

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:	* Settlement Tracking No.
	* SA-MMA-09-0034
VULCAN MATERIALS COMPANY	* * Enforcement Tracking No.
	* MM-CN-04-0021
AI # 3400	* AE-PP-02-0015
	* * * * * * *
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 Vulcan Materials Company (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

At the time of the events described herein, Respondent was a corporation that owned and/or operated a specialty chemical manufacturing facility located at 8318 Ashland Road in Geismer, Ascension Parish, Louisiana ("the Facility").

II

This agreement encompasses the following two (2) enforcement actions:

1. **On May 11, 2004, the Respondent was issued Consolidated Compliance Order and Notice of Potential Penalty, Enforcement No. MM-CN-04-0021, which was based upon the following findings of fact:**

The Respondent owns and/or operates a permitted hazardous waste treatment, storage, and disposal facility that manufactures specialty chemicals, primarily perchloroethylene,

chloralkali products, and chlorinated solvents located at 8318 Ashland Road in Geismar, Ascension Parish, Louisiana, and bears the EPA identification number LAD 092 681 824. The facility operates one (1) permitted hazardous waste incinerator. The facility is authorized to possess radioactive material and radiation devices under the provisions of license number LA-2848-L01A issued by the Department.

On or about November 13 and 14, 2003, representatives of the Department performed a Resource Conservation and Recovery Act (RCRA) Compliance Evaluation Inspection of the facility. On or about January 9, 2004, a representative of the Department performed an investigation of a misplaced/lost sealed source and a routine compliance inspection at this facility. The following violations were noted during the course of these inspections:

- a) The Respondent failed to document on the daily hazardous waste inspection logs an accurate description of the permitted tanks including all items required by LAC 33:V.1911. Specifically, the Department's representative noted at the time of inspection evidence of external rust and corrosion on tank D-2009, degradation and deterioration of the outer plastic on tank D-40, and the corrosion of bolts, flanges, and piping associated with both of the permitted hazardous waste storage tanks that had not been documented on the logs, in violation of LAC 33:V.1509.A, LAC 33:V.1911.D, and Section V.B.2.c(1) and Attachment 7 of the Hazardous Waste Permit.
- b) The Respondent failed to address the deficiencies noted in the biennial external inspection reports of tanks D-40 and D-2009, in violation of LAC 33:V.1509.C. Specifically, the deficiencies noted for tank D-40 included, but was not limited to: the anchor bolts, carbon steel flanges, nuts, bolts, and attached piping had severe

corrosion; some bolts were missing; two external nozzles had cracked flanges; and fibers were visible throughout the external shell of the tank. Similarly, the deficiencies noted for tank D-2009 included, but was not limited to: the external shell and roof were pitted and corroded; bolts, nozzles, and a manway flange on the roof showed severe corrosion; a hole was found on the external shell; paint was blistering and lifting on the external shell and roof; and paint failure was noted on the pressure vacuum vents.

- c) The Respondent allowed tank D-40 to vent directly to the atmosphere by having a missing blind flange that was noted in the external inspection report from the inspection performed on September 18, 2003, in violation of LAC 33:V.1755.G.1.b, LAC 33:V.1921, and Section V.B.3.c of the Hazardous Waste Permit.
- d) The Respondent failed to remove from service and empty all the hazardous waste stored in tank D-2009 after the biennial thickness testing performed on September 16, 2003, indicated that the external shell had three (3) test points that were below the minimum thickness specified in the Hazardous Waste Permit, in violation of LAC 33:V.309.A and Section V.B.2.c(4) of the Hazardous Waste Permit.
- e) The Respondent failed to perform ultrasonic or equivalent testing on the external shell of tank D-2009 from 1998 to 2003 and never performed the required testing for the internal wall of tank D-2009, in violation of LAC 33:V.309.A and Section V.B.2.c(2) of the Hazardous Waste Permit.
- f) The Respondent failed to maintain documentation of annual site-specific RCRA training for the International Maintenance Corporation (IMC) contract employees at the facility, in violation of LAC 33:V.1515.E. The Respondent conducted site-

specific RCRA training on November 18, 2003, for the IMC employees and documentation was submitted to the Department.

- g) The Respondent failed to submit an application for license renewal thirty (30) calendar days before the expiration date in accordance with LAC 33:XV.333, in violation of LAC 33:XV.332.C. On July 31, 2003, the Respondent's radioactive material license LA-2848-L01A was renewed.
- h) The Respondent failed to secure its sealed source identified as Kay Ray Model 7063P, serial number 12349, Cs-137 with initially 500 mCi in 1984 from unauthorized removal or access, in violation of LAC 33:XV.445.A. The Respondent submitted a letter dated February 10, 2004, detailing procedures to be implemented to better track and secure radiation devices at the facility.

2. On April 8, 2008, the Respondent was issued Notice of Potential Penalty, Enforcement No. AE-PP-02-0015, which was based upon the following findings of fact:

The facility is located at or near 8318 Ashland Road in Geismar, Ascension Parish, Louisiana. Vulcan Chemical's Geismar Facility operated under Title V Permit No. 0180-00011-V0 issued on October 5, 1998; Title V Permit No. 0180-00011-V1 issued on June 26, 2000; Title V Permit No. 0180-00011-V2 issued on February 15, 2001; and Title V Permit No. 0180-00011-V3, issued on April 19, 2001, and amended on May 30, 2002, and Title V Permit No. 2821-V0, issued on December 12, 2002, and administratively amended on June 9, 2003 and February 13, 2004. A change of ownership from Vulcan Materials Company to Basic Chemicals Company, LLC of Delaware was effective June 7, 2005.

The Respondent followed a streamlined equipment leaks monitoring program in which the overall most stringent program is NESHAP 40 CFR, Part 63 (HON), Subpart H for the

following units: methyl chloroform II, chloromethanes, perchloroethylene, ethylene dichloride, utilities, chlorine, shipping, chlorine II, and VFS8648.5 as described in Part 70 Specific Condition 2 of Title V Permit No. 0180-00011-V3.

In accordance with 40 CFR 63.160, the provisions of Subpart H apply to pumps that are intended to operate in organic hazardous air pollutant service 300 hours or more during the calendar year. In addition, "In organic hazardous air pollutant or in organic HAP service is defined in 40 CFR 63.161 to mean that a piece of equipment either contains or contacts a fluid (liquid or gas) that is at least 5 percent by weight of total organic HAPs as determined according to the provisions of 40 CFR 63.180(d) of 40 CFR 63 Subpart H.

