

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

EQUISTAR CHEMICALS, LP

AI # 1253

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

* **Settlement Tracking No.**
* **SA-AE-25-0012**
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* **Enforcement Tracking No.**
* **AE-CN-20-00170**
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SETTLEMENT AGREEMENT

The following Settlement Agreement is hereby agreed to between Equistar Chemicals, LP (“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 partnership that owns and/or operates a polypropylene manufacturing facility located in Westlake, Calcasieu Parish, Louisiana (“the Facility”).

II

On October 24, 2023, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement Tracking No. AE-CN-20-00170 (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 NINETY THOUSAND NINETY AND NO/100 DOLLARS (\$90,090.00), of which Five Thousand Four Hundred Fifty-Five and 04/100 Dollars (\$5,455.04) 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 Calcasieu 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.

EQUISTAR CHEMICALS, LP

BY: [Signature]
(Signature)

DAVID SCHRUTKA
(Printed)

TITLE: EQUISTAR SITE MANAGER

THUS DONE AND SIGNED in duplicate original before me this 2ND day of JULY, 20 25, at WESTLAKE, LA.

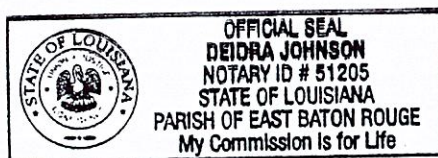
[Signature]
NOTARY PUBLIC (ID # 40899)

Katherine Vincent
(stamped or printed)

LOUISIANA DEPARTMENT OF
ENVIRONMENTAL QUALITY
Courtney J. Bourdette, Secretary

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

THUS DONE AND SIGNED in duplicate original before me this 24th day of October, 20 25, at Baton Rouge, Louisiana.



[Signature]
NOTARY PUBLIC (ID # 51205)

(stamped or printed)

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

JOHN BEL EDWARDS
GOVERNOR



ROGER W. GINGLES
SECRETARY

State of Louisiana
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE

OCT. 24 2023



CERTIFIED MAIL (7020 2450 0001 6670 3010)
RETURN RECEIPT REQUESTED

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

**RE: CONSOLIDATED COMPLIANCE ORDER
& NOTICE OF POTENTIAL PENALTY
ENFORCEMENT TRACKING NO. AE-CN-20-00170
AGENCY INTEREST NO. 1253**

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 **EQUISTAR CHEMICALS, LP (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 Kaylee Gleason at (225) 219-2144 or Kaylee.Gleason@la.gov.

Sincerely,

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

Angela Marse
Administrator
Enforcement Division

AM/KEG/keg
Alt ID No. 0520-00006
Attachment

c: Equistar Chemicals, LP
c/o Gregory Gray, Site Director
P.O. Box 1687
Lake Charles, LA 70602

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

IN THE MATTER OF

**EQUISTAR CHEMICALS, LP
CALCASIEU PARISH
ALT ID NO. 0520-00006**

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

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ENFORCEMENT TRACKING NO.**AE-CN-20-00170****AGENCY INTEREST NO.****1253**

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

The following **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is issued to **EQUISTAR CHEMICALS, LP (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 **EQUISTAR CHEMICALS, LP (the FACILITY)**, a polypropylene manufacturing facility, located at 4101 Louisiana Highway 108 in Westlake, Calcasieu Parish, Louisiana. The Facility operates or has operated under the authority of the following Title V Air Quality Permits and Prevention of Significant Deterioration (PSD) Permit:

0520-00006-V13	May 26, 2022	May 5, 2027
0520-00006-V12	May 5, 2022	May 5, 2027
0520-00006-V11	March 4, 2021	July 12, 2021
0520-00006-V10	May 31, 2019	July 12, 2021
0520-00006-V9	January 23, 2019	July 12, 2021

0520-00006-V8	August 2, 2018	July 12, 2021
0520-00006-V7	May 11, 2017	July 12, 2021
PSD-LA-806	July 12, 2016	N/A

On or about October 12, 2021, the Respondent entered into a Consent Agreement & Final Order (CAFO), Docket No. CAA-06-2021-3357, with the United States Environmental Protection Agency (EPA). The CAFO was entered to address the Respondent's failure to install Best Available Control Technology (BACT) on the flares and any flaring violations from March 1, 2016 to July 17, 2018.

