

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

TSRC SPECIALTY MATERIALS LLC  
AI # 175505

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

\* Settlement Tracking No.  
\* SA-AE-24-0048  
\*  
\* Enforcement Tracking No.  
\* AE-PP-22-00762  
\*  
\*  
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**SETTLEMENT AGREEMENT**

The following Settlement Agreement is hereby agreed to between TSRC Specialty Materials 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 owned and/or operated an elastomer production facility located in Plaquemine, Iberville Parish, Louisiana (“the Facility”).

II

On May 19, 2023, the Department issued to Respondent a Notice of Potential Penalty, Enforcement Tracking No. AE-PP-22-00762 (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-THREE THOUSAND FIVE HUNDRED AND NO/100 DOLLARS (\$23,500.00), of which Two Thousand Three Hundred Fifty-Nine and 13/100 Dollars (\$2,359.13) 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 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 Iberville Parish, Louisiana. The advertisement, in form and wording approved by the Department, announced the availability of this Settlement Agreement for public view and comment and the opportunity for a public hearing. Respondent has submitted an original proof-of-publication affidavit and an original public notice to the Department and, as of the date this Settlement Agreement is executed on behalf of the Department, more than forty-five (45) days have elapsed since publication of the notice.

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

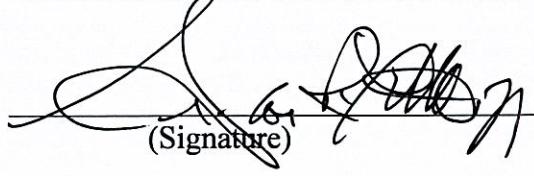
In consideration of the above, any claims for penalties are hereby compromised and settled in accordance with the terms of this Settlement Agreement.

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.

TSRC SPECIALTY MATERIALS LLC

BY:

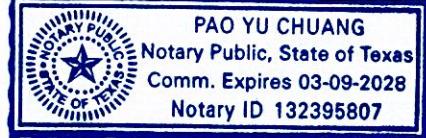
  
(Signature)

Gordon Little  
(Printed)

TITLE: President and General Manager

THUS DONE AND SIGNED in duplicate original before me this 23 day of  
September, 20 25, at Katy, Texas.

  
Paoyu Chuang  
NOTARY PUBLIC (ID # 13239580)

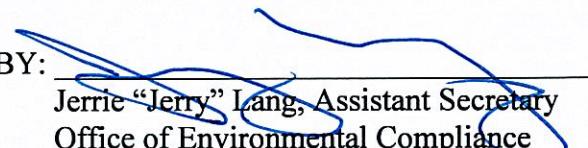


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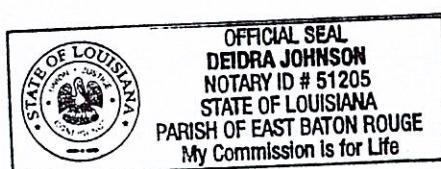
LOUISIANA DEPARTMENT OF  
ENVIRONMENTAL QUALITY

*Courtney J. Burdette, Secretary*

BY:

  
Jerrie "Jerry" Lang, Assistant Secretary  
Office of Environmental Compliance

THUS DONE AND SIGNED in duplicate original before me this 7th day of  
January, 20 26, at Baton Rouge, Louisiana.

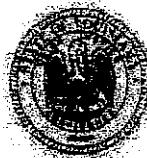


  
NOTARY PUBLIC (ID # 51205)

(stamped or printed)

Approved:

  
Jerrie "Jerry" Lang, Assistant Secretary

John Bel Edwards  
GOVERNORRoger W. Gingles  
SECRETARY

**State of Louisiana**  
**DEPARTMENT OF ENVIRONMENTAL QUALITY**  
**OFFICE OF ENVIRONMENTAL COMPLIANCE**

MAY 19 2023

**CERTIFIED MAIL (7018 1430 0000 5751 6712)**  
**RETURN RECEIPT REQUESTED**

EXHIBIT

1

REC'D  
REC'D  
REC'D

**TSRC SPECIALTY MATERIALS LLC**  
**c/o U-T Corporation System**  
**Agent for Service of Process**  
**3867 Plaza Tower Drive**  
**Baton Rouge, LA 70816**

