

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

INDORAMA VENTURES OLEFINS LLC

AI # 5337

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

* Settlement Tracking No.
* SA-MM-21-0093
*
* Enforcement Tracking No.
* MM-PP-18-00485
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SETTLEMENT

The following Settlement is hereby agreed to between Indorama Ventures Olefins LLC (“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 limited liability company that owns and/or operates a chemical production facility located in Westlake, Calcasieu Parish, Louisiana (“the Facility”).

II

On November 19, 2018, the Department issued to Respondent a Notice of Potential Penalty, Enforcement Tracking No. MM-PP-18-00485 (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 TWENTY-FIVE THOUSAND TWO HUNDRED AND NO/100 DOLLARS (\$25,200.00), of which Four Thousand One Hundred Fifty-Four and 89/100 Dollars (\$4,154.89) 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).

V

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

VI

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

VII

This settlement is being made in the interest of settling the state's claims and avoiding for both parties the expense and effort involved in litigation or an adjudicatory hearing. In agreeing to the compromise and settlement, the Department considered the factors for issuing civil penalties set

forth in 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 Calcasieu 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.

X

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).

XI

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

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.

INDORAMA VENTURES OLEFINS LLC

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

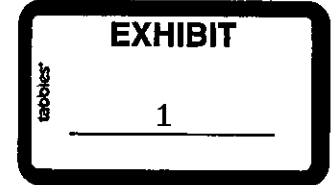


JOHN BEL EDWARDS
GOVERNOR

CHUCK CARR BROWN, Ph.D.
SECRETARY

State of Louisiana
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE

November 19, 2018



CERTIFIED MAIL (7017 1070 0000 2657 8120)
RETURN RECEIPT REQUESTED

INDORAMA VENTURES OLEFINS LLC
c/o Corporation Service Company
Agent for Service of Process
501 Louisiana Avenue
Baton Rouge, LA 70802

**RE: NOTICE OF POTENTIAL PENALTY
ENFORCEMENT TRACKING NO. MM-PP-18-00485
AGENCY INTEREST NO. 5337**

Dear Sir/Madam:

On or about March 27, 2018, and April 19, 2018, inspections of **INDORAMA VENTURES OLEFINS LLC - LAKE CHARLES FACILITY**, a chemical production facility, owned and/or operated by **INDORAMA VENTURES OLEFINS LLC (RESPONDENT)**, was performed to determine the degree of compliance with the Louisiana Environmental Quality Act (the Act) and the Hazardous Waste and Solid Waste Regulations. The facility is located at 4300 Highway 108 South in Westlake, Calcasieu Parish, Louisiana. The Respondent is classified as a large quantity generator of hazardous waste and operates under EPA Identification No. LAD981052376.

An anonymous compliant was submitted to Department on March 16, 2018, alleging that the facility was out of compliance with several requirements of the Hazardous Waste and Solid Waste Regulations.

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 March 27, 2018, and April 19, 2018 inspections:

- A. The Respondent failed to maintain records indicating the time frame during which solid waste had been stored, in violation of LAC 33:VII.503.A.1. Specifically, during the March 27, 2018 inspection, the Respondent failed to maintain records indicating the time frame of storage for twelve (12) of fourteen (14) roll off boxes located in the universal waste and asbestos storage area. During the April 19, 2018 inspection, only four (4) of the roll off boxes remained onsite, and three (3) of the roll off boxes were

Indorama Ventures Olefins LLC

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labeled with an accumulation start date. The Respondent failed to maintain records indicating the storage time for the other roll off box. In a response submitted by the Respondent dated August 15, 2018, the Respondent stated that records of the time frame of storage for all boxes are currently maintained, and this requirement and similar requirements were covered during hazardous waste regulatory requirements training with facility employees. Additionally, the Respondent stated that the universal waste was properly disposed of on April 24, 2018, as documented by Manifest #017559236JJK. In a response dated September 10, 2018, the Respondent submitted a copy of Manifest #017559236JJK to the Department showing proper disposal of the universal waste.

