ARKANSAS DEPARTMENT OF ENERGY AND ENVIRONMENT, DIVISION OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

AFIN: 46-00005

LIS No. 31-007

COOPER TIRE & RUBBER COMPANY 3500 EAST WASHINGTON ROAD TEXARKANA, AR 71854

CONSENT ADMINISTRATIVE ORDER

This Consent Administrative Order (CAO) is issued pursuant to the authority delegated under the federal Clean Air Act, 42 U.S.C. § 7401 *et seq.*, and the federal regulations issued thereunder. In addition, this CAO is issued pursuant to the authority of the Arkansas Water and Air Pollution Control Act (the Act), Ark. Code Ann. § 8-4-101 *et seq.*, Arkansas Pollution Control and Ecology Commission (APC&EC) Regulation 7, APC&EC Regulation 8, APC&EC Regulation 18, APC&EC Regulation 19, and APC&EC Regulation 26.

The issues herein having been settled by agreement of Cooper Tire & Rubber Company (Respondent) and the Director of the Division of Environmental Quality¹ (DEQ), it is hereby agreed and stipulated that the following FINDINGS OF FACT and ORDER AND AGREEMENT be entered.

FINDINGS OF FACT

- 1. Respondent owns and operates a tire manufacturing facility located at 3500 East Washington Road in Texarkana, Miller County, Arkansas.
 - 2. The Air Permit referenced in this CAO is 0957-AOP-R18 (the Permit). The

Pursuant to Act 910 of 2019, the Arkansas Transformation and Efficiencies Act, the former Arkansas Department of Environmental Quality is now the Division of Environmental Quality in the newly created Arkansas Department of Energy and Environment.

Permit was issued on September 11, 2019.

- 3. Ark. Code Ann. § 8-4-217(a)(3) provides:
 - (a) It shall be unlawful for any person to:
 - (3) Violate any provisions of this chapter or of any rule or order adopted by the Arkansas Pollution Control and Ecology Commission under this chapter or of a permit issued under this chapter by the Division of Environmental Quality;
- 4. Ark. Code Ann. § 8-4-103(c)(1)(A) provides, "Any person that violates any provision of this chapter and rules, permits, or plans issued pursuant to this chapter may be assessed an administrative civil penalty not to exceed ten thousand dollars (\$10,000) per violation."
- 5. Pursuant to Ark. Code Ann. § 8-4-103(c)(1)(B) as referenced by Ark. Code Ann. § 8-4-304, "Each day of a continuing violation may be deemed a separate violation for purposes of penalty assessment."
- 6. APC&EC Reg. 26.401 requires Respondent to submit a timely and complete permit application. Under APC&EC Reg. 26.406, a timely application for the purposes of a renewal application is one that is received by the Department at least six (6) months prior to the date of permit expiration.
- 7. General Provision 3 of the Permit requires Respondent to submit a complete application for permit renewal at least six (6) months before permit expiration.
- 8. Respondent's Permit expiration date is February 28, 2021. Therefore, General Provision 3 required that Respondent's permit renewal application be submitted to DEQ no later than September 1, 2020.
 - 9. On December 7, 2020, Respondent notified DEQ that it had yet to submit the

required permit renewal application. Therefore, Respondent failed to submit a complete permit renewal application by the September 1, 2020 deadline. Such failure violates General Provision 3 of the Permit and therefore violates Ark. Code Ann. § 8-4-217(a)(3) as referenced by Ark. Code Ann. § 8-4-304.

10. In correspondence dated December 10, 2020, DEQ informed Respondent that the compliance issue concerning their failure to submit a complete renewal application by the due date was proceeding through formal enforcement channels. This was intended to provide Respondent the opportunity to submit information Respondent deemed appropriate regarding the compliance issue.

ORDER AND AGREEMENT

WHEREFORE, Respondent, neither admitting nor denying the factual and legal allegations contained in this CAO, and DEQ do hereby agree and stipulate as follows:

- 1. Respondent shall submit a complete permit renewal application to DEQ no later than February 25, 2021.
- 2. Respondent shall comply with all conditions of, and remains authorized to operate under, Air Operating Permit 0957-AOP-R18 until either the effective date of the Respondent's permit renewal or until the date the renewal is denied.
- 3. In compromise and full settlement of the violations specified in the FINDINGS OF FACT, Respondent agrees to pay a civil penalty of ONE THOUSAND EIGHT HUNDRED DOLLARS (\$1,800.00). Payment is due within thirty (30) calendar days of the effective date of this CAO. Such payment shall be made payable to:

DEQ, Fiscal Division 5301 Northshore Drive North Little Rock, Arkansas 72118-5317.

