

**ARKANSAS DEPARTMENT OF ENERGY AND ENVIRONMENT,  
DIVISION OF ENVIRONMENTAL QUALITY**

IN THE MATTER OF:

AFIN: 60-00781

LIS No. 22-010

PPG INDUSTRIES, INC.  
11605 VIMY RIDGE ROAD  
ALEXANDER, ARKANSAS 72002

**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, and APC&EC Regulation 19.

The issues herein having been settled by agreement of PPG Industries, Inc. (Respondent) and the Director of the Division of Environmental Quality<sup>1</sup> (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 which manufactures conventional and high solids metal finishes, extrusion finishes, and wood finishes facility located at 11605 Vimy Ridge Road in Alexander, Pulaski County, Arkansas.

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<sup>1</sup> 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.

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2. The Air Permit referenced in this CAO is 0943-AR-9 (the Permit). The Permit was issued on April 4, 2017.

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. On April 15, 2021, DEQ personnel conducted a full compliance inspection of Respondent’s facility.

7. The inspection covered the reporting period of July 2018 through March 2021.

8. Respondent’s facility is subject to the provisions of 40 C.F.R. Part 63, Subpart CCCCCC - National Emission Standards for Hazardous Air Pollutants for Area Sources: Paints and Allied Products Manufacturing (Subpart CCCCCC).

9. Specific Condition 17 of the Permit states that the permittee shall perform periodic inspections of each particulate matter (PM) control device according to the requirements in section A and B of this condition. The permittee shall record the results of each inspection and

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test according to Specific Condition #18 and perform corrective action where necessary. The permittee shall also conduct tests according to the requirements section C of this condition and record the results according to Specific Condition #18.

10. Section C of Specific Condition 17 states that for each particulate control device, the permittee shall conduct a 5-minute visual determination of emissions from the particulate control device every 3 months using Method 22 (40 CFR part 60, appendix A-7). The visible emission test must be performed during the addition of dry pigments and solids containing compounds of cadmium, chromium, lead, or nickel to a process vessel or to the grinding and milling equipment.

11. Specific Condition 18 of the Permit states that the permittee shall record the following information for each inspection and testing activity required by 40 CFR Part 63, Subpart CCCCCC:

- A. The date, place, and time;
- B. Person conducting the activity;
- C. Technique or method used;
- D. Operating conditions during the activity;
- E. Results; and
- F. Description of correction actions taken.

12. During the inspection, it was discovered that Respondent failed to conduct and record Method 22 visual determination of emissions from the particulate control devices at four (4) sources every three (3) months (quarterly) (Table 1).

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Table 1

Particulate Matter Control Device Source # & Description	Qtr/Year in which Method 22 5-minute visual determination of emissions were not conducted
SN-01 Manufacturing Area (mills and mixers)	1 <sup>st</sup> Qtr./2019
SN-03 Manufacturing Area (mixers)	2 <sup>nd</sup> Qtr./2019
SN-04 Manufacturing Area (mills, mixers, tanks)	2 <sup>nd</sup> Qtr./2020
SN-05 Manufacturing Areas (mills, mixers, tanks)	3 <sup>rd</sup> Qtr./2020
	4 <sup>th</sup> Qtr./2020
	1 <sup>st</sup> Qtr./ 2021

Such failures violate Specific Conditions 17 and 18 of the Permit and therefore violate Ark. Code Ann. § 8-4-217(a)(3) as referenced by Ark. Code Ann. § 8-4-304. Such failures also violate Subpart CCCCCC.

13. Specific Condition 19 of the Permit states that the permittee shall prepare an annual compliance certification report according to the following requirements. This report does not need to be submitted unless a deviation from the requirements of this subpart has occurred. When a deviation from the requirements of this subpart has occurred, the annual compliance certification report must be submitted along with the deviation report. [Regulation 19 §19.304 and 40 CFR §63.11603(b)]

A. Dates. The permittee shall prepare and, if applicable, submit each annual compliance certification report according to the following dates:

- i. The first annual compliance certification report must cover the first annual reporting period which begins the day of the compliance date and ends on December 31.
- ii. Each subsequent annual compliance certification report must cover the annual reporting period from January 1 through December 31.

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iii. Each annual compliance certification report must be prepared no later than January 31 and kept in a readily-accessible location for inspector review. If a deviation has occurred during the year, each annual compliance certification report must be submitted along with the deviation report, and postmarked no later than February 15.

14. Records reviewed during the inspection indicated that Respondent failed to prepare the Annual Compliance Certification (ACC) reports for 2018, 2019, and 2020 by the following January 31st for each respective year. Respondent also failed to submit the 2018 and 2020 ACC reports although they each reported deviations within the respective reporting periods. Such failures violate Specific Condition 19 of the Permit and therefore violates Ark. Code Ann. § 8-4-217(a)(3) as referenced by Ark. Code Ann. § 8-4-304. Such failure also violates Subpart CCCCCC.

15. In a letter dated April 27, 2021, DEQ informed Respondent of the compliance issues identified in the inspection conducted on April 15, 2021. This letter was intended to give Respondent an opportunity to review the issues identified and submit any additional information Respondent deemed appropriate.

