



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

JUN 15 2012

REPLY TO THE ATTENTION OF:

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Greg Pflum
Vice President and General Manager
BASF, The Chemical Company
1609 Biddle Avenue
Wyandotte, Michigan 48192

Re: BASF, The Chemical Company Administrative Consent Order

Dear Mr. Pflum:

Enclosed is an executed original of a Consent Order regarding the above captioned case. If you have any questions about the Order, please contact me at (312) 886-0243.

Sincerely,

Sara Breneman

Sara Breneman
Chief
Air Enforcement and Compliance Assurance
Section MI/WI

Enclosure

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5

In the Matter of:)	EPA-5-12-113(a)-MI-04
)	
BASF Corporation)	Proceeding Under Sections 113(a)(3) and
Wyandotte, Michigan)	114(a)(1) of the Clean Air Act
)	42 U.S.C. §§ 7413(a)(3) and 7414(a)(1)
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Administrative Consent Order

1. The Director of the Air and Radiation Division, U.S. Environmental Protection Agency (EPA), Region 5, is issuing this Order to BASF Corporation (BASF) under Sections 113(a)(3) and 114(a)(1) of the Clean Air Act (CAA or Act), 42 U.S.C. § 7413(a)(3) and 7414(a)(1).

Statutory and Regulatory Background

2. The CAA establishes a regulatory scheme designed to protect and enhance the quality of the nation's air so as to promote the public health and welfare and the productive capacity of its population. 42 U.S.C. § 7401(b)(1).

3. Section 112 of the CAA sets forth a national program for the control of Hazardous Air Pollutants (HAPs). 42 U.S.C. § 7412.

4. Congress directed EPA to publish a list of all categories and subcategories of, *inter alia*, major sources of HAPs. 42 U.S.C. § 7412(c).

5. "Major source" was and is defined as any stationary source or group of stationary sources located within a contiguous area and under common control that emits or has the

potential to emit considering controls, in the aggregate, 10 tons per year or more of any HAP or 25 tons per year or more of any combination of HAPs. 42 U.S.C. § 7412(a)(1) and 40 C.F.R. § 63.2.

6. Congress directed EPA to promulgate regulations establishing emission standards for each category or subcategory of, *inter alia*, major sources of HAPs listed. 42 U.S.C. § 7412(d)(1). These emission standards must require the maximum degree of reduction in emissions of HAPs that the Administrator, taking into consideration the cost of achieving such emission reduction, and any non-air quality health and environmental impacts and energy requirements, determines is achievable for the new or existing sources in the category or subcategory to which the emission standard applies. 42 U.S.C. § 7412(d)(2).

7. To the extent that it is not feasible to prescribe or enforce an emission standard for control of a HAP, Congress authorized EPA to promulgate “design, equipment, work practice, or operational” standards, which are to be treated as emission standards. 42 U.S.C. § 7412(d)(2).

8. The emission standards promulgated under Section 112 of the 1990 Amendments to the CAA, 42 U.S.C. § 7412, are known as the National Emission Standards for Hazardous Air Pollutants (“NESHAPs”) for Source Categories or “MACT” (“maximum achievable control technology”) standards. These emission standards are found in Part 63 of Title 40 of the Code of Federal Regulations.

9. Pursuant to Section 112(c) of the CAA, 42 U.S.C. § 7412(c), EPA identified on July 16, 1992 amino resins production, phenolic resins production and polyether polyol production as each a category of sources of HAPs. *57 Fed. Reg.* 31576.

10. After the effective date of any emission standard, limitation, or regulation promulgated pursuant to Section 112 of the CAA, no person may operate a source in violation of such standard, limitation, or regulation. 42 U.S.C. § 7412(i)(3).

11. Under Section 112(d) of the CAA, 42 U.S.C. § 7412(d), EPA on January 20, 2000 promulgated the NESHAP for the Manufacture of Amino/Phenolic Resins at 40 C.F.R. Part 63, Subpart OOO (65 Fed. Reg. 3290). This commonly is referred to as “Subpart OOO.”