**RE: NOTICE OF POTENTIAL PENALTY**  
**ENFORCEMENT TRACKING NO. AE-PP-22-00762**  
**AGENCY INTEREST NO. 175505**

Dear Sir/Madam:

On or about May 22-24, 2018, March 9, 2022, and March 11, 2022, inspections, and a subsequent file review on May 4, 2021, of the PLAQUEMINE MANUFACTURING PLANT, customer production facility, owned and/or operated by **TSRC SPECIALTY MATERIALS LLC (RESPONDENT)**, were performed to determine the degree of compliance with the Louisiana Environmental Quality Act (the Act) and the Air Quality Regulations. The facility is located at 21255 Louisiana Highway 1 Building 4150 in Plaquemine, Iberville Parish, Louisiana. The facility is subject to program level three (3) Chemical Accident Prevention Provisions pursuant to 40 CFR 68. In correspondence dated February 19, 2021, the Respondent submitted a Notification of Change Form (NOC-1) notifying the Department of a company name change from Dexco Polymers LP to TSRC Specialty Materials LLC.

The facility operates or has operated under the following Title V air quality permits:

Title V Air Quality Permits		
2025-V5	June 10, 2013	June 10, 2014
2025-V6*	November 7, 2017	June 10, 2018
2025-V7	November 15, 2018	November 15, 2023
2025-V8	December 12, 2019	November 15, 2023

\*This permit was administratively continued pursuant to LAC 43:III:507.E.3.

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While the investigation by the Louisiana Department of Environmental Quality (the Department) is not yet complete, the following violation(s) were noted during the course of the inspections and file review conducted on May 8, 2018:

- A. The Respondent failed to document the names or positions of the people responsible for implementing individual requirements of 40 CFR 68 through an organization chart or similar document. Specifically, at the time of the May 2018 inspection, the Respondent did not have a document that identified the persons responsible for the individual requirements of 40 CFR 68. This is a violation of 40 CFR 68.15(e) which language has been adopted as a Louisiana regulation in LAC 33:III:5901.A, Specific Requirement No. (SR) 202 of Title V Permit No. 2025-V6, LAC 33:III:501.C.4, and La. R.S. 30:2057(A)(2). As a corrective action, prior to the completion of the inspection, the Respondent prepared a document entitled, "Risk Management Plan (RMP) Element Responsible Position List", which the inspector determined satisfied the requirement.
- B. The Respondent failed to maintain documentation of data used to estimate population potentially affected for worst and alternate release scenarios. At the time of the May 2018 inspection, the Respondent's RMP reported an estimated affected population; however, the Respondent failed to maintain the documentation showing the basis of this estimate. This is a violation of 40 CFR 68.19(e) which language has been adopted as a Louisiana regulation in LAC 33:III:5901.A, SR 202 of Title V Permit No. 2025-V6, LAC 33:III:501.C.4, and La. R.S. 30:2057(A)(2). In correspondence dated April 12, 2019, the Respondent provided the required documentation.
- C. The Respondent failed to complete a compilation of written process safety information pertaining to the safe upper and lower limits for items such as temperatures, pressures, flows, or compositions before conducting any process hazard analysis required by the rule. At the time of the May 2018 inspection, the safe operating limits of the process were coded into the distributed control system; however, the Respondent's representatives did not have the information in a written format. This is a violation of 40 CFR 68.67(e)(1)(iv) which language has been adopted as a Louisiana regulation in LAC 33:III:5901.A, SR 202 of Title V Permit No. 2025-V6, LAC 33:III:501.C.4, and La. R.S. 30:2057(A)(2). In electronic correspondence dated June 15, 2018, the Respondent provided the safe operating limits for the process. In correspondence dated April 12, 2019, the Respondent reported that the safe operating limits are now filed with the RMP and are updated when altered under the management of change (MOC) process.
- D. The Respondent failed to establish a system to resolve Process Hazard Analysis (PHA) action items in a timely manner. At the time of the inspection, there were five (5) open action items from the 2015 PHA and one (1) open action item from the 2010 PHA. Each failure to resolve PHA action items in a timely manner is a violation of 40 CFR 68.67(e), which language has been adopted as a Louisiana regulation in LAC 33:III:5901.A, SR 202 of Title V Permit No. 2025-V6, LAC 33:III:501.C.4, and La. R.S. 30:2057(A)(2). In correspondence dated June 15, 2018, the Respondent reported that all action items from the 2010 and 2015 PHAs had been resolved.
- E. The Respondent failed to certify annually that the operating procedures are current and accurate. At the time of the May 2018 inspection, a representative of the Respondent stated that only procedures labelled as "Critical" are certified annually and all others are reviewed and certified every two (2) years. Each failure to annually certify operating procedures is a violation of 40 CFR 68.69(c), which language has been adopted as a Louisiana regulation in LAC 33:III:5901.A, SR 202 of Title V Permit No. 2025-V6, LAC 33:III:501.C.4, and La. R.S. 30:2057(A)(2). In correspondence dated June 15, 2018, the Respondent provided an operating procedure certification dated June 14, 2018. In correspondence dated April 12, 2019, the Respondent reported that all

