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Air Enforcement: Arkansas Department of Energy & Environment - Division of Environmental Quality and Magnolia Crude Oil Terminal Enter into Consent Administrative Order

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The Arkansas Department of Energy & Environment – Division of Environmental Quality (“DEQ”) and Delek Logistics Operating, LLC, (“Delek”) entered into a September 15th Consent Administrative Order (“CAO”) addressing alleged violations of an air permit. See LIS No. 23-067.

The CAO provides that Delek owns and operates a crude oil terminal (“Terminal”) in Magnolia, Arkansas.

The Terminal holds an air permit.

Delek in a letter dated June 15, 2022, is stated to have requested consideration under DEQ’s Environmental Self-Disclosure Incentive Policy (“Policy”) for the disclosure of noncompliance issues associated with the Terminal.

The Self-Disclosure letter is stated to have provided that requested changes to a throughput limit outlined in Plantwide Condition 6 of the air permit were not incorporated into the document. Therefore there was an alleged failure to notify the Administrator of re-construction and restart of a source required by Subpart A. Further, the CAO provides that a review of the Self-Disclosure letter indicated that the Terminal exceeded the rolling 12-month period limit for two months, violating Plantwide Condition 6 of the air permit.

The Self-Disclosure is also stated to have indicated that Delek commenced construction of Tank 437 on December 7, 2021, and restarted operation of Tank 437 on April 12, 2022. As a result, Delek is stated to have failed to give notice of Tank 437 construction commencement, construction completion, first operation, and first attainment, alleging violating General Condition 3 of the air permit.

Delek is stated to have submitted a permit modification to DEQ to increase the permitted rolling 12-month period limit and add Tank 437 as a source.

DEQ determined that not all eight conditions of the Policy were met. As a result, it determined that Delek did not qualify for penalty mitigation.

The previously referenced permit modification was deemed administratively complete on October 7, 2022, and on January 23rd air permit 2036-AR-4 is stated to have been issued.

Delek neither admits nor denies the factual or legal allegations contained in the CAO.

The CAO assesses a civil penalty of \$2,880 which could have been reduced to one-half if the document was signed and returned to DEQ prior to 4:00 p.m. on September 18th.

A copy of the CAO can be downloaded [here](#).