

**STATE OF LOUISIANA**

**DEPARTMENT OF ENVIRONMENTAL QUALITY**

**IN THE MATTER OF:**

**FLOPAM INC.**

**AI # 166443**

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

\* **Settlement Tracking No.**  
\* **SA-AE-23-0048**  
\*  
\* **Enforcement Tracking No.**  
\* **AE-CN-20-00829**  
\*  
\*  
\* **Docket No. 2023-1536-DEQ**  
\*

**SETTLEMENT AGREEMENT**

The following Settlement Agreement is hereby agreed to between Flopam 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 manufacturing complex located in Plaquemine, Iberville Parish, Louisiana (“the Facility”).

**II**

On November 17, 2021, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement Tracking No. AE-CN-20-00829 (Exhibit 1).

**III**

In response to the Consolidated Compliance Order & Notice of Potential Penalty, Respondent made a timely request for a hearing.

**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 EIGHT THOUSAND AND NO/100 DOLLARS (\$8,000.00), of which One Thousand Five Hundred Fifty-Five and 83/100 Dollars (\$1,555.83) 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).

VI

Respondent further agrees that the Department may consider the inspection report(s), permit record(s), the Consolidated Compliance Order & 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.

VII

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.

VIII

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.

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 Iberville 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.

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 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.

XII

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

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.

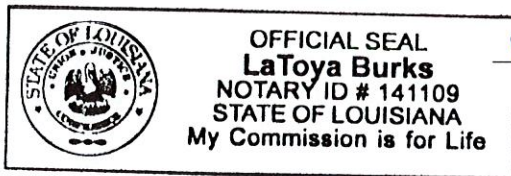
FLOPAM INC.

BY: Ivan Caldwell  
(Signature)

Ivan Caldwell  
(Printed)

TITLE: Site Director

THUS DONE AND SIGNED in duplicate original before me this 22nd day of August, 20 23, at Plaquemine, Louisiana.



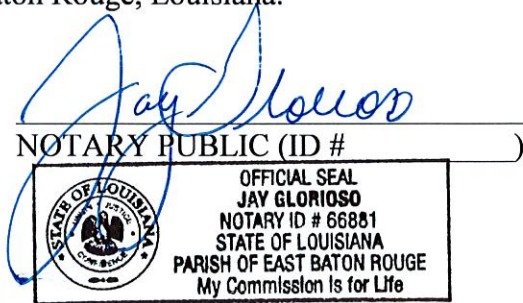
LaToya Burks #141109  
NOTARY PUBLIC (ID # 141109)

(stamped or printed)

LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY  
Roger W. Gingles, Secretary

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

THUS DONE AND SIGNED in duplicate original before me this 27th day of November, 20 23, at Baton Rouge, Louisiana.



Jay Glorioso  
NOTARY PUBLIC (ID # )

(stamped or printed)

Approved: Celena J. Cage  
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

NOV 17 2021

CERTIFIED MAIL (7019 2280 0000 4381 3952)  
RETURN RECEIPT REQUESTED

**FLOPAM INC.**  
c/o National Registered Agents, Inc.  
Agent for Service of Process  
3867 Plaza Tower Drive  
Baron Rouge, LA 70816

**RE: CONSOLIDATED COMPLIANCE ORDER  
& NOTICE OF POTENTIAL PENALTY  
ENFORCEMENT TRACKING NO. AE-CN-20-00829  
AGENCY INTEREST NO. 166443**

Dear Sir/Madam:

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 **FLOPAM INC. (RESPONDENT)** for the violation(s) described therein.

Compliance is expected within the maximum time period established by each part of the **COMPLIANCE ORDER**. The violation(s) cited in the **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** could result in the issuance of a civil penalty or other appropriate legal actions.

Any questions concerning this action should be directed to Gabrielle Green at (225) 219-3468 or [Gabrielle.Green2@la.gov](mailto:Gabrielle.Green2@la.gov).

Sincerely,

A handwritten signature in black ink that reads "Angela Marse".

Angela Marse  
Administrator  
Enforcement Division

AM/GJG/gjg  
Alt ID No. 1280-00141  
Attachment



c: Flopam Inc.  
c/o Timothy Kane, EHS Manager  
P.O. Box 1367  
Plaquemine, LA 70764

**STATE OF LOUISIANA  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
OFFICE OF ENVIRONMENTAL COMPLIANCE**

<p><b>IN THE MATTER OF</b></p> <p><b>FLOPAM INC.</b></p> <p><b>IBERVILLE PARISH</b></p> <p><b>ALT ID NO. 1280-00141</b></p> <p><b>PROCEEDINGS UNDER THE LOUISIANA ENVIRONMENTAL QUALITY ACT, La. R.S. 30:2001, ET SEQ.</b></p>	<p>*</p> <p>*</p> <p>*</p> <p>*</p> <p>*</p> <p>*</p> <p>*</p> <p>*</p> <p>*</p> <p>*</p>	<p><b>ENFORCEMENT TRACKING NO.</b></p> <p><b>AE-CN-20-00829</b></p> <p><b>AGENCY INTEREST NO.</b></p> <p><b>166443</b></p>
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**CONSOLIDATED**  
**COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY**

