

EXECUTIVE SUMMARY - ENFORCEMENT MATTER

DOCKET NO.: 2006-0782-AIR-E TCEQ ID: RN100209287 CASE NO.: 29895

RESPONDENT NAME: OXBOW CALCINING LLC F/K/A GREAT LAKES CARBON LLC

ORDER TYPE:		
<input checked="" type="checkbox"/> 1660 AGREED ORDER	<input type="checkbox"/> FINDINGS AGREED ORDER	<input type="checkbox"/> FINDINGS ORDER FOLLOWING SOAH HEARING
<input type="checkbox"/> FINDINGS DEFAULT ORDER	<input type="checkbox"/> SHUTDOWN ORDER	<input type="checkbox"/> IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER
<input type="checkbox"/> AMENDED ORDER	<input type="checkbox"/> EMERGENCY ORDER	
CASE TYPE:		
<input checked="" type="checkbox"/> AIR	<input type="checkbox"/> MULTI-MEDIA (check all that apply)	<input type="checkbox"/> INDUSTRIAL AND HAZARDOUS WASTE
<input type="checkbox"/> PUBLIC WATER SUPPLY	<input type="checkbox"/> PETROLEUM STORAGE TANKS	<input type="checkbox"/> OCCUPATIONAL CERTIFICATION
<input type="checkbox"/> WATER QUALITY	<input type="checkbox"/> SEWAGE SLUDGE	<input type="checkbox"/> UNDERGROUND INJECTION CONTROL
<input type="checkbox"/> MUNICIPAL SOLID WASTE	<input type="checkbox"/> RADIOACTIVE WASTE	<input type="checkbox"/> DRY CLEANER REGISTRATION
<p>SITE WHERE VIOLATION(S) OCCURRED: 3901 Coke Dock Road, Port Arthur, Jefferson County</p> <p>TYPE OF OPERATION: Calcining plant</p> <p>SMALL BUSINESS: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>OTHER SIGNIFICANT MATTERS: There are no complaints. There is no record of additional pending enforcement actions regarding this facility location.</p> <p>INTERESTED PARTIES: No one other than the ED and the Respondent has expressed an interest in this matter.</p> <p>COMMENTS RECEIVED: The <i>Texas Register</i> comment period expired on January 28, 2007. No comments were received.</p> <p>CONTACTS AND MAILING LIST: TCEQ Attorney: Ms. Laurencia Fasoyiro, Litigation Division, MC R-12, (713) 422-8914 Ms. Jennifer Cook, Litigation Division, MC 175, (512) 239-1873 SEP Coordinator: Ms. Sharon Blue, Litigation Division, MC 175, (512) 239-2223 TCEQ Enforcement Coordinator: Mr. Daniel Siringi, Air Enforcement Section, MC R-10, (409) 899-3838 TCEQ Regional Contact: Mr. Heather Ross, Beaumont Regional Office, MC R-10, (409) 899-8799 Respondent: Mr. Dan Rosendale, Vice President of Calciner Operations, Great Lakes Carbon LLC, 16945 Northchase, 4 Greenspoint Plaza, Suite 2200, Houston, TX 77002 Respondent's Attorney: Mr. Whitney L. Swift, Attorney at Law, Baker Botts, L.L.P., 98 San Jacinto Blvd., Suite 1500 Austin, TX 78701</p>		

VIOLATION SUMMARY CHART:

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p>Type of Investigation:</p> <p><input type="checkbox"/> Complaint <input checked="" type="checkbox"/> Routine <input type="checkbox"/> Enforcement Follow-up <input type="checkbox"/> Records Review</p> <p>Date of Complaints Relating to this Case: N/A</p> <p>Dates of Investigation Relating to this Case: May 2, 2006</p> <p>Date of NOE Relating to this Case: June 16, 2006</p> <p>Background Facts: The EDPRP was filed on March 16, 2007. The Respondent filed an answer to the EDPRP on March 28, 2007. The Agreed Order was mailed to the Respondent on November 9, 2007. The Respondent signed the Agreed Order on November 19, 2007.</p> <p>The Respondent in this case does not owe any other penalties according to the Administrative Penalty Database Report.</p> <p>AIR</p> <p>1. Failed to authorize emissions for SO3 [30 TEX. ADMIN. CODE § 116.110(a) and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p> <p>2. Failed to properly enclose the C35 Conveyor during operation on April 25, 2005 [30 TEX. ADMIN. CODE §§ 106.144(1), 122.143(4), Air Permit No. OP-01493, Special Condition 5 and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p> <p>3. Failed to authorize operation of the Magnesium Injection System prior to operation [30 TEX. ADMIN. CODE § 116.110(a) and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p> <p>4. Failed to limit the opacity from the Kiln Three Waste Heat Boiler Stack [30 TEX. ADMIN. CODE §§ 111.111(a)(1)(A), 116.115(c)(1), 122.143(4), Air Permit No. 45622, Special Condition 4 and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p>	<p>Total Assessed: \$32,004</p> <p>SEP Conditional Offset: \$14,112</p> <p>Total Paid to General Revenue: \$17,892</p> <p>The Respondent has paid \$17,892 of the administrative penalty. The amount of \$14,112 shall be conditionally offset by the completion of a Supplemental Environmental Project</p> <p>Site Compliance History Classification <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p>Person Compliance History Classification <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p>Major Source: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Applicable Penalty Policy: September 1, 2002</p>	<p>Corrective Action(s) Corrective Actions</p> <p>The Executive Director recognizes that the Respondent has implemented the following corrective measures:</p> <ol style="list-style-type: none"> 1. Implemented regular bi-weekly inspections to ensure the use of a proper cover during operation of the C35 Conveyor. 2. Conducted a root-cause analysis of opacity exceedances during feed stock changes. Upon completion of the root-cause analysis, implemented monitoring and control procedures designed to maintain the green coke silos at a product level that will minimize and/or prevent opacity exceedances during re-filling/feed-stock changes. 3. Implemented inspection and maintenance procedures designed to minimize and/or prevent visible emissions from the Airtrol Dust Collector. 4. Implemented procedures to ensure that non-reportable emission events are reported on the Annual Compliance Certification. 5. Conducted targeted training for plant personnel regarding petroleum coke usage recordkeeping requirements. Implemented backup procedures to ensure that records are kept of hourly raw petroleum coke usage. 6. On August 24, 2005, Permit No. 45622 amendment was approved and issued incorporating emissions of Sulfur trioxide (SO3) from kilns two, three, and four and the authorization of magnesium injection system. <p>Ordering Provisions</p> <p>The Respondent shall implement and complete a Supplemental Environmental Project (SEP), as described in Attachment A of the order.</p>