The inspection noted that a review of the monitoring logs for the pumps in HAP service during 2000 and 2001 indicated that not all of the pumps subject to the HON regulations were monitored monthly. The Respondent responded to this finding in a response letter dated November 12, 2001. In the November 12, 2001 letter, the Respondent pointed out that the HON Semiannual Fugitive Emissions Reports state that the pumps subject to monitoring, that were not monitored, were out of service. The Respondent noted that most pumps subject to monitoring also have a spare or backup pump. The spare will be running only if the main pump is not in service, and the spare pump typically runs only until the main pump can be repaired or put back in service. The Department requested that the Respondent send copies of the monitoring logs reviewed during the inspection. The Respondent submitted a letter dated March 31, 2003 that discussed its review of the pump monitoring issue noted during the Department's inspection. The Respondent noted that their personnel responsible for fugitive emission monitoring incorrectly interpreted that spare pumps were "down and dry" or drained of fluid when they were not running and therefore, not required to be monitored. Some pumps were consistently drained

when not in use while this did not always occur in other areas of the plant. In the March 31, 2003 letter, the Respondent lists the HON pumps that the Respondent believes were not monitored each time required for the calendar years 1998 through 2002. The Respondent noted in the Part 70 General Condition R Quarterly Report dated September 24, 2002, and the Part 70 General Condition K semiannual monitoring report dated September 30, 2002, that its internal review found that 44 pumps were not monitored monthly during the period of April 1 through June 30, 2002. In addition, over the past 5 years, some 87 percent of its HON pumps were not monitored for at least one required monitoring event.

The following violation was noted during the course of the inspection:

Based on a review of the Respondent's monitoring logs and information provided by the Respondent, the Respondent failed to monitor each pump monthly to detect leaks by the method specified in 40 CFR 63.180(b). This is a violation of 40 CFR 63.163(b)(1) which language has been adopted as a Louisiana regulation in LAC 33:III.5122; Part 70 Specific Condition 2 of Title V Permit Nos. 0180-00011-V0, 0180-00011-V2, and 0180-00011-V3; LAC 33:III.501.C.4; the facility's Compliance Schedule (Attachment I to Air Toxics Compliance Plan Number 92024); LAC 33:III.5109.A.1 and La. R.S. 30:2057(A)(2).

On or about March 14, 2002, a file review of the Respondent's Geismar 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 file review:

- A. The Respondent reported exceedances of the 10 ppm limit off of the T-320 bottoms stream for the concentration of vinyl chloride in inprocess wastewater as specified in 40 CFR 61.65(b)(9) of 40 CFR 61 Subpart F (National Emission Standards for Vinyl Chloride) as follows:

Date of exceedance	Report	Date of report	Cause	Amount (ppm)	Amount (lbs)
November 19, 2001 (3 hours)	vinyl chloride quarterly report	December 10, 2001	Flow test on the wastewater stripper		

Date of exceedance	Report	Date of report	Cause	Amount (ppm)	Amount (lbs)
January 23, 2001	Part 70 General Condition R quarterly report	June 29, 2001		28.7	0.75
February 14, 2001	Part 70 General Condition R quarterly report	June 29, 2001		27.9	0.77

The Respondent failed to reduce the inprocess wastewater stream to no more than 10 ppm by weight before being mixed with any other inprocess wastewater stream which contains less than 10 ppm vinyl chloride; before being exposed to the atmosphere; before being discharged to a wastewater treatment process; or before being discharged untreated as a wastewater. Each failure is a violation of 40 CFR 61.65(b)(9)(i) which language has been adopted as a Louisiana regulation in LAC 33:III.5116 and La. R.S. 30:2057(A)(1) and La. R.S. 30:2057(A)(2).

- B. As required by Title V Permit No. 0180-00011-V3, the Respondent submitted a Part 70 General Condition R quarterly report dated September 17, 2001, for the reporting period beginning on April 1, 2001, and concluding on June 30, 2001. The Respondent reported that the vinyl chloride concentration exceeded 10 ppm on the T-320 bottoms for fifteen (15) days due to a lining failure during the reporting period. The Part 70 General Condition K semiannual monitoring report dated September 30, 2001, for the reporting period beginning on January 1, 2001, and concluding on June 30, 2001, noted that vinyl chloride concentration exceeded 10 ppm on the T-320 bottoms on seventeen (17) days. In the semiannual monitoring report dated March 28, 2002, the Respondent reported that in the March 15, 2002, Vinyl Chloride NESHAP report, the Respondent reported that the T-320 bottoms stream exceeded 10 ppm for 0.08 days during the reporting period of July 1, 2001 through December 31, 2001. The Respondent failed to reduce the inprocess wastewater stream to no more than 10 ppm by weight before being mixed with any other inprocess wastewater stream which contains less than 10 ppm vinyl chloride; before being exposed to the atmosphere; before being discharged to a wastewater treatment process;

or before being discharged untreated as a wastewater. Each failure is a violation of 40 CFR 61.65(b)(9)(i) which language has been adopted as a Louisiana regulation in LAC 33:III.5116, La. R.S. 30:2057(A)(1) and La. R.S. 30:2057(A)(2).

- C. As required by Part 70 General Condition R of Title V Permit No. 0180-00011-V3, the Respondent submitted a quarterly report dated September 17, 2001, for the reporting period of April 1, 2001, through June 30, 2001. The Respondent reported that in accordance with the Air Permit, a written report is to be submitted within seven (7) days of the initial occurrence of any emission in excess of permit requirements occurring over a period of seven days or longer. The Respondent noted that the vinyl chloride concentration had exceeded 10 ppm on the T-320 bottoms for eight (8) consecutive days, and that the written report was not submitted until June 15, 2001. The Respondent noted that the report should have been submitted by May 29, 2001. The failure to submit the written report within seven (7) days of the initial occurrence of any emission in excess of permit requirements occurring over a period of seven days or longer is a violation of 40 CFR Part 70 General Condition R.2 of Title V Permit No. 0180-00011-V3, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).
- D. As required by Part 70 General Condition R of Title V Permit No. 0180-00011-V2, the Respondent submitted a quarterly report dated June 29, 2001, for January 1, 2001, through March 31, 2001. The MCI Reactor (Emission Point F24396) is subject to 40 CFR 63 Subparts F and H for Process Vents as noted in Table 2 of Title V Permit No. 0180-00011-V2. 40 CFR 63 Subpart F references 40 CFR 63 Subpart A for Startup, Shutdown and Malfunction Plans. The Respondent's Startup, Shutdown, and Malfunction Plan (SSMP) was not followed during startup of the MCI Reactor (Emission Point No. F24396) on March 29, 2001. The failure to follow the SSMP during startup of the MCI Reactor is a violation of 40 CFR 63.6(e)(3)(ii) which language has been adopted as a Louisiana regulation in LAC 33:III.5122, Part 70 Specific Condition 1 of Title V Permit No. 0180-00011-V2, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).
- E. The Respondent reported in NSPS Quarterly Reports that the steam to fuel ratio dropped below 1.25 for the Cogeneration Facility's gas turbines, GT-901 and GT-902 (Emission Points 090184 and 090284, respectively under the Title V permit and Emission Points 3-84 and 4-84 respectively in the PSD permit) as follows:

Report Date	Date of Occurrence	Hourly Periods	Cause	Turbine
July 28, 2000	March 20, 2000	1:00 a.m.- 2:00 a.m. 9:00 a.m.- 5:00 p.m. 6:00 p.m.- 12:00 a.m.	During shutdown for maintenance outage	GT-901
July 28, 2000	April 1, 2000	2:00 p.m.- 5:00 p.m. 8:00 p.m.- 11:00 p.m.	During startup after an outage	GT-902
July 28, 2000	April 2, 2000	12:00 p.m.- 1:00 p.m.	During startup after an outage	GT-902
July 28, 2000	April 5, 2000	12:00 a.m.- 3:00 a.m.	Testing of instrumentation	GT-901
July 28, 2000	April 6, 2000	2:00 a.m.- 3:00 a.m. 4:00 a.m.- 7:00 a.m. 8:00 a.m.- 11:00 a.m.	Feed line leak; unit was shutdown to repair leak; unit remained down until April 9, 2000.	GT-901
July 28, 2000	April 8, 2000	3:00 a.m.- 5:00 a.m. 12:00 p.m.- 1:00 p.m.	Startup following maintenance	GT-902
July 28, 2000	April 9, 2000	12:00 p.m.- 1:00 a.m. 2:00 a.m.- 3:00 a.m.	Startup	GT-901
July 28, 2000	June 17, 2000	6:00 a.m.- 7:00 a.m.	GT-901 tripped	GT-901
July 28, 2000	June 17, 2000	6:00 a.m.- 11:00 a.m.	Steam header pressure drop due to GT-901 trip	GT-902
July 28, 2000	June 25, 2000	10:00 a.m.- 11:00 a.m.	GT-901 tripped	GT-901
July 28, 2000	June 25, 2000	10:00 a.m.- 11:00 a.m.	Steam header pressure drop due to GT-901 trip	GT-902
October 30, 2000	August 21, 2000	8:00 p.m.- 10:00 p.m.	Control valve failure	GT-901

Report Date	Date of Occurrence	Hourly Periods	Cause	Turbine
October 30, 2000	August 29, 2000	10:00 a.m.- 11:00 a.m.	GT-901 tripped	GT-901
October 30, 2000	August 29, 2000	10:00 a.m.- 11:00 a.m.	Steam header pressure drop due to GT-901 trip	GT-902
October 30, 2000	August 31, 2000	11:00 p.m.- 12:00 a.m.	GT-901 tripped	GT-901
January 30, 2001	November 3, 2000	9:00 p.m.- 10:00 p.m.	Unit startup	GT-901
January 30, 2001	December 2, 2000	11:00 a.m.- 12:00 p.m.	Unit startup	GT-902
January 30, 2001	December 2, 2000	4:00 p.m.- 5:00 p.m.	Unit shutdown	GT-902
January 30, 2001	December 2, 2000	5:00 p.m.- 6:00 p.m.	Unit shutdown	GT-902
January 30, 2001	December 2, 2000	8:00 p.m.- 9:00 p.m.	Unit startup	GT-902
January 30, 2001	December 3, 2000	9:00 a.m.- 10:00 a.m.	Turbine inlet temperature calibration	GT-902
January 30, 2001	December 3, 2000	10:00 a.m.- 11:00 a.m.	Turbine inlet temperature calibration	GT-902
April 12, 2001	January 2, 2001	6:00 a.m.- 7:00 a.m. 7:00 a.m.- 8:00 a.m. 8:00 a.m.- 9:00 a.m.	Process malfunction	GT-901 & GT-902
April 12, 2001	January 6, 2001	5:00 p.m.- 6:00 p.m. 7:00 p.m.- 8:00 p.m.	Startup attempts	GT-902
April 12, 2001	March 6, 2001	12:00 a.m.- 1:00 a.m.	Shutdown for maintenance	GT-901
April 12, 2001	March 8, 2001	2:00 p.m.- 3:00 p.m. 3:00 p.m.- 4:00 p.m.	Process malfunction	GT-902
July 12, 2001	May 15, 2001	11:00 p.m.- 12:00 a.m.	Startup attempts	GT-901

Report Date	Date of Occurrence	Hourly Periods	Cause	Turbine
July 12, 2001	May 24, 2001	3:00 p.m.- 5:00 p.m.	Process malfunction	GT-901 & GT-902
July 12, 2001	June 12, 2001	1:00 p.m.- 2:00 p.m.	Stack Test Performance	GT-901
October 26, 2001	August 20, 2001	5:00 p.m.- 6:00 p.m.	Startup of the turbine	GT-902
January 15, 2002	November 18, 2001	7:00 a.m.- 10:00 a.m.	Process malfunction	GT-902
April 15, 2002	January 13, 2002	2:00 a.m.- 4:00 a.m.	Startup of the turbine	GT-902
April 15, 2002	March 5, 2002	2:00 a.m.- 3:00 a.m.	Startup of the turbine	GT-902
July 31, 2002	May 8, 2002	1:00 a.m.- 7:00 a.m.	Failure of steam injection valve	GT-901
July 31, 2002	May 9, 2002	4:00 a.m.- 6:00 a.m.	Malfunction of temperature probe	GT-901
January 31, 2003	December 1, 2002	10:00 a.m.- 12:00 p.m.	Increase in fuel flow	GT-902
January 31, 2003	December 17, 2002	8:00 a.m.- 9:00 a.m.	Lowered turbine rate to repair thermocouple	GT-902

Each time the steam to fuel ratio dropped below 1.25 is a violation of Specific Condition No. 3 of PSD-LA-528 (M-1), State Only and Part 70 Specific Condition No. 1 as required by Table 2 of Title V Permit Nos. 0180-00011-V0, 0180-00011-V1, 0180-00011-V2 or 0180-00011-V3, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2). In addition, each failure to maintain the steam to fuel ratio above 1.25, indicates an exceedance of the nitrogen oxide concentration in the stack gas of 94 ppmv at 15 percent oxygen. Each exceedance is a violation of Specific Condition 2 of PSD Permit No. PSD-LA-528 (M-1), LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(1).

- F. In a letter from the Respondent dated February 1, 2002, the Respondent reported the results of stack testing performed on or about June 14 through 21, 2001, on the Gas Turbine GT-901 and the associated Heat Recovery Steam Generator ("HRSG") BL-901, which exhausts through Emission Point 090184. The stack tests measured emissions of particulate matter (PM₁₀) which averaged 6.110 pounds per hour at the rates at which the unit was operated using natural gas only; however the

stack tests averaged 5.0 pounds per hour using natural gas and hydrogen. The emission rate is in excess of the corresponding PM₁₀ maximum pound per hour permit limit for PM₁₀ for this unit of 0.30 pounds per hour. Based on the stack test results, the Respondent believed that the unit would exceed the 1.0 ton per year limitation in 2002. Furthermore, the Respondent noted that based on the stack test results for GT-901, Gas Turbine G-902 and associated HRSG BL-902 (Emission Point 090284), would likely exceed the permitted PM₁₀ emission limit. The Respondent reported in the Part 70 General Condition K semiannual monitoring report dated March 30, 2003, the revised Part 70 General Condition K semiannual monitoring report dated November 26, 2003, and the General Condition R Quarterly Report dated June 19, 2003, that using the June 2001, stack test results, a PM₁₀ emission rate of 5.0 pounds per hour was reported for GT-901 and 4.78 pounds per hour was reported for GT-902. In addition, the Respondent reported that using AP-42 emission factors, a VOC emission rate of 1.32 pounds per hour was estimated for GT-901 and 1.20 pounds per hour was estimated for GT-902. Each emission point has a VOC maximum pound per hour emission limit of 0.30 pounds per hour as specified on each Emission Inventory Questionnaire (EIQ). The Respondent also reported that using the CO predictive equation developed as a result of the June 2001, stack test, the CO maximum pound per hour permitted rate of 125 pounds per hour was exceeded for GT-902 as follows:

Report	Report date	Permit limit exceedances (hours)	Time Period
Part 70 General Condition M compliance certification	March 28, 2002	2,119	Calendar year 2001
Part 70 General Condition K semiannual monitoring	September 30, 2002	38	January - June 2002
Part 70 General Condition K semiannual monitoring report	March 30, 2003	14	July - December 2002
Part 70 General Condition K semiannual monitoring report	November 26, 2003 (revised)	57	January - June 2003

Report	Report date	Permit limit exceedances (hours)	Time Period
Part 70 General Condition R Quarterly Report	December 17, 2003	44	July - September 2003
Part 70 General Condition R Quarterly Report	March 22, 2004	44	October - December 2003

Each exceedance of the pounds per hour permit limitation for PM₁₀, CO, and VOC as listed on the Emission Inventory Questionnaire (EIQ) for Air Pollutants for each emission point (Emission Points 090184 and 090284), is a violation of General Condition II of Title V Permit No. 0180-00011-V3, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and La. R.S. 30:2057(A)(2).