- B. The Respondent stored universal waste for longer than one (1) year from the date the universal waste was generated, or received from another handler, in violation of LAC 33:V.3825.A. Specifically, the March 27, 2018 inspection revealed universal waste lamps in one area of a Conex storage container located in the universal waste and asbestos storage area had an accumulation start date of November 2016. In a response submitted by the Respondent dated August 15, 2018, the Respondent stated that hazardous waste regulatory requirements training was conducted with facility employees, which included universal waste requirements. Additionally, the Respondent stated that the universal waste was properly disposed of on June 13, 2018, as documented by Manifest #017560537JJK. In a response dated September 10, 2018, the Respondent submitted a copy of Manifest #017560537JJK to the Department showing proper disposal of the universal waste.
- C. The Respondent failed to mark containers of universal waste with an accumulation start date, in violation of LAC 33:V.3825.C. Specifically, the March 27, 2018 inspection revealed four (4) boxes of universal waste lamps located in a Conex storage container in the universal waste and asbestos storage area were not labeled with an accumulation start date. The April 19, 2018 inspection revealed the universal waste accumulation start date was listed as "unknown." In a response submitted by the Respondent dated August 15, 2018, the Respondent stated that hazardous waste regulatory requirements training was conducted with facility employees, which included universal waste requirements. Additionally, the Respondent stated that the universal waste was properly disposed of on April 24, 2018, as documented by Manifest #017559236JJK. In a response dated September 10, 2018, the Respondent submitted a copy of Manifest #017559236JJK to the Department showing proper disposal of the universal waste.
- D. The Respondent failed to mark each container accumulating hazardous waste at or near the point of generation where the waste initially accumulates with the words "Hazardous Waste" or with other words that identify the contents of the containers, in violation of LAC 33:V.1109.E.4. Specifically, the March 27, 2018 inspection revealed two (2) full drums and three (3) partially full drums, which contained discarded paint waste (D001) and equipment cleaning spent solvents (F003, F005, and D001) and were located near the Lake Area Industrial contractor area, were not properly labeled. The April 19, 2018 inspection revealed the drums were labeled with the words "Hazardous Waste."
- E. The Respondent failed to clearly label or mark each container accumulating an excess of fifty-five (55) gallons of hazardous waste at or near the point of generation with the words "Hazardous Waste" as specified in LAC 33:V.1109.E.1.d, in violation of LAC

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- 33:V.1109.E.5. Specifically, the March 27, 2018 inspection revealed two (2) full drums and three (3) partially full drums, which contained discarded paint waste (D001) and equipment cleaning spent solvents (F003, F005, and D001) and were located near the Lake Area Industrial contractor area, were not properly labeled. The April 19, 2018 inspection revealed the drums were labeled with the words "Hazardous Waste."
- F. The Respondent failed to mark containers containing hazardous waste with an accumulation start date as specified in LAC 33:V.1109.E.1.c, in violation of LAC 33:V.1109.E.5. Specifically, two (2) full drums and three (3) partially full drums, which contained discarded paint waste (D001) and equipment cleaning spent solvents (F003, F005, and D001) and were located near the Lake Area Industrial contractor area, were not labeled with an accumulation start date. Following the March 27, 2018 inspection, four (4) of the drums were moved to the less than ninety (90) day storage area. During the April 19, 2018 inspection, no satellite accumulation containers were observed without an accumulation start date. In a response dated August 15, 2018, the Respondent stated that hazardous waste regulatory requirements training was conducted with facility employees, which included the container labeling and dating requirements.
- G. The Respondent stored regulated hazardous waste for more than ninety (90) days without a permit or other authorization, in violation of LAC 33:V.303.B. Specifically, the March 27, 2018 inspection revealed two (2) drums located in the less than ninety (90) day storage area were marked with an accumulation start date of December 21, 2017, and one (1) drum located in the less than ninety (90) day storage area was marked with an accumulation start date of October 17, 2017. The drums contained discarded paint waste (D001) and equipment cleaning spent solvents (F003, F005, and D001). In a response submitted by the Respondent dated August 15, 2018, the Respondent stated hazardous waste regulatory requirements training was conducted with facility employees, which included the ninety (90) day storage limitation. Additionally, the Respondent stated that the three (3) drums were properly disposed of on April 24, 2018, as documented by Manifest #017559236JJK. In a response dated September 10, 2018, the Respondent submitted a copy of Manifest #017559236JJK to the Department showing proper disposal of the waste.
- H. The Respondent failed to mark containers containing hazardous waste with an accumulation start date, in violation of LAC 33:V.1109.E.1.c. Specifically, the following containers were not marked with an accumulation start date:
1. The April 19, 2018 inspection revealed six (6) drums located in the less than ninety (90) day storage area had an unknown or blank accumulation start date on the hazardous waste labels. In a response submitted by the Respondent dated August 15, 2018, the Respondent stated that the hazardous waste regulatory requirements training was conducted with facility employees, which included container labeling and dating requirements. The response also stated that the six (6) drums were properly disposed of on April 24, 2018, as documented by Manifest #017559236JJK. In a response dated September 10, 2018, the Respondent submitted a copy of Manifest #017559236JJK to the Department showing proper disposal of the drums.
 2. The March 27, 2018 inspection revealed roll-off boxes SLD-26-6217 and SLD-25-3937 and frac tanks SV26293L, SV33864L, SV23116RLM, and

