

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

SOLVAY USA LLC

AI # 193924

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

* **Settlement Tracking No.**
* **SA-AE-24-0054**
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* **Enforcement Tracking No.**
* **AE-CN-15-01279**
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SETTLEMENT AGREEMENT

The following Settlement Agreement is hereby agreed to between Solvay USA 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 an aroma performance facility located in Baton Rouge, East Baton Rouge Parish, Louisiana (“the Facility”).

II

On April 2, 2020, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement Tracking No. AE-CN-15-01279 (Exhibit 1).

The following violation, although not cited in the foregoing enforcement action, is included within the scope of this settlement:

On August 17, 2022, the Respondent reported an incident (T-210079) of an unauthorized release of ethanol vapor at the CathyVal facility. In the written notification submitted to the Department on August 24, 2022, it was reported that the leak began on or about August 8, 2022 and

the cause of the leak was a Pressure Safety Valve (PSV) that was improperly installed on a vessel by a contractor after routine maintenance was performed at the facility in July 2022. The bolts on the PSV (01PSV805.106) were only hand tightened by the contractor, which was insufficient to seal the valve to the vessel. On August 17, 2022, the operations crew on shift noticed the ethanol tank levels dropping faster than usual and detected the smell of ethanol around the Vanessa Unit, subsequently locating the leaking PSV (01PSV805.106). The loose bolts were tightened by the crew on shift, stopping the leak. The Respondent reported that approximately 17,107 lbs. of ethanol vapor was released into the air between August 8, 2022, and August 17, 2022, approximately nine (9) days. The preventable release of 17,107 lbs. of ethanol vapor is a violation of 40 CFR 68.73(f)(2), LAC 33:III.905.A, La. R.S. 30:2057(A)(1), and La. R.S. 30:2057(A)(2).

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-SEVEN THOUSAND FIVE HUNDRED AND NO/100 DOLLARS (\$27,500.00), of which Four Thousand Three Hundred Forty-Three and 87/100 Dollars (\$4,343.87) 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), 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.

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 East Baton Rouge 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. The Respondent shall provide its tax identification number when submitting payment. 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.

SOLVAY USA LLC

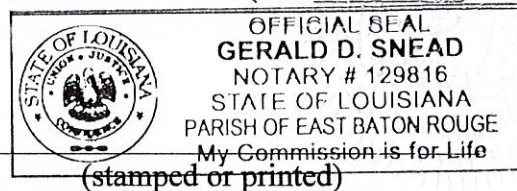
BY: [Signature]
(Signature)

BRANDON VINCENT
(Printed)

TITLE: Site Manager

THUS DONE AND SIGNED in duplicate original before me this 28th day of
JANUARY, 20 25, at BATON ROUGE LA.

[Signature]
NOTARY PUBLIC (ID # _____)



LOUISIANA DEPARTMENT OF
ENVIRONMENTAL QUALITY
Aurelia S. Giacometto, Secretary

BY: [Signature]
Jerrie "Jerry" Lang, Assistant Secretary
Office of Environmental Compliance

THUS DONE AND SIGNED in duplicate original before me this 30th day of
April, 20 25, at Baton Rouge, Louisiana.

[Signature]
NOTARY PUBLIC (ID # 51205)

Approved: [Signature]
Jerrie "Jerry" Lang, Assistant Secretary

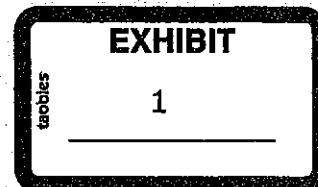
JOHN BEL EDWARDS
GOVERNOR



CHUCK CARR BROWN, Ph.D.
SECRETARY

State of Louisiana
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE

April 2, 2020



CERTIFIED MAIL (7018 2290 0000 5826 1494)
RETURN RECEIPT REQUESTED

SOLVAY USA INC.
c/o Corporation Service Company
Agent for Service of Process
501 Louisiana Avenue
Baton Rouge, LA 70802

RE: **CONSOLIDATED COMPLIANCE ORDER
& NOTICE OF POTENTIAL PENALTY
ENFORCEMENT TRACKING NO. AE-CN-15-01279
AGENCY INTEREST NO. 193924**

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 SOLVAY USA INC. (RESPONDENT) for the violations described therein.

