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1100189259 57

Formosa Plastics®

Formosa Plastics Corporation, Texas
201 Formosa Drive • P.O. Box 700
Point Comfort, TX 77978
Telephone: 361-987-7000
Fax: 361-987-2363

RECEIVE
FEB 8 2011
Air/Toxics & Inspection Coordination Branch 6EN-A

January 28, 2011

EPA Region 6 **Certified Mail: 7008 1830 0000 9431 5616**
Associate Director, Air Toxics and Inspection Coordination Branch (6EN-A)
Compliance Assurance and Enforcement Division
U.S. Environmental Protection Agency, Region 6
1445 Ross Avenue, Suite 1200
Dallas, TX 75202

EPA Headquarters **Certified Mail: 7008 1830 0000 9431 5623**
Director, Special Litigation and Projects Division
Office of Civil Enforcement
Office of Enforcement and Compliance Assurance
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, NW (MC 2248-A)
Washington, DC 20460

Re: Submittal of Annual Reports Required by Consent Decree Entered on February 3, 2010; Formosa Plastics Corporation, Texas, Formosa Hydrocarbons, Inc., and Formosa Plastics Corporation, Louisiana (Formosa); Civil Action No. 6:09-cv-00061

Dear Madam or Sir:

In accordance with Section VI, Paragraph 23 and Appendix A, Subsection M, Paragraphs 34 and 35 of the above-referenced consent decree; Formosa is submitting its Initial Annual Report (for the Period of 9/29/2009 - 06/30/2010) and its Initial Leak Detection and Repair (LDAR) Annual Compliance Status Report (for the Period of 2/03/2010 -12/31/2010). The reports cover Formosa Plastics Corporation, Texas (FPC TX), Formosa Hydrocarbons, Inc. (FHC) and Formosa Plastics Corporation, Louisiana (FPC LA). The referenced consent decree was lodged on 9/29/2009 and was entered on 2/3/2010.

This submittal consists of individual reports for FPC TX, which includes FHC, and FPC LA. Under the terms of the decree, initial Reports are due to EPA by 1/31/2011.

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the

information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

Should you have any questions regarding these reports, please contact Richard O. Quinnette III by email at rquinnette@fpcusa.com or by phone at (973)716-7341 or Mary Bachynsky by email at mbachynsky@fpcusa.com or phone at (973) 716-7342.

Sincerely,

R. P. Smith
Vice President/General Manager
Formosa Plastics Corporation, Texas

Attachments

Certification Statement for Formosa Plastics Corporation Texas (FPC TX) and Formosa Hydrocarbons Company, Inc (FHC).

I, Randall P. Smith, certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

I also certify that "LDAR trainings in accordance with this Consent Decree have been done" in FPC TX and FHC per Appendix A, Subsection H, Paragraph 22.

1/28/11

R. P. Smith
Vice President/General Manager
Formosa Plastics Corporation, Texas

Reporting Period:
LDAR App A Sub M only: 02/03/10-12/31/10
All other: 09/29/09-06/30/10

FPC TX Consent Decree Annual Report

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FEB 8 2011
Air/Toxics & Inspection Coordination Branch
GEN-A

Consent Decree Section	Subsection	Paragraph	Consent Decree Requirement	Compliance Date	Comments
VI Reporting Requirement	NA	23.a	Defendants shall submit to EPA an Annual Report. The first Annual Report shall be due 31 days after the first full calendar 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 Annual Report shall cover the period between the Date of Lodging and the first full half-year calendar date (*i.e* ., June 30 or December 31) after the Date of Lodging (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). The Annual Report shall include:	1/31/11	No Comment
VI Reporting Requirement	NA	23.a	all information required to be reported in the Annual Report under Appendices A through F of this Consent Decree (which may reference specific information previously submitted to EPA pursuant to this Consent Decree without re-submitting same):	1/31/11	See Attachments detailed below
VI Reporting Requirement	NA	23.b.1	a description of any noncompliance with the requirements of this Consent Decree and an explanation of the likely cause and of the remedial steps taken, or to be taken, to prevent or minimize such noncompliance.	1/31/11	See Attachment I
Appendix A Enhanced LDAR Program	C Leak Definitions	4.b.2	For connectors that are currently regulated but not required to be monitored using EPA Method 21 , by no later than 18 months after the Date of Lodging of this Consent Decree, Defendants will determine which of the following compliance alternatives will be utilized at each Facility and report the alternative chosen in the next Annual Report: EPA AWP or Method 21.	3/29/11	See Attachment II

FPC TX Consent Decree Annual Report

Consent Decree Section	Subsection	Paragraph	Consent Decree Requirement	Compliance Date	Comments
Appendix A Enhanced LDAR Program	C Leak Definitions	4.e	Open-Ended Line Closure Devices. For open-ended line closure devices that are currently regulated but not required to be monitored using EPA Method 21, Defendants will determine which of the following compliance alternatives will be utilized in each Covered Process Unit each Covered Facility and report the alternative chosen in the next Annual Report: Option A: Utilize the EPA AWP; or, Option B: Utilize EPA Method 21 with an internal leak definition of 250 ppm VOC. Notwithstanding the foregoing, for open-ended line closure devices that are currently regulated but not required to be monitored using EPA Method 21, by no later than 18 months after the Date of Lodging of this Consent Decree, Defendants must monitor this affected equipment once using EPA Method 21 with an internal leak definition of 250 ppm VOC. After initial monitoring using EPA's Method 21, Defendants may use the compliance alternative chosen and reported upon (i.e., Option A or B) for subsequent monitoring.	3/29/11	See Attachment II
Appendix A Enhanced LDAR Program	G Equipment Replacement / Improvement	20.2	In the Compliance Status Reports due under Subsection N, Formosa shall: (i) identify each valve for which it could not comply with the requirement to replace or repack the valve with a Certified Low-Leaking Valve or Certified Low-Leaking Valve Packing Technology; ii. identify the vendors it contacted to determine the unavailability of such a Valve or Packing Technology; and iii. include the written representations or documentation that Formosa secured from each vendor regarding the unavailability.	9/29/10	See Attachment IV
Appendix A Enhanced LDAR Program	G Equipment Replacement / Improvement	20.3	In such event, Defendants shall comply with the vendor inquiry requirements of this Paragraph 20 and submit the Valve Technology Survey with the first Compliance Status Report under Subsection M. Such survey shall include the information required in Subparagraphs 20 (i) through (iii) above. Any changes in commercial unavailability will be updated thereafter within the next Compliance Status Report(s).	9/29/10	See Attachment IV