II.

On or about August 22, 2019 to August 27, 2019, the Department conducted an inspection, to determine the Respondent's degree of compliance with the Act and the Air Quality Regulations. While the investigation is not complete, the Department noted the following violations:

- A. The Respondent failed to conduct the individual test runs for the performance tests in November 2018 within ten (10) percent of the maximum achievable load. Specifically, the Respondent failed to conduct the performance test of the Rolls Royce Engines (EQT0321 & EQT0322) within ten (10) percent of the maximum achievable load for three (3) separate test runs during the November 2018 performance testing; the maximum permitted rate is 73.3 MMBTU/hr for each engine, and 90 percent of that rate is 65.97 MMBTU/hr. EQT0321 was not operating at 90 percent of the maximum permitted rate during the performance test; the first test run had an operating rate of 62.04 MMBTU/hr, the second test run had an operating rate of 61.62 MMBTU/hr, and the third test run had an operating rate of 61.73 MMBTU/hr. EQT0322 was not operating at 90 percent of the maximum permitted rate during the performance test; the first test run had an operating rate of 35.19 MMBTU/hr, the second test run had an operating rate of 35.84 MMBTU/hr, and the third test run had an operating rate of 35.42 MMBTU/hr. Each failure to conduct a performance test within ten (10) percent of the maximum achievable load is a violation of 40 CFR 60.4244(c), which language has been adopted as a Louisiana Regulation in LAC 33:III.3003, Specific Requirement No. 140 of Title V Permit No. 0520-00006-V8, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2). In a response to Warning Letter AE-L-20-00170, dated June 10, 2020, the Respondent stated that the EQT0321 percentage load displayed on the local Human-Machine Interface (HMI), which calculates percentage load based on measured kilowatt (KW) signal and maximum output

(8200 KW), indicated that both engines were running at 92 percent of the maximum achievable load.

- B. The Respondent failed to monitor visual emissions daily. Specifically, the daily visible emissions monitoring was not conducted for the J-Line Cooling Tower (EQT0118), K-Line Cooling Tower (EQT0121), JLX Cooling Tower (EQT0123), KLX Cooling Tower (EQT0124), MP4-1 – S-30101 Pneumatic Transfer Filter (EQT0127) and the MP5-1 – S-31101 Pneumatic Transfer Filter (EQT0133), and the Utilities Area Cooling Tower (EQT0354). The Respondent failed to conduct the following daily visible emissions monitoring:

EQT0127	May 1, 2019
EQT0133	May 1, 2019
EQT0345	August 7, 2019 August 13, 2019
EQT0123	August 7, 2019 August 13, 2019
EQT0124	August 7, 2019 August 13, 2019
EQT0118	August 7, 2019 August 13, 2019
EQT0121	August 7, 2019 August 13, 2019

Each failure to monitor visual emissions daily is a violation of Specific Requirement No. 2 of Title V Permit No. 0520-00006-V10, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

- C. The Respondent failed to maintain records of daily visible emissions monitoring. Specifically, the records for the daily visible emissions monitoring were not located for the Suction System Filter (EQT0128), Central Vacuum Filter (EQT0129), Flake Bin Vents (EQT0139, 0140, 0141, 0142, 0146, and 0147), Pellet Homogenizer Vents (EQT0348, 0349, 0350, and 0351)*, Pellet Transfer Surge Silo (EQT0360 and 0361)*, and the Wet Surface Air Cooler (EQT0016). The Respondent failed to maintain visible emissions records for the following days:

EQT0128	May 1, 2018 August 13, 2019
EQT0129	May 1, 2018 August 13, 2019
EQT0139	May 1, 2018 August 13, 2019
EQT0140	May 1, 2018 August 13, 2019
EQT0141	May 1, 2018 August 13, 2019

EQT0142	May 1, 2018 August 13, 2019
EQT0146	May 1, 2018 August 13, 2019
EQT0147	May 1, 2018 August 13, 2019
EQT0016	August 6, 2019 August 12, 2019 August 13, 2019
EQT0348* EQT0349* EQT0350* EQT0351* EQT0360* EQT0361*	

* During the course of the inspection, the Department's inspector requested records of daily visual emissions monitoring for EQT0348, 0349, 0350, 0351, 0360, and 0361. In response to the records request, a representative of the Respondent stated that although daily visible emissions inspections on these pieces of equipment are conducted during operator rounds, there were no recorded documentation of these inspections.