12. Subpart OOO applies to the owners and operators of processes that produce amino/phenolic resins and that are located at a plant site that is a major source as defined in Section 63.2. 40 C.F.R. § 63.1400(a).

13. The “affected source” to which the emission standards of Subpart OOO apply is the total of all amino/phenolic resin process units (APPU). 40 C.F.R. § 63.1400(b). It also includes, *inter alia*, the associated heat exchangers and equipment required by, or utilized as a method of compliance with Subpart OOO. *Id.*

14. “APPU” means a collection of equipment assembled and connected by hardpiping or ductwork used to process raw materials and to manufacture an amino/phenolic resin as its primary product, and includes unit operations; process vents; storage vessels, as determined in Section 63.1410; and the equipment that is subject to the equipment leak provisions as specified in Section 63.1410. 40 C.F.R. § 63.1402(b).

15. With respect to equipment leak standards under Subpart OOO, the equipment leak provisions of Subpart OOO found at 40 C.F.R. § 63.1402 refer to and incorporate the requirements of the National Emission Standards for Equipment Leaks – Control Level 2 Standards at 40 C.F.R. Part 63, Subpart UU (Subpart UU).

16. Under Section 112(d) of the CAA, 42 U.S.C. § 7412(d), EPA, as part of its “Generic MACT” standards rulemaking, promulgated the National Emission Standards for Equipment Leaks –Control Level 2 Standards at 40 C.F.R. Part 63, Subpart UU. These standards generally are referred to as “Subpart UU.”

17. Subpart UU sets forth work practice standards and testing and recordkeeping requirements to ensure that any leaks of organic HAPs from equipment are timely detected and repaired. The provisions in Subpart UU commonly are referred to as “Leak Detection and Repair” provisions, or “LDAR” for short.

18. The “equipment” of a Subpart OOO affected source to which 40 C.F.R. § 63.1402 and, consequently, Subpart UU applies, includes: each pump, compressor, agitator, pressure relief device, sampling connection system, open-ended valve or line, valve, connector, and instrumentation system in organic HAP service, and any control devices or systems required by the equipment leak provisions of Subpart OOO, which contains 5 weight-percent HAP or greater and operates 300 hours per year or more. 40 C.F.R. §§ 63.1402(b) and 63.1410.

19. Pursuant to Section 112(d) of the CAA, 42 U.S.C. § 7412(d), EPA promulgated on June 1, 1999, the NESHAP for Polyether Polyols Production at 40 C.F.R. Part 63, Subpart PPP (64 Fed. Reg. 29439). This is commonly referred to as “Subpart PPP.”

20. The “affected source” to which Subpart PPP applies is, for existing sources, defined as the group of one or more polyether polyol manufacturing process units (“PMPUs”), and associated equipment and that is located at a plant that is a major source as defined in 40 C.F.R. § 63.2.

21. “PMPU” means a process unit that manufactures a polyether polyol as its primary product, or a process unit designated as a polyether polyol in accordance with 40 C.F.R.

§ 63.1420(e)(2). 40 C.F.R. § 63.1423. A PMPU consists of more than one unit operation. *Id.* This collection of equipment includes purification systems, reactors and their associated product separators and recovery devices, distillation units and their associated distillate receivers and recovery devices, other associated unit operations, storage vessels, surge control vessels, bottoms receivers, product transfer racks, connected ducts and piping, combustion, recovery, or recapture devices or systems, and the equipment (i.e., all pumps, compressors, agitators, pressure relief devices, sampling connection systems, open-ended valves or lines, valves, connectors, and instrumentation systems that are associated with the PMPU) that are subject to Subpart PPP's equipment leak provisions as specified in Section 63.1434. *Id.*

22. The "associated equipment" of PMPUs identified in 40 C.F.R. § 63.1420(a)(2) as part of the affected source under Subpart PPP include the emissions points and equipment of: waste management units; maintenance wastewater; heat exchange systems; equipment required or utilized as a method of compliance with Subpart PPP, which may include control techniques and recovery devices; product finishing operations; and feed or catalyst operations. 40 C.F.R. § 63.1420(a)(2).

