOBIL CORPORATION

AI # 285

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

* Settlement Tracking No.
* SA-AE-10-0050
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* Enforcement Tracking No.
* AE-PP-09-0666
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SETTLEMENT

The following Settlement is hereby agreed to between Exxon Mobil 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 that owns and/or operates a plastics facility in Baton Rouge, East Baton Rouge Parish, Louisiana (“the Facility”).

II

On March 18, 2010, the Department issued to Respondent a Notice of Potential Penalty, Enforcement Tracking No. AE-PP-09-0666, which was based upon the following findings of fact:

On or about June 18, 2009, an inspection of Baton Rouge Plastic Plant, owned and/or operated by Exxon Mobil 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 11675 Scotland Avenue in Baton Rouge, East Baton Rouge Parish, Louisiana. The facility currently operates under Title V Permit No. 0840-00018-V6 issued on November 18, 2009.

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

- A. According to an Unauthorized Discharge Report dated July 22, 2008, the Respondent had a hydrocarbon release on July 21, 2008. The Respondent's B-line recycle experienced a gas release to the atmosphere due to high pressure interlock activation of a safety valve. The incident was caused by a recycle guard valve being closed upon start-up of the unit resulting in the overpressure of the high pressure separator. This incident was preventable. The hydrocarbon release lasted approximately two (2) minutes and released approximately 1,475 lbs of ethylene. The Respondent failed to operate a control device properly which is a violation of Title V Permit No. 0840-00018-V5, LAC 33:III.501.C.4, LAC 33:III.905, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
- B. According to an Unauthorized Discharge Report dated November 5, 2008, the Respondent had a hydrocarbon release on November 4, 2008. The facility's A-line experienced a gas release due to the inadvertent opening of a safety relief device during a planned preventative maintenance check of the emergency shutdown system. As a result, approximately 320 lbs of ethylene gas were emitted to the atmosphere in the one (1) minute the incident lasted. The incident occurred as a result of maintenance accidentally opening up the dump valve on the reactor. This is a violation of Title V Permit No. 0840-00018-V5, LAC 33:III.501.C.4, LAC 33:III.905, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
- C. According to the 2009 First Semiannual Monitoring Report dated September 16, 2009, the Respondent failed to operate the Flare FL-1 (EQT0127) on February 16, 2009, in accordance with 40 CFR 63.11(b) and 40 CFR 60.18(f), which specifies that the heating value of the vent gas be greater than 300 BTU/scf. The incident last for approximately one (1) hour and twenty-five (25) minute and was caused by excess nitrogen being sent to the flare. This is a violation of 40 CFR 63.11(b) and 40 CFR 60.18(f), which language has been adopted as a Louisiana Regulation in LAC 33:III.5122 and LAC 33:III.3003, respectively. This is also a violation of Specific Requirements 80 and 92 of Title V Permit No. 0840-00018-V5, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and 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 THREE THOUSAND AND NO/100 DOLLARS (\$3,000.00), of which Six Hundred One and 90/100 Dollars 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 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 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.

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.

EXXON MOBIL CORPORATION

BY: Denise M Burcham
(Signature)

Denise M Burcham
(Print)

^{BRPP}
TITLE: Plant Manager

THUS DONE AND SIGNED in duplicate original before me this 21st day of July, 20 10, at East Baton Rouge, La.

Monica Dubre
NOTARY PUBLIC (ID # 60615)

Monica Dubre
(Print)

LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY
Peggy M. Hatch., Secretary

BY: Beau James Brock

Beau James Brock, Assistant Secretary
Office of Environmental Compliance

THUS DONE AND SIGNED in duplicate original before me this 23^d day of November, 20 10, at Baton Rouge, Louisiana.

Christopher A. Ratchiff
NOTARY PUBLIC (ID # 10149)

Christopher A. Ratchiff
(Print)

Approved: Paul D. Miller
Paul D. Miller, P.E., Assistant Secretary