Each failure to maintain records of daily visible emissions monitoring is a violation of Specific Requirement No. 3 of Title V Permit No. 0520-00006-V10, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2). In electronic correspondence to the inspector, dated January 16, 2020, the Respondent provided paper log sheets that started being used on January 15, 2020 until the electronic rounds data logger is updated.

- D. The Respondent failed to monitor flue gas oxygen analyzers or combustion air flow monitoring systems. Specifically, Specific Condition 4 of PSD Permit No. PSD-LA-806 states that "good combustion practices" shall include monitoring of the flue gas oxygen content, combustion air flow, fuel consumption, and flue gas temperature. It was discovered during the inspection that EQT0321 and EQT0322 did not have flue gas oxygen analyzers or combustion air flow monitors installed; the Cogeneration Plant Flare (EQT0326) did not have combustion air flow monitoring. Therefore, the Respondent was unable to monitor the flue gas oxygen content and combustion air flow for EQT0321 and EQT0322, or the combustion air flow of EQT0326. Each failure to install monitoring devices is a violation of Specific Requirement 194 of Title V Permit No. 0520-00006-V10, Specific Condition No. 3 of PSD Permit No. PSD-LA-806, LAC 33:501.C.4, LAC 33:III.509, and La. R.S. 30:2057(A)(2). Each failure to monitor flue gas oxygen analyzers or combustion air flow monitoring systems is a violation of Specific

Requirement 194 of Title V Permit No. 0520-00006-V10, Specific Condition No. 4 of PSD Permit No. PSD-LA-806, LAC 33:III.501.C.4, LAC 33:III.509, and La. R.S. 30:2057(A)(2). EQT0326 was taken out of service in early 2022 and was removed from the current permit inventory. At the time of a subsequent inspection on June 9, 2022, the inspector noted that EQT0326 was completely disconnected from the process. As of August 16, 2023, the Department does not have documentation of the monitoring of flue gas oxygen content and combustion air flow for EQT0321 and EQT0322.

III.

On or about August 16, 2023, the Department conducted a file review, to determine the Respondent's degree of compliance with the Act and the Air Quality Regulations. While the review is not complete, the Department noted the following violations:

- A. The Respondent failed to control any waste gas stream containing volatile organic compounds (VOCs) from any emission source. Specifically, Plant 5 consists of the K-Line Dryer Nitrogen Loop Scrubber Vent (RLP0114) and J-Line Dryer Nitrogen Loop Scrubber Vent (RLP0115) that have been onsite since approximately the mid-1990s. The Dryer Nitrogen Loop Scrubber Vents became subject to waste gas disposal regulation, LAC 33:III.2115, in 2003 when the regulatory threshold of 408 ppm of VOCs, per LAC 33:III.2115.I.3, was exceeded and control of waste gas streams was required. In the 2016 Title V Second Semiannual Monitoring Report, dated March 22, 2017, the Respondent reported that during an internal audit, it was discovered that the vents were subject to waste gas disposal regulations. Title V Permit No. 0520-00006-V8 was issued August 2, 2018, which added the K-Line Dryer Scrubber Vent (RLP0114) and J-Line Dryer Scrubber Vent (RLP0115), and added two (2) thermal oxidizers with a shared stack (RLP0113) as the control device for the waste gas emissions. RLP0113 commenced operation on June 30, 2020. In the 2018 Title V First Semiannual Monitoring Report, 2018 Title V Second Semiannual Monitoring Report, 2019 Title V First Semiannual Monitoring Report, the Respondent stated that approximately 3.25 tons of VOCs were emitted from RLP0114 and RLP0115 each semiannual monitoring period. Each failure to control waste gas streams containing VOCs from any emission source is a violation of LAC 33:III.2115, La. R.S. 30:2057(A)(1), and La. R.S. 30:2057(A)(2).