- G. According to a letter dated February 27, 2002, the Cogeneration Unit (Cogen) air emission sources (Emission Points 090184 and 090284) are two 46 MW gas turbines (GT-901 and GT-902) and the associated Heat Recovery Steam Generators. The Cogen emission sources were permitted under PSD-LA-528 issued on November 31, 1984. The Cogen was constructed in 1985. The Cogeneration PSD permit was significant with respect to carbon monoxide (CO) and nitrogen dioxide (NO_x) emissions. A stack test to confirm emissions was performed on GT-901 in June 2001, after the installation of a low emissions duct burner on the HRSG for GT-901. The test showed PM/PM₁₀ emissions that were above permitted limits. According to the Respondent, the PM/PM₁₀ permit limits were based on the best engineering judgment at the time of permitting in 1984. The Respondent assumed that the emissions from GT-901 would be nearly the same since the units are identical. The Respondent noted in the letter that if the June 2001 stack test results are assumed to be representative of 1985 start-up conditions, then installation of the Cogen emissions sources would have triggered PSD review for PM/PM₁₀, in addition to the review of the NO_x and CO emissions. The Respondent noted in the letter that the significance level for PM is 25 tons per year. Based on the June 2001 stack test results, combined Cogen PM emissions are approximately 52 tons per year. The Respondent failed to submit a PSD permit application that contained for the Cogeneration Unit (Cogen) air emission sources (Emission Points 090184 and 090284), each pollutant (PM/PM₁₀) that would have the potential to emit a significant amount. This is a violation of LAC 33:III.509.M.1.a.i, La. R.S. 30:2057(A)(1) and La. R.S. 30:2057(A)(2).

The Respondent noted in a Cogeneration Facility NSPS Quarterly Report dated April 30, 2004 that the Cogeneration Facility had permanently shut down. According to the Respondent, GT-901 was shutdown on September 11, 2003, and GT-902 was shutdown on November 19, 2003.

- H. The Respondent reported in the semiannual monitoring report dated March 28, 2002, that actual emissions calculations for the F-2 Furnace (Emission Point 100683) showed a methyl chloride emission rate of 0.046 pound per hour. Each exceedance of the maximum pound per hour chloromethane emission limit of 0.030 as specified on the Emission Inventory Questionnaire (EIQ) for the F-2 Furnace (Emission Point 100683) is a violation of Title V Permit No. 0180-00011-V2, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and La. R.S. 30:2057(A)(2).
- I. According to a letter dated November 22, 2002, from the Respondent, a performance test was conducted on December 20, 2001, to test for PM₁₀ emissions from the F-2 Furnace which exhausts through Emission Point 100683. The Respondent noted that in order to verify compliance with other criteria pollutants in the air permit, testing was also performed for CO and NO_x to verify emission rates for the Furnace. The stack test results for NO_x averaged 1.5265 pounds per hour at the maximum operating rate. The emission rate was in excess of the maximum permit limit of 0.75 pounds per hour. The exceedance of the permitted maximum pound per hour emission rate as listed on the Emission Inventory Questionnaire (EIQ) for the F-2 Furnace (Emission Point 100683) is a violation of General Condition II of Title V Permit No. 0180-00011-V3, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and La. R.S. 30:2057(A)(2).
- J. The Respondent submitted a Part 70 General Condition K semiannual monitoring report dated September 30, 2001, for the reporting period beginning on January 1, 2001, and concluding on June 30, 2001, containing permit deviations and the Part 70 General Condition K semiannual monitoring reports dated March 28, 2002 and September 30, 2002. According to the Respondent, the ST-25 Storage Tank (Emission Point 050873) was equipped with a refrigerated condenser prior to December 1992. Per 40 CFR 63.119(e)(2), the condenser was required to meet a minimum efficiency of 90%. The Respondent was not able to monitor the final exit temperature of the HAP vapors, although the design efficiency of the condenser is documented to be

90%. The Respondent maintains the design specifications for the condenser on site as required, but has not yet submitted the design specifications. A design evaluation to determine the final temperature which the exit vapors must be maintained to demonstrate a 90% reduction efficiency as required by 40 CFR 63.120(d)(1)(i)(E) is in progress. The failure to submit the design specifications is a violation of 40 CFR 63.152(b) which language has been adopted as a Louisiana regulation in LAC 33:III.5122 and La. R.S. 30:2057(A)(2).

- K. In a letter dated May 15, 2003, the Respondent requested a permit exemption to operate two temporary diesel driven compressors (435 HP each) and a diesel 2000 KW generator in order to manage non-routine and maintenance activities during the Respondent's Chlor-Alkali outage. According to the Respondent, the outage was on-going at the time of the letter dated May 15, 2003, and was to continue until May 22, 2003. The expected emissions due to operating this equipment are as follows:

Pollutant	Emissions (tons per year)
NO _x	3.9
CO	0.8
SO ₂	0.3
PM ₁₀	0.3
Total VOCs	0.04

The Permits Division denied the requested exemption due to the outage beginning before the submittal of the application. The failure to obtain approval from the permitting authority prior to operating the two compressors and the generator which ultimately may result in an initiation or increase of air contaminants is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and La. R.S. 30:2057(A)(2).

- L. The Department received discharge incident reports dated May 16, 2001, June 1, 2001, June 7, 2001, June 12, 2001, June 12, 2001, and June 20, 2001 regarding six separate, yet similar events at the Respondent's facility occurring on May 16, 2001, June 1, 2001, June 2, 2001, June 9, 2001, June 11, 2001, and June 19, 2001, respectively. The reports indicated that the upsets were caused by the F-2 Furnace being shutdown. The Respondent also reported other events in General Condition XI Quarterly Reports in which the F-2 Furnace or TW-53A wastewater stripper was bypassed as follows:

Date of Bypass	Cause	Report date	Equipment Bypassed
10/3/00	F-2 trip due to flame failure	3/26/01	F-2 Bypass

