

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

**ORMET PRIMARY ALUMINUM
CORPORATION**

AI # 3420

AI # 39945

**PROCEEDINGS UNDER THE LOUISIANA
ENVIRONMENTAL QUALITY ACT**

LA. R.S. 30:2001, ET SEQ.

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**Enforcement Tracking Nos.
AE-PP-03-0270; MM-CN-03-0006;
MM-C-01-0022A**

**AE-CN-03-0146
Docket No. 2003-7572-EQ**

SETTLEMENT

The following Settlement is hereby agreed to between Ormet Primary Aluminum Corporation (“Respondent”) and the Department of Environmental Quality (“DEQ” or “the Department”), under authority granted by the Louisiana Environmental Quality Act, La. R.S. 30:2001, et seq. (“the Act”).

I

The Respondent owns and/or operates a mining and mineral processing facility located at 41237 La. Highway 22 in Burnside, Ascension Parish, Louisiana (the facility) under DEQ Agency Interest Number 3420. The Respondent is authorized to discharge certain quantities and/or qualities of wastewater into the Mississippi River and Conway Canal, waters of the state, under the terms and conditions of National Pollutant Discharge Elimination System (NPDES) permit LA0005606, which was effective on June 1, 1994, and expired on May 31, 1999. In accordance with the NPDES assumption by the state, NPDES permit LA0005606 became a Louisiana Pollutant Discharge Elimination System (LPDES) permit on or about August 27, 1996.

The Respondent submitted an LPDES permit renewal application to the Department on or about May 25, 1999; therefore LPDES permit LA0005606 was administratively continued. An inspection conducted by the Department on or about September 5, 2002, revealed that the facility, at that time, had shut down. However, the facility has since resumed operation.

The Respondent is authorized to emit certain quantities of air contaminants in the state of Louisiana under the terms and conditions of Air Permit No. 0180-00001-01. An application for an initial Part 70 operating permit was received by the Department on October 15, 1996, in accordance with LAC 33:III.507.

On January 25, 2004, the Department issued Consolidated Compliance Order and Notice of Potential Penalty, Enforcement No. MM-CN-03-0006, to Ormet Primary Aluminum Corporation, attached hereto and made a part of this Settlement as Exhibit A.

II

The Respondent is also authorized to discharge certain quantities and/or qualities of wastewater into the Mississippi River and the Blind River via the Panama and Conway Canals, all waters of the state, under the terms and conditions of National Pollutant Discharge Elimination System (NPDES) permit LA0005606 which was effective on June 1, 1994, and which expired on May 31, 1999. In accordance with the NPDES assumption by the state, NPDES permit LA0005606 became a Louisiana Pollutant Discharge Elimination System (LPDES) permit on or about August 27, 1996. The Respondent was also authorized to discharge under the terms and conditions of Louisiana Water Discharge Permit System (LWDPS) permit WP0623 which was issued November 20, 1994, and which expired November 19, 1999. The

Respondent submitted an LPDES permit renewal application to the Department on or about May 25, 1999; therefore LPDES permit LA0005606 was administratively continued.

On February 3, 2003, the Department issued Amended Compliance Order, Enforcement No. MM-C-01-0022A, to Ormet Primary Aluminum Corporation, attached hereto and made a part of this Settlement as Exhibit B.

III

Respondent is a corporation who also owns and/or operates the Burnside Terminal at Mile 170 AHP on the left descending bank of the Mississippi River near Burnside in Ascension Parish, Louisiana (the facility) under DEQ Agency Interest Number 39945. The facility provides bulk loading and unloading of ships and barges and operates under Air Permit Number 0180-00030-00 issued November 1, 1983.

IV

On November 19, 2003, the Department issued a Notice of Potential Penalty, Enforcement No. AE-PP-03-0270, to Ormet Primary Aluminum Corporation, attached hereto and made a part of this Settlement as Exhibit C.

V

On June 11, 2003, the Department issued a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-03-0146, to Ormet Primary Aluminum Corporation, attached hereto and made a part of this Settlement as Exhibit D.

VI

Respondent also submitted Discharge Monitoring Reports (DMRs) which indicated

3

MM-CN-03-0006
MM-C-01-0022A
AE-PP-03-0270
AE-CN-03-0146

six (6) pH excursions at the Burnside Alumina Facility in December 2003, related to the startup of the facility and one pH excursion at the facility on February 1, 2004. The DMRs are attached hereto and made a part hereof by reference.

VII

In response to the Consolidated Compliance Order and Notice of Potential Penalty, Enforcement No. AE-CN-03-0146, the Respondent made a timely request for a hearing.

VIII

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

IX

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 FIFTEEN THOUSAND THREE HUNDRED AND NO/100 DOLLARS (\$15,300.00) of which SIX HUNDRED SEVENTEEN AND 21/100 DOLLARS (\$617.21) represents DEQ'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).

X

Respondent further agrees that the Department may consider the inspection report(s), the Notice of Potential Penalty, the Consolidated Compliance Order and 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.

XI

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.

XII

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.

XIII

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.

XIV

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. Penalties are to be made payable to the Department of Environmental Quality and mailed 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.

XV

In consideration of the above, any claims for penalties are hereby compromised and settled in accordance with the terms of this Settlement.

XVI

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.

ORMET PRIMARY ALUMINUM CORPORATION

execute this Settlement Agreement on behalf of his/her respective party, and to legally bind such party to its terms and conditions.

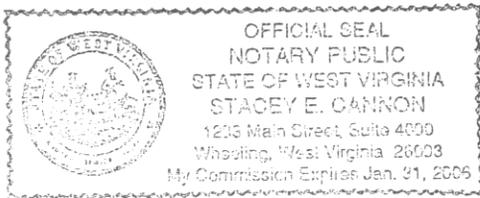
ORMET PRIMARY ALUMINUM CORPORATION

BY: *T. Temple*
(Signature)

T. Temple
(Printed or Typed)

TITLE: V.P. Corporate Engineering

THUS DONE AND SIGNED in duplicate original before me this 28th day of June, 2004, at Ormet Corp, Wheeling, W. Va.