FPC TX Consent Decree Annual Report

Consent Decree Section	Subsection	Paragraph	Consent Decree Requirement	Compliance Date	Comments
Appendix A Enhanced LDAR Program	L Recordkeeping	33	After the completion of any LDAR Audit, Defendants shall include the following information in the next Annual Report due under this Consent Decree: (i) a summary, including findings, of each such LDAR Audit; (ii) a list of corrective actions taken during the reporting period, if necessary; and any schedule for implementing future corrective actions, if necessary. Upon request by EPA, Defendants shall make all such documents available to EPA and shall provide, in their original electronic format, all LDAR monitoring data generated during the life of this Consent Decree.	Begin by 3/29/10; thereafter every two years	See Attachment III
Appendix A Enhanced LDAR Program	M LDAR Reporting and Recordkeeping Requirements	34.a	Compliance Status Reports. On the dates and for the time periods set forth in Paragraph 35, Defendants shall submit to EPA, in the manner set forth in Section XIV ("Notices") of this Decree, the following information: a. An identification and description of any non-compliance with the requirements of this Appendix A;	1/31/11	No Comment
Appendix A Enhanced LDAR Program	M LDAR Reporting and Recordkeeping Requirements	34.b	An identification of any problems encountered in complying with the requirements of this Appendix A;	1/31/11	See Attachment V
Appendix A Enhanced LDAR Program	M LDAR Reporting and Recordkeeping Requirements	34.c	The information required in Subsection G, Paragraph 20;	1/31/11	See Attachment IV
Appendix A Enhanced LDAR Program	M LDAR Reporting and Recordkeeping Requirements	34.d	A certification that LDAR trainings in accordance with this Consent Decree have been done;	1/31/11	See Certification Form
Appendix A Enhanced LDAR Program	M LDAR Reporting and Recordkeeping Requirements	34.e	Any deviations identified in the QA/QC performed under Subsection I of this Appendix A;	1/31/11	See Attachment VI

FPC TX Consent Decree Annual Report

Consent Decree Section	Subsection	Paragraph	Consent Decree Requirement	Compliance Date	Comments
Appendix A Enhanced LDAR Program	M LDAR Reporting and Recordkeeping Requirements	34.f	A summary of LDAR audit results including specifically identifying all areas of non-compliance; and	1/31/11	See Attachment III
Appendix A Enhanced LDAR Program	M LDAR Reporting and Recordkeeping Requirements	34.g	The status of all Corrective Action that was undertaken during the reporting period.	1/31/11	See Attachments VII
Appendix B Benzene Waste Operations NESHAP	Carbon Canisters	5.a	By no later than six (6) months after the Date of Lodging of this Decree, FPC TX shall complete installation of primary and secondary carbon canisters at locations currently using single canisters and shall operate them in series. As part of the first Annual Report (Section VI of this Decree) due following completion of the installation of the dual canisters, FPC TX shall notify EPA that installation has been completed (if necessary). The report shall include a list of all locations in FPC TX where carbon canister systems are used as control devices under Subpart FF.	3/29/10	See Attachment VIII
Appendix B Benzene Waste Operations NESHAP	Sampling.	10.a.3	At the end of each calendar quarter following the commencement of quarterly sampling, FPC TX shall calculate a quarterly uncontrolled benzene quantity and shall estimate a projected calendar year uncontrolled benzene quantity based on the quarterly end of line sampling results, non-end of line sampling results, and the flow calculations. FPC TX shall submit the uncontrolled benzene quantity in the Annual Reports due under Section VII of this Consent Decree. If the projected calendar year calculations demonstrate an uncontrolled benzene quantity of greater than 1.5 Mg/yr, FPC TX shall provide this information to EPA within 30 days of the end of the calendar quarter.	Begin by 7/31/10 Thereafter, quarterly	See Attachment IX
Appendix B Benzene Waste Operations NESHAP	Recordkeeping and Reporting Requirements	13.a	As part of the Annual Reports required by Section VII or as otherwise required under this Subsection, FPC TX shall submit, as and to the extent required, the following information to EPA:	1/31/11	No Comment

FPC TX Consent Decree Annual Report

Consent Decree Section	Subsection	Paragraph	Consent Decree Requirement	Compliance Date	Comments
Appendix B Benzene Waste Operations NESHAP	Recordkeeping and Reporting Requirements	13.a.1	BWON Compliance Review and Verification Report (under Subparagraph 3.a.), as amended, if necessary;	1/31/11	See Attachment X
Appendix B Benzene Waste Operations NESHAP	Recordkeeping and Reporting Requirements	13.a.2	Amended TAB Report, if necessary (under Subparagraph 4.a.);	1/31/11	See Attachment XI
Appendix B Benzene Waste Operations NESHAP	Recordkeeping and Reporting Requirements	13.a.3	BWON Corrective Measures Plan, if necessary (under Subparagraph 4.b.);	1/31/11	Not Necessary
Appendix B Benzene Waste Operations NESHAP	Recordkeeping and Reporting Requirements	13.a.4	Certifications of Compliance, if necessary (under Subparagraph 4.c.) (Actions Necessary to Correct Non-Compliance, Certification of Compliance);	1/31/11	Not Necessary
Appendix B Benzene Waste Operations NESHAP	Recordkeeping and Reporting Requirements	13.a.5	notification, if necessary, that FPC TX has completed the installation of primary and secondary carbon canisters at locations using single canisters prior to the Date of Lodging, and is operating the primary and secondary carbon canisters in series (under Subparagraph 5.a. (Carbon Canisters));	1/31/11	Not Necessary
Appendix B Benzene Waste Operations NESHAP	Recordkeeping and Reporting Requirements	13.a.6	Initial and subsequent Laboratory Audit Reports (under Paragraph 7);	1/31/11	See Attachment XII