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operating procedures are now reviewed annually and an annual certification is completed by the plant manager.

- F. The Respondent failed to consult with employees involved in operating the process to determine the appropriate frequency of refresher training. At the time of the May 2018 inspection, the Respondent had not consulted with employees to ascertain the appropriate frequency of refresher training. This is a violation of 40 CFR 68.71(b), which language has been adopted as a Louisiana regulation in LAC 33-III-5901.A, SR 202 of Title V Permit No. 2025-V6, LAC 33-III-501.C.4, and La. R.S. 30:2057(A)(2). In correspondence dated June 15, 2018, the Respondent stated that an interactive discussion about refresher training was held with all operators, and provided documentation of the Operations Refresher Training Survey dated June 11, 2018. In correspondence dated April 12, 2019, the Respondent stated this survey will be completed annually after refresher training has concluded.
- G. The Respondent failed to implement written procedures to maintain the on-going integrity of the process equipment. Specifically, the Respondent's Mechanical Integrity (MI) policy includes a requirement to conduct an on-stream analysis approval to perform an on-stream inspection in lieu of internal inspections for pressure vessels. This documentation is required to include an on-stream analysis form, which includes the inspection itself and an approval form, which analyzes whether or not the Respondent will take credit for an on-stream inspection, and includes three levels of approvals. The Respondent conducted on-stream inspections in lieu of internal inspections on pressure vessel T-110 on December 29, 2009 and on pressure vessel T-110 on December 26, 2012. Neither the 2009 inspection for T-110 nor the 2012 inspection for T-110 included the required signed approval form. Each failure to implement written procedures to maintain the on-going integrity of the process equipment is a violation of 40 CFR 68.73(b), which language has been adopted as a Louisiana regulation in LAC 33-III-5901.A, SR 202 of Title V Permit No. 2025-V6, LAC 33-III-501.C.4, and La. R.S. 30:2057(A)(2). In correspondence dated June 15, 2018, the Respondent provided a complete on-stream analysis approval form and approval form for T-110 approved on June 14, 2018.
- H. The Respondent failed to implement written procedures to maintain the on-going integrity of the process equipment. The Respondent's MI policy requires a visual-only inspection to be conducted every 10 months on process vessels. At the time of the May 2018 inspection, pressure vessel K-1320 was six (6) months overdue for a visual-only inspection, as the previous visual-only inspection was conducted on May 28, 2015. The failure to implement written procedures to maintain the on-going integrity of the process equipment is a violation of 40 CFR 68.71(b), which language has been adopted as a Louisiana regulation in LAC 33-III-5901.A, SR 202 of Title V Permit No. 2025-V6, LAC 33-III-501.C.4, and La. R.S. 30:2057(A)(2). In correspondence dated April 12, 2019, the Respondent reported that a visual-only inspection was conducted on K-1320 on June 12, 2018.
- I. The Respondent failed to ensure the frequency of inspections and tests of process equipment is consistent with applicable manufacturers' recommendations and good engineering practices, and more frequently if determined to be necessary by prior operating experience. At the time of the May 2018 inspection, the Respondent required thickness testing on piping circuit 064-IPR-10716-01 every five (5) years. Thickness testing was conducted on this piping circuit in March 27, 2009, and subsequently in August 3, 2015, which was approximately 16 months late. This is a violation of 40 CFR 68.73(d)(1), which language has been adopted as a Louisiana regulation in LAC 33-III-5901.A, SR 202 of Title V Permit No. 2025-V6, LAC 33-III-501.C.4, and La. R.S. 30:2057(A)(2). In correspondence dated April 12, 2019, the Respondent stated that the previous

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facility owner conducted the 2009 testing earlier than required, and that the subsequent due date for the next testing was not updated in the database.

