STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:	*	**Settlement Tracking No.**
	*	**SA-AE-12-0003**
FIRESTONE POLYMERS, LLC.	*	
	*	**Enforcement Tracking No.**
AI # 1244	*	**AE-CN-08-0292**
	*	**AE-CN-09-0012**
	*	**AE-PP-10-00449**
PROCEEDINGS UNDER THE LOUISIANA	*	
ENVIRONMENTAL QUALITY ACT	*	**Docket No. 2011-3264-EQ**
LA. R.S. 30:2001, ET SEQ.	*	**(AE-CN-09-0012 only)**

SETTLEMENT

The following Settlement is hereby agreed to between Firestone Polymers, LLC. ("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 synthetic rubber manufacturing facility located south of Sulphur, Calcasieu Parish, Louisiana ("the Facility").

II

On December 22, 2008, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-08-0292, which was based upon the following findings of fact:

The Respondent owns and/or operates the Lake Charles Facility, which is a synthetic rubber manufacturing facility that produces 30 different grades of rubber by the solution polymerization process. The facility produces 70% styrene-butadiene rubber and 30% polybutadiene rubber by continuous and batch reactions. The Respondent utilizes piping, boilers, pumps, dryers, tanks,

conveyors and other related equipment to manufacture these products. The raw materials are received by railcars, tank trucks, and pipeline at the facility. The products are shipped out by trucks and railcars. The facility is located at 1801 Louisiana Highway 108 East, south of Sulphur, Calcasieu Parish, Louisiana. The facility operates under Title V Permit No. 0520-00007-V1. On or about January 31, 2008, the Department received a Title V air Permit renewal application, which was determined administratively complete on or about February 29, 2008.

Based on the information provided by the Respondent through correspondence, and a meeting held on or about November 25, 2008, the Respondent expressed that a potential exceedence of their Title V permit could occur. The facility conducted an internal audit and performed a directed measurement for the amount of natural gas used by Emission Source EQT011, 96-03a. The result of the internal audit revealed that 50 MMscf instead of the 30 MMscf of natural gas is being used by the flare. Per a telephone conversation with Bruce Hubbard, a representative for the Respondent on December 12, 2008, the following violation was noted:

> The Respondent failed to operate Emission Source EQT011, 96-03a within the permitted limits. This is a violation of General Condition I of Title V Permit No. 0520-00007-V1, LAC 33:III.501.C.4, La R.S. 30:2057(A)(1) and La R.S. 30:2057(A)(2).

On or about December 8, 2008, the Department received a letter from the Respondent requesting authorization with interim limits to operate until Title V Permit No. 0520-00007-V1 is reissued allowing the usage of the increased Natural Gas by the Flare.

III

On December 4, 2009, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-09-0012, which was based upon the following findings of fact:

The Respondent owns and/or operates the Lake Charles Facility, which is a synthetic rubber manufacturing facility that produces thirty (30) different grades of rubber by the solution polymerization process. The facility produces 70% styrene-butadiene rubber and 30% polybutadiene rubber by continuous and batch reactions. The Respondent utilizes piping, boilers, pumps, dryers, tanks, conveyors and other related equipment to manufacture these products. The raw materials are received by railcars, tank trucks, and pipeline at the facility. The products are shipped out by trucks and railcars. The facility operated under Title V Permit No. 0520-00007-V1 issued on or about November 29, 2005. The facility is located at 1801 Louisiana Highway 108 East, south of Sulphur in Calcasieu Parish, Louisiana.

On or about May 20-28, 2003, an inspection of the Lake Charles Facility was performed to determine the degree of compliance with the Act and the Air Quality Regulations. During the course of the inspection, fifteen (15) Areas of Concern (AOC) were identified. At that time the Department's investigation deferred the AOCs until the next inspection. These AOCs were referred to the Enforcement Division after the 2007 inspection as AOCs of that inspection. However, they were discovered in the 2003 inspection. They will be addressed below.

On or about May 19-26, 2005, an inspection of the Respondent's facility was performed to determine the degree of compliance with the Act and the Air Quality Regulations. During the course of the inspection, eight (8) AOC were identified. Due to Hurricane Rita, which made landfall in southwestern Louisiana on September 23, 2005, the Department deferred enforcement activity until recovery efforts were completed by facilities impacted by the Hurricane and or covered under the Emergency Order. These AOCs were referred to the Enforcement Division after the 2007 inspection as AOCs of that inspection. However they were initially discovered in the 2005 inspection. They will be addressed below.

On or about January 30, 2007, an inspection of the Respondent's facility was performed to determine the degree of compliance with the Act and the Air Quality Regulations.

The following violations were noted during the course of the 2003, 2005, and 2007 inspections:

A. The Respondent exceeded the permitted production rate of 335,000,000 lbs of crumb rubber for the 1995 and 1996 calendar year. These are violations of Air Permit No. 0520-00007-01, LAC 33:III.501.C.4, and La. R.S 30:2057(A)(2). This was first noted in the 2003 inspection and was noted again in the 2007 and 2008 inspections.

B. The Respondent failed to submit the required annual reports for Specific Conditions 1, 2, and 3 as required by Permit No. 0520-00007-02. These reports were not submitted from 1997, the year that Permit No 0520-00007-02 was issued, until the issuance of the Title V Permit No. 0520-00007-V0 on July 30, 2003. Each failure to submit annual specific condition reports from 1997-2003 for Specific Conditions 1, 2, and 3 is a violation of Permit No. 0520-00007-02, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2). This was first noted in the 2003 inspection and was noted again in the 2007 and 2008 inspections.

C. The Respondent exceeded the 1999 CO emissions for the Boiler Cap (EP 96-02). According to the information provided by the Respondent NO_x and CO emissions were not calculated using AP-42 factors but were taken from the actual stack test of the boilers performed on October 12, 1995. The exceedence of the permitted levels of CO is a violation of Air Permit No. 0520-00007-02, LAC 33:III.501.C.4, and La. R.S 30:2057(A)(2). This was first noted in the 2003 inspection and was noted again in the 2007 and 2008 inspections.

D. The Respondent failed to calculate the monthly residual Hazardous Air Pollutant (HAP) content using the formula specified in 40 CFR 63.495(f) and as referenced by 40 CFR 63.495 (a) and (b). This is a violation of those subparts which have been adopted into Louisiana Regulation LAC 33:III.5122. This is also a violation of Air Permit No. 0520-00007-02, LAC 33:III.5109.A, LAC 33:III.501.C.4, and La. R.S 30:2057(A)(2). This was first noted in the 2003 inspection. During the 2005 inspection it was noted that the Respondent had corrected this by changing the calculation method to the required formula. This was mentioned as a corrected area of concern in the 2007 and 2008 inspections.

E. The Respondent failed to determine the exit velocity using the EPA

Method 2, 2A, 2C, or 2D as required by 40 CFR 63.11(b)(7)(i) as referenced by 40 CFR 63.504(c)(3) during the compliance demonstration for the flare in May of 2001. This is a violation of 40 CFR 63.11(b)(7)(i) which has been adopted into Louisiana Regulation LAC 33:III.5122. This is also a violation of Air Permit No. 0520-00007-02, LAC 33:III.5109.A, LAC 33:III.501.C.4, and La. R.S 30:2057(A)(2). This was first noted in the 2003 inspection and was noted again in the 2007 and 2008 inspections.