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

Any questions concerning this action should be directed to Madison Kirkland at (225) 219-3165 or Madison.Kirkland@la.gov

Sincerely,

Celena J. Cage
Administrator
Enforcement Division

CJC/MLK/mlk
Alt ID No. 2184
Attachment

c: Solvay USA Inc.
c/o Thomas D. Horvath
1275 Airline Highway
Baton Rouge, LA 70805

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

IN THE MATTER OF

**SOLVAY USA INC.
EAST BATON ROUGE PARISH
ALT ID NO. 2184**

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

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*
* **ENFORCEMENT TRACKING NO.**
*
* **AE-CN-15-01279**
*
* **AGENCY INTEREST NO.**
* **193924**
*

**CONSOLIDATED
COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY**

The following **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is issued to **SOLVAY USA 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 the CathyVal Plant (the Facility), an aroma performance facility, located at 1275 Airline Highway in Baton Rouge, East Baton Rouge Parish, Louisiana. The facility operates or has operated under the authority of the following Air Quality Permits:

UNIT	PERMIT NO.	ISSUE DATE	EFFECTIVE EXPIRATION DATE
CathyVal Plant	2184-V1	4/20/2007	8/16/2010
	2184-V2	4/25/2011	4/25/2016
	2184-V3	4/26/2012	4/25/2016
	0840-00430-00	2/19/2015	-
	0840-00430-01	7/5/2016	-
	0840-00430-02	6/20/2017	-

II.

On or about September 14, 2015, September 15, 2015, and September 23, 2015, the Department conducted an inspection of the facility to determine the degree of compliance with the Act, the Air Quality Regulations, and all applicable permits.

While the investigation by the Department is not yet complete, the following violations were noted during the course of the inspections and subsequent file review conducted on January 27, 2020.

A. The Respondent reported the following exceedances:

	REPORT (date)	PERMIT NUMBER	EMISSION POINT	INCIDENT DATE (duration)	POLLUTANTS RELEASED (permit limit)	QUANTITY REPORTED (unit)	REPORTED CAUSE	REGULATORY or PERMIT REQUIREMENTS
1.	2 nd Half Semiannual Report 2014 Part 70 General Conditions K and R (3/30/2015)	2184-V3	Waste Water Treatment System (GRPO014)	Annual 2014	Pyrocatechol 0.05tpy	0.07 tpy	The permit limits were based on historical data, which are now out of date. The historical data generally reflects one turnaround per year whereas in 2014 the CATHY had 2 turnarounds (one unexpected due to equipment failure). The Respondent submitted a permit modification application on 10/13/2015, and the CathyVal Plant Title V Permit 2184-V3 was combined with Boiler State Permit No 0840-00430-00. The modified permit No 0840-00430-01 was issued on 7/5/2016, which addressed all sources based on current facility operations.	LAC 33:III.501.C.4
					Phenol 0.03tpy	0.05 tpy		
2.	2 nd Half Semiannual Report 2014 Part 70 General Conditions K and R (3/30/2015) Deviation Report for Scrubber (3/24/2015)		Condensation Scrubber C-201 (EQT0019)	1/1/2015-3/10/2015 Annual 2014, as a conservative estimate for 2014. The Respondent estimated that 0% control for the whole year.	VOC max lbs/hr 0.02 VOC 0.05tpy	0.91 Max lbs/hr 3.33 tpy	During the Vanessa Unit turnaround, it was discovered that the packing in the condensation Vent Scrubber C201 was not in the scrubbing column but was in the water tank below the column. The packing support plate of the column, which holds the packing in place, was also found in the bottom of the water tank. It is unknown at this time how long the packing was missing.	LAC 33:III.501.C.4 LAC 33:III.905
3.	1st Half Semiannual Report 2014 Part 70 General Conditions K and R (Revised) (10/9/2015)		Scrubber C-624 (EQT0045)	1/18/2014-1/19/2014 6 hrs	VOC max lbs/hr 0.002	1.81 lbs/hr	Exceedances due to the operator's neglect to restart the scrubber when the unit was coming back up after an inter-campaign. As corrective action for this violation, alarm logic and graphics were improved for all scrubbers	LAC 33:III.501.C.4 LAC 33:III.905

	REPORT (date)	PERMIT NUMBER	EMISSION POINT	INCIDENT DATE (duration)	POLLUTANTS RELEASED (permit limit)	QUANTITY REPORTED (unit)	REPORTED CAUSE	REGULATORY or PERMIT REQUIREMENTS
4.	Unauthorized Discharge Notification Report T-165767 (9/1/2015)	2184-V3	Vanessa Scrubber C-248 (EQT0021)	8/24/2015	Methyl Isobutyl Ketone (MIBK) (<0.03 lb/hr)	Ranged from 0.202- 0.363 lb/hr	Flow rate was below the minimum flow rate of 1.55gpm. During this period, the facility experienced an electrical power blip. The loss of power and steam pressure resulted in the Vanessa Unit shutdown. The water flow to the scrubbers dropped during this period but was returned to normal operating range. The Respondent stated that an operator error contributed to the duration of the low scrubber flow. The failure to minimize the duration of the scrubber flow rate resulted in the excess emission above permitted limit of MIBK to the atmosphere. The Respondent stated that a total of 4.8 lbs of MIBK were released during this event. The Respondent stated that the scrubber flow was corrected the next morning. In addition, the operator was to receive refresher training on scrubber operation parameter.	LAC 33:III.501.C.4 LAC 33:III.905.

