STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:	*	**Settlement Tracking No.**
	*	**SA-WE-15-0078**
INTERNATIONAL PAPER COMPANY	*	
	*	**Enforcement Tracking No.**
AI # 328	*	**WE-CN-14-00009**
	*	
PROCEEDINGS UNDER THE LOUISIANA ENVIRONMENTAL QUALITY ACT LA. R.S. 30:2001, ET SEQ.	* * *	

SETTLEMENT

The following Settlement is hereby agreed to between International Paper Company ("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 Kraft pulp and paper mill facility located in Desoto Parish, Louisiana ("the Facility").

II

On December 2, 2014, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. WE-CN-14-00009, which was based upon the following findings of fact:

"The Respondent owns and/or operates a Kraft pulp and paper mill located at or near 1202 Highway 509 in Mansfield, Desoto Parish, Louisiana. The Respondent was issued Louisiana Pollutant Discharge Elimination System (LPDES) permit LA0056651 on August 22, 2008, with an effective date of October 1, 2008, and an expiration date of September 30, 2013.

On or about April 4, 2013, the Department received a renewal application from the Respondent for the reissuance of LPDES permit LA0056651, and LPDES permit LA0056651 was administratively continued. LPDES permit LA0056651 was reissued on September 3, 2014, with an effective date of October 1, 2014, and an expiration date of September 30, 2019. The facility discharges treated combined process wastewater, process area storm water runoff, landfill leachate, utility wastewaters, non-process area storm water, and previously monitored treated sanitary wastewater (Internal Outfalls 101 and 201) from Outfall 001 to the Red River and from Outfall 002 to Bayou Pierre, thence to the Red River, waters of the state. The Respondent is also authorized to discharge uncontaminated storm water runoff from process and non-process areas, treated fresh water reservoir overflow, steam condensate, incidental treated water from mill water supply pumping operations, and wash water from the employee car wash from Outfall 003 to Bayou Pierre, thence to the Red River, waters of the state; low contamination potential storm water runoff from the northern section of the new solid waste disposal facility from Outfall 005 to Crook All Bayou, thence to the Red River, waters of the state; and, low contamination potential storm water runoff from the southern section of the new solid waste disposal facility and from the mill haul road from Outfall 006 to Red Lake Bayou, thence to Red River, waters of the state.

An inspection on June 4, 2013 revealed the Respondent was performing construction activities at its pulp and paper mill without an appropriate LPDES permit. Specifically, the Respondent was constructing an additional solid waste landfill cell which is greater than five (5) acres. The Respondent was performing regulated construction activities subject to permitting, and the Respondent is required to submit an application for and obtain permit coverage under the LPDES Stormwater General Permit Associated with Construction Activity Greater than 5 Acres. (La. R.S. 30:2076(A)(3) and LAC 33:IX.2511.C.1) Subsequent to the inspection, on or about

June 14, 2013, the Department received an LPDES Notice of Intent (NOI) for the stormwater associated with the construction activity and coverage was granted by the Department by letter dated July 2, 2013. By letter dated May 21, 2014, LDEQ terminated permit coverage as requested by the Respondent in its Notice of Termination.

An inspection on June 4, 2013 revealed the Respondent failed to report changes to the permitted facility. Specifically, the inspection revealed that the Respondent allowed turbid water from a new landfill cell construction activity area to be routed through surface drainage to its permitted stormwater Outfall 005. Outfall 005 is only described in the permit as discharging intermittently low contamination potential stormwater runoff from the northern section of the new 110-acre solid waste disposal facility. (LPDES Permit No. LA0056651 (Part III, Section D.1), La. R.S. 30:2076(A)(3), and LAC 33:IX.2701.L.1).

An inspection on June 4, 2013 revealed the Respondent failed to utilize adequate laboratory controls and/or appropriate quality assurance procedures. Specifically, the inspection revealed that for collected effluent samples that are stored in the laboratory refrigerator, a temperature log is maintained, but the Respondent's laboratory personnel could not verify that thermometers were calibrated on an annual basis. In addition, proper preservation of collected flow-proportional samples could not be verified due to the Respondent's failure to conduct annual thermometer calibrations with a certified NIST thermometer. (LPDES Permit No. LA0056651 (Part III, Sections A.2 and C.5.b), La. R.S. 30:2076(A)(3), and LAC 33:IX.2701.E).

An inspection on June 4, 2013 revealed the Respondent failed to utilize adequate laboratory controls and/or appropriate quality assurance procedures. Specifically, the Respondent was not documenting all of the required calibration procedures for the portable pH meter. The calibration log did not show the buffers used to calibrate the portable pH meter and that the meter was calibrated. (LPDES Permit No. LA0056651 (Part III, Sections A.2, C.4, and

C.5.b), La. R.S. 30:2076(A)(3), and LAC 33:IX.2701.E).