Date of Bypass	Cause	Report date	Equipment Bypassed
11/12/00	F-2 trip due to flame failure	3/26/01	F-2 Bypass
11/13/00	F-2 trip due to flame failure	3/26/01	F-2 Bypass
11/27/00	F-2 trip due to flame failure	3/26/01	F-2 Bypass
12/8/00	F-2 trip due to flame failure	3/26/01	F-2 Bypass
12/27/00	F-2 trip due to flame failure	3/26/01	F-2 Bypass
3/17/01	F-2 trip due to flame failure	6/29/01	F-2 Bypass
4/5/01	F-2 trip due to flame failure	9/17/01	F-2 Bypass
4/12/01	F-2 trip due to flame failure	9/17/01	F-2 Bypass
4/13/01	F-2 trip due to flame failure	9/17/01	F-2 Bypass
4/20/01	F-2 trip due to flame failure	9/17/01	F-2 Bypass
6/20/01	F-2 trip due to flame failure	9/17/01	F-2 Bypass
7/5/01	F-2 trip due to flame failure	12/15/01	F-2 bypass

Date of Bypass	Cause	Report date	Equipment bypassed
4/5/01	F-2 trip due to flame failure	9/17/01	TW-53A Bypass
4/9/01	F-2 trip due to flame failure	9/17/01	TW-53A Bypass
4/12/01	F-2 trip due to flame failure	9/17/1	TW-53A Bypass
4/13/01	F-2 trip due to flame failure	9/17/01	TW-53A Bypass
5/24/01	F-2 trip due to flame failure	9/17/01	TW-53A Bypass
6/1/01	F-2 trip due to flame failure	9/17/01	TW-53A Bypass
6/2/01	F-2 trip due to flame failure	9/17/01	TW-53A Bypass
6/9/01	F-2 trip due to flame failure	9/17/01	TW-53A Bypass
6/19/01	F-2 trip due to flame failure	9/17/01	TW-53A Bypass
7/5/01	F-2 trip due to flame failure	12/15/01	TW-53A Bypass
7/27/01	F-2 trip due to flame failure	12/15/01	TW-53A Bypass

The Department requested a status report on the bypasses. The Respondent submitted a response dated September 19, 2001. The vent from the Respondent's wastewater stripper TW-53A (Emission Point F22587) is normally routed to the F-2 Furnace, which serves as a control device for certain vents at the facility. In the letter dated September 19, 2001, the Respondent noted that an engineering study performed to determine the primary cause of the F-2 Furnace malfunctions indicated that a majority of the F-2 Furnace malfunctions were related to flame instability. Based on the results of the study, the Respondent undertook a continuous program to remedy flame instability. The Respondent's proposed solution involved replacing the existing burner on the F-2 Furnace at a cost of approximately \$1 million dollars. According to the Respondent in a letter dated September 18, 2002, since the installation and shakedown of the new burner between

October 15 and October 31, 2001, no F-2 Furnace trips were related to the F-2 burner flame instability in 2002. The Respondent failed to use and diligently maintain in proper working order the F-2 Furnace whenever emissions were being made. This is a violation of LAC 33:III.905 which states, "When facilities have been installed on a property, they shall be used and diligently maintained in proper working order whenever any emissions are being made which can be controlled by the facilities, even though the ambient air quality standards in affected areas are not exceeded." Control equipment as defined by LAC 33:III.111 is "any device or contrivance, operating procedure or abatement scheme used to prevent or reduce air pollution." This is also a violation of La. R.S. 30:2057(A)(1) and La. R.S. 30:2057(A)(2).

- M. The vents off of the Respondent's wastewater stripper TW-53A (Emission Point F22587) are normally routed to the F-2 Furnace, which serves as a control device for certain vents at the facility. In the General Condition R report dated September 28, 2000, the Respondent reported bypasses of TW-53A in which the vent was not routed to the F-2 Furnace on January 25, 2000; March 1, 2000; May 25, 2000; April 7, 2000; June 3, 2000 and June 12, 2000. In the General Condition R report dated September 28, 2000, the Respondent noted that the majority of the deviations were caused by equipment failure of the blower which routes the vent to the F-2 Furnace. The Respondent noted that the failures were attributed to the acidic nature of the vents from the wastewater system. According to the Respondent, the blower was evaluated and alternate materials were under investigation for use in the blower to increase equipment reliability. The Department sent a letter dated October 23, 2000, requesting information on the causes of the bypasses and the emissions associated with each bypass. The Respondent submitted a letter dated November 14, 2000, in response to the October 23, 2000 request for more information. According to the Respondent's response, in general the bypasses were caused by equipment failure of the blower that routes the vent emissions for the wastewater stripper system to the thermal treatment unit (F-2 Furnace). The failures have been attributed to the acidic nature of the vents from the wastewater system. The vent emissions contain saturated water with two (2) to five (5) percent hydrochloric acid. The acidic moisture corrodes the metallic blades of the blower unequally and causes the blower to become unbalanced and eventually, inoperable. For the bypasses reported in the September 28, 2000 report due to the acidic nature of the vents, specifically, the bypasses on January 25, 2000; April 7, 2000; and June 3, 2000 were due to the blades of the blower being replaced and the bypass on March 1, 2000 occurred while the blower was shutdown to rebalance the blades. The Respondent also noted in the November 14, 2000 letter that the response to the

equipment failure was to try several combinations of metals and coatings for the blades of the blower. Composite blades were being used with success. A study to eliminate the moisture in the vent system had been initiated. In the General Condition XI Quarterly Report dated December 21, 2000, four (4) bypasses due to blower failure were reported. It was noted in the General Condition XI Quarterly Report dated December 15, 2001, that on August 30, 2001 and September 16, 2001, TW-53A was bypassed due to blower failures, and therefore, was not routed to the F-2 Furnace. In a letter dated September 18, 2002, the Respondent noted that corrective action had been taken to resolve the issue which was primarily related to the acidic nature of the process. The Respondent failed to use and diligently maintain in proper working order the blower whenever emissions were being made. This is a violation of LAC 33:III.905 which states, "When facilities have been installed on a property, they shall be used and diligently maintained in proper working order whenever any emissions are being made which can be controlled by the facilities, even though the ambient air quality standards in affected areas are not exceeded." Control equipment as defined by LAC 33:III.111 is "any device or contrivance, operating procedure or abatement scheme used to prevent or reduce air pollution." This is also a violation of La. R.S. 30:2057(A)(1) and La. R.S. 30:2057(A)(2).

- N. The Respondent had reported problems associated with the TW-53A wastewater stripper. In a report dated December 21, 2000, the Respondent noted that cooling coils and a custom bearing housing had been designed and installed in October 2000 to increase equipment reliability. The new parts were crafted from materials that were more compatible with the corrosive nature of the stream. According to the Respondent, the changes have reduced blower downtime. However, subsequent to the report, additional bypasses were reported in General Condition XI reports with the cause listed as compressor repairs. The Respondent noted in a report dated March 26, 2001, two (2) bypasses in which the compressor was shut down on October 10, 2000, and October 25, 2000. In a report dated June 29, 2001, the Respondent reported four (4) bypasses related to problems with the stripper's compressor. In the General Condition XI quarterly report dated September 17, 2001, the Respondent reported bypasses from the TW-53A wastewater stripper. In the General Condition XI quarterly report dated June 30, 2002, the Respondent reported bypasses from the TW-53A wastewater stripper. The Department requested additional information concerning the bypasses of the TW-53A wastewater stripper. The Respondent submitted a response dated September 18, 2002. The Respondent pointed out in the September 18, 2002 letter that the duration of the bypasses had been reduced. According to the September 18, 2002