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

1.	2018 Title V Second Semiannual Monitoring Report (3/19/19)	0520- 00006-V8	11/1/2018 12:25 AM – 11/1/2018 4:15 AM (3 hours 50 min)	Opacity <= 20%, except for emissions that have an average opacity in excess of 20 percent for not more than one six-minute period in any 60 consecutive minutes.	EQT0138 smoked for approximately thirty (30) minutes when air compressors, G-1535 and G-1536, shutdown. The low air header pressure caused the master fuel valves to close, which tripped the onsite steam generating units.	40 CFR 60.18(c) LAC 33:III.3003 LAC 33:III.1311.C Specific Requirement 9 Specific Requirement 30
2.	2020 Title V Second Semiannual Monitoring Report (3/24/21)	0520- 00006-V10	7/16/2020 3:02 PM – 7/16/2020 3:14 PM (12 min)	Opacity <= 20%, except for emissions that have an average opacity in excess of 20 percent for not more than one six-minute period in any 60 consecutive minutes.	During a facility-wide steam outage, a third party contractor was moving the Emergency Shutdown panel when the fire case valves tripped and opened to EQT0019.	40 CFR 60.18(c) LAC 33:III.3003 Specific Requirement 9 Specific Requirement 30 LAC 33:III.1311.C
3.	2020 Title V Second Semiannual Monitoring Report (3/24/21)	0520- 00006-V10	7/24/2020 7:00 PM – 7/25/2020 8:00 AM (13 hours)	Maintain monitors of control devices to ensure the proper functioning of those devices in accordance with design specifications.	Thermal oxidizers (RLP0113) shutdown due to high readings on the in-line Lower Explosive Limit (LEL) meter, which was set too high for the current design.	LAC 33:III.2115.K.2 Specific Requirement 170
4.	2021 Title V First Semiannual Monitoring Report (9/22/21)	0520- 00006-V10	1/31/2021 5:50 PM – 2/1/2021 1:27 AM (7 hours 37 min)	Maintain monitors of control devices to ensure the proper functioning of those devices in accordance with design specifications.	RLP0113 shutdown due to a high LEL reading caused by a high hydrocarbon concentration.	LAC 33:III.2115.K.2 Specific Requirement 170
5.	2021 Title V First Semiannual Monitoring Report (9/22/21)	0520- 00006-V11	3/5/2021 3:30 AM – 3/5/2021 4:30 AM (1 hour)	Maintain monitors of control devices to ensure the proper functioning of those devices in accordance with design specifications.	RLP0113 shutdown due to a high LEL reading caused by a high hydrocarbon concentration.	LAC 33:III.2115.K.2 Specific Requirement 170
6.	2021 Title V Second Semiannual Monitoring Report (3/30/21)	0520- 00006-V11	9/23/2021 1:14 AM – 9/23/2021 1:39 PM (25 min)	Opacity <= 20%, except for emissions that have an average opacity in excess of 20 percent for not more than one six-minute period in any 60 consecutive minutes.	While de-pressuring the loop reactors, a gas release occurred from the blowdown valve, HV228B, which resulted in flaring at EQT0138.	40 CFR 60.18(c) LAC 33:III.3003 Specific Requirement 30 Specific Requirement 194 LAC 33:III.1311.C

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

C. The Respondent reported the following violations of monitoring and recording of daily visible emissions requirements:

1.	Revised 2019 Title V Second Semiannual Monitoring Report (12/21/22)	0520-00006- V10	EQT0012	21 days	Daily visible emissions monitoring and recording.	Specific Requirement 2 Specific Requirement 3
			EQT0013	21 days		
			EQT0016	21 days		
			EQT0120	21 days		

