

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

VULCAN MATERIALS COMPANY

AI # 3400

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

* Settlement Tracking No.
* SA-AE-05-0039
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* Enforcement Tracking No.
* AE-CN-03-0117
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SETTLEMENT

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

6 APR -4 P2 10
LOEQ RECEIPT

I

Respondent is a corporation who operates an industrial organic and inorganic chemical manufacturing facility known as Vulcan Chemicals's Geismar Facility at or near 8318 Ashland Road in Geismar, Ascension Parish, Louisiana ("the Facility").

II

On December 19, 2003, the Department issued a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-03-0117 to Respondent, which was based upon the following findings of fact:

IIa

Vulcan Chemical's Geismar Facility had operated under Air Permit No. 0180-00011-V0 issued on October 5, 1998; Air Permit No. 0180-00011-V1 issued on June 26, 2000; Air Permit No. 0180-00011-V2 issued on February 15, 2001; and currently operates under Air Permit No. 0180-00011-V3, issued on April 19, 2001, and amended on May 30, 2002, and Air Permit No. 2821-V0, issued on December 12, 2002.

IIb

At the Respondent's request, the Department met with the Respondent's representatives on or about October 29, 2002. During that meeting, the Respondent informed the Department that in connection with preparing the renewal permit application for Air Permit No. 0180-00011-V3, the Respondent had identified certain air emission sources that were either not included in the permit application or the emissions for certain permitted emission sources were not accurately quantified in the permit application due to inaccurate quantification of emissions and therefore, were not accurately included in the permit. The Respondent also informed the Department during the October 29, 2002, meeting that following further review of the air permit, the Respondent would provide to the Department a complete list of all noncompliance issues.

IIc

In a meeting on or about February 18, 2003, the Respondent subsequently informed the Department of the noncompliance issues. In addition, the Respondent noted that the air emission sources that were either not included in the permit application or the emissions for certain permitted emission sources that were not accurately quantified in the permit application would be included in the Title V permit renewal applications. The Respondent submitted a letter to the

Department dated April 14, 2003, documenting the noncompliance issues that had been previously reported in the October 29, 2002 meeting and following the Respondent's further review. The Respondent noted in the letter that the emissions were not the result of a physical change or change in method of operation at the facility and should not trigger any federal or state applicable requirements.

The following violations were noted based upon a review of the information reported by the Respondent:

- A. The Respondent failed to accurately quantify, in the permit application for Air Permit No. 0180-00011-V3, volatile organic compounds (VOC), particulate matter (PM/PM₁₀), perchloroethylene, 1,1,1-trichloroethane, and dichloromethane emissions from the following cooling towers at the Geismar Facility: Perc/EDC Cooling Tower (Emission Point No. 021996), Methanes Cooling Tower (Emission Point No. 050696), MCF-II Cooling Tower (Emission Point No. 081796), 5CP Cooling Tower (Emission Point No. 120201), Cogen Cooling Tower (Emission Point No. 090396), and the Caustic Cooling Tower (Emission Point No. 060196). Each of the Respondent's failure to accurately quantify, in the permit application for Air Permit No. 0180-00011-V3, each pollutant for the emissions from each cooling tower is a violation of LAC 33:III.517.D.3.d and Sections 2057(A)(1) and 2057(A)(2) of the Act. In addition, each of the Respondent's exceedance of the individual pollutant limits on the Emissions Inventory Questionnaires for the permitted emissions points is a violation of General Condition II of Air Permit No. 0180-00011-V3, LAC 33:III.501.C.4, and Sections 2057(A)(1) and 2057(A)(2) of the Act.
- B. The Respondent failed to include and/or accurately quantify, in the permit application for Air Permit No. 0180-00011-V3, hydrochloric acid (HCl) and trace VOC emissions from the following acid tanks at Respondent's Geismar Facility: GM-057, ST-640, TK-630, TK-631, TK-632, D-1805, ST-1801-1, ST-1804-2, TK-607, ST-1808-3A, ST-1808-3B, TK-617, TK-1807, ST-702, ST-703, ST-701, ST-080-1A, TK-67, D-25A/B/C, D-112, D-215B, D-172A/B, D-174, D-176A/B, D-215B/C, D-516, and D-257. Each of the Respondent's failure to accurately quantify, in the permit application for Air Permit No. 0180-00011-V3, each pollutant from each emission source is a

violation of LAC 33:III.517.D.3.d and Sections 2057(A)(1) and 2057(A)(2) of the Act. In addition, each of the Respondent's exceedance of the individual pollutant limits on the Emissions Inventory Questionnaires for the permitted emissions points is a violation of General Condition II of Air Permit No. 0180-00011-V3, LAC 33:III.501.C.4, and Sections 2057(A)(1) and 2057(A)(2) of the Act.