Stacey E. Cannon
NOTARY PUBLIC (ID # _____)

Stacey E. Cannon
(Printed or Typed)

STATE OF LOUISIANA
Mike D. McDaniel, Ph.D., Secretary
Department of Environmental Quality

BY: Harold Leggett
Harold Leggett, Ph.D., Assistant Secretary
Office of Environmental Compliance

THUS DONE AND SIGNED in duplicate original before me this 10th day of January, 2008, at Baton Rouge, Louisiana.

Ted R. Boyles II
NOTARY PUBLIC (ID # 20456)
Ted R. Boyles II
(Printed or Typed)

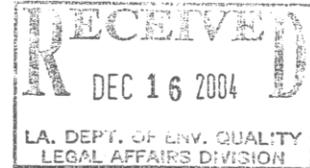
Approved: Harold Leggett
Harold Leggett, Ph.D., Assistant Secretary



CHARLES C. FOTI, JR.
ATTORNEY GENERAL

State of Louisiana
DEPARTMENT OF JUSTICE
P.O. BOX 94005
BATON ROUGE
70804-9005

December 13, 2004



Mr. Louis E. Buatt, General Counsel
La. Department of Environmental Quality
Legal Affairs Division
P.O. Box 4302
Baton Rouge, LA 70821-4302

Re: AG Review of DEQ Settlement;
Ormet Primary Aluminum Corporation
AE-PP-03-0270, et al.

Dear Mr. Buatt:

Pursuant to the authority granted to me by Art. IV, Sec. 8 of the state constitution and R.S. 30:2050.7(E)(2)(a), I approve the above referenced settlement.

Sincerely,

By: 
CHARLES C. FOTI, JR.
Attorney General

CCF/mlc



State of Louisiana
Department of Environmental Quality



KATHLEEN BABINEAUX BLANCO
GOVERNOR

January 25, 2004

L. HALL BOHLINGER
SECRETARY

CERTIFIED MAIL (7099-3400-0007 2452 7487)
RETURN RECEIPT REQUESTED

ORMET PRIMARY ALUMINUM CORPORATION
c/o The Prentice-Hall Corporation System
Agent of Service
701 South Peters Street, Second Floor
New Orleans, LA 70130

RE: CONSOLIDATED COMPLIANCE ORDER
& NOTICE OF POTENTIAL PENALTY
ENFORCEMENT TRACKING NO. MM-CN-03-0006
AGENCY INTEREST NO. 3420

Dear Sir:

Pursuant to the Louisiana Environmental Quality Act (La. R.S. 30:2001, et seq.), the attached **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is hereby served on **ORMET PRIMARY ALUMINUM CORPORATION (RESPONDENT)** for the violations described therein.

Compliance is expected within the maximum time period established by each part of the **COMPLIANCE ORDER**. The violations cited in the **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** could result in the issuance of a civil penalty or referral to the Department of Justice for appropriate legal actions.

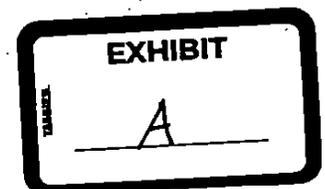
Any questions concerning this action should be directed to Rudy Melon at (225) 219-3777.

Sincerely,

Peggy M. Hatch
Administrator
Enforcement Division

PMH/RVM/rvm
Alt ID No. LA0005606/0180-00001
Attachment:

c: Ormet Primary Aluminum Corporation
MSC #15, La. Hwy. 22
Burnside, LA 70738



STATE OF LOUISIANA
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE

IN THE MATTER OF

ORMET PRIMARY ALUMINUM
CORPORATION
ASCENSION PARISH
ALT ID NO. LA0005606/0180-00001

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

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*
* ENFORCEMENT TRACKING NO.
*
* MM-CN-03-0006
*
* AGENCY INTEREST NO:
*
* 3420
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CONSOLIDATED
COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY

The following **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is issued to **ORMET PRIMARY ALUMINUM CORPORATION (RESPONDENT)** by the Louisiana Department of Environmental Quality (the Department), under the authority granted by the Louisiana Environmental Quality Act (the Act), La. R.S. 30:2001, et seq., and particularly by La. R.S. 30:2025(C), 30:2050.2 and 30:2050.3(B).

FINDINGS OF FACT

I.

The Respondent owns and/or operates a mining and mineral processing facility located at 41237 La. Highway 22 in Burnside, Ascension Parish, Louisiana. The Respondent is authorized to discharge certain quantities and/or qualities of wastewater into the Mississippi River and Conway Canal, waters of the state, under the terms and conditions of National Pollutant

Discharge Elimination System (NPDES) permit LA0005606, which was effective on June 1, 1994, and expired on May 31, 1999. In accordance with the NPDES assumption by the state, NPDES permit LA0005606 became a Louisiana Pollutant Discharge Elimination System (LPDES) permit on or about August 27, 1996. The Respondent submitted an LPDES permit renewal application to the Department on or about May 25, 1999; therefore LPDES permit LA0005606 was administratively continued. An inspection conducted by the Department on or about September 5, 2002, revealed that the facility has shut down.

The Respondent is authorized to emit certain quantities of air contaminants in the state of Louisiana under the terms and conditions of Air Permit No. 0180-00001-01. An application for an initial Part 70 operating permit was received by the Department on October 15, 1996, in accordance with LAC 33:III.507.

II.

The Respondent was issued **COMPLIANCE ORDER MM-C-01-0022** on or about September 5, 2001, for violations noted during an inspection conducted by the Department on or about January 23 and 24, 2001, and effluent violations for the periods of January 1997 to November 1999. The Respondent submitted a response to **COMPLIANCE ORDER MM-C-01-0022** on or about September 28, 2001, describing the cited violations and corrective actions taken by the Respondent. The Respondent was issued **AMENDED COMPLIANCE ORDER MM-C-01-0022A** on or about February 3, 2003. The **AMENDED COMPLIANCE ORDER MM-C-01-0022A** was issued to address additional effluent violations and for failing to update the HW-1 Notification Form.

III.