Each emission exceedance is a violation of any applicable permit and associated requirement(s) listed above, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

B. The Respondent reported the following violations from permitted operating parameters:

	REPORT (date)	PERMIT NUMBER	EMISSION POINT	INCIDENT DATE (duration)	OPERATING PARAMETER	REPORTED CAUSE	REGULATORY or PERMIT REQUIREMENTS
1.	2014 Scrubber Annual Report 3/30/2015	2184-V3	Scrubber C-201 (EQT0019)	1/23/14-1/24/14 20hrs	Flow rate \geq 2.1 gpm 4hr rolling average	Operator's logs indicate difficult to control scrubber flows due to pressure fluctuations. Flow rate is below the minimum flow rate of 2.1 gpm.	Specific Requirement 31
				1/30/14 8hrs			
2.			Scrubber C-415 (EQT0028)	1/17/2014- 1/18/2014 8hrs	Flow rate \geq 18.0 gpm 4hr rolling average	Operator's failure to start scrubber flows after intercampaign. Flow rate below the minimum flow rate of 18.0 gpm	Specific Requirement 60
3.			PC Flake Vent Scrubber (EQT0094)	4/15/2014- 4/16/2014 20hrs	Flow rate \geq 0.22 gpm 4hr rolling average	Instrumentation issues with flowmeter. Low flows were found to be false readings based on other information. Flowmeter was replaced. Flow rate below the minimum flow rate of 0.22 gpm	Specific Requirement 236
				9/6/2014 8hrs		Flow dropped slightly for unknown reason. Flow rate below the minimum flow rate of 0.22 gpm	
4.			Phenolic Reactor Vent Scrubber C-209 (EQT0076)	5/5/2014 8hrs	Flow rate \geq 0.46 gpm 4hr rolling average	Issues with flow drifting continue even after a manual valve adjustment. Respondent did not react fast enough. Flow rate below the minimum flow rate of 0.46 gpm	Specific Requirement 191
				5/13/2014 4hrs			
				6/2/2014- 6/3/2014 16hrs			
				9/11/2014 4hrs		Flow dropped slightly for unknown reason. Flow rate below the minimum flow rate of 0.46 gpm	