I. The Respondent failed to ensure the frequency of inspections and tests of process equipment is consistent with applicable manufacturers' recommendations and good engineering practices, and more frequently if determined to be necessary by prior operating experience. At the time of the May 2018 inspection, the Respondent required PSV-T100A be tested every 36 months. This PSV was tested on April 11, 2012 and subsequently on June 4, 2015, which was approximately two (2) months late. This is a violation of 40 CFR 68.73(d)(3), which language has been adopted as a Louisiana regulation in LAC 33-III-5901.A, SR 202 of Title V Permit No. 2025-V6, LAC 33-III-501.C.4, and La. R.S. 30:2057(A)(2).

K. The Respondent failed to train employees involved in operating a process and maintenance and contract employees whose job tasks will be affected by a change prior to start-up of the affected part of the process. Specifically, the MOC training was late for two (2) of the three (3) MOCs that were reviewed during the May 2018 inspection. Training documentation for the June 2, 2016, MOC "T-163 in place of T-160 until repairs are made on T-160" showed that six (6) affected employees were trained late. Training documentation for the August 7, 2017 MOC "T-710 Empty and Isolation to install Blinds" showed that three (3) affected employees were trained late. Each failure to timely train employees on MOC changes is a violation of 40 CFR 68.75(c), which language has been adopted as a Louisiana regulation in LAC 33-III-5901.A, SR 202 of Title V Permit No. 2025-V6, LAC 33-III-501.C.4, and La. R.S. 30:2057(A)(2). In electronic correspondence dated June 14, 2018, the Respondent stated that plant staff completed annual training on MOCs and the MOC process in August, September, and October of 2017, and provided training documentation sheets. The Respondent also stated that a system has been implemented to ensure employees are reviewing the MOC training book during each shift tailgate at the beginning of each shift, and this review is logged in an electronic logbook, which is verified by the shift leader.

L. The Respondent failed to review the incident investigation report with all affected personnel whose job tasks are relevant to the incident findings, including contract employees. Specifically, the Respondent reviewed the incident investigation report with facility employees on October 11, 2016 and October 13, 2016. However, the Respondent failed to review the July 19, 2016, butadiene incident investigation report with Turner Industries Group contract employees. The failure to review the Root Cause Investigation (RCI) form with affected contract employees is a violation of 40 CFR 68.81(f), which language has been adopted as a Louisiana regulation in LAC 33-III-5901.A, SR 202 of Title V Permit No. 2025-V6, LAC 33-III-501.C.4, and La. R.S. 30:2057(A)(2). In correspondence dated April 12, 2019, the Respondent stated that the RCI Policy has been revised to include requirements that the RCI form is to be reviewed with affected contract employees.

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

Permitted Operating Parameters						Violation Description	Specific Requirement
2018 Title V First Semiannual Monitoring Report (9/25/2018)	2025-V6	11 PS-360 Flame (EQT 038)	4/5/2013 (3 minutes)	Heat content = 300 British Thermal Unit per standard cubic foot (BTU/scf). Determine the net heating value of the gas being combusted using the equation specified in 40 CFR 68.110(e)(4).  An average reading of 296.74 BTU/scf was recorded for the flare during this event. As a corrective action, the Respondent stated an alarm set point for low BTUs will be adjusted to give operations more time for discernment.			33 and 40 CFR 68.11(b)(6)(ii)