F. The Respondent was not following the 40 CFR 63 Subpart H monitoring requirement. Specifically, the Respondent did not adjust the monitoring instrument (TVA-1000B) to span gas during the daily calibration as required by EPA Method 21 4.2 - Calibration Procedures as referenced by 40 CFR 63.180(b)(1). This is a violation of 40 CFR 63.180(b)(1) which has been adopted as Louisiana Regulation in LAC 33:III.5122. This is also a violation of Air Permit No. 0520-00007-02, LAC 33:III.501.C.4, LAC 33:III.5109.A and La. R.S 30:2057(A)(2). This was first noted in the 2003 inspection and was noted again in the 2007 and 2008 inspections.

G. The Respondent did not operate the open-ended, double blocked valves properly in that the upper valve (process fluid side) is to be closed first, then the lower valve as required by 40 CFR 63.167(b) as referred to by 40 CFR 63.192(a)(1). Failure to operate the valves properly are a violations of 40 CFR 63.167(b) and 40 CFR 63.192(a)(1) whose language has been adopted as a Louisiana Regulation in LAC 33:III.5122. This is also a violation of Air Permit No. 0520-00007-02, LAC 33:III.501.C.4, LAC 33:III.5109.A and La. R.S 30:2057(A)(2). This was first noted in the 2003 inspection and was noted again in the 2007 and 2008 inspections.

H. The Respondent failed to attempt to repair fifty-one (51) leaking pumps within five (5) days of discovery between the first quarter of 2001 and the third quarter of 2003. The Respondent performed an assessment of the pumps rather than an actual repair attempt as required by 40 CFR 63.163(c). Each failure to attempt to repair within five (5) days is a violation of 40 CFR 63.163(c) which language has been adopted as a Louisiana Regulation in LAC 33:III.5122. This is also a violation of Air Permit No. 0520-00007-02, LAC 33:III.501.C.4, LAC 33:III.5109.A, and La. R.S 30:2057(A)(2). This was first noted in the 2003 inspection and was noted again in the 2007 and 2008 inspections.

I. The Respondent did not equip open ended valve Nos. 43752, 43223, 41842, 41195, 50035, 50412, 51808, and 51774 with a cap, blind flange, plug or second valve as required by 40 CFR 63.167(a)(2) as referenced by 40 CFR 63.192. Each open ended line is a violation of 40 CFR 63.167(a)(2) and 40 CFR 63.192 which language has been adopted as a Louisiana Regulation in LAC 33:III.5122. This is also a

violation of Air Permit No. 0520-00007-02, LAC 33:III.501.C.4, LAC 33:III.5109.A and La. R.S 30:2057(A)(2). This was first noted in the 2003 inspection and was noted again in the 2007 and 2008 inspections.

J. The Respondent did not remonitor visibly leaking compressor No. 21059 with a leak detection device after maintenance was performed to ensure that the compressor was repaired. Failure to remonitor with a leak detection device is a violation of 40 CFR 63.164(g)(1) which language has been adopted as a Louisiana Regulation in LAC 33:III.5122. This is also a violation of Air Permit No. 0520-00007-02, LAC 33:III.501.C.4, LAC 33:III.5109.A and La. R.S 30:2057(A)(2). This was first noted in the 2003 inspection and was noted again in the 2007 and 2008 inspections.

K. The Respondent did not remonitor visibly leaking pumps Nos. 20711 (twice), 21255, and 150266, with a leak detection device after maintenance was performed to ensure that the pumps were repaired. Failure to remonitor with a leak detection device is a violation of 40 CFR 63.163(c)(1) which language has been adopted as a Louisiana Regulation in LAC 33:III.5122. This is also a violation of Air Permit No. 0520-00007-02, LAC 33:III.501.C.4, LAC 33:III.5109.A and La. R.S 30:2057(A)(2). This was first noted in the 2003 inspection and was noted again in the 2007 and 2008 inspections.

L. The Respondent did not repair leaking pumps Nos. 21209 and 51456 within fifteen (15) days of the detection of the leak as required by 40 CFR 63.163(c)(1). Failure to repair a leak within fifteen (15) days is a violation of 40 CFR 63.163(c)(1) which language has been adopted as a Louisiana Regulation in LAC 33:III.5122. This is also a violation of Air Permit No. 0520-00007-02, LAC 33:III.501.C.4, LAC 33:III.5109.A and La. R.S 30:2057(A)(2). This was first noted in the 2003 inspection and was noted again in the 2007 and 2008 inspections.

M. The Respondent did not repair leaking valve No. 202193 within fifteen (15) days of the detection of the leak as required by 40 CFR 63.168(f)(1). Failure to repair a leak within fifteen (15) days is a violation of 40 CFR 63.163(f)(1) which language has been adopted as a Louisiana Regulation in LAC 33:III.5122. This is also a violation of Air Permit No. 0520-00007-02, LAC 33:III.5109.A, LAC 33:III.501.C.4, and La. R.S 30:2057(A)(2). This was first noted in the 2003 inspection and was noted again in the 2007 and 2008 inspections.

N. The Respondent failed to repair the following Delay of Repair components by the end of the next process unit shutdown as required by 40 CFR 63.171(a): Screw Connector (No. 20261A), Pump P-1441A (No. 40406) and Pump P-1441B (No. 140395). Failure to

repair is a violation of 40 CFR 63.171(a) which language has been adopted as a Louisiana Regulation in LAC 33:III.5122. This is also a violation of Air Permit No. 0520-00007-02, LAC 33:III.501.C.4, LAC 33:III.5109.A and La. R.S 30:2057(A)(2). This was first noted in the 2003 inspection and was noted again in the 2007 and 2008 inspections.

O. The Respondent failed to report one (1) leaking pump and one (1) leaking compressor in the First Quarter of 2002 periodic report. The Respondent also failed to report five (5) leaking pumps in the Second Quarter of 2002 periodic report. This information is required by 40 CFR 63.182(d)(2). Failure to submit this information is a violation of 40 CFR 63.182(d)(2), which language has been adopted as a Louisiana Regulation in LAC 33:III.5122. This is also a violation of Air Permit No. 0520-00007-02, LAC 33:III.501.C.4, LAC 33:III.5109.A and La. R.S 30:2057(A)(2). This was first noted in the 2003 inspection and was noted again in the 2007 and 2008 inspections.

P. The Respondent failed to notify the Department in writing within seven (7) days of an ongoing leak in the South Cooling Tower. This is a violation of General Condition XI.b of Air Permit No. 0520-00007-02, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). A letter was submitted to the Department on or about July, 18, 2003, stating that the repair was delayed. This was first noted in the 2005 inspection and was noted again in the 2007 and 2008 inspections.

Q. The Respondent did not report hexane emissions from the South Cooling Tower in quarterly deviation reports for the third and fourth quarter of 2003 and the first quarter of 2004. Failure to include the emissions is a violation of Title V Permit No. 0520-00007-V0, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). This was first noted in the 2005 inspection.

