



**STATE OF TENNESSEE**  
**DEPARTMENT OF ENVIRONMENT AND CONSERVATION**  
**Division of Air Pollution Control**  
**William R. Snodgrass Tennessee Tower**  
**312 Rosa L. Parks Avenue, 15<sup>th</sup> Floor**  
**Nashville, TN 37243**

October 6, 2021

United Agent Group Inc.  
205 Powell Place  
Brentwood, Tennessee 37027-7522

Certified Article Number

9414 7266 9904 2170 0993 b0

SENDER'S RECORD

RE: Eastman Chemical Company  
File ID. 82-0003  
Case No. APC21-0092

Dear Sir or Madam:

Enclosed, please find an Order and Assessment of Civil Penalty issued by Michelle Walker Owenby, Technical Secretary of the Air Pollution Control Board, Tennessee Department of Environment and Conservation (TDEC), in the above-referenced matter. Please read it carefully and pay special attention to the Notice of Rights section.

If you have any questions regarding this Order and Assessment of Civil Penalty, please contact William F. Miller at (615) 532-0136 or via e-mail at [william.f.miller@tn.gov](mailto:william.f.miller@tn.gov). For all other questions, please contact the TDEC Division of Air Pollution Control at (615) 532-0554 or via e-mail at [air.pollution.control@tn.gov](mailto:air.pollution.control@tn.gov).

Sincerely,

A handwritten signature in blue ink, reading "Kevin M. McLain", is positioned above the typed name.

Kevin McLain  
Section Manager, Enforcement  
Division of Air Pollution Control

vom

Enclosure

## TENNESSEE AIR POLLUTION CONTROL BOARD

IN THE MATTER OF:	)	DIVISION OF AIR POLLUTION
	)	CONTROL
	)	
EASTMAN CHEMICAL	)	
COMPANY,	)	
	)	
	)	
RESPONDENT.	)	CASE NO. APC21-0092

### TECHNICAL SECRETARY'S ORDER AND ASSESSMENT OF CIVIL PENALTY

Michelle Walker Owenby, Technical Secretary of the Air Pollution Control Board, states:

#### PARTIES

##### I.

Michelle Walker Owenby is the Technical Secretary of the Air Pollution Control Board ("Board") and Director of the Division of Air Pollution Control ("Division"), Tennessee Department of Environment and Conservation ("Department").

##### II.

Eastman Chemical Company ("Respondent") is a foreign corporation formed in Delaware and authorized to do business in the State of Tennessee. Respondent's facility address is 100 Eastman Road, Kingsport, Tennessee. Respondent's registered agent for service of process is United Agent Group Inc., 205 Powell Place, Brentwood, Tennessee 37027-7522.

#### AUTHORITY

##### III.

The Technical Secretary may assess a civil penalty of up to \$25,000.00 per day for each day of violation of the Tennessee Air Quality Act, Tenn. Code Ann. §§ 68-201-101 to -121 ("Act"), or Tennessee Air Pollution Control Regulations, Tenn. Comp. R. & Regs. 1200-03-01 to -36; 0400-30-01 to -39, ("Rules"). Tenn. Code Ann. § 68-201-116. The Technical Secretary may issue an order for correction to the responsible person when provisions of the Act or Rules are violated, and such person may be liable for resulting damages to the State. *Id.*

**IV.**

Respondent is a “person,” Tenn. Code Ann. § 68-201-102(7), and has violated the Act and Rules.

**V.**

“Air contaminant” means particulate matter, dust, fumes, gas, mist, smoke, vapor, or any combinations thereof. Tenn. Code Ann. § 68-201-102(1).

**VI.**

“Air contaminant source” means any and all sources of emission of air contaminants, whether privately or publicly owned or operated. Tenn. Code Ann. § 68-201-102(2). Respondent operates an air contaminant source.