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2018 Title V Second Semi-annual Monitoring Report (S2442618)						Specific Requirement 35 and 40 CFR 63.11(b)(6)(ii)
2018 Title V Second Semi-annual Monitoring Report (S2442618)	2025-V6	II. FS-860 Flare (EOU 038)	9/30/2018 (19 minutes)	Heat content >300 British Thermal Unit per standard cubic feet (BTU/scf). Determine the net heating value of the gas being combusted using the equation specified in 40 CFR 63.11(b)(6)(ii).	The Respondent reported less than 300 BTU/scf were calculated. As a corrective action, the Respondent reported taking an alarm on high vent flow to flare.	
2019 Title V Second Semi-annual Monitoring Report (S2442619)	2025-V7	II. FS-860 Flare (EOU 038)	7/16/2019 – 7/17/2019 (24 hours 16 minutes)	Heat content >300 British Thermal Unit per standard cubic feet (BTU/scf). Determine the net heating value of the gas being combusted using the equation specified in 40 CFR 63.11(b)(6)(ii).	The Respondent reported that during this event, the BTUs to the flare could not be calculated. As a corrective action, the Respondent reported troubleshooting of the vent system.	Specific Requirement 24 and 40 CFR 63.11(b)(6)(ii)
2020 Title V First Semi-annual Monitoring Report (S715/2020)	2025-V8	II. FS-860 Flare (EOU 038)	6/19/2020 (1 minute)	Heat content >300 British Thermal Unit per standard cubic feet (BTU/scf). Determine the net heating value of the gas being combusted using the equation specified in 40 CFR 63.11(b)(6)(ii).	The Respondent reported that steam is used for maintenance and cleaning of vessels. When steam is used, the BTU analyzer must be taken out of service to protect it from damage. When the analyzer is out of service, the calculated BTU method must be used. Because there is not a way to measure the waste stream when the analyzer is offline, it must be assumed that the waste stream has no heat value and only natural gas addition can be used in the formula. If too much steam is added during cleaning, the calculation can result in a less than 300 BTU value, even when there is a heat value to the waste stream. As a corrective action, the Respondent reported that the flare gas system has been modified to add more natural gas when needed by installing a larger control valve.	Specific Requirement 43, 44 CFR 63.11(b)(6)(ii), and 40 CFR 60.18(c)(3)(vi)

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7				6/7/2020 (18 minutes)	Heat content >300 British Thermal Unit per standard cubic foot (BTU/ft <sup>3</sup> ). Determine the net heating value of the gas being combusted using the equation specified in 40 CFR 61.11(D)(6)(ii).	The Respondent reported that steam is used for maintenance and cleaning of vessels. When steam is used, the BTU analyzer must be taken out of service to protect it from damage. When the analyzer is out of service, the calculated BTU method must be used. Because there is not a way to measure the waste stream when the analyzer is off-line, it must be assumed that the waste stream has no heat value and only natural gas addition can be used in the formula. If too much steam is added during cleaning, the calculation can result in a less than 300 BTU value, even when there is a heat value in the waste stream. As a corrective action, the Respondent reported that the flare gas system has been modified to add more natural gas when needed by installing a larger control valve.	Specific Requirement 41 CFR (61.11(b)(6)(ii)) and 40 CFR 60.18(c)(3)(ii)
8				6/20/2020 (10 minutes)	Heat content >300 British Thermal Unit per standard cubic foot (BTU/ft <sup>3</sup> ). Determine the net heating value of the gas being combusted using the equation specified in 40 CFR 61.11(D)(6)(ii).	The Respondent reported that the violation was caused by a failed regulator on the BTU analyzer. In correspondence dated October 21, 2022, the Respondent stated that a full manufacturing line up of the BTU analyzer was conducted on August 18, 2022. As a corrective action, the Respondent stated that during the BTU analyzer inspection and calibration, a faulty regulator was replaced. The failed regulator caused a lower BTU reading than it would otherwise.	Specific Requirement 41 CFR (61.11(b)(6)(ii)) and 40 CFR 60.18(c)(3)(ii)
9				7/13/2020 (3 minutes)	Heat content >300 British Thermal Unit per standard cubic foot (BTU/ft <sup>3</sup> ). Determine the net heating value of the gas being combusted using the equation specified in 40 CFR 61.11(D)(6)(ii).	The Respondent reported that the violation was caused by a failed regulator on the BTU analyzer. In correspondence dated October 21, 2022, the Respondent stated that a full manufacturing line up of the BTU analyzer was conducted on August 18, 2022. As a corrective action, the Respondent stated that during the BTU analyzer inspection and calibration, a faulty regulator was replaced. The failed regulator caused a lower BTU reading than it would otherwise.	Specific Requirement 41 CFR (61.11(b)(6)(ii)) and 40 CFR 60.18(c)(3)(ii)

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, and La. R.S. 30:2057(A)(2).

