ARKANSAS DEPARTMENT OF ENERGY AND ENVIRONMENT, DIVISION OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

AFIN: 34-00453

LIS No. 21-074

SELECT SANDS AMERICA CORP. 509 JACKSON ROAD 247 NEWPORT, ARKANSAS 72112

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.*, Pollution Control and Ecology Commission (PC&EC) Regulation 7, PC&EC Regulation 8, PC&EC Regulation 18, and PC&EC Regulation 19.

The issues herein having been settled by agreement of Select Sands America Corp.

(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 facility processing industrial silica sand in Newport, Independence County, Arkansas.
 - 2. The Air Permit referenced in this CAO is Permit 2413-A (the Permit). The Permit

¹ 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.

was issued on August 5, 2020.

- 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 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. On January 20, 2021, Respondent submitted a Stack Testing Compliance Test Protocol Form for testing to be performed on January 28, 2021, at the Natural Gas-Fired Rotary Dryer with Fabric Filter (Reliable 96.8 MMBtu/hr) (SN-02) for particulate matter (PM).
- 7. On March 10, 2021, Respondent submitted a Stack Testing Compliance Test Protocol Form for retesting on March 23, 2021, at SN-02 for PM.
- 8. On March 22, 2021, Respondent submitted test results for emissions testing conducted at the Natural Gas-Fired Rotary Dryer with Fabric Filter (Astec 940, 96.8 MMBtu/hr) (SN-01) on January 28, 2021, for PM.
- 9. A review of the test results indicated that during the emissions testing Respondent exceeded the permitted emissions rate limit for PM at SN-01. The permitted emissions rate limit

0.91-150

for PM at SN-01 is 2.0 lbs/hr. The average emissions rate of PM recorded at SN-01 during the emissions test was 3.2 lbs/hr. Such act violates Specific Condition 2 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 a letter dated March 22, 2021, DEQ informed Respondent that after a review of the emissions test results submitted on March 22, 2021, that SN-01 was out of compliance with the permitted PM emission rate limits at the time of testing.
- 11. On April 7, 2021, DEQ emailed Respondent a formal enforcement letter for the exceedance of the PM emission rate limits at SN-01.
- 12. On April 8, 2021, Respondent submitted test results for the retesting of SN-01 for PM on March 23, 2021.
- 13. A review of the re-test results indicated that SN-01 was in compliance with the permitted PM emission rate limit for PM at SN-01 during the time of the retesting. The average emission rate for PM recorded during the emissions re-test was 0.69 lbs/hr.
- 14. Subsequently, Respondent informed DEQ that all prior references to emissions testing at SN-02 were made in error: Respondent only conducted testing at SN-01.
- 15. On May 12, 2021, Respondent submitted a corrected copy of the test results for the testing conducted on March 23, 2021. The corrected report listed the source tested as SN-01 instead of SN-02.

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:

OFFICE CELL

- 1. This CAO addresses all violations listed in the FINDINGS OF FACT.
- 2. In compromise and full settlement of the violations specified in the FINDINGS
 OF FACT, Respondent agrees to pay a civil penalty of **ONE THOUSAND SEVEN HUNDRED SIXTY DOLLARS (\$1,760.00)**, or one-half of the penalty, **EIGHT HUNDRED EIGHTY DOLLARS (\$880.00)** if this CAO is signed and returned to Air Enforcement Section, DEQ,
 5301 Northshore Drive, North Little Rock, Arkansas 72118-5317, prior to 4:00 p.m. on **July 21**, **2021**. 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.

- 3. 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.
- 4. 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.

- 5. 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.
- 6. 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

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to notify DEQ promptly, as provided in the previous Paragraph of the ORDER AND AGREEMENT, shall be grounds for a denial of an extension.

- 7. 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.
- 8. As provided by PC&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.
- 9. 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.
- 10. 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.
- 11. 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.

Union.

SO ORDERED THIS 22 DAY OF TVU, 2021.
Julie finek for Being Keto
BECKY W. KEOGH, DIRECTOR
ARKANSAS DEPARTMENT OF ENERGY AND ENVIRONMENT,
DIVISION OF ENVIRONMENTAL QUALITY
APPROVED AS TO FORM AND CONTENT:
SELECT SANDS AMERICA CORP.
BY: Signature)
Steve Hackmann (Typed or printed name)
TITLE: General Managee
DATE: <u>6-19-21</u>