

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:	*	Settlement Tracking No.
	*	SA-AE-09-0009
UOP LLC	*	
	*	Enforcement Tracking No.
AI # 1413	*	AE-PP-08-0093
	*	
PROCEEDINGS UNDER THE LOUISIANA	*	
ENVIRONMENTAL QUALITY ACT	*	
LA. R.S. 30:2001, <u>ET SEQ.</u>	*	

SETTLEMENT

The following Settlement is hereby agreed to between UOP LLC (Respondent) and the Department of Environmental Quality (Department), under authority granted by the Louisiana Environmental Quality Act, La. R.S. 30:2001, et seq. (the Act).

I

Respondent is a limited liability company that owned and/or operated a specialty alumina plant facility located at 1200 U.S. Highway 190 in Baton Rouge, East Baton Rouge Parish, Louisiana (Facility).

II

On September 17, 2008, the Department issued Respondent a Notice of Potential Penalty, Enforcement No. AE-PP-08-0093, which was based upon the following findings of fact:

On or about May 21, 2008, a file review of UOP Baton Rouge Plant, owned and/or operated by UOP LLC (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 1200 U.S. Highway 190 in Baton Rouge, East Baton Rouge Parish, Louisiana.

While the Louisiana Department of Environmental Quality's (the Department) investigation is not yet complete, the following violations were noted during the course of the review:

- A. According to the Part 70 Quarterly Deviation Report for the period encompassing July 1 through September 30, 2005, dated December 28, 2005, "Discharge of a rotary valve failed while inlet maintained operation. In addition, there was operator error in response to the alarm from the malfunction of this unmanned operation. Approximately 1,000 lbs of PM (Alumina trihydrate) became air borne based on material balance." This exceeds the maximum permitted limit for PM₁₀, 0.300 lbs/hr, for C-83 Active C Fugitive Emissions (FUG005) as set forth in Title V Permit No. 0840-00009-V0. This is a violation of Specific Requirement No. 193 of Title V Permit No. 0840-00009-V0, LAC 33:III.501.C.4, LAC 33:III.905, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). The report further states that, "Interlocks have been inserted into the facility's control logic system to stop rotary valve operation in future events. The facility will also be installing a camera with a monitor in the control room of this unmanned operation...."
- B. Specific Requirement No. 170 of Title V Permit No. 0840-00009-V0 requires the Respondent to manually log the flow rate of C-84 Tank Farm Scrubber (EQT049) once per shift whereas Specific Condition No. 3 of Air Permit No. 0840-00009-01 required the Respondent to log the average flow rate once per day. According to the Part 70 Quarterly Deviation Report for the period encompassing July 1 through September 30, 2005, dated December 28, 2005, there was, "Operator error due to change in this requirement from State Permit No. 0840-00009-01 requirement for daily readings to the current specific requirement of manually logging once every shift during operation." The Respondent failed to log the flow rate of EQT049 seventeen (17) times during the reporting period. Each failure to manually log the flow rate is a violation of Specific Requirement No. 170 of Title V Permit No. 0840-00009-V0, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2). The report further states that, "The deviation of this requirement is being addressed through re-training, and adding electronic continuous recording of the scrubber flow as part of the facility's scrubber instrumentation upgrade scheduled for December, 2005." According to an email received from a representative of the Respondent on May 30, 2008, the project to continuously monitor the scrubber flow was installed and has been operating since December of 2005.
- C. According to the Part 70 Quarterly Deviation Report for the period encompassing July 1 through September 30, 2006, dated December 20, 2006, C-73 Active Powder Flash Calciner Dust Collector (EQT043) had visible emissions with opacity greater than 20% on September 26, 2006. This is a

violation of Specific Requirement No. 125 of Title V Permit No. 0840-00009-V0, LAC 33:III.501.C.4, LAC 33:III.905, LAC 33:III.1101.B, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). The report further states that, "Visible emissions were detected the previous day, but an opacity reading at that time was not greater than 20%. Due to loss of personnel and inadequate training of replacement personnel, maintenance was not contacted in a timely matter [*sic*], in accordance with internal procedures." The failure to perform maintenance on EQT043 when visible emissions were first detected is a violation of Specific Requirement No. 131 of Title V Permit No. 0840-00009-V0, LAC 33:III.501.C.4, LAC 33:III.905, and La. R.S. 30:2057(A)(2). As corrective action, the report states that, "Filter elements have been replaced. Required steps for reporting visible emissions to maintenance have been placed on the log sheet for the daily visible checks. The facility has conducted training refreshers for all appropriate personnel on environmental permit requirements."