- C. The Respondent failed to accurately quantify, in the permit application for Air Permit No. 0180-00011-V3, VOC and non-VOC toxic air pollutant (TAP) emissions from the TW-53B wastewater stripper (Emission Point No. F22587). The Respondent also incorrectly stated in the air permit application that this emission source is routed for emissions control purposes to its Oxy Vent incinerator, known as the F-2 unit (Emission Point No. 100683). Each of the Respondent's failure to accurately quantify, in the permit application for Air Permit No. 0180-00011-V3, the emissions from TW-53B and to correctly identify the control for the emissions are violations of LAC 33:III.517.D.3.d and Sections 2057(A)(1) and 2057(A)(2) of the Act.

- D. The Respondent failed to accurately quantify, in the permit application for Air Permit No. 0180-00011-V3, VOC, non-VOC TAP, and HCl emissions from certain wastewater tanks and collection sumps that are components of the Final Effluent Processing (FEP) system at the Respondent's Geismar Facility. In particular, the following FEP wastewater tanks were incorrectly identified as insignificant activities in the permit application and therefore, were reflected incorrectly in Air Permit No. 0180-00011-V3: TK-77 (Acid/HCl storage tank), TK-38 (storm water tank), D-38 (high strength acid), ST-37 (NPDES Effluent), and TK-81 (NPDES Effluent "Pump Tank"). The Respondent also failed to include and accurately quantify in the permit application for Air Permit No. 0180-00011-V3, the following additional FEP emission sources: ST-35A (pH adjustment tank), ST-35B (pH adjustment tank), ST-36A (pH adjustment tank), ST-36B (pH adjustment tank), TK-76 (south sump header tank), and TK-53 (yard effluent tank). Each of the Respondent's failure to include and/or accurately quantify, in the permit application for Air Permit No. 0180-00011-V3, each pollutant for the emissions from each emission source associated with the FEP is a violation of LAC 33:III.517.D.3.d and Sections 2057(A)(1) and 2057(A)(2) of the Act.

- E. The Respondent failed to include, and accurately quantify, in the permit application for Air Permit No. 0180-00011-V3, VOC and

non-VOC TAP emissions from a filter press located at the Geismar Facility. Emissions from the filter press are currently authorized by a small source exemption issued by the Department to the filter press operator, ITS. Each of the Respondent's failure to include and accurately quantify, in the permit application for Air Permit No. 0180-00011-V3, each pollutant from the filter press is a violation of LAC 33:III.517.D.3.d and Sections 2057(A)(1) and 2057(A)(2) of the Act.

- F. The Respondent failed to include and accurately quantify, in the permit application for Air Permit No. 0180-00011-V3, chlorine emissions from scrubbers in its chlorine plant. The scrubbers primarily operate during startup of the chlorine plant and during malfunction events. Each of the Respondent's failure to include and accurately quantify, in the permit application for Air Permit No. 0180-00011-V3, the emissions from each scrubber is a violation of LAC 33:III.517.D.3.d and Sections 2057(A)(1) and 2057(A)(2) of the Act.
- G. The Respondent failed to include, and accurately quantify, in the permit application for Air Permit No. 0180-00011-V3, VOC and non-VOC TAP emissions from TW-320 stripper bottoms in the MCI unit. Each of the Respondent's failure to include and accurately quantify, in the permit application for Air Permit No. 0180-00011-V3, each pollutant from the TW-320 stripper bottoms is a violation of LAC 33:III.517.D.3.d and Sections 2057(A)(1) and 2057(A)(2) of the Act.
- H. The Respondent failed to accurately quantify, in the permit application for Air Permit No. 0180-00011-V3, VOC and non-VOC TAP emissions from certain sources in the groundwater recovery system at the Geismar Facility. In particular, the following sources were incorrectly identified in the permit application and reflected in Air Permit No. 0180-00011-V3 as insignificant activities: TK-0061 (sludge holding tank), TK-0062 (sludge holding tank), and CI-0060 (groundwater clarifier). Each of the Respondent's failure to accurately quantify, in the permit application for Air Permit No. 0180-00011-V3, each pollutant from each emission source is a violation of LAC 33:III.517.D.3.d and Sections 2057(A)(1) and 2057(A)(2) of the Act.
- I. The Respondent failed to include, and accurately quantify, in the permit application for Air Permit No. 0180-00011-V3, VOC, HCl and carbon monoxide (CO) emissions from the TW-499 analyzer vent

