

**AGREED BOARD ORDER NO. 17-03**

**LOUISVILLE METRO AIR POLLUTION CONTROL BOARD**

**Incident No. 06800**

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 Arkema Inc. (Company), a Pennsylvania corporation, and is effective on the date of its adoption by the Board.

**COMPANY:** Arkema Inc.  
4350 Camp Ground Road  
Louisville, KY 40216

**REGULATION INVOLVED:**

District Regulation 2.17: Federally Enforceable District Origin Operating Permits

**NOTICE OF VIOLATION LETTER:** No. 02656, dated November 29, 2016

**BACKGROUND AND DISCUSSION:**

Company is a manufacturer of acrylics and operates pursuant to Louisville Metro Air Pollution Control District (District) federally-enforceable operating permit no. 40-06-F (R2). The District alleges that Company failed to repair leaking equipment as required by its permit, and failed to perform all monitoring required by its permit.

Company submitted its second semiannual report for 2015 in February 2016, along with a resubmission of its first semiannual report for 2015. The reports contained Leak Detection and Repair (LDAR) information that indicated leaks were detected but not repaired within 30 days as required by its permit. The reports listed 41 leaks were detected with 21 being fixed and retested as required. Of the 20 leaks remaining: seven had no repair or test for compliance, three were repaired and retested after the deadline, eight were repaired but not tested until after the deadline, and two did not list a repair between a failed test and a passing test, and the passing test was after the deadline.

Company also reported it discovered during an internal review that LDAR readings were not performed on all equipment during the 3<sup>rd</sup> quarter of 2015. Company failed to complete monitoring on 1331 components, of which four were found to be leaking. In order to

demonstrate compliance, Company submitted its first semiannual report for 2016 that demonstrated monitoring and repairs have been performed in accordance with its permit. Company also provided additional documentation in January 2017 indicating eight of the components were out of service; therefore, only three were repaired and retested after the deadline; eight were repaired but not tested until after the deadline; and nine did not list a repair between a failed test and passing test, and the passing test was after the deadline.

To fully address the violations of District Regulation 2.17 alleged above, the parties agree to this Order assessing against Company an administrative settlement of \$14,625. On March 15, 2017, 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 \$14,625 to the Louisville Metro Air Pollution Control District by April 14, 2017.

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. 06800 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

Arkema Inc.

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

By: Todd Steverson  
Todd Steverson  
Plant Manager

Date: Mar. 15, 2017

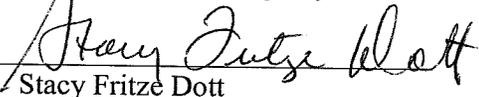
Date: 3/13/17

Louisville Metro Air Pollution Control District

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

Date: 3/14/17

Approved as to form and legality:

By:   
Stacy Fritze Dott  
Assistant County Attorney