IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF INDIANA

UNITED STATES OF AMERICA, Plaintiff, v. SABIC INNOVATIVE PLASTICS US LLC and, SABIC INNOVATIVE PLASTICS MT. VERNON, LLC, Defendants.	)	Civil Action No.

CONSENT DECREE

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CONSENT DECREE

WHEREAS, Plaintiff the United States of America ("United States"), on behalf of the United States Environmental Protection Agency ("EPA"), has filed a complaint against SABIC Innovative Plastics US LLC ("SABIC US") and SABIC Innovative Plastics Mt. Vernon, LLC ("SABIC MTV") (collectively the "Defendants") concurrently with the lodging of this Consent Decree;

WHEREAS SABIC MTV owns and operates a chemical manufacturing plant located at One Lexan Lane, Mt. Vernon, Indiana ("Mt. Vernon Facility");

WHEREAS SABIC US owns and operates a chemical manufacturing plant located at One Plastics Drive, Burkville, Alabama ("Burkville Facility")

WHEREAS, the Complaint alleges that Defendants violated Section 112 of the Clean Air Act ("CAA"), 42 U.S.C. § 7412, and the following implementing regulations at the Facilities: 40 C.F.R. Part 63, Subpart F (the National Emission Standards for Organic Hazardous Air Pollutants from the Synthetic Organic Chemical Manufacturing Industry); 40 C.F.R. Part 63, Subpart G (the National Emission Standards for Organic Hazardous Air Pollutants from the Synthetic Organic Chemical Manufacturing Industry for Process Vents, Storage Vessels, Transfer Operations, and Wastewater); 40 C.F.R. Part 63, Subpart H (the National Emission Standards for Organic Hazardous Air Pollutants for Equipment Leaks); and 40 C.F.R. Part 60, Appendix A, Method 21;

WHEREAS, Defendants do not admit any liability to the United States arising out of the transactions or occurrences alleged in the Complaint and nothing in the Complaint, nor in this Consent Decree, nor in the execution and implementation of this Consent Decree shall be treated as an admission of any violation of federal or state statutes or regulations in any litigation or

forum whatsoever, except that the terms of this Consent Decree, and a Defendant's failure to comply with the terms and conditions thereof, may be used by the United States in any action or dispute resolution proceeding to enforce the terms of this Consent Decree or as otherwise permitted by law;

WHEREAS, the United States and Defendants (the "Parties") recognize, and this Court by entering this Consent Decree finds, that this Consent Decree has been negotiated by the Parties in good faith and will avoid litigation between the Parties, and that this Consent Decree is fair, reasonable, and in the public interest;

NOW, THEREFORE, before the taking of any testimony, without the adjudication or admission of any issue of fact or law except as provided in Section I, and with the consent of the Parties, IT IS HEREBY ADJUDGED, ORDERED, AND DECREED as follows:

I. JURISDICTION AND VENUE

1. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §§ 1331, 1345, and 1355; and Section 113(b) of the CAA, 42 U.S.C. § 7413(b); and over the Parties. Venue lies in this District pursuant to Section 113(b) of the CAA, 42 U.S.C. § 7413(b); and 28 U.S.C. §§ 1391(b) and (c) and 1395(a), because SABIC MTV resides and is located in this judicial district and certain violations alleged in the Complaint are alleged to have occurred in this judicial district and because SABIC US waives any objection to venue in this judicial district. For purposes of this Decree, or any action to enforce this Decree, Defendants consent to this Court's jurisdiction over this Decree, over any action to enforce this Decree, and over Defendants. Defendants also consent to venue in this judicial district.

2. For purposes of this Consent Decree, Defendants do not contest that the Complaint states claims upon which relief may be granted pursuant to Section 112 of the CAA, 42 U.S.C. § 7412.

3. Notice of the commencement of this action shall be given to the State of Indiana and the State of Alabama as required by Section 113(b) of the CAA, 42 U.S.C. § 7413(b).

II. APPLICABILITY

4. The obligations of this Consent Decree apply to and are binding upon the United States and upon Defendants and any successors, assigns, and other entities or persons otherwise bound by law.

5. No transfer of ownership or operation of any equipment at a Covered Facility that is subject to Leak Detection and Repair ("LDAR"), as defined in Subparagraph 9.r, whether in compliance with the procedures of Paragraphs 5 or 6 or otherwise, shall relieve the transferring Defendant of its obligations to ensure that the terms of this Consent Decree are implemented unless and until:

a. The transferee agrees in writing to undertake the applicable obligations required by this Consent Decree with respect to equipment at the Covered Facility that is subject to LDAR, and to intervene as a defendant in this action for the purpose of being bound by the applicable terms of this Consent Decree; and

b. The United States, after receiving information sufficient to demonstrate that the transferee has the technical and financial means to comply with the applicable obligations of this Consent Decree, consents in writing to substitute the transferee for the transferring Defendant with respect to such obligations; and

c. The Court approves such substitution.

This provision does not apply to transferred equipment that is removed from, and not used at, a Covered Facility.

6. By no less than 30 days prior to the transfer of the ownership or operation of equipment at a Covered Facility that is subject to LDAR, the transferring Defendant shall provide a copy of this Consent Decree to the proposed transferee and also shall provide written notice of the prospective transfer, together with a copy of all portions of the proposed written agreement between the transferring Defendant and the prospective transferee related to environmental compliance, to EPA, the United States Attorney for the Southern District of Indiana, and the United States Department of Justice, in accordance with Section XV of this Decree (Notices). Except as provided in the last sentence of Paragraph 5, any attempt to transfer ownership or operation of any equipment at a Covered Facility that is subject to LDAR without complying with this Paragraph constitutes a violation of this Decree.

7. Defendants shall provide a copy of all relevant portions of this Consent Decree to all officers, employees, and agents whose duties might reasonably include compliance with any provision of this Decree, as well as to any contractor retained to perform work required under this Consent Decree. The foregoing requirement may be satisfied by hard copy, electronic copy, or by providing on-line access with notice to the affected personnel. Defendants shall condition any such contract upon performance of the work in conformity with the applicable terms of this Consent Decree.

8. In any action to enforce this Consent Decree, Defendants shall not raise as a defense the failure by any of their officers, directors, employees, agents, or contractors to take any actions necessary to comply with the provisions of this Consent Decree.

III. DEFINITIONS

9. Terms used in this Consent Decree that are defined in the CAA or in federal and state regulations promulgated pursuant to the CAA shall have the meaning assigned to them in the CAA or such regulations, unless otherwise provided in this Decree. Whenever the terms set forth below are used in this Consent Decree, the following definitions shall apply:

a. "Annual" or "annually" shall mean a calendar year, except as otherwise provided in applicable LDAR provisions.

b. "Average" shall mean the arithmetic mean.

c. "CAP" shall mean the Corrective Action Plan described in Paragraph 50 of this Consent Decree.

d. "Complaint" shall mean the Complaint filed by the United States in this action.

e. "Consent Decree" or "Decree" shall mean this Consent Decree and all appendices attached hereto, but in the event of any conflict between the text of this Consent Decree and any Appendix, the text of this Consent Decree shall control.

f. "Covered Equipment" shall mean all Covered Types of Equipment in all Covered Process Units.

g. "Covered Facilities" shall mean the following facilities that are owned and operated by SABIC US and SABIC MTV, respectively:

Burkville Facility	Mt. Vernon Facility
One Plastics Drive	One Lexan Lane
Burkville, Alabama	Mt. Vernon, Indiana

h. "Covered Process Units" shall mean the Phenol unit at the Mt. Vernon Facility, which comprises a "chemical manufacturing process unit" (as defined in 40 C.F.R.

§ 63.101) that is subject to 40 C.F.R. 63, Subparts F, G, and H, and the Resins and Phosgene units at the Burkville Facility, which comprise the "polycarbonate production process unit" (as defined in 40 C.F.R. §63.1103(d)(1)(i)) that is subject to 40 C.F.R. 63, Subpart YY.

i. "Covered Types of Equipment" shall mean all valves, connectors, pumps, agitators, and OELs in light liquid or gas/vapor service that are regulated under any "equipment leak" provisions of 40 C.F.R. Part 61 or 63 or a state or local LDAR program.

j. "Date of Lodging of this Consent Decree" or "Date of Lodging" shall mean the date that the United States files a "Notice of Lodging" of this Consent Decree with the Clerk of this Court for the purpose of providing notice and comment to the public.

k. "Day," for purposes of requirements uniquely imposed by the ELP and not by any applicable LDAR provisions, shall mean a calendar day. In computing any period of time under this Consent Decree for submittal of reports, where the last day would fall on a Saturday, Sunday, or federal or state holiday, the period shall include the next day that is not a Saturday, Sunday, or federal or state holiday. For all other purposes, "day" shall have the meaning provided in the applicable LDAR provisions.

l. "Defendants" shall mean SABIC US and SABIC MTV.

m. "DOR" shall mean Delay of Repair.

n. "Effective Date" shall have the meaning given in Section XVI (Effective Date).

o. "ELP" shall mean the Enhanced Leak Detection and Repair Program specified in Paragraphs 13-52 of this Decree.

p. "EPA" shall mean the United States Environmental Protection Agency and any of its successor departments or agencies.

q. "Findings and Notice of Violations" shall mean the Notice of Potential Violation issued by EPA Region 4 dated June 17, 2009 and the following findings of violation issued by EPA Region 5: EPA-5-06-IN-11 (Dec. 22, 2005) and EPA-5-08-IN-18 (July 2008).

r. "LDAR" or "Leak Detection and Repair" shall mean the leak detection and repair activities required by any "equipment leak" provisions of 40 C.F.R. Part 61 or 63. LDAR also shall mean any state or local equipment leak provisions that: (a) require the use of Method 21 to monitor for equipment leaks and also require the repair of leaks discovered through such monitoring; and (b) are intended to minimize emissions of hazardous air pollutants or other substances identified on the basis of toxicity (*e.g.*, toxic air contaminants).

s. "LDAR Audit Commencement Date" or "Commencement of an LDAR Audit" shall mean the first day of the on-site inspection that accompanies an LDAR audit.

t. "LDAR Audit Completion Date" or "Completion of an LDAR Audit" shall mean 120 days after the LDAR Audit Commencement Date.

u. "LDAR Personnel" shall mean all Defendants' contractors and employees who perform LDAR monitoring, LDAR data input, maintenance of LDAR monitoring devices, leak repairs on equipment subject to LDAR, and/or any other field duties generated by LDAR requirements. The term "LDAR Personnel" does not include a contractor that performs repair or maintenance activities on LDAR equipment or LDAR monitoring devices at its off-site facility, such as an off-site valve shop or monitoring device repair shop.

v. "Low-Emissions Packing" or "Low-E Packing" shall mean either of the following:

(i) A valve packing product, independent of any specific valve, for which the manufacturer has issued a written warranty that the packing will not emit fugitives at greater than 100 ppm, and that, if it does so emit at any time in the first five years, the manufacturer

will replace the product; provided, however, that no packing product shall qualify as "Low-E" by reason of written warranty unless the packing first was tested by the manufacturer or a qualified testing firm pursuant to generally-accepted good engineering practices for testing fugitive emissions; or

(ii) A valve packing product, independent of any specific valve, that has been tested by the manufacturer or a qualified testing firm pursuant to generally-accepted good engineering practices for testing fugitive emissions, and that, during the test, at no time leaked at greater than 500 ppm, and on average, leaked at less than 100 ppm.

w. "Low-Emissions Valve" or "Low-E Valve" shall mean either of the following:

(i) A valve (including its specific packing assembly or stem sealing component) for which the manufacturer has issued a written warranty that it will not emit fugitives at greater than 100 ppm, and that, if it does so emit at any time in the first five years, the manufacturer will replace the valve; provided, however, that no valve shall qualify as "Low-E" by reason of written warranty unless the valve (including its specific packing assembly) either:

(a) first was tested by the manufacturer or a qualified testing firm pursuant to generally-accepted good engineering practices for testing fugitive emissions; or

(b) is as an "extension" of another valve that qualified as "Low-E" under Subparagraph (i)*(a)* above;

or

(ii) A valve (including its specific packing assembly) that:

(a) has been tested by the manufacturer or a qualified testing firm pursuant to generally-accepted good engineering practices for testing fugitive emissions and that, during the test, at no time leaked at greater than 500 ppm, and on average, leaked at less than 100 ppm; or

(b) is an "extension" of another valve that qualified as "Low-E" under Subparagraph (ii)*(a)* above.