FPC TX Consent Decree Annual Report

Consent Decree Section	Subsection	Paragraph	Consent Decree Requirement	Compliance Date	Comments
Appendix B Benzene Waste Operations NESHAP	Recordkeeping and Reporting Requirements	13.a.7	a description of the measures taken, if any, during the preceding twelve (12) month period to comply with the training provisions of Paragraph 9;	1/31/11	See Attachment XIII
Appendix B Benzene Waste Operations NESHAP	Recordkeeping and Reporting Requirements	13.a.8	BWON Sampling Plan, and revised BWON Sampling Plan, if necessary (under Subparagraph 10.a.); and,	1/31/11	Not Necessary
Appendix B Benzene Waste Operations NESHAP	Recordkeeping and Reporting Requirements	13.a.9	a summary of the sampling results required under Subparagraph 10.a.	1/31/11	See Attachment XIV
Appendix C Vinyl Chloride NESHAP	Trend Analysis	5	A summary of the results of the quarterly trend analysis will be included in the Annual Report.	1/31/11	See Attachment XV
Appendix C Vinyl Chloride NESHAP	LDE Audits	9	LDE Audit Reports will be submitted in the next Annual Report due under this Consent Decree.	1/31/11	See Attachment XVI
Appendix D Resource Conservation and Recovery Act	B	1.f	FPC TX shall report all sampling results in the Annual Report that is required under this Consent Decree.	1/31/11	See Attachment XVII

FPC TX Consent Decree Annual Report

Consent Decree Section	Subsection	Paragraph	Consent Decree Requirement	Compliance Date	Comments
Appendix E EMERGENCY PLANNING AND COMMUNITY RIGHT-TO-KNOW ACT	NA	2.b	As part of the first Annual Report required under this Decree, FPC TX shall submit a written report to EPA summarizing the findings from this evaluation and detailing the FPC TX's corrective actions.	1/31/11	See Attachment XVIII

List of Attachments for CD/LDAR Annual Report FPC TX

Attachment I – Table of Non-Compliances with the Consent Decree
(Reference: Consent Decree Paragraph 23b and Appendix A, Subsection M, Paragraph 34a)

Attachment II – Compliance Alternative Choice for Connectors and OELCDs That are Currently Regulated but Not Required to Be Monitored
(Reference: Appendix A, Subsection C, Paragraphs 4b and 4e)

Attachment III – Findings and Corrective Actions for LDAR Audit, Including Updates to Any Corrective Actions That are Necessary
(Reference: Appendix A, Subsection L, Paragraph 33 and Subsection M, Paragraph 34f)

Attachment IV – "Valve Technology Survey" Commercial Unavailability of a Certified Low-Leaking Valve or Certified Low-Leaking Valve Packing Technology
(Reference: Appendix A, Subsection G, Paragraph 20 and Appendix A, Subsection M, Paragraph 34c)

Attachment V – Identification of Any Problems Encountered In Complying with the Requirements of Appendix A
(Reference: Appendix A, Subsection M, Paragraph 34a)

Attachment VI – List of Deviations Identified In the QA/QC Performed Under Subsection I of Appendix A
(Reference: Appendix A, Subsection M, Paragraph 34e)

Attachment VII – Status of Corrective Action Taken During the Reporting Period (2/3/2010 – 12/31/2010)
(Reference: Appendix A, Subsection M, Paragraph 34g)

Attachment VIII – List of Locations Where Carbon Canister Systems Are Used As Control Devices under Subpart FF
(Reference: Appendix B, Paragraph 5a)

Attachment IX – Quarterly Uncontrolled Benzene Quantity for Second Quarter 2010 and Projected Uncontrolled Benzene Quantity for 2010
(Reference: Appendix B, Paragraph 10a(3))

List of Attachments for CD/LDAR Annual Report FPC TX

Attachment X – BWON Compliance Review and Verification Report
(Reference: Appendix B, Subparagraph 3a)
Incorporated by Reference

Attachment XI – Amended TAB Report
(Reference: Appendix B, Subparagraph 4a)
Incorporated by Reference

Attachment XII – BWON Sampling Plan
(Reference: Appendix B, Paragraph 13a(8))
Incorporated by Reference

Attachment XIII – Initial Laboratory Audit Reports
(Reference: Appendix B, Paragraph 13a(6))

Attachment XIV – Measures Taken to Comply with Training Provisions of Appendix B, Paragraph 9
(Reference: Appendix B, Paragraph 13a(7))

Attachment XV – Summary of BWON Sampling Results Required Under Subparagraph 10a
(Reference: Appendix B, Paragraph 13a(9))

Attachment XVI – Summary of Results from the Quarterly Trend Analysis
(Reference: Appendix C, Paragraph 5)

Attachment XVII – LDE Audit Report
(Reference: Appendix C, Paragraphs 7 & 9)

Attachment XVIII – CPI Sampling Results
(Reference: Appendix D, Paragraph 1f)

Attachment XIX – Findings and Corrective Actions for TRI Evaluation
(Reference: Appendix F, Paragraph 2b)

Attachment I –
Table of Non-Compliances with the Consent Decree with Attached Letters

(Reference: Consent Decree Paragraph 23b and Appendix A, Subsection M, Paragraph 34a)

FPC TX Consent Decree Annual Report

CD Attachment I: Noncompliance Events

Event No.	Consent Decree Section	Subsection/ Paragraph	Dates: To/From	Description of CD Noncompliance	Likely Cause	Corrective Action Steps
1	Appendix D - RCRA	Subsection B, paragraph 3	10/13/09	Missing Accumulation Date on Hazardous Waste drum. See related EPA notification letter	Inadvertent Oversight of established procedure	1. Waste management training for containers was reviewed with the appropriate process unit personnel and all persons responsible for hazardous waste container pick-up and movement 2. Associated hazardous waste checklists were reviewed for completeness and effectiveness.
2	Appendix D - RCRA	Subsection B, paragraph 3	04/29/10	A single drum of hazardous waste was stored for more than 90 days. See related EPA notification letter	Inadvertent Oversight of established procedure	1. Waste management training for containers was reviewed with the appropriate process unit personnel and all persons responsible for hazardous waste container pick-up and movement 2. Associated hazardous waste checklists were reviewed for completeness and effectiveness.