letter, three (3) of the reported bypasses in the General Condition XI quarterly report dated September 17, 2001, were related to the stripper's compressor and in the General Condition XI quarterly report dated June 30, 2002, eight (8) bypasses from the TW-53A wastewater stripper were related to the compressor. Two (2) bypasses reported in the General Condition XI quarterly report dated December 31, 2002, and three (3) bypasses reported in the report dated June 30, 2003 were due to compressor repairs. In the report dated December 31, 2002, the Respondent also noted that there were two (2) bypasses of TW-53A due to losing the compressor. The Respondent failed to use and diligently maintain in proper working order the wastewater stripper's compressor whenever emissions were being made. This is a violation of LAC 33:III.905 which states, "When facilities have been installed on a property, they shall be used and diligently maintained in proper working order whenever any emissions are being made which can be controlled by the facilities, even though the ambient air quality standards in affected areas are not exceeded." Control equipment as defined by LAC 33:III.111 is "any device or contrivance, operating procedure or abatement scheme used to prevent or reduce air pollution." This is also a violation of La. R.S. 30:2057(A)(1) and La. R.S. 30:2057(A)(2).

On or about December 3 through 5, 2002, an inspection of the Respondent's Geismar Facility was performed to determine the degree of compliance with the Act and the Air Quality Regulations. The following violation was noted during the course of the inspection:

The Department received a discharge report notification from the Respondent dated September 25, 2002, indicating a release of approximately 49,696 pounds of propylene. The release occurred on September 18 through 19, 2002. According to the release notification, the initial release was a result of a pressure safety valve lifting during startup of the Perc Unit. After the lifting of this pressure safety valve, an alternative pressure safety valve was put into service, and the Respondent believed that the release was secured. However, the Respondent discovered that the release was ongoing for the remainder of the day on September 18, 2002, and through the morning of September 19, 2002. According to the Department's inspection report, a representative of the Respondent stated that the cause of the continued release from the pressure safety valve was the improper installation of the alternate pressure safety valve that resulted in binding causing the pressure safety valve to become stuck. The continuation of the release was the result of the failure to properly install the alternate pressure safety valve. This is a violation of LAC 33:III.905 which states, "When facilities have been installed on a property, they shall be used and diligently maintained in

proper working order whenever any emissions are being made which can be controlled by the facilities, even though the ambient air quality standards in affected areas are not exceeded." Control equipment as defined by LAC 33:III.111 is "any device or contrivance, operating procedure or abatement scheme used to prevent or reduce air pollution." This is also a violation of La. R.S. 30:2057(A)(1) and La. R.S. 30:2057(A)(2).

On or about March 30 through 31, 2004 and April 5, 2004, an inspection of the Respondent's Geismar 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:

The Respondent reported in the Part 70 General Condition K semiannual monitoring report dated March 31, 2004, that there were periods when daily calibration records were incomplete for the following dates for the F-1 Oxygen analyzer (Emission Point 100577): August 24, 2003, September 11, 2003 and December 21, 2003. The Respondent also reported periods when daily calibration records were incomplete for the following dates for the F-1 Carbon Monoxide analyzer (Emission Point 100577): November 10, 2003, and December 10, 2003. The Respondent reported that there were periods when biweekly calibration records were incomplete for the following dates for the F-2 Furnace Oxygen analyzer: December 16, 2003, and December 30, 2003. The Respondent also reported periods when daily calibration records were incomplete for the following dates in 2003 for the F-2 Furnace Carbon Monoxide analyzer: July 2 through July 6, July 12 through July 13, July 16, July 19 through 20, July 24, July 26 through 27, July 30, August 2 through August 4, August 9 through August 10, August 13, August 16 through August 18, September 3, September 6 through September 7, September 16, September 20 through 21, October 4, November 1 through 2, November 8, December 20 through 21, and December 25 through 28. Each failure to record calibration checks is a violation of 40 CFR 63.103(c)(2)(iii) which has been adopted as a Louisiana regulation in LAC 33:III.5122, Part 70 Specific Condition 1 as required in Tables 1 and 2 of Title V Permit No. 0180-00011-V3, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).

On or about May 30, 2005, a file review of the Respondent's Geismar 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 review:

- A. The Department received reports in which the Respondent reported permit deviations that included emissions that were not accurately included in the Title V application for certain emission sources, and therefore were not permitted in the current Title V permit and/or exceeded permitted emission limits. These reports included the following: General Condition R Quarterly Reports dated June 20, 2002, September 24, 2002, March 20, 2003, June 19, 2003, December 17, 2003, March 22, 2004, June 30, 2004, September 7, 2004, December 16, 2004, and March 2, 2005; Part 70 General Condition K semiannual monitoring reports dated March 28, 2002, September 30, 2002, March 30, 2003, September 30, 2003 (revised November 26, 2003) and Part 70 General Condition XI Quarterly Report dated December 14, 2004. The following table is a summary of the information reported by the Respondent in these reports.

Emission Point	Emission Point No.	Unpermitted Emissions and/or Exceeded Emission Limit
EDC Unit Fugitive Emissions	010491	chloroethane, chloroform, pentachloroethane, chloromethane; ethylene glycol; vinyl chloride; carbon tetrachloride
Part 70 General Condition 17 Activities		hydrochloric acid
Spent Sulfuric Tank ST-522	050796	methylene chloride
Perc Unit Fugitive Emissions	021896	ethylene dichloride; ethylene
Stabilizer Blend Tank ST-808	081483	1,1,1 trichloroethane
Chloromethane Unit Fugitive Emissions	050188	sulfuric acid; hydrochloric acid
Solvent Check Tanks D-224A/B/C/D	020172, 020272, 020372, 021372	carbon tetrachloride, chloroform, chloroethane, VOC impurities
Perc Tower T-205	021272	tetrachloroethylene, 1,1,1-trichloroethane, VOC
Cathode Electric Oven GM-707	070391	PM ₁₀
Heavy Ends Tanks ST-810A & ST-810B	081181 081281	1,1,1-trichloroethane; trichloroethylene; other VOC
T-511 O/H		methanol; VOC

Emission Point	Emission Point No.	Unpermitted Emissions and/or Exceeded Emission Limit
D-514		methanol
D-28 Lab Waste Buggy	091498	tetrachloroethylene; dichloromethane; VOC
MCF-II Unit Fugitive Emissions	081696	MEHQ
VFS8648.5 Fugitive Emissions (5-CP Unit)	120101	chloroform; pentachloropropane; 1,1,3,3,5,5 chloropropane; vinyl chloride
Chlorine Unit Fugitives	070496	hydrochloric acid; sulfuric acid; chlorine fugitives
ST-521-A/B/C	050803	vinyl chloride; methanol; chloromethane; chloroform; vinylidene chloride; dichloromethane
Acid Surge Drum D-542	050296	bromomethane; methyl chloride; methylene chloride
F-2 Oxy Vent Furnace	100683	chloromethane; dichloromethane; chloroform; sulfur dioxide; vinylidene chloride; total VOCs; tetrachloroethylene; 1,1,2-trichloroethane; chloroethane; methylene chloride; 1,2-dichlorobenzene; ethylene cis-1,2-dichloroethylene; 1,2-dichloroethane; 1,2-dichloropropane; toluene; trans-1,3-trichloropropane; chlorobenzene; ethylbenzene; xylenes (mixed isomers); 1,3-dichlorobenzene; 1,4-dichlorobenzene; 1,1,2,2-tetrachloroethane; 1,1-dichloroethane cis-1,2-dichloroethylene; cis-1,3dichloropropene hexachloro-1,3-butadiene; hexachloroethane; formaldehyde; hexane; methanol; 1,1-dichloroethene; cis-1,2-dichloroethene; trans-1,2-dichloroethene; 1,3-dichlorobenzene; trans-1,3-dichloropropene; trans-1,2-dichloromethane; 1-chlorobutane; ethylene; trans-1,2-dichloroethane; 1-bromo-2-chloroethane; hexachlorobutadiene; 1-chlorobutane; 1,1,1,3,3-pentachloropropane; benzene; naphthalene; trans-1,2-dichloroethene; 1,1,1,2-tetrachloromethane
Dowtherm Boiler F-101	010283	carbon monoxide; PM ₁₀ ; sulfur dioxide
Dowtherm Boiler F-202	020972	carbon monoxide; total VOC

