

STATE OF MISSISSIPPI

PHIL BRYANT GOVERNOR

MISSISSIPPI DEPARTMENT OF ENVIRONMENTAL QUALITY

GARY C. RIKARD, EXECUTIVE DIRECTOR

January 16, 2015

CERTIFIED MAIL/RETURN RECEIPT REQUESTED

Mr. James Lewis Calgon Carbon Corporation 13121 Webre Road Bay St. Louis, MS 39520

> Re: Calgon Carbon Corporation Agreed Order No. 6489 15

Dear Mr. Lewis:

Enclosed you will find a copy of Agreed Order No. 6489 15, which has been executed by the Executive Director of the Mississippi Department of Environmental Quality, Gary Rikard, on behalf of the Mississippi Commission on Environmental Quality.

The enclosed Order assesses a civil penalty. The penalty payment, when due, should be made by check payable to the Mississippi Department of Environmental Quality and returned in the enclosed, self-addressed envelope to the MDEQ Fees Division at P.O. Box 2339, Jackson, MS 39225.

If you have any questions regarding your obligations under the enclosed order, please contact Jan Patton at (601) 961-5782.

Sincerely.

Chris Sanders, P.E.

Chief, Environmental Compliance and Enforcement Division

Enclosure cc: Jan Patton

Agency Interest No. 166 ENF20140002

BEFORE THE MISSISSIPPI COMMISSION ON ENVIRONMENTAL QUALITY

MISSISSIPPI COMMISSION ON ENVIRONMENTAL QUALITY

COMPLAINANT

VS.

order no. 6489 15

CALGON CARBON CORPORATION 13121 WEBRE ROAD BAY ST. LOUIS, MISSISSIPPI 39520

RESPONDENT

AGREED ORDER

COME NOW the Mississippi Commission on Environmental Quality ("Commission"), acting through the staff and Executive Director of the Mississippi Department of Environmental Quality ("MDEQ"). Complainant, and Calgon Carbon Corporation ("Calgon"), Respondent, in the above captioned cause and agree as follows:

1.

By letter dated July 24, 2014. Respondent was contacted by Complainant and notified of the following violation of Construction Permit 1000-00015 issued on March 7, 2012 for its facility located at 13121 Webre Road, Bay St. Louis, Mississippi in Hancock County:

Failure to conduct a timely stack test for Emission Points AA-005 and AA-006. The construction permit required a demonstration of compliance by stack testing within 180 days of the initial start-up. Calgon started the emission points on June 16, 2012. The stack test should have been conducted no later than December 13, 2012. Respondent demonstrated compliance with a stack test on April 29, 2014 (502 days late).

2.

In lieu of a formal enforcement hearing concerning the violation listed above, Complainant and Respondent agree to settle this matter as follows:

A. Respondent agrees to pay and Complainant agrees to accept a civil penalty in the amount of \$23,000.00 for the matter addressed herein. The penalty shall be paid as

follows:

a. Respondent shall pay by check or money order \$5,750.00 to MDEQ within forty-five (45) days after the date this Agreed Order is executed by the MDEQ Executive Director or his designee (the "Effective Date"). Payment shall be submitted to the following address:

Mississippi Department of Environmental Quality

Attn: Jennifer Parish

P.O. Box 2339

Jackson, MS 39225

- b. In accordance with the provisions of this Agreed Order and the Memorandum of Agreement ("MOA") between Complainant, Respondent and the Bay St. Louis Waveland School District ("BSLWSD"), which is attached hereto as exhibit "A", Complainant shall allow Respondent credit as follows toward payment of the penalty. Within forty-five (45) days after the Effective Date, Respondent shall pay, by check or money order, \$17,250.00 to the BSLWSD in accordance with the terms and conditions of the MOA. The BSLWSD shall use these funds for the purpose of purchasing a school bus which meets the same requirements as those purchased under MDEQ's Diesel School Bus Replacement Program ("DSBRP"). Within ten (10) days after making the payment to the BSLWSD aforementioned in this subparagraph, Respondent shall provide MDEQ with written proof of such payment.
- c. If Respondent fails to make the payment as described in paragraph 2.A.b above or should amount necessary for the BSLWSD's purchase be less than \$17.250.00, any balance remaining of the civil penalty shall be immediately due and payable to MDEQ.
- B. Respondent further understands and agrees that as part of the referenced settlement, Respondent shall comply with the following:
 - a. Any public statement, oral or written, in print, film or other media, made by Respondent making reference to the payment described in paragraph 2.A.b above shall include the following language: "This contribution was made in connection with the settlement of an environmental enforcement action taken

by the Mississippi Department of Environmental Quality."