Formosa Plastics

Formosa Plastics Corporation, Texas
201 Formosa Drive • P.O. Box 700
Point Comfort, TX 77978
Telephone: 361-987-7000
Fax: 361-987-2363

October 27, 2009

Certified Mail: 7007 1490 0004 3439 7293

Associate Director, Air/Toxics and Inspection Coordination Branch (6EN-A)
Compliance Assurance and Enforcement Division
U.S. Environmental Protection Agency, Region 6
1445 Ross Avenue, Suite 1200
Dallas, TX 75202

Subject: Consent Decree Between U.S. Environmental Protection Agency and Formosa
Civil Action No. 6:09-cv-00061

Dear Madam and Sirs:

In accordance with Section VI, Paragraph 23.b. of the subject Consent Decree, Formosa Plastics Corporation, Texas is hereby providing timely notice of a noncompliance with Appendix D, Provision B.3 of the Decree. Specifically, a single drum of hazardous waste was stored for a few days in the less than 90-day storage area without an accumulation date marking on the drum. The drum was properly labeled with the words "Hazardous Waste." The situation was immediately corrected and the cause was determined.

Cause of Violation:

This situation was the result of an inadvertent oversight in the usual procedures for marking drums with the beginning dates of accumulation when they are full. The missing date on the drum was detected during an internal inspection of the area on October 13, 2009. The drum in question was one of three drums moved from a satellite accumulation area to the 90-day storage area on October 7, 2009, as recorded in the form prepared by the unit that generated the waste. The October 7, 2009 date was entered on the less than 90-day tracking log prepared by the unit. The two other hazardous waste drums were properly labeled and dated. All contained the same waste material from the same process area.

Remedial Actions Taken to Prevent Reoccurrence:

The accumulation date was added to the drum on October 13, 2009 -- as soon as the missing date was obtained and confirmed using the container transfer records. The cause of the noncompliance has been investigated and identified. To prevent a future noncompliance, waste

management training for containers was reviewed with the appropriate process unit personnel and all persons responsible for hazardous waste container pick-up and movement. Associated hazardous waste checklists were reviewed for completeness and effectiveness. Disciplinary actions are under evaluation for the personnel involved, and such actions will follow the site's standard progression for disciplinary matters.

Sincerely,

Randy Smith
VP/General Manager
Formosa Plastics Corporation, Texas

cc: Certified Mail: 7007 1490 0004 3439 7309
Director, Special Litigation and Projects Division
Office of Civil Enforcement
Office of Enforcement and Compliance Assurance
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, NW (MC 2248-A)
Washington, DC 20460

Certified Mail: 7007 1490 0004 3439 7316
Chief, Environmental Enforcement Section
Environment and Natural Resources Division
U.S. Department of Justice
Box 7611 Ben Franklin Station
Washington, D.C. 20044-7611
Re: DOJ No. 90-5-2-1-08995

Certified Mail: 7007 1490 0004 3439 7323
Robert T. Stewart
Kelly Hart & Hallman LLP
301 Congress Avenue, Suite 2000
Austin, Texas 78701
Telephone: (512) 495-6400
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Formosa Plastics

Formosa Plastics Corporation, Texas
201 Formosa Drive • P.O. Box 700
Point Comfort, TX 77978
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May 12, 2010

Certified Mail: 7008 1830 0000 9431 2097

Associate Director, Air/Toxics and Inspection Coordination Branch (6EN-A)
Compliance Assurance and Enforcement Division
U.S. Environmental Protection Agency, Region 6
1445 Ross Avenue, Suite 1200
Dallas, TX 75202

Subject: Consent Decree Between U.S. Environmental Protection Agency and Formosa
Civil Action No. 6:09-cv-00061

Dear Madam and Sirs:

In accordance with Section VI, Paragraph 23.b. of the subject Consent Decree, Formosa Plastics Corporation, Texas is hereby providing timely notice of a noncompliance with Appendix D, Provision B.3 of the Decree. Specifically, a single drum of hazardous waste was stored for more than 90 days beyond the accumulation date. The drum in question was maintained by the Research and Development Technical Lab to store lab wastes. The drum was properly labeled with the words "Hazardous Waste." The situation was immediately corrected and the cause was determined.

Cause of Violation:

This situation was the result of an inadvertent oversight in the usual procedures for inspecting 90 day storage areas. The overdue status of the drum was detected during an internal inspection of the area on April 29, 2010.

Remedial Actions Taken to Prevent Reoccurrence:

The overdue drum was removed from the site on May 3, 2010. The cause of the noncompliance has been investigated and identified. To prevent a future noncompliance, waste management training for containers was reviewed with the appropriate process unit personnel and all persons responsible for hazardous waste container pick-up and movement. Associated hazardous waste checklists were reviewed for completeness and effectiveness. Disciplinary actions are under

evaluation for the personnel involved, and such actions will follow the site's standard progression for disciplinary matters.

Sincerely,

Randy Smith
VP/General Manager
Formosa Plastics Corporation, Texas

cc: Certified Mail: 7008 1830 0000 9431 2103
Director, Special Litigation and Projects Division
Office of Civil Enforcement
Office of Enforcement and Compliance Assurance
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, NW (MC 2248-A)
Washington, DC 20460

Certified Mail: 7008 1830 0000 9431 2110
Chief, Environmental Enforcement Section
Environment and Natural Resources Division
U.S. Department of Justice
Box 7611 Ben Franklin Station
Washington, D.C. 20044-7611
Re: DOJ No. 90-5-2-1-08995

Certified Mail: 7008 1830 0000 9431 2202
Robert T. Stewart
Kelly Hart & Hallman LLP
301 Congress Avenue, Suite 2000
Austin, Texas 78701
Telephone: (512) 495-6400
FAX: (512) 495-6401

Attachment II –
Compliance Alternative Choice for Connectors and OELCDs that are Currently Regulated but not Required to be Monitored

(Reference: Appendix A, Subsection C, Paragraphs 4b and 4e)

Formosa Plastics' Compliance Alternative Choice

Effective no later than 18 months after the Date of Lodging, FPC TX and FPC LA will use "Option B: EPA Method 21 with an internal leak definition of 250 ppm VOC" to demonstrate compliance with Appendix A, Subsection C, Paragraphs 4.b. and 4.e.

