

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

GRAPHIC PACKAGING  
INTERNATIONAL, INC.

AI # 1432

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

\* Settlement Tracking No.  
\* SA-WE-15-0042  
\*  
\* Enforcement Tracking No.  
\* WE-CN-05-0446  
\* WE-CN-05-0446A  
\* WE-CN-05-0446B  
\* WE-CN-11-00808  
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SETTLEMENT

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

I

Respondent is a corporation that owns and/or operates a pulp, coated and uncoated paperboard mill facility located in Ouachita Parish, Louisiana ("the Facility").

II

On January 3, 2006, the Department issued to Respondent Consolidated Compliance Order & Notice of Potential Penalty, Enforcement Tracking No. **WE-CN-05-0446**, which was based upon the following findings of fact:

"The Respondent owns and/or operates an unbleached pulp, coated and uncoated paperboard mill located at 1000 Jonesboro Road, in West Monroe, Ouachita Parish, Louisiana. The Respondent facility was formerly known and operated as Riverwood International

Corporation (Riverwood). The Respondent name was changed from Riverwood International USA, Inc. on or about August 8, 2003. The Respondent was authorized to discharge certain qualities and quantities of treated sanitary and process wastewaters and stormwater runoff into the Ouachita River, Judy Slough, and Black Bayou, all waters of the state, under the terms and conditions of National Pollutant Discharge Elimination System (NPDES) permit LA0007617, issued by the U.S. Environmental Protection Agency (USEPA) effective October 26, 1987, and which expired on October 25, 1992. The USEPA reissued NPDES permit LA0007617 on or about September 30, 1993; however, this permit was contested by the Respondent with a request for an evidentiary hearing submitted on or about November 5, 1993. The USEPA never responded to the request; therefore, the 1993 permit was stayed and the Respondent continued to operate under the authorization of NPDES permit LA0007617 issued in 1987. The Respondent was also authorized to discharge process and sanitary wastewaters and stormwater runoff into the Ouachita River, Judy Slough, and Black Bayou, all waters of the state, under the terms and conditions of Louisiana Water Discharge Permit System (LWDPS) permit WP 1932 issued by the Department on December 15, 1995, and which expired on December 14, 2000. In May 2000, USEPA withdrew the contested 1993 NPDES permit. On July 6, 2000, USEPA delegated the permit file to the Department; therefore NPDES permit LA0007617 became Louisiana Pollutant Discharge Elimination System (LPDES) permit LA0007617 with the same terms and conditions. The Respondent did submit an LPDES permit application on or about April 28, 1998; therefore LWDPS permit WP 1932 and the 1987 issued LPDES permit LA0007617 have been administratively continued.

Wastewater from the Respondent's facility that is discharged via Outfall 401, as well as treated effluent from the City of West Monroe/West Ouachita POTW (the West Monroe POTW),

flows directly into an approximately 350-acre impoundment located at the facility. Such wastewaters are retained within the impoundment pending final discharge through Outfall 001 to the Ouachita River via an unnamed tributary. The Respondent is required to regulate the discharge from Outfall 001 based on the flow of the Ouachita River. The Respondent is authorized to discharge variable amounts of BOD<sub>5</sub> from Outfall 001 based on the flow of the Ouachita River. The Respondent controls the level of BOD<sub>5</sub> in Outfall 001 by holding the wastewater in the impoundment, as necessary, until Outfall 001 BOD<sub>5</sub> discharges are within permit limits.

In a letter submitted to the Department on or about December 19, 2005, the Respondent informed the Department that prolonged drought conditions in the Ouachita River Basin have resulted in an extremely low flow in the Ouachita River; therefore, normal discharges through Outfall 001 had been terminated since June 1, 2005, and the impoundment is now holding approximately 2.25 billion gallons of treated wastewater. The Respondent further noted that because the impoundment was nearing its holding capacity, overflow through Outfall 001 was probable and the Respondent thus anticipated non-compliance with the permitted BOD<sub>5</sub> limits.