			EQT0126	1 day		
			EQT0127	21 days		
			EQT0128	21 days		
			EQT0129	21 days		
			EQT0133	21 days		
			EQT0134	2 days		
			EQT0137	2 days		
			EQT0139	21 days		
			EQT0140	21 days		
			EQT0141	21 days		
			EQT0142	21 days		
			EQT0146	21 days		
			EQT0147	21 days		
			EQT0345	2 days		
			EQT0346	2 days		
			EQT0348	21 days		
			EQT0349	21 days		
			EQT0350	21 days		
			EQT0351	21 days		
			EQT0360	21 days		
			EQT0361	21 days		
			EQT0362	5 days		
			RLP0004	6 days		
			RLP0005	5 days		
			RLP0006	5 days		
			RLP0007	5 days		
			RLP0008	6 days		
			RLP0009	5 days		
			RLP0010	5 days		
			RLP0011	5 days		
			RLP0013	5 days		
			RLP0014	5 days		
			RLP0017	6 days		
			RLP0018	6 days		
2.	Revised 2020 Title V First Semiannual Monitoring Report (12/21/22)	0520-00006- V10	EQT0012	21 days	Daily visible emissions monitoring and recording.	Specific Requirement 2 Specific Requirement 3
			EQT0013	21 days		
			EQT0016	21 days		
			EQT0362	1 day		
			RLP0008	1 day		
			RLP0017	1 day		
			RLP0018	1 day		
3.	Revised 2020 Title V Second Semiannual Monitoring Report (12/21/22)	0520-00006- V10	EQT0012	12 days	Daily visible emissions monitoring and recording.	Specific Requirement 2 Specific Requirement 3
			EQT0013	12 days		
			EQT0016	12 days		
			EQT0120	1 day		
			EQT0126	1 day		
			EQT0134	2 days		
			EQT0137	2 days		
			EQT0146	1 day		
			EQT0147	1 day		
			EQT0345	1 day		
			EQT0346	1 day		

			EQT0348	1 day		
			EQT0349	1 day		
			EQT0350	1 day		
			EQT0351	1 day		
			EQT0360	1 day		
			EQT0361	1 day		
			RLP0004	12 days		
			RLP0008	12 days		
			RLP0017	12 days		
			RLP0018	12 days		
4.	Revised 2021 Title V First Semiannual Monitoring Report (12/21/22)	0520-00006- V10	EQT0012	16 days	Daily visible emissions monitoring and recording.	Specific Requirement 2 Specific Requirement 3
			EQT0013	16 days		
			EQT0016	16 days		
			EQT0120	1 day		
			EQT0126	1 day		
			EQT0127	1 day		
			EQT0128	1 day		
			EQT0129	1 day		
			EQT0133	1 day		
			EQT0134	2 days		
			EQT0137	1 day		
			EQT0146	1 day		
			EQT0147	1 day		
			EQT0345	1 day		
			EQT0346	1 day		
			EQT0362	1 day		
			RLP0004	8 days		
			RLP0005	1 day		
			RLP0006	1 day		
			RLP0007	1 day		
			RLP0008	8 days		
			RLP0009	1 day		
			RLP0010	1 day		
			RLP0011	1 day		
			RLP0013	1 day		
			RLP0014	1 day		
			RLP0017	8 days		
			RLP0018	8 days		
5.	Revised 2021 Title V Second Semiannual Monitoring Report (12/21/22)	0520-00006- V10	EQT0012	14 days	Daily visible emissions monitoring and recording.	Specific Requirement 2 Specific Requirement 3
			EQT0013	14 days		
			EQT0016	14 days		
			EQT0348	5 days		
			EQT0349	5 days		
			EQT0350	5 days		
			EQT0351	5 days		
			EQT0360	5 days		
			EQT0361	5 days		
			RLP0004	14 days		
			RLP0008	14 days		
			RLP0017	14 days		
			RLP0018	14 days		

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

D. The Respondent reported the following violations of fugitive emission requirements:

1.	2018 Title V Second Semiannual Monitoring Report (3/19/19)	0520-00006-V7/V8	FUG0004	7/1/2018 – 12/31/2018 (5 months)	One (1) instance of an Open Ended Line (OEL) was reported for this reporting period.	40 CFR 63.167 LAC 33:III.5122 Specific Requirement 132
2.	2019 Title V Second Semiannual Monitoring Report (3/26/20)	0520-00006-V10	FUG0004	7/1/2019 – 12/31/2019 (5 months)	One (1) instance of an OEL was reported for this reporting period.	40 CFR 63.167 LAC 33:III.5122 Specific Requirement 134

Each failure to meet fugitive emission requirements is a violation of any applicable permit and associated requirements listed above, LAC 33:III.501.C.4, LAC 33:III.2122.C.3, La. R.S. 30:2057(A)(1), and La. R.S. 30:2057(A)(2).