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## N. The Respondent reported the following violations of monitoring requirements:

1.	2018 Title V First Semianual Monitoring Report (9/25/2018)	2022-V6	A-161 and A-160 (FLUG0001)	7/1/2018 – 9/25/2018 (6 months)	Report on gas/vapor service or heat- bound service (heat exchanger and system). Failure of a test monitored by visual inspection/assessment weekly (calendar). Monitor for indication of defects, damage from the previous test.	The Respondent reported missing weekly service inspection on A-161 & A- 160 in 2018 from the beginning of reporting period until the time the report was submitted. As a corrective action, the Respondent reported restoring a weekly checklist.	Specific Requirement 131 and 40 CFR 63.1140(a)
2.	2020 Title V Second Semianual Monitoring Report (9/10/2020)	2022-V2	EV Process Vents (CRUG0006)	10/1/2020 – 12/31/2020 (3 months)	Develop and operate in accordance with a heat exchanger inspection plan. The plan must describe the inspection and performance and will provide evidence of hydrocarbon in the cooling water. Among other things, inspections may include checks for visible floating hydrocarbon in the water, hydrocarbon color, discolored water, and/or chemical analysis data. Corrective inspection of heat exchangers must occur, even if the inspector determined that the indication of a leak did not constitute a leak as defined in 40 CFR 63.104(b)(6).	The Respondent reported a failure to conduct 4 <sup>th</sup> quarter EV heat exchanger pressure testing. In correspondence dated October 21, 2022, the Respondent stated that as a corrective action, a retraining of compliance needs was conducted.	40 CFR 63.11495(b)(1)
3.	2021 Title V Second Semianual Monitoring Report (3/25/2022)	2022-V3 – 2022-V3	63 Valves (FLUG0001)	8/1/2018 – 3/23/2022 (62 quarters/years)	Valves in gas/vapor service or heat- bound service (Phase 1). Organic HAP monitored by 40 CFR 63, Appendix A, Method 21 quarterly, as specified in 40 CFR 63.1180(d).	In the 2021 Title V Second Semianual Monitoring Report, the Respondent reported 96 components were found, but not added to records for monitoring. As a corrective action, the Respondent reported that equipment has been added to records and monitored. The March 9, 2022, inspection report identified an additional 2 relief valves and 53 valves which were not monitored since May of 2018. In correspondence dated October 21, 2022, the Respondent stated that the total number of unmonitored components includes 97.	Specific Requirement 99 and 40 CFR 63.1169(c)
4.	Correspondence dated 10/21/2022		63 Connectors (FLUG001)	5/20/17 – 3/23/2022 (6 years/years)	Connectors in gas/vapor service or heat- bound service. Organic HAP monitored by 40 CFR 63, Appendix A, Method 21 once within 12 months after the compliance date, except as provided in 40 CFR 63.1140(f) through (h).	Connectors in gas/vapor service or heat- bound service. Organic HAP monitored by 40 CFR 63, Appendix A, Method 21 once within 12 months after the compliance date, except as provided in 40 CFR 63.1140(f) through (h).	Specific Requirement 131 and 40 CFR 63.1174(b)(1)

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Title V Monitoring Requirements					
5	2 relief valves (PIG600)	8/1/2016 – 12/31/2022 (22 quarters)	Conduct inspections of process vessels and equipment for each CMU in original HAP service or initial HAP service as specified in paragraphs 40 CFR 63.114(c)(1)(i) through (v). Inspections must be conducted at least annually. For these inspections, detection methods incorporating signs found or smell are acceptable.	concerns. One valve was found to be leaking. Two valves were found leaking at 26.1 ppm and 31 ppm, and were repaired within 30 days. The components were part of two inter-pipe that were added to the process line in May of 2016.	Specific Requirement 59 and 40 CFR 63.114(c)(1)(i)

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

O. In the 2020 Title V First Semiannual Monitoring Report dated September 15, 2020, the Respondent reported visual emissions from EQ1-0058 for longer than five (5) minutes during any two (2) consecutive hours. Specifically, on June 23, 2020, visual emissions occurred for a five (5) hour period. The report stated that during a plant outage for repairs on the upstream steam lines, the Respondent had to operate the flare without steam. To limit waste gas vapors going into the flare header, monomer systems were cooled and blocked to relieve only if over pressure occurred. During this period, a valve was misaligned, causing an overpressure of a vessel containing isoprene. Liquid isoprene entered the relief valve to the flare header. The isoprene vapors from the liquid caused smoke to emit from the flare. If steam was available at the time, no visible emissions would likely have taken place. The failure to design and operate for no visible emissions except for periods not to exceed a total of five (5) minutes during any two (2) consecutive hours is a violation of Specific Requirement 41 of Title V Permit No. 2025-V8, 40 CFR 60.18(e)(1), which language is incorporated by reference in LAC 33:III:3003.A, LAC 33:III:501.C.4, La. R.S. 30:2057(A)(1), and La. R.S. 30:2057(A)(2). The Respondent reported it does not anticipate future steam outages. As a corrective action, the Respondent stated more attention will be paid to valve placement during shutdowns.