Emission Point	Emission Point No.	Unpermitted Emissions and/or Exceeded Emission Limit
F-1 Hex Furnace	100577	Sulfur dioxide; hydrochloric acid; perchloroethylene; PM ₁₀ ; 1,2-dichloroethane hexachloroethane; benzene; formaldehyde; hexane; EDC; 1,1,2-trichloroethane; perchloroethylene
Shipping/Tank Farm Unit Fugitives	110296	methylene chloride; trichloroethylene
Gasoline Storage Tank ST-60	110186	hexane

Each of the Respondent's failure to accurately quantify, in the permit application for Title V Permit No.0180-00011-V3, each pollutant for the emissions from each emission point is a violation of LAC 33:III.517.D.3.d, La. R.S. 30:2057(A)(1) and La. R.S. 30:2057(A)(2). In addition, each exceedance of each of the individual pollutant limits listed on the Emissions Inventory Questionnaire (EIQ) for each permitted emissions point is a violation of General Condition II of Title V Permit No. 0180-00011-V3, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and La. R.S. 30:2057(A)(2). The unpermitted emissions are also a violation of LAC 33:III.501.C.2.

- B. In the Part 70 General Condition XI Notification dated March 25, 2004, the Respondent noted that several controlled release events occurred in 2003. The releases occur for approximately 15 minutes per startup and approximately 10 minutes per shutdown. The emissions resulted from the operation of the T-206/T-209 scrubber in the Perchloroethylene Unit. According to the Respondent, the scrubber is operated during startups and shutdowns of the Perchloroethylene reactor and emissions from the scrubber are currently authorized by General Condition XVII of the Part 70 Permit. The permit lists 1.8 tons per year of VOC under the General Condition XVII Activities. The Respondent noted that while preparing its 2003 EIS, it was discovered that more startups and shutdowns occurred from the Perc reactor than estimated in its original Part 70 permit application. The failure to submit all of the emissions data to the Permits Division and have the emissions approved by the Permits Division is a violation of General Condition XVII of Title V Permit No.0180-00011-V3, LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and La. R.S. 30:2057(A)(2).

- C. The Respondent reported in the Respondent's HON Periodic Report dated February 16, 2005, that during the generation of the report, it was discovered that there were events left out of the HON Periodic Report dated August 19, 2004, in which the vent streams were diverted from the control device through a bypass line or when the bypass line valve position changed or the key to unlock the bypass line valve was checked out. Each failure to report the events in which the vent streams were diverted from the control device through a bypass line no later than 60 calendar days after the end of the six-month period is a violation of 40 CFR 63.152(c)(1) which language has been adopted in LAC 33:III.5122, Part 70 and State Only Specific Condition 1 as required by Table 3 of Title V Permit No. 0180-00011-V3 for Process Vents, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).
- D. The Respondent reported in the HON Periodic Report dated February 16, 2005, that between November 23, 2004 and November 30, 2004, the DCS system was being upgraded resulting in 169.5 hours of lost monitoring data. According to the Respondent, with the new system being brought on-line, no further monitoring problems are anticipated. Each failure to perform continuous monitoring to determine compliance with the required operating conditions for the monitored control devices or recovery devices shall be deemed to have failed to have applied the control in a manner that achieves the required operating conditions. This is a violation of 40 CFR 63.152(c)(2)(ii) which language has been adopted in LAC 33:III.5122, Part 70 and State Only Specific Condition 1 as required by Table 3 of Title V Permit No. 0180-00011-V3 for Transfer Operations, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).
- E. The Respondent reported in the Part 70 General Condition R Quarterly report dated March 2, 2005, and the Part 70 General Condition K report dated March 2, 2005, that visual inspections of the seal were not performed for the TW-70840 bypass line (Emission Point F23196) once every month to ensure that the bypass line valve was maintained in the non-diverting position and the gas stream was not diverted through the bypass line during the year 2004. According to the report, the Respondent failed to perform the visual inspection for each month of 2004 for a total of 12 missed visual inspections. The Respondent noted that the monitoring requirement was inadvertently removed from the routine inspection sheet. In addition, the Respondent reported that the car seal was not changed through the reporting period, and therefore the stream was never diverted through the bypass line. Each failure to

perform the visual inspections once every month is a violation of 40 CFR 63.114(d)(2) which language has been adopted as a Louisiana regulation in LAC 33:III.5122, Specific Condition 1 of Title V Permit No. 0180-00011-V3 as it refers to Table 3, LAC 33:III.501.C.4 and La. R.S. 30:2057(A)(2).

On or about March 14, 2002, and June 14, 2005, file reviews of releases at the Respondent's Geismar Facility were 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 review of the releases:

- A. According to a Discharge Incident Report from the Respondent dated January 25, 2001, a release occurred resulting in the release of carbon tetrachloride and chlorine to the atmosphere in which the amounts were above the reportable quantity (RQ). The Respondent reported that the release occurred on January 9, 2001, with verbal notification of the discharge to the Department on January 18, 2001. Based on the dates that the verbal notification occurred and the date on the written report, the Respondent failed to notify the Department by telephone or e-mail within 24 hours after learning of the discharge and failed to submit a written report of the discharge within seven (7) calendar days of the release. The failure to verbally report the release within 24 hours is a violation of LAC 33:I.3917.A and La. R.S. 30:2057(A)(2) of the Act. The failure to submit a written report of the discharge within seven (7) calendar days of the release is a violation of LAC 33:I.3925.A and La. R.S. 30:2057(A)(2).
- B. The Department received an unauthorized discharge report notification from the Respondent dated June 25, 2003, indicating a release of approximately 2,472 pounds of natural gas. The release occurred on or about June 24, 2003, from 12:55 p.m. until 1:35 p.m. According to the Respondent's report, the release occurred when a backhoe operator severed a natural gas line. According to the Respondent, underground utilities were not properly identified prior to the work. The Respondent's failure to properly identify underground utilities prior to performing the work resulted in the release. This is a violation of LAC 33:III.905 which states, "When facilities have been installed on a property, they shall be used and diligently maintained in proper working order whenever any emissions are being made which can be controlled by the facilities, even though the ambient air quality standards in

affected areas are not exceeded." Control equipment as defined by LAC 33:III.111 is "any device or contrivance, operating procedure or abatement scheme used to prevent or reduce air pollution." This is also a violation of La. R.S. 30:2057(A)(1) and La. R.S. 30:2057(A)(2).