At the Respondent's request, representatives of the Department and the Respondent met via teleconference on December 20, 2005 and personally on December 22, 2005 to discuss this situation, the anticipated noncompliance, and the appropriate response thereto.

In a letter to the Department on or about December 22, 2005, the Respondent reiterated its concerns to the Department; informed the Department that the only permit limit the Respondent expected to be violated was BOD<sub>5</sub>; further informed the Department that termination of the West Monroe POTW discharges was impossible and cessation of operations at the Respondent's facility could actually result in increased levels of wastewater discharged to the

impoundment and eventually through Outfall 001; proposed a path forward to address this situation; and formally requested the Department's issuance of a compliance order to facilitate a coordinated response to the expected, extended discharge event. The Respondent further noted that given the nature of the drought-like conditions which had resulted in the unusually low flow of the Ouachita River and that in turn had prevented normal discharges through Outfall 001; the Respondent believed this situation would qualify for the upset defense (*see, e.g.*, LAC 33:IX.2701.N) if the relevant BOD<sub>5</sub> limits were technology-based.

Any discharge by the Respondent through Outfall 001 in excess of the BOD<sub>5</sub> limits set forth in the LPDES permit and the LWDPDS permit will be in violation of LPDES permit LA0007617 (Part I, Page 2, Part II, Section A.1, and Part III), LWDPDS permit WP 1932 (Part I, Page 2 of 9, Part II, Section J, 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.2701.A.

A file review conducted by the Department on or about December 28, 2005, revealed the following effluent violations, as reported by the Respondent on its DMRs and Non-Compliance reports:

<b>Date</b>	<b>Outfall</b>	<b>Parameter</b>	<b>Permit Limit</b>	<b>Sample Value</b>
May 2004	002A	pH Max	9.0 SU	9.2 SU
March 2005	401A	TSS Daily Avg (loading)	23,745 lbs/day	24,410 lbs/day
June 2005	401A	BOD Daily Max (loading)	29,738 lbs/day	42,052 lbs/day
July 2005	401A	BOD Daily Max	29,738 lbs/day	40,559 lbs/day

Each effluent excursion is in violation of LPDES permit LA0007617 (Part I and Part II, 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.2701.A.

An inspection conducted by the Department on or about June 20, 2005, and a subsequent file review conducted by the Department on or about December 28, 2005, revealed that the

Respondent did cause or allow two unauthorized discharges into Judy Slough, waters of the state. Specifically, on or about June 20, 2005, approximately 20,800 gallons of sluiced ash was discharged into Judy Slough when a 12” clamp on the sluiced ash pipeline failed. The discharge was discovered at 8:45AM and the downstream floodgate at Outfall 002 was closed at 9:10AM, containing the release. The flow from the ash line ceased at 10:25AM. Laboratory samples taken at Outfall 002 revealed a pH value of 9.73 SU and a COD concentration of 66 mg/L. Although a representative of the Department noted a dead catfish (*Ictalurus punctatus*) at the location of the release, there were no other dead or dying fish observed in the slough. The contents of the slough were vacuumed up and the floodgate at Outfall 002 was reopened on or about June 24, 2005. The second unauthorized discharge occurred on or about November 20, 2005, as the result of a failure of a 30” clamp on the sluiced ash pipeline which released an unknown quantity of wood-fired boiler fly ash and sluicing medium into Judy Slough. The discharge was discovered at 8:15AM and the floodgate at Outfall 002 was closed at 8:30AM. Elevated pH values (>9.0 SU) were detected at Outfall 002. The floodgates were reopened on November 27, 2005. Each unauthorized discharge is in violation of LPDES permit LA0007617 (Part I and Part II, Section A.1), LWDPS permit WP 1932 (Part I 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.2701.A.”

On May 29, 2009\*, the Department issued to Respondent Consolidated Compliance Order & Notice of Potential Penalty, Enforcement Tracking No. **WE-CN-05-0446A**, which was based upon the following findings of fact:

“The Department hereby amends paragraph I of the Findings of Fact section to read as follows:

“I.

