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04/26/2024

The Arkansas Department of Energy & Environment – Division of Environmental Quality ("DEQ") and Covia ISP, Inc. ("Covia") entered into an April 15th Consent Administrative Order ("CAO") addressing an alleged violation of an air permit. See LIS No. 24-068.

The CAO provides that Covia owns and operates a facility ("Facility") which manufactures silica-based products in Fort Smith, Arkansas.

The Facility is stated to operate pursuant to an air permit.

DEQ is stated to have conducted a compliance inspection of the Facility on August 30, 2023. The inspection is stated to have covered the reporting period of August 2022 through July 2023.

The inspection determined that the Facility exceeded the consecutive 12-month period limit for processed natural gas at SN-C01.

Records are stated to have indicated that the Facility exceeded the consecutive 12-month period limit from September 2022 through July 2023. This is alleged to violate Specific Condition 5 of the air permit.

Covia requested, pursuant to a September 22, 2023, submittal consideration under DEQ's Environmental Self-Disclosure Incentive Policy for the disclosure of the noncompliance issued associated with its existing air permit. The self-disclosure submittal disclosed that the wrong maximum rated heat input capacity was used to permit burner SN-C01. Further, Covia's consultant submitted an email to DEQ clarifying that the self-disclosure submitted on September 22, 2023, was intended to report a violation related to the incorrectly permitted burner capacity of SN-C01 and not a violation of Specific Condition 5 of the permit.

The Facility submitted a permit modification application to DEQ on October 9, 2023, to increase the burner capacity at SN-C01.

Covia submitted a response to DEQ's September 5, 2023, letter referencing the inspection outlining several mitigating circumstances in relation to the alleged violation.

DEQ's Air Enforcement program on October 16, 2023, is stated to have received an enforcement referral from the Air Permits Branch stating that the burner at SN-C01 should have been permitted at 30 MMTUT/hr rather than 20 MMBTU/hr and that this could potentially cause an exceedance of the hourly

emissions rate. Specific Condition 5 limits natural gas usage and such usage could be tied to the 20 MMBtu rating.

DEQ subsequently determined that the Facility had not met all eight conditions of the Self-Disclosure Policy.

Covia neither admits nor denies the factual and legal allegations contained in the CAO.

A civil penalty of \$6,732 is assessed.

A copy of the CAO can be downloaded <u>here</u>.