**FACTS**

**PERMIT 576162**

**VII.**

On January 1, 2020, the Technical Secretary issued Title V operating permit 576162 (“Permit 576162”), emission source reference number 82-0003, MSOP-24, to Respondent for a chemical manufacturing operation. The Technical Secretary amended Permit 576162 on January 10, 2020, and June 12, 2020.

**VIII.**

Condition E2-7 of Permit 576162 requires Respondent to comply with 40 CFR Part 63 Subpart H National Emission Standards for Organic Hazardous Air Pollutants for Equipment Leaks. Specifically, 40 CFR 63.169(c)(2) states, “The first attempt at repair shall be made no later than 5 calendar days after each leak is detected.”

**IX.**

On May 10, 2021, Division personnel received electronic inspection records from Respondent. Part of these records was a Summary of Potential Deviations (“Summary”) dated May 10, 2021, identifying potential deviations that occurred during the May 1, 2018, through April 30, 2021, inspection review period. The Summary indicated that on November 24, 2020, one heavy liquid service connector in the process unit was found to be leaking that did not have a first attempt

at repair performed within five days as required by 40 CFR 63.169(c)(2). Records indicated the first attempt at repair was completed and successful on December 2, 2020, eight days after the component was discovered to be leaking. Additionally, the Summary indicated that on March 27, 2021, one heavy liquid service pump in the process unit was found to be leaking that did not have a first attempt at repair performed within five days. Records indicated the first attempt at repair was completed on April 5, 2021, nine days after the component was discovered to be leaking.

**X.**

On June 17, 2021, the Division issued a Notice of Violation (NOV), to Respondent for the violations identified in paragraphs **IX**.

**PERMIT 568972**

**XI.**

On February 23, 2015, the Technical Secretary issued Title V operating permit 568972 (“Permit 568972”), emission source reference number 82-0003, MSOP-02, to Respondent for a chemical manufacturing operation. The Technical Secretary amended and modified Permit 568972 as follows:

Type	Issued Date
Administrative Amendment #1	March 17, 2016
Administrative Amendment #2	June 1, 2016
Administrative Amendment #3	June 16, 2017
Minor Modification #1	April 29, 2019
Minor Modification #2	May 20, 2019
Minor Modification #3	August 19, 2019

**XII.**

Condition E2-8 of Permit 568972 requires Respondent to comply with the provisions of 40 CFR Part 60 Subpart DDDD (Emissions Guidelines and Compliance Times for Commercial and Industrial Solid Waste Incineration Units). Specifically, §60.2670 and Table 7 to Subpart DDDD establish an emission limit of 95 parts per million by dry volume (ppmvd, 30-day rolling average)

for carbon monoxide (CO). This emission limit applies at all times the unit is operating, including periods of startup, shutdown, or malfunction.

### **XIII.**

On May 25, 2021, the Division received via e-mail Respondent's Semiannual Report ("Report") for Permit 568972 for the reporting period of October 1, 2020, through March 31, 2021. The Report indicated that during the reporting period, Respondent discovered the 30-day average CO emission from Boiler 21 exceeded the emission limit from October 16, through October 26, 2020. The Report indicated that the maximum 30-day rolling emission rate during this deviation was 100.05 ppmvd. The Report indicated that the excess emissions were caused by a combination of malfunctions (**Table 1**), which forced a number of shutdowns followed by restarts within the 720-hour period of operation.

<b>Table 1: Boiler 21 CISWI Malfunctions</b>		
<b>Periods of Operation</b>	<b>Factors Causing CO Increases</b>	<b>Magnitude of CO 30 Day Average Increases</b>
September 20 – 21, 2020	Startup but runtime stopped due to forced shutdown due to grate failure.	Increase from 73 to 80 ppm
September 22 –26, 2020	Short run required due to forced outage of gas boiler and run terminated to minimize SO <sub>2</sub> emissions.	Restart increased CO from 80 to 83 ppm
September 29 – October 3, 2020	Restart required due to forced outage on gas boiler, but run-time stopped due to forced shutdown due to grate failure.	Increase from 83 to 88 ppm
October 16 – 26, 2020	Boiler upset caused CO spike	Startup caused increase from 89 to 92 ppm. Upset caused increase to 100 ppm. The 30-day average dropped below 95 ppm on October 26, 2020.