	REPORT (date)	PERMIT NUMBER	EMISSION POINT	INCIDENT DATE (duration)	OPERATING PARAMETER	REPORTED CAUSE	REGULATORY OR PERMIT REQUIREMENTS				
5.	2nd Half Semiannual Report 2014 Part 70 General Conditions K and R (3/30/2015)	2184-V3	Predephenolizing Vent Condenser (EQT0289)	7/11/2014 4hrs	Maximum temperature shall be maintained at 13 Degree Celsius (4-hr average).	This occurred during a test conducted on the chiller that provides chilled water to the condenser. An outside vendor was onsite to conduct a plant- wide study to find ways to reduce energy consumption. As part of the study, the chiller temperature was increased to determine impact and permit limit was inadvertently exceeded.	Specific Requirements 377, 414				
	Solvent Vent Condenser (EQT0251)										
6.	1st Half Semiannual Report 2015 Part 70 General Conditions K and R (9/28/2015)		Light Tank Farm Scrubber C-165 (EQT0009)	1/14/15 4hrs rolling average	Flow rate \geq 2.0 gpm (4-hr average)	Flow rate below the minimum flow rate of 2.0 gpm. Cause not reported. Flow rate fell to 1.9 gpm	Specific Requirement 2				
7.				2/20/15 12hrs	Flow rate \geq 2.0 gpm (4-hr average).	Flow rate below the minimum flow rate of 2.0 gpm. Cause not reported. Flow rate fell between 1.0 gpm to 1.7gpm					
8.	1st Half Semiannual Report 2014 Part 70 General Conditions K and R (Revised) (10/9/2015)		Scrubber C-427 (EQT0031)	1/18/2014	Flow rate \geq 2.4 gpm (4-hr average)	Flow rate below the minimum flow rate of 2.4 gpm. Flow rate dropped to 1.2 gpm due to the operator's neglect to restart the scrubber when the unit was coming back up after an inter- campaign. As corrective action for this violation, alarm logic and graphics were improved for all scrubbers	Specific Requirement 77				
9.	1st Half Semiannual Report 2014 Part 70 General Conditions K and R (Revised) (10/9/2015)					1/19/2014 4hrs	Scrubber water temperature \leq 42F on a daily average except when the oxidation/ neutralization section is shut down	Scrubber water temperature was above 42° F due to the operator's neglect to restart the scrubber when the unit was coming back up after an inter- campaign. As corrective action for this violation, alarm logic and graphics were improved for all scrubbers.	Specific Requirement 74		
10.										Scrubber C-624 (EQT0045)	1/18/2014
11.			1/18/2014- 1/19/2014	VOC Vapor control \geq 95%	VOC Vapor control less than 95% due to the operator's neglect to restart the scrubber when the unit was coming back up after an inter-campaign. As corrective action for this violation, alarm logic and graphics were improved for all scrubbers						
12.	2nd Half Semiannual Report 2015 Part 70 General Conditions K and R (3/28/2016)					Solvent 1 Vent Scrubber C-248/ Vanessa Scrubber (EQT0021)	8/24/2015 4hrs	Flow rate \geq 1.95 gpm 4hr rolling average	Flow rate below the minimum flow rate of 1.95 gpm. During this period, the facility experienced an electrical power blip. The loss of power and steam pressure resulted in the Vanessa Unit shutdown. The water flow to the scrubbers dropped during this period but was returned to normal operating range. The Respondent stated that an operator error contributed to the duration of the low scrubber flow.	Specific Requirement 42	

	REPORT (date)	PERMIT NUMBER	EMISSION POINT	INCIDENT DATE (duration)	OPERATING PARAMETER	REPORTED CAUSE	REGULATORY or PERMIT REQUIREMENTS
13.	2nd Half Semiannual Report 2015 Part 70 General Conditions K and R (3/28/2016)	2184-V3	Solvent Vent Condenser (EQ10251)	12/13/2015 4hrs	Maximum temperature shall be maintained at 13 Degree Celsius	During this period, the chiller used to control the water temperature solvent condenser encountered a mechanical trip. As a result, the water temperature was increased higher than the permitted maximum of 13 Degree Celsius. The Respondent reported this did not cause an emission rate exceedance.	Specific Requirement 377
14.			Predephenolizing Vent Condenser (EQ10289)	12/13/2015 8hrs	Maximum temperature shall be maintained at 13 Degree Celsius (4-hr average).	During this period, the chiller used to control the water temperature Predephenolizing Vent Condenser encountered a mechanical trip. As a result, the water temperature was increased higher than the permitted maximum of 13 Degree Celsius. The Respondent reported this did not cause an emission rate exceedance.	Specific Requirement 414

Each failure to operate according to permitted requirements is a violation of any applicable permit and associated requirement(s) listed above, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

C. The Respondent failed to operate the scrubbers and condensers within the permitted limits.
The following violations were found during the Department's inspection:

	REPORT (date)	PERMIT NUMBER	EMISSION POINT	INCIDENT DATE (duration)	OPERATING PARAMETER	REPORTED CAUSE	REGULATORY or PERMIT REQUIREMENTS
1.	N/A	2184-V3	Vanillin Extraction Scrubber C-427 (EQ10031)	1/26/2014 4hrs	Flow rate \geq 2.4 gpm daily average	The inspection report dated September 14, 2015, September 15, 2015, and September 23, 2015, stated that the review of the flow rates for the scrubbers were out of range for the permitted limit.	Specific Requirement 77
2.			Phenolic Reactor Vent Scrubber C-209 (EQ10076)	9/6/2015 4hrs	Flow rate \geq 0.46 gpm 4hr rolling average		Specific Requirement 191
3.			Lignin Tank Farm Scrubber C-165 (EQ10009)	1/8/2015 4hrs	Flow rate \geq 2.0 gpm 4hr rolling average		Specific Requirement 2
				1/13/2015 4hrs			
				2/11/2015 4hrs			
4.			Solvent 1 Vent Scrubber C-248 (EQ10021)	8/25/2015 12hrs	Flow rate \geq 1.95 gpm 4hr rolling average		Specific Requirement 42
5.			Baghouse Filter/Scrubber C-704 (EQ10051)	5/1/2015 4hrs	Flow rate \geq 175 gpm 4hr rolling average		Specific Requirement 128
6.			PC Flaker Vent Scrubber C-561 (EQ10094)	9/6/2015 8hrs	Flow rate \geq 0.22 gpm 4hr rolling average	Specific Requirement 236	