The following **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is issued to **FLOPAM INC. (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 **FLOPAM FACILITY (FACILITY)**, a manufacturing complex, located at 26790 Louisiana Highway 405 in Plaquemine, Iberville Parish, Louisiana. The Facility operates or has operated under the authority of the following Title V Permits:

Permit No.	Issued	Expiration Date
1280-00141-V13	May 5, 2021	May 5, 2026
1280-00141-V12	February 6, 2020	February 10, 2020
1280-00141-V11	September 12, 2015	February 10, 2020
1280-00141-V10	August 15, 2019	February 10, 2020
1280-00141-V9	June 21, 2019	February 10, 2020
1280-00141-V8	August 14, 2018	February 10, 2020
1280-00141-V7	December 28, 2017	February 10, 2020
1280-00141-V6	June 14, 2017	February 10, 2020
1280-00141-V5	January 7, 2016	February 10, 2020



1280-00141-V4	February 10, 2015	February 10, 2020
1280-00141-V3	May 13, 2013	June 14, 2015

II.

On or about July 22, 2020, the Department performed a compliance evaluation inspection of the Respondent's facility to determine the Respondent's degree of compliance with the Act, the Air Quality Regulations, and all applicable permits. While the review is not complete, the following violations were noted during the course of the inspection and/or subsequent file review conducted on October 14, 2021:

A. The Respondent failed to timely submit the following reports for Boiler B1 (EQT0402) and Boiler B2 (EQT0403):

1.	2020 First Title V Semiannual Report (September 23, 2020)	1280-00141-V11	Annual, biennial, and 5-year compliance reports must be postmarked or submitted no later than January 31.	January 31, 2020	(*Report certification date) Report submitted on January 28, 2020 without certification	Boiler Maximum Achievable Control Technology (MACT) report was not certified by Responsible Official (RO) by the due date. The RO did not receive an email from Environmental Protection Agency (EPA) notifying him that the Boiler MACT report was due for certification. Boiler MACT hard copy report was submitted on time to Louisiana Department of Environmental Quality (LDEQ) and the document on Central Data Exchange (CDX) was prepared on time, but it was not certified by the RO by the due date; therefore, the online submittal was late.	40 CFR 63.7550(b)(4), Specific Requirement No. 279
2.	2017 First Title V Semiannual Report (September 12, 2017)	1280-00141-V6	Annual, biennial, and 5-year compliance reports must be postmarked or submitted no later than January 31.	January 31, 2017	March 8, 2017	Late submittal of 2016 Annual Tune-Up reports	40 CFR 63.7550(b)(4), Specific Requirement No. 276
3.	Revised 2016 First Title V Semiannual Report (March 7, 2017)	1280-00141-V5	Annual, biennial, and 5-year compliance reports must be postmarked or submitted no later than January 31.	January 31, 2016	March 8, 2017	Late submittal of 2015 Annual Tune-Up reports	40 CFR 63.7550(b)(4), Specific Requirement No. 276

4.	Revised 2015 First Title V Semiannual Report (March 7, 2017)	1280-00141-V4	Annual, biennial, and 5-year compliance reports must be postmarked or submitted no later than January 31.	January 31, 2015	March 8, 2017	Late submittal of 2014 Annual Tune-Up Reports	40 CFR 63.7550(b)(4), Specific Requirement No. 278
5.	Revised 2013 Second Title V Semiannual Report (March 7, 2017)	1280-00141-V3	Annual, biennial, and 5-year compliance reports must be postmarked or submitted no later than January 31.	January 31, 2013	April 12, 2017	Late submittal of Boiler MACT Notice of Compliance Status for B1 Boiler	40 CFR 63.7550(b)(4), Specific Requirement No. 299

Each failure to submit a timely report is a violation of any applicable permit and associated requirement(s) listed above, 40 CFR 63.7550(b)(4), which language has been adopted as a Louisiana regulation in LAC 33:III.5122, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

B. The Respondent reported the following recordkeeping violations for Boiler B1 (EQT0402) and Boilers Group and Common Requirements (GRP00032) as listed in the table below:

1.	2017 First Title V Semiannual Report (September 12, 2017)	1280-00141-V6	EQT 0402 GRP00032	(*Report incident date)	The boilers shall comply with all applicable provisions of 40 CFR 63 Subpart DDDDD.	Before Tune-Up CO parts per million (ppm) and O <sub>2</sub> % readings not recorded	40 CFR 63.7540(a)(10), Specific Requirement No. 276
2.	Revised 2016 First Title V Semiannual Report (March 7, 2017)	1280-00141-V5	EQT 0402 GRP00032	(*Report incident date)	The boilers shall comply with all applicable provisions of 40 CFR 63 Subpart DDDDD.	Before Tune-Up CO parts per million (ppm) and O <sub>2</sub> % readings not recorded	40 CFR 63.7540(a)(10), Specific Requirement No. 276
3.	Revised 2015 First Title V Semiannual Report (March 7, 2017)	1280-00141-V4	EQT 0402 GRP00032	(*Report incident date)	The boilers shall comply with all applicable provisions of 40 CFR 63 Subpart DDDDD.	Before Tune-Up CO parts per million (ppm) and O <sub>2</sub> % readings not recorded	40 CFR 63.7540(a)(10), Specific Requirement No. 278
4.	Revised 2014 First Title V Semiannual Report (March 7, 2017)	1280-00141-V3	EQT 0402 GRP00032	(*Report incident date)	The boilers shall comply with all applicable provisions of 40 CFR 63 Subpart DDDDD.	Before Tune-Up CO parts per million (ppm) and O <sub>2</sub> % readings not recorded	40 CFR 63.7540(a)(10), Specific Requirement No. 299

5.	Revised 2013 First Title V Semiannual Report (March 7, 2017)	1280-00141-V3	EQT 0402 GRP00032	(*Report incident date)	The boilers shall comply with all applicable provisions of 40 CFR 63 Subpart DDDDD.	Before Tune-Up CO parts per million (ppm) and O <sub>2</sub> % readings not recorded	40 CFR 63.7540(a)(10), Specific Requirement No. 299
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Each failure to meet boilers group and common requirement for each component is a violation of any applicable permit and associated requirement(s) listed above, 40 CFR 63.7540(a)(10), which language has been adopted as a Louisiana regulation in LAC 33:III.5122, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

C. The Respondent reported the following monitoring violations for Sitewide Fugitive Emissions (FUG0001):

1.	2018 Title V Annual Compliance Certification (March 19, 2019)	1280-00141-V7	FUG0001	January 3, 2018	Monitor valves in gas/vapor service or light liquid service once per quarter.	Emulsion Plant Lines 5 and 6 began operation on December 4, 2017, and February 7, 2018, respectively. However, a total of nine (9) valves and thirteen (13) connectors were inadvertently not being monitored for the two (2) lines. Although there is no specific guidance in the Rule on when initial monitoring of new components must begin, per initial monitoring requirements in other equipment fugitive regulations (e.g., 40 CFR Part 60, Subpart VVa), Flopam assumes initial monitoring must be completed within 30 days of beginning operation of each line. Therefore, monitoring for valves and connectors should have been completed by at least January 3, 2018, for Line D and March 9, 2018, for Line 6. Initial monitoring for both lines was completed in February 2019. Since there were no leaks identified during initial monitoring, Flopam concludes there would have been no leaking components during the time period when the components were supposed to be monitored (initial monitoring only for connectors and three (3) subsequent months for valves). Connectors and valves (assuming no leaks detected during subsequent monitoring) will be on an annual monitoring schedule; therefore, had the monitoring been completed as required during the reporting period, additional monitoring for both connectors and valves was not required until the first half of 2019.	40 CFR 63.168(d)(2), Specific Requirement No. 210
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2.	2018 Title V Annual Compliance Certification (March 19, 2019)	1280-00141-V7	FUG0001	March 9, 2018	Monitor connectors in gas/vapor service or light liquid service once per year.	<p>Emulsion Plant Lines 5 and 6 began operation on December 4, 2017, and February 7, 2018, respectively. However, a total of nine (9) valves and thirteen (13) connectors were inadvertently not being monitored for the two (2) lines. Although there is no specific guidance in the Rule on when initial monitoring of new components must begin, per initial monitoring requirements in other equipment fugitive regulations (e.g., 40 CFR Part 60, Subpart VVa), Flopam assumes initial monitoring must be completed within 30 days of beginning operation of each line. Therefore, monitoring for valves and connectors should have been completed by at least January 3, 2018, for Line D and March 9, 2018, for Line 6. Initial monitoring for both lines was completed in February 2019. Since there were no leaks identified during initial monitoring, Flopam concludes there would have been no leaking components during the time period when the components were supposed to be monitored (initial monitoring only for connectors and three (3) subsequent months for valves). Connectors and valves (assuming no leaks detected during subsequent monitoring) will be on an annual monitoring schedule; therefore, had the monitoring been completed as required during the reporting period, additional monitoring for both connectors and valves was not required until the first half of 2019.</p>	40 CFR 63.174(b)(1), Specific Requirement No. 248
3.	2018 First Title V Semiannual Report (September 28, 2018)	1280-00141-V7	FUG0001	January 1, 2018 – March 31, 2018	While in Phase II, monitor valves in gas/vapor service of light liquid service quarterly.	<p>As allowed by the Miscellaneous Organic Chemical (MON) Rule, the facility is complying with the leak detection requirement under 40 CFR 63, Subpart H. Under this rule, new sources should comply with Phase II requirements upon start-up. The valves in Phase II were set to be monitored annually; however, they should have been monitored on a quarterly basis. While a portion of the total valves were monitored between January 1, 2018, and March 31, 2018, 676 valves were not monitored.</p>	40 CFR 63.168(c), Specific Requirement No. 208
4.	Revised 2017 Second Title V Semiannual Report (September 28, 2018)	1280-00141-V7	FUG0001	December 28, 2017 – December 31, 2017	While in Phase II, monitor valves in gas/vapor service of light liquid service quarterly.	<p>As allowed by the MON Rule, the facility is complying with the leak detection requirements under 40 CFR 63, Subpart H. Under this rule, new sources should comply with Phase II requirements upon start-up. The valves in Phase II were set to be monitored annually; however, they should have been monitored on a quarterly basis.</p>	40 CFR 63.168(c), Specific Requirement No. 208
5.	Revised 2017 Second Title V Semiannual Report (September 28, 2018)	1280-00141-V6	FUG0001	June 14, 2017 – December 27, 2017 (three (3) weeks)	While in Phase II, monitor valves in gas/vapor service of light liquid service quarterly.	<p>As allowed by the MON Rule, the facility is complying with the leak detection requirements under 40 CFR 63, Subpart H. Under this rule, new sources should comply with Phase II requirements upon start-up. The valves in Phase II were set to be monitored annually; however, they should have been monitored on a quarterly basis. A total of three (3) monitoring events were missed during the term of this permit.</p>	40 CFR 63.168(c), Specific Requirement No. 208

