

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

EXXON MOBIL CORPORATION

AI # 3230

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

\* Settlement Tracking No.  
\* SA-AE-11-0071  
\*  
\* Enforcement Tracking No.  
\* AE-CN-08-0120  
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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 resin finishing facility at in Baton Rouge, East Baton Rouge Parish, Louisiana (“the Facility”).

II

On October 16, 2008, the Department issued to Respondent a Consolidated Compliance Order and Notice of Potential Penalty, Enforcement No. AE-CN-08-0120, which was based upon the following findings of fact:

The Respondent owns and/or operates Baton Rouge Resin Finishing Plant (the Facility), which is located at 12840 Scenic Highway Baton Rouge, East Baton Rouge Parish, Louisiana. The Facility is permitted as a minor stationary source and has been in operation prior to 1969. The Facility previously operated under Air Permit No. 0840-00035-10 issued September 8, 2002,

which was administratively amended May 22, 2003. The facility is currently operating under Air Permit No. 0840-00035-11 issued July 16, 2004. Baton Rouge Resin Finishing Plant receives resin solutions from ExxonMobil Baton Rouge Chemical Plant Escorez 1000 (E-1000) and Escorez 5000 (E-5000) Units. The resin solution is pumped to storage tanks prior to stripping the diluents .

During a meeting with the Respondent, on or about February 1, 2008 and a subsequent file review conducted on or about July 7, 2008, the following violations were disclosed:

The Respondent failed a single stack test on one particular grade of product. The 2007 annual emissions for the E402 Vent (Emission Point #V-03) were estimated to be 11.1 tons per year (tpy) of VOCs instead of the permitted amount of 4.64 tpy. Below is the table of the Louisiana Toxic Air Pollutant (LTAP) species actual emissions vs permit limit.

LTAP	2007 Actual Emission (TPY)	Permit Limit (TPY)
n-Hexane	1.96	1.56
Methyl tert-Butyl Ether	0.45	0.01
2,2,4 Trimethylpentane	0.03	0.01

The exceedence of each LTAP and VOC is a violation of Air Permit 0840-00035-11, LAC 33:III.501.C.4, LAC 33:III.905, 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 HUNDRED FIVE THOUSAND EIGHT HUNDRED FIFTY AND NO/100 DOLLARS (\$305,850.00), of which Nine Hundred Eighteen and 63/100 Dollars (\$918.63) represents the Department's enforcement costs, in settlement of the claims set forth in this agreement.

Respondent, in addition to the penalty amount specified in Paragraph IV above and as part of this Settlement, agrees to expend the amount of Fifty-Four Thousand One Hundred Fifty and No/100 Dollars (\$54,150.00) to implement and/or perform the following Beneficial Environmental Projects (BEP) and/or Department approved special project:

**Beneficial Environmental Project (BEP):**

- A. The Respondent also submits a commitment to direct Twenty-Nine Thousand and No/Dollars (\$29,000.00) to Louisiana Foundation for Excellence in Science, Technology, & Education (LaFESTE) to provide funding for The Baton Rouge Clean Air Coalition coordination activities.

**Special Project:**

- B. The Respondent also submits a commitment to direct Twenty-Five Thousand One Hundred Fifty and No/Dollars (\$25,150.00) to ExxonMobil YMCA to provide funding to the Swim-Survive-Succeed program.
- C. Respondent shall submit monthly reports regarding its progress on the projects. The first shall be due on the 5<sup>th</sup> of the month following the date the Department signs this Settlement. Monthly reports shall be submitted on the 5<sup>th</sup> of every month thereafter until the project is completed. Each such monthly report shall include a description of the project, tasks completed, tasks remaining, the percentage completed, and money expended on each project through the date of the report. Upon completion of all projects required under this Settlement, Respondent shall submit a final report to include a summary of all the information

previously submitted and a total amount spent on the projects listed above. It shall also contain a certification that the projects were completed as described.

- D. If Respondent does not spend the amount of Fifty-Four Thousand One Hundred Fifty and No/100 Dollars (\$54,150.00), then it shall, in its final report, propose additional projects for the Department's approval [or pay to the Department] in an amount equal to the difference between the amount of money agreed to be spent and the amount of money actually spent.
- E. The total amount of money expended by Respondent on cash payments to the Department and on beneficial environmental projects, as described above, shall be considered a civil penalty for tax purposes, as required by La. R.S. 30:2050.7(E)(1).

## VI

Respondent further agrees that the Department may consider the permit record(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.

## VII

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.

#### VIII

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 and the rules relating to beneficial environmental projects set forth in LAC 33:I.Chapter 25.

#### IX

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.

#### 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.

**EXXON MOBIL CORPORATION**

BY: \_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print)

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: \_\_\_\_\_  
Cheryl S. Nolan, 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:   
\_\_\_\_\_  
Cheryl S. Nolan, Assistant Secretary