An inspection conducted by the Department on or about February 7, 2001, revealed that the clarifier weirs and center ring were badly rusted. Also, the trickling filter appeared to be clogged with solids. An inspection conducted by the Department on or about January 9, 2002, revealed that at Outfall 201, there was buildup of algae and vegetation growth in the clarifier. An inspection conducted by the Department on or about September 5, 2002, revealed that the clarifier for Outfall 201 had algal buildup. The Respondent's failure to properly operate and maintain its facility is in violation of LPDES permit LA0005606 (Part III, Sections A.2 and B.3), La. R.S. 30:2076(A)(3), LAC 33:IX.501.A, LAC 33:IX.2355.A and LAC 33:IX.2355.E.

IV.

An inspection conducted by the Department on or about February 7, 2001, disclosed that the Respondent had failed to follow approved methods. Specifically, the drying cycle was not repeated in the TSS procedure for Outfall 201. The TSS filter and dish were stored in the oven instead of the desiccator. Additionally, the sample refrigerator had been consistently running at 7.0 degrees centigrade, not less than or equal to 4.0 degrees centigrade as required. Each failure to follow approved methods is in violation of LPDES permit LA0005606 (Part III, Sections A.2 and C.5.a), La. R.S. 30:2076(A)(3), LAC 33:IX.501.A, LAC 33:IX.2355.A, and LAC 33:IX.2355.J.4.

V.

An inspection conducted by the Department on or about February 7, 2001, disclosed that the Respondent had reported fecal coliform sample results as arithmetic averages instead of geometric averages as per the permit. Failure to correctly calculate reporting values is in

violation of LPDES LA0005606 (Part I, Page 5, Part III, Sections A.2 and D.6), La. R.S. 30:2076(A)(3), LAC 33:IX.501.A, LAC 33:IX.2355.A, and LAC 33:IX.2355.L.4.c.

VI.

An inspection conducted by the Department on or about February 7, 2001, and a subsequent file review conducted by the Department on or about November 7, 2003, disclosed excursions for the monitoring periods of January 2000 through September 2003, as reported to the Department by the Respondent.

Date	Outfall	Parameter	Permit Limit	Sample Result
1/00	001	pH	6.0-9.0 S.U.	10.5 S.U.
		pH range excursions > 60 minutes	0 occur/month	1 occur/month
6/00	001	pH	6.0-9.0 S.U.	4.0 S.U.
		pH range excursions > 60 minutes	0 occur/month	1 occur/month
7/00	001	pH	6.0-9.0 S.U.	4.2 S.U.
		pH range excursions > 60 minutes	0 occur/month	1 occur/month
8/00	001	pH	6.0-9.0 S.U.	9.08 S.U.
		pH range excursions > 60 minutes	0 occur/month	1 occur/month
9/00	001	pH	6.0-9.0 S.U.	9.1 S.U. 9.8 S.U.
		pH range excursions > 60 minutes	0 occur/month	2 occur/month
10/00	201	Fecal Coliform(daily max)	400 col/100 ml	3,800 col/100 ml
	001	pH	6.0-9.0 S.U.	5.35 S.U.
12/00	001	pH	6.0-9.0 S.U.	4.23 S.U. 11.96 S.U.
		pH range excursions > 60 minutes	0 occur/month	8 occur/month
		pH range excursions, monthly total (> 446 minutes)	0 occur/month	1 occur/month
1/01	001	pH	6.0-9.0 S.U.	2.45 S.U. 12.08 S.U.
		pH range excursions > 60 minutes	0 occur/month	5 occur/month
		pH range excursions, monthly total (> 446 minutes)	0 occur/month	1 occur/month
3/01	001	pH	6.0-9.0 S.U.	9.9 S.U.
		pH range excursions > 60 minutes	0 occur/month	1 occur/month
	001A	pH	6.0-9.0 S.U.	10.4 S.U.
	003	pH—min. pH—max.	6.0-9.0 S.U. 6.0-9.0 S.U.	12.39 S.U. 14.31 S.U.
5/01	001	pH	6.0-9.0 S.U.	4.89 S.U. 9.4 S.U.

		pH range excursions > 60 minutes	0 occur/month	2 occur/month
7/01	001	pH	6.0-9.0 S.U.	9.24 S.U.
		pH range excursions > 60 minutes	0 occur/month	1 occur/month
7/01	201	Fecal Coliform(daily max)	400 col/100 mL	3,600 col/100 mL
8/01	001	pH	6.0-9.0 S.U.	11.93 S.U.(9.7 avg) 10.58 S.U.
		pH range excursions > 60 minutes	0 occur/month	2 occur/month
9/01	001	pH	6.0-9.0 S.U.	9.18 S.U.
		pH range excursions > 60 minutes	0 occur/month	1 occur/month
10/01	001	pH	6.0-9.0 S.U.	9.32 S.U.
		pH range excursions > 60 minutes	0 occur/month	1 occur/month
	003	pH min.	6.0-9.0 S.U.	10.22 S.U.
		pH max.	6.0-9.0 S.U.	10.94 S.U.
5/02	201	TSS (daily avg)	30 mg/L	46 mg/L
5/02	201	TSS (daily max)	45 mg/L	46 mg/L
8/02	101	TSS (daily max)	50 mg/L	63.2 mg/L

Each permit excursion is in violation of LPDES permit LA0005606 (Part I, Pages 1, 2, 3, and 5, Part II, Section C, and Part III, Section A.2), La. R.S. 30:2076 (A) (1), La. R.S. 30:2076 (A) (3), LAC 33:IX.501.A, LAC 33:IX.501.D, and LAC 33:IX.2355.A.

VII.

An inspection conducted by the Department on or about May 11, 2002, revealed that dust generated from the Red Mud Lake Area (Emission Point RPFUG) was observed leaving the Respondent's property. The Respondent's failure to take all reasonable precautions to prevent particulate matter from becoming airborne and leaving the site is a violation of LAC 33:III.1305.A.2 and Sections 2057(A)(1) and 2057(A)(2) of the Act.

VIII.