6.	Revised 2017 Second Title V Semiannual Report (September 28, 2018)	1280-00141-V5	FUG0001	May 21, 2017 – June 13, 2017	While in Phase II, monitor valves in gas/vapor service or light liquid service quarterly.	As allowed by the MON Rule, the facility is complying with the leak detection requirements under 40 CFR 63, Subpart H. Under this rule, new sources should comply with Phase II requirements upon start-up. The valves in Phase II were set to be monitored annually; however, they should have been monitored on a quarterly basis. One (1) valve was not monitored during the first quarter after initial startup.	40 CFR 63.168(c), Specific Requirement No. 208
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Each failure to meet fugitive emission requirements for each component is a violation of any applicable permit and associated requirement(s) listed above, 40 CFR 63, whose language has been adopted as a Louisiana regulation in LAC 33:III.5122, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

D. The Respondent reported the following weekly visible emissions violation for FUG0001 agitators:

1.	2019 First Title V Semiannual Report (September 20, 2019)	1280-00141-V8	FUG0001	February 10, 2019 – February 16, 2019 (one (1) week missed)	Conduct weekly visual inspection for indications of liquids dripping from the agitator.	Visual inspections for the fifteen (15) ATBS agitators were not performed for the calendar week of February 10, 2019.	40 CFR 63.173(b), Specific Requirement No. 236
2.	2018 Second Title V Semiannual Report (March 19, 2019)	1280-00141-V8	FUG0001	August 26, 2018 – September 16, 2018 (two (2) weeks missed)	Conduct weekly visual inspection for indications of liquids dripping from the agitator.	Visual inspections for the ATBS agitators were inadvertently not performed during the calendar weeks beginning August 26, 2018, and September 16, 2018. A total of thirteen (30) visual inspections were missed.	40 CFR 63.173(b), Specific Requirement No. 236
3.	2018 Second Title V Semiannual Report (March 19, 2019)	1280-00141-V7	FUG0001	July 1, 2018 – August 12, 2018 (four (4) weeks missed)	Conduct weekly visual inspection for indications of liquids dripping from the agitator.	Visual inspections for the ATBS agitators were inadvertently not performed during the calendar weeks beginning July 1, 2018, July 15, 2018, July 22, 2018, and August 12, 2018. Not all agitators were in liquid or gas/vapor service during each of the missed weeks. Accounting for the agitators that were not in service during the missed weeks, a total of eighteen (18) visual inspections were missed.	40 CFR 63.173(b), Specific Requirement No. 234