E. The Respondent failed to properly use or diligently maintain in proper working order any air pollution control equipment, device or contrivance, operating procedure, or abatement scheme whenever any emissions are being made to aid in controlling the overall levels or air contaminants into the atmosphere:

1.	2019 Title V Second Semiannual Monitoring Report (3/26/20)	0520-00006-V10	EQT0019	9/25/2019 2:20 PM – 9/25/2019 3:20 PM (1 hour)	VOCs	83 lbs	VOCs, CO, and NOx were released from EQT0019 when pump P200 and P200A, the loop pumps for R200 and R200A, stopped functioning and triggered the interlock. The interlock led to R200 and R200A to blow down. The pump was rebuilt and it was found that the bearings failed from a lack of lubrication.	The pump was added to operator rounds to check oil level once per shift.
					CO	28 lbs		
					NOx	6 lbs		
2.	2020 Title V Second Semiannual Monitoring Report (3/24/21)	0520-00006-V10	Pipe above E311 in the M-Line Production Area	9/27/2020 11:15 AM – 9/27/2020 12:40 PM (1 hour 25 minutes)	VOCs	289 lbs	VOCs were released to the atmosphere when a leak in the piping above E311 was discovered. During the investigation, it was noted that the piping near a hangar support was not painted from the original installation, increasing the chance of rust or corrosion.	The pipe was depressured to stop the leak and the pipe was repaired. The area was repaired with stainless steel to prevent further issues.
3.	2020 Title V Second Semiannual Monitoring Report (3/24/21)	0520-00006-V10	Insulated Line to E401 in the M-Line Production Area	10/21/2020 9:12 AM – 10/21/2020 2:40 PM (5 hours 28 minutes)	VOCs	80 lbs	VOCs were released to the atmosphere when it was discovered that an insulated line going to E401 was leaking. The leak was caused by corrosion under the insulation.	The insulation on the line was removed and a temporary wrap was placed on the line until a permanent diamond wrap could be installed the next day. The line was replaced in November.
4.	2020 Title V Second Semiannual Monitoring Report (3/24/21)	0520-00006-V10	Compressor, C301, on the M-Line	11/11/2020 9:19 AM – 11/11/2020 9:49 AM (30 minutes)	VOCs	28 lbs	VOCs were released to the atmosphere from a cracked weld on the piping on C301. It is suspected that vibration caused the cracked weld.	C301 was isolated and the cracked weld was repaired.

5.	2020 Title V Second Semiannual Monitoring Report (3/24/21)	0520-00006- V10	R202	11/18/2020 10:00 AM– 11/30/2020 10:00 AM (12 days)	VOCs	372 lbs	During LDAR monitoring, technicians discovered a crack in a weld on the piping on the side discharge line of R202. VOCs were released to the atmosphere and it is suspected that vibration caused the cracked weld.	A temporary clamp was built and installed.
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Each failure to properly use or diligently maintain in proper working order any air pollution control equipment, device or contrivance, operating procedure, or abatement scheme whenever any emissions are being made to aid in controlling the overall levels of air contaminants into the atmosphere is a violation of LAC 33:III.905.A, La. R.S. 30:2057(A)(1), and La. R.S. 30:2057(A)(2).

- F. The Respondent failed to apply for a permit and obtain authorization prior to construction and operation of a facility. Specifically, the Respondent reported in the 2019 Title V Second Semiannual Monitoring Report, dated March 26, 2020, that during an internal review, two (2) Old Diesel Fired IC Engines (EQT0358 and EQT0359) had been replaced in 2015 and 2016, respectively, and were not "Replacement in Kind" replacements. The previous engines were permitted for 240 hp and the current engines have a rate of 340 hp. The Respondent submitted two (2) regulatory permit applications on March 9, 2020 to correct the noncompliance; the regulatory permits were issued March 23, 2020. The Respondent operated an unpermitted engine (EQT0373) for approximately five (5) years before a regulatory permit was issued. The Respondent operated an unpermitted engine (EQT0374) for approximately four (4) years before a regulatory permit was issued.

1. The failure to submit a timely and complete permit application to the Office of Environmental Services prior to construction, reconstruction, or modification is a violation of LAC 33:III.501.C.1 and La. R.S. 30:2057(A)(2).
2. Construction, modification, or operation of a facility which ultimately may result in an ignition of, or an increase in, emission of air contaminants as defined in LAC 33:III.111 prior to a permit being issued by the permitting authority is a violation of LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(2).