An inspection conducted by the Department on or about September 5, 2002, revealed that the Respondent was unable to locate calibration records for the flow meters for Outfalls 001 and 003 or for the pH meter at Outfall 001. Also for Outfall 001, on the days the TSS samples were stored, the Respondent did not keep a log of the thermometer temperatures in the laboratory refrigerator. These recordkeeping deficiencies are in violation of LA0005606 (Part III, Section

A.2, and Section C.3), La. R.S. 30:2076(A)(3), LAC 33:IX.501.A, LAC 33:IX.2355.A, and LAC 33:IX.2355.J.3.g, and LAC 33:IX.2775.A.2.

IX.

An inspection conducted by the Department on or about September 5, 2002, revealed that the Respondent had operations and maintenance deficiencies. Specifically, the temperature probe at Outfall 001 was inoperable from June 1, 2002, through June 9, 2002, and from July 29, 2002, through September 5, 2002. The Respondent conducted daily temperature checks between 1-3 p.m. while the probe was inoperable. Failure to properly operate and maintain is in violation of LPDES permit LA0005606 (Part III, Sections A.2 and B.3), La. R.S. 30:2076(A)(3), LAC 33:IX.501.A, LAC 33:IX.2355.A and LAC 33:IX.2355.E.

COMPLIANCE ORDER

Based on the foregoing, the Respondent is hereby ordered:

I.

To immediately take, upon receipt of this **COMPLIANCE ORDER**, any and all steps necessary to meet and maintain compliance with LPDES permit LA0005606 and all applicable Air Quality Regulations including, but not limited to, taking all reasonable precautions to prevent particulate matter from becoming airborne as required by LAC 33:III.1305.A.2.

II.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, a written report that includes a detailed description of the circumstances surrounding the cited violations and actions taken or to be taken to achieve compliance with the Order Portion of this **COMPLIANCE ORDER**.

THE RESPONDENT SHALL FURTHER BE ON NOTICE THAT:

I.

The Respondent has a right to an adjudicatory hearing on a disputed issue of material fact or of law arising from this **COMPLIANCE ORDER**. This right may be exercised by filing a written request with the Secretary no later than thirty (30) days after receipt of this **COMPLIANCE ORDER**.

II.

The request for an adjudicatory hearing shall specify the provisions of the **COMPLIANCE ORDER** on which the hearing is requested and shall briefly describe the basis for the request. This request should reference the **Enforcement Tracking Number and Agency Interest Number**, which are located in the upper right-hand corner of the first page of this document and should be directed to the following:

Department of Environmental Quality
Office of the Secretary
Post Office Box 4302
Baton Rouge, Louisiana 70821-4302
Attn: Hearings Clerk, Legal Division
Re: Enforcement Tracking No. MM-CN-03-0006
Agency Interest No. 3420

III.

Upon the Respondent's timely filing a request for a hearing, a hearing on the disputed issue of material fact or of law regarding this **COMPLIANCE ORDER** may be scheduled by the Secretary of the Department. The hearing shall be governed by the Act, the Administrative Procedure Act (La. R.S. 49:950, et seq.), and the Department's Rules of Procedure. The Department may amend or supplement this **COMPLIANCE ORDER** prior to the hearing, after providing sufficient notice and an opportunity for the preparation of a defense for the hearing.

IV.

This **COMPLIANCE ORDER** shall become a final enforcement action unless the request for hearing is timely filed. Failure to timely request a hearing constitutes a waiver of the Respondent's right to a hearing on a disputed issue of material fact or of law under Section 2050:4 of the Act for the violation(s) described herein.

V.

The Respondent's failure to request a hearing or to file an appeal or the Respondent's withdrawal of a request for hearing on this **COMPLIANCE ORDER** shall not preclude the Respondent from contesting the findings of facts in any subsequent penalty action addressing the same violation(s), although the Respondent is estopped from objecting to this **COMPLIANCE ORDER** becoming a permanent part of its compliance history.

VI.

Civil penalties of not more than twenty-seven thousand five hundred dollars (\$27,500) for each day of violation for the violation(s) described herein may be assessed. The Respondent's failure or refusal to comply with this **COMPLIANCE ORDER** and the provisions herein will subject the Respondent to possible enforcement procedures under La. R.S. 30:2025, which could result in the assessment of a civil penalty in an amount of not more than fifty thousand dollars (\$50,000) for each day of continued violation or noncompliance.

VII.

For each violation described herein, the Department reserves the right to seek civil penalties in any manner allowed by law, and nothing herein shall be construed to preclude the right to seek such penalties.

NOTICE OF POTENTIAL PENALTY

I.

Pursuant to La. R.S. 30:2050.3(B), you are hereby notified that the issuance of a penalty assessment is being considered for the violation(s) described herein. This includes any and all violations cited in the Compliance Order referenced in Paragraph II of the Findings of Fact. Written comments may be filed regarding the violation(s) and the contemplated penalty. If you elect to submit comments, it is requested that they be submitted within ten (10) days of receipt of this notice.

II.

Prior to the issuance of additional appropriate enforcement action(s), you may request a meeting with the Department to present any mitigating circumstances concerning the violation(s). If you would like to have such a meeting, please contact Rudy Melon at (225) 219-3777 within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**.

III.

The Department is required by La. R.S. 30:2025(E)(3)(a) to consider the gross revenues of the Respondent and the monetary benefits of noncompliance to determine whether a penalty will be assessed and the amount of such penalty. Please forward the Respondent's most current annual gross revenue statement along with a statement of the monetary benefits of noncompliance for the cited violation(s) to the above named contact person within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**. Include with your statement of monetary benefits the method(s) you utilized to arrive at the sum. If you assert that no monetary benefits have been gained, you are to fully justify that statement.

IV.

This CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY is effective upon receipt.