In the event that Respondent fails to pay the civil penalty within the prescribed time, DEQ shall be entitled to attorneys' fees and costs associated with collection.

- 4. All applicable submissions required by this CAO are subject to approval by DEQ. In the event of any deficiency, Respondent shall, within <u>fifteen (15) calendar days</u> of notification by DEQ, submit any additional information requested. Failure to respond adequately to the notice of deficiency within <u>fifteen (15) calendar days</u> constitutes a failure to meet a deadline and is subject to the civil penalties established in the following Paragraph.
- 5. Failure to meet the limits, requirements, or deadlines of this CAO or the applicable approved schedules provided for herein constitutes a violation of this CAO. If Respondent fails to meet any limits, requirements, or deadlines, Respondent shall pay, on demand, to DEQ civil penalties according to the following schedule:

(a) First day through the fourteenth day:

\$100 per day

(b) Fifteenth day through the thirtieth day:

\$500 per day

(c) More than thirty days:

\$1000 per day

Stipulated penalties shall be paid within thirty (30) calendar days of receipt of DEQ's demand to Respondent for such penalties. These stipulated penalties may be imposed for delay in scheduled performance and shall be in addition to any other remedies or sanctions that may be available to DEQ by reason of Respondent's failure to comply with the requirements of this CAO. DEQ reserves its rights to collect other penalties and fines pursuant to its enforcement authority in lieu of the stipulated penalties set forth above.

6. If any event, including, but not limited to, an occurrence of nature, causes or may

cause a delay in the achievement of compliance by Respondent with the requirements or deadlines of this CAO, Respondent shall notify DEQ in writing as soon as reasonably possible after it is apparent that a delay will result, but in no case after the due dates have passed. The notification shall describe in detail the anticipated length of the delay, the precise cause of the delay, the measures being taken and to be taken to minimize the delay, and the timetable by which those measures will be implemented.

- 7. DEQ may grant an extension of any provision of this CAO, provided that Respondent requests such an extension in writing and provided that the delay or anticipated delay has or will be caused by circumstances beyond the control of and without the fault of Respondent. The time for performance may be extended for a reasonable period, but in no event longer than the period of delay resulting from such circumstances. The burden of proving that any delay is caused by circumstances beyond the control of and without the fault of Respondent and the length of the delay attributable to such circumstances shall rest with Respondent. Failure to notify DEQ promptly, 'as provided in the previous Paragraph of the ORDER AND AGREEMENT, shall be grounds for a denial of an extension.
- 8. This CAO is subject to public review and comment in accordance with Ark. Code Ann. § 8-4-103(d), and therefore is not effective until thirty (30) calendar days after public notice of the CAO is given. DEQ retains the right and discretion to rescind this CAO based on comments received within the thirty (30) day public comment period.
- 9. As provided by APC&EC Regulation 8, this matter is subject to being reopened upon Commission initiative or in the event a petition to set aside this CAO is granted by the Commission.

- 10. Nothing contained in this CAO shall relieve Respondent of any obligations imposed by any other applicable local, state, or federal laws. Except as specifically provided herein, nothing contained in this CAO shall be deemed in any way to relieve Respondent of responsibilities contained in the permit.
- 11. Nothing in this CAO shall be construed as a waiver by DEQ of its enforcement authority over alleged violations not specifically addressed herein. In addition, this CAO neither exonerates Respondent from any past, present, or future conduct that is not expressly addressed herein, nor relieves Respondent of the responsibilities for obtaining any necessary permits.
- 12. By virtue of the signature appearing below, the individual represents that he or she is an Officer of Respondent, being duly authorized to execute and bind Respondent to the terms contained herein. Execution of this CAO by an individual other than an Officer of Respondent shall be accompanied by a resolution granting signature authority to that individual as duly ratified by the governing body of the entity.

Page 6

Buhwknow
BECKY W. KEOGH, DIRECTOR
ARKANSAS DEPARTMENT OF ENERGY AND ENVIRONMENT,
DIVISION OF ENVIRONMENTAL QUALITY
APPROVED AS TO FORM AND CONTENT:
COOPER TIRE & RUBBER COMPANY
BY: day Coll · (Signature)
Tommy Cullin's (Typed or printed name)
TITLE: Plant MgA.
DATE: 1-20-21

Cooper Tire & Rubber Company

SO ORDERED THIS 21 DAY OF January, 2021.