

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

BASF CORPORATION

AI # 2049

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

* Settlement Tracking No.
* SA-HE-23-0049
*
* Enforcement Tracking No.
* HE-PP-22-00590
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SETTLEMENT AGREEMENT

The following Settlement Agreement is hereby agreed to between BASF 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

Respondent is a corporation that owned and/or operated a facility located in Geismar, Ascension Parish, Louisiana (“the Facility”).

II

On January 5, 2023, the Department issued to Respondent a Notice of Potential Penalty, Enforcement Tracking No. HE-PP-22-00590 (Exhibit 1).

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 TEN THOUSAND FIVE HUNDRED AND NO/100 DOLLARS (\$10,500.00), of which One Thousand Two Hundred Twenty-One and 55/100 Dollars (\$1,221.55) represents the Department's enforcement costs, in settlement of the claims set forth in this Settlement Agreement. The total amount of money expended by Respondent on cash payments to the Department as described above, shall be considered a civil penalty for tax purposes, as required by La. R.S. 30:2050.7(E)(1).

V

Respondent further agrees that the Department may consider the inspection report(s), the Notice of Potential Penalty and this Settlement Agreement 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 Settlement 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 Settlement Agreement in any action by the Department to enforce this Settlement Agreement.

VII

This Settlement Agreement 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 Agreement, the Department considered the factors for

issuing civil penalties set forth in La. R. S. 30:2025(E) of the Act.

VIII

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.

IX

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 and wording approved by the Department, announced the availability of this Settlement Agreement 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 Agreement is executed on behalf of the Department, more than forty-five (45) days have elapsed since publication of the notice.

X

Payment is to be made within thirty (30) days from notice of the Secretary's signature. If payment is not received within that time, this Settlement 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 attached hereto.

XI

In consideration of the above, any claims for penalties are hereby compromised and settled in

accordance with the terms of this Settlement Agreement.

XII

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.

BASF CORPORATION

BY: _____
(Signature)

(Printed)

TITLE: _____

THUS DONE AND SIGNED in duplicate original before me this _____ day of _____, 20 _____, at _____.

NOTARY PUBLIC (ID # _____)

(stamped or printed)

LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY
Roger W. Gingles, Secretary

BY: _____
Celena J. Cage, Assistant Secretary
Office of Environmental Compliance

THUS DONE AND SIGNED in duplicate original before me this _____ day of _____, 20 _____, at Baton Rouge, Louisiana.

NOTARY PUBLIC (ID # _____)

(stamped or printed)

Approved:  _____
Celena J. Cage, Assistant Secretary

JOHN BEL EDWARDS
GOVERNOR



CHUCK CARR BROWN, Ph.D.
SECRETARY

State of Louisiana
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE

JAN 05 2023

CERTIFIED MAIL (7020 3160 0000 9230 0878)
RETURN RECEIPT REQUESTED



BASF CORPORATION
c/o C T Corporation System
Agent for Service of Process
3867 Plaza Tower Drive
Baton Rouge, LA 70816

**RE: NOTICE OF POTENTIAL PENALTY
ENFORCEMENT TRACKING NO. HE-PP-22-00590
AGENCY INTEREST NO. 2049**

Dear Sir/Madam:

On or about November 30, 2021 through December 2, 2021 and December 9, 2021, an inspection of **BASF CORPORATION - GEISMAR SITE** (the facility), a hazardous waste generator and treatment, storage, and disposal facility, owned and/or operated by **BASF CORPORATION (RESPONDENT)**, was performed to determine the degree of compliance with the Louisiana Environmental Quality Act (the Act) and the Hazardous Waste Regulations. The facility is permitted to operate under Hazardous Waste Operating Permit No. LAD040776809-OP-RN-2, and is located at 8404 River Road in Geismar, Ascension Parish, Louisiana.

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

- A. The Respondent failed to maintain and operate its facility to minimize the possibility of an unplanned sudden or non-sudden release of hazardous wastes or hazardous constituents to air, soil, or surface water which could threaten human health or the environment, in violation of Hazardous Waste Operating Permit No. LAD040776809-OP-RN-2, Permit Conditions II.E.1 & III.A.1, LAC 33:V.1039.A, and LAC 33:V.309.A. Specifically, an incident report received by the Department's Single Point of Contact (SPOC) revealed that one thousand seven hundred forty-five (1,745) pounds of high pH hazardous wastewater (D002) was spilled outside of containment at the facility on or about November 30, 2021. A representative of the Respondent stated that while the hazardous wastewater (D002) was being transferred from the MDA production unit sump into a temporary container, it was sprayed outside of the

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containment area then migrated and accumulated into a nearby ditch. Subsequently, the spilled hazardous wastewater (D002) was pumped into a vacuum truck and transferred to the site biotreatment plant. Absorbent material was used to remove the remaining spilled hazardous wastewater (D002), and the contaminated soil and gravel was excavated. The absorbent material and the contaminated soil and gravel were collected and placed into a roll-off box for disposal. On or about September 14, 2022, a response submitted by a representative of the Respondent revealed that an investigation of the incident failed to determine the exact cause of the release, but it is believed that a hose must have become loose during the wastewater transfer operation in the area. Incidents such as this are prevented by pre-job planning and issuance of a safe work permit by Operations prior to starting the work. Corrective action was to review this specific incident with Operations and review the importance of securing all hoses during chemical transfer.

