

AGREED BOARD ORDER NO. 16-03

LOUISVILLE METRO AIR POLLUTION CONTROL BOARD

Incident Nos. 06752 and 06774

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 Clariant Corporation (Company), a New York corporation, and is effective on the date of its adoption by the Board.

COMPANY: Clariant Corporation
1227 South 12th Street
Louisville, KY 40210

REGULATIONS INVOLVED:

District Regulation 2.16: Title V Operating Permits

NOTICE OF VIOLATION LETTERS: No. 02632, dated November 6, 2015
No. 02638, dated December 1, 2015

BACKGROUND AND DISCUSSION:

Company manufactures specialty chemicals pursuant to Louisville Metro Air Pollution Control District (District) Title V Operating Permit No. 27755-14-TV. Company reported visible emissions of oxides of Nitrogen (NO_x) on six occasions from June to November 2015.

On June 11 and June 25, 2015, Company reported visible NO_x emissions for 25 minutes and 12 minutes, respectively, from the southeast box dryer. Company reported reducing the number of trays placed in the dryer after each incident, and that the project associated with the incident is now complete.

On July 29, 2015, Company reported visible NO_x emissions for 50 minutes from a chemical manufacturing system. The emissions were released into the atmosphere and caused the evacuation of the facility, as well as an emergency and HAZMAT response, and a complaint to the District. District staff observed a visible NO_x plume outside the facility. Company reported that two acid level transmitters failed to activate the alarms for high acid levels, allowing acid to come into contact with materials that caused an uncontrolled chemical reaction.

The two level transmitters were repaired, preventative maintenance for the sensors were increased from one to two times per year, and procedures, training, and new options for locking the reactor were reviewed.

On August 30, 2015, Company reported visible NOx emissions for approximately 10 minutes from the pump station. Company reported the pump had failed to activate to inhibit a chemical reaction. The pump was reset and normal operations were resumed.

On October 27, 2015, Company reported visible NOx emissions for 40 minutes from a reactor. Company reported that the reactor was shut down immediately and identified the root cause as a lack of information on when the system is generating too much NOx. Company took corrective action, including the replacement of a pump and the addition of sensors, flow meters, electronic interlocks, and current trending to the system.

On November 2, 2015, Company reported visible NOx emissions from the same reactor for 10 minutes. Company reported a failed thermocouple caused the upset and that it was replaced the same week.

To fully address the violations of District Regulations 2.16 alleged above, the parties agree to this Order assessing against Company an administrative settlement of \$14,250. On March 16, 2016, 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 \$14,250 to the Louisville Metro Air Pollution Control District by March 31, 2016.
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 Nos. 06752 and 06774, 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

Clariant Corporation

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

By: Joseph Weis
Joseph Weis
ESHA Manager

Date: Mar 16, 2016

Date: 3-7-2016

Louisville Metro Air Pollution Control District

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

Date: 3/2/16

Approved as to form and legality:

By: Stacy Fritze Dott
Stacy Fritze Dott
Assistant County Attorney