4.	2018 First Title V Semiannual Report (September 28, 2018)	1280-00141-V7	FUG0001	January 7, 2018 – May 26, 2018  (eight (8) weeks missed)	Conduct weekly visual inspection for indications of liquids dripping from the agitator.	Due to personnel changes and operational issues (the process has yet to reach steady state conditions), visual inspections for the ATBS agitators were not performed during the calendar weeks beginning January 7, 2018, January 14, 2018, March 11, 2018, March 25, 2018, April 1, 2018, April 8, 2018, May 13, 2018, and May 20, 2018. Not all agitators were in liquid or gas/vapor service during each of the missed weeks. Accounting for the agitators that were not in service during the missed weeks, a total of eighty (80) visual inspections were missed.	40 CFR 63.173(b), Specific Requirement No. 234
5.	Revised 2017 Second Title V Semiannual Report (September 28, 2018)	1280-00141-V5	FUG0001	May 21, 2017 – June 13, 2017  (four (4) weeks missed)	Conduct weekly visual inspection for indications of liquids dripping from the agitator.	Due to personnel changes and operations issues (difficulty during initial startup and achieving steady state), visual inspections for the ATBS agitators were not performed during the calendar weeks beginning May 21, 2017, May 28, 2017, June 4, 2017, and June 11, 2017. Not all agitators were in liquid or gas/vapor service during each of the missed weeks. After subtracting those that were not in service during the missed weeks, a total of thirty (30) individual inspections were missed.	40 CFR 63.173(b), Specific Requirement No. 234
6.	Revised 2017 Second Title V Semiannual Report (September 28, 2018)	1280-00141-V6	FUG0001	June 14, 2017 – December 27, 2017  (three (3) weeks missed)	Conduct weekly visual inspection for indications of liquids dripping from the agitator.	Due to personnel changes and operational issues (difficulty during initial startup and achieving steady state), visual inspections for the ATBS agitators were not performed during the calendar weeks beginning June 18, 2017, July 9, 2017, November 19, 2017. Not all agitators were in liquid or gas/vapor service during each of the missed weeks. After subtracting those agitators that were not in service during the missed weeks, a total of thirty-one (31) individual inspections were missed.	40 CFR 63.173(b), Specific Requirement No. 234

Each failure to perform weekly visual emissions inspections for each component is a violation of any applicable permit and associated requirement(s) listed above, 40 CFR 63.173(b), which language has been adopted as a Louisiana regulation in LAC 33:III.5122, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

E. The Respondent reported the following daily visible emissions violations for POB01 – Powder – Powder 1 Dust Collector (40) (Screening and Bagging Area) (EQT0642) and POB02 – Powder – Powder 2 Dust Collectors (40) (Screening and Bagging Area) (EQT0643):

1.	2018 Second Title V Semiannual Report (March 19, 2019)	1280-00141-V8	EQT0642 EQT0643	November 25, 2018  (28 dust collectors/bins missed)	Perform daily visible emissions checks and record results	Daily visible emissions inspections for twenty-eight (28) dust collectors/bin vents were inadvertently not completed. Daily visible emissions inspections for previous and subsequent days indicated that there were no excess emissions.	Specific Requirement Nos. 58 & 60
2.	2018 First Title V Semiannual Report (September 28, 2018)	1280-00141-V7	EQT0642 EQT0643	March 7, 2018 – May 25, 2018  (four (4) days for 23 units; two (2) days for two (2) units)	Perform daily visible emissions checks and record results	Shift supervisors conduct daily dust collector visible emission inspections at the beginning of their shift and record the information in a database. Though inspections were conducted on March 7, 2018, March 8, 2018, May 22, 2018, and May 29, 2018, records for the following dust collectors were not documented since the database was not working at the time the inspection were conducted: twenty-three (23) dust collectors on March 7, 2018, March 8, 2018, May 22, 2018, and May 29, 2018; two (2) dust collectors on May 22, 2018, and May 29, 2018.	Specific Requirement Nos. 58 & 60
				June 17, 2018  (one (1) day for 25 units)		Visible emissions inspections for twenty-five (25) units were inadvertently not completed on June 17, 2018.	
3.	2018 First Title V Semiannual Report (September 28, 2018)	1280-00141-V7	EQT0642 EQT0643	January 2, 2018 – March 19, 2018  (36 days missed for Bin Vent B02-CS10)	Perform daily visible emissions checks and record results	Prior to November 16, 2017, four (4) product handling silos with bin vents were vented to one (1) dust collector. On November 16, 2017, the silos were taken out of service and modified so that each bin vent had its own exhaust line. When two (2) of the four (4) silos were put back in service on November 20, 2017, their respective bin vents were inadvertently not added to the data recording system. As a result, the daily visible emissions inspections were not performed, and records were not maintained on the individual bin vents until mid-March 2018.	Specific Requirement Nos. 58 & 60
				January 2, 2018 – March 19, 2018  (34 days missed for Bin Vent B02-CS11)			