R. During the course of the 2005 inspection an open ended line at a sample point in Area 400 was discovered to not be sealed with a second valve as required by 40 CFR 63.137(a)(2). This is a violation of 40 CFR 63.137(a)(2), which language has been adopted as a Louisiana Regulation in LAC 33:III.5122. This is also a violation of Title V Permit No. 0520-00007-V0, LAC 33:III.5109.A, LAC 33:III.501.C.4, and La. R.S 30:2057(A)(2).

S. The Respondent failed to install the Auxiliary Relief Flare (EQT012), a back up to the Primary Flare (EQT011) and part of the Flare Header System, as specified in the permit application for Permit No 0520-00007-V1. Flares in the Flare Header System are described as steam assisted to control smoke. Failure to install the Auxiliary Relief Flare (EQT012) with steam assistance or as specified in the application is a

violation of General Condition I of Permit No. 0520-00007-V1, LAC 33:III.501.C.4, and La. R.S 30:2057(A)(2). This was first noted in the 2007 inspection and then noted in the 2008 inspection.

T. The Respondent exceeded the maximum permitted emission rate of 0.16 lbs/ hr for styrene on May 14, 2007. The Respondent emitted 0.20 lbs/hr during the Primary Flare outage. This is a violation of Title V Permit No. 0520-00007-V1, LAC 33:III.501.C.4, La. R.S.30:2057(A)(1), and 30:2057(A)(2). This was first noted in the 2007 inspection and then noted in the 2008 inspection.

U. The Respondent failed to determine the net heating value of the gas being combusted by the Primary Flare (Source ID 96-03a) for November 16-26, 2006. This is a violation of Title V Permit No. 0520-00007-V1, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2). This was first noted as AOC 27 and 28 in the 2007 inspection and then noted in the 2008 inspection.

V. The Respondent failed to report the total 2005 VOC emissions for Hexane Tank 96-07b (EQT043). This is a violation of Specific Condition. 207 of Title V Permit No. 0520-00007-V1, LAC 33:III.501.C.4, and La. R.S.30:2057(A)(2). This was first noted in the 2007 inspection and then noted in the 2008 inspection.

W. The Respondent failed to clearly reference communications/ correspondences constituting prior reports, including the date the prior reports were submitted for seven (7) conditions reported as intermittently compliant in the 2006 Annual Compliance Certification. Clear reference to prior deviation report is required by Part 70 General Condition M of current Permit No. 0520-00007-V1. Failure to include this information is a violation of Part 70 General Condition M of Permit No. 0520-00007-V1, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2). This was first noted in the 2007 inspection and then noted in the 2008 inspection.

X. The Respondent had visible emissions from the Primary Flare (Source ID 96-03a) that exceeded a total of 5 minutes in two consecutive 2-hr periods. This occurred on August 15-16 2006. Visible emissions for more than a total of 5 minutes in two consecutive hour periods are violations of 40 CFR 63.11(b)(4) and 40 CFR 60.18(c)(1) which language had been adopted as in Louisiana Regulation LAC 33:III.5122, and LAC 33:III.3003, respectively. These are also violations of the Specific Requirements 133 and 142 of Title V permit 0520-00007-V1, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2). This was first noted in the 2007 inspection and then noted in the 2008 inspection.

According to additional information received via email on June 12, 2009, the Respondent contacted the Department on or about July 31, 2007, to propose development of the Respondent's compliance evaluation of AOCs identified in the 2003, 2005 and 2007 air inspections. The Respondent submitted a status report on compliance evaluation of AOCs identified in the 2003, 2005, and 2007 air inspections on October 29, 2007. The Respondent submitted another status report on compliance evaluation of AOCs identified in the 2003, 2005, and 2007 air inspections on December 27, 2007.

On or about June 10, 2008, an inspection of the Respondent's Facility was performed to determine the degree of compliance with the Act and the Air Quality Regulations.

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

A. The Respondent failed to provide the description and group status of the new hexane tank F-148 in the Periodic Report subsequent to the completion of the installation project in June 2007 as required by 40 CFR 63.506(e)(6)(iii)(D)(3). This is a violation of Title V Permit No. 0520-00007-V1, LAC 33:III.501.C.4, LAC 33:III.5122, and La. R.S. 30:2057(A)(2). The Respondent corrected this in the MACT periodic report dated January 19, 2009. This was previously noted as AOC 20 of the 2007 inspection.

B. The Respondent failed to report the 2007 VOC emissions for Vessel Preparation (EQT 049) by March 31, 2008 as required by Specific Requirement 191. Failure to submit the report in a timely fashion is a violation of Specific Requirement 191 of Title V Permit No. 0520-00007-V1, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2). This was corrected by the Respondent in an amended report dated January 22, 2009.

C. The Respondent failed to have a written Leak Detection and Repair (LDAR) Plan that would allow exemption from regular monitoring of difficult to monitor valves as required by 40 CFR 63.138(i)(3) as referenced by 40 CFR 63.192(a)(1). Failure to have a written plan is a violation of 40 CFR 63.168(i)(3), which language has been adopted as a Louisiana Regulation in LAC 33:III.5122. This is also a violation of Title V Permit No. 0520-00007-V1, LAC 33:III.501.C.4, LAC 33:III.5109.A and La. R.S. 30:2057(A)(2).

D. The Respondent failed to monitor two (2) new 18" valves on the flare

header system within 120 days of the start up of August 15, 2007. Also the Respondent failed to add the valves to the LDAR system by December 31, 2007, as required by 40 CFR 63.480 (i)(2)(ii) which language has been adopted as a Louisiana Regulation in LAC 33:III.5122. These failures are violations of Title V Permit No. 0520-00007-V1, LAC 33:III.501.C.4, LAC 33:III.5122, LAC 33:III.5109.A and La. R.S. 30:2057(A)(2). Valves were added to the LDAR system on June 12, 2008 and have been monitored since then.

E. The Respondent failed to operate fourteen (14) compressors with seal systems that meet 40 CFR 63 Subpart H standards. The Respondent failed to comply with the requirement of 40 CFR 63 Subpart H as required by 40 CFR 63.192(a)(1) which language has been adopted as a Louisiana Regulation in LAC 33:III.5122. Failure to operate compressors with seals that meet the 40 CFR 63 Subpart H standard is a violation of Title V Permit No. 0520-00007-V1, LAC 33:III.501.C.4, LAC 33:III.5122, LAC 33:III.5109.A, and La. R.S. 30:2057(A)(2).

F. The Respondent failed to perform an exit velocity test of the Auxiliary Flare (EQT012) as required by 40 CFR 63.11(b)(7)(i) and 40 CFR 60.18(c)(4)(i). Failure to perform the test is a violation of 40 CFR 63.11(b)(7)(i) and 40 CFR 60.18(c)(4)(i) as a Louisiana Regulation in LAC 33:III.5122 and LAC 33:III.3003 respectively. This is also a violation of Specific Requirement 138 and 148 of Title V Permit No. 0520-00007-V1, LAC 33:III.501.C.4, LAC 33:III.5109.A and La. R.S. 30:2057(A)(2). This was also noted in the 2007 inspection. This has been completed and documentation sent to the Department dated November 25, 2008. This was previously noted as AOC 31 and 32 of the 2007 inspection.