23. With respect to wastewater and equipment leak provisions under Subpart PPP, the wastewater provisions of Subpart PPP under 40 C.F.R. § 63.1433 and the equipment leak provisions of Subpart PPP under 40 C.F.R. § 63.1434 each refer to and incorporate the respective requirements for wastewater and equipment leaks under the National Emission Standards for Organic Hazardous Air Pollutants from the Synthetic Organic Chemical Manufacturing Industry. These standards commonly are referred to as the "Hazardous Organic NESHAP" or the "HON."

24. Pursuant to Section 112(d) of the CAA, 42 U.S.C. § 7412(d), EPA promulgated the HON. 59 F.R. 19402 (Apr. 22, 1994). Of relevance to this Order, the HON includes

standards for wastewater under 40 C.F.R. Part 63, Subpart G (“Subpart G”) and standards for equipment leaks under 40 C.F.R. Part 63, Subpart H (“Subpart H”).

25. Subpart G sets forth, among other things, requirements for owners or operators to determine whether subject process wastewater streams are “Group 1” or “Group 2” wastewater streams and to meet HAP emission control requirements for those process wastewater streams designated as Group 1. 40 C.F.R. § 63.132.

26. Like Subpart UU, Subpart H sets forth LDAR requirements to ensure that any leaks of organic HAPs from equipment are timely detected and repaired. 40 C.F.R. §§ 63.160 – 63.183.

27. The “equipment” to which Subpart H applies includes pumps, compressors, agitators, pressure relief devices, sampling connection systems, open-ended valves or lines, valves, connectors, surge control vessels, bottoms receivers, instrumentation systems, and control devices or closed-vent systems required by Subpart H that are intended to operate in organic HAP service 300 hours or more during the calendar year within a source subject to the provisions of a specific Subpart in 40 C.F.R. Part 63 that references Subpart H. 40 C.F.R. § 63.160.

28. “In organic HAP service” means that a piece of equipment either contains or contacts a fluid (liquid or gas) that is at least 5% by weight of total organic HAPs. 40 C.F.R. §§ 63.161 and 63.1423(b).

29. Under Section 113(a)(3) of the CAA, 42 U.S.C. § 7413(a)(3), the Administrator of EPA may issue an order requiring compliance to any person who has violated or is violating the NESHAP regulations. The Administrator has delegated this authority to the Director of the Air and Radiation Division.

30. The Administrator of EPA may require any person who owns or operates an emission source to make reports; install, use and maintain monitoring equipment; sample emissions; and provide information required by the Administrator under Section 114(a)(1) of the Act, 42 U.S.C. § 7414(a)(1). The Administrator has delegated this authority to the Director of the Air and Radiation Division.

Findings

31. BASF owns and operates a chemical plant at its Wyandotte, Michigan facility (Facility).

32. BASF has been and is the “owner or operator,” as defined in Section 112(a)(9) of the CAA, 42 U.S.C. § 7419(a)(9), of plants and processes at the Facility.

33. The plants and processes that BASF owns and operates at the Facility include a building, structure, facility, or installation that emits or may emit an air pollutant.

34. The plants or processes that BASF owns and operates at the Facility include “stationary sources” within the meaning of Section 112(a)(3) of the CAA, 42 U.S.C. § 7412(a)(3).

35. At the time of promulgation of Subpart PPP and Subpart OOO, the plants and processes that BASF owned and operated at the Facility were a group of stationary sources located within a contiguous area and under common control that emitted or had the potential to emit considering controls, in the aggregate, 10 tons per year of more than any HAP or 25 tons per year or more of any combination of HAPs.