The Respondent owns and/or operates a pulp, paper, and paperboard mill located at 1000 Jonesboro Road, in West Monroe, Ouachita Parish, Louisiana. The Respondent is authorized to discharge certain quantities and qualities of treated wastewater and stormwater runoff into the Ouachita River, waters of the state, under the authority of Louisiana Pollutant Discharge Elimination System (LPDES) permit LA0007617, effective on November 1, 2006, and which expires on October 31, 2011. Previously, the Respondent was authorized to discharge certain quantities and qualities of treated sanitary and process wastewaters and stormwater runoff into the Ouachita River, Judy Slough, Toney Bayou and Black Bayou, all waters of the state, under the terms and conditions of National Pollutant Discharge Elimination System (NPDES) permit LA0007617, issued by the U.S. Environmental Protection Agency (USEPA) effective October 26, 1987, and which expired on October 25, 1992. The Respondent did submit a renewal application in a timely manner; therefore, NPDES permit LA0007617 was administratively continued. The USEPA reissued NPDES permit LA0007617 effective on or about November 1, 1993; however, this permit was contested by the Respondent with a request for an evidentiary hearing submitted on or about November 5, 1993. The USEPA did not respond to the request for an evidentiary hearing and the November 1, 1993 NPDES permit was stayed thus allowing the Respondent to continue operating under the October 1987 NPDES permit LA0007617. In a letter dated June 9, 2000, the USEPA withdrew the contested 1993 NPDES permit and on or about July 6, 2000, delegated the permit file to the Department; therefore NPDES permit LA0007617 became Louisiana Pollutant Discharge Elimination System (LPDES) permit LA0007617 with the same terms and conditions. The Respondent was also authorized to discharge process and sanitary wastewaters and stormwater runoff into the Ouachita River, Judy

Slough, and Black Bayou, all waters of the state, under the terms and conditions of Louisiana Water Discharge Permit System (LWDPS) permit WP 1932 issued by the Department on December 15, 1995, and which expired on December 14, 2000. The Respondent did submit an LPDES permit application on or about April 28, 1998; therefore LWDPS permit WP 1932 and LPDES permit LA0007617 were administratively continued.”

The Department hereby amends paragraph VII of the Findings of Fact section to read as follows:

“VII.

Inspections conducted by the Department on or about June 22, 2004, June 1, 2005, and June 13, 2006, and a file review conducted by the Department on or about April 30, 2007, revealed the following effluent violations, as reported by the Respondent on its DMRs and Non-Compliance reports:

<b>Date</b>	<b>Outfall</b>	<b>Parameter</b>	<b>Permit Limit</b>	<b>Sample Value</b>
February 2003	003A	COD Daily Max	150 mg/L	566 mg/L
October 2003	003A	Oil and Grease Daily Max	15 mg/L	17 mg/L
December 2003	003A	Oil and Grease Daily Max	15 mg/L	56 mg/L
May 2004	002A	pH Max	9.0 SU	9.2 SU
March 2005	401A	TSS Daily Avg (loading)	23,745 lbs/day	24,410 lbs/day
June 2005	401A	BOD Daily Max (loading)	29,738 lbs/day	42,052 lbs/day
	002A	pH Max	9.0 SU	9.4 SU
	002A	Oil and Grease Daily Max	15 mg/L	25 mg/L
July 2005	401A	BOD Daily Max (loading)	29,738 lbs/day	40,559 lbs/day
January 2006	002A	pH Max	9.0 SU	10.4 SU
February 2006	003A	pH Max	9.0 SU	11.6 SU
March 2006	002A	pH Max	9.0 SU	9.6 SU
	003A	pH Max	9.0 SU	10.5 SU
May 2006	003A	pH Max	9.0 SU	11.9 SU
November 2006	401A	BOD Daily Avg (loading)	18,364 lbs/day	20,278 lbs/day
		BOD Daily Max (loading)	36,219 lbs/day	38,709 lbs/day

Each effluent excursion is in violation of LPDES permit LA0007617 (Part I and Part II, 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.2701.A.”