- B. The Respondent failed to clearly label containers used to store used oil with the words "Used Oil," in violation of LAC 33:V.4013.D.1. Specifically, on November 30, 2021, one (1) tote containing used oil located in the Arkel construction area was not labeled with the words "Used Oil." During the inspection, a representative of the Respondent labeled the tote with the words "Used Oil."
- C. The Respondent failed to label containers accumulating hazardous waste during storage at/or near the point of generation where the waste initially accumulated with an indication of the hazards of the contents, in violation of LAC 33:V.1011.A.5.b. Specifically, on November 30, 2021, one (1) full 5-gallon satellite accumulation container of hazardous waste and two (2) partially full 1-gallon satellite accumulation containers of hazardous waste located in the laboratories were not labeled with an indication of the hazards of the contents. During the inspection, a representative of the Respondent placed a label that read "toxic" on the 5-gallon satellite accumulation container of hazardous waste and labels that read "flammable" on the two (2) 1-gallon satellite accumulation containers of hazardous waste.
- D. The Respondent failed to perform daily inspections of a secondary containment system sufficient to detect cracks and gaps, as specified in LAC 33:V.1911, in violation of Hazardous Waste Operating Permit No. LAD040776809-OP-RN-2, Permit Conditions II.E.1 & V.A.2.c.i, and LAC 33:V.309.A. Specifically, facility personnel failed to perform daily inspections in a manner to detect cracks or gaps in the liner system of the secondary containment of permitted hazardous waste storage tanks TK-501, TK-502, TK-292, D-337X, D-465, TK-795, D-136, D-137, D-138, and D-415. An accumulation of algae and solids observed by the Department within the secondary containment system prohibits a proper and thorough inspection of the underlying secondary containment system components. On or about January 5, 2022, a representative of the Respondent provided documentation that revealed the buildup of algae and solids on the concrete surrounding the tanks have been removed.
- E. The Respondent failed to ensure the external liner system of the secondary containment system is free of cracks or gaps, in violation of Hazardous Waste Permit LAD040776809-OP-RN-2, Permit Conditions II.E.1 & V.A.2.c.iii, LAC 33:V.1907.E.1.c, and LAC 33:V.309.A. Specifically, the following observations were noted on December 1, 2021 and December 2, 2021:

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- i. The concrete coating of the secondary containment of permitted hazardous waste storage tank TK-292 had areas that were cracked where a stairway leading into the secondary containment had been removed and near a pump within the secondary containment. A representative of the Respondent stated there is a work order in place to repair the secondary containment. On or about September 14, 2022, a response submitted by a representative of the Respondent revealed that the cracked areas of the concrete coating of the secondary containment were repaired. The response also stated that a third-party inspection program was implemented for all permitted hazardous waste tank secondary containment areas.
 - ii. The concrete coating below permitted hazardous waste storage tank TK-1420 had areas without a coating and had blemishes/cracks, as well as, blemishes on the wall of the base that were peeling or flaking off. Additionally, there was a blemish on the south side of the concrete coating in the joint material. A representative of the Respondent stated there is a repair project in process for this area. On or about September 14, 2022, a response submitted by a representative of the Respondent revealed that a third-party inspection program was implemented for all permitted hazardous waste tank secondary containment areas. On or about November 9, 2022, a response submitted by a representative of the Respondent revealed that the concrete coating of the secondary containment was entirely recoated.
- F. The Respondent failed to keep containers holding hazardous waste closed during storage, except when it is necessary to add or remove waste, in violation of Hazardous Waste Permit LAD040776809-OP-RN-2, Permit Conditions II.E.1 & V.B.4, LAC 33:V.1015.B.1.d.i, and LAC 33:V.309.A. Specifically, on December 2, 2021, seven (7) full 20,000-gallon frac tanks storing hazardous waste "Waste Flammable Solids, Dimethylamine" (D001, U092) were not closed. During the inspection, a representative of the Respondent closed the hatches on the tanks.

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.