The CD Requirements:

Appendix A Subsection C Para 4.b:

For connectors that are currently regulated but not required to be monitored using EPA Method 21 (*e.g.*, connectors regulated by 40 C.F.R. Part 60, Subpart VV), by no later than 18 months after the Date of Lodging of this Consent Decree, Defendants will determine which of the following compliance alternatives will be utilized at each Facility and report the alternative chosen in the next Annual Report:

> Option A: Utilize the EPA Alternative Work Practice To Detect Leaks from Equipment (as per 73 Fed. Reg. 78199, December 22, 2008, or as amended) (the "EPA AWP"); or,
>
> Option B: Utilize EPA Method 21 with an internal leak definition of 250 ppm VOC.

Notwithstanding the foregoing, for connectors in light liquid and/or gas/vapor service that are currently regulated but not required to be monitored using EPA Method 21, by no later than 18 months after the Date of Lodging of this Consent Decree, Defendants must monitor this affected equipment once using EPA Method 21 with an internal leak definition of 250 ppm VOC. After initial monitoring using EPA's Method 21, Defendants may use the compliance alternative chosen and reported upon (i.e., Option A or B) for subsequent monitoring.

Appendix A Subsection C Para 4.e:

Open-Ended Line Closure Devices (OELCD). For open-ended line closure devices that are currently regulated but not required to be monitored using EPA Method 21, Defendants will determine which of the following compliance alternatives will be utilized in each Covered Process Unit at each Covered Facility and report the alternative chosen in the next Annual Report:

> Option A: Utilize the EPA AWP; or,
>
> Option B: Utilize EPA Method 21 with an internal leak definition of 250 ppm VOC.

Notwithstanding the foregoing, for open-ended line closure devices that are currently regulated but not required to be monitored using EPA Method 21, by no later than 18 months after the Date of Lodging of this Consent Decree, Defendants must monitor this affected equipment once using EPA Method 21 with an internal leak definition of 250 ppm VOC. After initial monitoring using EPA's Method 21, Defendants may use the compliance alternative chosen and reported upon (i.e., Option A or B) for subsequent monitoring.

Attachment III –
Findings and Corrective Actions for LDAR Audit, Including Updates to Any Corrective Actions That Are Necessary

(Reference: Appendix A, Subsection L, Paragraph 33 and Subsection M, Paragraph 34f)

Initial LDAR Audit Corrective Action Update - FPC TX

The initial Findings and Corrective Actions were submitted to EPA on September 29, 2010 within the Initial LDAR Compliance Audit Reports for FPC TX and LA as part of the Initial Audit Report required under Appendix A, Subsection J Paragraph 28.

The findings for FPC TX are listed as Attachment I, page 4 in the Initial Audit Report (satisfying Paragraph 33i) and the Corrective Action Plan is listed as Attachment II (satisfying Paragraph 33ii) of the Initial Audit Report.

A summary of the LDAR audit results including specifically identifying all areas of noncompliance can be found in Table I, Attachment I of the Initial LDAR Compliance Report – FPC TX.

Other than the Corrective Actions provided in Attachment II and below, there is no schedule for implementing future corrective actions.

Below is an update to the only outstanding Corrective Action with a schedule for completion per Paragraph 33:

6. **Finding** - The valves in the closed-vent system were not monitored quarterly in accordance with the facility's air permit, which does not provide an explicit exemption from monitoring under the TCEQ 28 MID permit condition.

   Corrective Action – Formosa disagrees with the interpretation of the auditor on this point; however, Formosa has requested a permit alteration to add a special condition allowing annual AVO monitoring for valves that are part of a "closed vent system" (i.e., "capture system.").

   Corrective Actions Taken and Future Schedule: The permit alterations were submitted on October 5, 2010. The Texas Commission of Environmental Quality (TCEQ) is working with Formosa to review the permit alterations. The agreed-to draft permit alterations are being finalized and should be completed in February 2011. These draft permit alterations add special condition language regarding annual visual, audible, and/or olfactory (AVO) inspections for valves that are part of a "closed vent system" (i.e., "capture system.").

Attachment IV –
"Valve Technology Survey" Commercial Unavailability of a Certified Low-Leaking Valve or Certified Low-Leaking Valve Packing Technology

(Reference: Appendix A, Subsection G, Paragraph 20)

"Valve Technology Survey"
Commercial Unavailability of a Certified Low-Leaking Valve or Certified Low-Leaking Valve Packing Technology

Prior to six (6) months after the leak definitions of Appendix A Subsection C were effective, Formosa Plastics began implementing mechanisms to evaluate the commercial availability and unavailability of Certified Low-Leaking Valves or Certified Low-Leaking Valve Packing Technology ("Valve Technology Survey").

As of December 31, 2010, Formosa Plastics has not needed to claim that a valve affected by Appendix A, Subsection G during the period covered within the first LDAR Compliance Status Report, could not be replaced or repacked with a Certified Low-Leaking Valve or Certified Low-Leaking Valve Packing Technology.

As such, the following CD reporting requirements do not apply at this time:

In the Compliance Status Reports due under Subsection M ~~N~~, Formosa shall:

(i) identify each valve for which it could not comply with the requirement to replace or repack the valve with a Certified Low-Leaking Valve or Certified Low-Leaking Valve Packing Technology;

(ii) identify the vendors it contacted to determine the unavailability of such a Valve or Packing Technology; and

(iii) include the written representations or documentation that Formosa secured from each vendor regarding the unavailability.

Attachment V –
Identification of Any Problems Encountered In Complying With the Requirements of Appendix A

(Reference: Appendix A, Subsection M, Paragraph 34a)

Identification of Any Problems Encountered In Complying With the Requirements of Appendix A

FPC TX did not encounter any problems in complying with the requirements of Appendix A.

Attachment VI –
List of Deviations Identified In the QA/QC Performed Under Subsection I of Appendix A

(Reference: Appendix A, Subsection M, Paragraph 34e)

List of Deviations Identified in the QA/QC performed Under Appendix A, Subsection I for FPC TX

Below is a list of deviations identified in the QA/QC performed under Subsection I of Appendix A for the CD Annual Report:

Item #	Date(s)	Description of Deviation	Likely Cause	Corrective Action Steps
1	3/16	Some NSPS valves in VV service were monitored outside of the designated month (one week early)	Repair follow-ups triggered completion of quarterly monitoring in LDAR Database	Review quarter to ensure that all V or VV valves are covered in the covered month. Also, the Unit elected to comply with Part 63 Subpart UU for all Part 60 Subpart VV affected LDAR components, as allowed by MON, in which the follow-up monitoring requirement allows greater flexibility while still maintaining compliance.

