UNITED STATES DISTRICT COURT WESTERN DISTRICT OF LOUISIANA

UNITED STATES OF AMERICA,)	
Plaintiff,)	Civil Action Number: 6:13-cv-03095
and)	
LOUISIANA DEPARTMENT OF)	
ENVIRONMENTAL QUALITY)	60
Co-Plaintiff,)	
v.)	
CABOT CORPORATION,)	
Defendant.	Ś	

SECOND AMENDMENT TO CONSENT DECREE

WHEREAS, the United States of America (hereinafter "the United States"), the State of Louisiana (hereinafter "Plaintiff-Intervenor"), and Cabot Corporation (hereinafter "Cabot") are Parties to a Consent Decree entered by this Court on March 13, 2014, as subsequently amended on May 5, 2017 (ECF No. 12) (hereinafter the "Consent Decree").

WHEREAS, the Consent Decree requires Cabot to install emission control systems and to achieve compliance with reduced emission standards on specific Process Systems located at Cabot's Canal and Ville Platte carbon black production Facilities in Louisiana, as more specifically described in the Consent Decree;

WHEREAS, Paragraphs 17, 23, 26, and 30 of the Consent Decree require Cabot to install by specified dates, and continuing thereafter, Continuously Operate a Wet Gas Scrubber emission

control system ("WGS") and a Selective Catalytic Reduction emission control system ("SCR") at each of Cabot's Canal and Ville Platte Facilities to achieve reductions in sulfur dioxide and nitrogen oxide emissions from affected process sources;

WHEREAS, Cabot contends that under the unique circumstances of the carbon black industry, the current compliance schedules, including deadlines to install and operate certain WGSs and SCRs create a severe financial hardship for Cabot that requires a modification of the Consent Decree and the compliance schedules, and the Plaintiffs have disputed Cabot's position;

WHEREAS, Plaintiffs and Defendant have agreed that resolution of the dispute regarding modification of the Consent Decree and the compliance schedules is in the public interest and will best serve the goal of the Consent Decree to achieve air quality improvements, and that entry of this Second Amendment to Consent Decree is the most appropriate means of resolving the dispute;

WHEREAS, the United States, Plaintiff-Intervenor and Cabot therefore wish to modify Paragraphs 17, 23, 26, and 30 of the Consent Decree to adjust the compliance schedules for the installation and continuous operation of certain WGSs and SCRs;

WHEREAS, the United States, Plaintiff-Intervenor and Cabot seek to correct through this Second Amendment to Consent Decree a typographical error in Paragraph 91 of the Consent Decree;

WHEREAS, Paragraph 105 of the Consent Decree requires that this Amendment be approved by the Court before it is effective.

WHEREAS, the Parties recognize, and the Court by entering this Second Amendment to Consent Decree finds, that this Second Amendment to Consent Decree has been negotiated by the parties in good faith and will avoid litigation between the Parties and that this Second Amendment to Consent Decree is fair, reasonable and in the public interest.

NOW THEREFORE, the United States, Plaintiff-Intervenor and Cabot hereby agree that, upon approval of this Second Amendment by the Court, the Consent Decree shall be amended as follows:

- 1. Paragraph 17 of the Consent Decree is hereby amended and restated as follows:
 - 17. <u>SO₂ Process System Operation Emissions Limits and Control Technology</u>. No later than the dates set forth in the table below, Defendant shall install, and continuing thereafter, Defendant shall Continuously Operate, a WGS on each Process System specified in the table below so as to achieve and maintain during Process System Operation the Emissions Limits specified in the table below:

Process System	Control Technology	7-day Rolling Average Emissions Limit	365-day Rolling Average Emissions Limit	Date of Continuous Operation
		Interim 7-day Rolling Average Emissions Limit: No greater than 157 ppmvd (at 0% oxygen)	Interim 365-day Rolling Average Emissions Limit: No greater than 115 ppmvd (at 0% oxygen)	Applicable interim Emissions Limit: April 1, 2021
Canal Process		Final 7-day Rolling Average Emissions Limit:	Final 365-day Rolling Average Emissions Limit:	
System	Option A: No greater than 120 ppmvd (at 0% oxygen)	Option A: No greater than 80 ppmvd (at 0% oxygen)	Applicable final Emissions Limit: Pursuant to the protocol specified	
		Option B: No less than 120 ppmvd (at 0% oxygen) and no greater than 157 ppmvd (at 0% oxygen)	Option B: No less than 80 ppmvd (at 0% oxygen) and no greater than 115 ppmvd (at 0% oxygen)	in Appendix E

Process System	Control Technology	7-day Rolling Average Emissions Limit	365-day Rolling Average Emissions Limit	Date of Continuous Operation
Ville Platte Process System WGS	Interim 7-day Rolling Average Emissions Limit: No greater than 159 ppmvd (at 0% oxygen)	Interim 365-day Rolling Average Emissions Limit: No greater than 144 ppmvd (at 0% oxygen)	Applicable interim Emissions Limit: December 31, 2022	
	Final 7-day Rolling Average Emissions Limit:	Final 365-day Rolling Average Emissions Limit:		
		Option A: No greater than 120 ppmvd (at 0% oxygen)	Option A: No greater than 80 ppmvd (at 0% oxygen)	Applicable final Emissions Limit: Pursuant to the protocol specified
		Option B: No less than 120 ppmvd (at 0% oxygen) and no greater than 159 ppmvd (at 0% oxygen)	Option B: No less than 80 ppmvd (at 0% oxygen) and no greater than 144 ppmvd (at 0% oxygen)	in Appendix E