For purposes of Subparagraphs (i)*(b)* and (ii)*(b)*, being an "extension of another valve" means that the characteristics of the valve that affect sealing performance (*e.g.*, type of valve, stem motion, tolerances, surface finishes, loading arrangement, and stem and body seal material, design, and construction) are the same or essentially equivalent as between the tested and the untested valve.

x. "Maintenance Shutdown" shall mean a shutdown of a Covered Process Unit that either is done for the purpose of scheduled maintenance or lasts longer than fourteen calendar days.

y. "Method 21" shall mean the test method found at 40 C.F.R. Part 60, Appendix A, Method 21. To the extent that the Covered Equipment is subject to regulations that modify Method 21, those modifications shall be applicable.

z. "OEL" or "Open-Ended Line" shall mean any valve, except pressure relief valves, having one side of the valve seat in contact with process fluid and one side open to atmosphere, either directly or through open piping.

aa. "OELCD" shall mean an open-ended valve or line at the closure device.

bb. "Paragraph" shall mean a portion of this Consent Decree identified by an Arabic numeral.

cc. "Parties" shall mean the United States, SABIC US, and SABIC MTV.

dd. "Quarter" or "quarterly" shall mean a calendar quarter (January through March, April through June, July through September, October through December) except as otherwise provided in applicable LDAR provisions.

ee. "Repair Verification Monitoring" shall mean the utilization of monitoring (or other method that indicates the relative size of the leak) within 24 hours after each attempt at

repair of a leaking piece of equipment in order to determine whether the leak has been eliminated or is below the applicable leak definition in this ELP.

ff. SABIC MTV shall mean SABIC Innovative Plastics Mt. Vernon, LLC, a Delaware limited liability company.

gg. SABIC US shall mean SABIC Innovative Plastics US LLC, a Delaware limited liability company.

hh. "Screening Value" shall mean the highest emission level that is recorded at each piece of equipment as it is monitored in compliance with Method 21.

ii. "Section" shall mean a portion of this Consent Decree that has a heading identified by a Roman numeral.

jj. "Subsection" shall mean a portion of a Section of this Consent Decree that has a heading identified by a capital letter.

kk. "United States" shall mean the United States of America, acting on behalf of EPA.

ll. "Week" or "weekly" shall mean the standard calendar period, except as otherwise provided in applicable LDAR provisions.

IV. CIVIL PENALTY

10. By no later than 30 days after the Effective Date of this Consent Decree, Defendants shall pay the sum of $1,012,873 as a civil penalty. Defendants shall pay the civil penalty by FedWire Electronic Funds Transfer ("EFT") to the U.S. Department of Justice in accordance with written instructions to be provided to Defendants by the Financial Litigation Unit of the U.S. Attorney's Office for the Southern District of Indiana, 10 West Market St., Suite 2100, Indianapolis, IN, 46204, following lodging of the Consent Decree. At the time of

payment, Defendants shall send a copy of the EFT authorization form, the EFT transaction record, and a transmittal letter: (i) to the United States in the manner set forth in Section XV of this Decree (Notices), (ii) by email to v; and (iii) by mail to:

EPA Cincinnati Finance Office
26 Martin Luther King Drive
Cincinnati, Ohio 45268

The transmittal letter shall state that the payment is for the civil penalty owed pursuant to the Consent Decree in United States v. SABIC Innovative Plastics US LLC and SABIC Innovative Plastics Mt. Vernon, LLC, and shall reference the civil action number, and DOJ case numbers 90-5-2-1-09010 and 90-5-2-1-09316.

11. If any portion of the civil penalty due to the United States is not paid when due, Defendants shall pay interest on the amount past due, accruing from the Effective Date through the date of payment, at the rate specified in 28 U.S.C. § 1961. Interest payment under this Paragraph shall be in addition to any stipulated penalty due.

12. Defendants shall not deduct any penalties paid under this Decree pursuant to this Section or Section IX (Stipulated Penalties) in calculating their federal income tax.

V. COMPLIANCE REQUIREMENTS

Subsection A: Applicability of the ELP

13. The requirements of this ELP shall apply to all Covered Equipment, except that the requirements set forth in Paragraph 15.d of Subsection C and in Subsections D, E, F, and G shall not apply to Covered Equipment at the Burkville Facility. The requirements of Subsections B and L shall apply to all equipment at the Covered Facilities that is regulated under LDAR. The requirements of this ELP are in addition to, and not in lieu of, the requirements of any other LDAR regulation that may be applicable to a piece of Covered Equipment. If there is a conflict

between an LDAR regulation and this ELP, Defendants shall follow the more stringent of the requirements.

Subsection B: Facility-Wide LDAR Document

14. By no later than six months after the Date of Lodging of this Consent Decree, Defendants shall develop a facility-wide document for each Covered Facility that describes: (i) the facility-wide LDAR program (*e.g.*, applicability of regulations to process units and/or specific equipment; leak definitions; monitoring frequencies); (ii) a tracking program (*e.g.*, Management of Change) that ensures that new pieces of equipment added to the Facility for any reason are integrated into the LDAR program and that pieces of equipment that are taken out of service are removed from the LDAR program; (iii) the roles and responsibilities of all employee and contractor personnel assigned to LDAR functions at the Facility; (iv) how the number of personnel dedicated to LDAR functions is sufficient to satisfy the requirements of the LDAR program; and (v) how the Facility plans to implement this ELP. Defendants shall review this document on an annual basis and update it as needed by no later than December 31 of each year.

Subsection C: Monitoring Frequency and Equipment

15. Beginning no later than nine months after the Date of Lodging, for all Covered Equipment, Defendants shall comply with the following periodic monitoring frequencies, unless: (i) more frequent monitoring is required by federal, state, or local laws or regulations; or (ii) the relevant Covered Process Unit has been permanently shut down:

a. Valves - Quarterly

b. Connectors - Semi-Annually

c. Pumps/Agitators - Monthly, except that monitoring shall not be required

for pumps and agitators that are seal-less or that are equipped with a dual mechanical seal system that complies with the requirements of 40 C.F.R. 63.163(e).

d. Open-Ended Lines - Quarterly (monitoring will be done at the closure device; if the closure device is a valve, monitoring will be done in the same manner as any other valve, but also shall include monitoring at the end of the valve or line that is open to the atmosphere)

Compliance with the monitoring frequencies in this Paragraph 15 is not required when a specific, applicable LDAR provision excludes or exempts, fully or partially, monitoring at a periodic frequency (*e.g.*, an exemption for equipment that is designated as unsafe-to-monitor or difficult-to-monitor or an exemption for pumps that have no externally actuated shaft), provided that Defendants satisfy all applicable conditions and requirements for the exclusion or exemption set forth in the regulation. With regard to the Burkville Facility, the obligations of this Paragraph 15 shall cease two years after implementation by SABIC US.

16. Valves and Connectors that Have Been Replaced, Repacked, or Improved Pursuant to Subsection G. For valves and connectors that have been replaced, repacked, or improved pursuant to Subsection G (Valve and Connector Replacement and Improvement Program), Defendants may elect to monitor any and all such equipment at the most stringent monitoring frequency required by any LDAR regulation that applies to the piece of equipment, rather than the frequency specified in Paragraph 15 above. If any such piece of equipment is found to be leaking, Defendants shall monitor that piece of equipment monthly until the piece of equipment shows no leaks at the leak definition levels in Table 1 of Subsection D for twelve

consecutive months. At that time, Defendants may commence monitoring at the frequency for that type of equipment set forth in either Paragraph 15 or Subparagraph 17.a.

17. Alternative Monitoring Frequencies for Valves, Connectors, and Open-Ended Lines after Two Years. At one or more than one Covered Process Unit, at any time after two consecutive years of monitoring valves, connectors and open-ended lines pursuant to the requirements of Paragraph 15, Defendants may elect to comply with the monitoring requirements set forth in this Paragraph 17 by notifying EPA no later than three months prior to changing to the monitoring frequency specified under this Paragraph. Defendants may elect to comply with the monitoring requirements of this Paragraph at one or more than one Covered Process Unit at a Covered Facility but may not make this election for anything less than all pieces of Covered Equipment of the same type (*i.e.*, valves, connectors, or OELs) in one entire Covered Process Unit. An election to comply with the monitoring requirements of Subparagraph 17.a (for valves, connectors, and/or OELs) must include an election to comply with Subparagraph 17.b; Defendants may not elect to comply with Subparagraph 17.a without also complying with Subparagraph 17.b.

a. For valves, connectors, and open-ended lines that have not leaked at any time for at least two consecutive years of monitoring. For valves, connectors, and open-ended lines that have not leaked at any time for at least the two years prior to electing this alternative, Defendants shall monitor valves and open-ended lines one time per year and shall monitor connectors one time every two years. If any leaks are detected during this alternative monitoring schedule or during an LDAR audit or a federal, state or local audit or inspection, Defendants immediately shall start monitoring the leaking components pursuant to the requirements of Paragraph 17.b.

b. For valves, connectors, and open-ended lines that have leaked at any time in the prior two years of monitoring. For valves, connectors, and open-ended lines that have leaked at any time in the prior two years of monitoring, Defendants shall monitor each piece of equipment monthly until the piece of equipment shows no leaks for twelve consecutive months, at which time Defendants may commence monitoring at the frequency for that type of equipment set forth in Subparagraph 17.a.

18. a. Beginning no later than nine months after the Date of Lodging, for all Covered Equipment, Defendants shall comply with Method 21 in performing LDAR monitoring, using an instrument attached to a data logger (or an equivalent instrument) which directly electronically records the Screening Value detected at each piece of equipment, the date and time that each Screening Value is taken, and the identification numbers of the monitoring instrument and technician. Defendants shall transfer this monitoring data to an electronic database on at least a weekly basis for recordkeeping purposes.

b. If, during monitoring in the field, a piece of Covered Equipment is discovered that is not listed in the data logger, Defendants are permitted to monitor the piece of Covered Equipment and record, by any means available, the Screening Value, the date and time of the Screening Value, and the identification numbers of the monitoring instrument and technician. In such an instance, the failure to initially record the information electronically in the data logger does not constitute a violation of this Paragraph's requirement to record the required information electronically, provided that Defendants thereafter promptly add the piece of Covered Equipment and the information regarding the monitoring event to the LDAR database.

Subsection D: Leak Detection and Repair Action Levels

19. a. Beginning no later than nine months after the Date of Lodging of this Consent Decree and continuing until termination, for all leaks from Covered Equipment detected at or above the leak definitions listed in Table 1 for the specific equipment type, Defendants shall perform repairs in accordance with Paragraphs 21 - 25.

Table 1: Leak Definitions by Equipment Type

Equipment Type	Lower Leak Definition (ppm)
Valves	250
Connectors	250
Pumps	500
Agitators	1000
OELs (at the Closure Device)	250

b. For purposes of these lower leak definitions, Defendants may elect to adjust or not to adjust the monitoring instrument readings for background pursuant to any provisions of applicable LDAR requirements that address background adjustment, provided that Defendants comply with the requirements for doing so or not doing so.

20. Beginning no later than nine months after the Date of Lodging of this Consent Decree, for all Covered Equipment, at any time, including outside of periodic monitoring, that evidence of a potential leak is detected through audio, visual, or olfactory sensing, Defendants shall repair the piece of Covered Equipment in accordance with all applicable regulations and, if repair is required, with Paragraphs 21 - 25. Beginning no later than nine months after the Date of Lodging of this Consent Decree, for all valves, pumps, agitators, and OELs in heavy liquid service, at any time that evidence of a potential leak is detected through audio, visual, or olfactory senses, Defendants shall repair the piece of equipment.

Subsection E: Repairs

21. Except as explicitly provided in Subparagraphs 32.d.i and 38.c.i, by no later than five days after detecting a leak, Defendants shall perform a first attempt at repair. By no later than 15 days after detection, Defendants shall perform a final attempt at repair of the leaking piece of Covered Equipment or may place the piece of Covered Equipment on the Delay of Repair list provided that Defendants have complied with all applicable regulations and with the requirements of Paragraphs 22-25 and 27.

