

**ARKANSAS DEPARTMENT OF ENERGY AND ENVIRONMENT,
DIVISION OF ENVIRONMENTAL QUALITY (DEQ)**

IN THE MATTER OF:

AFIN: 43-00131

Case #: CAO-25-0065

GRACE COMPOSITES, L.L.C.
351 RUTH ROAD
LONOKE, AR, 72086

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.*, Ark. Code Ann. § 20-27-1001 *et seq.*, and 8 Code of Arkansas Rules pt. 10, 8 CAR pt. 11, 8 CAR pt. 40, 8 CAR pt. 41, and 8 CAR pt. 42.

The issues herein having been settled by agreement of GRACE COMPOSITES, L.L.C. (Respondent) and the Director of the Arkansas Department of Energy and Environment, Division of Environmental Quality (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 fiberglass pipe and fitting manufacturing facility located at 351 RUTH ROAD, LONOKE, Lonoke County, Arkansas.
2. The Title V Air Permit governing this CAO is 2141-AOP-R3 (the Permit) and was issued

on December 12, 2022.

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), “Each day of a continuing violation may be deemed a separate violation for purposes of penalty assessment.”

6. On April 21, 2025, DEQ performed a full compliance evaluation at Respondent’s site covering the reporting period of January 1, 2024, through March 31, 2025.

7. On May 5, 2025, DEQ notified Respondent of the evaluation results and requested that a written response addressing the noncompliance items be submitted by June 5, 2025.

8. On May 12, 2025, DEQ received Respondent’s written response regarding the actions taken to correct the noncompliance items. The response stated that the facility has contracted with an environmental consulting company for ongoing air support and compliance assistance regarding timely Semi-Annual Monitoring Report (SAMR) and Annual Compliance Certification (ACC) reporting.

9. On June 20, 2025, DEQ sent Respondent a Notice of Non-Compliance stating the violations and initiating formal enforcement.

10. List of Violations:

- (a) Failure to timely submit General Provision 21 recordkeeping report. (8 CAR § 42-603(5)(B)(iii))

General Provision 21 of the Permit states that Respondent shall submit a compliance certification with the terms and conditions contained in the permit, including emission limitations, standards, or work practices. Respondent must submit the compliance certification annually. If the permit establishes no other reporting period, the reporting period shall end on the last day of the anniversary month of the initial Title V permit. The report is due on the first day of the second month after the end of the reporting period. Respondent must also submit the compliance certification to the Administrator as well as to the Division of Environmental Quality.

Respondent's initial Title V permit—Permit 2141-AOP-R0—was issued to Respondent on January 8, 2018. Therefore, Respondent's annual reporting period ends on the last day of January each year. The ACC report is then due each year on the first day of March.

During the inspection, it was discovered that Respondent had failed to submit the ACC report by the due date of March 1, 2024. Respondent submitted the ACC report to DEQ on August 30, 2024, 6 months late after the deadline. Failing to submit the ACC report by the due date is a violation of General Provision 21 of the Permit.

ORDER AND AGREEMENT

WHEREFORE, the parties stipulate and agree as follows:

1. This CAO addresses all violations referenced 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 SIX HUNDRED DOLLARS (\$1,600.00), of which ten percent (10%) shall be paid as reimbursement to DEQ for administrative costs associated with this CAO. Payment is due within thirty (30) calendar days after the effective date of this CAO. Payment can be made online using the Financials tab of your site in SEEK or mailed in by check. Paper check payments require the Compliance Action Number be referenced in the memo line of the check and 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 requirements of this CAO are subject to approval by DEQ. In the event of any deficiency; Respondent shall, within the timeframe specified by DEQ, submit any additional information or changes requested, or take additional actions specified by DEQ to correct any such deficiencies. Failure to respond adequately to the notice of deficiency within the timeframe specified by DEQ constitutes a failure to meet the requirements established by this CAO and is subject to the civil penalties established in the following Paragraph.
4. Failure to meet any term(s) of this CAO or the applicable approved schedules provided for herein constitutes a violation of this CAO. If Respondent fails to meet any term(s) of this CAO, 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:	\$1,000 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 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. Notwithstanding the public notice requirements, the corrective actions necessary to achieve compliance shall be taken immediately.

8. As provided by 8 CAR pt. 11, this matter is subject to being reopened upon Pollution Control and Ecology Commission (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. The individual signing this CAO represents that he or she is a Managing Member of Respondent, being duly authorized to execute and bind Respondent to the terms contained herein. Execution of this CAO by an individual other than a Managing Member of Respondent shall be accompanied by a resolution granting signature authority to said individual as duly ratified by the governing body of the entity.

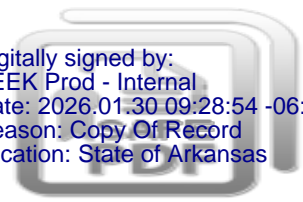
It is so ordered.

Consent Administrative Order - Approval Form

version 1.7

(Submission #: HQJ-MA3C-S1MC4, version 1)

Digitally signed by:
SEEK Prod - Internal
Date: 2026.01.30 09:28:54 -06:00
Reason: Copy Of Record
Location: State of Arkansas



Details

Submission ID HQJ-MA3C-S1MC4

Form Input

Consent Administrative Order

Case Number

CAO-25-0065

Consent Administrative Order Attachment

ENF-CAO.pdf - 01/15/2026 10:14 AM

Comment

NONE PROVIDED

Agreements and Signature(s)

SUBMISSION AGREEMENTS

- I am the owner of the account used to perform the electronic submission and signature.
- I have the authority to submit the data on behalf of the facility I am representing.
- I agree that providing the account credentials to sign the submission document constitutes an electronic signature equivalent to my written signature.
- I have reviewed the electronic form being submitted in its entirety, and agree to the validity and accuracy of the information contained within it to the best of my knowledge.

Respondent Signatory Authority

I certify that I am authorized to execute this CAO and to legally bind Respondent to its terms and conditions.

Signed By Daniel Holmes on 01/19/2026 at 8:47 AM

Chief Administrator of Environment and DEQ Director, Arkansas Department of Energy and Environment

This CAO is agreed to and ordered as of the date of my signature.

Signed By Bailey Taylor on 01/30/2026 at 9:27 AM