16. On July 9, 2021, Respondent submitted a response to the April 27, 2021 letter and provided the following information:

A. Regarding the compliance issues listed in Paragraph 11 above, Respondent stated that subsequent to "PPG's last correspondence and while implementing and completing the above-noted corrective actions to ensure that the Method 22 inspections are completed every 3 months, it was discovered that some of

the missing visible emissions inspections as noted by ADEQ were indeed completed by the plant EHS Technician, Chris Santee. The Method 22 visible emissions inspection process that was in place consisted of Chris Santee completing the visible emissions inspection during the batch making process while the operators were adding solids to the process vessels. Once the visual emissions inspections were completed and no emissions were observed, he would sign the batch tickets indicating the completion of the visual emissions inspection. We subsequently found records, as provided in Attachment A, that indicate that the Method 22 visual emission inspections were completed on the following dates:

- 4/20/20 -for Q2 2020
- 9/14/20 -for Q3 2020
- 4/9/21 -for Q2 2021
- 5/25/21 -for Q2 2021

We have re-trained our operators to better recognize the batches that utilize materials which require quarterly Method 22 visual emissions inspections every 3 months under 40 CFR 63, Subpart CCCCCC (NESHAP CCCCCC) and Specific Condition 17.C of the facility's air permit. We will continue to utilize this current batch ticket inspection method, in addition to utilizing our compliance tracking system with an action item with quarterly calendar reminders, in order to ensure that all required quarterly Method 22 visual emissions inspections in accordance with NESHAP CCCCCC and Specific Condition 17.C of the facility's air permit are completed.”

17. Regarding the compliance issues listed in Paragraph 13 above, Respondent stated

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“PPG acknowledges that the Annual Compliance Certifications were prepared and submitted as stated above. As noted above, PPG has already taken corrective action steps with respect to this annual certification requirement. Specifically, an action item with annual calendar reminders has been setup in our Compliance Tracking System to ensure that the Annual Compliance Certifications are timely prepared by January 31st and submitted by February 15th (if there are deviations) in accordance with NESHAP CCCCCC and Specific Condition 19 of the facility's air permit.”

18. After a review of the records submitted in the July 9, 2021 response letter as Attachment A, it was determined that the records did not qualify as a Method 22 Visible Emissions test. The records provided did not include the process unit, observers affiliation, estimated wind speed, estimated wind direction, sky conditions, a sketch of the process unit being observed, the observers location relative to the source and the sun, the duration of the observation period (when observations began and when they ended), the emission time (total time emissions were visible during the observation period).

19. On July 23, 2021, DEQ sent Respondent a formal enforcement letter for the compliance issues discovered during the April 15, 2021 compliance inspection.

20. On October 15, 2021, DEQ sent Respondent a proposed CAO for the violations listed in Paragraphs 12 and 14.

21. On November 12, 2021, Respondent submitted a response to the proposed CAO stating that a new Method 22 observation form and an Environmental Compliance Tracking System that identifies environmental compliance items, due dates, personnel responsible and task description with respect to applicable requirements under NESHAP CCCCCC and the

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corresponding air permit requirements were being implemented. In addition, Respondent included a copy of the 2018 and 2020 ACC reports although the response stated that on April 19, 2021, the 2018 and 2020 ACC reports were submitted in an email to the inspector.

### 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. Within fifteen (15) calendar days of the effective date of this CAO, Respondent shall develop and submit to DEQ for approval a Method 22 observation document. The Method 22 observation document shall include the following items:

- A. Company name
- B. Industry
- C. Process Unit
- D. Observers name
- E. Observers affiliation
- F. Date
- G. Estimated wind speed
- H. Wind direction
- I. Sky condition
- J. Sketch of the process unit being observed
- K. Observer location relative to the source and the sun
- L. Observation period (Start time and end time)
- M. Emission time (Accumulated time emissions are visible during observation period.
- N. Method 22 Visible Emissions Monitoring Record Log

The Method 22 observation document shall be submitted to:

DEQ, Enforcement Section  
5301 Northshore Drive  
North Little Rock, Arkansas 72118-5317

2. For each quarter of 2022, Respondent shall conduct and submit the Method 22 observations to DEQ utilizing the approved Method 22 document referenced in Paragraph 1 of



the Order and Agreement Section of this CAO. The Method 22 observation documents shall be submitted to DEQ within fifteen (15) calendar days of the date the observations were conducted.

3. In compromise and full settlement of the violations specified in the FINDINGS OF FACT, Respondent agrees to pay a civil penalty of **SIX THOUSAND FORTY-EIGHT DOLLARS (\$6,048.00)**. 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 fifteen (15) calendar days of notification by DEQ, submit any additional information requested. Failure to respond adequately to the notice of deficiency within fifteen (15) calendar days 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

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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.

SO ORDERED THIS 24<sup>th</sup> DAY OF JANUARY, 2021. 2022

Julie Linck  
JULIE LINCK, CHIEF ADMINISTRATOR

ARKANSAS DEPARTMENT OF ENERGY AND ENVIRONMENT,  
DIVISION OF ENVIRONMENTAL QUALITY

APPROVED AS TO FORM AND CONTENT:

PPG INDUSTRIES, INC.

BY: [Signature] (Signature)

DAVID LE SIEUR (Typed or printed name)

TITLE: PLANT MANAGER

DATE: 1/4/2022

PPG Industries, Inc.  
*[Red Stamp]*