4.	2017 Second Title V Semiannual Report (March 27, 2018)	1280-00141-V6	EQT0642 EQT0643	November 20, 2017 – December 27, 2017  (eighteen (18) days for each bin vent)	Perform daily visible emissions checks and record results	Prior to November 16, 2017, four (4) product handling silos with bin vents were vented to one (1) dust collector. On November 16, 2017, the silos were taken out of service and modified so that each bin vent had its own exhaust line. When two (2) of the four (4) silos were put back in service on November 20, 2017, their respective bin vents were inadvertently not added to the data recording system. As a result, the daily visible emissions readings were not performed, and records were not maintained on the individual bin vents.	Specific Requirement Nos. 58 & 60
5.	2017 Second Title V Semiannual Report (March 27, 2018)	1280-00141-V7	EQT0642 EQT0643	December 28, 2017 – December 31, 2017  (four (4) days for each bin vent)	Perform daily visible emissions checks and record results	Prior to November 16, 2017, four (4) product-handling silos with bin vents were vented to one (1) dust collector. On November 16, 2017, the silos were taken out of service and modified so that each bin vent had its own exhaust line. When two (2) of the four (4) silos were put back in service on November 20, 2017, their respective bin vents were inadvertently not added to the data recording system. As a result, the daily visible emissions readings were not performed, and records were not maintained on the individual bin vents.	Specific Requirement Nos. 58 & 60

Each failure to perform daily visible emissions inspections is a violation of any applicable permit and associated requirement(s) listed above, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

- F. According to the 2017 Second Half Title V Semiannual Monitoring Report dated March 27, 2018, on August 17, 2017, the Respondent exceeded the opacity requirement for ATBS Plant Thermal Oxidizer TO-AD1 (EQT0372). According to the report, when transferring material from one (1) reactor to another, the opacity exceeded 20 percent for greater than one (1) six (6) minute period when the acrylonitrile rich vapors entered the thermal oxidizer after a valve on the gas vent lines were left open for 0.33 hours. This is a violation of Specific Requirement Nos. 42 & 43 of Title V Permit No. 1280-00141-V6, LAC 33:III.1311.C, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2). As a corrective action, the Respondent developed an operating procedure to avoid the wrong valve being left open when transferring material from one (1) vessel to another.
- G. According to the 2017 Second Half Title V Semiannual Monitoring Report dated March 27, 2018, on October 9 through December 27, 2017, the Respondent exceeded the maximum hourly emission limits for PO02



Powder Plant 2 –Process Sources (GRP0002). According to the report, the maximum hourly limits for total suspended particles (TSP) from the April 2014 permit modification application for TSP were exceeded for seventy-nine (79) days. The Respondent reported the exceedance from the limit provided in the April 2014 permit modification application; however, the modification application was dated July 18, 2014. This is a violation of Specific Requirement No. 284 of Title V Permit No. 1280-00141-V6, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1), and La R.S. 30:2057(A)(2). As a corrective action, the Respondent submitted a permit modification to increase the maximum hourly emission rates of particulate matter (PM) and PM less than 10 microns (PM<sub>10</sub>) on or about October 30, 2017. Title V Permit No. 1280-00141-V7 was issued to the Respondent on December 28, 2017, increasing the maximum hourly emission limit from 0.51 pounds per hour to 0.60 pounds per hour.

### COMPLIANCE ORDER

Based on the foregoing, the Respondent is **hereby ordered**:

I.

To take, immediately upon receipt of this **COMPLIANCE ORDER**, any and all steps necessary to meet and maintain compliance with the Act, the Air Quality Regulations, and all applicable permits.

II.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, a written report that includes the required information denoted by an asterisk (*\*Report certification date*) as referenced in Paragraph II.A.1 of the **FINDINGS OF FACT** portion of this action.

III.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, a written report that includes the required information denoted by an asterisk (*\*Report incident date*) as referenced in Paragraph II.B of the **FINDINGS OF FACT** portion of this action.

IV.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, a written report that includes the approximate number of components and/or

valves that were not monitored and the number of monitoring events missed as referenced in Paragraph II.C of the **FINDINGS OF FACT** portion of this action

V.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, a written report that includes the approximate number of daily visible emissions inspections missed as referenced in Paragraph II.E of the **FINDINGS OF FACT** portion of this action

VI.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, a written report that includes the approximate amount of TSP emissions for GRP0002 as referenced in as referenced in Paragraph II.G of the **FINDINGS OF FACT** portion of this action.

VII.

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**. This report and all other reports or information required to be submitted to the Enforcement Division by this **COMPLIANCE ORDER** shall be submitted to:

Office of Environmental Compliance  
Post Office Box 4312  
Baton Rouge, Louisiana 70821-4312  
**Attn: Gabrielle Green**  
**Re: Enforcement Tracking No. AE-CN-20-00829**  
**Agency Interest No. 166443**

**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. AE-CN-20-00829**  
**Agency Interest No. 166443**

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 Division of Administrative Law (DAL) Procedural Rules. 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. For violations which occurred on August 15, 2004, or after, civil penalties of not more than thirty-two thousand five hundred dollars (\$32,500) may be assessed for each day of violation. 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 Gabrielle Green at (225) 219-3468 or Gabrielle.Green2@la.gov 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. 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.