G. During the course of the inspection, seven (7) open-ended lines were observed. Each open ended line is a violation of Specific Requirements 197 of Title V Permit No.0520-00007-V1, 40 CFR 63.167 which language has been adopted as a Louisiana Regulation in LAC 33:III.5122, LAC 33:III.501.C.4, LAC 33:III.5109.A, LAC 33:III.2122.C.2, and La. R.S. 30:2057(A)(2).

On or about January 8, 2008, a file review of the Respondent's facility was conducted to determine the degree of compliance with the Act and the Air Quality Regulations.

The following violations were noted during the course of the aforementioned inspections and a file review:

A. According to the Third Quarterly Report, encompassing July 1 through September 30, 2003, submitted by the Respondent, to the Department dated

December 30, 2003, the Primary Flare's (Source ID 96-03a) net heating value of the flare gas fell below 300 BTU for a period of four and a half (4.5) hours on August 6, 2003. The Respondent states that the system for the BTU value malfunctioned. This is a violation of 40 CFR 63.11(b)(6)(ii) and 40 CFR 60.18(c)(3)(ii), 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 Title V Permit No. 0520-00007-V0, LAC 33:III.501.C.4, LAC 33:III.5109.A and La. R.S. 30:2057(A)(2). This was AOC 5 from the 2005 inspection and AOC 16 and 28 from the 2007 inspection.

B. According to the Third Quarterly Report, encompassing July 1 through September 30, 2003, the Respondent failed to repair a regulator within the fifteen (15) day time period as required. This is a violation of LAC 33:III.501.C.4, LAC 33:III.5109.A and La. R.S. 30:2057(A)(2).

C. According to the Second Semi-Annual Monitoring Report, encompassing July 30 through December 31, 2003, submitted by the Respondent to the Department dated March 31, 2004, the Primary Flare's (Source ID 96-03a) net heating value of the flare gas fell below the 300 BTU for a period of forty-five (45) minutes on November 19, 2003, and two (2) hours on November 21, 2003. The Respondent states that the lowest BTU three (3)-hour value recorded was 298 BTU and that the cause for the lower value was possibly due to nitrogen purging during the startup and shutdown of the plant. This is a violation of 40 CFR 63.11(b)(6)(ii) and 40 CFR 60.18(c)(3)(ii), which language has been adopted as a Louisiana Regulation in LAC 33:III.5122 and LAC 33:III.3003, respectively. This is a violation of Title V Permit No. 0520-00007-V0, LAC 33:III.501.C.4, LAC 33:III.5109.A, and La. R.S. 30:2057(A)(2). This was AOC 5 from the 2005 inspection and AOC 16, 27 and 28 from the 2007 inspection.

D. According to the Second Semi-Annual Monitoring Report, encompassing July 30 through December 31, 2003, submitted by the Respondent to the Department dated March 31, 2004, one heat exchanger was not remonitored in the required 7 days after a start up. The heat exchanger was repaired during the unit shutdown, and was placed back in service on November 20, 2003, but not remonitored until December 22, 2003. This is a violation of 40 CFR 63.104(d), which language has been adopted as a Louisiana Regulation in LAC 33:III.5122. This is also a violation of Title V Permit No. 0520-00007-V0, LAC 33:III.501.C.4, LAC 33:III.5109.A and La. R.S. 30:2057(A)(2). This was also noted in the 2005, 2007 and 2008 inspections.

E. According to the 2005 First Semi-Annual Monitoring Report, covering January 1 through July 31, 2005, submitted to the Department, dated November 30, 2005, the second valve on one (1) open ended line was not closed in process Unit 400. Upon discovery the open ended line was corrected. The process Unit 400 operates under Title V Permit No. 0520-00007-V1. Each open ended line is a violation of Specific Requirement 197 of Title V Permit No. 0520-00007-V1, LAC 33:III.501.C.4, LAC 33:III.5109.A, and La. R.S. 30:2057(A)(2). This is also a violation of 40

CFR 63.167 which language has been adopted as a Louisiana Regulation in LAC 33:III.5122.

F. According to the Third Quarterly Deviation Report, encompassing July 1 through September 30, 2005, submitted to the Department dated December 23, 2005, the Primary Flare's (Source ID 96-03a) net heating value of the flare gas fell below 300 BTU for a period of fifteen (15) minutes on September 20, 2005. The Respondent states that the natural gas to the flare was inadvertently shut off. This is a violation of 40 CFR 63.11(b)(6)(ii) and 40 CFR 60.18(c)(3)(ii), which language has been adopted as a Louisiana Regulation in LAC 33:III.5122 and LAC 33:III.3003, respectively. This is a violation of Specific Requirements 118 and 128 of Title V Permit No. 0520-00007-V1, LAC 33:III.501.C.4, LAC 33:III.5109.A and La. R.S. 30:2057(A)(2). This was AOC 27 and 28 from the 2007 inspection.

G. According to the Second Semi-Annual Monitoring Report, encompassing July 1 through December 31, 2006, submitted to the Department dated March 31, 2006, Primary Flare (Source ID 96-03a) had a flare outage for four (4) hours on November 21, 2005. This is a violation of 40 CFR 63.11(b)(3) and 40 CFR 63.11(b)(5), whose language has been adopted as Louisiana Regulation LAC 33:III.5122. This is also a violation of Specific Requirements 124 and 126 of Title V Permit No. 0520-00007-V1, LAC 33:III.501.C.4, LAC 33:III.5109.A and La. R.S. 30:2057(A)(2).

H. According to the Second Semi-Annual Monitoring Report, encompassing July 1 through December 31, 2006, submitted to the Department and dated March 31, 2006, the Primary Flare's (Source ID 96-03a) net heating value of the flare gas fell below 300 BTU for a period of four (4) hours on November 21, 2005. The Respondent states that valve maintenance interfered with the air flow to the ignition system, but that the interference was resolved and the flare was relit. This is a violation of 40 CFR 63.11(b)(6)(ii) and 40 CFR 60.18(c)(3)(ii), 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 118 and 128 of Title V Permit No. 0520-00007-V1, LAC 33:III.501.C.4, LAC 33:III.5109.A and La. R.S. 30:2057(A)(2).

I. According to the Second Semi-Annual Monitoring Report, encompassing July 1 through December 31, 2006, submitted to the Department and dated March 31, 2006, the styrene max hourly permit emissions were exceeded. During a four (4) hour flare outage on the Primary Flare (Source ID 96-03a) on November 21, 2005, the estimated emissions for styrene was 0.18 lbs/hr, which is above the 0.16 lbs/hr permitted limit. This is a violation of Title V Permit No. 0520-00007-V1, LAC 33:III.501.C.4, LAC 33:III.5109.A, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

J. According to the revision to the Semiannual Monitoring Report for the first half of 2006, submitted to the Department, dated September 27, 2006, during the second quarter monitoring periods three (3) open ended lines were found;

two (2) open ended lines were found in process Unit 400; one (1) open ended line was found in process Unit 500. Upon discovery these open ended lines were corrected. These process Units 400, and 500 operate under Title V Permit No. 0520-00007-V1. Each open ended line is a violation of Specific Requirement 197 of Title V Permit No. 0520-00007-V1, 40 CFR 63.167 which language has been adopted as a Louisiana Regulation in LAC 33:III.5122, LAC 33:III.501.C.4, LAC 33:III.5109.A, and La. R.S. 30:2057(A)(2).