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 Paige Green at (225) 219-3782 or Paige.Green@la.gov within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**.

The Department is required by La. R.S. 30:2025(E)(3)(a) to consider the gross revenues of the Respondent and the monetary benefits of noncompliance in order to determine whether a penalty will be assessed and the amount of such penalty. Please forward the Respondent's most current annual gross revenue statement along with a statement of the monetary benefits of noncompliance for the cited violations to the above named contact person within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**. Include with your statement of monetary benefits the method(s) you utilized

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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 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 33:1 Subpart 1, Chapter 7. To expedite closure of this **NOTICE OF POTENTIAL PENALTY**, the Respondent may offer a settlement amount to resolve any claim for civil penalties for the violation(s) described herein. The Respondent may offer a settlement amount, but the Department is under no obligation to enter into settlement negotiations. The decision to proceed with a settlement is at the discretion of the Department. The settlement offer amount may be entered on the attached "**NOTICE OF POTENTIAL PENALTY REQUEST TO SETTLE**" form. The Respondent may submit the settlement offer within one hundred and eighty (180) days of receipt of this **NOTICE OF POTENTIAL PENALTY**. The Respondent must include a justification of the offer. **DO NOT** submit payment of the offer amount with the form. The Department will review the settlement offer and notify the Respondent as to whether the offer is or is not accepted.

To reduce document handling, please refer to the Enforcement Tracking Number and Agency Interest Number on the front of this document on all correspondence in response to this action.

Sincerely



Leilani Cage

Assistant Secretary

Office of Environmental Compliance

CJC/PTK/pog

Alt ID No. 1280-00147

c: TSRC SPECIALTY MATERIALS LLC

c/o Danny Burgard, EHS Leader

P.O. Box 495

Plaquemine, LA 70764

## LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY

## OFFICE OF ENVIRONMENTAL COMPLIANCE

## ENFORCEMENT DIVISION

## NOTICE OF POTENTIAL PENALTY

## REQUEST TO SETTLE (OPTIONAL)

DATE OF VIOLATION: 10/21/2022



Enforcement File No.	AE-PP-22-00762	Contact Name	Paige Green
Agency Name (if applicable)	LSCE	Contact Phone No.	(225) 242-3762
Allegation ID No.	LSCE-00147		
Respondent	LSCE Specialty Materials LLC C/C: LSC Construction Systems Agent for Service of Process 3807 Marla Tower Drive Baton Rouge, LA 70821	Facility Name Physical Location City, State, Zip Parish	Plaquemine Manufacturing Plant 21255 Louisiana Highway 1 Bldg. 4350 Plaquemine, LA 70764 Iberia

## 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 Subpart L Chapter 7.

In order to resolve any claim for civil penalties for the violations in NOTICE OF POTENTIAL PENALTY (AE-PP-22-00762), the Respondent is interested in entering into settlement negotiations with the Department and would like to set up a meeting to discuss settlement procedures.

The Respondent may submit the settlement offer within one hundred and eighty (180) days of receipt of this NOTICE OF POTENTIAL PENALTY (AE-PP-22-00762).

In order to resolve any claim for civil penalties for the violations in NOTICE OF POTENTIAL PENALTY (AE-PP-22-00762), the Respondent is interested in entering into settlement negotiations with the Department and offers to pay \$ \_\_\_\_\_ which shall include LDCO enforcement costs and any monetary benefit of non-compliance.

• Monetary component = \$ \_\_\_\_\_

• Beneficial Environmental Project (BEP) component (optional) = \_\_\_\_\_

• **DO NOT SUBMIT PAYMENT OF THE OFFER WITH THIS FORM** - the Department will review the settlement offer and notify the Respondent as to whether the offer is or is not accepted.

The Respondent has reviewed the violations noted in NOTICE OF POTENTIAL PENALTY (AE-PP-22-00762) 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: Paige Green