scrubber in the MCI unit (listed as Emission Point No. 011703 in the April 4, 2003, Title V permit renewal application). The Respondent's failure to include, and accurately quantify, in the permit application for Air Permit No. 0180-00011-V3, each pollutant from the TW-499 analyzer vent scrubber is a violation of LAC 33:III.517.D.3.d and Sections 2057 (A)(1) and 2057(A)(2) of the Act.

- J. The D-209 reflux drum is a HON process vent whose control requirements are based on its total resource effectiveness (TRE) index. According to the Respondent, preliminary engineering calculations show the D-209 reflux drum qualifies as a Group II HON process vent and does not require control. The TRE value was calculated to be less than or equal to 4.0. In accordance with 40 CFR 63.115(d)(1)(ii), if the TRE index value is calculated to be less than or equal to 4.0, the Respondent is required to perform measurements or consider the process vent a Group I vent and comply with the emission reduction specified in 40 CFR 63.113(a) of 40 CFR 63 Subpart G. The Respondent did not perform the required measurements nor did the Respondent choose to consider the process vent a Group I vent and comply with the specified emission reduction. This is a violation of 40 CFR 63.115(d)(1)(ii) which language has been adopted as a Louisiana regulation in LAC 33:III.5122, Specific Condition No. 1 as required by Table 2 of Air Permit No. 0180-00011-V3, LAC 33:III.501.C.4, and Section 2057(A)(2) of the Act.
- K. The Respondent failed to accurately quantify, in the permit application for Air Permit No. 0180-00011-V3, perchloroethylene emissions from the D-210 reflux drum (Emission Point No. 021272) in the Perc unit. The Respondent's failure to accurately quantify, in the permit application for Air Permit No. 0180-00011-V3, the emissions from the D-210 reflux drum is a violation of LAC 33:III.517.D.3.d and Sections 2057(A)(1) and 2057(A)(2) of the Act. In addition, each of the Respondent's exceedance of the individual pollutant limits on the Emissions Inventory Questionnaires for the permitted emissions points is a violation of General Condition II of Air Permit No. 0180-00011-V3, LAC 33:III.501.C.4, and Sections 2057(A)(1) and 2057(A)(2) of the Act.
- L. The Respondent failed to accurately quantify, in the permit application for Air Permit No. 0180-00011-V3, VOC emissions from the D-223 A/B/C/D carbon tetrachloride check tanks (Emission Point Nos. 020472, 020572, 020672, and 020772). Each of the Respondent's failure to accurately quantify, in the permit application for Air Permit No. 0180-00011-V3, the emissions from each emission source is a

violation of LAC 33:III.517.D.3.d and Sections 2057(A)(1) and 2057(A)(2) of the Act. In addition, each of the Respondent's exceedance of the individual pollutant limits on the Emissions Inventory Questionnaires for the above listed permitted emissions points is a violation of General Condition II of Air Permit No. 0180-00011-V3, LAC 33:III.501.C.4, and Sections 2057(A)(1) and 2057(A)(2) of the Act.

