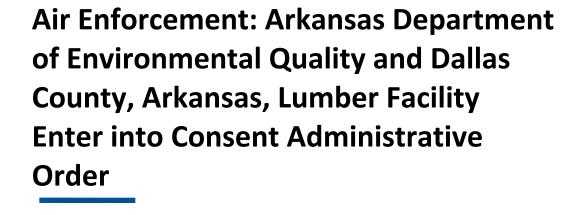
Little Rock
Rogers
Jonesboro
Austin
MitchellWilliamsLaw.com

Mitchell, Williams, Selig, Gates & Woodyard, P.L.L.C.





Walter Wright, Jr. wwright@mwlaw.com (501) 688.8839

08/09/2018

The Arkansas Department of Environmental Quality ("ADEQ") and Ray White Lumber Company ("RWLC") entered into a July 13th Consent Administrative Order (CAO") addressing alleged violations of certain Arkansas air regulations. See LIS No. 18-063.

The CAO provides that RWLC owns and operates a lumber facility ("Facility") in Sparkman, Arkansas.

The Facility is stated to hold Air Operating Permit 1468-AOP-R5 ("Permit").

ADEQ personnel are stated to have conducted a compliance inspection of the Facility on March 12, 2018, for the reporting period of February 2017 through January 2018. The Facility is stated to be subject to the Clean Air Act Prevention of Significant Deterioration ("PSD") requirements.

ADEQ is stated to have determined that the Facility had constructed a source at the facility that was not covered by the Permit. The unpermitted source (Hurst 550-HP wood fuel boiler) is stated to be "not yet operational." This activity is stated to violate Arkansas Pollution Control and Ecology Commission Regulation 26.301(C). The on-site construction of the previously referenced boiler without first obtaining a PSD permit is stated to be a violation of 40 C.F.R. Part 52.21(a)(2)(iii).

The inspection is also stated to have identified the installation and operation of a Peerless 62 Unit Chip Bin ("Bin") at the Facility that was not covered by the Permit.

RWLC submitted an April 16th response to a March 19th ADEQ letter noting the alleged issues identified in the compliance inspection. The company's letter and subsequent emails stated in part:

... the Hurst wood-fueled boiler was a pre-owned boiler that was purchased with the intent of eventually permitting and operating it when financially feasible. The boiler was purchased in the fall of 2016, delivered to the facility on October 31, 2016, and stored in a field on the mill yard until it was placed in a newly built building on June 12, 2017.

The response further stated that the boiler had not been operated or connected to utilities and no unpermitted emissions resulted. As to the Bin, RWLC stated that "it was purchased in March 2017, installed in the fall of 2017 and made operational in December 2017."

Corrective actions proposed by RWLC is stated to be the submission of a permit application to ADEQ prior to connecting utilities to the boiler and submission of information to the agency showing that the Bin can be included as part of the existing Insignificant Activities section already contained in the Permit.

Emission calculations are stated to have been submitted to ADEQ for the Bin for evaluation as an Insignificant Activity. The Bin was subsequently determined to be an Insignificant Activity.

The CAO requires that RWLC submit a Title V Permit renewal application that includes the Hurst 550-HP Boiler and the Bin to ADEQ by October 3, 2018. It also assesses a civil penalty of \$2,100.

A copy of the CAO can be found here.