Baton Rouge, Louisiana, this 25th day of January, 2004

R. Bruce Hammatt
R. Bruce Hammatt
Assistant Secretary
Office of Environmental Compliance

Copies of a request for a hearing and/or related correspondence should be sent to:

Louisiana Department of Environmental Quality
Office of Environmental Compliance
Enforcement Division
P.O. Box 4312
Baton Rouge, LA 70821-4312
Attention: Celena Cage

c: Mr. Charles Faultry
U.S. Environmental Protection Agency



State of Louisiana
Department of Environmental Quality



FF
RF
MLG
Chas
Mago
Gue
Berris
Nelson
Mikel
Cheryl
Walter
Ted
Duffy
SRO
mhm

M. J. "MIKE" FOSTER, JR.
GOVERNOR

February 3, 2003

L. HALL BOHLINGER
SECRETARY

CERTIFIED MAIL (7001 0320 0002 6647 2855/2862)
RETURN RECEIPT REQUESTED

ORMET PRIMARY ALUMINUM CORPORATION
c/o The Prentice-Hall Corporation System, Inc.
Agent of Service
701 South Peters Street, Second Floor
New Orleans, Louisiana 70130

RE: AMENDED COMPLIANCE ORDER
ENFORCEMENT TRACKING NO. MM-C-01-0022A
AGENCY INTEREST NO. 3420

Dear Sir:

Pursuant to the Louisiana Environmental Quality Act (La. R.S. 30:2001, et seq.), the attached AMENDED COMPLIANCE ORDER is hereby served on ORMET PRIMARY ALUMINUM CORPORATION (RESPONDENT) for the violations described therein.

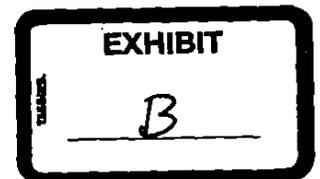
Any questions concerning this action should be directed to Leigh Gauthreaux at (225) 765-0516.

Sincerely,

Peggy M. Hatch
Administrator
Enforcement Division

PMH/MLG/mlg
Hazardous Alt ID No. LAD 093 536 522
HE-C-01-0031
Water Alt ID No. LA005606
Attachment

c: Ormet Primary Aluminum Corporation
MSC #15, La. Highway 22
Burnside, Louisiana 70738



STATE OF LOUISIANA
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE

IN THE MATTER OF

ORMET PRIMARY ALUMINUM
CORPORATION
ASCENSION PARISH
ALT ID NO. LAD 093 536 522
LA0005606

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

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* ENFORCEMENT TRACKING NO.
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* MM-C-01-0022A
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* AGENCY INTEREST NO.
*
* 3420
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AMENDED COMPLIANCE ORDER

The Louisiana Department of Environmental Quality (the Department) hereby amends the COMPLIANCE ORDER issued to ORMET PRIMARY ALUMINUM CORPORATION (RESPONDENT) on September 5, 2001 in the above-captioned matter as follows:

I.

The Department hereby amends Paragraph I of the Findings of Fact to read as follows:

"1.

The Respondent owns and/or operates a mining and mineral processing facility located at Louisiana Highway 22 in Burnside, Ascension Parish, Louisiana and bears the EPA identification number LAD 093 536 522. They have notified the Department that the facility is a Class 2 generator of hazardous waste. The Respondent is authorized to discharge certain

quantities and/or qualities of wastewater into the Mississippi River and the Blind River via the Panama and Conway Canals, all waters of the state, under the terms and conditions of National Pollutant Discharge Elimination System (NPDES) permit LA0005606 which was effective on June 1, 1994, and which expired on May 31, 1999. In accordance with the NPDES assumption by the state, NPDES permit LA0005606 became a Louisiana Pollutant Discharge Elimination System (LPDES) permit on or about August 27, 1996. The Respondent was also authorized to discharge under the terms and conditions of Louisiana Water Discharge Permit System (LWDPS) permit WP0623 which was issued November 20, 1994, and which expired November 19, 1999. The Respondent submitted an LPDES permit renewal application to the Department on or about May 25, 1999; therefore LPDES permit LA0005606 was administratively continued.”

II.

The Department hereby amends Paragraph III of the Findings of Fact to read as follows:

“III.

On or about January 23 and 24, 2001, a representative of the Department conducted a RCRA Compliance Evaluation Inspection of the facility. The following violations were found during the course of this inspection:

- A. The Respondent failed to update the HW-1 Notification Form within seven (7) days of making changes to include the new facility contact and add D040, D009, D039, and D008 as additional waste codes found listed on the 1998 and 1999 annual hazardous waste reports at the facility, in violation of LAC 33:V.1105.B.

- B. The Respondent failed to develop a waste minimization plan for the facility, in violation of LAC 33:V.2245.K.
- C. The Respondent failed to develop a site-specific contingency plan for the facility, in violation of LAC 33:V.1117.
- D. The Respondent failed to provide documentation of the hazardous waste training given to facility personnel as specified in LAC 33:V.1515.D, in violation of LAC 33:V.1119.”

III.

The Department hereby amends Paragraph IV of the Findings of Fact to read as follows:

“IV.

A file review conducted by the Department on or about June 29, 2001, disclosed the following violations:

Monitoring Period	Outfall	Parameter	Permit Limit	Sample Result
January 1997	201	Fecal Coliform	200 col/100 ml (avg)	3,500.5 col/100 ml
			400 col/100 ml (max)	7,000 col/100 ml
February 1997	001	pH	6.0 to 9.0 S.U.	5.2 S.U. (min) 11.0 S.U. (max)
		pH excursions >60 minutes	0 occur/month	2 occur/month
November 1997	001	pH	6.0 to 9.0 S.U.	9.7 S.U. (min)
		pH excursions >60 minutes	0 occur/month	1 occur/month
December 1997	001	pH	6.0 to 9.0 S.U.	4.0 S.U. (min) 9.4 S.U. (max)
		pH excursions >60 minutes	0 occur/month	1 occur/month
February 1998	001	pH	6.0 to 9.0 S.U.	10.9 S.U. (max)
		pH excursions >60 minutes	0 occur/month	2 occur/month