### **PERMIT 571036**

### **XIV.**

On June 1, 2016, the Technical Secretary issued Title V operating permit 571036 ("Permit 571036"), emission source reference number 82-0003, MSOP-04, to Respondent for a chemical

manufacturing operation. The Technical Secretary amended and modified Permit 571036 as follows:

Type	Issued Date
Minor Modification #1	October 12, 2016
Administrative Amendment #1	May 8, 2017
Minor Modification #2	December 3, 2018
Minor Modification #3	October 23, 2020
Minor Modification #4	July 6, 2021
Minor Modification #5	August 24, 2021

#### XV.

Condition E2-8 of Title V Operating Permit 571036 (MSOP-04) requires PES B-646-1 to comply with the provisions of 40 CFR 63 Subpart FFFF (National Emission Standards for Hazardous Air Pollutants: Miscellaneous Organic Chemical Manufacturing), including the requirements shown in **Table 2**.

<b>Table 2: Subpart FFFF Requirements, PES B-646-1</b>			
Category	Affected Equipment	Summary of Requirement	Rule Citation
Group 1 continuous process vents	MON TRE Points Triangle 1 and Triangle 2 (Vent A Catalytic Oxidizer and Vent B Catalytic Oxidizer Bypass)	Reduce organic HAP emissions by 98% by weight or to an outlet concentration of 20 parts per million by volume (ppmv); vent emissions to a flare; or use a recovery device to maintain a minimum TRE value.	§63.2455 and Table 1 to Subpart FFFF

#### XVI.

The Report indicated that during startup operations (see **Table 3** for the date, duration, and emissions for each event), operators added steam to the system, and the column contents heated up too quickly. The Report indicated that the catalytic oxidizer outlet temperature exceeded the interlock trip point and the catalytic oxidizer bypass valve opened. The Report indicated that the catalytic oxidizer was restarted as soon as possible to minimize bypass venting, and steam was added to the column more slowly. The Report indicated that startup of this operation is still being optimized, and staff engineers are continuing to train operations on how to start

the Isobutyric Acid process. The Report indicated Respondent's staff reviewed the startup procedures with operators and emphasized sections that describe how to add steam more slowly to the system. To minimize the load to the catalytic oxidizer, one distillation column at a time is being started.

<b>Table 3: Startup Deviations, MSOP-04, PES B-646-1</b>					
<b>Start Date</b>	<b>Start Time</b>	<b>End Date</b>	<b>End Time</b>	<b>Duration (Minutes)</b>	<b>VOC Emissions (lb)</b>
11/18/2020	4:05 PM	11/18/2020	5:04 PM	59	1.25
12/28/2020	1:06 AM	12/28/2020	5:21 PM	975	1.27
2/17/2021	3:09 AM	2/17/2021	3:03 PM	714	1.27
2/17/2021	4:11 PM	2/17/2021	9:00 PM	289	0.18
2/18/2021	2:09 AM	2/18/2021	3:24 AM	75	0.05
<b>Total</b>					<b>4.02</b>

### **PERMIT 572409**

#### **XVII.**

On October 1, 2017, the Technical Secretary issued Title V operating permit 572409 ("Permit 572409"), emission source reference number 82-0003, MSOP-21, to Respondent for a chemical manufacturing operation. The Technical Secretary amended Permit 572409 on November 21, 2017, and modified Permit 572409 on September 19, 2019, and June 4, 2021.

#### **XVIII.**

Condition E2-8 of Permit 572409 requires Respondent to comply with the provisions of 40 CFR Part 63 Subpart FFFF (National Emission Standards for Hazardous Air Pollutants: Miscellaneous Organic Chemical Manufacturing), including the requirements shown in **Table 2**.

