

AGREED BOARD ORDER NO. 11-09

LOUISVILLE METRO AIR POLLUTION CONTROL BOARD

Incident No. 05317

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 Lubrizol Advanced Materials, Inc. (Company), a Delaware company, and is effective on the date of its adoption by the Board.

COMPANY: Lubrizol Advanced Materials, Inc.
4200 Bells Lane
Louisville, KY 40216

REGULATION INVOLVED:

District Regulation 2.16: Title V Operating Permits

NOTICE OF VIOLATION LETTER: No. 02153, dated July 11, 2011

BACKGROUND AND DISCUSSION:

Company operates a coatings and resins manufacturing facility in Jefferson County, Kentucky pursuant to District Permit No. 129-97-TV. Company produces advanced specialty polymers, polymer-based additives, and chemical additives for consumer and industrial applications.

Beginning in 2006, Company reported non-compliance with certain requirements of its Title V permit. First, Company is required to conduct weekly visible emissions surveys to demonstrate compliance with applicable standards. Company reported missing 9 visible emissions surveys in 2006, 10 visible emission surveys in 2007, and 3 visible emission surveys in 2008. Next, Company has a NESHAP limit for vinyl chloride of 10 ppm. Company reported exceeding the limit by 46.55 ppm, (or 465% over the standard) when a leak developed on November 29, 2006. Finally, Company has a particulate matter limit of 0.45 lb/hr. In 2007, Company reported exceeding its limit while operating after a baghouse failed for approximately one to four days.

Company has not reported missing any visible emissions surveys since 2008, and has taken corrective measures including replacing faulty equipment, adjusting its preventative maintenance program, and conducting periodic inspections of certain equipment, in order to demonstrate compliance.

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 \$6,750. On August 17, 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 \$6,750 to the Louisville Metro Air Pollution Control District by August 31, 2011.
2. 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.
3. 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.
4. This Order fully resolves the violations alleged in District Incident No. 05317, and as alleged above in this Order.
5. 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

Lubrizol Advanced Materials, Inc.

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

By: _____

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