March 1998	001	pH	6.0 to 9.0 S.U.	10.1 S.U. (max)
		pH excursions >60 minutes	0 occur/month	1 occur/month
May 1998	001	pH	6.0 to 9.0 S.U.	5.5 S.U. (min)
		pH excursions >60 minutes	0 occur/month	1 occur/month
July 1998	001	pH	6.0 to 9.0 S.U.	11.5 S.U. (max)
		pH excursions >60 minutes	0 occur/month	1 occur/month
December 1998	001	pH	6.0 to 9.0 S.U.	10.6 S.U. (max)
		pH excursions >60 minutes	0 occur/month	1 occur/month
January 1999	001	pH	6.0 to 9.0 S.U.	2.5 S.U. (min) 10.9 S.U. (max)
		pH excursions >60 minutes	0 occur/month	2 occur/month
		pH range excursions >446 minutes	0 occur/month	1 occur/month
April 1999	001	pH	6.0 to 9.0 S.U.	3.5 S.U. (min) 10.8 S.U. (max)
		pH range excursions >446 minutes	0 occur/month	1 occur/month
July 1999	001	pH	6.0 to 9.0 S.U.	5.1 S.U. (min) 10.6 S.U. (max)
		pH range excursions >446 minutes	0 occur/month	1 occur/month
November 1999	001	pH	6.0 to 9.0 S.U.	10.0 S.U. (max)
		pH range excursions >446 minutes	0 occur/month	1 occur/month

Each permit excursion is in violation of LPDES permit LA0005606 (Part I, Pages 1, 2, 3, and 5, Part II, Section C, and Part III, Section A.2), LWDPs permit WP0623 (Part I, Pages 4 and 5, Part II, Section A.2, and Part III, Section A.1), La. R.S. 30:2076 (A) (1), La. R.S. 30:2076 (A) (3), LAC 33:IX.501.A, LAC 33:IX.501.D, and LAC 33:IX.2355.A.”

IV.

The Department hereby deletes Paragraphs I., II., III., IV., VI., IX., and X. of the Compliance Order portion of the Order.

V.

The Department hereby amends Paragraph VIII. of the Compliance Order portion of the Order to read as follow:

"VIII.

To submit to the Department, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, documentation of the hazardous waste training provided to facility personnel responsible for hazardous waste management."

VI.

The Department hereby adds to the Compliance Order portion of the Order Paragraph XII. to read as follows:

"XII.

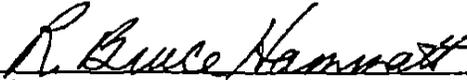
To immediately take, upon receipt of this **COMPLIANCE ORDER**, any and all steps necessary to meet and maintain compliance with LPDES permit LA005606."

VII.

The Department incorporates all of the remainder of the original **COMPLIANCE ORDER, ENFORCEMENT TRACKING NO. MM-C-01-0022** and **AGENCY INTEREST NO. 3420** as if reiterated herein.

This AMENDED COMPLIANCE ORDER is effective upon receipt.

Baton Rouge, Louisiana, this 3rd day of February, 2003.



R. Bruce Hammatt
Assistant Secretary
Office of Environmental Compliance

Copies of a request for a hearing and/or related correspondence should be sent to:

Louisiana Department of Environmental Quality
Office of Environmental Compliance
Enforcement Division
P.O. Box 82215
Baton Rouge, LA 70884-2215
Attention: Cheryl Easley

c: Jerry Saunders
U. S. Environmental Protection Agency



State of Louisiana
Department of Environmental Quality



M. J. "MIKE" FOSTER, JR.
GOVERNOR

November 19, 2003

L. HALL BOHLINGER
SECRETARY

CERTIFIED MAIL (7001 0320 0003 0930 1180)
RETURN RECEIPT REQUESTED

ORMET PRIMARY ALUMINUM CORPORATION
 c/o The Prentice-Hall Corporation System, Inc.
 Agent of Service
 701 South Peters Street, Second Floor
 New Orleans, Louisiana 70130

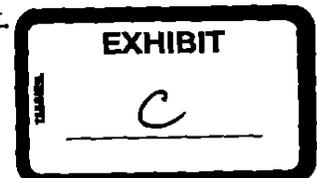
RE: NOTICE OF POTENTIAL PENALTY
ENFORCEMENT TRACKING NO. AE-PP-03-0270
AGENCY INTEREST NO. 39945

Dear Sir:

On or about April 11, 2003, an inspection of a ship-loading operation at Cargill, Incorporated's Midstream Loader K-2 was performed. During the course of the inspection, it was noted that the ship, Stefania, was being loaded by Cargill, Incorporated's Midstream Loader K-2 and a separate swing crane operation, the Sara B. The Sara B is owned and/or operated by **ORMET PRIMARY ALUMINUM CORPORATION (RESPONDENT)** and is permitted to operate under Air Permit Number 0180-00030-00 at the Burnside Terminal which is located at Mile 170 AHP on the left descending bank of the Mississippi River near Burnside in Ascension Parish, Louisiana. The ship-loading operation observed at the time of the inspection was being conducted on the Mississippi River near Convent in St. James Parish, Louisiana. According to information provided by the facility, the Sara B began the ship-loading operation on April 11, 2003, and finished on April 15, 2003.

A Consolidated Compliance Order & Notice of Potential Penalty (CONOPP), Enforcement Tracking No. AE-CN-03-0146 was issued to the Respondent on June 11, 2003, for the following violation:

The Respondent was conducting operations on the Mississippi River near Convent in St. James Parish, Louisiana. The Respondent is not permitted to operate at any location other than Mile 170 AHP on the left descending bank of the Mississippi River near Burnside in Ascension Parish, Louisiana. The Respondent is in violation of Air Permit Number 0180-00030-00, LAC 33:III.501.C.4, and Section 2057(A)(2) of the Act.



On or about June 10, 2003, an inspection of the Burnside Terminal, owned and/or operated by the 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 Mile 170 AHP on the left descending bank of the Mississippi River near Burnside in Ascension Parish, Louisiana. The facility provides bulk loading and unloading of ships and barges and operates under Air Permit Number 0180-00030-00 issued on November 1, 1983. At the time of this inspection, it was noted that the Respondent had operated the Sara B barge crane at locations other than the Burnside Terminal. The Respondent was requested to submit information on the use of the Sara B at locations other than the Burnside Terminal.

On or about July 23, 2003, an enforcement conference was held with the Respondent and representatives of the Department. During the enforcement meeting, the Respondent provided explanations and circumstances for the violation cited in the CONOPP. The Respondent was again requested to submit information on the use of the Sara B at locations other than the Burnside Terminal.