b. Respondent shall not deduct Supplemental Environmental Project expenditures from its state or federal income taxes or receive any state or federal credit for these expenditures as current operating expenses in 2014. Respondent may capitalize the SEP expenditures.

3

Nothing in this Agreed Order shall limit the rights of MDEQ or the Commission in the event Respondent fails to comply with this Agreed Order. The Agreed Order shall be strictly construed to apply to those matters expressly resolved herein.

4.

Nothing contained in this Agreed Order shall limit the rights of MDEQ or the Commission to take enforcement or other actions against Respondent for violations not addressed herein and for future violations of environmental laws, rules, and regulations.

5.

Respondent understands and acknowledges that it is entitled to an evidentiary hearing before the Commission pursuant to Miss. Code Ann. § 49-17-31 (Rev. 2003), and that it has made an informed waiver of that right.

ORDERED, this the 15 day of JANUARY, 2014.

MISSISSIPPI COMMISSION ON ENVIRONMENTAL QUALITY

GARY C/RIKÁRD

EXECUTIVE DIRECTOR
MISSISSIPPI DEPARTMENT

OF ENVIRONMENTAL QUALITY

AGREED, this the Atu day of, 2014.
CALGON CARBON CORPORATION
BY: WSOM
THE TO Access - Omnoton a
TITLE: VP Americas Operations
STATE OF PENUSY CHANGE
COUNTY OF AUGGHEM
PERSONALLY appeared before me, the undersigned authority in and for the jurisdiction aforesaid, the within named Now. Southway who first being duly sworn, did state upon his/her oath and acknowledge to me that he/she is the VILL MESONES. Of Calgon Carbon Corporation and is authorized to sign and enter this Agreement.
SWORN AND SUBSCRIBED BEFORE ME, this the gt day of January. 2014.
NOTARY PUBLIC COMMONWEALTH OF PENNSYLVANIA
My Commission expires: Notarial Seal Cynthia Cerchie Ligo, Notary Public Robinson Twp., Allegheny County My Commission Expires March 17, 2015

ATTACHMENT A

MEMORANDUM OF AGREEMENT BETWEEN MISSISSIPPI DEPARTMENT OF ENVIRONMENTAL QUALITY, CALGON CARBON CORPORATION, AND BAY ST. LOUIS – WAVELAND SCHOOL DISTRICT

MEMORANDUM OF AGREEMENT BETWEENT MISSISSIPPI DEPARTMENT OF ENVIRONMENTAL QUALITY, CALGON CARBON CORPORATION, AND BAY ST. LOUIS -WAVELAND SCHOOL DISTRICT

Background. On July 24, 2014, the Mississippi Department of Environmental Quality ("MDEQ") initiated an administrative enforcement action against Calgon Carbon Corporation ("Calgon") for violation of Construction Permit 1000-00015 issued on March 7, 2012. As part of the settlement and resolution of that enforcement action, MDEQ has agreed to allow Calgon to pay \$17,250.00 to the Bay St. Louis – Waveland School District ("BSLWSD") and receive credit towards the agreed upon civil penalty. MDEQ now seeks to ensure that the BSLWSD expends the funds for the purpose set forth below.

Section 1. Parties to the Agreement: The parties to this Memorandum of Agreement ("MOA") are MDEQ, Calgon and BSLWSD.

Section 2. Purpose of the Agreement: The purpose of this agreement is to ensure the BSLWSD expends the funds received from Calgon for the purchase of a school bus which meets the same requirements of those purchased under MDEQ's Diesel School Bus Replacement Program ("DSBRP") as required by Agreed Order No.