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p>5. Failed to maintain equipment in such a manner as to ensure all exhaust air was vented through a fabric filter having a maximum filtering velocity of 4.0 feet per minute (ft/min) with mechanical cleaning or 7.0 ft/min with automatic air cleaning [30 TEX. ADMIN. CODE §§ 106.144(1), 122.143(4), Air Permit No. OP-01493, Special Condition 5 and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p> <p>6. Failed to report deviations on an Annual Compliance Certification Report [TEX. ADMIN. CODE §§ 122.143(4), 122.145(2)(A), Air Permit No. OP-01493, Special Condition 2C and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p> <p>7. Failed to maintain records of hourly raw petroleum coke usage for two years [30 TEX. ADMIN. CODE §§ 116.115(c), 122.143(4), Air Permit No. 45622, Special Condition 7A, Air Permit No. 5421, Special Condition 10, Air Permit No. OP-01493, Special Condition 5 and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p>		



Policy Revision 2 (September 2002)

Penalty Calculation Worksheet (PCW)

PCW Revision April 25, 2006

DATES	Assigned	20-Jun-2006			
	PCW	07-Sep-2007	Screening	21-Jun-2006	EPA Due

RESPONDENT/FACILITY INFORMATION					
Respondent	Oxbow Calcining LLC f/k/a Great Lakes Carbon LLC				
Reg. Ent. Ref. No.	RN100209287				
Facility/Site Region	10-Beaumont	<	Major/Minor Source	Major Source	<

CASE INFORMATION					
Enf./Case ID No.	29895	No. of Violations	7		
Docket No.	2006-0782-AIR-E	Order Type	1660	<	
Media Program(s)	Air Quality	Enf. Coordinator	Daniel Siringi		
Multi-Media		EC's Team	Enforcement Team 6	<	
Admin. Penalty \$	Limit Minimum	\$0	Maximum	\$10,000	

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties) **Subtotal 1** \$25,200

ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

Compliance History **Subtotals 2, 3, & 7** \$13,104

Notes: Enhancement for six (6) NOV's with same or similar violations, one (1) NOV without same or similar violations and one (1) 1660 order with denial of liability in the past five years at this plant.

Culpability **Subtotal 4** \$0

Notes: The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply **Subtotal 5** -\$6,300

	Before NOV	NOV to EDRP/Settlement Offer
Extraordinary		
Ordinary	x	
N/A		(mark with a small x)

Notes: The respondent achieved compliance in April 2006.

Economic Benefit **Subtotal 6** \$0

Total EB Amounts	\$22	*Capped at the Total EB \$ Amount
Approx. Cost of Compliance	\$4,900	

SUM OF SUBTOTALS 1-7 **Final Subtotal** \$32,004

OTHER FACTORS AS JUSTICE MAY REQUIRE **Adjustment** \$0

Reduces or enhances the Final Subtotal by the indicated percentage. (Enter number only; e.g. -30 for -30%.)

Notes:

Final Penalty Amount \$32,004

STATUTORY LIMIT ADJUSTMENT **Final Assessed Penalty** \$32,004

DEFERRAL **Adjustment** \$0

Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes: No deferral is offered due to being referred to the Litigation Division.

PAYABLE PENALTY **\$32,004**

Screening Date 21-Jun-2006	Docket No. 2006-0782-AIR-E	PCW
Respondent Oxbow Calcining LLC f/k/a Great Lakes Carbon LLC		<i>Policy Revision 2 (September 2002)</i>
Case ID No. 29895		<i>PCW Revision April 25, 2006</i>
Reg. Ent. Reference No. RN100209287		
Media [Statute] Air Quality		
Enf. Coordinator Daniel Siringi		

Compliance History Worksheet

>> **Compliance History Site Enhancement (Subtotal 2)**

Component	Number of...	<i>Enter Number Here</i>	Adjust.
NOVs	Written NOV's with same or similar violations as those in the current enforcement action (<i>number of NOV's meeting criteria</i>)	6	30%
	Other written NOV's	1	2%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	1	20%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgements or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were</i>	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	0	0%
<i>Please Enter Yes or No</i>			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 52%

>> **Repeat Violator (Subtotal 3)**

No < **Adjustment Percentage (Subtotal 3)** 0%

>> **Compliance History Person Classification (Subtotal 7)**

Average Performer < **Adjustment Percentage (Subtotal 7)** 0%

>> **Compliance History Summary**

Compliance History Notes Enhancement for six (6) NOV's with same or similar violations, one (1) NOV without same or similar violations and one (1) 1660 order with denial of liability in the past five years at this plant.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 52%

Screening Date 21-Jun-2006	Docket No. 2006-0782-AIR-E	PCW
Respondent Oxbow Calcining LLC f/k/a Great Lakes Carbon LLC	<i>Policy Revision 2 (September 2002)</i>	
Case ID No. 29895	<i>PCW Revision April 25, 2006</i>	
Reg. Ent. Reference No. RN100209287		
Media [Statute] Air Quality		
Enf. Coordinator Daniel Siringi		
Violation Number	1	
Primary Rule Cite(s)	30 Tex. Admin. Code § 116.110(a)	
Secondary Rule Cite(s)	Texas Health & Safety Code § 382.085(b)	
Violation Description	Failure to authorize emissions for Sulfur Trioxide (SO3). Specifically, from March 5, 2005, through August 24, 2005, SO3 emissions were being emitted from kilns two, three, and four which were not authorized by Permit No. 45622.	
Base Penalty		\$10,000

>> **Environmental, Property and Human Health Matrix**

		Harm			
	Release	Major	Moderate	Minor	
OR	Actual	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Percent <input type="text" value="25%"/>
	Potential	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

>> **Programmatic Matrix**

		Falsification	Major	Moderate	Minor	
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Percent <input type="text"/>
Matrix Notes	Human health or the environment has been exposed to insignificant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of the violation.					
Adjustment					-\$7,500	

Base Penalty Subtotal

Violation Events

Number of Violation Events Number of violation days

	daily	<input type="checkbox"/>	Violation Base Penalty <input type="text" value="\$15,000"/>
	monthly	<input type="checkbox"/>	
<i>mark only one</i>	quarterly	<input checked="" type="checkbox"/>	
<i>use a small x</i>	semiannual	<input type="checkbox"/>	
	annual	<input type="checkbox"/>	
	single event	<input type="checkbox"/>	

Six (6) quarterly events are recommended based on 3 Kilns.

Economic Benefit (EB) for this violation	Statutory Limit Test
Estimated EB Amount <input type="text" value="\$24"/>	Violation Final Penalty Total <input type="text" value="\$19,050"/>
This violation Final Assessed Penalty (adjusted for limits) <input type="text" value="\$19,050"/>	

Economic Benefit Worksheet

Respondent Oxbow Calcining LLC f/k/a Great Lakes Carbon LLC
 Case ID No. 29895
 Reg. Ent. Reference No. RN100209287
 Media [Statute] Air Quality
 Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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Delayed Costs							
Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs	\$1,000	05-Mar-2005	24-Aug-2005	0.5	\$24	n/a	\$24
Other (as needed)				0.0	\$0	n/a	\$0

Notes for DELAYED costs: The amount represents the estimated cost of submitting an application to amend the permit to incorporate emissions of sulfur trioxide from kilns two, three and four. Date required is the date of exceedance and final date is the date the permit amendment was approved.