36. Up until January 8, 2007, the plants and processes that BASF owned or operated at the Facility were a “major source” within the meaning of Section 112(a)(1) of the CAA, 42 U.S.C. § 7412(a) and 40 C.F.R. § 63.2.

36A. Effective with the issuance of its Renewable Operating Permit Number MI-ROP-B4359-2003b on January 8, 2007, the Facility obtained a federally enforceable limit on its potential to emit and became a synthetic minor source (area source) of HAPs. However, because the Facility was considered a major source of HAPs at the time of the initial compliance dates of Subparts OOO and PPP, respectively, the Facility is still subject to Subparts OOO and PPP.

37. Up until April 2008, BASF operated a process unit at the Facility that manufactured amino resins (Amino Resins Process Unit). BASF ceased operating the Amino Resins Process Unit in April 2008 and has not operated the unit since that date.

38. The Amino Resins Process Unit was a “new affected source” under Subpart OOO, as defined under 40 C.F.R. § 63.1400(d).

39. BASF has operated and continues to operate a process unit at the Facility that manufactures polyether polyols (Polyether Polyols Process Unit).

40. The Polyether Polyols Process Unit is an “existing affected source” under Subpart PPP, as defined under 40 C.F.R. § 63.1420(a)(2).

41. BASF owns or operates an “emission source” within the meaning of Section 114 (a)(1) of the Act, 42 U.S.C. § 7414(a)(1). Therefore, BASF is subject to the requirements of Section 114(a)(1).

42. EPA issued two Findings of Violation (FOVs) to BASF on September 29, 2008 and September 25, 2009, respectively.

43. Of relevance to this Order, the FOVs alleged that BASF violated the following NESHAP requirements:

- a. Failure to timely determine and report to EPA process wastewater group status determination of 11 Points of Determination (PODs) associated with the Polyether Polyols Process Unit in violation of Subpart PPP at 40 C.F.R. §§ 63.1433(a) and 63.1439(e)(5) and the HON at 40 C.F.R. § 63.132(a)(1).

- b. Failure to timely implement or meet Group 1 control requirements for the wastewater generated from the POD at D-151-B associated with the Polyether Polyols Process Unit in violation of Subpart PPP at 40 C.F.R. § 63.1433(a) and the HON at 40 C.F.R. §§ 63.132(a)(2) and 63.144(b)(5).
- c. Failure on multiple occasions between January 2008 and February 2009 to visually check all 11 pumps servicing the Polyether Polyols Process Unit once a week for leakage of liquid, in violation of Subpart PPP at 40 C.F.R. § 63.1434(a) and the HON at 40 C.F.R. § 63.163(b)(3).
- d. Failure to conduct proper visual inspections of agitators servicing the Polyether Polyols Process Unit, in violation of Subpart PPP at 40 C.F.R. § 63.1434(a), and the HON at 40 C.F.R. §§ 63.173(b)(1) and 63.173(b)(2).
- e. Failure to conduct LDAR monitoring in accordance with EPA Reference Method 21 for valves and connectors servicing the Amino Resins Process Unit, in violation of Subpart UU at 40 C.F.R. § 63.1023(b), and Subpart OOO at 40 C.F.R. §§ 63.1410 and 63.1023(b).
- f. Failure to equip two open-ended valves or lines with a cap, blind flange, plug, or second valve in the Amino Resins Process Unit, in violation of Subpart UU at 40 C.F.R. § 63.1033(b) and Subpart OOO at 40 C.F.R. § 63.1410.
- g. Failure to perform LDAR monitoring of pumps servicing the Amino Resins Process Unit for the months of January and March 2006, in violation of Subpart OOO at 40 C.F.R. § 63.1410 and Subpart UU at 40 C.F.R. §§ 63.1026(b)(1).

44. In February 2010, BASF identified two additional PODs not previously identified, D-151-A and D-702, as Group 1 streams. In a letter dated March 31, 2010, BASF indicated its chosen compliance method with the Group 1 standards under Subpart G is off-site wastewater treatment.

