

AGREED BOARD ORDER NO. 14-07

LOUISVILLE METRO AIR POLLUTION CONTROL BOARD

Incident No. 06695

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 Momentive Specialty Chemicals Inc. (Company), a New Jersey corporation, and is effective on the date of its adoption by the Board.

COMPANY: Momentive Specialty Chemicals Inc.
6200 Camp Ground Road
Louisville, KY 40216

REGULATIONS INVOLVED:

District Regulation 2.03: Authorization to Construct or Operate; Demolition/Renovation Notices and Permit Requirements

NOTICE OF VIOLATION LETTER: No. 02592, dated October 8, 2014

BACKGROUND AND DISCUSSION:

Company manufactures specialty chemicals and materials pursuant to Louisville Metro Air Pollution Control District (District) Title V permit 74-03-TV. On September 12, 2014, Company informed the District that the Silver Plant Packed Bed Scrubber water pump had been removed from service due to a mechanical failure, but had not been reinstalled after repair due to a work order closure mistake. Upon discovery of the missing pump, it was returned to service the same day.

Company reported that from November 13, 2013 to September 12, 2014, the Silver Plant Boiler had been bypassed a total of 53.48 hours without the scrubber in operation. Company calculated the additional emissions that resulted from the process being uncontrolled and determined that 0.24 tons of VOC emissions, 0.01 tons of formaldehyde emissions and 0.10 tons of methanol emissions were released while the scrubber was not operating during that time period. Company indicated there was no exceedance of the 100 hour Silver Plant Boiler bypass limit or the formaldehyde plant-wide 10/25 ton HAP limits, and the uncontrolled pounds per

hour and pounds per day formaldehyde and methanol emissions were below the de minimis threshold limits for STAR.

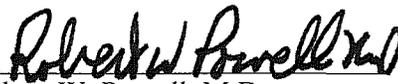
To fully address the violations of District Regulation 2.03 alleged above, the parties agree to this Order assessing against Company an administrative settlement of \$15,000. On November 19, 2014, a public hearing was held before the Board on this proposed Order. Based upon the information presented at the 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 \$15,000 to the Louisville Metro Air Pollution Control District by December 19, 2014.
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. 06695, and as alleged above in this Order against Company.
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

Momentive Specialty Chemicals Inc.

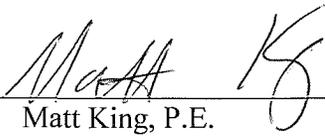
By: 
Robert W. Powell, M.D.
Chairman

By: 
Jeffrey Anderson
Site Leader

Date: Nov 19, 2014

Date: 11-14-14

Louisville Metro Air Pollution Control District

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

Date: 11/18/14

Approved as to form and legality:

By: Stacy Fritze Dott
Stacy Fritze Dott
Assistant County Attorney