- G. The Respondent failed to conduct the individual test runs for the performance tests in October 2019 within ten (10) percent of the maximum achievable load. Specifically, the Respondent failed to conduct the performance test of EQT0321 and EQT0322 within ten (10) percent of

the maximum achievable load for three (3) separate test runs during the October 2019 performance testing; the maximum permitted rate is 73.3 MMBTU/hr for each engine, and 90 percent of that rate is 65.97 MMBTU/hr. EQT0321 was not operating at 90 percent of the maximum permitted rate during the performance test; the first test run had an operating rate of 61.26 MMBTU/hr, the second test run had an operating rate of 61.49 MMBTU/hr, and the third test run had an operating rate of 60.64 MMBTU/hr. EQT0322 was not operating at 90 percent of the maximum permitted rate during the performance test; the first test run had an operating rate of 46.88 MMBTU/hr, the second test run had an operating rate of 48.61 MMBTU/hr, and the third test run had an operating rate of 49.32 MMBTU/hr. Each failure to conduct a performance test within ten (10) percent of the maximum achievable load is a violation of 40 CFR 60.4244(c), which language has been adopted as a Louisiana Regulation in LAC 33:III.3003, Specific Requirement No. 142 of Title V Permit No. 0520-00006-V10, LAC 33:III.501.C.4, 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, 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 detailing the measures implemented or to be implemented to achieve compliance with PSD Permit No. PSD-LA-806 Specific Condition 3 and 4 as related to Paragraph II.C of the **FINDINGS OF FACT** portion of this **COMPLIANCE ORDER** for EQT0321 and EQT0322.

III.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, the results of the November 2018 engine testing in the format, g/HP-hr, as required by Subpart JJJJ, Table 1 as related to Paragraph II.A of the **FINDINGS OF FACT** portion of this **COMPLIANCE ORDER** for EQT0321 and EQT0322.

IV.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, the conversion formula for MMBTU/hr to kilowatts to verify compliance with

40 CFR 60.4244(c) as related to Paragraph II.A of the **FINDINGS OF FACT** portion of this **COMPLIANCE ORDER** for EQT0321 and EQT0322.

V.

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: Kaylee Gleason
Re: Enforcement Tracking No. AE-CN-20-00170
Agency Interest No. 1253

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-20-00170
Agency Interest No. 1253

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 thirty-two thousand five hundred dollars (\$32,500) for each day of violation for the violation(s) described herein may be assessed. 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 Enforcement Contact Name at phone number 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.

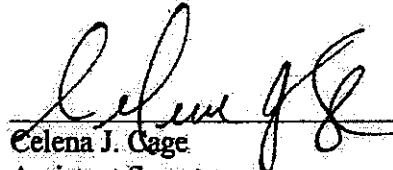
The Department assesses civil penalties based on LAC 33:I.Subpart1.Chapter7. To expedite closure of this **NOTICE OF POTENTIAL PENALTY** portion, the Respondent may offer a settlement amount to resolve any claim for civil penalties for the violation(s) described herein. The Respondent may offer a settlement 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 may submit the settlement offer within one hundred and eighty (180) days of receipt of this **NOTICE OF POTENTIAL PENALTY** portion but no later than ninety (90) days of achieving compliance with the **COMPLIANCE ORDER** portion. 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 24th day of October, 2023.


Celena J. Cage
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: Kaylee Gleason

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-20-00170	Contact Name	Kaylee Gleason
Agency Interest (AI) No.	125	Contact Phone No.	(225) 219-2144
Alternate ID No.	0523-00006		
Respondent:	Equistar Chemicals, LP c/o C T Corporation System Agent for Service of Process 3867 Plaza Tower Dr Baton Rouge, LA 70816	Facility Name: Physical Location: City, State, Zip: Parish:	Equistar Chemicals, LP 4101 Louisiana Highway 108 South Westlake, LA 70669 Calcasieu

STATEMENT OF COMPLIANCE

STATEMENT OF COMPLIANCE	Date Completed	Copy Attached?
A written report was submitted in accordance with Paragraph V 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, III, and IV 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)

☐	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 (AE-CN-20-00170), 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 (AE-CN-20-00170), 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. The Respondent may submit the settlement offer within one hundred and eighty (180) days of receipt of this NOTICE OF POTENTIAL PENALTY portion but no later than ninety (90) days of achieving compliance with the COMPLIANCE ORDER portion. • 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 (AE-CN-20-00170) 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: Kaylee Gleason			

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