45. In response to the FOVs and a 2009 Information Request EPA issued pursuant to Section 114 of the CAA, BASF conducted a series of group determination sampling tests of D-151-B from 2008 to 2010, which culminated in tests conducted in August and September 2010. These tests used BASF's original non-caustic catalysis methodology ("Original NCCM"). On September 23, 2010, BASF submitted the August/September test results, which showed a HAP

concentration of 23,183 parts per million by weight (ppmw), thus demonstrating that the D-151B POD was subject to Group 1 wastewater control. Soon after submittal of these results, BASF proposed to EPA that to resolve its compliance issue with D-151-B, it would reformulate the catalysis methodology utilized on the Reactor # 7 System, retest D-151-B's wastewater stream, and, if successful in showing the reformulation brings HAP concentrations in the wastewater stream below the Group 1 threshold, utilize the reformulated non-caustic catalysis methodology ("Reformulated NCCM") in lieu of the Original NCCM into the future. EPA agreed to allow BASF time to determine if its proposed compliance approach would work. BASF worked on developing and testing the Reformulated NCCM for several months. Before it could conduct its final tests of the #7 Reactor System, BASF made a business decision to suspend use of the #7 Reactor System for polyether polyol manufacture. On March 21, 2011, BASF provided results of wastewater sampling tests conducted in February 2011 using the #8 Reactor System and its associated POD D-150-B, which BASF asserted would be directly transferable to the #7 Reactor System due to the similarity of the two systems. The March 2011 report indicated that the Reformulated NCCM generated a resultant wastewater stream that constituted Group 2.

Compliance Program

46. By no later than the Effective Date of this Order, BASF will not operate either the #7 Reactor System or the # 8 Reactor System of the Polyether Polyol Process Unit using the Original NCCM without controlling all resultant Group 1 wastewater streams, as defined in 40 C.F.R. Part 63, Subpart G, including the D-151-B POD and the D-150-B POD.

47. By no later than the Effective Date of this Order, if BASF uses a previously untested caustic or non-caustic catalysis methodology ("New Catalysis Methodology") on the #7 Reactor System or #8 Reactor System, BASF must conduct wastewater sampling that meets the

requirements of Subparts G and PPP in making a group status wastewater determination for each associated POD, and control any wastewater stream designated Group 1, in accordance with Subparts G and PPP.

48. By no later than 30 days before BASF uses a New Catalysis Methodology on the #7 Reactor System or #8 Reactor System, BASF must notify EPA in writing of BASF's intent to use such formulation. Such notification must: (a) identify the PODs affected by the use of such formulation; and (b) provide a protocol for conducting group status determination for such PODs pursuant to Subpart G. BASF shall conduct group status determination testing of such PODs within 15 days after the New Catalysis Methodology is first run, and provide a test report and identification of the group status of such PODs within 45 days of completion of the testing. For all PODs determined to be Group 1 due to the New Catalysis Methodology, BASF shall report to EPA within 60 days of completion of the testing how it will comply with the emission standards of Subparts PPP and G for such PODs.

49. By no later than three months after the Effective Date of this Order, BASF shall develop a document that describes: (i) the LDAR program as it applies to equipment at the Polyether Polyols Process Unit that is subject to the LDAR requirements referenced in Subpart PPP and Subpart H of the HON (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 Polyether Polyols Process Unit for any reason are, as applicable, integrated into the LDAR program and that pieces of equipment that are taken out of service are, as applicable, removed from the LDAR program; (iii) the roles and responsibilities of all employee and contractor personnel assigned to LDAR

functions at the Polyether Polyols Process Unit; and (iv) how the number of personnel dedicated to LDAR functions is sufficient to satisfy the requirements of the LDAR program.