The Department hereby inserts the following paragraph into the Findings of Fact section as follows:

“IX.

Inspections conducted by the Department on or about June 13, 2006, and November 9, 2006, and a file review conducted by the Department on or about April 30, 2007, revealed violations to LPDES permit LA0007617. Specifically, the Respondent has reported approximately seventy-two (72) releases of wastewater through outfall 001 into the Ouachita River, waters of the state, at BOD<sub>5</sub> loading levels greater than what is permitted in the hydrographic release provisions in LPDES permit LA0007617 for the period January-December 2006. Subsequent monitoring studies submitted by the Respondent have showed that there were only slight-localized impacts to the Ouachita River as a result of the discharges. Each discharge of wastewater at BOD<sub>5</sub> levels greater than the hydrographic release provisions is in violation of LA0007617 (Part I and Part II, 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.2701.A.”

The Department hereby inserts the following paragraph into the Compliance Order section as follows:

“IV.

Pending the anticipated modification of LPDES permit LA0007617 and to further protect water quality during periods when BOD<sub>5</sub> levels in Outfall 001 discharges are anticipated to be within permitted limits, the Respondent is required to comply with the following:

If Respondent chooses to discharge treated mill effluent (Internal Outfall 401) combined with municipal and parish sanitary wastewater through the diffuser associated with Outfall 001 to the Ouachita River during normal operations (i.e. when Respondent anticipates that its discharges will comply with the BOD<sub>5</sub> limits established at Outfall 001), the following limitations and requirements shall apply:



Except as otherwise provided below, Respondent shall comply with all terms, conditions, and requirements of the LPDES Permit. Until the LPDES Permit is modified to incorporate provisions that allow discharges through the diffuser associated with Outfall 001 during normal operations or Respondent is otherwise notified in writing by the Department, the following interim effluent limitations and monitoring requirements shall apply to Outfall 001 discharges during periods when Respondent anticipates that its discharges will comply with the BOD<sub>5</sub> limits established at Outfall 001:

Outfall 001

Effluent Characteristic	Daily Average	Daily Maximum	Sample Frequency	Sample Type
Flow-MGD	Report	Report	1/day while discharging	Estimate

Respondent shall only discharge wastewaters that are otherwise discharged through Outfall 001. During periods when Respondent is discharging through the diffuser associated with Outfall 001, the allowable BOD<sub>5</sub> discharges (in lbs/day) shall be calculated by multiplying the applicable concentration and conversion factor [8.34 (lb/million gallons)/mg/L] by the sum of the Outfall 001 and diffuser flows in accordance with the conditions set forth in Part II, Paragraph I and J of the LPDES Permit. Sampling of the diffuser discharges is not required since it is assumed to be substantially identical to the discharges at Outfall 001. If the BOD<sub>5</sub> discharges (combination of the diffuser discharges with that of the existing Outfall 001 discharges) exceed the calculated allowable BOD<sub>5</sub> permit limit, a BOD<sub>5</sub> exceedance will be deemed to have occurred at Outfall 001.

There shall be no discharge of floating solids or visible foam in other than trace amounts to the receiving stream. In addition, the following conditions must also be met when the Respondent uses the diffuser:

- a. the diffused discharge velocity must be sufficient to provide adequate mixing such that acutely toxic conditions are minimized;
- b. the diffused discharge must not adversely impact nursery areas for aquatic life species or indigenous wildlife associated with the aquatic environment except as provided in LAC 33:IX.1115.C.2 and 3, propagation areas, zones of passage for aquatic life, wildlife uses, recreational uses, or drinking water supply intakes;
- c. the diffused discharge must not cause erosion or scour of the water body banks or bottom;

- d. the diffused discharge must be submerged and located in areas with sufficient depth available so that surface water uses of the receiving water are not impaired and the design mixing capabilities of the diffuser are achieved;
- e. the diffused discharges must not be located in areas where the diffuser may be damaged or impaired by scouring, deposition, or periodic dredging; and
- f. diffused discharges must not be located in areas where eddies or whirlpools can cause buildup of effluent concentrations by obstructing or trapping the discharge jet flow.