Avoided Costs							
ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)							
Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equipment				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs:

Approx. Cost of Compliance \$1,000

TOTAL \$24

Screening Date	21-Jun-2006	Docket No.	2006-0782-AIR-E	PCW
Respondent	Oxbow Calcining LLC f/k/a Great Lakes Carbon LLC		Policy Revision 2 (September 2002)	
Case ID No.	29895	PCW Revision April 25, 2006		
Reg. Ent. Reference No.	RN100209287			
Media [Statute]	Air Quality			
Enf. Coordinator	Daniel Siringi			
Violation Number	2			
Primary Rule Cite(s)	30 Tex. Admin. Code § 106.144(1)			
Secondary Rule Cite(s)	Air Permit No. OP-01493, Special Condition 5, 30 Tex. Admin. Code § 122.143(4) and Tex. Health & Safety Code § 382.085(b)			
Violation Description	Failure to properly enclose the C35 Conveyor during operation on April 25, 2005.			

Base Penalty

>> **Environmental, Property and Human Health Matrix**

OR	Harm			Percent <input type="text" value="25%"/>	
	Release	Major	Moderate		Minor
	Actual	<input type="text"/>	<input type="text"/>		<input checked="" type="checkbox"/>
Potential	<input type="text"/>	<input type="text"/>	<input type="text"/>		

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor	Percent <input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	

Matrix Notes
 Human health or the environment has been exposed to insignificant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment

Base Penalty Subtotal

Violation Events

Number of Violation Events Number of violation days

mark only one use a small x	daily	<input type="text"/>
	monthly	<input type="text"/>
	quarterly	<input checked="" type="checkbox"/>
	semiannual	<input type="text"/>
	annual	<input type="text"/>
single event	<input type="text"/>	

Violation Base Penalty

One (1) quarterly event is recommended.

Economic Benefit (EB) for this violation	Statutory Limit Test
Estimated EB Amount <input type="text" value="\$1"/>	Violation Final Penalty Total <input type="text" value="\$3,175"/>
This violation Final Assessed Penalty (adjusted for limits) <input type="text" value="\$3,175"/>	

Economic Benefit Worksheet

Respondent Oxbow Calcining LLC f/k/a Great Lakes Carbon LLC
Case ID No. 29895
Reg. Ent. Reference No. RN100209287
Media [Statute] Air Quality
Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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Delayed Costs							
Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)	\$1,000	25-Apr-2005	30-Apr-2005	0.0	\$1	n/a	\$1

Notes for DELAYED costs The amounts represents the estimated cost of properly covering the C35 Conveyor to prevent exhaust air to the atmosphere. Date required is the date the C35 conveyor was incorrectly operated and the final date is the compliance date.

Avoided Costs	ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)						
Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equipment				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance \$1,000 **TOTAL** \$1

Screening Date 21-Jun-2006	Docket No. 2006-0782-AIR-E	PCW
Respondent Oxbow Calcining LLC f/k/a Great Lakes Carbon LLC	<i>Policy Revision 2 (September 2002)</i>	
Case ID No. 29895	<i>PCW Revision April 25, 2006</i>	
Reg. Ent. Reference No. RN100209287		
Media [Statute] Air Quality		
Enf. Coordinator Daniel Siringi		
Violation Number	3	
Primary Rule Cite(s)	30 Tex. Admin. Code § 116.110(a)	
Secondary Rule Cite(s)	Tex. Health & Safety Code § 382.085(b)	
Violation Description	Failure to authorize operation of the Magnesium Injection System prior to operation. Specifically, the Magnesium Injection System was operated from August 6, 2005, through August 15, 2005, and on August 23, 2005.	
Base Penalty		\$10,000

>> **Environmental, Property and Human Health Matrix**

Harm			
Release	Major	Moderate	Minor
Actual			
Potential			
			Percent <input style="width: 50px;" type="text"/>

OR

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor
	X		
			Percent <input style="width: 50px;" type="text" value="25%"/>

Matrix Notes 100% of the rule requirement was not met.

Adjustment

Base Penalty Subtotal

Violation Events

Number of Violation Events Number of violation days

	daily	
	monthly	X
<i>mark only one</i>	quarterly	
<i>use a small x</i>	semiannual	
	annual	
	single event	

Violation Base Penalty

One (1) monthly event is recommended.

Economic Benefit (EB) for this violation	Statutory Limit Test
Estimated EB Amount <input style="width: 50px;" type="text" value="\$0"/>	Violation Final Penalty Total <input style="width: 100px;" type="text" value="\$3,175"/>
This violation Final Assessed Penalty (adjusted for limits) <input style="width: 100px;" type="text" value="\$3,175"/>	

Economic Benefit Worksheet

Respondent Oxbow Calcining LLC f/k/a Great Lakes Carbon LLC
 Case ID No. 29895
 Reg. Ent. Reference No. RN100209287
 Media [Statute] Air Quality
 Violation No. 3

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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Delayed Costs							
Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)				0.0	\$0	n/a	\$0

Notes for DELAYED costs Economic benefit incorporated in Violation 1.

Avoided Costs							
ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)							
Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equipment				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance \$0 TOTAL \$0

Screening Date 21-Jun-2006	Docket No. 2006-0782-AIR-E	PCW
Respondent Oxbow Calcining LLC f/k/a Great Lakes Carbon LLC	<i>Policy Revision 2 (September 2002)</i>	
Case ID No. 29895	<i>PCW Revision April 25, 2006</i>	
Reg. Ent. Reference No. RN100209287		
Media [Statute] Air Quality		
Enf. Coordinator Daniel Siringi		
Violation Number <input type="text" value="4"/>		
Primary Rule Cite(s)	Air Permit No. 45622, Special Condition 4, 30 Tex. Admin. Code § 111.111(a)(1)(A)	
Secondary Rule Cite(s)	30 Tex. Admin. Code §§ 116.115(c)(1), 122.143(4) and Tex. Health & Safety Code § 382.085(b)	
Violation Description	Failure to limit the opacity from the Kiln Three Waste Heat Boiler Stack. Specifically, on October 13, 2005, the six-minute opacity from the Kiln Three Waste Heat Boiler Stack exceeded thirty percent during the performance of a feed stock change.	
Base Penalty		<input type="text" value="\$10,000"/>