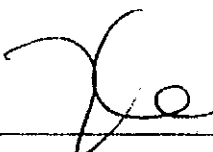
IV.

The Department assesses civil penalties based on LAC 33:1.Subpart1.Chapter7. To expedite closure of this **NOTICE OF POTENTIAL PENALTY** portion, 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 "**CONSOLIDATED COMPLIANCE ORDER AND NOTICE OF POTENTIAL PENALTY REQUEST TO CLOSE**" form. 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.

V.

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

Baton Rouge, Louisiana, this 17<sup>th</sup> day of November, 2021.

  
\_\_\_\_\_  
Lourdes Iturralde  
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: Gabrielle Green



LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY  
 OFFICE OF ENVIRONMENTAL COMPLIANCE  
 ENFORCEMENT DIVISION CONSOLIDATED COMPLIANCE ORDER &  
 POST OFFICE BOX 4312 NOTICE OF POTENTIAL PENALTY  
 BATON ROUGE, LOUISIANA 70821-4312 REQUEST TO CLOSE

Enforcement Tracking No.	AE-CN-20-00829	Contact Name	Gabrielle Green
Agency Interest (AI) No.	166443	Contact Phone No.	(225) 219-3468
Alternate ID No.	1280-00141		
Respondent:	Flopam Inc.	Facility Name:	Flopam Facility
	c/o National Registered Agents, Inc.	Physical Location:	26790 Louisiana Highway 405
	Agent for Service of Process		
	3867 Plaza Tower Drive	City, State, Zip:	Plaquemine, LA 70764
	Baton Rouge, LA 70816	Parish:	Iberville

**STATEMENT OF COMPLIANCE**

STATEMENT OF COMPLIANCE	Date Completed	Copy Attached?
A written report was submitted in accordance with Paragraph VII of the "Order" portion of the COMPLIANCE ORDER.		
All necessary documents were submitted to the Department within 30 days of receipt of the COMPLIANCE ORDER in accordance with Paragraph(s) II-VI of the "Order" portion of the COMPLIANCE ORDER.		
All necessary documents were submitted to the Department within 45 days of receipt of the COMPLIANCE ORDER in accordance with Paragraph(s) ? of the "Order" portion of the COMPLIANCE ORDER.		
All necessary documents were submitted to the Department within 90 days of receipt of the COMPLIANCE ORDER in accordance with Paragraph(s) ? of the "Order" portion of the COMPLIANCE ORDER.		
All items in the "Findings of Fact" portion of the COMPLIANCE ORDER were addressed and the facility is being operated to meet and maintain the requirements of the "Order" portion of the COMPLIANCE ORDER. Final compliance was achieved as of:		

**SETTLEMENT OFFER (OPTIONAL)**

*(check the applicable option)*

<input type="checkbox"/>	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:I.Subpart1.Chapter7.
<input type="checkbox"/>	In order to resolve any claim for civil penalties for the violations in CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY (AE-CN-20-00829), the Respondent is interested in entering into settlement negotiations with the Department and would like to set up a meeting to discuss settlement procedures.
<input type="checkbox"/>	In order to resolve any claim for civil penalties for the violations in CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY (AE-CN-20-00829), 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. <ul style="list-style-type: none"> <li>• Monetary component = \$ _____</li> <li>• Beneficial Environmental Project (BEP) component (optional)= \$ _____</li> <li>• <b>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.</b></li> </ul>
<input type="checkbox"/>	The Respondent has reviewed the violations noted in CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY (AE-CN-20-00829) and has attached a justification of its offer and a description of any BEPs if included in settlement offer.

CERTIFICATION STATEMENT		
<p><i>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.</i></p>		
Respondent's Signature	Respondent's Printed Name	Respondent's Title
Respondent's Physical Address	Respondent's Phone #	Date
<b>MAIL COMPLETED DOCUMENT TO THE ADDRESS BELOW:</b>		
<p>Louisiana Department of Environmental Quality                      Office of Environmental Compliance                      Enforcement Division                      P.O. Box 4312                      Baton Rouge, LA 70821                      Attn: Gabrielle Green</p>		

### WHAT IS A SETTLEMENT AGREEMENT?

Once the Department has determined that a penalty is warranted for a violation, the Assistant Secretary of the Department, with the concurrence of the Attorney General, may enter into a settlement agreement with the Respondent as a means to resolve the Department's claim for a penalty.

### HOW DOES THE SETTLEMENT AGREEMENT PROCESS WORK?

To begin the settlement agreement process, the Department must receive a written settlement offer. Once this offer is submitted, it is sent for approval by the Assistant Secretary of the Office of Environmental Compliance. The formal Settlement Agreement is drafted and sent to the Attorney General's office where the Attorney General has a 90 day concurrence period. During this time, the Respondent is required to run a public notice in an official journal and/or newspaper of general circulation in each affected parish. After which, a 45 day public comment period is opened to allow the public to submit comments. Once the Department has received concurrence, the settlement agreement is signed by both parties. The Department then forwards a letter to the responsible party to establish a payment plan and/or beneficial environmental project (BEP).