FPC TX performed these QA/QC checks in compliance with Appendix A, Subsection I.

Attachment VII –

Status of Corrective Action Taken During the Reporting Period (2/3/2010 – 12/31/2010)

(Reference: Appendix A, Subsection M, Paragraph 34g)

Corrective Actions According to Appendix A, Subparagraph 34g

The status of corrective actions necessary due to the Initial LDAR Audit submitted to EPA on September 29, 2010 are within the Initial LDAR Compliance Audit Reports for FPC TX and LA as part of the Initial Audit Report required under Appendix A, Subsection J, Paragraph 28.

Corrective Actions for Deviations identified in the quarterly QA/QC performed under Appendix A, Subsection I, Paragraph 24 are listed in Attachment VI. Other than these, there are no Corrective Actions to be implemented during this period for FPC TX.

Certification Statement for Formosa Plastics Corporation, Louisiana (FPC LA)

I, Kelly Serio, certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

I also certify that "LDAR trainings in accordance with this Consent Decree have been done" in FPC LA per Appendix A, Subsection H, Paragraph 22.

Kelly Serio

Kelly Serio
Vice President/General Manager
Formosa Plastics Corp., Louisiana

List of Attachments for CD/LDAR Annual Report FPC LA

Attachment I - Table of Non-Compliances with the Consent Decree (Reference: Consent Decree Paragraph 23b and Appendix A, Subsection M, Paragraph 34a)

Attachment II - Compliance Alternative Choice for Connectors and OELCDs that are Currently Regulated but not Required to be Monitored (Reference: Appendix A, Subsection C, Paragraphs 4.b. and 4.e.)

Attachment III - Findings and Corrective Actions for LDAR Audit, including Updates to any Corrective Actions that are necessary (Reference: Appendix A, Subsection M, Paragraphs 33 and 34f)

Attachment IV – "Valve Technology Survey" Commercial Unavailability of a Certified Low-Leaking Valve or Certified Low-Leaking Valve Packing Technology (Reference: Appendix A, Subsection G, paragraph 20 and Appendix A, Subsection M, Paragraph 34c)

Attachment V – Identification Of Any Problems Encountered In Complying With The Requirements Of Appendix A (Reference: Appendix A, Subsection M, Paragraph 34a)

Attachment VI – List of Deviations identified in the QA/QC performed under Subsection I of Appendix A (Reference: Appendix A, Subsection M, Paragraph 34e)

Attachment VII – Status of Corrective Actions Taken during the Reporting Period (2/3/2010 – 12/31/2010) – (Reference: Appendix A, Subsection M, Paragraph 34g)

Attachment VIII - Summary of Results from the Quarterly Trend Analysis (Reference: Appendix C, Paragraph 5)

Attachment IX – LDE Audit Report (Reference: Appendix C, Paragraphs 7 & 9)

Reporting Period:
LDAR App A Sub M only: 02/03/10-12/31/10
All other: 09/29/09-06/30/10

FPC LA Consent Decree Annual Report

Consent Decree Section	Subsection	Paragraph	Consent Decree Requirement	Compliance Date	Comments
VI Reporting Requirement	NA	23.a	Defendants shall submit to EPA an Annual Report. The first Annual Report shall be due 31 days after the first full calendar 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 Annual Report shall cover the period between the Date of Lodging and the first full half-year calendar date (*i.e* ., June 30 or December 31) after the Date of Lodging (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). The Annual Report shall include:	1/31/11	No Comment
VI Reporting Requirement	NA	23.a	all information required to be reported in the Annual Report under Appendices A through F of this Consent Decree (which may reference specific information previously submitted to EPA pursuant to this Consent Decree without re-submitting same):	1/31/11	See Attachments detailed below
VI Reporting Requirement	NA	23.b.1	a description of any noncompliance with the requirements of this Consent Decree and an explanation of the likely cause and of the remedial steps taken, or to be taken, to prevent or minimize such noncompliance.	1/31/11	See Attachment I
Appendix A Enhanced LDAR Program	C Leak Definitions	4.b.2	For connectors that are currently regulated but not required to be monitored using EPA Method 21 , by no later than 18 months after the Date of Lodging of this Consent Decree, Defendants will determine which of the following compliance alternatives will be utilized at each Facility and report the alternative chosen in the next Annual Report: EPA AWP or Method 21.	3/29/11	See Attachment II

FPC LA Consent Decree Annual Report

Consent Decree Section	Subsection	Paragraph	Consent Decree Requirement	Compliance Date	Comments
Appendix A Enhanced LDAR Program	C Leak Definitions	4.e	Open-Ended Line Closure Devices. For open-ended line closure devices that are currently regulated but not required to be monitored using EPA Method 21, Defendants will determine which of the following compliance alternatives will be utilized in each Covered Process Unit each Covered Facility and report the alternative chosen in the next Annual Report: Option A: Utilize the EPA AWP; or, Option B: Utilize EPA Method 21 with an internal leak definition of 250 ppm VOC. Notwithstanding the foregoing, for open-ended line closure devices that are currently regulated but not required to be monitored using EPA Method 21, by no later than 18 months after the Date of Lodging of this Consent Decree, Defendants must monitor this affected equipment once using EPA Method 21 with an internal leak definition of 250 ppm VOC. After initial monitoring using EPA's Method 21, Defendants may use the compliance alternative chosen and reported upon (i.e., Option A or B) for subsequent monitoring.	3/29/11	See Attachment II
Appendix A Enhanced LDAR Program	G Equipment Replacement / Improvement	20.2	In the Compliance Status Reports due under Subsection N, Formosa shall: (i) identify each valve for which it could not comply with the requirement to replace or repack the valve with a Certified Low-Leaking Valve or Certified Low-Leaking Valve Packing Technology; ii. identify the vendors it contacted to determine the unavailability of such a Valve or Packing Technology; and iii. include the written representations or documentation that Formosa secured from each vendor regarding the unavailability.	9/29/10	See Attachment IV
Appendix A Enhanced LDAR Program	G Equipment Replacement / Improvement	20.3	In such event, Defendants shall comply with the vendor inquiry requirements of this Paragraph 20 and submit the Valve Technology Survey with the first Compliance Status Report under Subsection M. Such survey shall include the information required in Subparagraphs 20 (i) through (iii) above. Any changes in commercial unavailability will be updated thereafter within the next Compliance Status Report(s).	9/29/10	See Attachment IV