K. According to the revision to the Semiannual Monitoring Report for the first half of 2006, submitted to the Department, dated September 30, 2006, during the first quarter monitoring periods open ended lines were discovered in Units 100 and 200. Upon discovery these open ended lines were corrected. Each open ended line is a violation of Specific Requirement 197 of Title V Permit No. 0520-00007-V1, 40 CFR 63.167 which language has been adopted as a Louisiana Regulation in LAC 33:III.5122, LAC 33:III.501.C.4, LAC 33:III.5109.A, and La. R.S. 30:2057(A)(2).

L. According to the revision to the Semiannual Monitoring Report for the first half of 2006, submitted to the Department, dated September 27, 2006, the Primary Flare's (Source ID 96-03a) net heating value for the flare gas fell below the 300 BTU for approximately five (5) hours on June 26, 2006. The Respondent states that the fuel gas addition valve caused the pilot to go out. This is a violation of 40 CFR 63.11(b)(6)(ii) and 40 CFR 60.18(c)(3)(ii), 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 118 and 128 of Title V Permit No. 0520-00007-V1, LAC 33:III.501.C.4, LAC 33:III.5109.A and La. R.S. 30:2057(A)(2). This was AOC 23 and 24 of the 2007 inspection.

M. According to the revision to the Semiannual Monitoring Report for the first half of 2006, submitted to the Department, dated September 27, 2006, the flame was not present at the time of flaring for the Primary Flare (Source ID 96-03a) for approximately five (5) hours on June 26, 2006. The Respondent states that the fuel gas addition valve closed and caused the pilot to go out. A subsequent discovery found that the igniter had failed. Also emissions were sent to the flare during this outage. This is a violation of 40 CFR 63.11(b)(3) and 40 CFR 60.18(e) 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 121 and 124 of Title V Permit No. 0520-00007-V1, LAC 33:III.501.C.4, LAC 33:III.905, LAC 33:III.5109.A, La. R.S. 30:2057(A)(1), and 30:2057(A)(2). This was AOC 23 and 24 of the 2007 inspection.

N. According to the revision to the Semiannual Monitoring Report for the first half of 2006, submitted to the Department, dated September 27, 2006, the flame was not present at the time of flaring for approximately five (5) hours on June 26, 2006. The Respondent states that the fuel gas addition valve closed and caused the pilot to go out. Also a subsequent discovery found that

the igniter had failed. The flare shall be operated with a flame present at all time as determined by or equivalent device. Also emissions were sent to the flare during this outage. This is a violation of 40 CFR 63.11(b)(5) and 40 CFR 60.18(f)(2), 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 126, 127 and 122 Title V Permit No.0520-00007-V1, LAC 33:III.501.C.4, LAC 33:III.905, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

O. According to the Third Quarter Deviation Report, encompassing July 1 through September 30, 2006, submitted to the Department, dated December 29, 2006, the Primary Flare's (Source ID 96-03a) flame was not present on the dates and duration of time as indicated in the following table:

Date	Length of outage
July 5, 2006	45 minutes
July 17, 2006	45 minutes
August 5, 2006	30 minutes
August 15, 2006	1 hour

These are violations of 40 CFR 63.11(b)(3) and 40 CFR 60.18(e) which language has been adopted as a Louisiana Regulation in LAC 33:III.5122, and LAC 33:III.3003 respectively. These are also violations of Specific Requirements 121 and 124 of Title V Permit No. 0520-00007-V1, LAC 33:III.501.C.4, LAC 33:III.905, LAC 33:III.5109.A, La. R.S. 30:2057(A)(1), and 30:2057(A)(2). This was AOC 23 and 24 from the 2007 inspection.

P. According to the Third Quarter Deviation report, submitted to the Department, dated December 29, 2006, the presence of the flame was not determined by a thermocouple or equivalent device at the time of flaring that occurred on July 5, 2006, July 17, 2006, August 5, 2006 and August 15, 2006. This is a violation of 40 CFR 63.11(b)(5) and 40 CFR 60.18(f)(2), 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 Requirement 122, 126 and 127 Title V Permit No. 0520-00007-V1, LAC 33:III.501.C.4, LAC 33:III.905, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). This was AOC 23 and 24 from the 2007 inspection.

Q. According to the Third Quarter Deviation Report, encompassing July 1 through September 30, 2006, submitted to the Department, dated December 29, 2006, the Primary Flare's (Source ID 96-03a) net heating value for the flare gas fell below the 300 BTU for July 5, 2006, July 17, 2006, August 5, 2006, and August 15, 2006. This is a violation of 40 CFR 63.11(b)(6)(ii) and 40 CFR 60.18(c)(3)(ii), 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 118 and 128 Title V Permit No. 0520-00007-V1, LAC 33:III.501.C.4, LAC 33:III.5109.A, LAC 33:III.905,

La. R.S. 30:2057(A)(1) and 30:2057(A)(2). This was AOC 5 and 6 from the 2008 inspection.

R. According to the Third Quarter Deviation Report, encompassing July 1 through September 30, 2006, dated December 29, 2006, visible emissions were seen from the Primary Flare (Source ID 96-03a) for more than five (5) minutes in a 2 consecutive hour time frame on both August 15 and 16, 2006. Maintenance was being performed on the flare on these two days. The visible emission are violations of 40 CFR 63.11(b)(4) and 40 CFR 60.18(c)(1), 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 133 and 142 Title V Permit No. 0520-00007-V1, LAC 33:III.501.C.4, LAC 33:III.905, LAC 33:III.5109.A, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). This was AOC 29 and 30 from the 2007 inspection.

S. According to a Third Quarter Deviation Report, encompassing July 1 through September 30, 2006, submitted to the Department, dated December 29, 2006, during the third quarter monitoring periods a total of eight (8) open ended lines were discovered. Two (2) open ended lines were found in process Unit 200, two (2) open ended lines were found in process Unit 400, one (1) open ended line was found in process Unit 500, and three (3) open ended lines were found in process Unit 1400. Upon discovery these open ended lines were corrected. These process Units 200, 400, 500 and 1400, operate under Title V Permit No. 0520-00007-V1. Each open ended line is a violation of Specific Requirement 197 of Title V Permit No. 0520-00007-V1, 40 CFR 63.167 which language has been adopted as a Louisiana Regulation in LAC 33:III.5122, LAC 33:III.501.C.4, LAC 33:III.5109.A, and La. R.S. 30:2057(A)(2).

T. According to the Second Semi-Annual Monitoring Report, encompassing July 1 through December 31, 2007, dated March 30, 2007, submitted to the Department, the thermocouple for the Primary Flare (Source ID 96-03a) was disconnected during maintenance on August 15, 2006, and was not put back into service until March 28, 2007. This is a violation of 40 CFR 63.11(b)(5) and 40 CFR 60.18(f)(2) 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 122, 126 and 127 of Title V Permit No. 0520-00007-V1, LAC 33:III.501.C.4, LAC 33:III.5109.A, and La. R.S. 30:2057(A)(2). This was AOC 25 and 26 from the 2007 inspection.