An inspection on June 4, 2013 revealed the Respondent failed to analyze samples in accordance with approved Environmental Protection Agency (EPA) methods. Specifically, the inspection revealed that the Respondent's personnel are analyzing their TSS samples in-house using Method 160.2 which is not an approved EPA method. (LPDES Permit No. LA0056651 (Part III, Sections A.2 and C.5.a), La. R.S. 30:2076(A)(3), LAC 33:IX.2701.E, and LAC 33:IX.4901).

An inspection on June 4, 2013 revealed the Respondent failed to include the solid waste landfill cell construction activity in its Storm Water Pollution Prevention Plan (SWPPP), as required by LPDES Permit No. LA0056651. (LPDES Permit No. LA0056651 (Part II, Section O.5.i), La. R.S. 30:2076(A)(3), and LAC 33:IX.2701.E).

An inspection on June 4, 2013 revealed the Respondent exhibited statistically significant lethal and/or sub-lethal effects to the *Ceriodaphnia dubia* test species at or below the critical dilution as reported by the Respondent on the December 2012 Discharge Monitoring Report (DMR). Specifically, the Respondent reported for Outfall TX1-Q that it failed the Growth Static Renewal 7 Day chronic test for *Ceriodaphnia dubia* (sub-lethal) for the fourth quarter 2012 and the whole effluent toxicity (WET), sub-lethal retest #2 for *Ceriodaphnia dubia*. (LPDES Permit No. LA0056651 (Part I, page 3 of 11; Part II, Sections J and Q.1.d; and Part III, Section A.2), La. R.S. 30:2076 (A) (3), and LAC 33:IX.501.A.

An inspection on June 4, 2013 revealed the Respondent failed to report results from all samples collected on DMRs in accordance with LPDES Permit No. LA0056651. Specifically, the Respondent is required by LPDES permit LA0056651 to perform once per quarter sampling for fecal coliform; however, it collects two (2) fecal coliform samples per quarter from each of its sanitary outfalls 101 and 201. The Respondent only reports the results of one of the two

samples on its DMRs. (LPDES Permit No. LA0056651 (Part III, Section C.8, page 7 of 17 and Part III, Section A.2), La. R.S. 30:2076(A)(3), and LAC 33:IX.2701.L.4.b) At the time of the inspection, the Respondent's representative stated that only one fecal coliform sample would be taken as required by the permit."

Based on Respondent's request that the Department consider additional facts and information in regard to paragraph IX of the Findings of Fact portion of Compliance Order & Notice of Potential Penalty, Enforcement No. WE-CN-14-00009, the Department reviewed the cited violation. The Respondent submitted responses dated February 6, 2015, and May 22, 2014 [year should be 2015], to Compliance Order & Notice of Potential Penalty, Enforcement Tracking No. WE-CN-14-00009. According to the Respondent, the lab that it uses requested two (2) sample bottles per sampling event at outfalls 101 & 201. The laboratory conducted a total residual chlorine (TRC) test on one bottle and fecal coliform (FC) test on the second bottle. The lab would run a FC test and then a duplicate FC test from the one bottle as a QA/QC method to test for any laboratory error/contamination. According to the Respondent, there was no fecal coliform analysis conducted that was not reported. The second bottle taken at each sampling event was for the TRC test only. Supporting documentation was provided by the Respondent. Based on the review of information provided by the Respondent, through this Settlement, the Department hereby removes paragraph IX in its entirety from the Findings of Fact portion of Compliance Order & Notice of Potential Penalty, Enforcement Tracking No. WE-CN-14-00009 and removal of the corresponding requirement to submit properly completed DMRs in accordance with Paragraph III of the Order portion.

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 EIGHT THOUSAND SIX HUNDRED EIGHTY-EIGHT AND 89/100 DOLLARS ($8,688.89), of which One Thousand One Hundred Eighty-Eight and 89/100 Dollars ($1,188.89) 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)/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.

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

As required by law, the Department has submitted this Settlement Agreement to the Louisiana Attorney General for approval or rejection. The Attorney General's concurrence is appended to this Settlement Agreement.

IX

The Respondent has caused a public notice advertisement to be placed in the official journal of the parish governing authority in Desoto Parish, Louisiana. The advertisement, in form and wording 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.

INTERNATIONAL PAPER COMPANY

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
Chuck Carr Brown, Ph.D, Secretary

BY: _____
Lourdes Iturralde, 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: _____
Lourdes Iturralde, Assistant Secretary