- D. According to the Part 70 Annual Compliance Certification for the period encompassing January through December 2007, dated March 28, 2008, the Respondent failed to record the visible emissions checks for the emission points in the following table on June 4, June 5, June 8, June 9, June 10, June 13, June 18, June 19, July 21, and July 22, 2007:

Emission Source No. /Identifier	Description
EQT009 (C-10)	Active B Process Points Dust Collector
EQT016 (C-109)	Lime Bin Baghouse
EQT019 (C-113)	West Calcines Bins
EQT020 (C-114)	Versal I B Bin Vent Dust Collector
EQT022 (C-16)	Active A Process Points Dust Collector
EQT023 (C-24)	Additives Bin Dust Collector
EQT024 (C-36)	Versal I Loadout Dust Collector
EQT025 (C-47)	Versal II Spray Dryer Dust Collector
EQT026 (C-49A)	Versal II Product Bin Dust Collector A
EQT027 (C-49B)	Versal II Product Bin Dust Collector B
EQT028 (C-50)	Versal II Loadout Dust Collector
EQT030 (C-55)	Cambelt Loadout Dust Collector
EQT031 (C-57)	Pilot Plant Flash Calciner Dust Collector
EQT039 (C-61)	Pilot Plant Spray Dryer Dust Collector
EQT040 (C-64)	Active A Nodulizer Feed Bin Dust Collector
EQT041 (C-7)	Versal I Product Bin Dust Collector
EQT043 (C-73)	Active Powder Flash Calciner Dust Collector
EQT046 (C-76)	Active Powder Hydrate Milling Dust Collector
EQT047 (C-8)	Versal I Spray Dryer Dust Collector
EQT048 (C-82)	Active Powder Hydrate Feed Dust Collector
EQT050 (C-86)	West Hydrate Storage Bin Dust Collector
EQT051 (C-98)	Active Powder Surge Bin Dust Collector
EQT052 (C-99)	Active Powder South Flash Feed Bin Dust Collector

For each day, this is a violation of Specific Requirement Nos. 3, 9, 18, 24, 33, 39, 45, 54, 60, 66, 72, 82, 91, 100, 106, 112, 130, 148, 157, 163, 173, 179,

and 185 of Title V Permit No. 0840-00009-V0; LAC 33:III.501.C.4; LAC 33:III.905, and La. R.S. 30:2057(A)(2).

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 FOURTEEN THOUSAND AND NO/100 DOLLARS (\$14,000.00), of which Seven Hundred Twenty-Nine and 95/100 Dollars (\$729.95) 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 LSA- 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.

UOP LLC

BY: Casey R. Smith
(Signature)

CASEY R. SMITH
(Print)

TITLE: PLANT MANAGER

THUS DONE AND SIGNED in duplicate original before me this 3rd day of August, 20 09, at Baton Rouge, LA.

Leah W. Thibaut
Notary Public #61601
East Baton Rouge Parish, La.
My Commission Is For Life

Leah W. Thibaut
NOTARY PUBLIC (ID # _____)

(Print)

LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY
Harold Leggett, Ph.D., Secretary

BY: Peggy M. Hatch
Peggy M. Hatch, Assistant Secretary
Office of Environmental Compliance

THUS DONE AND SIGNED in duplicate original before me this 5th day of November, 20 09, at Baton Rouge, Louisiana.

Christopher A. Radcliff
NOTARY PUBLIC (ID # 10149)

Christopher A. Radcliff
(Print)

Approved: Peggy M. Hatch
Peggy M. Hatch, Assistant Secretary