FPC LA Consent Decree Annual Report

Consent Decree Section	Subsection	Paragraph	Consent Decree Requirement	Compliance Date	Comments
Appendix A Enhanced LDAR Program	L Recordkeeping	33	After the completion of any LDAR Audit, Defendants shall include the following information in the next Annual Report due under this Consent Decree: (i) a summary, including findings, of each such LDAR Audit; (ii) a list of corrective actions taken during the reporting period, if necessary; and any schedule for implementing future corrective actions, if necessary. Upon request by EPA, Defendants shall make all such documents available to EPA and shall provide, in their original electronic format, all LDAR monitoring data generated during the life of this Consent Decree.	Begin by 3/29/10; thereafter every two years	See Attachment III
Appendix A Enhanced LDAR Program	M LDAR Reporting and Recordkeeping Requirements	34.a	Compliance Status Reports. On the dates and for the time periods set forth in Paragraph 35, Defendants shall submit to EPA, in the manner set forth in Section XIV ("Notices") of this Decree, the following information: a. An identification and description of any non-compliance with the requirements of this Appendix A;	1/31/11	No Comment
Appendix A Enhanced LDAR Program	M LDAR Reporting and Recordkeeping Requirements	34.b	An identification of any problems encountered in complying with the requirements of this Appendix A;	1/31/11	See Attachment V
Appendix A Enhanced LDAR Program	M LDAR Reporting and Recordkeeping Requirements	34.c	The information required in Subsection G, Paragraph 20;	1/31/11	See Attachment IV
Appendix A Enhanced LDAR Program	M LDAR Reporting and Recordkeeping Requirements	34.d	A certification that LDAR trainings in accordance with this Consent Decree have been done;	1/31/11	See Certification Form
Appendix A Enhanced LDAR Program	M LDAR Reporting and Recordkeeping Requirements	34.e	Any deviations identified in the QA/QC performed under Subsection I of this Appendix A;	1/31/11	See Attachment VI

FPC LA Consent Decree Annual Report

Consent Decree Section	Subsection	Paragraph	Consent Decree Requirement	Compliance Date	Comments
Appendix A Enhanced LDAR Program	M LDAR Reporting and Recordkeeping Requirements	34.f	A summary of LDAR audit results including specifically identifying all areas of non-compliance; and	1/31/11	See Attachment III
Appendix A Enhanced LDAR Program	M LDAR Reporting and Recordkeeping Requirements	34.g	The status of all Corrective Action that was undertaken during the reporting period.	1/31/11	See Attachment VII
Appendix C Vinyl Chloride NESHAP	Trend Analysis	5	A summary of the results of the quarterly trend analysis will be included in the Annual Report.	1/31/11	See Attachment VIII
Appendix C Vinyl Chloride NESHAP	LDE Audits	9	LDE Audit Reports will be submitted in the next Annual Report due under this Consent Decree.	1/31/11	See Attachment IX

Attachment I –

Table of Non-Compliances with
the Consent Decree
(Reference: Consent Decree Paragraph 23b
and Appendix A, Subsection M, Paragraph
34a)

Reporting Period:
LDAR App A Sub M only: 02/03/10-12/31/10
All other: 09/29/09-06/30/10

FPC LA Consent Decree Annual Report

CD Attachment I: Noncompliance Events

Event No.	Consent Decree Section	Subsection/ Paragraph	Dates: To/From	Description of CD Noncompliance	Likely Cause	Corrective Action Steps
				There were no reportable CD noncompliances during this reporting period.		

Attachment II –

Compliance Alternative Choice for Connectors and Open-Ended Line Closure Devices (OELCDs) that are Currently Regulated but not Required to be Monitored

(Reference: Appendix A, Subsection Paragraphs 4.b. and 4.e.)

Formosa Plastics' Compliance Alternative Choice

Effective no later than 18 months after the Date of Lodging, FPC TX, FHC and FPC LA will use "Option B: EPA Method 21 with an internal leak definition of 250 ppm VOC" to demonstrate compliance with Appendix A, Subsection C, Paragraphs 4.b. and 4.e.

The CD Requirements:

Appendix A Subsection C Para 4.b:

For connectors that are currently regulated but not required to be monitored using EPA Method 21 (*e.g.*, connectors regulated by 40 C.F.R. Part 60, Subpart VV), by no later than 18 months after the Date of Lodging of this Consent Decree, Defendants will determine which of the following compliance alternatives will be utilized at each Facility and report the alternative chosen in the next Annual Report:

> Option A: Utilize the EPA Alternative Work Practice To Detect Leaks from Equipment (as per 73 Fed. Reg. 78199, December 22, 2008, or as amended) (the "EPA AWP"); or,
>
> Option B: Utilize EPA Method 21 with an internal leak definition of 250 ppm VOC.

Notwithstanding the foregoing, for connectors in light liquid and/or gas/vapor service that are currently regulated but not required to be monitored using EPA Method 21, by no later than 18 months after the Date of Lodging of this Consent Decree, Defendants must monitor this affected equipment once using EPA Method 21 with an internal leak definition of 250 ppm VOC. After initial monitoring using EPA's Method 21, Defendants may use the compliance alternative chosen and reported upon (i.e., Option A or B) for subsequent monitoring.

Appendix A Subsection C Para 4.e:

Open-Ended Line Closure Devices (OELCD). For open-ended line closure devices that are currently regulated but not required to be monitored using EPA Method 21, Defendants will determine which of the following compliance alternatives will be utilized in each Covered Process Unit at each Covered Facility and report the alternative chosen in the next Annual Report:

> Option A: Utilize the EPA AWP; or,
>
> Option B: Utilize EPA Method 21 with an internal leak definition of 250 ppm VOC.

Notwithstanding the foregoing, for open-ended line closure devices that are currently regulated but not required to be monitored using EPA Method 21, by no later than 18 months after the Date of Lodging of this Consent Decree, Defendants must monitor this affected equipment once using EPA Method 21 with an internal leak definition of 250 ppm VOC. After initial monitoring using EPA's Method 21, Defendants may use the compliance alternative chosen and reported upon (i.e., Option A or B) for subsequent monitoring.