22. Beginning no later than six months after the Date of Lodging of this Consent Decree, Defendants shall be subject to the requirements of Paragraphs 22-26 of this Decree. Except as explicitly provided in Subparagraphs 32.d.i and 38.c.i, Defendants shall perform Repair Verification Monitoring during all repair attempts.

23. Repair Attempt for Valves (other than Control Valves) with Screening Values greater than or equal to 100 and less than 250 ppm. For any valve, excluding control valves, that has a Screening Value greater than or equal to 100 and less than 250 ppm, Defendants shall make an initial attempt to repair the valve and eliminate the leak by no later than five days after detecting the leak. Repair Verification Monitoring shall be performed to determine if the repair has been successful. If, upon Repair Verification Monitoring, the Screening Value is less than 250 ppm, no further actions shall be required. If, upon Repair Verification Monitoring, the Screening Value is greater than or equal to 250 ppm, Defendants shall undertake the requirements for repair required by this Consent Decree but Defendants shall not be required to replace or repack the valve pursuant to Subsection G.

24. Drill and Tap for Valves (other than Control Valves).

a. Except as provided in Subparagraph 24.b, for leaking valves (other than control valves), when other repair attempts have failed to reduce emissions below the applicable leak definition and Defendants are not able to remove the leaking valve from service, Defendants shall attempt at least one drill-and-tap repair (with a second injection of sealant if the first injection is unsuccessful at repairing the leak) before placing the valve (other than provisionally, as set forth in Subparagraph 24.c) on the DOR list.

b. Drill-and-tap is not required: (i) when Subparagraph 32.d.i applies; or (ii) when there is a major safety, mechanical, product quality, or environmental issue with repairing the valve using the drill-and-tap method, in which case, Defendants shall document the reason(s) why any drill-and-tap attempt was not performed prior to placing any valve on the DOR list.

c. If a drill-and-tap attempt can reasonably be completed within the 15-day repair period, Defendants shall complete the drill-and-tap attempt in that time period. If a drill-and-tap attempt cannot reasonably occur within the 15-day repair period (*e.g.*, if Defendants' drill-and-tap contractor is not local and must mobilize to the Facility), Defendants provisionally may place the valve on the DOR list pending attempting the drill-and-tap repair as expeditiously as practical. In no event may Defendants take more than 30 days from the initial monitoring to attempt a drill-and-tap repair. If drill-and-tap is successful, the valve shall be removed from the provisional DOR list.

25. Except as explicitly provided in Subparagraphs 32.d.i and 38.c.i, for each leak, Defendants shall record the following information: the date of all repair attempts; the repair methods used during each repair attempt; the date, time and Screening Values for all re-

monitoring events; and, if applicable, the information required under Paragraphs 24 and 27 for Covered Equipment placed on the DOR list.

26. Nothing in Paragraphs 21-25 is intended to prevent Defendants from taking a leaking piece of Covered Equipment out of service in order to repair it; provided, however, that Defendants must perform Repair Verification Monitoring on such piece of Covered Equipment within 24-hours after placing it back in service.

Subsection F: Delay of Repair

27. Beginning no later than three months after the Date of Lodging of this Consent Decree, for all Covered Equipment that remains in OHAP service and is placed on the DOR list, Defendants shall:

a. Require sign-off from the relevant area operations leader or person of similar authority that: (i) the piece of Covered Equipment is technically infeasible to repair without a process unit shutdown; or (ii) emissions of purged material resulting from immediate repair would be greater than the fugitive emissions likely to result from DOR. Signoff shall not be required for pumps placed on DOR for the reasons set forth in 40 C.F.R. § 63.171(d).

b. Undertake periodic monitoring, at the frequency required for other pieces of Covered Equipment of that type in the process unit, of the Covered Equipment placed on the DOR list; and

c. (i) Repair the piece of Covered Equipment to a screening value that is less than the applicable leak definitions set forth in Table 1 of Subsection D within the time frame required by the applicable LDAR regulation; or, (ii) if applicable under

Subsection G, replace, repack, or improve the piece of Covered Equipment by the end of the next process unit shutdown.

Subsection G: Valve and Connector Replacement and Improvement Program

28. Commencing no later than nine months after the Date of Lodging of this Consent Decree, and continuing until termination, Defendants shall implement the program set forth in Paragraphs 29-40 to improve the emissions performance of the valves (excluding pressure relief valves) and connectors that are Covered Equipment in each Covered Process Unit.

29. Work Practices relating to Any Valve that is Installed, Replaced, or Repacked. Defendants shall undertake the following work practices with respect to any valve that they install, replace, or repack:

a. Upon installation or re-installation (in the case of repacking), Defendants shall, when applicable for the valve design, tighten the valve's packing gland nuts or their equivalent (*e.g.*, pushers) to the manufacturer's recommended gland nut or packing torque.

b. Not less than three days nor more than two weeks after the valve first is exposed to process fluids at operating conditions, Defendants shall, when applicable for the valve design, recheck the load on the valve packing and, if necessary, shall tighten the packing gland nuts or their equivalent (*e.g.*, pushers) to: (i) the manufacturer's recommended gland nut or packing torque; or (ii) any appropriate tightness that will minimize the potential for fugitive emission leaks of any magnitude.

30. Installing New Valves. Except as provided in Subparagraphs 30.a, 30.b, or Paragraph 34, Defendants shall ensure that each new valve (other than a valve that serves as the closure device on an open-ended line) that it installs in each Covered Process Unit, and that, when installed, will be regulated under LDAR, either is a Low-E Valve or is fitted with Low-E

Packing. This requirement applies to entirely new valves that are added to a Covered Process Unit and to Existing Valves that are replaced for whatever reason in a Covered Process Unit.

a. Paragraph 30 shall not apply in emergencies or exigent circumstances requiring immediate installation or replacement of a valve where a Low-E Valve or Low-E Packing is not available on a timely basis. Any such instance shall be reported in the next ELP compliance status report.

b. Paragraph 30 shall not apply to valves that are installed temporarily for a short-term purpose and then removed (*e.g.*, valves connecting a portion of the Covered Process Unit to a testing device).

c. Paragraph 30 shall not apply to an Existing Valve that is removed in order to provide access to allow maintenance or other work to be conducted, and is then re-installed.

31. List of all Valves in the Covered Process Units. In the first compliance status report required by Paragraph 65, Defendants shall include a list of tag numbers of all valves subject to this ELP, broken down by Covered Process Unit, that are in existence as of the Date of Lodging. The valves on this list shall be the "Existing Valves" for purposes of Paragraphs 30 and 32.

32. Replacing or Repacking Existing Valves that have Screening Values at or above 250 ppm with Low-E Valves or Low-E Packing.

a. Existing Valves Required to be Replaced or Repacked. Except as provided in Paragraph 34 and subject to Paragraph 33, for each Existing Valve that has a Screening Value at or above 250 ppm during any monitoring event, Defendants shall replace or repack the Existing Valve with a Low-E Valve or with Low-E Packing.

b. Timing: When Replacing or Repacking does not Require a Process Unit Shutdown. If replacing or repacking does not require a process unit shutdown, Defendants shall replace or repack the Existing Valve by no later than 30 days after the monitoring event that triggers the replacing or repacking requirement, unless Defendants comply with the following:

i. Prior to the deadline, Defendants must take all reasonable steps to obtain the required valve or valve packing, including all necessary associated materials, as expeditiously as practical, and retain documentation of the actions taken and the date of each such action;

ii. If, despite Defendants' efforts to comply with Subparagraph 32.b.i, the required valve or valve packing, including all necessary associated materials, is not available in time to complete the installation within 30 days, Defendants must take all reasonable actions to minimize emissions from the valve pending completion of the required replacing or repacking. Examples include:

(*a*) Repair or repair attempts;

(*b*) More frequent monitoring, with additional repairs or repair attempts as needed; or

(*c*) Where practical, interim replacing or repacking of a valve with a valve that is not a Low-E Valve or with packing or sealing components that are not Low-E Packing; and

iii. Defendants must promptly perform the required replacing or repacking after Defendants' receipt of the valve or valve packing, including all necessary associated materials.

c. Timing: When Replacing or Repacking Requires a Process Unit Shutdown. If replacing or repacking requires a process unit shutdown, Defendants shall replace or repack the Existing Valve during the first Maintenance Shutdown that follows the monitoring event that triggers the requirement to replace or repack the valve, unless Defendants document that insufficient time existed between the monitoring event and that Maintenance Shutdown to enable Defendants to purchase and install the required valve or valve packing technology. In that case, Defendants shall undertake the replacing or repacking at the next Maintenance Shutdown that follows thereafter.

d. Repair Requirements Pending Replacements or Repackings pursuant to Subparagraph 32.a - c.

i. Subsection E (Repairs) Requirements. For each Existing Valve that has a Screening Value at or above 250 ppm, Defendants shall not be required to comply with Subsection E (Repair) pending replacement or repacking pursuant to Subparagraphs 32.a - c if Defendants complete the replacement or repacking by the date that is no more than 30 days after detecting the leak. If Defendants do not complete the replacement or repacking within 30 days, or if Defendants reasonably can anticipate that they might not be able to complete the replacement or repacking within 30 days, Defendants shall comply with all applicable requirements of Subsection E (Repair).

ii. Requirements of Applicable Regulations. For each Existing Valve that has a Screening Value at or above 500 ppm, Defendants shall comply with all repair and "delay of repair" requirements of any applicable regulation pending replacement or repacking pursuant to Subparagraphs 32.a - c.

33. Provisions related to Low-E Valves and Low-E Packing.

a. "Low-E" status not affected by subsequent leaks. If, during monitoring after installation, a Low-E Valve or a valve using Low-E Packing has a Screening Value at or above 250 ppm, the leak is not a violation of this Decree, does not invalidate the "Low-E" status or use of that type of valve or packing technology, and does not require replacing other, non-leaking valves or packing technology of the same type.

b. Response to certain Screening Values. If, during monitoring after installation, a Low-E Valve or a valve using Low-E Packing has a Screening Value at or above 250 ppm, all ELP provisions dealing with responses to the Screening Value, such as repair, delay of repair, and replacement, shall apply according to their terms, except as provided in Subparagraph 33.c.

c. Replacing or repacking. The first time a Low-E Valve or a valve that utilizes Low-E Packing has a Screening Value at or above 250 ppm, Defendants shall not be required to replace or repack it if Defendants timely repair the valve and reduce the Screening Value to below 250 ppm. If the Low-E Valve or a valve that utilizes Low-E Packing subsequently has a Screening Value at or above 250 ppm, Defendants shall replace or repack it pursuant to the requirements of Paragraph 32.

34. Commercial Unavailability of a Low-E Valve or Low-E Packing. Defendants shall not be required to utilize a Low-E Valve or Low-E Packing to replace or repack a valve if a Low-E Valve or Low-E Packing is commercially unavailable. The factors relevant to the question of commercial unavailability and the procedures that Defendants must follow to assert that a Low-E Valve or Low-E Packing is commercially unavailable are set forth in Appendix A.

35. Records of Low-E Valves and Low-E Packing. Prior to installing any Low-E Valves or Low-E Packing, or if not possible before installation, then as soon as practicable after installation, Defendants shall secure from each manufacturer documentation that demonstrates that the proposed valve or packing technology meets the definition of "Low-E Valve" and/or "Low-E Packing." Defendants shall retain that documentation for the duration of this Consent Decree and make it available upon request.

36. Connector Replacement and Improvement Descriptions.

a. For purposes of Paragraphs 37 - 38, for each of the following types of existing connectors (*i.e.,* a connector in use at a Covered Process Unit on the Date of Lodging) , the following type of replacement or improvement shall apply:

Connector Type	Replacement or Improvement Description
Flanged	Replacement or improvement of the gasket
Threaded	Replacement of the connector with a like-kind connector or other
Compression	Replacement of the connector with a like-kind connector or other
CamLock	Replacement or improvement of the gasket or replacement or improvement of the CamLock
Quick Connect	Replacement or improvement of the gasket, if applicable, or replacement of the connector (with either a like-kind connector or other), if there is no gasket
Any type (including any of the above)	Elimination (*e.g.,* through welding, pipe replacement, etc.)