>> Environmental, Property and Human Health Matrix				
OR	Harm			
	Release	Major	Moderate	Minor
	Actual	<input type="text"/>	<input type="text"/>	<input checked="" type="checkbox"/>
	Potential	<input type="text"/>	<input type="text"/>	<input type="text"/>
				Percent <input type="text" value="25%"/>
>> Programmatic Matrix				
	Falsification	Major	Moderate	Minor
	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
				Percent <input type="text"/>
Matrix Notes	Human health or the environment has been exposed to insignificant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of the violation.			
Adjustment				<input type="text" value="-\$7,500"/>

Base Penalty Subtotal	<input type="text" value="\$2,500"/>
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Violation Events															
Number of Violation Events	<input type="text" value="1"/>	Number of violation days	<input type="text" value="1"/>												
<i>mark only one use a small x</i>	<table style="width:100%; border-collapse: collapse;"> <tr><td style="padding: 2px;">daily</td><td style="text-align: center;"><input type="text"/></td></tr> <tr><td style="padding: 2px;">monthly</td><td style="text-align: center;"><input type="text"/></td></tr> <tr><td style="padding: 2px;">quarterly</td><td style="text-align: center;"><input type="text"/></td></tr> <tr><td style="padding: 2px;">semiannual</td><td style="text-align: center;"><input type="text"/></td></tr> <tr><td style="padding: 2px;">annual</td><td style="text-align: center;"><input type="text"/></td></tr> <tr><td style="padding: 2px;">single event</td><td style="text-align: center;"><input checked="" type="checkbox"/></td></tr> </table>	daily	<input type="text"/>	monthly	<input type="text"/>	quarterly	<input type="text"/>	semiannual	<input type="text"/>	annual	<input type="text"/>	single event	<input checked="" type="checkbox"/>	Violation Base Penalty	<input type="text" value="\$2,500"/>
daily	<input type="text"/>														
monthly	<input type="text"/>														
quarterly	<input type="text"/>														
semiannual	<input type="text"/>														
annual	<input type="text"/>														
single event	<input checked="" type="checkbox"/>														
One (1) single event is recommended.															

Economic Benefit (EB) for this violation	Statutory Limit Test
Estimated EB Amount <input type="text" value="\$2"/>	Violation Final Penalty Total <input type="text" value="\$3,175"/>
This violation Final Assessed Penalty (adjusted for limits) <input type="text" value="\$3,175"/>	

Economic Benefit Worksheet

Respondent Oxbow Calcining LLC f/k/a Great Lakes Carbon LLC
 Case ID No. 29895
 Reg. Ent. Reference No. RN100209287
 Media [Statute] Air Quality
 Violation No. 4

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost <small>No commas or \$</small>	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
------------------	---	---------------	------------	-----	----------------	---------------	-----------

Delayed Costs

Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)	\$500	13-Oct-2005	31-Oct-2005	0.0	\$0	\$2	\$2
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)				0.0	\$0	n/a	\$0

Notes for DELAYED costs: Estimated cost of increased oversight that might have prevented emissions. Date required is the date of occurrence and final date is the compliance date.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equipment				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance \$500

TOTAL \$2

Screening Date 21-Jun-2006	Docket No. 2006-0782-AIR-E	PCW
Respondent Oxbow Calcining LLC f/k/a Great Lakes Carbon LLC	<i>Policy Revision 2 (September 2002)</i>	
Case ID No. 29895	<i>PCW Revision April 25, 2006</i>	
Reg. Ent. Reference No. RN100209287		
Media [Statute] Air Quality		
Enf. Coordinator Daniel Siringi		
Violation Number <input type="text" value="5"/>		
Primary Rule Cite(s)	<input type="text" value="30 Tex. Admin. Code § 106.144(1)"/>	
Secondary Rule Cite(s)	<input type="text" value="Air-Permit-No.-OP-01493, Special-Condition-5, 30-Tex.-Admin.-Code-§-122.143(4) and Tex. Health & Safety Code § 382.085(b)"/>	
Violation Description	<p>Failure to maintain equipment in such a manner as to ensure all exhaust air was vented through a fabric filter having a maximum filtering velocity of 4.0 feet per minute (ft/min) with mechanical cleaning or 7.0 ft/min with automatic air cleaning. Specifically, on March 1, 2006, the automatic bag cleaning cycle of the Airtrol Dust Collector did not keep the bags clean and as a result airflow through the system was restricted, which resulted in visible emissions being vented through the dust collector.</p>	
Base Penalty		<input type="text" value="\$10,000"/>

>> **Environmental, Property and Human Health Matrix**

		Harm			
		Major	Moderate	Minor	
OR	Release				
	Actual	<input type="text"/>	<input type="text"/>	X	Percent <input type="text" value="25%"/>
Potential	<input type="text"/>	<input type="text"/>	<input type="text"/>		

>> **Programmatic Matrix**

		Falsification	Major	Moderate	Minor	
		<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	Percent <input type="text"/>

Matrix Notes

Human health or the environment has been exposed to insignificant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment

Base Penalty Subtotal

Violation Events

Number of Violation Events Number of violation days

<i>mark only one use a small x</i>	daily	<input type="text"/>
	monthly	<input type="text"/>
	quarterly	<input type="text"/>
	semiannual	<input type="text"/>
	annual	<input type="text"/>
	single event	X

Violation Base Penalty

One Single event is recommended.

Economic Benefit (EB) for this violation	Statutory Limit Test
Estimated EB Amount <input type="text" value="\$8"/>	Violation Final Penalty Total <input type="text" value="\$3,175"/>
This violation Final Assessed Penalty (adjusted for limits) <input type="text" value="\$3,175"/>	

Economic Benefit Worksheet

Respondent Oxbow Calcining LLC f/k/a Great Lakes Carbon LLC
Case ID No. 29895
Reg. Ent. Reference No. RN100209287
Media [Statute] Air Quality
Violation No. 5

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
------------------	-----------	---------------	------------	-----	----------------	---------------	-----------

Delayed Costs							
Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)	\$1,500	01-Mar-2006	30-Mar-2006	0.1	\$0	\$8	\$8
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)				0.0	\$0	n/a	\$0

Notes for DELAYED costs: Estimated cost of improved maintenance that might have prevented visible emissions into the atmosphere from the Airtrol Dust Collector. Date required is the date of occurrence and final date is the compliance date.

Avoided Costs	ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)						
Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equipment				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance \$1,500

TOTAL \$8

Screening Date	21-Jun-2006	Docket No.	2006-0782-AIR-E	PCW
Respondent	Oxbow Calcining LLC f/k/a Great Lakes Carbon LLC	<i>Policy Revision 2 (September 2002)</i>		
Case ID No.	29895	<i>PCW Revision April 25, 2006</i>		
Reg. Ent. Reference No.	RN100209287			
Media [Statute]	Air Quality			
Enf. Coordinator	Daniel Siringi			
Violation Number	6			
Primary Rule Cite(s)	Air Permit No. OP-1493, Special Condition 2C			
Secondary Rule Cite(s)	30-Tex-Admin-Code §§ 122.143(4), 122.145(2)(A) and Tex. Health & Safety Code § 382.085(b)			
Violation Description	Failure to report deviations on an Annual Compliance Certification Report. Specifically, two recordable emissions events that occurred on February 12, 2006, and February 13, 2006 were not reported on the Annual Compliance certification.			
Base Penalty				\$10,000

>> **Environmental, Property and Human Health Matrix**

		Harm			
Release		Major	Moderate	Minor	
OR	Actual				Percent
	Potential				

>> **Programmatic Matrix**

		Falsification	Major	Moderate	Minor	
					X	Percent 1%

Matrix Notes: At least 70% of the rule requirement was met.