The Department incorporates all of the remainder of the original Consolidated Compliance Order & Notice of Potential Penalty, Enforcement Tracking No. WE-CN-05-0446 and Agency Interest No. 1432 as if reiterated herein.”

On May 28, 2008, the Department issued to Respondent Consolidated Compliance Order & Notice of Potential Penalty, Enforcement Tracking No. **WE-CN-05-0446B**, which was based upon the following findings of fact:

“The Department hereby amends paragraph VII of Amended Consolidated Compliance Order & Notice of Potential Penalty, Enforcement Tracking No. WE-CN-05-0446A to read as follows:

“VII.

Inspections conducted by the Department on or about June 22, 2004; June 1, 2005; June 13, 2006; and June 26, 2007, and a file review conducted by the Department on or about April 8, 2008, revealed the following effluent violations, as reported by the Respondent on its DMRs and Non-Compliance reports:

Date	Outfall	Parameter	Permit Limit	Sample Value
February 2003	003A	COD Daily Max	150 mg/L	566 mg/L
October 2003	003A	Oil and Grease Daily Max	15 mg/L	17 mg/L
December 2003	003A	Oil and Grease Daily Max	15 mg/L	56 mg/L
May 2004	002A	pH Max	9.0 SU	9.2 SU
March 2005	401A	TSS Daily Avg. (loading)	23,745 lbs/day	24,410 lbs/day

<b>Date</b>	<b>Outfall</b>	<b>Parameter</b>	<b>Permit Limit</b>	<b>Sample Value</b>
June 2005	401A	BOD Daily Max (loading)	29,738 lbs/day	42,052 lbs/day
	002A	pH Max	9.0 SU	9.4 SU
	002A	Oil and Grease Daily Max	15 mg/L	25 mg/L
July 2005	401A	BOD Daily Max (loading)	29,738 lbs/day	40,559 lbs/day
January 2006	002A	pH Max	9.0 SU	10.4 SU
February 2006	003A	pH Max	9.0 SU	11.6 SU
March 2006	002A	pH Max	9.0 SU	9.6 SU
	003A	pH Max	9.0 SU	10.5 SU
May 2006	003A	pH Max	9.0 SU	11.9 SU
<b>Date</b>	<b>Outfall</b>	<b>Parameter</b>	<b>Permit Limit</b>	<b>Sample Value</b>
November 2006	401A	BOD Daily Avg. (loading)	18,364 lbs/day	20,278 lbs/day
		BOD Daily Max (loading)	36,219 lbs/day	38,709 lbs/day
December 2007	401A	BOD Monthly Avg.	18,364 lbs/day	20,708 lbs/day
	003Q	pH Max	9.0 S.U.	11.2 S.U.

Each effluent exceedance is in violation of LPDES permit LA0007617 (Part I 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.2701.A.”

The Department hereby amends Paragraph IX of Amended Consolidated Compliance Order & Notice of Potential Penalty, Enforcement Tracking No. WE-CN-05-0446A to read as follows:

“IX.

Inspections conducted by the Department on or about June 13, 2006, November 9, 2006, and June 26, 2007, and a file review conducted by the Department on or about May 21, 2008, revealed violations to LPDES permit LA0007617. Specifically, the Respondent has reported approximately seventy-six (76) releases of wastewater through outfall 001 into the Ouachita River, waters of the state, at BOD<sub>5</sub> loading levels greater than what is permitted in the hydrographic release provisions in LPDES permit LA0007617 for the period January 2006-December 2007. Subsequent monitoring studies submitted by the Respondent demonstrated that there were only slight-localized impacts to the Ouachita River as a result of the discharges. Each discharge of wastewater at BOD<sub>5</sub> levels greater than the hydrographic release provisions is in

violation of LA0007617 (Part I and Part II, 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.2701.A.”