U. According to the Second Semi-Annual Monitoring Report encompassing July 1 through December 31, 2007, submitted to the Department, dated March 30, 2007, three (3) open ended lines were found during the fourth quarter of 2006. Two open ended lines were discovered in Unit 400 and one open ended line was found in Unit 100. Upon discovery these open ended lines were corrected. Each open ended line is a violation of Specific Requirement 197 Title V Permit No. 0520-00007-V1, 40 CFR 63.167 which language has been adopted as a Louisiana Regulation in LAC 33:III.5122, LAC 33:III.501.C.4, LAC 33:III.5109.A, and La. R.S. 30:2057(A)(2).

V. The Respondent submitted the 2006 Annual Compliance Certification to the Department dated March 30, 2007. According to this report, the Primary Flare (Source ID 96-03a) outages occurring during the 2006 calendar year led to increased emissions of n-hexane. The annual limit of n-hexane is 2.72 tons per year. The Respondent exceeded this limit by 0.01 ton per year. This is a violation of Title V Permit No. 0520-00007-V1, LAC 33:III.501.C.4, LAC 33:III.5109.A and La. R.S. 30:2057(A)(2).

W. According to a First Quarter Deviation Report encompassing January 1 through March 31, 2007 submitted to the Department, dated June 30, 2007, visible emissions from the Primary Flare (Source ID 96-03a) exceeded a total of 5 minutes in two consecutive hour periods. The incident occurred on February 27, 2007 from 1:18 -1:21 p.m. and 1:30-1:33 p.m. These are violations of the Specific Requirements 133 and 142 of Title V Permit No. 0520-00007-V1, LAC 33:III.5109.A, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2). These are violations of 40 CFR 63.11(b)(4) and 40 CFR 60.18(c)(1) which language had been adopted as in Louisiana Regulation LAC 33:III.5122, and LAC 33:III.3003 respectively. This was AOC 29 and 30 of the 2007 inspection.

X. According to a letter submitted to the Department, dated June 30, 2007, during the first quarter monitoring period, an open ended line was discovered in Unit 100. Upon discovery the open ended line was corrected. The open ended line is a violation of Specific Requirement 197 of Title V Permit No. 0520-00007-V1, 40 CFR 63.167 which language has been adopted as a Louisiana Regulation in LAC 33:III.5122, LAC 33:III.501.C.4, LAC 33:III.5109.A, and La. R.S. 30:2057(A)(2).

Y. According to the First Half 2007 Semiannual Monitoring Report submitted to the Department, dated September 28, 2007, visible emission were seen from the Primary Flare (Source ID 96-03a) on April 9th, 10th, and 11th, 2007. Times of emissions were not recorded on these days. However, visible emissions exceeded a total of five (5) minutes in a consecutive 2-hr period. Failure to keep records is a violation of Specific Requirement 115 of Title V Permit No.0520-00007-V1, and LAC 33:III.1513. The visible emissions are violations of 40 CFR 60.18(c)(1), 40 CFR 63.11(b)(4) which language has been adopted as a Louisiana Regulation in LAC 33:III.3003 and LAC 33:III.5122, respectively. Thisg is also a violation of Specific Requirements, 133 and142 of Title V Permit No.0520-00007-V1, LAC 33:III.501.C.4, LAC 33:III.5109.A and La. R.S. 30:2057(A)(2). This was AOC 7 and 8 from the 2008 inspection.

Z. According to the First Half 2007 Semiannual Monitoring Report submitted to the Department, dated September 28, 2007, the Primary Flare's (Source ID 96-03a) net heating value for the flare gas fell below the 300 BTU on May 31, 2007, June 5, 2007 and June 27, 2007. The flare gas net heating value fell below 300 BTU for one (1) hour and fifty-nine (59) minutes on May 31, 2007. It fell to 264 BTU/SCF during the first shift on June 5, 2007. It fell below 300 BTU on June 27, 2007 for two (2) hours and forty (40) minutes.

This is a violation of 40 CFR 63.11(b)(6)(ii) and 40 CFR 60.18(c)(3)(ii), whose language has been adopted into Louisiana Regulation LAC 33:III.5122 and LAC 33:III.3003, respectively. This is also a violation of Specific Requirements 118 and 128 of Title V Permit No. 0520-00007-V1, LAC 33:III.501.C.4, LAC 33:III.5109.A and La. R.S. 30:2057(A)(2). This was AOC 5 and 6 from the June 10, 2008 inspection.

AA. According to the First Half 2007 Semiannual Monitoring Report submitted to the Department, dated September 28, 2007, there was a pilot outage on the Primary Flare on May 14, 2007 for approximately three (3) hours. During the pilot outage the following pollutants were emitted: 1,3 butadiene, n-hexane, and styrene. However only styrene was over its permitted limit of 0.16 lb/hr. This is a violation of 40 CFR 63.11(b)(3) and 40 CFR 60.18(e),whose language has been adopted into Louisiana Regulation LAC 33:III.5122 and LAC 33:III.3003, respectively. This is also a violation of Specific Requirements 122 and 124 of Title V Permit No. 0520-00007-V1, LAC 33:III.501.C.4, LAC 33:III.5109.A and La. R.S. 30:2057(A)(2).

BB. According to the First Half 2007 Semiannual Monitoring Report submitted to the Department, dated September 28, 2007, seven (7) open ended lines were found; two (2) open ended lines were found in process Unit 400, four (4) open ended lines were found in process Unit 500, and one (1) open ended line was found in process Unit 1500 during the second quarter monitoring period. Upon discovery these open ended lines were corrected. These process Units 400, 500 and 1500 operate under Title V Permit No. 0520-00007-V1. Each open ended line is a violation of Specific Requirement 197 of Title V Permit No.0520-00007-V1, 40 CFR 63.167 which language has been adopted as a Louisiana Regulation in LAC 33:III.5122, LAC 33:III.501.C.4, LAC 33:III.5109.A, LAC 33:III.2122.C.2, and La. R.S. 30:2057(A)(2).

CC. According to the First Half 2007 Semiannual Monitoring Report submitted to the Department, dated September 28, 2007, a first attempt to repair a leaking connector within five (5) days of discovery was not accomplished. According to the letter the connecter was put on delay of repair on the 6th day and was repaired within 15 days of the leak discovery. Failure to attempt to repair a leaking connector within five (5) days is in violation of 40 CFR 63.174(d) which language has been adopted as a Louisiana Regulation in LAC 33:III.5122, Title V Permit No. 0520-00007-V1, LAC 33:III.501.C.4, LAC 33:III.5109.A, LAC 33:III.2122.C.3, and La. R.S. 30:2057(A)(2).

DD. According to the Third Quarter Deviation Report, encompassing July 1 through September 31, 2007, submitted to the Department, dated December 31, 2007, the Respondent failed to operate the (Source ID 96-03) without visible emissions. There were 4 days that visible emissions exceeded the five (5) minutes in a two (2) hour consecutive period. The dates were July 19, 23, and 31, 2007. These are violations of 40 CFR 63.11(b)(4) and 40 CFR 60.18(c)(1), which language has been adopted as a Louisiana Regulation in LAC 33:III.5122 and LAC 33:III.3003 respectively. These are also violations of Specific Requirements 133 and 142 of Title V Permit No. 0520-00007-V1,

LAC 33:III.501.C.4, LAC 33:III.905, LAC 33:III.5109.A, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). This was AOC 7 and 8 from the 2008 inspection.

