

Dear LANXESS Neighbor:

Sandy Marshall
Plant Manager

It is hard to believe how quickly time passes. I have now lived here for six months and I feel very much at home. The people in the area have been warm, friendly and honest. These are important virtues as the community and LANXESS employees work through the very difficult issues that we have faced over the past months.

My primary responsibility is to make this plant successful and have it recognized as a valued asset in the community. LANXESS continues to go “beyond compliance” in the environmental and safety area, and we are working hard to identify further improvement opportunities.

Of special note is our recent purchase of a real-time CEREX UV Hound air monitor, which will further improve our ability to monitor emissions.

Through this newsletter, I hope that you will see that I am committed to bringing a fresh perspective to the issues.

If you have any questions or concerns, please call me at (513) 467-2208. If you need immediate or after hours assistance, please call the plant at (513) 467-2400.

Plant Appeals Ohio EPA Order; Remains Committed to Lowering Emissions

LANXESS Corporation has filed an appeal to an order issued by the Ohio Environmental Protection Agency (Ohio EPA) in early December.

LANXESS is not seeking an immediate stay of the order and remains committed to lowering air emissions at the LANXESS plant.



“We want to be very clear,” says Plant Manager Sandy Marshall. “Our decision to appeal is not designed to avoid our commitment to reduce emissions. While we are currently in compliance with all applicable air emission limits, we are committed to reducing emissions even further, and have been working hard to achieve lower levels.”

The Ohio EPA ordered the plant to lower emissions of two chemicals — butadiene and acrylonitrile — within 60 days and to complete improvements on the plant’s flare system by October 15. The orders were based on seven months of data from the air monitor on the roof of Hitchens Elementary School.

The plant has been voluntarily lowering its air emissions since before the Ohio EPA’s order. In September, the plant publicly committed to \$1.3 million in improvements to its flare system — which controls butadiene emissions — by next fall. The plant has also been taking immediate action

to control emissions (see sidebar).

LANXESS decided to appeal because the order:

- Overstates the actual risk to human health.
- Is inconsistent with the federal Clean Air Act and Ohio law.
- Seeks to bar conduct authorized by the plant’s air permits, which were issued by the Ohio EPA.
- Generates unfounded community fear and concern.
- Ignores the plant’s voluntary pledges to lower its air emissions.

The Environmental Review and Appeals Commission, an independent review board in Columbus, will begin reviewing the appeal in early February.

Plant Taking Interim Steps To Reduce Emissions

The LANXESS plant has been taking interim steps to lower emissions, including:

- Installing a temporary cover on the flare sump and venting the emissions to pollution controls.
- Extending a biofilter pilot test at the waste water treatment plant (WWTP) to cut emissions. Also, controlling emissions from an equalization tank at the WWTP with a temporary biofilter.
- Covering an open trench in a production area and venting emissions to pollution controls
- Using the plant’s new real-time air monitor to monitor other emission sources.

Fewer Plant Sirens Sounding

The LANXESS plant has reduced both false alarms and real plant emergencies such as spills and fires by more than 50% since 2000. That means the community is hearing the sirens less often.

In 2005, the plant sounded its siren 25 times as compared to 55 times in 2000. Of those 25 sirens, 16 were false alarms, three were severe weather and four were minor emergencies that included a small roof fire and an overheating exhaust blower.

False alarms were reduced through improved procedures and equipment modifications that eliminated pressure surges in the fire water system.

Real alarms were reduced through new and modified equipment to prevent materials from reaching the environment and the installation of ground fault interrupters, among other activities.

Plant Earns High Insurance Rating for Risk Protection

The LANXESS plant has received a nearly perfect risk score for 2005 from FM Global, its property and business loss insurance carrier. FM Global conducts annual risk evaluations of the plant.

"The Addyston (plant) is a large site with many special hazards," said Robert Elizeus, Jr., a senior account engineer for FM Global. "The proper human element programs and physical protection systems are in place to protect the site from these hazards. This site is a very good example of an HPR, Highly Protected Risk, chemical manufacturing plant."

Only about 10-25% of all chemical plants with hazards similar to the LANXESS plant have achieved this HPR rating, according to Elizeus.

Emergency Response Improved Community Drill Planned for 2006

In January, LANXESS donated a handheld HNU air monitor to the Miami Township Fire Department and sent two firefighters and a plant employee to the Texas A&M Fire Training School for chemical incident training.



Miami Township Deputy Fire Chief Steve Ober (left) and plant Environmental, Health & Safety Director Ken Perica (right) examine the new air monitor.

The plant also offered chemical training and a plant tour in December to about 50 Miami, Green and Delhi Township firefighters.

A large-scale emergency response drill that will involve parts of the community is being planned for 2006.

Addyston Environmental Task Force

The Task Force, led by Addyston Mayor Dan Pillow and State Rep. Steve Driehaus, planned a meeting for December 10 at Hitchens Elementary School to outline its recommendations to the community. However, after the Ohio EPA issued an order to the LANXESS plant on December 5, this meeting ultimately became a public forum for citizens to ask questions about the Ohio EPA enforcement action and the school district's decision to close Hitchens.

The Task Force met again January 4 and determined that — in light of recent events — its primary function should be to serve as a translator of technical information to the community. The next public meeting is 6:30 p.m., February 15 at the Addyston Municipal Building, 235 Main St. For more info., call Mayor Pillow at (513) 941-1313, Ext 12.

This article was written by the Communication Subcommittee of the Task Force. The opinions expressed are not those of LANXESS Corporation.

LANXESS

Energizing Chemistry

LANXESS Corporation

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