- 2. Paragraph 23 of the Consent Decree is hereby amended and restated as follows:
 - 23. NO_x Emissions Limits Applicable to Heat Load Operation, Startup, and Shutdown. No later than the dates set forth in the table below, and continuing thereafter, Defendant shall operate the reactors at each Facility to collectively achieve and maintain the Emissions Limits specified in the table below, at all times, collectively, of Heat Load Operation, Startup, and Shutdown:

Reactors	365-day Rolling Sum Emissions Limit	Date of Continuous Operation	
Canal reactors	No greater than 38 tons (in total for all reactors) for the prior 365 Days	April 1, 2021	

Reactors	365-day Rolling Sum Emissions Limit Date of Contin Operation	
Ville Platte reactors	No greater than 19 tons (in total for all reactors) for the prior 365 Days	December 31, 2022

- 3. Paragraph 26 of the Consent Decree is hereby amended and restated as follows:
 - 26. NO_x Process System Operation Emissions Limits and Control Technology. No later than the dates set forth in the table below, Defendant shall install, and continuing thereafter, Defendant shall Continuously Operate, a SCR on each Process System or acid treatment unit specified in the table below so as to achieve and maintain during Process System Operation the Emissions Limits specified in the table below:

Process System or Acid Treatment Unit	Control Technology	7-day Rolling Average Emissions Limit	365-day Rolling Average Emissions Limit	Date of Continuous Operation
Pampa Acid Treatment Unit	SCR	No greater than 17,000 ppmvd (at 0% oxygen)	No greater than 8,600 ppmvd (at 0% oxygen)	3 years from Effective Date of Consent Decree
Canal Process System	SCR	No greater than 61 ppmvd (at 0% oxygen)	No greater than 39 ppmvd (at 0% oxygen)	April 1, 2021
Ville Platte Process System	SCR	No greater than 46 ppmvd (at 0% oxygen)	No greater than 38 ppmvd (at 0% oxygen)	December 31, 2022

4. Paragraph 30 of the Consent Decree is hereby amended and restated as follows:

30. <u>PM Control Technology and Emission Limits.</u> No later than the dates set forth in the table below, Defendant shall install, and continuing thereafter, Defendant shall Continuously Operate a WGS on each Process System specified in the table below so as to achieve and maintain the Emissions Limits specified in the table below:

Process System	Control Technology	3-hour Average Emissions Limit for PM	Date of Continuous Operation
Canal Process System	WGS	No greater than 0.0069 gr/dscf	180 Days from April 1, 2021
Ville Platte Process System	WGS	No greater than 0.0069 gr/dscf	180 Days from December 31, 2022

- 5. Paragraph 91 is hereby amended and restated to provide the correct reference to certain EPA regulations, as follows:
 - 91. "Entry of this Consent Decree shall resolve all civil claims of the United States and LDEQ arising under ... 40 C.F.R. §§ 51.165, 51.166 and 52.21"
- 6. The undersigned representatives are fully authorized to enter into the terms and conditions of this Second Amendment. This Second Amendment may be executed in several counterparts, each of which will be considered an original. Pursuant to Paragraph 105 of the Consent Decree, the effective date of this Second Amendment shall be the date it is approved by the Court.

ORDER

Before the taking of any testimony, without adjudication of any issue of fact or law, and upon the consent and agreement of the Parties, it is:

ORDERED, ADJUDGED and DECREED that the foregoing Second Amendment to the Consent Decree is hereby approved and entered as a final order of this Court.

Dated and entered this day of,	2017	7.
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United States District Judge Western District of Louisiana

FOR PLAINTIFF THE UNITED STATES OF AMERICA:

JEFFREY H. WOOD

Acting Assistant Attorney General Environment and Natural Resources Division United States Department of Justice

DATE

SAM BLESI

Trial Attorney

Environment and Natural Resources Division

U.S. Department of Justice

P.O. Box 7611

Washington, DC 20044-7611

FOR PLAINTIFF THE U.S. ENVIRONMENTAL PROTECTION AGENCY:

12 20 2017 DATE

LAWRENCE STARFIELD

Acting Assistant Administrator

Office of Enforcement and Compliance Assurance United States Environmental Protection Agency

12/20/17 DATE

PHILLIP A. BROOKS

Air Enforcement Division Director

Office of Civil Enforcement

Office of Enforcement and Compliance Assurance United States Environmental Protection Agency

DATE

KELLIE ORTEGA

Attorney-Advisor, Air Enforcement Division

Office of Civil Enforcement

Office of Enforcement and Compliance Assurance

United States Environmental Protection Agency

FOR PLAINTIFF THE U.S. ENVIRONMENTAL PROTECTION AGENCY:

12/18/17 DATE

CHERYL T. SEAGER
Director
Compliance Assurance and
Enforcement Division
U.S. EPA, Region 6

1445 Ross Ave. Dallas, TX 75202-2733

FOR CO-PLAINTIFF, LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY

LOURDES ITURRALDE

Assistant Secretary

Office of Environmental Compliance Louisiana Dept. of Environmental Quality P.O. Box 4312

Baton Rouge, Louisiana 70821-4312

12-1-17

DATE

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FOR DEFENDANT CABOT CORPORATION:

December 21, 2017

DATE

Sean D. Keo ane CEO and President Cabot Corporation