The Department incorporates all of the remainder of the original Amended Consolidated Compliance Order & Notice Of Potential Penalty, Enforcement Tracking No. WE-CN-05-0446A and Agency Interest No. 1432 as if reiterated herein.”

On August 2, 2011, the Department issued to Respondent Consolidated Compliance Order & Notice of Potential Penalty, Enforcement Tracking No. **WE-CN-11-00808**, which was based upon the following findings of fact:

“The Respondent owns and/or operates an integrated pulp, coated and uncoated paper and paperboard mill located at 1000 Jonesboro Road, in West Monroe, Ouachita Parish, Louisiana. The Respondent is authorized to discharge certain qualities and quantities of treated sanitary and process wastewaters and stormwater runoff into the Ouachita River, Judy Slough, and Black Bayou, all waters of the state, under the terms and conditions of Louisiana Pollutant Discharge Elimination System (LPDES) permit LA0007617 effective November 1, 2006, and which will expire on October 31, 2011. Certain outfalls and monitoring requirements of LPDES permit LA0007617 was modified effective September 1, 2010. The Respondent did submit an LPDES permit application on or about April 18, 2011; This application was determined by the Department to be administratively complete on April 29, 2011.

The Respondent was issued Consolidated Compliance Order & Notice of Potential Penalty WE-CN-05-0446 on or about January 3, 2006, for violations of the Environmental Quality Act and the Louisiana Water Quality regulations and to provide interim effluent limitations and monitoring requirements during periods of low-flow conditions in the Ouachita River. This Consolidated Compliance Order & Notice of Potential Penalty mandated the

Respondent to take any and all steps necessary to meet and maintain compliance with LPDES permit LA0006289 and to submit a written response. The Respondent did submit a written response to the above-referenced action on or about January 20, 2006. The above-referenced enforcement action was subsequently amended by Amended Consolidated Compliance Order & Notice Of Potential Penalty WE-CN-05-0446A issued on or about May 29, 2007, and Amended Consolidated Compliance Order & Notice Of Potential Penalty WE-CN-05-0446B issued on or about May 28, 2008. Amended Consolidated Compliance Order & Notice Of Potential Penalty WE-CN-05-0446B is a final action of the Department and not subject to further review.

An inspection conducted by the Department on or about November 17, 2009, and a file review conducted by the Department on or about June 21, 2011, revealed the following effluent violations, as reported by the Respondent on its DMRs and Non-Compliance reports:

<b>Date</b>	<b>Outfall</b>	<b>Parameter</b>	<b>Permit Limit</b>	<b>Sample Value</b>
03/31/2008	401A	TSS, Daily Maximum	58648 lb/d	71231 lb/d
06/30/2008	002Q	pH, Instantaneous Maximum	9 SU	9.2 SU
12/31/2008	002Q	pH, Instantaneous Maximum	9 SU	10.2 SU
	102S	Fecal Coliform, Weekly Geometrical Average	400 #col/100mL	24490 #col/100mL
	401A	BOD, Daily Maximum	36219 lb/d	49509 lb/d
11/30/2009	401A	TSS, Daily Maximum	58648 lb/d	124328 lb/d
		TSS, Monthly Average	29578 lb/d	75322 lb/d
12/31/2009	401A	TSS, Daily Maximum	58648 lb/d	66868 lb/d
10/31/2010	001A	BOD, Daily Maximum	0 #exceedances/month	9 #exceedances/month
03/31/2011	001A	BOD, Daily Maximum	0 #exceedances/month	1 #exceedances/month

Each effluent excursion is in violation of Amended Consolidated Compliance Order & Notice Of Potential Penalty WE-CN-05-0446B, LPDES permit LA0007617 (Part I and Part II, 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.2701.A. Also noted during the November 17, 2009, inspection was that the Respondent failed to sample outfall 401 for TSS as outlined in LPDES permit LA0007617.

