

Attachment 2

Agreed Board Order
American Synthetic Rubber Company
May 16, 2016

AGREED BOARD ORDER

LOUISVILLE METRO AIR POLLUTION CONTROL BOARD

American Synthetic Rubber Company

This Order is issued by the Louisville Metro Air Pollution Control Board (Board) pursuant to Kentucky Revised Statutes Chapter 77 (Air Pollution Control). This Agreement is made by and between the Board and American Synthetic Rubber Company, a division of Michelin North America, Inc. (Company), a New York corporation, and is effective on the date of its adoption by the Board.

COMPANY: American Synthetic Rubber Company
4500 Camp Ground Road
Louisville, KY 40216

REGULATIONS INVOLVED:

District Regulation 5.21: Environmental Acceptability for Toxic Air Contaminants

BACKGROUND AND DISCUSSION:

Company manufactures synthetic rubber products pursuant to Louisville Metro Air Pollution Control District (District) Title V operating permit No. 154-97-TV (R1). In 2005, the Air Pollution Control Board adopted Strategic Toxic Air Reduction (STAR) regulations requiring certain industrial emitters of toxic pollutants to demonstrate environmental acceptability for toxic air contaminants (TACs).

In June 2007, Company requested a modification of STAR environmental acceptability goals from the District. Specifically, Company requested modification of the single TAC/single process or process equipment goal of 1 in a million for non-industrial receptors to 2.12 in a million for emissions of 1,3-butadiene from the Flare and 1.94 in a million for fugitive emissions of 1,3-butadiene. Company met the all TAC/all process or process equipment goal of 7.5 in a million for non-industrial receptors. Company also requested modification of the single TAC/single process or process equipment goal of 10 in a million for industrial receptors to 42.10 in a million for fugitive emissions of 1,3-butadiene. Company met the all TAC/all process or process equipment goal of 75 in a million for industrial receptors.

In December 2015, Company requested another modification of STAR environmental acceptability goals, including an evaluation of the Best Available Technology for toxics (T-BAT) and an Upset Condition Prevention Plan. Specifically, Company has requested

modification of the single TAC/single process or process equipment goal of 1 in a million for non-industrial receptors to 1.93 in a million for emissions of 1,3-butadiene from the Flare and 4.30 in a million for fugitive emissions of 1,3-butadiene. Company continues to meet the all TAC/all process or process equipment goal of 7.5 in a million for non-industrial receptors. Company has also requested a modification of the single TAC/single process or process equipment goal of 10 in a million for industrial receptors to 94.42 in a million for fugitive emissions of 1,3-butadiene emissions and from the 75 in a million for all TACs/all processes for industrial receptors to 99.88 in a million. Company has begun implementing enhanced Leak Detection and Repair (LDAR) monitoring requirements while its STAR modification request is reviewed by the District.

NOW, THEREFORE BE IT ORDERED THAT:

1. Company has replaced 24 rupture disk holders in 1,3-butadiene service with a new type of rupture disk holder. The new type of holder was installed on the day tanks (DT-7 through DT-11 and DT-13 through DT-16) and distillation columns (C-1, C-1A and C-IT). ("In 1,3-butadiene service" means the material in the component contains ninety percent (90%) or more of 1,3-butadiene by weight.)

2. Beginning May 18, 2016, and continuing until the District may issue a permit with any modified STAR environmental acceptability goals, Company shall conduct enhanced LDAR monitoring of components in 1,3-butadiene service including the following:

- Monitoring frequency:

Component Type	Enhanced Monitoring
Valves	Quarterly
Connectors	Quarterly
Compressors	Monthly
Single Seal Pumps	Monthly
Agitator Seals	Monthly
Pressure Relief Devices (valves, rupture disks and closed loop vent systems (CLVS-H PRD))	Monthly
Potentially Open-Ended Lines	Quarterly
Instruments	Quarterly
Any Component in 1,3-butadiene service designated as unsafe to monitor or difficult to monitor	Annually

- Threshold for first attempt to fix a leak is reduced to 250 ppm; and

- Leaks greater than 500 ppm that cannot be repaired within the 15 day timeframe as required by 40 CFR Subpart H and placed on delay of repair will be resolved within 90 days, unless cost exceeds \$5,000.
3. Company shall conduct quarterly visual inspections for visible, audible, or olfactory indications of leaks of the closed-vent system that are not difficult to inspect or unsafe to inspect, until the District may issue a permit with any modified STAR environmental acceptability goals.
 4. Company shall submit quarterly reports, certified by the responsible official, to the District on the implementation status of the enhanced LDAR identified in Paragraphs 2 and 3, until the District may issue a permit with any modified STAR environmental acceptability goals. The first report shall be due on or before October 30, 2016.
 5. Company has reviewed this Order and consents to all its requirements and terms. Company agrees to pay the cost of publishing legal notice of the public hearing.
 6. In the event that it is necessary for the District to seek a court order to enforce this Order, Company agrees to pay filing fees and costs of such action.
 7. Neither this Order nor the actions taken hereunder shall constitute an admission by Company of any wrongdoing regarding any of the matters referenced in this Order.
 8. All parties, including the District, reserve their rights and defenses concerning any additional remedial measures, or any penalties assessed, for any of the matters referenced in this Order.

Louisville Metro Air Pollution Control Board

American Synthetic Rubber Company

By: Robert W. Powell, M.D.
Robert W. Powell, M.D.
Chairman

By: Guillaume Coiraton
Guillaume Coiraton
Chief Operating Officer

Date: May 16, 2016

Date: 5/16/2016

Louisville Metro Air Pollution Control District

By: Matt King
Matt King, P.E.
Compliance and Enforcement Manager

Date: 5/18/16

**Air Pollution Control Board Agreement
American Synthetic Rubber Company**

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Approved as to form and legality:
By: Stacy Fritze Dott
Stacy Fritze Dott
Assistant County Attorney