On or about August 11, 2003, the Department received a written response dated July 30, 2003, from the Respondent. The response provided additional explanation for the violation cited in the CONOPP and contained the requested information regarding the use of the Sara B at locations other than the Burnside Terminal as follows:

Date	Location	Length of Operation
05/29/03	IMT	11 days
05/07/03	IMT	3 days
04/11/03	Cargill K-2	4 days
03/25/03	TECO	6 days
03/19/03	St. James Stevedore	1 day
01/30/03	Cargill K-2	1 day
01/16/03	Associated Terminals	1 day
12/18/02	Cooper T. Smith	1 day
08/10/02	Associated Terminals	3 days
07/16/02	Associated Terminals	1 day
07/07/02	CGB Laplace	1 day
05/28/02	Associated Terminals	4 days

Based on the information provided by the Respondent, the following violation is noted:

The Respondent is not permitted to operate at any location other than Mile 170 AHP on the left descending bank of the Mississippi River near Burnside, Ascension Parish, Louisiana. Each operation of the Sara B by the Respondent at a location other than Mile 170 AHP on the left descending bank of the Mississippi River near Burnside in Ascension Parish, Louisiana is a violation of Air Permit Number 0180-00030-00, LAC 33:III.501.C.4, and Section 2057(A)(2) of the Act.

Pursuant to La. R.S. 30:2050.3(B), you are hereby notified that the issuance of a penalty assessment is being considered for the violation described herein. Written comments may be filed regarding the violation and the contemplated penalty. If you elect to submit comments, it is requested that they be submitted within ten (10) days of receipt of this notice.

Prior to the issuance of any additional appropriate enforcement action, you may request a meeting with the Department to present any mitigating circumstances concerning the violation. If you would like to have such a meeting, please contact Bridget Moody, Environmental Scientist, at (225) 219-3763 within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**.

The Department is required by La. R.S. 30:2025(E)(3)(a) to consider the gross revenues of the Respondent and the monetary benefits of noncompliance in order to determine whether a penalty will be assessed and the amount of such penalty. Please forward the Respondent's most current annual gross revenue statement along with a statement of the monetary benefits of noncompliance for the cited violations to the above named contact person within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**. Include with your statement of monetary benefits the method(s) you utilized to arrive at the sum. If you assert that no monetary benefits have been gained, you are to fully justify this statement.

For each violation described herein, the Department reserves the right to seek civil penalties and the right to seek compliance with its rules and regulations in any manner allowed by law, and nothing herein shall be construed to preclude the right to seek such penalties and compliance.

To reduce document handling, please refer to the **Enforcement Tracking Number** and **Agency Interest Number** on the front of this document on all correspondence in response to this action.

Sincerely,



R. Bruce Hammatt
Assistant Secretary
Office of Environmental Compliance

RBH/BDM/bdm
AR ID No. 0180-00030

c: Mr. John Reggi
Director of Corporate Environmental Services
Ormet Primary Aluminum Corporation
4258 Highway 44
Darrow, Louisiana 70725



State of Louisiana
Department of Environmental Quality



M. J. "MIKE" FOSTER, JR.
GOVERNOR

June 11, 2003

L. HALL BOHLINGER
SECRETARY

CERTIFIED MAIL (7002 0460 0001 3659 9497)
RETURN RECEIPT REQUESTED

ORMET PRIMARY ALUMINUM CORPORATION
 c/o The Prentice-Hall Corporation System, Inc.
 Agent of Service
 701 South Peters Street, Second Floor
 New Orleans, Louisiana 70130

**RE: CONSOLIDATED COMPLIANCE ORDER
 & NOTICE OF POTENTIAL PENALTY
 ENFORCEMENT TRACKING NO. AE-CN-03-0146
 AGENCY INTEREST NO. 39945**

Dear Sir:

Pursuant to the Louisiana Environmental Quality Act (La. R.S. 30:2001, et seq.), the attached **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is hereby served on **ORMET PRIMARY ALUMINUM CORPORATION (RESPONDENT)** for the violations described therein.

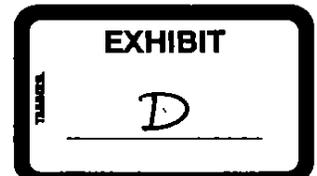
Compliance is expected within the maximum time period established by each part of the **COMPLIANCE ORDER**. The violations cited in the **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** could result in the issuance of a civil penalty or referral to the Department of Justice for appropriate legal actions.

Any questions concerning this action should be directed to Bridget Moody at (225) 765-0423.

Sincerely,

Peggy M. Hatch
Administrator
Enforcement Division

PMH/BDM/bdm
Alt ID No. 0180-00030
Attachment



c: Mr. John Reggi
Director of Environmental Services
Ormet Primary Aluminum Corporation
4258 Louisiana Highway 44
Darrow, Louisiana 70738

STATE OF LOUISIANA
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE

IN THE MATTER OF

ORMET PRIMARY
ALUMINUM CORPORATION
ASCENSION PARISH
ALT ID NO. 0180-00030

*
*
* ENFORCEMENT TRACKING NO.

* AE-CN-03-0146

*
*
* AGENCY INTEREST NO.

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

* 39945
*
*

CONSOLIDATED
COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY

The following **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is issued to **ORMET PRIMARY ALUMINUM CORPORATION (RESPONDENT)** by the Louisiana Department of Environmental Quality (the Department), under the authority granted by the Louisiana Environmental Quality Act (the Act), La. R.S. 30:2001, et seq., and particularly by La. R.S. 30:2025(C), 30:2050.2 and 30:2050.3(B).

FINDINGS OF FACT

I.

The Respondent owns and/or operates the Burnside Terminal located at Mile 170 AHP on the left descending bank of the Mississippi River near Burnside in Ascension Parish, Louisiana. The facility provides bulk loading and unloading of ships and barges and operates under Air Permit Number 0180-00030-00 issued on November 1, 1983.

II.

