

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

RACELAND RAW SUGAR CORP.

AI # 1309

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

\* Settlement Tracking No.  
\* SA-AE-11-0031  
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\* Enforcement Tracking No.  
\* AE-CN-09-0590  
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SETTLEMENT

The following Settlement is hereby agreed to between Raceland Raw Sugar Corp. (“Respondent”) and the Department of Environmental Quality (“LDEQ” 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 raw sugar cane grinding and refining facility in Raceland, Lafourche Parish, Louisiana (“the Facility”).

II

On September 30, 2009, the LDEQ issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-09-0590, which was based upon the following findings of fact:

The Respondent owns and/or operates Raceland factory (the facility), a raw sugar cane grinding and refining facility, located at 175 Mill Street in Raceland, Lafourche Parish, Louisiana. The facility currently operates under Title V Permit No. 1560-00004-V4, issued on or about April 20, 2007.

On or about November 19, 2008, the Respondent conducted stack tests on the facility's No. 5 boiler (EQT005). The results indicated the Nitrogen Oxides (NO<sub>x</sub>) emissions averaged 80.52 pounds per hour (lbs/hr), exceeding the current permit limit of 52.28 lbs/hr (maximum).

The Respondent submitted correspondence to the Department dated September 24, 2009, requesting interim authorization to emit NO<sub>x</sub> at 80.52 pounds per hour (lbs/hr) average; at 92/60 lbs/hr (maximum); and at 114.98 tons per year (tpy) for boiler No. 5 (EQT005) until the time a modified permit is issued.

On or about September 24, 2009, a file review of the 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 and file review:

- A. Specific Requirement 107 of Title V Permit No. 1560-00004-V4 requires the facility to conduct stack tests on Boiler No. 5 within 180 days of initial start-up or within 60 days of achieving normal production, whichever is earliest. The facility's Title V 2007 Second Semiannual Monitoring Report, dated January 28, 2008, listed the No. 5 boiler with 1,591 hours of operation during the 2007 grinding season. In correspondence dated January 6, 2009, the Respondent reported that the stack test was conducted on or about November 19, 2008 on Boiler No. 5. The failure to conduct an initial stack test within sixty (60) days after achieving normal production rate is a violation of specific Requirement 107 of the current permit, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
  
- B. In correspondence dated January 6, 2009, and received by the Department on or about January 12, 21009, the Respondent reported the results of a stack test conducted November 19, 2008 on the facility's No. boiler (EQT005). The results of the test indicated the Nitrogen Oxides (NO<sub>x</sub>) emissions averaged 80.52 pounds per hour (lbs/hr) which exceeds the current permit limit of 52.28 lbs/hr (maximum). The failure to demonstrate compliance with the limits of the permit for emission of NO<sub>x</sub> is a violation of the current permit, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(1) AND 30:2057(A)(2).

### III

In response to the Consolidated Compliance Order & Notice of Potential Penalty, Respondent made a timely request for a hearing.

### IV

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

### V

Nonetheless, Respondent, without making any admission of liability under state or federal statute or regulation, agrees to pay, and the LDEQ agrees to accept, a payment in the amount of NINE HUNDRED AND NO/100 DOLLARS (\$900.00), of which Four Hundred Ninety-Eight and 52/100 Dollars (\$498.52) represents the LDEQ'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 LDEQ 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 LDEQ may consider permit records, 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 LDEQ 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 LDEQ 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 LDEQ considered the factors for issuing civil penalties set forth in La. R. S. 30:2025(E) of the Act.

## IX

The Respondent has caused a public notice advertisement to be placed in the official journal of the parish governing authority in Lafourche Parish, Louisiana. The advertisement, in form, wording, and size approved by the LDEQ, 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 LDEQ and, as of the date this Settlement is executed on behalf of the LDEQ, 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 LDEQ. 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.

RACELAND RAW SUGAR CORP.

BY: Daniel W. Duplantis  
(Signature)

DANIELS W. DUPLANTIS  
(Printed)

TITLE: EX. V.P. + GEN. MGR.

THUS DONE AND SIGNED in duplicate original before me this 27th day of September, 20 11, at Raceland, Louisiana.

SUSAN G. MATHERNE  
NOTARY PUBLIC, LAFOURCHE PARISH, LA  
MY COMMISSION EXPIRES AT DEATH  
NOTARY PUBLIC NUMBER 9257

Susan G. Matherne  
NOTARY PUBLIC (ID # 9257)

Susan G. Matherne

(stamped or printed)

LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY

Peggy M. Hatch Secretary

BY: Cheryl  
Cheryl Sonnier Nolan, Assistant Secretary  
Office of Environmental Compliance

THUS DONE AND SIGNED in duplicate original before me this 5th day of January, 20 12, at Baton Rouge, Louisiana.

Dukana King  
NOTARY PUBLIC (ID # 20590)  
Bar-Roll #

Life Commission

Dukana King  
(stamped or printed)

Approved: Cheryl  
Cheryl Sonnier Nolan, Assistant Secretary