50. Commencing by no later than the first full calendar quarter after the Effective Date of this Order, at times that are not announced to the LDAR monitoring technician(s), an LDAR-trained employee or contractor of BASF, who does not serve on a routine basis as an LDAR monitoring technician at the Facility, shall undertake the following no less than once per calendar quarter for the period of one year in the Polyether Polyols Process Unit:

- a. Verify that equipment was monitored at the appropriate frequency under applicable LDAR regulations;
- b. Verify that proper documentation and sign-offs have been recorded for all equipment placed on the delay of repair list;
- c. Ensure that repairs have been performed in the required periods under applicable LDAR regulations;
- d. Review monitoring data and equipment counts (*e.g.*, number of pieces of equipment monitored per day) for feasibility and unusual trends;
- e. Verify that proper calibration records and monitoring instrument maintenance information are maintained;
- f. Verify that 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 that monitoring during the quarterly period is being conducted as required.

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

51. By no later than 180 days of the Effective Date of this Order, BASF must conduct a third-party LDAR audit at the Polyether Polyols Process Unit. The audit shall include:

(i) reviewing compliance with all applicable LDAR regulations, including all applicable LDAR requirements related to valves, connectors, pumps, agitators, and open-ended lines; (ii) reviewing and/or verifying the same items that are required to be reviewed and/or verified in Subparagraphs 50.a – 50.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 52.

52. Comparative Monitoring. Comparative monitoring conducted during the LDAR audit required by Paragraph 51 shall be undertaken as follows:

- a. Calculating a Comparative Monitoring Audit Leak Percentage. Equipment shall be monitored in order to calculate a leak percentage for the Polyether Polyols Process Unit, broken down by equipment type (*i.e.*, valves, pumps, agitators, and connectors). 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, BASF shall not be required to monitor every component in the Unit.
- b. Calculating the Historic, Average Leak Percentage from Prior Periodic Monitoring Events. The historic, average leak percentage from prior periodic monitoring events, broken down by equipment type (*i.e.*, valves (excluding pressure relief valves), pumps, agitators, and connectors) shall be calculated. The following number of complete monitoring periods immediately preceding the Comparative Monitoring shall be used for this purpose: valves - 4 periods; pumps and agitators - 12 periods; and connectors – 2 periods.
- c. Calculating the Comparative Monitoring Leak Ratio. For each type of equipment, the ratio of the Comparative Monitoring Audit Leak Percentage from Subparagraph 52.a to the historic, average leak percentage from Subparagraph 52.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 Order or under any applicable laws and regulations) that one leaking piece of equipment was found in the Unit through routine monitoring during the 12-month period before the Comparative Monitoring.

53. Corrective Action Plan (“CAP”)

a. Requirements of a CAP. By no later than the date that is one month after the LDAR audit completion date, BASF shall develop a preliminary CAP if: (i) the results of the LDAR audit identify any deficiencies; or (ii) a Comparative Monitoring Leak Ratio calculated pursuant to Subparagraph 52.c is 3.0 or higher *and* the Comparative Monitoring Audit Leak Percentage calculated pursuant to Subparagraph 52.a is greater than or equal to 0.5 percent. The preliminary CAP shall describe the actions that BASF has 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). BASF shall include a schedule by which actions that have not yet been completed shall be completed. BASF promptly shall complete each corrective action item with the goal of completing each action within the date that is three months after the LDAR audit completion date. If any action is not completed or not expected to be completed within three months after the LDAR audit completion date, BASF shall explain the reasons and propose a schedule for prompt completion in the final CAP to be submitted under Subparagraph 53.b.

b. Submission of the Final CAP to EPA. By no later than the date that is four months after the LDAR audit completion date, BASF 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 three months after the LDAR audit completion date, BASF shall explain the reasons, together with a proposed schedule for prompt completion. BASF shall submit a supplemental certification of completion by no later than one month after completing all actions.