<b>Table 2: Subpart FFFF Requirements, PES B-244A-1</b>		
<b>Affected Equipment</b>	<b>Summary of Requirement</b>	<b>Rule Citation</b>
Heat exchange systems in the Ketones MCPU	Cooling water shall be monitored for total HAPs, total VOC, total organic carbon, one or more speciated HAP compounds, or other representative substances that would indicate the presence of a leak in the heat exchange system. The cooling water shall be monitored monthly for the first six months and quarterly thereafter to detect leaks.	§63.2490(a) and Table 10 to Subpart FFFF, §63.104(b)

#### **XIX.**

The Report indicated that on February 18, 2021, Respondent identified one heat exchanger in the Ketones MCPU that was erroneously associated with the MAA MCPU. The MAA MCPU only operated for the first seven hours of the first quarter of 2021 and was permanently shut down. Because this heat exchange system was considered part of the MAA MCPU, the cooling water was not sampled in the first quarter of 2021. On April 13, 2021, Respondent discovered that the heat exchange system was incorrectly labeled. The heat exchange system was sampled on April 13, 2021, and no leaks were found. Report indicated that the heat exchange systems in the Ketones MCPU have been walked down and renamed, and procedures have been updated to better describe each heat exchange system in the Ketones MCPU.

### **PERMIT 576513**

#### **XX.**

On January 1, 2020, the Technical Secretary issued Title V operating permit 576513 ("Permit 576513"), emission source reference number 82-0003, MSOP-23, to Respondent for a chemical manufacturing operation. The Technical Secretary modified Permit 576513 on May 19, 2021.

#### **XXI.**

Condition C4 of Permit 576513 requires Title V minor permit modifications to comply with the requirements of TAPCR 1200-03-09-.02(11)(f)5(ii). Pursuant to TAPCR 1200-03-09-.02(11)(f)5(ii)(V), proposed changes may only be made after submittal of an application for a minor permit modification.

#### **XXII.**

Condition E2-6 of Permit 576513 requires Respondent to comply with the provisions of 40 CFR Part 60 Subpart A (NSPS General Provisions) and 40 CFR Part 60 Subpart NNN (Standards of Performance for Volatile Organic Compound Emissions from Synthetic Organic Chemical Manufacturing Industry Distillation Columns). Specifically, §60.15(d) of Subpart A requires Respondent to notify the Division of proposed replacements that meet the definition of reconstruction within 60 days (or as soon as practicable) before construction is commenced on the replacements.



### **XXIII.**

The Report indicated that reconstruction of Acid Boiler #21 commenced on March 16, 2020. Acid Boiler # 21 was identified as not having a vent stream, as defined in §60.661 of Subpart NNN. The Report indicated that the only emissions to the atmosphere from Acid Boiler #21 were believed to be from a safety relief valve. During the current reporting period, Respondent determined that Acid Boiler #21 has a vent stream from a conservation vent located after the column's vent condenser. The Report indicated that a minor modification was not submitted until March 25, 2021.

### **XXIV.**

The Report indicated that because Respondent did not believe the column had a vent stream prior to the start of construction, Respondent had no records of submitting the required notification for Acid Boiler #21.

### **XXV.**

The Report indicated that reconstruction of Column #26 commenced December 10, 2020. The Report indicated that a minor modification was not submitted until March 25, 2021.

### **XXVI.**

On July 2, 2021, the Division issued a NOV to Respondent for the violations identified in paragraphs **XIII, XVI, XIX, XXIII, XXIV, and XXV.**

## **VIOLATIONS**

### **XXVII.**

By failing to comply with the conditions of multiple Title V operating permits, as discussed herein, Respondent violated Division Rule 1200-03-09-.02(6), which states, in pertinent part:

Operation of each air contaminant source shall be in accordance with the provisions and stipulations set forth in the operating permit, all provisions of these regulations, and all provisions of the Tennessee Air Quality Act.