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(s). If you would like to have such a meeting, please contact Roselle Foote at (225) 219-3724 or roselle.foote@la.gov 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

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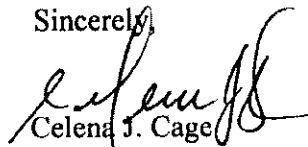
statement. If the Respondent chooses not to submit the requested most current annual gross revenues statement within ten (10) days, it will be viewed by the Department as an admission that the Respondent has the ability to pay the statutory maximum penalty as outlined in La. R.S. 30:2025.

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.

The Department assesses civil penalties based on LAC 33:I.Subpart1.Chapter 7. To expedite closure of this **NOTICE OF POTENTIAL PENALTY**, the Respondent may offer a settlement amount to resolve any claim for civil penalties for the violation(s) described herein. The Respondent may offer a settlement amount, but the Department is under no obligation to enter into settlement negotiations. The decision to proceed with a settlement is at the discretion of the Department. The settlement offer amount may be entered on the attached "**NOTICE OF POTENTIAL PENALTY REQUEST TO SETTLE**" form. The Respondent may submit the settlement offer within one hundred and eighty (180) days of receipt of this **NOTICE OF POTENTIAL PENALTY**. The Respondent must include a justification of the offer. **DO NOT** submit payment of the offer amount with the form. The Department will review the settlement offer and notify the Respondent as to whether the offer is or is not accepted.

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,



Celena J. Cage
Assistant Secretary

Office of Environmental Compliance

CJC/RSF/rsf
Alt ID No. LAD040776809

c: BASF Corporation
c/o Eric Hillman, Environmental Specialist
P.O. Box 457
Geismar, LA 70734

c: BASF Corporation
c/o Daniel Wolf
P.O. Box 457
Geismar, LA 70734

LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY
 OFFICE OF ENVIRONMENTAL COMPLIANCE
 ENFORCEMENT DIVISION
 POST OFFICE BOX 4312
 BATON ROUGE, LOUISIANA 70821-4312



**NOTICE OF POTENTIAL PENALTY
 REQUEST TO SETTLE (OPTIONAL)**

Enforcement Tracking No.	HE-PP-22-00590	Contact Name	Roselle Foote
Agency Interest (AI) No.	2049	Contact Phone No.	(225) 219-3724
Alternate ID No.	LAD040776809		
Respondent:	BASF Corporation	Facility Name:	BASF Corporation - Geismar Site
	c/o CT Corporation System	Physical Location:	8404 River Road
	Agent for Service of Process		
	3867 Plaza Tower Drive	City, State, Zip:	Geismar, LA 70734
	Baton Rouge, LA 70816	Parish:	Ascension

SETTLEMENT OFFER (OPTIONAL)

(check the applicable option)

- The Respondent is not interested in entering into settlement negotiations with the Department with the understanding that the Department has the right to assess civil penalties based on LAC 33:1.Subpart1.Chapter7.
- In order to resolve any claim for civil penalties for the violations in **NOTICE OF POTENTIAL PENALTY (HE-PP-22-00590)**, the Respondent is interested in entering into settlement negotiations with the Department and would like to set up a meeting to discuss settlement procedures.
- The Respondent may submit the settlement offer within one hundred and eighty (180) days of receipt of this **NOTICE OF POTENTIAL PENALTY (HE-PP-22-00590)**.
- In order to resolve any claim for civil penalties for the violations in **NOTICE OF POTENTIAL PENALTY (HE-PP-22-00590)**, the Respondent is interested in entering into settlement negotiations with the Department and offers to pay \$ _____ which shall include LDEQ enforcement costs and any monetary benefit of non-compliance.
 - Monetary component = \$ _____
 - Beneficial Environmental Project (BEP) component (optional)= \$ _____
 - **DO NOT SUBMIT PAYMENT OF THE OFFER WITH THIS FORM- the Department will review the settlement offer and notify the Respondent as to whether the offer is or is not accepted.**
- The Respondent has reviewed the violations noted in **NOTICE OF POTENTIAL PENALTY (HE-PP-22-00590)** and has attached a justification of its offer and a description of any BEPs if included in settlement offer.

CERTIFICATION STATEMENT

I certify, under provisions in Louisiana and United States law that provide criminal penalties for false statements, that based on information and belief formed after reasonable inquiry, the statements and information attached and the compliance statement above, are true, accurate, and complete. I also certify that I do not owe outstanding fees or penalties to the Department for this facility or any other facility I own or operate. I further certify that I am either the Respondent or an authorized representative of the Respondent.

Respondent's Signature	Respondent's Printed Name	Respondent's Title
Respondent's Physical Address	Respondent's Phone #	Date

MAIL COMPLETED DOCUMENT TO THE ADDRESS BELOW:

Louisiana Department of Environmental Quality
 Office of Environmental Compliance
 Enforcement Division
 P.O. Box 4312
 Baton Rouge, LA 70821
 Attn: Roselle Foote