For purposes of this Paragraph 36, "gasket" means a sealing element that includes, but is not limited to, an O-ring, gasket, or D-ring.

b. In cases where a like-kind replacement is utilized as the method for replacing or improving an existing connector (*e.g.*, a Quick Connect replaces another Quick Connect), the provisions of Subparagraphs 36.b.i and 36.b.ii shall apply.

(i.) If there are types, models or styles of a like-kind connector that are less likely to leak than the existing connector, and one or more of those types, models or styles are technically feasible to use (considering the service, operating conditions, and type of piping or tubing that the connector is in) and would not create a major safety, mechanical, product quality, regulatory or other issue, Defendants shall select a like-kind connector from among such types, models or styles.

(ii.) If Subparagraph 36.b.i does not apply, Defendants may install a like-kind connector that is the same type, model or style as the existing connector.

37. Installing New Connectors. For each Covered Process Unit, Defendants shall use best efforts, when selecting a new connector that, when installed, will be regulated under LDAR, to select a connector that is least likely to leak, using good engineering judgment, for the service, operating conditions, and type of piping or tubing that the connector is in. This requirement applies to entirely new connectors added to a Covered Process Unit and to connectors that replace existing connectors for whatever reason within a Covered Process Unit.

a. Paragraph 37 shall not apply in emergencies or exigent circumstances requiring immediate installation or replacement of a connector where the required type of connector is not available on a timely basis. Any such instance shall be reported in the next ELP compliance status report.

b. Paragraph 37 shall not apply to a connector that is installed temporarily for a short-term purpose and then removed (*e.g.*, a connector connecting a portion of the Covered Process Unit to a testing device).

c. Paragraph 37 shall not apply to an existing connector that is removed in order to provide access to allow maintenance or other work to be conducted, and is then re-installed.

38. Replacing or Improving Connectors.

a. Trigger for Replacement or Improvement Requirements. For each connector that, in any two of four consecutive monitoring periods, has a Screening Value at or above 250 ppm, Defendants shall replace or improve the connector in accordance with the applicable replacement or improvement described in Paragraph 36. Defendants shall use best efforts to install a replacement or improvement that will be the least likely to leak, using good engineering judgment, for the service, operating conditions, and type of piping or tubing that the connector is in.

b. Timing. If the replacement or improvement does not require a process unit shutdown, Defendants shall undertake the replacement or improvement within 30 days after the monitoring event that triggers the replacement or improvement requirement. If the replacement or improvement requires a process unit shutdown, Defendants shall undertake the replacement or improvement during the first Maintenance Shutdown that follows the monitoring event that triggers the requirement to replace or improve the connector, unless Defendants document that insufficient time existed between the monitoring event and the Maintenance Shutdown to enable Defendants to secure and install the replacement or improvement. In that

case, Defendants shall undertake the replacement or improvement at the next Maintenance Shutdown that follows thereafter.

c. Repair Requirements Pending Replacements or Improvements Pursuant to Subparagraph 38.a.

(i.) Subsection E (Repairs) Requirements. For each connector that has a Screening Value at or above 250 ppm, Defendants shall not be required to comply with Subsection E (Repairs) pending replacement or improvement pursuant to Subparagraph 38.a if Defendants complete the replacement or improvement within 30 days of detecting the leak. If Defendants do not complete the replacement or improvement within 30 days, or if Defendants reasonably can anticipate that they might not be able to complete the replacement or improvement within 30 days, Defendants shall comply with all applicable requirements of Subsection E (Repairs).

(ii.) Requirements of Applicable Regulations. For each connector that has a Screening Value at or above 500 ppm, Defendants shall comply with all repair and "delay of repair" requirements of any applicable regulation pending replacement or improvement pursuant to Subparagraph 38.a.

39. Nothing in Paragraphs 31 - 40 requires Defendants to utilize any valve, valve packing technology, or connector that is not appropriate for its intended use in a Covered Process Unit.

40. In each Compliance Status Report due under Section VIII (Reporting) of this Decree, Defendants shall include a separate section in the Report that: (i) describes the actions they took to comply with this Subsection G, including identifying each piece of equipment that triggered a requirement in Subsection G, the Screening Value for that piece of equipment, the

type of action taken (*i.e.*, replacement, repacking, or improvement, and the date when the action was taken); (ii) identifies any required actions that were not taken and explains why; and (iii) identifies the schedule for any known, future replacements, repackings, or improvements.

Subsection H: Management of Change

41. Management of Change. To the extent not already done, beginning no later than six months after the Date of Lodging of this Consent Decree, Defendants shall ensure that each valve, connector, pump, agitator, and OEL added to the Covered Process Units at the Covered Facilities for any reason is evaluated to determine if it is subject to LDAR requirements. Defendants also shall ensure that each valve, connector, pump, agitator, and OEL that was subject to the LDAR program is eliminated from the LDAR program if it is physically removed from a Covered Process Unit. This evaluation shall be a part of Defendants' facility-wide Management of Change protocol.

Subsection I: Training

42. By no later than one year after the Date of Lodging of this Consent Decree, Defendants shall have ensured that all LDAR Personnel have completed training on all aspects of LDAR, including this ELP, that are relevant to the person's duties. By that same time, Defendants shall develop a training protocol (or, as applicable, require their contractor to develop a training protocol for the contractor's employees) to ensure that refresher training is performed once per calendar year beginning, with respect to each employee or contractor, in the first full year after completion of initial training. Defendants also shall ensure (or as applicable, require their contractor to ensure for the contractor's employees) that new LDAR Personnel are

sufficiently trained prior to any field involvement (other than supervised involvement for purposes of training) in the LDAR program.

Subsection J: Quality Assurance ("QA")/Quality Control ("QC")

43. Daily Certification by Monitoring Technicians. Commencing by no later than three months after the Date of Lodging of this Consent Decree, on each day that monitoring occurs, at the end of such monitoring, Defendants shall ensure that each monitoring technician certifies that the data collected accurately represents the monitoring performed for that day by requiring the monitoring technician to sign a form that includes the following certification:

> On [insert date], I reviewed the monitoring data that I collected today and to the best of my knowledge and belief, the data accurately represents the monitoring that I performed today.

44. Commencing by no later than the first full calendar quarter after the Date of Lodging of this Consent Decree, at times that are not announced to the LDAR monitoring technicians, an LDAR-trained employee or contractor of Defendants, who does not serve on a routine basis as an LDAR monitoring technician at each Covered Facility, shall undertake the following no less than once per calendar quarter:

a. Determine whether the equipment was monitored at the appropriate frequency;

b. Determine whether the proper documentation and sign-offs have been recorded for all equipment placed on the DOR list;

c. Determine whether the repairs have been performed in the required periods;

d. Review monitoring data and equipment counts (*e.g.*, number of pieces of equipment monitored per day) for feasibility and unusual trends;

e. Determine whether proper calibration records and monitoring instrument maintenance information are maintained;

f. Determine whether other LDAR program records are maintained as required; and

g. Observe in the field each LDAR monitoring technician who is conducting leak detection monitoring to ensure monitoring during the quarterly QA/QC is being conducted as required.

Defendants promptly shall correct any deficiencies detected or observed. Defendants shall maintain a log that: (i) records the date and time that the reviews, verifications, and observations required by this Paragraph were undertaken; and (ii) describes the nature and timing of any corrective actions taken.

Subsection K: LDAR Audits and Corrective Action

45. Defendants shall retain a third party with experience in conducting LDAR audits to conduct an LDAR audit at each Covered Process Unit once every twelve months pursuant to the schedule in Paragraph 46 and the requirements of Paragraphs 47 - 49. Defendants shall select a different company than their regular LDAR contractor to perform the third-party audit.

46. Audit Schedule.

a. Until termination of this Decree, SABIC MTV shall ensure that an LDAR audit at the Mt. Vernon Covered Process Unit is conducted every twelve months in accordance with the following schedule: for the first LDAR audit, the LDAR Audit Commencement Date shall be no later than six months after the Date of Lodging of this Consent Decree; for each subsequent LDAR audit, the LDAR Audit Completion Date

shall occur within the same calendar quarter that the first LDAR Audit Completion Date occurred.

b. SABIC US shall ensure that two LDAR audits are conducted at the Burkville Covered Process Units: for the first LDAR audit, the LDAR Audit Commencement Date shall be no later than six months after the Date of Lodging of this Consent Decree; for the subsequent LDAR audit, the LDAR Audit Completion Date shall occur within the same calendar quarter that the first LDAR Audit Completion Date occurred.

47. For each Covered Process Unit, each LDAR audit shall consist of: (i) reviewing compliance with all applicable LDAR regulations, including LDAR requirements related to valves, connectors, pumps, agitators, and OELs in heavy liquid service; (ii) reviewing and/or verifying the same items that are required to be reviewed and/or verified in Subparagraphs 44.a - 44.f; (iii) reviewing whether any pieces of equipment that are required to be in the LDAR program are not included; and (iv) "comparative monitoring" as described in Paragraph 48. With respect to items (i), (iii), and (iv), SABIC shall comply with generally accepted LDAR audit practices. LDAR audits after the first audit also shall include reviewing the Covered Process Unit's compliance with this ELP.

48. Comparative Monitoring. Comparative monitoring during LDAR audits shall be undertaken as follows:

a. Calculating a Comparative Monitoring Audit Leak Percentage. Covered Equipment shall be monitored in order to calculate a leak percentage for each Covered Process Unit, broken down by equipment type (*i.e.*, valves, pumps, agitators, connectors, and OELCDs). For descriptive purposes under this Section, the monitoring that takes place during the audit shall

be called "comparative monitoring" and the leak percentages derived from the comparative monitoring shall be called the "Comparative Monitoring Audit Leak Percentages." In undertaking Comparative Monitoring, Defendants shall not be required to monitor every component in each Covered Process Unit, but shall comply with generally accepted LDAR audit practices in determining the number of components to monitor.

b. Calculating the Historic, Average Leak Percentage from Prior Periodic Monitoring Events. For each Covered Process Unit that is subject to comparative monitoring in any given year, the historic, average leak percentage from prior periodic monitoring events, broken down by equipment type (*i.e.*, valves, pumps, agitators, connectors, and OELCDs) shall be calculated. The following number of complete monitoring periods immediately preceding the comparative monitoring shall be used for this purpose: valves - four periods; pumps and agitators – twelve periods; connectors – two periods; and OELCDs - four periods.

c. Calculating the Comparative Monitoring Leak Ratio. For each Covered Process Unit and each Covered Type of Equipment, the ratio of the Comparative Monitoring Audit Leak Percentage from Paragraph 48.a to the historic, average leak percentage from Paragraph 48.b shall be calculated. This ratio shall be called the "Comparative Monitoring Leak Ratio." If the denominator in this calculation is "zero," it shall be assumed (for purposes of this calculation but not for any other purpose under this Consent Decree or under any applicable laws and regulations) that one leaking piece of equipment was found in the process unit through routine monitoring during the 12-month period before the comparative monitoring and the ratio shall be recalculated.

d. For the first LDAR audit only, Defendants shall not be required to undertake comparative monitoring on OELCDs or calculate a Comparative Monitoring Leak

Ratio for OELCDs because of the unavailability of historic, average leak percentages for OELCDs.

49. When More Frequent Periodic Monitoring is Required. If a Comparative Monitoring Audit Leak Percentage calculated pursuant to Paragraph 48.a triggers a more frequent monitoring schedule under any applicable federal, state, or local law or regulation than the frequency listed in the applicable Paragraph in Subsection C -- that is, either Paragraph 15, 16, or 17 -- for the equipment type in that Covered Process Unit, Defendants shall monitor the affected type of equipment at the greater frequency unless and until less frequent monitoring is again allowed under the specific federal, state, or local law or regulation. For the purpose of determining whether a more frequent monitoring schedule is required under this Paragraph for valves, the Comparative Monitoring Audit Leak Percentage and the percent leaking valves from the preceding monitoring period shall be averaged, and this average shall be used to determine whether the valve monitoring frequency must be shortened pursuant to 40 C.F.R. §63.168(d)(1). At no time may Defendants monitor at intervals longer than those listed in the applicable Paragraph in Subsection C.

