STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:	*	**Settlement Tracking No.**
	*	**SA-AE-13-0011**
GRAPHIC PACKAGING	*	
INTERNATIONAL, INC.	*	**Enforcement Tracking No.**
AI # 1432	*	**AE-CN-12-00439**
	*	
PROCEEDINGS UNDER THE LOUISIANA	*	
ENVIRONMENTAL QUALITY ACT	*	
LA. R.S. 30:2001, ET SEQ.	*	

SETTLEMENT

The following Settlement is hereby agreed to between Graphic Packaging International, Inc. ("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 an integrated pulp, coated and uncoated paper and paperboard mill located in Ouachita Parish, Louisiana ("the Facility").

II

On April 26, 2012, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-12-00439, which was based upon the following findings of fact:

The Respondent owns and/or operates West Monroe Mill #31 (the Facility) located at 1000 Jonesboro Road in West Monroe, Ouachita Parish, Louisiana. The Facility operates or has operated under the authority of the following Title V Air Permits:

UNIT	PERMIT	ISSUE DATE	EXPIRATION DATE
West Monroe Mill	2160-00001-V4	2/6/2009	3/30/2009
West Monroe Mill	2160-00001-V5	9/30/2010	2/14/2011
West Monroe Mill	2160-00001-V5AA	2/14/11	8/25/2011
West Monroe Mill	2160-00001-V6	8/25/11	11/16/11
West Monroe Mill	2160-00001-V7	4/4/2012	9/22/2013

On or about April 25, 2012, a representative of the Respondent verbally informed the Enforcement Division that based on a review of recently obtained data the Respondent was in the process of finalizing, a possibility existed that the facility is exceeding the permit limitations for Paper Machine No. 1. On or about April 26, 2012, the Respondent submitted correspondence to the Department stating that certain permit limitations were exceeded at Paper Machine No. 1 from 2010 through April 2012. The respondent ceased operating the machine and requested interim authorization to operate under increased limitations until Title V Permit 2160-00001-V7 was issued by the Department.

According to information provided by the Respondent on April 26, 2012, the permit limits contained in Title V Permit 2160-00001-V6 were based on Paper Machine No. 1 (EQT0174) using hardwood furnish, whereas, the Respondent used Paper Machine No. 1 to make both hardwood and softwood furnish. The Respondent exceeded the permit limitations and/or emitted unauthorized emissions, as indicated below:

Paper Machine No. 1							
	Permit No. 2160-00001-V7 Limits			**2010 Emissions**		**2011 Emissions**	
Pollutant	**Tons per year**	**Avg. lb/hr**	**Max lb/hr**	**Tons per year**	**Max lb/hr**	**Tons per year**	**Max lb/hr**
VOC	44.9	10.25	12.3	173.82	60.55	189.56	52.85
Acetaldehyde	8.43	1.92	2.31	11.84	4.13	12.91	3.83
Acrolein	-	-	-	0.45	0.16	0.50	0.15

Paper Machine No. 1							
Benzene	-	-	-	0.09	0.03	0.09	0.03
Methanol	31.76	7.25	8.70	60.52	21.08	66.00	19.55
Methyl Ethyl Ketone	0.77	0.18	0.21	0.64	0.22	0.70	0.21
Methyl Isobutyl Ketone	-	-	-	0.26	0.09	0.28	0.08
Styrene	-	-	-	0.14	0.05	0.16	0.05
Toluene	-	-	-	0.14	0.05	0.15	0.04
Trichloroethylene	-	-	-	0.39	0.14	0.43	0.13
Xylene mixed isomers	-	-	-	0.34	0.12	0.37	0.11

Each emission exceedance is a violation of any applicable permit and associated requirement(s) listed above, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1), and 30:2057(A)(2). Each unauthorized emission is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1), and 30:2057(A)(2). Although the above emission(s) exceedances occurred from the Respondent's facility, VOC controls were not required as a result of exceedances.

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 TWENTY THOUSAND AND NO/100 DOLLARS ($20,000.00), of which Three Hundred Twelve and 57/100 Dollars ($312.57) represents the Department's enforcement costs, in settlement of the claims set forth in this agreement.

V

Respondent further agrees that the Department may consider the inspection report(s)/permit record(s), 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.

VI

This agreement shall be considered a final order of the Secretary for all purposes, including, but not limited to, enforcement under La. R.S. 30:2025(G)(2), and Respondent hereby waives any right to administrative or judicial review of the terms of this agreement, except such review as may be required for interpretation of this agreement in any action by the Department to enforce this agreement.

VII

This settlement is being made in the interest of settling the state's claims and avoiding for both parties the expense and effort involved in litigation or an adjudicatory hearing. In agreeing to the compromise and settlement, the Department considered the factors for issuing civil penalties set forth in La. R. S. 30:2025(E) of the Act.

VIII

The Respondent has caused a public notice advertisement to be placed in the official journal of the parish governing authority in Ouachita 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 thirty (30) 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.

GRAPHIC PACKAGING INTERNATIONAL, INC.

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