EE. According to the Third Quarter Deviation Report, encompassing July 1 through September 31, 2007, submitted to the Department, dated December 31, 2007, the Primary Flare's (Source ID 96-03a) net heating value for the flare gas fell below the 300 BTU for 13.01 hours in July of 2007, 2.67 hours in August of 2007, and 20.5 hours in September of 2007. This is a violation of 40 CFR 63.11(b)(6)(ii) and 40 CFR 60.18(c)(3)(ii), 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 118 and 128 of Title V Permit No. 0520-00007-V1, LAC 33:III.5109.A, LAC 33:III.501.C.4, LAC 33:III.5109.A and La. R.S. 30:2057(A)(2). This was AOC 5 and 6 from the 2008 inspection.

FF. According to the Third Quarter Deviation Report, encompassing July 1 through September 31, 2007, submitted to the Department, dated December 31, 2007, the Respondent failed to keep records of required monitoring for July 10-August 15, 2007. Temperature records for the backup flare operations were not maintained. The Thermocouple was not connected to the DCS. This is a violation of General Condition I and J of Title V Permit No. 0520-00007-V1, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

GG. According to the Third Quarter Deviation Report, encompassing July 1 through September 31, 2007, submitted to the Department, dated December 31, 2007, during the third quarter monitoring period ten (10) open ended lines were found; two (2) open ended lines were found in process Unit 100 and eight (8) open ended lines were found in process Unit 500. Upon discovery these open ended lines were corrected. These process areas of Unit 100 and Unit 500 operate under Title V Permit No. 0520-00007-V1. Each open ended line is a violation of Specific Requirement 197 of Title V Permit No. 0520-00007-V1, 40 CFR 63.167 which language has been adopted as a Louisiana Regulation in LAC 33:III.5122, LAC 33:III.501.C.4, LAC 33:III.5109.A, LAC 33:III.2122.C.2, and La. R.S. 30:2057(A)(2).

HH. According to the 2007 Second Semiannual Monitoring Report, on March 31, 2008 visible emissions were seen from the Primary Flare (Source ID 96-03a) for more than five (5) minutes in a 2 consecutive hour time frame on both October 1, 2007, and November 21, 2007. The visible emission are violations of 40 CFR 63.11(b)(4) and 40 CFR 60.18(c)(1), 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 133 and 142 of Title V Permit No. 0520-00007-V1, LAC 33:III.501.C.4, LAC 33:III.905, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). This was AOC 7 and 8 from the 2008 inspection.

II. According to the Second Half 2007 Semiannual Monitoring Report submitted to the Department, dated March 31, 2008, the Primary Flare's (Source ID 96-

03a) net heating value for the flare gas fell below the 300 BTU for approximately 19 hours during the month of December 2007. This is a violation of 40 CFR 63.11(b)(6)(ii) and 40 CFR 60.18(c)(3)(ii) whose language has been adopted in Louisiana Regulation LAC 33:III.5122 and LAC 33:III.3003, respectively. This is also a violation of Specific Requirement 118 and 128 of Title V Permit No. 0520-00007-V1, LAC 33:III.501.C.4, LAC 33:III.5109.A and La. R.S. 30:2057(A)(2). This was AOC 5 and 6 from the 2008 inspection.

JJ. According to the 2007 Second Semiannual Monitoring Report submitted to the Department, dated March 31, 2008, the Respondent failed to keep records of required monitoring for October 1-7, 2007. Temperature records for the Primary flare were overwritten. This is a violation of General Condition I and J of Title V Permit No. 0520-00007-V1, LAC 33:III.501.C.4, LAC 33:III.5109.A and La. R.S. 30:2057(A)(2).

KK. According to the 2008 First Quarter Deviation Report submitted to the Department, dated June 30, 2008, the Primary Flare's (Source ID 96-03a) net heating value for the flare gas fell below the 300 BTU on January 20, 2008. This is a violation of 40 CFR 63.11(b)(6)(ii) and 40 CFR 60.18(c)(3)(ii) whose language has been adopted in Louisiana Regulation LAC 33:III.5122 and LAC 33:III.3003, respectively, as well as Specific Requirement 118 and 128 of Title V Permit No. 0520-00007-V1, LAC 33:III.501.C.4, LAC 33:III.5109.A and La. R.S. 30:2057(A)(2). This was AOC 5 and 6 from the 2008 inspection.

LL. According to the 2008 First Quarter Deviation Report submitted to the Department, dated June 30, 2008, the Primary Flare's (Source ID 96-03a) net heating value for the flare gas fell below the 300 BTU on January 21, 2008. This is a violation of 40 CFR 63.11(b)(6)(ii) and 40 CFR 60.18(c)(3)(ii) whose language has been adopted in Louisiana Regulation LAC 33:III.5122 and LAC 33:III.3003, respectively, as well as Specific Requirements 118 and 128 of Title V Permit No. 0520-00007-V1, LAC 33:III.501.C.4, LAC 33:III.5109.A and La. R.S. 30:2057(A)(2). This was also listed as AOC 5 and 6 from the 2008 inspection.

MM. According to a letter submitted to the Department, dated June 30, 2008, during the first quarter 2008 monitoring period, 10 open ended lines and 6 open ended valves were found. Upon discovery, these open ended lines and vales were corrected. Each open ended line or valve is a violation of Specific Requirement 212 Title V Permit No. 0520-00007-V1, 40 CFR 63.167 which language has been adopted as a Louisiana Regulation in LAC 33:III.5122, LAC 33:III.501.C.4, LAC 33:III.5109.A, and La. R.S. 30:2057(A)(2).

NN. According to the 40 CFR 63 Subpart U MACT Periodic Report and Startup, Shutdown and Malfunction Report submitted to the Department, dated June 18, 2008, the Primary Flare's (Source ID 96-03a) net heating value for the flare gas fell below the 300 BTU for the daily average on January 18, 2008. This is a violation of 40 CFR 63.11(b)(6)(ii) and 40 CFR 60.18(c)(3)(ii)

whose language has been adopted in Louisiana Regulation LAC 33:III.5122 and LAC 33:III.3003, respectively, as well as Specific Requirements 118 and 128 of Title V Permit No. 0520-00007-V1, LAC 33:III.501.C.4, LAC 33:III.5109.A and La. R.S. 30:2057(A)(2).

OO. According to the 40 CFR 63 Subpart U MACT Periodic Report and Startup, Shutdown and Malfunction Report submitted to the Department, dated January 18, 2008, visible emissions were seen from the Primary Flare for more than five (5) minutes in a 2 consecutive hour time frame on August 23, 2007. The visible emissions are violations of 40 CFR 63.11(b)(4) and 40 CFR 60.18(c)(1) whose language has been adopted in Louisiana Regulation LAC 33:III.5122 and LAC 33:III.3003, respectively. This is also a violation of Specific Requirements 133 and 142 of Title V Permit No. 0520-00007-V1, LAC 33:III.501.C.4, LAC 33:III.5109.A, LAC 33:III.905, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). This was AOC 7 and 8 from the 2008 inspection.