50. Corrective Action Plan ("CAP").

a. Requirements of a CAP. By no later than 30 days after each LDAR Audit Completion Date, Defendants shall develop a preliminary Corrective Action Plan if: (i) the results of an LDAR audit identify any deficiencies; or (ii) if the Comparative Monitoring Leak Ratio calculated pursuant to Paragraph 48.c is 3.0 or higher (except that the Comparative Monitoring Leak Ratio does not trigger any requirements under this Subparagraph if the Comparative Monitoring Audit Leak Percentage calculated pursuant to Subparagraph 48.a is less than 0.5 percent). The preliminary CAP shall describe the actions that Defendants have taken or

shall take to address: (i) the deficiencies and/or (ii) the causes of a Comparative Monitoring Leak Ratio that is 3.0 or higher (but only if the Comparative Monitoring Audit Leak Percentage is at or above 0.5 percent). Defendants shall include a schedule by which actions that have not yet been completed shall be completed. Defendants promptly shall complete each corrective action item with the goal of completing each action within 90 days after the LDAR Audit Completion Date. If any action is not completed or not expected to be completed within 90 days after the LDAR Audit Completion Date, Defendants shall explain the reasons and propose a schedule for prompt completion in the final CAP to be submitted under Subparagraph 50.b.

b. Submission of the Final CAP to EPA. By no later than 120 days after the LDAR Audit Completion Date, Defendants shall submit the final CAP to EPA, together with a certification of the completion of each item of corrective action. If any action is not completed within 90 days after the LDAR Audit Completion Date, Defendants shall explain the reasons, together with a proposed schedule for prompt completion. Defendants shall submit a supplemental certification of completion by no later than 30 days after completing all actions.

c. EPA Review/Comment on CAP. EPA may submit comments on the CAP. Except for good cause, EPA may not request Defendants to modify any action within the CAP that already has been completed or is in progress at the time of EPA's comments. Within 30 days of receipt of any comments from EPA, Defendants shall submit a reply. Disputes arising with respect to any aspect of a CAP shall be resolved in accordance with the dispute resolution provisions of this Decree.

Subsection L: Certification of Compliance

51. Within 180 days after the initial LDAR Audit Completion Date, Defendants shall certify to EPA that, to the signer's best knowledge and belief formed after reasonable inquiry:

(i) except as otherwise identified, the Covered Process Units are in compliance with all applicable LDAR regulations and this ELP; (ii) Defendants have completed all corrective actions, if applicable, or are in the process of completing all corrective actions pursuant to a CAP; and (iii) all equipment at the Covered Process Units that is regulated under LDAR has been identified and included in the Covered Process Units' LDAR programs. To the extent that Defendants cannot make the certification in all respects, Defendants shall specifically identify any deviations from Items (i) - (iii).

Subsection M: Recordkeeping

52. Defendants shall keep all records required by this ELP, including each LDAR audit report, to document compliance with the requirements of this ELP for at least two years after termination of this Decree. Upon request by EPA, Defendants shall make all such documents available to EPA and shall provide, in electronic format if so requested, all LDAR monitoring data generated during the life of this Consent Decree.

VI. ADDITIONAL INJUNCTIVE RELIEF

53. Within 330 days of the Effective Date of this Consent Decree, Defendants shall implement controls on the API oil/water separator located at the Mount Vernon Facility in accordance with the control requirements for oil/water separators set forth in Table 35 of 40 C.F.R. Pt. 63, Subpt. G. Such controls shall be operated to the extent provided by 40 C.F.R. Pt. 63, Subpts. F and G.

VII. SUPPLEMENTAL ENVIRONMENTAL PROJECT

54. Defendants shall implement a Supplemental Environmental Project ("SEP"), control of emissions from a process vent not requiring control, in accordance with all provisions of this Consent Decree. The SEP shall be completed within eight months after the Effective Date. The SEP shall consist of routing the emissions from a "HON" Group 2 process vent (identified in SABIC MTV's Part 70 operating permit (permit number T129-6794-00002; the "Permit") as stack/vent ID 03-002 from emission unit E-244) at the Mount Vernon Facility's phenol plant to a control device (identified in the Permit as thermal combustion unit PhTCU) to eliminate approximately four tons per year of hazardous air pollutants (primarily cumene and phenol.

55. Defendants are responsible for the satisfactory completion of the SEP in accordance with the requirements of this Decree.

56. Defendants may use contractors or consultants in planning and implementing the SEP.

57. With regard to the SEP, Defendants shall certify the truth and accuracy of each of the following in accordance with Paragraph 62:

a. that all cost information provided to EPA in connection with EPA's approval of the SEP is complete and accurate and that Defendants in good faith estimate that the cost to implement the SEP is $1,300,000;

b. that, as of the date of executing this Decree, Defendants are not required to perform or develop the SEP by any federal, state, or local law or regulation and are not required to perform or develop the SEP by agreement, grant, or as injunctive relief awarded in any other action in any forum;

c. that the SEP is not a project that Defendants were planning or intending to construct, perform, or implement other than in settlement of the claims resolved in this Decree;

d. that Defendants have not received and will not receive credit for the SEP in any other enforcement action; and

e. that Defendants will not receive any reimbursement for any portion of the SEP from any other person.

58. SEP Completion Report. Within 60 days after the date set for completion of the SEP, Defendants shall submit a SEP Completion Report to the United States, in accordance with Section XV of this Consent Decree (Notices). The SEP Completion Report shall contain the following information:

a. a detailed description of the SEP as implemented;

b. description of any problems encountered in completing the SEP and the solutions thereto;

c. an itemized list of all eligible SEP costs expended;

d. certification that the SEP has been fully implemented pursuant to the provisions of this Decree; and

e. a description of the environmental and public health benefits resulting from implementation of the SEP (with a quantification of the benefits and pollutant reductions, if feasible).

59. EPA may, in its sole discretion, require information in addition to that described in the preceding Paragraph, in order to evaluate Defendants' completion report.

60. After receiving the SEP Completion Report, the United States shall notify Defendants whether or not Defendants have satisfactorily completed the SEP. If Defendants have not completed the SEP in accordance with this Consent Decree, stipulated penalties may be assessed under Section IX of this Consent Decree.

61. Disputes concerning the satisfactory performance of the SEP and the amount of eligible SEP costs may be resolved under Section XI of this Decree (Dispute Resolution). No other disputes arising under this Section shall be subject to Dispute Resolution.

62. Each submission required under this Section shall be signed by an official with knowledge of the SEP and shall bear the certification language set forth in Paragraph 67.

63. Any public statement, oral or written, in print, film, or other media, made by a Defendant making reference to the SEP under this Decree shall include the following language: "This project was undertaken in connection with the settlement of an enforcement action, United States v. SABIC Innovative Plastics US LLC and SABIC Innovative Plastics Mt. Vernon, LLC, taken on behalf of the U.S. Environmental Protection Agency under the Clean Air Act."

64. For federal income tax purposes, Defendants agree that they will neither capitalize into inventory or basis nor deduct any costs or expenditures incurred in performing the SEP.

VIII. REPORTING REQUIREMENTS

65. ELP Compliance Status Reports. On the dates and for the time periods set forth in Paragraph 66, Defendants shall submit to EPA, in the manner set forth in Section XV (Notices), the following information, separated out by Facility:

a. The number of LDAR Personnel assigned to LDAR functions at each Covered Process Unit, excluding Personnel whose functions involve the non-monitoring aspects of repairing leaks, and the approximate percentage of time each such person dedicated to performing his/her LDAR functions;

b. An identification and description of any non-compliance with the requirements of Section V (Compliance Requirements);

c. An identification of any problems encountered in complying with the requirements of Section V (Compliance Requirements);

d. The information required by Paragraph 40 of Subsection V.G;

e. A description of the trainings conducted in accordance with this Consent Decree;

f. Any deviations identified in the QA/QC performed under Subsection V.J, as well as any corrective actions taken under that Subsection;

g. A summary of LDAR audit results including specifically identifying all alleged deficiencies; and

h. The status of all actions under any CAP that was submitted during the reporting period, unless the CAP was submitted less than one month before the compliance status report.

66. Due Dates. The first compliance status report shall be due 31 days after the first full half-year after the Effective Date of this Consent Decree (*i.e.,* either: (i) January 31 of the year after the Effective Date, if the Effective Date is between January 1 and June 30 of the preceding year; or (ii) July 31 of the year after the Effective Date, if the Effective Date is between July 1 and December 31). The initial report shall cover the period between the

Effective Date and the end of the first full half-year after the Effective Date (a "half-year" runs between January 1 and June 30 and between July 1 and December 31). Until termination of this Decree, each subsequent report will be due on the same date in the following year and shall cover the prior two half-years (*i.e.*, either January 1 to December 31 or July 1 to June 30).

67. Each report submitted under this Consent Decree shall be signed by the plant manager, a corporate official responsible for environmental management and compliance, or a corporate official responsible for plant engineering management, and shall include the following certification:

> I certify under penalty of law that I have examined and am familiar with the information submitted in this document and all attachments and that this document and its attachments were prepared either by me personally or under my direction or supervision in a manner designed to ensure that qualified and knowledgeable personnel properly gather and present the information contained therein. I further certify, based on my personal knowledge or on my inquiry of those individuals immediately responsible for obtaining the information, that the information is true, accurate, and complete.

68. All Reports under this Consent Decree shall be submitted to EPA in the manner designated in Section XV of this Consent Decree (Notices).

69. The reporting requirements of this Consent Decree do not relieve Defendants of any reporting obligations required by the CAA or its implementing regulations, or by any other federal, state, or local law, regulation, permit, or other requirement. The reporting requirements of this Section are in addition to any other reports, plans or submissions required by other Sections of this Consent Decree.

70. Any information provided pursuant to this Consent Decree may be used by the United States in any proceeding to enforce the provisions of this Consent Decree and as otherwise permitted by law.

IX. STIPULATED PENALTIES

71. Failure to Pay Civil Penalty. If Defendants fail to pay any portion of the civil penalty required to be paid under Section IV of this Decree (Civil Penalty) when due, Defendants shall pay a stipulated penalty of $2,500 per day for each day that the payment is late. Late payment of the civil penalty and any accrued stipulated penalties shall be made in accordance with Paragraph 10.

72. Failure to Meet ELP Consent Decree Obligations. Defendants shall be liable for stipulated penalties to the United States for violations of this Consent Decree as specified in Table 2 below unless excused under Section X (Force Majeure).

Table 2

<table>
<tr><th>Violation</th><th>Stipulated Penalty</th></tr>
<tr><td>72.a. Failure to timely develop a Facility-Wide LDAR Document as required by Paragraph 14 or failure to timely update the Document on an annual basis if needed pursuant to Paragraph 14</td><td>Period of noncompliance — Penalty per day late

1 - 15 days — $300
16 - 30 days — $400
31 days or more — $500</td></tr>
<tr><td>72.b. Each failure to perform monitoring at the frequencies set forth in Paragraph 15 or, if applicable, Paragraphs 16 and 17</td><td>$100 per component per missed monitoring event, not to exceed $25,000 per month per Covered Process Unit</td></tr>
<tr><td>72.c. Each failure to comply with Method 21 in performing LDAR monitoring, in violation of Paragraph 18</td><td>Monitoring frequency for the component — Penalty per monitoring event per process unit

Every 2 years — $25,000
Annual — $20,000
Semi-Annual — $15,000
Quarterly — $10,000
Monthly — $5,000</td></tr>
</table>

Violation	Stipulated Penalty
72.d. For each failure to use a monitoring device that is attached to a datalogger and for each failure, during each monitoring event, to directly electronically record the Screening Value, date, time, identification number of the monitoring instrument, and the identification of technician, in violation of these requirements of Paragraph 18	$100 per failure per piece of equipment monitored
72.e. Each failure to transfer monitoring data to an electronic database on at least a weekly basis, in violation of this requirement in Paragraph 18	$150 per day for each day that the transfer is late
72.f. Each failure to timely perform a first attempt at repair as required by Paragraph 21 or 23, unless not required to do so under Subparagraph 32.d.i or 38.c.i. For purposes of these stipulated penalties, the term "repair" includes the required remonitoring in Paragraph 22 after the repair attempt; the stipulated penalties in Subparagraph 72.h do not apply.	$150 per day for each late day, not to exceed $1,500 per leak
72.g. Each failure to timely perform a final attempt at repair as required by Paragraph 21, unless not required to do so under Subparagraph 32.d.i or 38.c.i. For purposes of these stipulated penalties, the term "repair" includes the required remonitoring in Paragraph 22 after the repair attempt; the stipulated penalties in Subparagraph 72.h do not apply.	Equipment type / Penalty per Component per day late / Not to Exceed Valves, connectors $300 $37,500 Pumps, agitators $1,200 $150,000