Specifically, the Respondent sampled outfall 401 for TSS only twice during the week of December 8, 2008, due to an internal miscommunication; LPDES permit LA0007617 requires that this outfall be sampled three times per week. This oversight was addressed in a letter to the Department dated January 8, 2010. The failure to sample outfall 401 as required is in violation of Amended Consolidated Compliance Order & Notice Of Potential Penalty WE-CN-05-0446B, LPDES permit LA0007617 (Part I and Part II, 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.2701.A.

An inspection conducted by the Department on or about November 17, 2009, and a subsequent file review conducted by the Department on or about June 21, 2011, revealed that the Respondent did experienced several discharges into Judy Slough, waters of the state, that traverses the facility and at the point of exiting the Respondent's facility is identified as stormwater outfall 002. The flow at Judy Slough can be controlled by sluice gates at the Respondent's property boundary. According to correspondence submitted to the Department, the Respondent experienced discharges of ash lime and/or other process water on or about: 2007: December 4; 2008: May 29, October, 11, 13, 15; 2009: January 12, 19, and May 14. The sluice gates were closed at each event and the discharged material was removed from Judy Slough and placed in the wastewater treatment process. There were no off-site impacts.

Since 2009, the Respondent has been cooperating with the City of West Monroe in constructing a new municipal wastewater-recycle facility that uses a dissolved air flotation process and a diatomaceous earth filtration and disinfection system that will allow the Respondent to use the treated wastewater as process water. This project will greatly reduce the amount of municipal wastewater being discharged into the Ouachita River and will also allow the Respondent's facility to significantly reduce the 10 MGD draw of groundwater that it

removes from the Sparta aquifer for its manufacturing process. The project is scheduled to be completed in late-2011.”

### III

The following violations, although not cited in the foregoing enforcement actions, are included within the scope of this settlement.

ISSUES/ VIOLATION	OUTFALL	BASIS FOR ISSUE/VIOLATION
BOD <sub>5</sub> Monitoring Frequency & Analytical Protocol	401A	DMR – Jan08, Feb08
Discharge violation. TSS (daily max.)	401A	DMR – Mar08 <b>CO&amp;NOPP WE-CN-11-0088</b>
Discharge to stormwater	002Q	DMR – Apr08, May08, Oct08, Jan09, Feb09, May09, Jun09
Discharge violation. pH	002Q	DMR – May08, Oct08 <b>CO&amp;NOPP WE-CN-11-0088</b>
Discharge violation. BOD <sub>5</sub> (daily max.)	401A	DMR – Dec08 <b>CO&amp;NOPP WE-CN-11-0088</b>
TSS Sampling & Analysis Frequency	401A	DMR – Dec08 <b>CO&amp;NOPP WE-CN-11-0088</b>
Discharge violation. Fecal Coliform (daily max.)	102	DMR – Nov08, Dec08 <b>CO&amp;NOPP WE-CN-11-0088</b>
Discharge to stormwater	002Q	NCR - Oct09
Discharge violation-- TSS (daily avg.)	401A	DMR – Nov09 <b>CO&amp;NOPP WE-CN-11-0088</b>