- M. The Respondent failed to accurately quantify, in the permit application for Air Permit No. 0180-00011-V3, VOC and perchloroethylene emissions from the E-204 perc flush pot (Emission Point No. 022396) in the Perc unit. Each of the Respondent's failure to accurately quantify, in the permit application for Air Permit No. 0180-00011-V3, each pollutant from the E-204 perc flush pot is a violation of LAC 33:III.517.D.3.d and Sections 2057(A)(1) and 2057(A)(2) of the Act. In addition, each of the Respondent's exceedance of the individual pollutant limits on the Emissions Inventory Questionnaires for the permitted emissions points is a violation of General Condition II of Air Permit No. 0180-00011-V3, LAC 33:III.501.C.4, and Sections 2057(A)(1) and 2057(A)(2) of the Act.
- N. The Respondent failed to accurately quantify, in the permit application for Air Permit No. 0180-00011-V3, VOC and HCl emissions from the T-170 acid tower reflux drum (Emission Point No. 010387) in the EDC unit. The Respondent's failure to accurately quantify, in the permit application for Air Permit No. 0180-00011-V3, each pollutant from the T-170 acid tower reflux drum is a violation of LAC 33:III.517.D.3.d and Sections 2057(A)(1) and 2057(A)(2) of the Act. In addition, each of the Respondent's exceedance of the individual pollutant limits on the Emissions Inventory Questionnaires for the permitted emissions points is a violation of General Condition II of Air Permit No. 0180-00011-V3, LAC 33:III.501.C.4, and Sections 2057(A)(1) and 2057(A)(2) of the Act.
- O. The Respondent failed to accurately quantify, in the permit application for Air Permit No. 0180-00011-V3, all emission of metals from the F-1 Furnace (Emission Point No. 100577), an industrial furnace in the Utilities unit. The Respondent's failure to accurately quantify, in the permit application for Air Permit No. 0180-00011-V3, each pollutant from the F-1 Furnace (Emission Point No. 100577) is a violation of LAC 33:III.517.D.3.d and Sections 2057(A)(1) and 2057(A)(2) of the Act. In addition, each of the Respondent's exceedance of the individual pollutant limits on the Emissions Inventory Questionnaires for the permitted emissions points is a violation of General Condition

II of Air Permit No. 0180-00011-V3, LAC 33:III.501.C.4, and Sections 2057(A)(1) and 2057(A)(2) of the Act.

II.d.

The Respondent submitted the Title V permit renewal applications dated April 4, 2003, which according to the Respondent were to include and accurately quantify the emissions and emission sources noted above.

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 FIVE THOUSAND AND NO/100 DOLLARS (\$55,000.00), of which TWO HUNDRED TWENTY AND 64/100 DOLLARS (\$220.64) represents DEQ's enforcement costs, in settlement of the claims set forth in this agreement.

V

Respondent further agrees that the Department may consider the inspection report(s), the Consolidated Compliance Order & Notice of Potential Penalty and this Settlement for the purpose of determining compliance history in connection with any future enforcement or permitting action by the Department against Respondent, and in any such action Respondent shall be estopped from objecting to the above-referenced documents being considered as proving the violations alleged herein for the sole purpose of determining Respondent's compliance history.

VI

This agreement shall be considered a final order of the secretary for all purposes, including, but not limited to, enforcement under La. R.S. 30:2025(G)(2), and Respondent hereby waives any right to administrative or judicial review of the terms of this agreement, except such review as may be required for interpretation of this agreement in any action by the Department to enforce this agreement.

VII

This settlement is being made in the interest of settling the state's claims and avoiding for both parties the expense and effort involved in litigation or an adjudicatory hearing. In agreeing to the compromise and settlement, the Department considered the factors for issuing civil penalties set forth in 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 a proof-of-publication affidavit 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 Darryl Serio, Office of Management and Finance, 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/her respective party, and to legally bind such party to its terms and conditions.

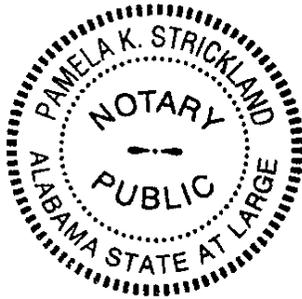
VULCAN MATERIALS COMPANY

BY: William F. Denson, III
(Signature)

William F. Denson, III
(Printed or Typed)

TITLE: Senior Vice President, General Counsel
and Secretary

THUS DONE AND SIGNED in duplicate original before me this 29th day of
MARCH, 20 06, at BIRMINGHAM, AL.



Pamela K. Strickland
NOTARY PUBLIC (# _____)

PAMELA K. STRICKLAND
(Printed or Typed)

MY COMMISSION EXPIRES
AUGUST 28, 2006

LOUISIANA DEPARTMENT OF
ENVIRONMENTAL QUALITY

BY: Mike D. McDaniel
Mike D. McDaniel, Ph.D., Secretary

THUS DONE AND SIGNED in duplicate original before me this 4th day of
May, 20 06, at Baton Rouge, Louisiana.

[Signature]
NOTARY PUBLIC (# 204186)
Paul R. Bouyer, II
(Printed or Typed)

Approved: Mike D. McDaniel
Mike D. McDaniel, Ph.D., Secretary