

AGREED BOARD ORDER NO. 11-02

LOUISVILLE METRO AIR POLLUTION CONTROL BOARD

Incident No. 05758

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 Rohm and Haas Company (Company), a Delaware company, and subsidiary of the Dow Chemical Company, and is effective on the date of its adoption by the Board.

COMPANY: Rohm and Haas Company
4300 Camp Ground Road
Louisville, KY 40216

REGULATION INVOLVED:

District Regulation 2.16: Title V Operating Permits

NOTICE OF VIOLATION LETTER: No. 02203, dated September 13, 2010

BACKGROUND AND DISCUSSION:

Company manufactures specialty chemicals and is subject to the requirements of Louisville Metro Air Pollution Control District (District) Title V Permit No. 157-97-TV. In the summer of 2010, Rohm and Haas Company reported a release of Methyl Methacrylate (MMA) and Ethyl Acrylate (EA) from an outdoor railcar used for storage of Crude Third Vent Monomer (CTVM). The release resulted in emissions well over limits allowed by its Title V permit. Company had a similar release of MMA and EA from a railcar containing CTVM in 2008.

On or about June 13, 2010, Company notified the District that excess emissions were being released at the facility. Company stated that the contents of a railcar had started reacting and were venting into the atmosphere. On or about June 24, 2010, Company submitted a report estimating emissions from the day-long event to be 16,833 pounds of MMA and 701 pounds of EA. The emissions resulted in Company exceeding permit limits for plant-wide monthly single Hazardous Air Pollutant (HAP), semi-annual single HAP, annual single HAP, monthly total HAP, and semi-annual total HAP. In its report, Company attributed the release to elevated temperature and pressure in the railcar that resulted in the polymerization of the contents.

On or about July 7, 2010, Company met with District officials to discuss possible causes of the release. On or about July 22, 2010, Company submitted a report outlining Company's investigation into five possible causes of the release, and a list of corrective actions being taken.

In a letter dated September 30, 2010, Company stated that it determined that the polymerization was most likely caused by polymer and rust in one or more of Company's CTVM storage tanks. Company stated that both polymer and rust had been found in at least one of the CTVM storage tanks and likely had been transferred to the railcar. The polymer and/or rust from the storage tank likely acted as a seed for polymerization within the railcar. Company notified the District that it had discontinued storage of CTVM in railcars immediately following the incident.

To fully address the violations of District Regulation 2.16 alleged above, the parties agree to this Order assessing against the Company an administrative settlement of \$97,500. On January 19, 2011, a public hearing was held before the Board on this proposed Order. Based upon the information presented at that hearing, the Board determines that the proposed resolution and requirements contained in this Order are reasonable under the circumstances.

NOW, THEREFORE BE IT ORDERED THAT:

1. Company shall pay \$97,500 to the Louisville Metro Air Pollution Control District. Company shall pay \$24,375 by February 21, 2011. Company shall submit \$73,125 by March 19, 2011, unless the District has approved in writing a Supplemental Environmental Project (SEP) providing for a SEP credit. If the amount of SEP credit is less than \$73,125, Company shall have 30 days from date of the District's approval to submit remaining penalty amount.
2. Company shall permanently discontinue storage of CTVM in railcars. Company shall submit a plan for permanent discontinuance to the District by March 19, 2011.
3. 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.
4. 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.
5. This Order fully resolves the violations alleged in District Incident No. 05758, and as alleged above in this Order.
6. 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.

Louisville Metro Air Pollution Control Board

Rohm and Haas Company

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

By: _____
Todd Brown
Site Leader

Date: _____

Date: _____

Louisville Metro Air Pollution Control District

By: _____
Paul Aud, P.E.
Air Pollution Control Officer

Date: _____

Approved as to form and legality:

By: _____
Stacy Fritze Dott
Assistant County Attorney