Attachment III –

Findings and Corrective Actions for LDAR Audit, including Updates to any Corrective Actions that are necessary

(Reference: Appendix A, Subsection L Paragraph 33 and Appendix A, Subsection M Paragraph 34f)

Initial LDAR Audit Corrective Action Update - FPC LA

The initial Findings and Corrective Actions were submitted to EPA on September 29, 2010 within the Initial LDAR Compliance Audit Reports for FPC TX and LA as part of the Initial Audit Report required under Appendix A, Subsection J paragraph 28.

The findings for FPC LA are listed as Attachment III, page 4 in the Initial Audit Report (satisfying paragraph 33i) and the Corrective Action Plan is listed as Attachment IV (satisfying paragraph 33ii) of the Initial Audit Report.

Other than the Corrective Actions provided in Attachment IV, there is no schedule for implementing future corrective actions.

A summary of the LDAR audit results including specifically identifying all areas of noncompliance can be found in Table I, Attachment III of the Initial LDAR Compliance Report – FPC LA.

The Initial LDAR Compliance Audit Reports for FPC TX and LA are incorporated by reference per Section IV, paragraph 23a of the original Consent Decree.

Attachment IV –
"Valve Technology Survey" Commercial Unavailability of a Certified Low-Leaking Valve or Certified Low-Leaking Valve Packing Technology

(Reference: Appendix A, Subsection G, paragraph 20)

"Valve Technology Survey"
Commercial Unavailability of a Certified Low-Leaking Valve or Certified Low-Leaking Valve Packing Technology

Prior to six (6) months after the leak definitions of Appendix A Subsection C were effective, Formosa Plastics began implementing mechanisms to evaluate the commercial availability and unavailability of Certified Low-Leaking Valves or Certified Low-Leaking Valve Packing Technology ("Valve Technology Survey").

As of December 31, 2010, Formosa Plastics has not needed to claim that a valve affected by Appendix A, Subsection G during the period covered within the first LDAR Compliance Status Report, could not be replaced or repacked with a Certified Low-Leaking Valve or Certified Low-Leaking Valve Packing Technology.

As such, the following CD reporting requirements do not apply at this time:

In the Compliance Status Reports due under Subsection M, Formosa shall:

(i) identify each valve for which it could not comply with the requirement to replace or repack the valve with a Certified Low-Leaking Valve or Certified Low-Leaking Valve Packing Technology;

(ii) identify the vendors it contacted to determine the unavailability of such a Valve or Packing Technology; and

(iii) include the written representations or documentation that Formosa secured from each vendor regarding the unavailability.

Attachment V –
Identification Of Any Problems Encountered In Complying With The Requirements Of Appendix A

(Reference: Appendix A, Subsection M, Paragraph 34a)

Identification Of Any Problems Encountered In Complying With The Requirements Of Appendix A

A problem was encountered in complying with the requirement to retain records. The problem was reported to EPA within Formosa's Initial LDAR Compliance Audit Report, submitted to EPA on September 29, 2010. As reported within Formosa's Initial LDAR Compliance, ERM, an experienced third party LDAR auditor failed to locate certain monitoring event records. Despite being provided a copy of Formosa's Consent Decree, ERM failed to preserve specific non-identical records.

ERM's performance during FPC LA's Initial LDAR Audit will be taken into consideration during the next required CD LDAR Audit.

Attachment VI –

List of Deviations identified in the QA/QC performed under Subsection I of Appendix A

(Reference: Appendix A, Subsection M, Paragraph 34e)

List of Deviations identified in the QA/QC performed under

Appendix A, Subsection I - FPC LA

FPC LA found no deviations in the items listed under Appendix A, Subsection I, paragraphs 23 & 24 (QA/QC). FPC LA performed these QA/QC checks in compliance with Appendix A Subsection I.

Attachment VII –
Status of Corrective Actions Taken during the Reporting Period (2/3/2010 – 12/31/2010) –

(Reference: Appendix A, Subsection M, Paragraph 34g)

Corrective Actions according to Appendix A, Subparagraph 34g

The corrective actions identified in the Initial LDAR Audit were submitted to EPA on September 29, 2010, as part of the Initial LDAR Compliance Audit Report for FPC LA required under Appendix A, Subsection J paragraph 28.

The three findings included in the Initial LDAR Compliance Audit Report are listed below along with the status of the associated corrective actions.

1. **Finding** – Two (2) open-ended lines were observed during field walkthroughs of the facility's process units. Both open-ended lines were observed in the Vinyl Chloride Monomer (VCM) Unit.

   Corrective Action – The open-ended lines (OELs) were corrected immediately upon discovery on 2/10/2010. FPC LA will continue to require OEL awareness training for LDAR program requirements for applicable personnel.

   Status – Completed 2/10/2010

2. **Finding** – During observations of technician monitoring techniques, the audit team observed that some technicians did not monitor all of the potential leak interfaces on control and twin-seal valves.

   Corrective Action – Re-monitoring of observed components was completed at time of observation on 2/8/2010. FPC LA requires that refresher training on EPA Method 21 be provided to its contract LDAR monitoring technicians periodically. This training requirement includes how to correctly monitor equipment leak interfaces for sampling that is consistent with the method's intent to properly identify leaks

   Status – Re-monitoring of components completed on 2/8/2010. Refresher training on EPA Method 21 completed on 6/14/2010

3. **Finding** – Comparative monitoring results for a random sample of valves measured a leak rate of 7.3 times the facility's valve leak rate at a 500-ppm leak definition during the previous four calendar quarters in the Vinyl Chloride Monomer Unit, a statistically signification margin based on a 95% confidence interval. The Polyvinyl Chloride (PVC) Unit, which was also comparatively monitored, had a leak rate multiple of 0.

Corrective Action – FPC LA requires that refresher training on EPA Method 21 be provided to its contract LDAR monitoring technicians. This training requirement includes how to correctly monitor equipment leak interfaces and on use of the appropriate response time for sampling for sampling that is consistent with the method's intent to properly identify leaks

Status – Refresher training on EPA Method 21 completed on 6/14/2010

Other than the findings reported within the Initial LDAR Report and Attachment I, there are no other Corrective Actions required to be implemented during this reporting period.