- C. The Department received an unauthorized release report from the Respondent dated February 15, 2001, indicating a release of approximately 195 pounds of chlorine. The release occurred on or about February 14, 2001, at approximately 1:45 p.m. According to the Respondent's report, the release occurred when a rupture disk on the Perchloroethylene Unit's chlorine supply line relieved to an expansion bottle. The piping to the expansion bottle had recently been replaced and the release occurred due to a valve misalignment. The Respondent's misalignment of the valve led to the release. This is a violation of LAC 33:III.905 which states, "When facilities have been installed on a property, they shall be used and diligently maintained in proper working order whenever any emissions are being made which can be controlled by the facilities, even though the ambient air quality standards in affected areas are not exceeded." Control equipment as defined by LAC 33:III.111 is "any device or contrivance, operating procedure or abatement scheme used to prevent or reduce air pollution." This is also a violation of La. R.S. 30:2057(A)(1) and La. R.S. 30:2057(A)(2).
- D. The Department received a discharge incident report dated May 16, 2002, indicating a release of approximately 48.9 pounds of carbon tetrachloride, 470 pounds of dichloroethane, 3.16 pounds of vinyl chloride, 102.7 pounds of chloromethane, and 1,308.4 pounds of hydrochloric acid. The release occurred on or about May 10, 2002, at approximately 12:40 p.m. According to the Respondent's discharge incident report, the EDC Oxy reactor is normally routed to the facility's thermal oxidizer, F-2 Furnace (Emission Point 100683). However, the EDC reactor was started up and the process vent was not vented to the vent control device. In an additional letter dated May 16, 2002, submitted in accordance with 40 CFR 63.10(d)(5)(ii) the Respondent noted that the process unit operation did not follow the Startup, Shutdown, and Malfunction Plan (SSMP) for this event. The failure to follow the startup, shutdown, and malfunction plan while the reactor started up is a violation of 40 CFR 63.6(e)(3)(ii) which language has been adopted as a Louisiana regulation in LAC 33:III.5122 and La. R.S. 30:2057(A)(2). The failure to follow the SSMP led to the release. This is a violation of LAC 33:III.905 which states, "When facilities have been installed on a property, they shall be used and diligently maintained in proper working order whenever any emissions are being made which can be controlled by the facilities, even though the ambient

air quality standards in affected areas are not exceeded.” Control equipment as defined by LAC 33:III.111 is “any device or contrivance, operating procedure or abatement scheme used to prevent or reduce air pollution.” This is also a violation of La. R.S. 30:2057(A)(1).

- E. The Department received an unauthorized discharge report notification from the Respondent dated March 19, 2003, indicating a release of approximately 338.06 pounds of 1,2-dichloroethane. In addition, in a separate letter dated March 19, 2003, submitted in accordance with 40 CFR 63.10(d)(5)(ii), the Respondent reported other emissions resulting from the bypass. According to the unauthorized discharge report, the release occurred on or about March 15, 2003, from 1:16 a.m. until 4:10 p.m. The Respondent’s report noted that the release occurred when the Respondent started up the MCI Reactor in the EDC unit while inadvertently venting to the atmosphere instead of to the facility’s thermal oxidizer, F-2 Furnace (Emission Point 100683). Upon discovery of the incident, the vent was switched to the facility’s emission control device, F-2 Furnace. The Respondent noted that the release was a result of human error. In letters dated March 19, 2003, submitted in accordance with 40 CFR 63.10(d)(5)(ii) and a HON Periodic Report dated August 30, 2003, the Respondent noted that on March 15, 2003, the Startup, Shutdown, and Malfunction Plan (SSMP) was not followed during the March 15, 2003, event. According to the HON report, the MCI reactor in the EDC unit was started up without placing the vent in the facility’s control device, F-2 Furnace. The failure to follow the startup, shutdown, and malfunction plan while the MCI reactor started up is a violation of 40 CFR 63.6(e)(3)(ii) which language has been adopted as a Louisiana regulation in LAC 33:III.5122 and La. R.S. 30:2057(A)(2). The failure to follow the SSMP led to the release. This is also a violation of LAC 33:III.905 which states, “When facilities have been installed on a property, they shall be used and diligently maintained in proper working order whenever any emissions are being made which can be controlled by the facilities, even though the ambient air quality standards in affected areas are not exceeded.” Control equipment as defined by LAC 33:III.111 is “any device or contrivance, operating procedure or abatement scheme used to prevent or reduce air pollution.” This is also a violation of La. R.S. 30:2057(A)(1).
- F. According to the Respondent’s report dated November 4, 2004, the Respondent operates a product tank vent collection system, which is normally routed to the facility’s thermal oxidizer, F-2 Furnace (Emission Point No. 100683). On November 3, 2004, the Utility unit operator did not follow the Start-up, Shutdown, and Malfunction Plan (SSMP) when the vent collection system was started up resulting in

excess emissions of 3.28 pounds of chloroform for the event which began on November 3, 2004, at 11:00 p.m. and ended on November 4, 2004, at 6:56 a.m. This is a violation of 40 CFR 63.6(e)(3)(ii) which language has been adopted as a Louisiana regulation in LAC 33:III.5122, La. R.S. 30:2057(A)(1) and La. R.S. 30:2057(A)(2).

- G. The Department received a discharge incident report dated April 27, 2005, indicating a release of approximately 167 pounds of ethylene. The release occurred on or about April 25, 2005, at approximately 12:34 p.m. According to the Respondent's discharge incident report, a shutdown of the F-2 thermal oxidizer resulted in an ethylene purge vent relieving to the atmosphere from the MCI EDC reactor. The Respondent noted that operator error was identified as the cause of the thermal oxidizer shutdown. This is a violation of LAC 33:III.905 which states, "When facilities have been installed on a property, they shall be used and diligently maintained in proper working order whenever any emissions are being made which can be controlled by the facilities, even though the ambient air quality standards in affected areas are not exceeded." Control equipment as defined by LAC 33:III.111 is "any device or contrivance, operating procedure or abatement scheme used to prevent or reduce air pollution." This is also a violation of La. R.S. 30:2057(A)(1) 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 FIFTY THOUSAND AND NO/100 DOLLARS (\$50,000.00), of which Four Thousand Two Hundred Eighty and 74/100 Dollars (\$4,280.74) 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 DEQ 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 Consolidated Compliance Order and Notice of Potential Penalty, 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 Ascension 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.

VULCAN MATERIALS COMPANY

BY: Robert A. Wason IV
(Signature)

Robert A. Wason IV
(Print)

TITLE: Sr. Vice President

THUS DONE AND SIGNED in duplicate original before me this 22nd day of September, 20 09, at Birmingham, Alabama

Robbie D. Storey
NOTARY PUBLIC (ID # 2008/820)

Robbie D. Storey
Commission Expires (Print)
October 29, 2012

LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY
Harold Loggett, 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 7th day of December, 20 09, at Baton Rouge, Louisiana.

Christopher A. Ratcliff
NOTARY PUBLIC (ID # 10149)
Christopher A. Ratcliff
(Print)

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