

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

RIVERLAND INDUSTRIES, INC.

AI # 81855

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

* Settlement Tracking No.
* SA-AE-11-0030
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* Enforcement Tracking No.
* AE-PP-09-0482
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SETTLEMENT

The following Settlement is hereby agreed to between Riverland Industries, 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 alumina drying facility located in Baton Rouge, East Baton Rouge Parish, Louisiana (“the Facility”).

II

On December 14, 2009, the Department issued to Respondent a Notice of Potential Penalty, Enforcement No. AE-PP-09-0482, which was based upon the following findings of fact:

On or about July 1, 2009, an inspection of the alumina drying facility owned and/or operated by Riverland Industries, Inc. (Respondent) was performed to determine the degree of compliance with the Louisiana Environmental Quality Act (the Act) and the Air Quality Regulations. The facility is located at 12537 Scenic Highway in Baton Rouge, East Baton Rouge Parish, Louisiana.

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

- A. The Respondent did not have records of daily visible emission checks of filter vents for the emission points in the following table.

Source ID	Emission Point Description
EQT001	Alumina Trihydrate Furnace Vent
EQT005	Flash Calcined Alumina (FCA) Baghouse Vent
EQT010	Dried Alumina Trihydrate Storage Silo Baghouse Vent
EQT012	No. 1 Mill Baghouse Vent
EQT014	No. 2 Mill Baghouse Vent
EQT016	No. 3 Mill Baghouse Vent
EQT018	No. 4 Mill Baghouse Vent
EQT020	No. 2 Flash Calciner Unit
EQT032	Rotary Kiln Baghouse Vent
EQT039	D.E. Storage Bin Baghouse Vent

The failure to keep records of daily filter vent visible emission checks is a violation of the Specific Condition of Air Permit Nos. 0840-00177-00 and 0840-00177-01; Specific Requirements 2, 7, 12, 17, 22, 27, 32, 37, 49, and 59 of Air Permit No. 0840-00177-02; LAC 33:III.501.C.4; and La. R.S. 30:2057(A)(2).

- B. The Respondent did not have records of filter element maintenance inspections for EQT001, EQT005, EQT010, EQT012, EQT014, EQT016, EQT018, EQT020, EQT032, and EQT0394. This is a violation of Specific Requirements 4, 9, 14, 19, 24, 29, 34, 39, 51, and 61 of Air Permit No. 0840-00177-02; General Condition X of Air Permit No. 0840-00177-01; LAC 33:III.501.C.4; and La. R.S. 30:2057(A)(2).

Air Permit Nos. 0840-00177-00, 0840-00177-01, and 0840-00177-02, issued October 19, 1999, October 7, 2000, and February 16, 2006, respectively, required that the Respondent keep records of visual checks and maintenance inspections of the dust filters on site and available for inspection by the Office of Environmental Compliance. On or about September 18, 2009, the Department received a letter from the Respondent in response to Warning Letter, Enforcement Tracking No. AE-L-09-0482. According to this letter, the Respondent modified its activities to ensure that they meet all applicable recordkeeping requirements.

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 THIRTY THOUSAND AND NO/100 DOLLARS (\$30,000.00), of which Four Hundred Fifty-Four and 82/100 Dollars (\$454.82) 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), the 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 East Baton Rouge Parish, Louisiana. The advertisement, in form, wording, and size approved by the Department, announced the availability of this settlement for public view and comment and the opportunity for a public hearing. Respondent has submitted an original proof-of-publication affidavit and an original public notice to the Department and, as of the date this Settlement is executed on behalf of the Department, more than forty-five (45) days have elapsed since publication of the notice.

IX

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).

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.

RIVERLAND INDUSTRIES, INC.

BY: T.S. Kirdolt
(Signature)

Troy S. Kirdolt
(Printed)

TITLE: President

THUS DONE AND SIGNED in duplicate original before me this 13th day of SEPTEMBER, 20 11, at BAKER LA.

RJ Dupuy
NOTARY PUBLIC (ID # RANDALL J. DUPUY
NOTARY ID# 83250)

RANDALL J. DUPUY
NOTARY ID# 83250

(stamped or printed)

LOUISIANA DEPARTMENT OF
ENVIRONMENTAL QUALITY
Peggy M. Hatch Secretary

BY: CSN
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.

Dulana King
NOTARY PUBLIC (ID # 20590)
Bar Roll #

Life Commission

Dulana King
(stamped or printed)

Approved: CSN
Cheryl Sonnier Nolan, Assistant Secretary