<b>ISSUES/ VIOLATION</b>	<b>OUTFALL</b>	<b>BASIS FOR ISSUE/VIOLATION</b>
Discharge violation-- TSS (daily max.)	401A	DMR – Nov09 <b>CO&amp;NOPP WE-CN-11-0088</b>
Discharge violation-- TSS (daily max.)	401A	DMR – Dec09 <b>CO&amp;NOPP WE-CN-11-0088</b>
Discharge violation -- BOD <sub>5</sub> (daily max.)	001A	<b>CO&amp;NOPP WE-CN-11-0088</b> DMR -- Oct10, Mar 11
Unauthorized Discharge to Judy Slough	N/A	<b>CO&amp;NOPP WE-CN-11-0088</b> DMR and/or NCR -- Dec07, May08, Oct08, Jan09, May09
Discharge to stormwater	N/A	DMR and/or NCR -- Apr11, May11, Feb12, and Aug12, Oct12, Feb14, Jul14, Oct14, Nov14
Unauthorized discharge	005Q	DMR and/or NCR -- Aug11, Oct14
BOD <sub>5</sub> and TSS Sampling & Analysis Frequency	401A	DMR -- Oct11
Flow calculation error	401A	Warning Letter WE-L-11-10441
Unauthorized Discharge to Judy Slough	N/A	DMR and/or NCR -- Jan12, Mar 14, Dec14, Jan15
Discharge violation -- Whole Effluent (Chronic) Toxicity	401A	DMR -- Sep12
Discharge violation -- BOD <sub>5</sub> (monthly avg.)	102S	DMR -- Dec12
Discharge violation -- BOD <sub>5</sub> (daily max.)	102S	DMR -- Dec12
Discharge violation -- Fecal Coliform (monthly avg.)	303S	DMR --Aug13, Sept13
Discharge violation -- Fecal Coliform (daily max.)	303S	DMR --Sep13, May14



ISSUES/ VIOLATION	OUTFALL	BASIS FOR ISSUE/VIOLATION
Unauthorized discharge - sanitary sewer release	N/A	DMR and/or NCR --Mar14

Issues/violations in the above table with the designation “CCO&NOPP WE-CN-11-0088” also may have been cited by the Department in Consolidated Compliance Order & Notice of Potential Penalty Enforcement Tracking No. WE-CN-11-0088.

IV

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

V

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 EIGHTY-FIVE THOUSAND ONE HUNDRED AND NO/00 DOLLARS (\$85,100.00) , of which One Thousand Nine Hundred Sixty-Six and No/100 Dollars (\$1,966.00) represents the Department’s enforcement costs, in settlement of the claims set forth in this agreement. The total amount of money expended by Respondent on cash payments to the Department as described above, shall be considered a civil penalty for tax purposes, as required by La. R.S. 30:2050.7(E)(1).

VI

Respondent further agrees that the Department may consider the inspection report(s)/permit record(s), the Consolidated Compliance Orders & Notices of Potential Penalty, and the Amended Consolidated Compliance Orders & Notices 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.

## VII

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.

## VIII

This settlement is being made in the interest of settling the state's claims and avoiding for both parties the expense and effort involved in litigation or an adjudicatory hearing. In agreeing to the compromise and settlement, the Department considered the factors for issuing civil penalties set forth in La. R. S. 30:2025(E) of the Act.

## IX

As required by law, the Department has submitted this Settlement Agreement to the Louisiana Attorney General for approval or rejection. The Attorney General's concurrence is appended to this Settlement Agreement.

## X

The Respondent has caused a public notice advertisement to be placed in the official journal of the parish governing authority in Ouachita Parish, Louisiana. The advertisement, in form and wording 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.

#### XI

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).

#### XII

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

#### XIII

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.

GRAPHIC PACKAGING INTERNATIONAL, INC.

BY: [Signature]  
(Signature)

Lauren S Teshima  
(Printed)

TITLE: SVP, General Counsel and Secretary

THUS DONE AND SIGNED in duplicate original before me this 29<sup>th</sup> day of December, 20 15, at Atlanta, Georgia.

[Signature]  
NOTARY PUBLIC (ID # \_\_\_\_\_)

**CARMEN R CADDELL**  
Notary Public, Gwinnett County, Georgia  
My Commission Expires July 23, 2016

(stamped or printed)

**LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY**  
Chuck Carr Brown, Ph.D., Secretary

BY: [Signature]  
Laurel Thomas Assistant Secretary  
Office of Environmental Compliance

THUS DONE AND SIGNED in duplicate original before me this 17<sup>th</sup> day of March, 2016, at Baton Rouge, Louisiana.

[Signature]  
NOTARY PUBLIC (ID # 19181)

Perry Theriot  
(stamped or printed)

Approved: [Signature]  
D. Chance McNeely, Assistant Secretary