Violation	Stipulated Penalty
72.h. Each failure to timely perform Repair Verification Monitoring as required by Paragraph 22 in circumstances where the first attempt to adjust, or otherwise alter, the piece of equipment to eliminate the leak was made within five days and the final attempt to adjust, or otherwise alter, the piece of equipment to eliminate the leak was made within 15 days	Equipment Type / Penalty per Component per day late / Not to Exceed Valves, connectors: $150 / $18,750 Pumps, agitators: $600 / $75,000
72.i. Each failure to undertake the drill-and-tap method as required by Paragraph 24	Period of noncompliance / Penalty per component per day late Between 1 and 15 days: $200 Between 16 and 30 days: $350 Over 30 days: $500 per day for each day over 30, not to exceed $37,500
72.j. Each failure to record the information required by Paragraph 25	$100 per component per item of missed information
72.k. Each improper placement of a piece of Covered Equipment on the DOR list (e.g., placing a piece of Covered Equipment on the DOR list even though it is feasible to repair it without a process unit shutdown)	Equipment Type / Penalty per component per day on list / Not to exceed Valve, connectors: $300 / $75,000 Pumps, Agitators: $1,200 / $300,000
72.l. Each failure to comply with the requirement in Subparagraph 27.a that a relevant unit supervisor or person of similar authority sign off on placing a piece of Covered Equipment on the DOR list	$250 per piece of Covered Equipment
72.m. Each failure to comply with the requirements of Subparagraph 27.c.(i)	Refer to the applicable stipulated penalties in Subparagraphs 72.f and 72.g

Violation	Stipulated Penalty
72.n. Each failure to comply with the requirements of Subparagraph 27.c.(ii)	Refer to the applicable stipulated penalties in Subparagraphs 72.p – 72.u.
72.o. Each failure to comply with the work practice standards in Paragraph 29	$50 per violation per valve per day, not to exceed $30,000 for all valves in a Covered Process Unit per quarter
72.p. Each failure to install a Low-E Valve or a valve fitted with Low-E Packing when required to do so pursuant to Paragraph 30	$20,000 per failure, except as provided in Paragraph 72A below
72.q. Each failure, in violation of Subparagraph 32.b, to timely comply with the requirements relating to installing a Low-E Valve or Low-E Packing if a process unit shutdown is not required	$500 per day per failure, not to exceed $20,000, except as provided in Paragraph 72A below
72.r. Each failure, in violation of Subparagraph 32.c, to install a Low-E Valve or Low-E Packing when required to do so during a Maintenance Shutdown	$20,000 per failure, except as provided in Paragraph 72A below
72.s. Each failure, in violation of Paragraph 37, to timely comply with the requirements relating to replacing or improving a connector for any new connector installation	$10,000 per failure
72.t. Each failure, in violation of Subparagraph 38.b., to timely comply with the requirements relating to replacing or improving a connector if the replacement or improvement does not require a process unit shutdown	$250 per day per failure, not to exceed $10,000 per failure
72.u. Each failure, in violation of Subparagraph 38.b, to comply with the requirements relating to replacing or improving a connector if the replacement or improvement requires a process unit shutdown	$10,000 per failure

Violation	Stipulated Penalty
72.v. Each failure to add a piece of Covered Equipment to the LDAR program when required to do so pursuant to the evaluation required by Paragraph 41 (MOC)	$300 per piece of Covered Equipment (plus an amount, if any, due under Paragraph 72.b for any missed monitoring event related to a component that should have been added to the LDAR Program but was not)
72.w. Each failure to remove a piece of Covered Equipment from the LDAR program when required to do so pursuant to Paragraph 41	$150 per failure per piece of Covered Equipment
72.x. Each failure to timely develop a training protocol as required by Paragraph 42	$50 per day late
72.y. Each failure to perform initial, refresher, or new personnel training as required by Paragraph 42	$1,000 per person per month late
72.z. Each failure of a monitoring technician to complete the certification required in Paragraph 43	$100 per failure per technician
72.aa. Each failure to perform any of the requirements relating to QA/QC in Paragraph 44	$1,000 per missed requirement per quarter
72.bb. Each failure to conduct an LDAR audit in accordance with the schedule set forth in Paragraph 46.	<u>Period of noncompliance</u> <u>Penalty per day</u> 1-15 days $300 16-30 days $400 31 days or more $500, not to exceed $100,000 per audit
72.cc. Each failure to use a third party as an auditor; each use of a third party auditor that is not experienced in LDAR audits; and each use of Defendants' regular LDAR contractor to conduct the third party audit, in violation of the requirementsof Paragraph 45.	$25,000 per audit

Violation	Stipulated Penalty
72.dd. Except for the requirement to undertake Comparative Monitoring, each failure to substantially comply with the LDAR audit requirements in Paragraph 47	$100,000 per audit
72.ee. Each failure to substantially comply with the Comparative Monitoring requirements of Paragraph 48	$50,000 per audit
72.ff. Each failure to timely submit a Corrective Action Plan that substantially conforms to the requirements of Paragraph 50	Period of noncompliance — Penalty per day per violation 1-15 days — $100 16-30 days — $250 31 days or more — $500 Not to exceed $100,000 per audit
72.gg. Each failure to implement a corrective action within 90 days after the LDAR Audit Completion Date or pursuant to the schedule that Defendants must propose pursuant to Subparagraph 50.b if the corrective action cannot be completed in 90 days	Period of noncompliance — Penalty per day per violation 1-15 days — $500 16-30 days — $750 31 days or more — $1,000 Not to exceed $200,000 per audit
72.hh. Each failure to timely submit a Certification of Compliance that substantially conforms to the requirements of Paragraph 51	Period of noncompliance — Penalty per day per violation 1-15 days — $100 16-30 days — $250 31 days or more — $500 Not to exceed $75,000
72.ii. Each failure to substantially comply with any recordkeeping, submission, or reporting requirement in Sections V and VIII not specifically identified above in this Table 2.	Period of noncompliance — Penalty per day per violation 1-15 days — $100 16-30 days — $250 31 days or more — $500

72A. Stipulated Penalties in Lieu of those in Subparagraphs 72.p, 72.q, 72.r.

a. For purposes of this Paragraph, the term "Non-Compliant Valve" means a valve that is either: (i) not a Low-E Valve; or (ii) not fitted with Low-E Packing. The term "Compliant Valve" means a valve that is either: (i) a Low-E Valve; or (ii) fitted with Low-E Packing.

b. The stipulated penalties in Subparagraph 72A.c are to be used instead of those in Subparagraphs 72.p, 72.q, or 72.r when a Non-Compliant Valve is installed instead of a Compliant Valve and all of the following requirements are met:

i. Defendants, and not a government agency, discover the failure involved;

ii. Defendants promptly report the failure to EPA;

iii. In the report, Defendants set forth a schedule for promptly replacing the Non-Compliant Valve with a Compliant Valve; provided, however, that Defendants shall not be required to undertake an unscheduled shutdown of the affected Covered Process Unit in proposing the schedule unless Defendants so chooses;

iv. Defendants monitor the Non-Compliant Valve once a month from the time of its discovery until the valve is replaced with a Compliant Valve and no Screening Values above 100 ppm are recorded;

v. Defendants replace the Non-Compliant Valve with a Compliant Valve in accordance with the schedule set forth in 72A.b.iii; and

vi. Defendants demonstrate that in good faith they intended to install a Compliant Valve but inadvertently installed a Non-Compliant Valve.

c. The following stipulated penalties shall apply under the circumstances in Paragraph 72A:

i. In lieu of the penalty in Subparagraph 72.p, $2,000 per failure.

ii. In lieu of the penalty in Subparagraph 72.q, $50 per day per failure, not to exceed $2,000.

iii. In lieu of the penalty in Subparagraph 72.r, $2,000 per failure.

73. Additional Injunctive Relief. If Defendants fail to satisfactorily complete the Additional Injunctive Relief by the deadline set forth in Paragraph 53, Defendants shall pay stipulated penalties for each day for which they fail to satisfactorily complete the Additional Injunctive Relief, as follows:

Penalty Per Day	Period of Noncompliance
$750	1st through 14th day
$1,000	15th through 30th day
$1,250	31st day and beyond

74. SEP Compliance. If Defendants fail to satisfactorily complete the SEP by the deadline set forth in Paragraph 54, Defendants shall pay stipulated penalties for each day for which they fail to satisfactorily complete the SEP, as follows:

Penalty Per Day	Period of Noncompliance
$500	1st through 14th day
$750	15th through 30th day
$1,000	31st day and beyond

75. Waiver of Payment. The United States may, in its unreviewable discretion, reduce or waive payment of stipulated penalties otherwise due to it under this Consent Decree.

76. Demand for Stipulated Penalties. A written demand for the payment of stipulated penalties will identify the particular violation(s) to which the stipulated penalty relates; the stipulated penalty amount (as can be best estimated) that the United States is demanding for each violation; the calculation method underlying the demand; and the grounds upon which the demand is based. Prior to issuing a written demand for stipulated penalties, the United States may, in its unreviewable discretion, contact Defendants for informal discussion of matters that the United States believes may merit stipulated penalties.

77. Stipulated Penalties' Accrual. Stipulated penalties will begin to accrue on the day after performance is due or the day a violation occurs, whichever is applicable, and will continue to accrue until performance is satisfactorily completed or the violation ceases. Stipulated penalties shall accrue simultaneously for separate violations of this Consent Decree.

78. Stipulated Penalties Payment Due Date. Stipulated penalties shall be paid no later than 60 days after receipt of a written demand by the United States unless the demand is disputed through compliance with the requirements of the dispute resolution provisions of this Decree.

79. Manner of Payment of Stipulated Penalties. Stipulated penalties owing to the United States of under $10,000 will be paid by check and made payable to "U.S. Department of Justice, referencing DOJ Number 90-5-2-1-09010, and delivered to the U.S. Attorney's Office in

the Southern District of Indiana, 10 West Market St., Suite 2100, Indianapolis, IN, 46204. Stipulated penalties owing to the United States of $10,000 or more will be paid in the manner set forth in Section IV (Civil Penalty) of this Consent Decree. All transmittal correspondence shall state that the payment is for stipulated penalties, shall identify the violations to which the payment relates, and shall include the same identifying information required by Paragraph 10.

80. Disputes Over Stipulated Penalties. By no later than 60 days after receiving a demand for stipulated penalties, Defendants may dispute liability for any or all stipulated penalties demanded by invoking the dispute resolution procedures of Section XI. If Defendants fail to pay stipulated penalties when due and do not prevail in dispute resolution, Defendants shall be liable for interest at the rate specified in 28 U.S.C. § 1961, accruing as of the date payment became due.

81. No amount of the stipulated penalties paid by Defendants shall be used to reduce their federal tax obligations.

82. Subject to the provisions of Section XIII of this Consent Decree (Effect of Settlement/Reservation of Rights), the stipulated penalties provided for in this Decree shall be in addition to any other rights, remedies, or sanctions available to the United States for a violation of this Consent Decree or applicable law. In addition to injunctive relief or stipulated penalties, the United States may elect to seek mitigating emissions reductions equal to or greater than the excess amounts emitted if the violations result in excess emissions. Defendants reserve the right to challenge the United States' exercise of this option. Where a violation of this Consent Decree is also a violation of the CAA or its implementing regulations, Defendants shall be allowed a credit, for any stipulated penalties paid, against any statutory penalties imposed for such violation.

X. FORCE MAJEURE

83. "Force Majeure," for purposes of this Consent Decree, is defined as any event beyond the control of Defendants, their contractors, or any entity controlled by a Defendant that delays the performance of any obligation under this Consent Decree despite Defendants' best efforts to fulfill the obligation. The requirement that Defendants exercise "best efforts to fulfill the obligation" includes using best efforts to anticipate any potential force majeure event and best efforts to address the effects of any such event: (a) as it is occurring; and (b) after it has occurred, to prevent or minimize any resulting delay.