## **ORDER AND ASSESSMENT OF CIVIL PENALTY**

### **XXVIII.**

Respondent is assessed a civil penalty of \$5,250.00 for violation of the Act and Rules, to be paid to the Department at the following address:

Division of Fiscal Services - Consolidated Fees Section  
Tennessee Department of Environment and Conservation  
William R. Snodgrass Tennessee Tower, 10<sup>th</sup> Floor  
312 Rosa L. Parks Avenue  
Nashville, Tennessee 37243

The civil penalty shall be delivered to the Department on or before the 31st day after receipt of this Order and Assessment of Civil Penalty. The case number, APC21-0092, should be clearly written on all correspondence.

### **RESERVATION OF RIGHTS**

In issuing this Order and Assessment of Civil Penalty, the Department does not implicitly or expressly waive any provision of the Act or Rules promulgated thereunder or the authority to assess costs, civil penalties, and/or damages incurred by the State against the Respondent(s). The Department expressly reserves all rights it has at law and in equity to order further corrective action, assess civil penalties and/or damages, and to pursue further enforcement action including, but not limited to, monetary and injunctive relief. Compliance with this order will be considered as a mitigating factor in determining the need for future enforcement action(s).

### **NOTICE OF RIGHTS**

The Respondent may appeal this Order and Assessment. Tenn. Code Ann. §§ 68-201-108(a) and 68-201-116(b). To do so, a written petition setting forth the reasons for requesting a hearing must be received by the Technical Secretary within 30 days of the date Respondent received this Order and Assessment or this Order and Assessment becomes final. Any petition for review must be directed to:

Commissioner of the Department of Environment and Conservation  
c/o Jenny L. Howard, General Counsel  
Tennessee Department of Environment and Conservation  
William R. Snodgrass Tennessee Tower, 2<sup>nd</sup> Floor

312 Rosa L. Parks Avenue  
Nashville, Tennessee 37243

If an appeal is filed, an initial hearing of this matter will be conducted by an Administrative Law Judge (ALJ) as a contested case hearing. Tenn. Code Ann. § 68-201-108(a); Tenn. Code Ann. § 4-5-301 to -325; Tenn. Comp. R. & Regs. 1360-04-01. Such hearings are legal proceedings in the nature of a trial. Individual respondents may represent themselves or be represented by an attorney licensed to practice law in Tennessee. Artificial respondents (*e.g.*, corporations, limited partnerships, limited liability companies, etc.) cannot engage in the practice of law and therefore may only pursue an appeal through an attorney licensed to practice law in Tennessee. Low-income individuals may be eligible for representation at reduced or no cost through a local bar association or legal aid organization.

At the conclusion of any initial hearing, the ALJ has the authority to affirm, modify, or deny this Order and Assessment of Civil Penalty, including the authority to increase or decrease the penalty. Tenn. Code Ann. § 68-201-116. The ALJ, on behalf of the Board, has the authority to assess additional damages incurred by the Department including, but not limited to, all docketing expenses associated with the setting of the matter for a hearing, and the hourly fees incurred due to the presence of the ALJ and a court reporter.

Technical questions and other correspondence involving compliance issues should be sent to:

Kevin McLain, Division of Air Pollution Control  
Tennessee Department of Environment and Conservation  
William R. Snodgrass Tennessee Tower, 15<sup>th</sup> Floor  
312 Rosa L. Parks Avenue  
Nashville, Tennessee 37243

Attorneys should contact the undersigned counsel of record. The case number, APC21-0092, should be written on all correspondence regarding this matter.

Issued by the Technical Secretary, Tennessee Air Pollution Control Board, Department of Environment and Conservation, on this 6th day of October, 2021.



Michelle Walker Owenby  
Technical Secretary  
Tennessee Air Pollution Control Board

Reviewed by:



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William F. Miller  
BPR#28826  
Assistant General Counsel  
Department of Environment & Conservation  
312 Rosa L. Parks Avenue, 2<sup>nd</sup> Floor  
Nashville, Tennessee 37243  
Phone: (615) 5320136  
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