PP. According to the revision to the Original and Revised 40 CFR 63 Subpart U MACT Periodic Report and Startup and Shutdown and Malfunction Reports, submitted to the Department, dated July 19, 2007 and July 26, 2007 respectively, the flame was not present on the Primary Flare at the time of flaring twice on April 13, 2007 and once on May 14, 2007. The Respondent states the flame was blown out by high winds. Also emissions were sent to the flare during this outage. This is a violation of 40 CFR 63.11(b)(3)&(5) and 40 CFR 60.18(e) whose language has been adopted in Louisiana Regulation LAC 33:III.5122 and LAC 33:III.3003, respectively. This is also a violation of Specific Requirements 121, 124 and 126 of Title V Permit No. 0520-00007-V1, LAC 33:III.501.C.4, LAC 33:III.905, LAC 33:III.5109.A, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). This was AOC 3 and 4 from the 2008 inspection.

The Respondent requested to meet with the Department to discuss the compliance evaluations of the AOCs noted in the 2003, 2005, and 2007 inspections in a letter dated December 20, 2007. A meeting was held on May 25, 2008. The Respondent agreed to perform a self compliance evaluation.

The Respondent submitted a response to the meeting on August 1, 2008. This response summarizes the analysis of each of the AOCs noted in the 2003, 2005, and 2007 inspections

The Respondent submitted, on February 3, 2009, a supplement to the August 1, 2008 evaluation to the Department addressing deviations noted in second half of 2007 and first half of 2008 Part 70 Semiannual Monitoring Report, as well as issues related to the natural gas usage by the

Primary Flare. The natural gas issues were addressed in Consolidated Compliance Order and Notice of Potential Penalty with Tracking No. AE-CN-08-0292 issued on December 22, 2008.

On or about April 7, 2009, a file review of the Respondent's facility was performed to determine the degree of compliance with the Act and the Air Quality Regulations.

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

A. The Respondent failed to submit the 2nd Semiannual Monitoring Report for 2008 by the due date. The report was required to be submitted by March 31, 2009. However, it is postmarked on April 1, 2009. This is a violation of General Condition K of Title V Permit No. 0520-00007-V1, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

B. The Respondent failed to submit the 2008 Annual Compliance Certification by the due date of March 31, 2009. The report was required to be submitted by March 31, 2009. However, it is postmarked on April 1, 2009. This is a violation of General Condition M of Title V Permit No. 0520-00007-V1, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

On or about November 9, 2009, a file review of the Respondent's facility was performed to determine the degree of compliance with the Act and the Air Quality Regulations.

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

> According to the 2009 First Semi-Annual Monitoring Report, covering January 1 through June 30, 2009, submitted to the Department, dated September 30, 2009 two (2) open ended lines were discovered. Upon discovery the open ended lines were corrected. One (1) was discovered in process Unit 200 and the other in process Unit 400. Each open ended line is a violation of Specific Requirement 197 of Title V Permit No.0520-00007-V1, LAC 33:III.501.C.4, LAC 33:III.5109.A, and La. R.S. 30:2057(A)(2). This is also a violation of 40 CFR 63.167(a)(2) which language has been adopted as a Louisiana Regulation in LAC 33:III.5122.

The Respondent met with the Department on April 21, 2009, to discuss the supplemental report and issues noted in the 2008 inspection report.

The Respondent met with the Department on May 21, 2009. On June 12, 2009 via email, the Department received additional information from the Respondent. This information summarized all

steps the Respondent has taken and all meetings the Respondent has held with the Department.

IV

On February 14, 2011, the Department issued to Respondent a Notice of Potential Penalty, Enforcement No. AE-PP-10-00449, which was based upon the following findings of fact:

The Lake Charles Facility (Facility) owned and/or operated by Firestone Polymers, LLC. (Respondent) is a synthetic rubber manufacturing facility that produces thirty (30) different grades of rubber by the solution polymerization process. The facility operated under Title V Permit No.0520-00007-V1 issued on or about November 29, 2005. The facility currently operates under Title V Permit No. 0520-00007-V2 issued on or about March 23, 2010, and Title V Permit No. 3077-V0 issued on or about May 24, 2009. The facility is located at 1801 Louisiana Highway 108 East, south of Sulphur in Calcasieu Parish, Louisiana.

On or about September 30, 2009 to October 2, 2009, an inspection of the Respondent's facility was performed to determine the degree of compliance with the Louisiana Environmental Quality Act (the Act) and the Air Quality Regulations. A file review was also conducted on or about April 16, 2010.

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

A. The Respondent failed to calculate and record total VOC emissions from Vessel Preparation, Emission Point 96-13, for each month as well as the rolling 12-month total emissions based on the number of vessels cleaned each month as required by Specific Requirement No. 206 of Permit No. 0520-00007-V1. During the inspection, the inspector was provided with the annual emissions. However, they are estimated and not calculated. The Respondent's permit was modified on or about March 23, 2010 and this requirement was removed. Each failure to calculate monthly emissions and failure to calculate the 12-month total emissions for Vessel Preparation, Emission Point 96-13, is a violation of Specific Requirement 206 of Permit No. 0520-00007-V1, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

B. According to the 2009 Annual Compliance Certification for Permit No. 3077-V0 dated March 30, 2010, the Respondent failed to submit the 2009 First and

Second Semiannual Monitoring Reports by the due dates. The first report was due by March 31, 2009, and the second report was due by September 30, 2009. They were both submitted on January 27, 2010. Each late report is a violation of Title V Permit No. 3077-V0, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

C. According to the 2009 Second Semiannual Monitoring Report for Permit No. 0520-00007-V1 dated March 29, 2010, the Respondent discovered six (6) open-ended lines in process areas. Each line was plugged upon discovery. Each open-ended line is a violation of 40 CFR 63.167 which language has been adopted as a Louisiana Regulation in LAC 33:III.5122. Each is also a violation of Title V Permit No. 0520-00007-V1, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

V

In response to the Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-09-0012, Respondent made a timely request for a hearing.

VI

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

VII

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 EIGHTY-SEVEN THOUSAND FORTY-EIGHT AND 48/100 DOLLARS ($87,048.48), of which Five Thousand Five Hundred Sixty-Seven and 85/100 Dollars ($5,567.85) represents the Department's enforcement costs, in settlement of the claims set forth in this agreement

VIII

Respondent, in addition to the penalty amount specified in Paragraph VII above and as part of this Settlement, agrees to expend the amount of $29,000.00 to implement and/or perform the following beneficial environmental project:

A. A contribution of $29,000.00 to the Millennium Park Restoration Fund through the

Community Foundation of Southwest Louisiana for rebuilding of a community park destroyed by arson in 2011 to be paid within 10 days from notice of the Secretary's signature.

B. Upon completion of the $29,000.00 contribution required under this Settlement, Respondent shall submit a final report stating the total amount spent on the project listed above. It shall also contain a certification that the project was completed as described.

C. If Respondent does not spend the amount of $29,000.00, 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.

D. 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).

IX

Respondent further agrees that the Department may consider the inspection report(s), the Consolidated Compliance Orders and Notices 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.

X

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.

XI

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

XII

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

XIII

The cash payment of $87,048.48 is to be made to the Department 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).

XIV

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

XV

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.

FIRESTONE POLYMERS, LLC.

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: _____
Cheryl Sonnier 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 Sonnier Nolan, Assistant Secretary