On or about April 11, 2003, an inspection of a ship-loading operation at Cargill, Incorporated's Midstream Loader K-2 was performed. During the course of the inspection, it was noted that the ship, Stefania, was being loaded by Cargill, Incorporated's Midstream Loader K-2 and a separate swing crane operation, the Sara B. The Sara B is owned and/or operated by the Respondent and is permitted to operate under Air Permit Number 0180-00030-00 at Mile 170 AHP on the left descending bank of the Mississippi River near Burnside in Ascension Parish, Louisiana. The ship-loading operation observed at the time of the inspection was being conducted on the Mississippi River near Convent in St. James Parish, Louisiana. According to information provided by the facility, the Sara B began the ship-loading operation on April 11, 2003, and finished on April 15, 2003.

While the Department's investigation is not yet complete, the following violations were noted at the time of the inspection:

The Respondent was conducting operations on the Mississippi River near Convent in St. James Parish, Louisiana. The Respondent is not permitted to operate at any location other than Mile 170 AHP on the left descending bank of the Mississippi River near Burnside, Ascension Parish, Louisiana. The Respondent is in violation of Air Permit Number 0180-00030-00, LAC 33:III.501.C.4, and Section 2057(A)(2) of the Act.

COMPLIANCE ORDER

Based on the foregoing, the Respondent is hereby ordered:

I.

To immediately take, upon receipt of this **COMPLIANCE ORDER**, any and all steps necessary to achieve and maintain compliance with Air Permit Number 0180-00030-00.

II.

To submit to the Enforcement Division, within thirty (30) days upon receipt of this **COMPLIANCE ORDER**, a detailed report providing the reason(s) for conducting operations at a location not specified in the operating permit and describing actions to be taken to prevent future occurrence of the violation described in paragraph II of the **Findings of Fact** portion of this **COMPLIANCE ORDER**.

THE RESPONDENT SHALL FURTHER BE ON NOTICE THAT:

I.

The Respondent has a right to an adjudicatory hearing on a disputed issue of material fact or of law arising from this **COMPLIANCE ORDER**. This right may be exercised by filing a written request with the Secretary no later than thirty (30) days after receipt of this **COMPLIANCE ORDER**.

II.

The request for an adjudicatory hearing shall specify the provisions of the **COMPLIANCE ORDER** on which the hearing is requested and shall briefly describe the basis for the request. This request should reference the **Enforcement Tracking Number** and **Agency Interest Number**, which are located in the upper right-hand corner of the first page of this document and should be directed to the following:

Department of Environmental Quality
Office of the Secretary
Post Office Box 4301
Baton Rouge, Louisiana 70821-4301
Attn: **Hearings Clerk, Legal Division**
Re: **Enforcement Tracking No. AE-CN-03-0146**
Agency Interest No. 39945

III.

Upon the Respondent's timely filing a request for a hearing, a hearing on the disputed issue of material fact or of law regarding this **COMPLIANCE ORDER** may be scheduled by the Secretary of the Department. The hearing shall be governed by the Act, the Administrative Procedure Act (La. R.S. 49:950, et seq.), and the Department's Rules of Procedure. The Department may amend or supplement this **COMPLIANCE ORDER** prior to the hearing, after providing sufficient notice and an opportunity for the preparation of a defense for the hearing.

IV.

This **COMPLIANCE ORDER** shall become a final enforcement action unless the request for hearing is timely filed. Failure to timely request a hearing constitutes a waiver of the Respondent's right to a hearing on a disputed issue of material fact or of law under Section 2050.4 of the Act for the violation(s) described herein.

V.

The Respondent's failure to request a hearing or to file an appeal or the Respondent's withdrawal of a request for hearing on this **COMPLIANCE ORDER** shall not preclude the Respondent from contesting the findings of facts in any subsequent penalty action addressing the same violation(s), although the Respondent is estopped from objecting to this **COMPLIANCE ORDER** becoming a permanent part of its compliance history.

VI.

Civil penalties of not more than twenty-seven thousand five hundred dollars (\$27,500) for each day of violation for the violation(s) described herein may be assessed. The Respondent's failure or refusal to comply with this **COMPLIANCE ORDER** and the provisions herein will subject the Respondent to possible enforcement procedures under La. R.S. 30:2025,

which could result in the assessment of a civil penalty in an amount of not more than fifty thousand dollars (\$50,000) for each day of continued violation or noncompliance.

VII.

For each violation described herein, the Department reserves the right to seek civil penalties in any manner allowed by law, and nothing herein shall be construed to preclude the right to seek such penalties.

NOTICE OF POTENTIAL PENALTY

I.

Pursuant to La. R.S. 30:2050.3(B), you are hereby notified that the issuance of a penalty assessment is being considered for the violation(s) described herein. Written comments may be filed regarding the violation(s) and the contemplated penalty. If you elect to submit comments, it is requested that they be submitted within ten (10) days of receipt of this notice.

II.

Prior to the issuance of additional appropriate enforcement action(s), you may request a meeting with the Department to present any mitigating circumstances concerning the violation(s). If you would like to have such a meeting, please contact Bridget Moody at (225) 765-0423 within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**.

III.

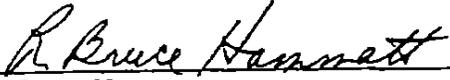
The Department is required by La. R.S. 30:2025(E)(3)(a) to consider the gross revenues of the Respondent and the monetary benefits of noncompliance to determine whether a penalty will be assessed and the amount of such penalty. Please forward the Respondent's most current annual gross revenue statement along with a statement of the monetary benefits of

noncompliance for the cited violation(s) to the above named contact person within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**. Include with your statement of monetary benefits the method(s) you utilized to arrive at the sum. If you assert that no monetary benefits have been gained, you are to fully justify that statement.

IV.

This **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is effective upon receipt.

Baton Rouge, Louisiana, this 11th day of June, 2003.



R. Bruce Hammatt
Assistant Secretary
Office of Environmental Compliance

Copies of a request for a hearing and/or related correspondence should be sent to:

Louisiana Department of Environmental Quality
Office of Environmental Compliance
Enforcement Division
P.O. Box 4312
Baton Rouge, LA 70821-4312
Attention: David R. Simmons