84. "Force Majeure" does not include Defendants' financial inability to perform any obligation under this Consent Decree. Unanticipated or increased costs or expenses associated with the performance of Defendants' obligations under this Consent Decree shall not constitute circumstances beyond Defendants' control nor serve as the basis for an extension of time under this Section X.

85. If any event occurs which causes or may cause a delay or impediment to performance in complying with any provision of this Consent Decree, Defendants shall notify EPA in writing promptly but not later than fourteen business days after the time Defendants first knew or should have known by the exercise of due diligence that the event might cause a delay. In the written notice, Defendants shall specifically reference this Paragraph 85 of the Consent Decree and shall provide, to the extent such information is available at the time, an explanation and description of the reasons for the delay; the anticipated duration of the delay; all actions taken or to be taken to prevent or minimize the delay; a schedule for implementation of any measures to be taken to prevent or mitigate the delay or the effect of the delay; Defendants' rationale for attributing such delay to a Force Majeure event; and a statement as to whether, in

the opinion of the Defendants, such event may cause or contribute to an endangerment to public health, welfare or the environment. Defendants shall be deemed to know of any circumstance of which Defendants, any entity controlled by Defendants, or Defendants' contractors knew or should have known. The written notice required by this Paragraph shall be effective upon the mailing of the same by overnight mail or by certified mail, return receipt requested, to EPA in the manner set forth in Section XV (Notices).

86. Failure by Defendants to materially comply with the notice requirements specified in Paragraph 85 shall preclude Defendants from asserting any claim of Force Majeure with respect to the particular event involved, unless the United States, in its unreviewable discretion, permits Defendants to assert a Force Majeure claim with respect to the particular event.

87. The United States shall respond in writing to Defendants regarding Defendants' claim of Force Majeure within 45 days of receipt of the notice required under Paragraph 85. After this initial response, the parties may confer.

88. If EPA initially or ultimately agrees that the delay or anticipated delay is attributable to a Force Majeure event, the time for performance of the obligations under this Consent Decree that are affected by the Force Majeure event will be extended by EPA for such time as is necessary to complete those obligations. An extension of the time for performance of the obligations affected by the Force Majeure event shall not, of itself, extend the time for performance of any other obligation. However, Defendants may request that the time be extended for performance of any other obligation that is affected by the Force Majeure event. EPA will notify Defendants in writing of the length of the extension, if any, for performance of the obligations affected by the Force Majeure event.

89. If EPA does not agree that the delay or anticipated delay has been or will be caused by a Force Majeure event, or if the parties fail to agree on the length of the delay attributable to the Force Majeure event, EPA will so notify Defendants in writing of its final decision.

90. If Defendants elect to invoke the dispute resolution procedures set forth in Section XI (Dispute Resolution), it shall do so no later than 45 days after receipt of EPA's notice under Paragraph 87 (if the parties do not confer after that notice), or under Paragraph 89 (if the parties confer after the Paragraph 87 notice). In any such proceeding, Defendants shall have the burden of demonstrating by a preponderance of the evidence that the delay or anticipated delay has been or will be caused by a Force Majeure event, that the duration of the delay or the extension sought was or will be warranted under the circumstances, that best efforts were exercised to avoid and mitigate the effects of the delay, and that Defendants materially complied with the requirements of Paragraphs 83 and 85. If Defendants carry this burden, the delay at issue shall be deemed not to be a violation by Defendants of the affected obligation of this Consent Decree identified to EPA and the Court.

XI. DISPUTE RESOLUTION

91. Unless otherwise expressly provided for in this Consent Decree, the dispute resolution procedures of this Section shall be the exclusive mechanism to resolve disputes arising under or with respect to this Consent Decree.

92. Informal Dispute Resolution. The first stage of dispute resolution shall consist of informal negotiations. The dispute shall be considered to have arisen when one Party sends the other Party a written Notice of Dispute. Such Notice of Dispute shall state clearly the matter in dispute. The period of informal negotiations shall not exceed 30 days after the Notice of

Dispute, unless that period is modified by written agreement. If the Parties cannot resolve the dispute by informal negotiations, then the position advanced by the United States shall be considered binding unless within 45 days after the conclusion of the informal negotiation period, Defendants invoke formal dispute resolution procedures set forth below.

93. Formal Dispute Resolution. Defendants shall invoke formal dispute resolution procedures, within the time period provided in the preceding Paragraph, by serving on the United States a written Statement of Position regarding the matter in dispute. The Statement of Position shall include, but need not be limited to, any factual data, analysis, or opinion supporting Defendants' position and any supporting documentation relied upon by Defendants. Defendants and the United States may hold additional discussions, which may, in the unreviewable discretion of each party, include higher-level representatives of any of the parties.

94. The United States shall serve its Statement of Position within 45 days of receipt of Defendants' Statement of Position. The United States' Statement of Position shall include, but need not be limited to, any factual data, analysis, or opinion supporting that position and any supporting documentation relied upon by the United States. The United States' Statement of Position shall be binding on Defendants unless Defendants file a motion for judicial review of the dispute in accordance with the following Paragraph.

95. Defendants may seek judicial review of the dispute by filing with the Court and serving on the United States, in accordance with Section XV of this Consent Decree (Notices), a motion requesting judicial resolution of the dispute. The motion must be filed within 60 days of receipt of the United States' Statement of Position pursuant to the preceding Paragraph. The motion shall contain a written statement of Defendants' position on the matter in dispute, including any supporting factual data, analysis, opinion, or documentation, and shall set forth the

relief requested and any schedule within which the dispute must be resolved for orderly implementation of the Consent Decree.

96. The United States shall respond to Defendants' motion within the time period allowed by the Local Rules of this Court for responses to dispositive motions. Defendants may file a reply memorandum, to the extent permitted by the Local Rules.

97. In a formal dispute resolution proceeding under this Section, Defendants shall bear the burden of demonstrating that their position complies with this Consent Decree and the CAA and that they are entitled to relief under applicable principles of law. The United States reserves the right to argue that its position is reviewable only on the administrative record and must be upheld unless arbitrary and capricious or otherwise not in accordance with law, and Defendants reserve the right to argue to the contrary.

98. The invocation of dispute resolution procedures under this Section shall not, by itself, extend, postpone, or affect in any way any obligation of Defendants under this Consent Decree, unless and until final resolution of the dispute so provides. Stipulated penalties with respect to the disputed matter shall continue to accrue from the first day of noncompliance, but payment shall be stayed pending resolution of the dispute. If Defendants do not prevail on the disputed issue, stipulated penalties shall be assessed and paid as provided in Section IX (Stipulated Penalties).

XII. INFORMATION COLLECTION AND RETENTION

99. The United States and its representatives and employees shall have the right of entry into the Covered Facilities, at all reasonable times, upon presentation of credentials and any other documentation required by law, to:

a. monitor the progress of activities required under this Consent Decree;

b. verify any data or information submitted to the United States in accordance with the terms of this Consent Decree;

c. obtain documentary evidence, including photographs and similar data, relevant to compliance with the terms of this Consent Decree; and

d. assess Defendants' compliance with this Consent Decree.

100. Until two years after termination of this Consent Decree, Defendants shall retain, and shall instruct their contractors and agents to preserve, all documents, records, or other information, regardless of storage medium (*e.g.*, paper or electronic) in their or their contractors' or agents' possession or control, or that come into their or their contractors' or agents' possession or control, and that directly relate to Defendants' performance of their obligations under this Consent Decree. This information-retention requirement shall apply regardless of any contrary corporate or institutional policies or procedures. At any time during this information-retention period, the United States may request copies of any documents, records, or other information required to be maintained under this Paragraph.

101. Except for emissions data, including Screening Values, Defendants may also assert that information required to be provided under this Section is protected as Confidential Business Information ("CBI") under 40 C.F.R. Part 2. As to any information that Defendants seek to protect as CBI, Defendants shall follow the procedures set forth in 40 C.F.R. Part 2, where applicable. Except for emissions data, including Screening Values, Defendants reserve the right to assert any legal privilege and the United States reserves the right to challenge any claim of privilege.

102. This Consent Decree in no way limits or affects any right of entry and inspection, or any right to obtain information, held by the United States pursuant to applicable federal laws,

regulations, or permits, nor does it limit or affect any duty or obligation of Defendants to maintain documents, records, or other information imposed by applicable federal or state laws, regulations, or permits.

XIII. EFFECT OF SETTLEMENT/RESERVATION OF RIGHTS

103. This Consent Decree resolves the civil claims of the United States for the violations alleged in the Complaint filed in this action and the Findings and Notice of Violations from the date those claims accrued through the Date of Lodging.

104. The United States reserves all legal and equitable remedies available to enforce the provisions of this Consent Decree, except as expressly stated in Paragraph 103. This Consent Decree shall not be construed to limit the rights of the United States to obtain penalties or injunctive relief under the CAA or implementing regulations, or under other federal laws, regulations, or permit conditions, except as expressly specified in Paragraph 103. The United States further reserves all legal and equitable remedies to address any situation that may present an imminent and substantial endangerment to the public health or welfare or the environment arising at, or posed by, the Covered Facilities, whether related to the violations addressed in this Consent Decree or otherwise.

105. In any subsequent administrative or judicial proceeding initiated by the United States for injunctive relief, civil penalties, or other appropriate relief relating to the Covered Facilities, Defendants shall not assert, and may not maintain, any defense or claim based upon the principles of waiver, res judicata, collateral estoppel, issue preclusion, claim preclusion, claim-splitting, or other defenses based upon any contention that the claims raised by the United States in the subsequent proceeding were or should have been brought in the instant case, except

with respect to claims that have been specifically resolved pursuant to Paragraph 103 of this Section.

106. This Consent Decree is not a permit, or a modification of any permit, under any federal, state, or local laws or regulations. Defendants are responsible for achieving and maintaining compliance with all applicable federal, state, and local laws, regulations, and permits and Defendants' compliance with this Consent Decree shall be no defense to any action commenced pursuant to any such laws, regulations, or permits. The United States does not, by its consent to the entry of this Consent Decree, warrant or aver in any manner that Defendants' compliance with any aspect of this Consent Decree will result in compliance with provisions of the CAA, or with any other provisions of federal, state, or local laws, regulations, or permits.

107. This Consent Decree does not limit or affect the rights of Defendants or of the United States against any third parties, not party to this Consent Decree, nor does it limit the rights of third parties not party to this Consent Decree, against Defendants, except as otherwise provided by law.

108. This Consent Decree shall not be construed to create rights in, or grant any cause of action to, any third party that is not a Party to this Consent Decree.

XIV. COSTS

109. The Parties shall bear their own costs of this action, including attorneys' fees, except that the United States shall be entitled to collect the costs (including attorneys' fees) against Defendants incurred in any action necessary to enforce this Consent Decree or to collect any portion of the civil penalty or any stipulated penalties due but not paid by Defendants.

XV. NOTICES

110. Unless otherwise specified herein, whenever notifications, submissions, or communications are required by this Consent Decree, they shall be made in writing and addressed to the persons set forth below. Submission of hard copies is required and shall be sufficient to comply with the notice requirements of this Consent Decree. The email addresses listed below are to permit the submission of courtesy copies.

Notice or submission to the United States:

Chief, Environmental Enforcement Section
Environment and Natural Resources Division
U.S. Department of Justice
Box 7611 Ben Franklin Station
Washington, DC 20044-7611
Re: DOJ No. 90-5-2-1-09316

Notice or submission to EPA:

Air and Radiation Division
EPA Region 5
77 W. Jackson Blvd. (AE-17J)
Chicago, IL 60604
Attn: Compliance Tracker

and

Office of Regional Counsel
EPA Region 5
77 West Jackson Blvd. (C-14J)
Chicago, IL 60604

For courtesy purposes only, electronic copies to:

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Notice or submission to either Defendant:

General Counsel
SABIC Innovative Plastics US LLC
1 Plastics Avenue
Pittsfield, MA 01201

For courtesy purposes only, electronic copies to:

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Any Party may, by written notice to the other Party, change its designated notice recipient(s) or notice address(es) provided above. Notices submitted pursuant to this Section shall be deemed submitted upon mailing, unless otherwise provided in this Consent Decree or by mutual agreement of the Parties in writing.