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SV23100RLM, which all contained discarded hazardous waste (D018), were not labeled with an accumulation start date. During the April 19, 2018 inspection, the remaining onsite containers (SLD-26-6217, SLD-25-3937, and SV26293L) were marked with an accumulation start date.

- I. The Respondent failed to inspect areas where containers are stored at least weekly in accordance with LAC 33:V.2109.A, in violation of LAC 33:V.1109.E.1.a.i. Specifically, during the March 27, 2018 inspection, a representative of the Respondent stated that the facility had not performed weekly inspections of the less than ninety (90) day storage area for at least six weeks prior to the inspection. During the April 19, 2018 inspection, a facility representative provided documentation of weekly inspections of the less than ninety (90) day storage area from May 11, 2017, to October 21, 2017, and from April 10, 2018, and April 16, 2018. In a response submitted by the Respondent dated August 15, 2018, the Respondent stated that the inspections are now being conducted and documented weekly. Additionally, as stated in the response, the Respondent provided additional training with facility employees on the weekly inspections.
- J. The Respondent failed to maintain inspection records in accordance with LAC 33:V.2109.C, in violation of LAC 33:V.1109.E.1.a.i. Specifically, during the March 27, 2018, inspection, the facility representatives were unable to provide past weekly inspection records of the less than ninety (90) day storage area. During the April 19, 2018 inspection, a facility representative provided documentation of weekly inspections of the less than ninety (90) day storage area from May 11, 2017, to October 21, 2017, and from April 10, 2018, and April 16, 2018. In a response submitted by the Respondent dated August 15, 2018, the Respondent stated that the inspections are now being conducted and documented weekly. Additionally, as stated in the response, the Respondent provided additional training with facility employees on the weekly inspections.
- K. The Respondent offered solid waste to transporters that have not received authorization and/or the required permits necessary to receive and/or manage the generator's solid waste, in violation of LAC 33:VII.315.O. Specifically, during the April 19, 2018 inspection, a facility representative provided information to the Department relating to approximately 206 25-yard boxes of purportedly non-hazardous soil solid waste disposed of at the WM-Newton County Landfill and transported by Impact Waste (TXR000084111). Impact Waste did not notify the Department as a Solid Waste Transporter in accordance with LAC 33:VII.401.A. In a response submitted by the Respondent dated August 15, 2018, the Respondent stated that hazardous waste regulatory requirements training was conducted with facility employees, which included offering solid waste to authorized transporters.
- L. The Respondent failed to perform hazardous waste determinations for waste materials at the facility, in violation of LAC 33:V.1103.B. Specifically, the Respondent failed to determine whether approximately ninety-two (92) twenty-five (25) yard roll-off boxes disposed by the facility were a hazardous waste. The roll-off boxes contained waste originating from the railcar loading area project and were disposed of at the WM-Newton County Landfill utilizing a waste profile (profile 963163LA). Profile 963163LA was an old profile determined in 2016 for "soil and clean-up debris contaminated with hydrocarbons from a product spill, associated with vehicle accidents