Adjustment -\$9,900

Base Penalty Subtotal \$100

Violation Events

Number of Violation Events Number of violation days

mark only one use a small x	daily	
	monthly	
	quarterly	
	semiannual	
	annual	
	single event	X

Violation Base Penalty \$100

One single event is recommended.

Economic Benefit (EB) for this violation **Statutory Limit Test**

Estimated EB Amount	\$2	Violation Final Penalty Total	\$127
This violation Final Assessed Penalty (adjusted for limits)		\$127	

Economic Benefit Worksheet

Respondent Oxbow Calcining LLC f/k/a Great Lakes Carbon LLC
Case ID No. 29895
Reg. Ent. Reference No. RN100209287
Media [Statute] Air Quality
Violation No. 6

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost <small>No commas or \$</small>	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
------------------	---	---------------	------------	-----	----------------	---------------	-----------

Delayed Costs							
Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)	\$200	12-Feb-2006	30-Apr-2006	0.2	\$2	n/a	\$2

Notes for DELAYED costs: The amount represents the estimated cost of submitting two deviation reports on an Annual Compliance Certification. Date required is the due date of the report and the final date is the date of compliance.

Avoided Costs							
ANNUALIZE [1] avoided costs before entering Item (except for one-time avoided costs)							
Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equipment				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance \$200

TOTAL \$2

Screening Date 21-Jun-2006 **Docket No.** 2006-0782-AIR-E **PCW**

Respondent Oxbow Calcining LLC f/k/a Great Lakes Carbon LLC *Policy Revision 2 (September 2002)*

Case ID No. 29895 *PCW Revision April 25, 2006*

Reg. Ent. Reference No. RN100209287

Media [Statute] Air Quality

Enf. Coordinator Daniel Siringi

Violation Number 7

Primary Rule Cite(s) Air Permit No. 45622, Special Condition 7A and Air Permit No. 5421, Special Condition 10

Secondary Rule Cite(s) Air Permit No. OP-01493, Special Condition 5, 30 Tex. Admin. Code §§ 116.115(c), 122.143(4) and Tex. Health & Safety Code § 382.085(b)

Violation Description Failure to maintain records of hourly raw petroleum coke usage for two years. Specifically, for 10 days out of the 2 year period preceding the March 4, 2006 deviation reporting period.

Base Penalty \$10,000

>> **Environmental, Property and Human Health Matrix**

		Harm			
		Major	Moderate	Minor	
OR	Actual				Percent
	Potential				

>> **Programmatic Matrix**

	Falsification	Major	Moderate	Minor	Percent
				X	1%

Matrix Notes At least 70% of the rule requirement was met.

Adjustment -\$9,900

Base Penalty Subtotal \$100

Violation Events

Number of Violation Events Number of violation days

mark only one use a small x	daily	
	monthly	
	quarterly	
	semiannual	
	annual	
	single event	X

Violation Base Penalty \$100

One single event is recommended.

Economic Benefit (EB) for this violation **Statutory Limit Test**

Estimated EB Amount -\$15

Violation Final Penalty Total \$127

This violation Final Assessed Penalty (adjusted for limits) \$127

Economic Benefit Worksheet

Respondent Oxbow Calcining LLC f/k/a Great Lakes Carbon LLC
Case ID No. 29895
Reg. Ent. Reference No. RN100209287
Media [Statute] Air Quality
Violation No. 7

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)	\$700	04-Mar-2006	30-Sep-2005	-0.4	-\$15	n/a	-\$15

Notes for DELAYED costs
 The amounts represents the estimated cost of developing a Standard Operating Procedure (SOP) for properly maintain records of hourly raw petroleum usage. Date required is preceding deviations reporting date and the final date is the compliance date.

Avoided Costs	ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)						
Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equipment				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance \$700
TOTAL -\$15

Compliance History

Customer/Respondent/Owner-Operator:	CN602552424 Great Lakes Carbon, L.L.C.	Classification: AVERAGE	Rating: 3.20
Regulated Entity:	RN100209287 GREAT LAKES CARBON PORT ARTHUR PLANT	Classification: AVERAGE	Site Rating: 3.20
ID Number(s):	AIR OPERATING PERMITS	ACCOUNT NUMBER	JE0040F
	AIR OPERATING PERMITS	PERMIT	1493
	WASTEWATER	PERMIT	WQ0001994000
	WASTEWATER	PERMIT	TPDES0068781
	PETROLEUM STORAGE TANK REGISTRATION	REGISTRATION	72418
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	EPA ID	TXD008094153
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION # (SWR)	30128
	AIR NEW SOURCE PERMITS	PERMIT	45622
	AIR NEW SOURCE PERMITS	PERMIT	5421
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	JE0040F
	AIR NEW SOURCE PERMITS	PERMIT	27248
	AIR NEW SOURCE PERMITS	PERMIT	32619
	AIR NEW SOURCE PERMITS	PERMIT	35946A
	AIR NEW SOURCE PERMITS	PERMIT	35946
	AIR NEW SOURCE PERMITS	PERMIT	46188
	AIR NEW SOURCE PERMITS	PERMIT	48801
	AIR NEW SOURCE PERMITS	REGISTRATION	72051
	AIR NEW SOURCE PERMITS	PERMIT	75626
	AIR NEW SOURCE PERMITS	AFS NUM	0023
	AIR NEW SOURCE PERMITS	PERMIT	54212
	AIR NEW SOURCE PERMITS	PERMIT	74427
	AIR NEW SOURCE PERMITS	REGISTRATION	74673
	AIR NEW SOURCE PERMITS	REGISTRATION	75171
	AIR NEW SOURCE PERMITS	REGISTRATION	76939
	WASTEWATER LICENSING	LICENSE	WQ0001994000
Location:	3901 COKE DOCK RD, PORT ARTHUR, TX, 77640	Rating Date: September 01 05	Repeat Violator: NO
TCEQ Region:	REGION 10 - BEAUMONT		
Date Compliance History Prepared:	June 21, 2006		
Agency Decision Requiring Compliance History:	Enforcement		
Compliance Period:	June 21, 2001 to June 21, 2006		

TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History

Name: Daniel Siringi Phone: (409) 899-8799

Site Compliance History Components

1. Has the site been in existence and/or operation for the full five year compliance period? Yes
2. Has there been a (known) change in ownership of the site during the compliance period? Yes
3. If Yes, who is the current owner? Great Lakes Carbon, L.L.C.
4. If Yes, who was/were the prior owner(s)? Great Lakes Carbon Corporation
5. When did the change(s) in ownership occur? 01/14/2004

Components (Multimedia) for the Site :

A. Final Enforcement Orders, court judgements, and consent decrees of the state of Texas and the federal government.

Effective Date: 11/11/2004

ADMINORDER 2004-0098-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter E 115.412(1)(A)
5C THC Chapter 382, SubChapter A 382.085(a)

Description: Failure to keep the cover of a Volatile Organic Compound (VOC) cold solvent cleaner closed when parts are not being handled in the cleaner.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: NSR Permit 45622 Special Condition No.1 PERMIT

O-01493, Special T & Cs No. 5 OP

Description: Failure to comply with the raw petroleum coke usage rate of 21 tons per hours in Kiln No. 2 on at least 74 occasions between September 2002 to September 2003.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: FOP O-01493 OP

NSR Permit No. 45622, SC No. 7 PERMIT

Description: Failure to maintain records showing hourly raw petroleum coke usage rates on five dates from September 2002 to September 2003.

Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.145(2)(C)
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failure to report coke usage rate exceedances and hourly record keeping deficiencies as deviations of Federal Operating Permit requirements within 30 days of the end of the reporting period in which they occurred.

Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.146(2)
30 TAC Chapter 122, SubChapter B 122.146(5)(D)
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failure to submit an accurate Permit Compliance Certification (PCC), within 30 days after the end of the reporting period.

Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.145(2)(C)
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failure to report deviations occurring in the third six month reporting period following FOP issuance within 30 days of the end of the reporting period.

B. Any criminal convictions of the state of Texas and the federal government.

N/A

C. Chronic excessive emissions events.

N/A

D. The approval dates of investigations. (CCEDS Inv. Track. No.)

1	01/11/2002	(247216)
2	04/15/2004	(264591)
3	01/24/2005	(346933)
4	12/02/2003	(252313)
5	05/27/2004	(271374)
6	02/19/2002	(195245)
7	02/18/2003	(195246)
8	08/10/2001	(195247)
9	03/11/2002	(195249)
10	02/22/2006	(474670)
11	03/14/2003	(195250)
12	06/16/2006	(463013)
13	01/11/2002	(141100)
14	04/17/2002	(195254)
15	04/18/2005	(423415)
16	03/22/2006	(474671)
17	04/14/2003	(195255)
18	05/18/2005	(423416)
19	06/20/2005	(423417)
20	05/15/2002	(195258)
21	10/24/2005	(474672)
22	05/19/2003	(195259)
23	05/22/2006	(460643)
24	11/21/2005	(474673)

25	06/20/2002	(195262)
26	04/29/2003	(27330)
27	06/13/2003	(195263)
28	02/18/2004	(311130)
29	07/16/2001	(195265)
30	07/29/2002	(195266)
31	03/18/2004	(311132)
32	07/18/2003	(195267)
33	04/20/2004	(311133)
34	12/20/2005	(474674)
35	02/28/2006	(456994)
36	03/29/2006	(454151)
37	06/11/2004	(273481)
38	08/17/2001	(195269)
39	10/30/2003	(248594)
40	05/18/2004	(311135)
41	07/21/2004	(358483)
42	08/15/2002	(195270)
43	07/06/2004	(278941)
44	08/26/2004	(358484)
45	06/21/2004	(311137)
46	09/15/2004	(358485)
47	09/13/2001	(195272)
48	01/30/2006	(474675)
49	10/20/2004	(358486)
50	09/13/2002	(195273)
51	11/18/2004	(358487)
52	08/13/2003	(311140)
53	10/19/2001	(195275)
54	10/17/2002	(195276)
55	06/29/2001	(86834)
56	09/08/2003	(311142)
57	06/29/2001	(86835)
58	09/20/2001	(86836)
59	10/20/2003	(311144)
60	11/15/2001	(195279)
61	11/20/2003	(311145)
62	11/18/2002	(195280)
63	12/18/2003	(311146)
64	08/30/2005	(406014)
65	07/28/2003	(118956)
66	01/20/2004	(311147)
67	07/19/2005	(444223)
68	02/27/2006	(451638)
69	08/19/2005	(444224)
70	12/14/2001	(195283)
71	08/09/2002	(5592)
72	09/20/2005	(444225)
73	12/16/2002	(195284)
74	01/16/2002	(195287)
75	07/15/2002	(195288)
76	02/18/2005	(385365)

77 03/18/2005 (385366)
 78 12/22/2004 (385367)
 79 01/20/2005 (385368)
 80 07/24/2003 (112544)
 81 03/24/2004 (265599)
 82 08/20/2002 (5274)

E. Written notices of violations (NOV): (CCEDS Inv. Track. No.)

Date: 07/29/2003 (118956)
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(15)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 30 TAC Chapter 122, SubChapter B 122.146(5)(A)
 30 TAC Chapter 122, SubChapter B 122.146(5)(B)
 30 TAC Chapter 122, SubChapter B 122.165(a)(8)
 5C THC Chapter 382, SubChapter A 382.085(b)
 Rqmt Prov: OP IA
 Description: Failure to submit complete Federal Operating Permit Compliance Certification.

Date: 05/22/2006 (460643)
 Self Report? NO Classification: Moderate
 Rqmt Prov: PERMIT IA
 Description: Failure to prevent erosion at the south dock.

Date: 05/27/2004 (271374)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 106, SubChapter E 106.144(1)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THC Chapter 382, SubChapter A 382.085(b)
 Rqmt Prov: PERMIT IA
 Description: Failure to prevent unauthorized emissions from the Day Tank baghouse in accordance with Permit by Rule.

Date: 05/10/2005 (374040)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 106, SubChapter E 106.144(4)
 30 TAC Chapter 116, SubChapter B 116.110(a)(4)
 5C THC Chapter 382, SubChapter A 382.085(b)
 Description: Failure to comply with a Permit By Rule / Standard Exemption.

Date: 05/09/2006 (458886)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 101, SubChapter A 101.4
 5C THC Chapter 382, SubChapter D 382.085(b)
 Description: Failure to comply with conditions of rule.

Date: 04/15/2004 (264591)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(1)(B)
 5C THC Chapter 382, SubChapter A 382.085(b)
 Description: Failure to prevent visible emissions from the C-37 transfer point.

Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(1)(B)
 5C THC Chapter 382, SubChapter A 382.085(b)
 Description: Failure to maintain opacity below 20% from the Dust Collection System on Calcine Coke Silo Number 1.

Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 106, SubChapter E 106.144(1)
 5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failure to prevent emissions from the C-37 Transfer Chute in accordance with Permit by Rule Registration No. 48801.
Self Report? NO Classification: Major
Citation: 30 TAC Chapter 106, SubChapter E 106.144(4)
30 TAC Chapter 116, SubChapter B 116.110(a)(4)
5C THC Chapter 382, SubChapter A 382.085(b)
Description: Failure to permit emissions from the Calcine Coke Silo No. 1 Dust Collection System.

Date: 08/30/2005 (406014)
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 106, SubChapter E 106.144(4)
30 TAC Chapter 116, SubChapter B 116.110(a)(4)
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failure to comply with the conditions of a Permit By Rule.
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 106, SubChapter E 106.144(4)
30 TAC Chapter 116, SubChapter B 116.110(a)(4)
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failure to comply with the conditions of a Permit By Rule.
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: OP IA
PERMIT IA
Description: Failure to comply with the special conditions of a New Source Review Permit and the terms and conditions of a Federal Operating Permit.

- F. Environmental audits.
N/A
 - G. Type of environmental management systems (EMSs).
N/A
 - H. Voluntary on-site compliance assessment dates.
N/A
 - I. Participation in a voluntary pollution reduction program.
N/A
 - J. Early compliance.
N/A
- Sites Outside of Texas
N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
OXBOW CALCINING LLC f/k/a
GREAT LAKES CARBON LLC,
RN100209287

§
§
§
§
§

BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY

AGREED ORDER
DOCKET NO. 2006-0782-AIR-E

I. JURISDICTION AND STIPULATIONS

At its _____ agenda, the Texas Commission on Environmental Quality ("Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Oxbow Calcining LLC f/k/a Great Lakes Carbon LLC ("Oxbow") under the authority of TEX. WATER CODE ch. 7 and TEX. HEALTH & SAFETY CODE ch. 382. The Executive Director of the TCEQ, represented by the Litigation Division, and Oxbow represented by Whitney L. Swift of the law firm of Baker Botts L.L.P., appear before the Commission and together stipulate that:

1. Oxbow owns and operates a Calcining plant that transforms raw petroleum coke into calcined coke at 3901 Coke Dock Road in Port Arthur, Jefferson County, Texas (the "Plant"). Great Lakes Carbon LLC owned and operated the Plant at the time the alleged violations occurred. Oxbow Carbon & Minerals Holdings, Inc. acquired Great Lakes Carbon LLC in May 2007. Great Lakes Carbon LLC subsequently changed its name to Oxbow Calcining LLC.
2. This Agreed Order is entered into pursuant to TEX. WATER CODE §§ 7.051 and 7.070. The Commission has jurisdiction of this matter pursuant to TEX. WATER CODE § 5.013 because it alleges violations of TEX. HEALTH & SAFETY CODE ch. 382 and TCEQ rules.
3. The Commission and Oxbow agree that the Commission has jurisdiction to enter this Agreed Order, and that Oxbow is subject to the Commission's jurisdiction.
4. Oxbow received notice of the violations alleged in Section II ("Allegations") on or about June 21, 2006.

5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by Oxbow of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
6. An administrative penalty in the amount of thirty two thousand four dollars (\$32,004.00) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). Fourteen thousand one hundred twelve dollars (\$14,112.00) shall be conditionally offset by Oxbow's completion of a Supplemental Environmental Project ("SEP"). Oxbow has paid Seventeen thousand eight hundred ninety-two dollars (\$17,892.00) of the administrative penalty.
7. Any notice and procedures which might otherwise be authorized or required in this action are waived in the interest of a more timely resolution of the matter.
8. The Executive Director of the TCEQ and Oxbow have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.
9. The Executive Director recognizes that Oxbow has implemented the following corrective measures at the Plant in response to this enforcement action:
 - a. In April 2005, Implemented regular bi-weekly inspections to ensure the use of a proper cover during operation of the C35 Conveyor.
 - b. In October 2005, conducted a root-cause analysis of opacity exceedances during feed stock changes. Upon completion of the root-cause analysis, implemented monitoring and control procedures designed to maintain the green coke silos at a product level that will minimize and/or prevent opacity exceedances during re-filling/feed-stock changes.
 - c. In March 2006, implemented inspection and maintenance procedures designed to minimize and/or prevent visible emissions from the Airtrol Dust Collector.
 - d. In April 2006, implemented procedures to ensure that non-reportable emission events are reported on the Annual Compliance Certification.
 - e. In September 2005, conducted targeted training for plant personnel regarding petroleum coke usage recordkeeping requirements. In December 2005, implemented backup procedures to ensure that records are kept of hourly raw petroleum coke usage.
 - f. On August 24, 2005, Permit No. 45622 amendment was approved and issued incorporating emissions of Sulfur trioxide (SO₃) from kilns two, three, and four and the authorization of magnesium injection system.

10. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that Oxbow has not complied with one or more of the terms or conditions in this Agreed Order.
11. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
12. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

II. ALLEGATIONS

Oxbow is alleged to have violated the following requirements as documented during an inspection conducted on May 2, 2006, by a TCEQ Beaumont Regional Office investigator:

1. 30 TEX. ADMIN. CODE § 116.110(a) and TEX. HEALTH & SAFETY CODE § 382.085(b) by failing to authorize emissions for SO₃. Specifically, from March 4, 2005, through August 24, 2005, SO₃ emissions were being emitted from kilns two, three and four which were not authorized by Permit No. 45622.
2. 30 TEX. ADMIN. CODE §§ 106.144(1), 122.143(4), Air Permit No. OP-01493, Special Condition 5 and TEX. HEALTH & SAFETY CODE § 382.085(b) by failing to properly enclose the C35 Conveyor during operation on April 25, 2005.
3. 30 TEX. ADMIN. CODE § 116.110(a) and TEX. HEALTH & SAFETY CODE § 382.085(b) by failing to authorize operation of the Magnesium Injection System prior to operation. Specifically, the Magnesium Injection System was operated from August 6, 2005 through August 15, 2005 and on August 23, 2005.
4. 30 TEX. ADMIN. CODE §§ 111.111(a)(1)(A), 116.115(c)(1), 122.143(4), Air Permit No. 45622, Special Condition 4 and TEX. HEALTH & SAFETY CODE § 382.085(b) by failing to limit the opacity from the Kiln Three Waste Heat Boiler Stack. Specifically, on October 13, 2005, the six-minute opacity from the Kiln Three Waste Heat Boiler Stack exceeded thirty percent during the performance of a feed stock change.
5. 30 TEX. ADMIN. CODE §§ 106.144(1), 122.143(4), Air Permit No. OP-01493, Special Condition 5 and TEX. HEALTH & SAFETY CODE § 382.085(b) by failing to maintain equipment in such a manner as to ensure all exhaust air was vented through a fabric filter having a maximum filtering velocity of 4.0 feet per minute (ft/min) with mechanical cleaning or 7.0 ft/min with automatic air cleaning. Specifically, on March 1, 2006, the automatic bag cleaning cycle of the Airtrol Dust Collector did not keep the bags clean and as a result

airflow through the system was restricted, which resulted in visible emissions being vented through the dust collector.