54. BASF must send all reports required by this Order to:

Attention: Compliance Tracker (AE-17J)
Air Enforcement and Compliance Assurance Branch
U.S. Environmental Protection Agency, Region 5
77 W. Jackson Boulevard
Chicago, Illinois 60604

General Provisions

55. BASF neither admits nor denies the factual allegations and findings in this Order or the FOVs, but BASF agrees to the terms of this Order and waives any right to contest or appeal the issuance of this Order.

56. This Order does not affect BASF's responsibility to comply with other federal, state and local laws.

57. This Order does not restrict EPA's authority to enforce Section 112 of the CAA or any other section of the CAA.

58. Nothing in this Order limits the EPA's authority to seek appropriate relief, including penalties, under Section 113 of the CAA, 42 U.S.C. § 7413, for BASF's violation of Section 112 of the CAA and the NESHAPs at 40 C.F.R. Part 63, Subparts G, H, UU, OOO, and PPP.

59. Failure to comply with this Order may subject BASF to penalties of up to \$37,500 per day for each violation under Section 113 of the CAA, 42 U.S.C. § 7413, and 40 C.F.R. Part 19.

60. The terms of this Order are binding on BASF, its assignees and successors. BASF must give notice of this Order to any successors in interest prior to transferring ownership and must simultaneously verify to EPA, at the above address, that it has given the notice.

61. BASF may assert a claim of business confidentiality under 40 C.F.R. Part 2, Subpart B, for any portion of the information it submits to EPA. Information subject to a business confidentiality claim is available to the public only to the extent allowed by 40 C.F.R. Part 2, Subpart B. If BASF fails to assert a business confidentiality claim, EPA may make all submitted information available, without further notice, to any member of the public who requests it. Emission data provided under Section 114 of the Act, 42 U.S.C. § 7414, is not entitled to confidential treatment under 40 C.F.R. Part 2, Subpart B. "Emission data" is defined at 40 C.F.R. § 2.301.

62. This Order is not subject to the Paperwork Reduction Act, 44 U.S.C. § 3501 *et seq.*, because it seeks collection of information by an agency from specific individuals or entities as part of an administrative action or investigation.

63. EPA may use any information submitted under this Order in an administrative, civil judicial or criminal action.

64. BASF agrees to the terms of this Order.

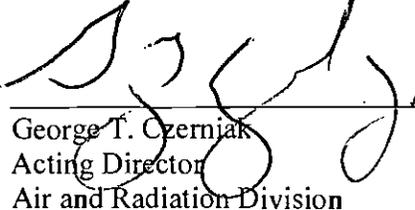
65. This Order is effective on the date of signature by the Director of the Air and Radiation Division. This Order will terminate two years from the effective date, provided that BASF has complied with all terms of the Order throughout its duration.

Administrative Consent Order
In the Matter of BASF Corporation, Wyandotte, Michigan
EPA-5-12-113(a)-MI-04

June 11, 2012
Date


Greg Plum
Vice President and General Manager,
Wyandotte Site
BASF Corporation

6/15/12
Date


George T. Ozerniak
Acting Director
Air and Radiation Division

Enclosure

CERTIFICATE OF MAILING

I, Loretta Shaffer, certify that I sent Administrative Consent Order, No. EPA-5-12-113(a)-MI-04, by Certified Mail, Return Receipt Requested, to:

Greg Pflum
Vice President and General Manager
BASF, The Chemical Company
1609 Biddle Avenue

I also certify that I sent copies of the Administrative Consent Order by first-class mail to:

Wilhemina McLemore
Michigan Department of Environmental Quality
Cadillac Place
3058 West Grand Boulevard, Suite 2-300
Detroit, Michigan 48202-6058

Tom Hess, Enforcement Unit Chief
Michigan Department of Environmental Quality
Lansing District Office
525 W. Allegan (Constitution Hall, 4th Floor, North)
P.O. Box 30242
Lansing, MI 48909-7742

On the 18 day of June 2012.

CERTIFIED MAIL RECEIPT NUMBER:



7009 1680 0000 7672 9413
Loretta Shaffer
Office Automation Assistant
AECAB, PAS