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or minor spills experienced during fuel transfer.” Profile 963163LA indicated that the solid waste was not a hazard. A facility representative stated that no further evidence existed showing that any sampling had been conducted from January 1, 2018, to February 16, 2018, to confirm that the solid waste originating from the railcar loading area project matched the waste profile 963163LA.

- M. The Respondent failed to clearly label or mark each container of hazardous waste with the words “Hazardous Waste,” in violation of LAC 33:V.1109.E.1.d. Specifically, the March 27, 2018 inspection revealed roll-off boxes SLD-25-6217 and SLD-25-3937 and frac tanks SV26293L, SV33864L, SV23116RLM, and SV23100RLM, which all contained discarded hazardous waste (D018), were not properly labeled. During the April 19, 2018 inspection, the remaining onsite containers (SLD-25-6217, SLD-25-3937, and SV26293L) were marked with the words “Hazardous Waste.” In a response submitted to the Department dated August 15, 2018, the Respondent stated that hazardous waste regulatory requirements training was conducted with facility employees, which included container labeling requirements.
- N. The Respondent failed to ensure container storage areas have an adequate containment system, in violation of LAC 33:V.2111.A. Specifically, the March 27, 2018 inspection revealed the portable berm liners present under frac tanks SV26293L, SV33864L, SV23116RLM, and SV23100RLM, which all contained discarded hazardous waste (D018), were all knocked over and inadequate for containment. The April 19, 2018 inspection revealed frac tanks SV33864L, SV23116RLM, and SV23100RLM had been removed from the site, and the contents of all four (4) frac tanks had been emptied and properly disposed of. In a response submitted by the Respondent dated August 15, 2018, the Respondent stated that the Respondent conducted hazardous waste regulatory requirements training with facility employees, which included containment requirements.

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 Cynthia Arrison at (225) 219-3796 within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**.

The Department is required by La. R.S. 30:2025(E)(3)(a) to consider the gross revenues of the Respondent and the monetary benefits of noncompliance in order to determine whether a penalty will be assessed and the amount of such penalty. Please forward the Respondent’s most current annual gross revenue statement along with a statement of the monetary benefits of noncompliance for the cited violations to the above named contact person within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**. Include with your statement of monetary benefits the method(s) you utilized to arrive at the sum. If you assert that no monetary benefits have been gained, you are to fully justify this statement. If the Respondent chooses not to submit the requested most current annual gross revenues

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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 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,


Lourdes Iturralde
Assistant Secretary
Office of Environmental Compliance

LI/cla
Alt ID No. LAD981052376
Attachment

c: Indorama Ventures Olefins, LLC
c/o Todd Hogue, HSE Director
4300 Highway 108 South
Westlake, LA 70669

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.	MM-PP-18-00485	Contact Name	Cynthia Arrison
Agency Interest (AI) No.	5337	Contact Phone No.	(225) 219-3796
Alternate ID No.	LAD981052376		
Respondent:	INDORAMA VENTURES OLEFINS LLC	Facility Name:	Indorama Ventures Olefins, LLC – Lake Charles Facility
	c/o Corporation Service Company	Physical Location:	4300 Highway 108 South
	Agent for Service of Process		
	501 Louisiana Avenue	City, State, Zip:	Westlake, LA 70669
	Baton Rouge, LA 70802	Parish:	Calcasieu

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 (MM-PP-18-00485), the Respondent is interested in entering into settlement negotiations with the Department and would like to set up a meeting to discuss settlement procedures.
_____	In order to resolve any claim for civil penalties for the violations in NOTICE OF POTENTIAL PENALTY (MM-PP-18-00485), 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"> • 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 (MM-PP-18-00485) 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: Cynthia Arrison