### WHAT SHOULD I INCLUDE IN A SETTLEMENT AGREEMENT?

The Department uses the penalty determination method defined in LAC 33:1.705 as a guideline to accepting settlement offers. The penalty matrix is used to determine a penalty range for each violation based on the two violation specific factors, the nature and gravity of the violation and the degree of risk/impact to human health and property.

		NATURE AND GRAVITY OF THE VIOLATION		
		MAJOR	MODERATE	MINOR
DEGREE OF RISK OR IMPACT TO HUMAN HEALTH OR PROPERTY	MAJOR	\$32,500 to \$20,000	\$20,000 to \$15,000	\$15,000 to \$11,000
	MODERATE	\$11,000 to \$8,000	\$8,000 to \$5,000	\$5,000 to \$3,000
	MINOR	\$3,000 to \$1,500	\$1,500 to \$500	\$500 to \$100

#### Degree of Risk to Human Health or Property

**Major:** (actual measurable harm or substantial risk of harm) A violation of major impact to an environmental resource or a hazard characterized by high volume and/or frequent occurrence and/or high pollutant concentration.

**Moderate:** (potential for measurable detrimental impact) A violation of moderate impact and hazard may be one characterized by occasional occurrence and/or pollutant concentration that may be expected to have a detrimental effect under certain conditions

**Minor:** (no harm or risk of harm) A violation of minor impact are isolated single incidences and that cause no measurable detrimental effect or are administrative in nature.

#### Nature and Gravity of the Violation

**Major:** Violations of statutes, regulations, orders, permit limits, or permit requirements that result in negating the intent of the requirement to such an extent that little or no implementation of requirements occurred.

**Moderate:** Violations that result in substantially negating the intent of the requirements, but some implementation of the requirements occurred.

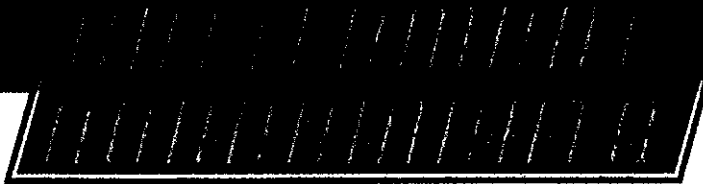
**Minor:** Violations that result in some deviation from the intent of the requirement; however, substantial implementation is demonstrated.

The range is adjusted using the following violator specific factors:

1. history of previous violations or repeated noncompliance;
2. gross revenues generated by the respondent;
3. degree of culpability, recalcitrance, defiance, or indifference to regulations or orders;
4. whether the Respondent has failed to mitigate or to make a reasonable attempt to mitigate the damages caused by the violation; and
5. whether the violation and the surrounding circumstances were immediately reported to the department, and whether the violation was concealed or there was an attempt to conceal by the Respondent.







Given the previous information, the following formula is used to obtain a penalty amount.

$$\text{Penalty Event Total} = \text{Penalty Event Minimum} + (\text{Adjustment Percentage} \times (\text{Penalty Event Maximum} - \text{Penalty Event Minimum} ))$$

After this, the Department adds any monetary benefit of noncompliance to the penalty event. In the event that a monetary benefit is gained due to the delay of a cost that is ultimately paid, the Department adds the applicable judicial interest. Finally, the Department adds all response costs including, but not limited to, the cost of conducting inspections, and the staff time devoted to the preparation of reports and issuing enforcement actions.

**WHAT IS A BEP?**

A BEP is a project that provides for environmental mitigation which the respondent is not otherwise legally required to perform, but which the defendant/respondent agrees to undertake as a component of the settlement agreement. Project categories for BEPs include public health, pollution prevention, pollution reduction, environmental restoration and protection, assessments and audits, environmental compliance promotion, and emergency planning, preparedness and response. Other projects may be considered if the Department determines that these projects have environmental merit and is otherwise fully consistent with the intent of the BEP regulations.

**WHAT HAPPENS IF MY OFFER IS REJECTED?**

If an offer is rejected by the Assistant Secretary, the Legal Division will contact the responsible party, or anyone designated as an appropriate contact in the settlement offer, to discuss any discrepancies.

**WHERE CAN I FIND EXAMPLES AND MORE INFORMATION?**

- Settlement Offers ..... searchable in EDMS using the following filters  
Media: Air Quality, Function: Enforcement, Description: Settlement
- Settlement Agreements ..... Enforcement Division's website  
specific examples can be provided upon request
- Penalty Determination Method ..... LAC 33:1 Chapter 7
- Beneficial Environmental Projects ..... LAC 33:1 Chapter 25
- Judicial Interest..... FAQs  
provided by the Louisiana State Bar Association