XVI. EFFECTIVE DATE

111. The Effective Date of this Consent Decree shall be the date upon which this Consent Decree is entered by the Court or a motion to enter the Consent Decree is granted, whichever occurs first, as recorded on the Court's docket; provided, however, that Defendants hereby agree that they shall be bound upon the Date of Lodging to comply with obligations of Defendants specified in this Consent Decree as accruing upon the Date of Lodging. In the event the United States withdraws or withholds consent to this Consent Decree before entry, or the Court declines to enter the Consent Decree, then the preceding requirement to comply with requirements of this Consent Decree upon the Date of Lodging shall terminate.

XVII. RETENTION OF JURISDICTION

112. The Court shall retain jurisdiction over this case until termination of this Consent Decree for the purposes of resolving disputes arising under this Decree, entering orders modifying this Decree, or effectuating or enforcing compliance with the terms of this Decree.

XVIII. MODIFICATION

113. The terms of this Consent Decree may be modified only by a subsequent written agreement signed by the United States and Defendants. Where the modification constitutes a material change to any term of this Consent Decree, it shall be effective only upon approval by the Court.

114. Any disputes concerning modification of this Decree shall be resolved pursuant to Section XI of this Decree (Dispute Resolution); provided, however, that instead of the burden of proof as provided by Paragraph 97, the Party seeking the modification bears the burden of demonstrating that it is entitled to the requested modification in accordance with Federal Rule of Civil Procedure 60(b).

XIX. TERMINATION

115. By no sooner than after completion of the fifth LDAR audit required pursuant to Subsection V.K of this Decree, SABIC MTV may send the United States a Request for Termination of this Consent Decree with respect to its Covered Facility. By no sooner than after completion of the second LDAR audit required pursuant to Subsection V.K of this Decree, SABIC US may send the United States a Request for Termination of this Consent Decree with respect to its Covered Facility. In the Request for Termination, the requesting Defendant must demonstrate that it has maintained satisfactory compliance with this Consent Decree for the two-

year period immediately preceding the Request for Termination. In no event may this Consent Decree be terminated with respect to either Defendant if the civil penalty and/or any outstanding stipulated penalties have not been paid. The Request for Termination shall include all necessary supporting documentation.

116. Following receipt by the United States of a Request for Termination, the Parties shall confer informally concerning the Request and any disagreement that the Parties may have as to whether the Defendant has satisfactorily complied with the requirements for termination. If the United States agrees that the Decree may be terminated with respect to the Defendant, the Parties shall submit, for the Court's approval, a joint stipulation terminating the Decree.

117. If the United States does not agree that the Decree may be terminated, the aggrieved Defendant may invoke dispute resolution under Section X of this Decree. However, such Defendant shall not invoke dispute resolution for any dispute regarding termination until 60 days after sending its Request for Termination.

XX. PUBLIC PARTICIPATION

118. This Consent Decree shall be lodged with the Court for a period of not less than 30 days for public notice and comment in accordance with 28 C.F.R. § 50.7. The United States reserves the right to withdraw or withhold its consent if the comments regarding the Consent Decree disclose facts or considerations indicating that the Consent Decree is inappropriate, improper, or inadequate. Defendants consent to entry of this Consent Decree without further notice.

XXI. SIGNATORIES/SERVICE

119. The undersigned representatives of Defendants and the Assistant Attorney General for the Environment and Natural Resources Division of the Department of Justice (or his or her designee) each certify that he or she is fully authorized to enter into the terms and conditions of this Consent Decree and to execute and legally bind the Party he or she represents to this document.

120. This Consent Decree may be signed in counterparts, and its validity shall not be challenged on that basis.

121. Defendants agree not to oppose entry of this Consent Decree by the Court or to challenge any provision of the Decree unless the United States has notified Defendants in writing that it no longer supports entry of the Decree.

122. Defendants agree to accept service of process by mail with respect to all matters arising under or relating to this Consent Decree and to waive the formal service requirements set forth in Rules 4 and 5 of the Federal Rules of Civil Procedure and any applicable Local Rules of this Court including, but not limited to, service of a summons. Defendants need not file an answer to the complaint in this action unless or until the Court expressly declines to enter this Consent Decree.

XXII. INTEGRATION

123. This Consent Decree and its Appendix constitute the final, complete, and exclusive agreement and understanding between the Parties with respect to the settlement embodied in this Consent Decree and its Appendix, and supersede all prior agreements and understandings, whether oral or written, concerning the settlement embodied herein. No other document, except for any plans or other deliverables that are submitted and approved pursuant to

this Decree, nor any representation, inducement, agreement, understanding, or promise, constitutes any part of this Decree or the settlement it represents, and no such extrinsic document or statement of any kind shall be used in construing the terms of this Decree.

XXIII. FINAL JUDGMENT

124. Upon approval and entry of this Consent Decree by the Court, this Consent Decree shall constitute a final judgment of the Court in this action as to the United States and Defendants. The Court finds that there is no just reason for delay and therefore enters this judgment as a final judgment under Fed. R. Civ. P. 54 and 58.

DATED this _____ day of _____2012.

_____
UNITED STATES DISTRICT JUDGE
SOUTHERN DISTRICT OF INDIANA

We hereby consent to the entry of the Consent Decree in the matter of United States v. SABIC Innovative Plastics US LLC and SABIC Innovative Plastics Mt. Vernon, LLC, subject to public notice and comment.

FOR THE UNITED STATES OF AMERICA

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United States Department of Justice

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We hereby consent to the entry of the Consent Decree in the matter of United States v. SABIC Innovative Plastics US LLC and SABIC Innovative Plastics Mt. Vernon, LLC, subject to public notice and comment.

FOR THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

CYNTHIA GILES, Assistant Administrator
Office of Enforcement and Compliance Assurance
Washington, DC

We hereby consent to the entry of the Consent Decree in the matter of United States v. SABIC Innovative Plastics US LLC and SABIC Innovative Plastics Mt. Vernon, LLC, subject to public notice and comment.

FOR THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

ROBERT A. KAPLAN
Regional Counsel
U.S. Environmental Protection Agency
Region 5
Chicago, IL

_____

SUSAN HEDMAN
Regional Administrator
U.S. Environmental Protection Agency
Region 5
Chicago, IL

We hereby consent to the entry of the Consent Decree in the matter of United States v. SABIC Innovative Plastics US LLC and SABIC Innovative Plastics Mt. Vernon, LLC, subject to public notice and comment.

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We hereby consent to the entry of the Consent Decree in the matter of United States v. SABIC Innovative Plastics US LLC and SABIC Innovative Plastics Mt. Vernon, LLC.

FOR SABIC INNOVATIVE PLASTICS US LLC

MICHAEL WALSH
Vice President
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Mount Vernon, IN 47620

FOR SABIC INNOVATIVE PLASTICS MT. VERNON, LLC

JOSEPH CASTRALE
President
1 Lexan Lane
Mount Vernon, IN 47620

We hereby consent to the entry of the Consent Decree in the matter of United States v. SABIC Innovative Plastics US LLC and SABIC Innovative Plastics Mt. Vernon, LLC.

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APPENDIX A

APPENDIX A

Factors to be Considered and Procedures to be Followed To Claim Commercial Unavailability

This Appendix outlines the factors to be taken into consideration and the procedures to be followed for Defendants to assert that a Low-E Valve or Low-E Packing is "commercially unavailable" pursuant to Paragraph 34.a of the Consent Decree.

I. FACTORS

A. Nothing in this Consent Decree or this Appendix requires Defendants to utilize any valve or packing that is not suitable for its intended use in a Covered Process Unit.

B. The following factors are relevant in determining whether a Low-E Valve or Low-E Packing is commercially available to replace or repack an existing valve:

1. Valve type (*e.g.,* ball, gate, butterfly, needle) (this ELP does not require consideration of a different type of valve than the type that is being replaced)
2. Nominal valve size (*e.g.,* 2 inches, 4 inches)
3. Compatibility of materials of construction with process chemistry and product quality requirements
4. Valve operating conditions (*e.g.,* temperature, pressure)
5. Service life
6. Packing friction (*e.g.,* impact on operability of valve)
7. Whether the valve is part of a packaged system or not
8. Retrofit requirements (*e.g.,* re-piping or space limitations)
9. Other relevant considerations

C. The following factors may also be relevant, depending upon the process unit or equipment where the valve is located:

10. In cases where the valve is a component of equipment that Defendants are licensing or leasing from a third party, valve or valve packing specifications identified by the lessor or licensor of the equipment of which the valve is a component

11. Valve or valve packing vendor or manufacturer recommendations for the relevant process unit components.

II. PROCEDURES THAT DEFENDANTS SHALL FOLLOW TO ASSERT COMMERCIAL UNAVAILABILITY

A. Defendants shall comply with the following procedures if they seek to assert commercial unavailability under Paragraph 34.a of the Consent Decree:

1. Defendants must contact a reasonable number of vendors of valves or valve packing that Defendants, in good faith, believe may have valves or valve packing suitable for the intended use taking into account the relevant factors listed in Section I above.

a. For purposes of this Consent Decree, a reasonable number of vendors presumptively shall mean no less than three.

b. If fewer than three vendors are contacted, the determination of whether such fewer number is reasonable shall be based on Factors (10) and (11) or on a demonstration that fewer than three vendors offer valves or valve packing considering Factors (1)–(9).

2. Defendants shall obtain a written representation from each vendor, or equivalent documentation, that a particular valve or valve packing is not available as "Low-Emissions" from that vendor for the intended conditions or use.

a. "Equivalent documentation" may include e-mail or other correspondence or data showing that a valve or valve packing suitable for the intended use does not meet the definition of "Low-E Valve" or "Low-E Packing" in the Consent Decree or that the valve or packing is not suitable for the intended use.

b. If the vendor does not respond or refuses to provide documentation, "equivalent documentation" may consist of records of Defendants' attempts to obtain a response from the vendor.

3. Each Compliance Status Report required by Section VIII of the Consent Decree shall identify each valve that Defendants otherwise were required to replace or repack, but for which, during the time period covered by the Report, Defendants determined that a Low-E Valve and/or Low-E Packing was not commercially-available. Defendants shall provide a complete explanation of the basis for its claim of commercial unavailability, including, as an attachment to the Compliance Status Report, all relevant documentation. This report shall be valid for a period of twelve months from the date of the report for the specific valve involved and all other similar valves, taking into account the factors listed in Part I.

III. OPTIONAL EPA REVIEW OF DEFENDANTS' ASSERTION OF COMMERCIAL UNAVAILABILITY

A. At its option, EPA may review an assertion by Defendants of commercial unavailability. If EPA disagrees with Defendants' assertion, EPA shall notify Defendants in writing, specifying the Low-E Valve or Low-E Packing that EPA believes to be commercially available and the basis for its view that such valve or packing is appropriate taking into consideration the Factors described in Part I. After Defendants receive EPA's notice, the following shall apply:

1. Defendants shall not be required to retrofit the valve or valve packing for which it asserted commercial unavailability (unless Defendants are otherwise required to do so pursuant to another provision of the Consent Decree).

2. Defendants shall be on notice that EPA will not accept a future assertion of commercial unavailability for: (i) the valve or packing that was the subject of the unavailability assertion; and/or (ii) a valve or packing that is similar to the subject assertion, taking into account the Factors described in Part I.

3. If Defendants disagree with EPA's notification, Defendants and EPA shall informally discuss the basis for the claim of commercial unavailability. EPA may thereafter revise its determination, if necessary.

4. If Defendants make a subsequent commercial unavailability claim for the same or similar valve or packing that EPA previously rejected, and the subsequent claim also is rejected by EPA, Defendants shall retrofit the valve or packing with the commercially available valve or packing unless Defendants are successful under Subsection III.B below.

B. Any disputes under this Appendix first shall be subject to informal discussions between Defendants and EPA for a period not to exceed 30 days before Defendants shall be required to invoke the Dispute Resolution provisions of Section XI of the Consent Decree. Thereafter, if the dispute remains, Defendants shall invoke the Dispute Resolution provisions.