	REPORT (date)	PERMIT NUMBER	EMISSION POINT	INCIDENT DATE (duration)	OPERATING PARAMETER	REPORTED CAUSE	REGULATORY OR PERMIT REQUIREMENTS
7.	N/A	2184-V3	Vanillin Extraction Scrubber C-427 (EQ10091)	2/2/2014 4hrs	Scrubber water temperature $\leq 42^{\circ}\text{F}$ on a daily average except when the oxidation/ neutralization section is shut down.	The inspection report dated September 14, 2015, September 15, 2015, and September 23, 2015, stated that the review of the temperatures for the condensers were out of range for the permitted limit.	Specific Requirement 74
8.			Solvent Vent Condenser F-401 (EQ10251)	8/25/2015 4hrs	Maximum temperature shall be maintained at 13 Degree Celsius		Specific Requirement 377
9.			Predephenolizing Vent Condenser E-418 (EQ10289)	8/25/2015 4hrs	Maximum temperature shall be maintained at 13 Degree Celsius (4-hr average)		Specific Requirement 414

Each failure to operate according to permitted requirements is a violation of any applicable permit and associated requirement(s) listed above, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). Additionally, each failure to submit a 2015 2nd Semiannual Monitoring Report, 2015 Annual Compliance Certification and 2015 Annual Scrubber Report clearly identifying all instances of deviations listed above from permitted monitoring requirements is a violation of Title V Permit No. 2184-V3, LAC 33:III.501.C.4, LAC 33:III.535 Part 70 General Conditions K and M, and La. R.S. 30:2057(A)(2). The inspection report stated that the facility will include these violations in the 2015 Title V Semiannual Report; however, these violations were never reported.

- D. The Respondent reported a deviation from fugitive requirements in the Revised 2014 First Semiannual Part 70 General Condition K and R Report dated October 9, 2015. According to the report, during the first quarter of 2014, four (4) open-ended lines were found in LHC II Ethylene Unit (FUG004), but the open-ended lines were immediately corrected. The failure to have each line equipped with a cap, blind flange, plug or a second valve is a violation of Specific Requirement 420 of Title V Air Permit No. 2184-V3, LAC 33:III.501.C.4, LAC 33:III.2122.C.2, and La. R.S. 30:2057(A)(2).

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, Air Quality Regulations, and all applicable permits.

II.

To submit to the Enforcement Division; within thirty (30) days after receipt of this COMPLIANCE ORDER, revisions to the 2015 2nd Semiannual Monitoring Report, 2015 Annual Compliance Certification and 2015 Annual Scrubber Report to include the violations and reported cause of each incident, that occurred in 2015, listed in Findings of Fact paragraph II.C.

III.

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: Madison Kirkland
Re: Enforcement Tracking No. AE-CN-15-01279
Agency Interest No. 193924

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-15-01279
Agency Interest No. 193924

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 Madison Kirkland at (225) 219-3165 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 22 day of April, 2020.



Lourdes Ibarra
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: Madison Kirkland

LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY OFFICE OF ENVIRONMENTAL COMPLIANCE ENFORCEMENT DIVISION POST OFFICE BOX 4312 BATON ROUGE, LOUISIANA 70821-4312				CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY REQUEST TO CLOSE			
Enforcement Tracking No.	AE-CN-15-01279	Contact Name	Madison Kirkland				
Agency Interest (AI) No.	193924	Contact Phone No.	(225) 219-3165				
Alternate ID No.	2184	Contact Email	Madison.Kirkland@la.gov				
Respondent:	Sohay USA Inc.	Facility Name:	CathyVal Plant				
	c/o Corporation Service Company	Physical Location:	1275 Airline Highway				
	Agent for Service of Process						
	501 Louisiana Avenue	City, State, Zip:	Baton Rouge, LA 70805				
	Baton Rouge, LA 70802	Parish:	East Baton Rouge				
STATEMENT OF COMPLIANCE							
STATEMENT OF COMPLIANCE						Date Completed	Copy Attached?
A written report was submitted in accordance with Paragraph III 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 II 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 33:1 Subpart 1, Chapter 7.							
<input type="checkbox"/> In order to resolve any claim for civil penalties for the violations in COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY (AE-CN-15-01279), 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 COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY (AE-CN-15-01279), 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 COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY (AE-CN-15-01279) 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: Madison Kirkland		