6. 30 TEX. ADMIN. CODE §§ 122.143(4), 122.145(2)(A), Air Permit No. OP-01493, Special Condition 2C and TEX. HEALTH & SAFETY CODE § 382.085(b) by failing to report deviations on an Annual Compliance Certification Report. Specifically, two recordable emissions events that occurred on February 12, 2006, and February 13, 2006 were not reported on the Annual Compliance Certification.
7. 30 TEX. ADMIN. CODE §§ 116.115(c), 122.143(4), Air Permit No. 45622, Special Condition 7A, Air Permit No. 5421, Special Condition 10, Air Permit No. OP-01493, Special Condition 5 and TEX. HEALTH & SAFETY CODE § 382.085(b) by failing to maintain records of hourly raw petroleum coke usage for two years. Specifically, for ten days out of the two year period preceding the March 4, 2006 deviation reporting period.

III. DENIALS

Oxbow generally denies each allegation in Section II ("Allegations").

IV. ORDER

1. It is, therefore, ordered by the TCEQ that Oxbow pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and Oxbow's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from considering or requiring corrective action or penalties for violations which are not raised here. Administrative penalty payments shall be made payable to "Texas Commission on Environmental Quality" and shall be sent with the notation "Re: Oxbow Calcining LLC, Docket No. 2006-0782-AIR-E" to:

Financial Administration Division, Revenues Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088

2. Oxbow shall implement and complete a Supplemental Environmental Project ("SEP") in accordance with Tex. Water Code § 7.067. Fourteen thousand one hundred twelve dollars

(\$14,112.00) of the assessed administrative penalty shall be offset with the condition that Oxbow implement the SEP defined in Attachment A, incorporated herein by reference. Oxbow's obligation to pay the conditionally offset portion of the administrative penalty assessed shall be discharged upon final completion of all provisions of the SEP agreement.

3. The provisions of this Agreed Order shall apply to and be binding upon Oxbow. Oxbow is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Plant operations referenced in this Agreed Order.
4. This Agreed Order, issued by the Commission, shall not be admissible against Oxbow in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
5. This agreement may be executed in multiple counterparts, which together shall constitute a single original instrument. Any executed signature page to this Agreement may be transmitted by facsimile transmission to the other parties, which shall constitute an original signature for all purposes.
6. Under 30 TEX. ADMIN. CODE § 70.10(b) and TEX. GOV'T CODE § 2001.142, the effective date of this Agreed Order is the date of hand-delivery of the Order to Oxbow, or three days after the date on which the Commission mails notice of the Order to Oxbow, whichever is earlier. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

Brynon Perdue
For the Executive Director

2/3/08
Date

I, the undersigned, have read and understand the attached Agreed Order. I represent that I am authorized to agree to the attached Agreed Order on behalf of the entity, if any, indicated below my signature, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I also understand that my failure to comply with the Ordering Provisions, if any, in this order and/or my failure to timely pay the penalty amount, may result in:

- A negative impact on my compliance history;
- Greater scrutiny of any permit applications submitted by me;
- Referral of this case to the Attorney General's office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions against me;
- Automatic referral to the Attorney General's Office of any future enforcement actions against me; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.

D. Rosendale
Signature

11/19/07
Date

Dan Rosendale
Name (Printed or typed)
Authorized representative of
Oxbow Calcining LLC

Vice President Calciner Operations
Title

Attachment A
Docket Number: 2006-0782-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent: Oxbow Calcining LLC f/k/a Great Lakes Carbon LLC
Penalty Amount: Thirty-two thousand four dollars (\$32,004)
SEP Amount: Fourteen thousand one hundred twelve dollars (\$14,112)
Type of SEP: Pre-approved
Third-Party Recipient: Southeast Texas Regional Planning Commission (SETRPC) – *West Port Arthur Home Energy Efficiency Program*
Location of SEP: Jefferson County

The Texas Commission on Environmental Quality (“TCEQ”) agrees to offset a portion of the administrative Penalty Amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project (“SEP”). The offset is equal to the SEP Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project Description

A. Project

The Respondent shall contribute the SEP Amount to the Third-Party Recipient pursuant to the agreement between the Third-Party Recipient and the TCEQ. Specifically, the **Southeast Texas Regional Planning Commission (SETRPC)** will use the funds to conduct home energy audits and to assist low income residents in the West Port Arthur area by weatherizing their homes which will improve their homes' energy efficiency. SEP monies will be used to pay for the cost of caulking and insulating the homes, as well as for replacing heating and cooling systems and major appliances with new, energy efficient equipment. No portion of the funds will be used for administrative costs.

The Respondent certifies that there is no prior commitment to do this project and that it is being performed solely in an effort to settle this enforcement action.

B. Environmental Benefit

This SEP will provide a discernible environmental benefit by reducing residential fuel and electricity usage for heating and cooling. These reductions, in turn, will reduce emissions of particulate matter (PM), volatile organic compounds (VOC), and nitrogen oxides (NOx) associated with the combustion of fuel and generation of electricity.

C. Minimum Expenditure

The Respondent shall contribute at least the SEP Amount to the Third-Party Recipient and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Amount to the Third-Party Recipient. The Respondent shall mail the contribution, with a copy of the Agreed Order, to:

Bob Dickinson
Director, Transportation and Environmental Resources
South East Texas Regional Planning Commission
2210 Eastex Freeway, Beaumont, TX 77703

3. Records and Reporting

Concurrent with the payment of the SEP Amount, the Respondent shall provide the TCEQ SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Amount to the Third-Party Recipient. The Respondent shall mail a copy of the check and transmittal letter to:

Litigation Division
Attention: SEP Coordinator, MC 175
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If the Respondent does not perform its obligations under this SEP in any way, including full payment of the SEP Amount and submittal of the required reporting described in Section 3 above, the Executive Director may require immediate payment of all or part of the SEP Amount.

In the event of incomplete performance, the Respondent shall submit a check for any amount due with a notation that the payment is for a "SEP Refund", and the docket number of the case. The Respondent shall make the check out to "Texas Commission on Environmental Quality" and mail it to:

Litigation Division
Attention: SEP Coordinator, MC 175
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

5. Publicity

Any public statements concerning this SEP made by or on behalf of the Respondent must include a clear statement that the project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.

6. Clean Texas Program

~~The Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, the Respondent may not seek recognition for this contribution in any other state or federal regulatory program.~~

7. Other SEPs by TCEQ or Other Agencies

The SEP identified in this Agreed Order has not been, and shall not be, included as a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.