<u>Section 3.</u> Responsibilities of Calgon: Calgon shall make payments to the BSLWSD in the amount of \$17,250.00 after execution of this MOA and in accordance with The Agreed Order as contemplated by Section 5 of this MOA.

Section 4. Responsibilities of BSLWSD: The BSLWSD shall expend the funds received from

ID 166 Page 6 of 8 FCED

Calgon to replace an existing school bus with the purchase of a new school bus meeting the diesel emission reduction requirements as those purchased under MDEQ's DSBRP. BSLWSD shall notify MDEQ's Air Division to coordinate an observer to confirm BSLWSD makes an existing school bus inoperable. BSLWSD shall provide MDEQ with a copy of an Idle Reduction Policy which has been adopted by the School Board of BSLWSD. Should the BSLWSD fail to expend the funds received from Calgon or any portion of the funds as required by this MOA, the BSLWSD shall remit to MDEQ the portion of the funds not spent in accordance with this MOA, and any such funds remitted to MDEQ shall be considered a penalty collection and deposited into the Pollution Emergency Fund pursuant to Miss. Code Ann. § 49-17-43(6).

Section 5. Responsibilities of MDEQ: As consideration for the performance of this MOA, MDEQ agrees to grant Calgon credit in the amount of \$17,250.00 toward payment of a total civil penalty of \$23,000.00 for the violations cited in MDEQ's Notice of Violation dated July 24, 2014. This concession by MDEQ shall also be embodied in an Agreed Order between MDEQ and Calgon.

Reporting and Certification Requirements: Calgon shall submit to MDEQ Section 6. documentation (such as purchase orders, receipts, etc.) reflecting that it gave the funds to BSLWSD and that BSLWSD, in turn, used the funds in accordance with this MOA once the funds have been fully expended. Calgon shall submit a certification signed by both Calgon's Plant Manager and the Superintendent of the Bay St. Louis - Waveland School District that the funds were transferred and expended in accordance with the terms of this MOA.

Section 7. Period of Performance: The period of performance for this MOA shall be ninety (90) days from the date the MOA is executed by all parties.

ECED Page 7 of 8 ALID 166

Section 8. Nullification of this Agreement: The parties to this MOA contemplate, and the MOA embodied in this document presumes, the issuance by MDEQ of an Agreed Order associated with, and referencing, this MOA and requiring Calgon to make the payment described herein. If, for any reason, the MDEQ and Calgon are unable to settle the enforcement action referenced above as contemplated by this MOA and/or MDEQ, for any reason, does not issue the contemplated Agreed Order, this MOA, and any obligations described herein, shall be null, void and without effect.

WITNESS OUR SIGNATURES:

PRESIDENT, BAY ST. LOUIS SCHOOL DISTRICT

By:
Printed name:
Title:
Date Executed:
MISSISSIPPI DEPARTMENT OF ENVIRONMENTAL QUALITY
By: Down C KID
Gary C. Rikard, Executive Director
Date Executed:
CALGON CARBON CORPORATION
By: Mall
Printed Name: Nora J. Stockhausen
Titled: VP Americas Operations
Date Executed: 9 January 2015

COMMONWEALTH OF PENNSYLVANIA)	
)	SS:
COUNTY OF ALLEGHENY)	

Personally appeared before me the undersigned authority in and for the said county and commonwealth, on this day of January, 2015, within my jurisdiction, the within named Nora J. Stockhausen, duly identified before me, who acknowledged that she is the Vice President, Americas Operations of Calgon Carbon Corporation, a Delaware corporation, and that for and on behalf of the said corporation, and as its act and deed she executed the above and foregoing instrument, after having been duly authorized by said corporation to do so.

COMMONWEALTH OF PENNSYLVANIA

Notarial Seal

[Notary Slaming E. Kunchick, Notary Public Robinson Twp., Allegheny County My Commission Expires Aug. 9, 2016

MEMBER, PENNSYLVANIA ASSOCIATION OF NOTARIES

Notary Public