

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

IN THE MATTER OF:

AFIN: 35-00447

LIS No. 24-058

WESTERN FOODS DELTA REGION
5125 INDUSTRIAL DRIVE SOUTH
PINE BLUFF, AR 71602

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) Rule 7, APC&EC Rule 8, APC&EC Rule 18, and APC&EC Rule 19.

The issues herein having been settled by agreement of Western Foods Delta Region (Respondent) and the Director of the 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 rice milling facility located at 5215 Industrial Drive South in Pine Bluff, Jefferson County, Arkansas.
2. The Air Permit referenced in this CAO is 2397-AR-3 (the Permit). The Permit was issued on May 17, 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 DEQ;
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 August 15, 2023, DEQ personnel performed a routine compliance inspection at the facility with a reporting period of June 2018 through July 2023.
7. 40 C.F.R. § 60.302(b)(1) (Subpart DD) states that on and after the date on which the performance test required to be conducted by § 60.8 is completed, no owner or operator subject to the provisions of Subpart DD shall cause to be discharged into the atmosphere from any affected facility except a grain dryer any process emission which contains particulate matter in excess of 0.023 g/dscm (ca. 0.01 gr/dscf).
8. Specific Condition 12 of the Permit states that on and after the date on which the performance test required to be conducted by § 60.8 is completed, no owner or operator subject to the provisions of Subpart DD shall cause to be discharged into the atmosphere from any affected facility except a grain dryer any process emission (SN-01, SN-04 through SN-13) which contains particulate matter in excess of 0.023 g/dscm (ca. 0.01 gr/dscf).

9. General Condition 7 of the Permit states that Respondent shall test any equipment scheduled for testing, unless stated in the Specific Conditions of the Permit or by any federally regulated requirements, within the following time frames: (1) newly constructed or modified equipment within sixty (60) days of achieving the maximum production rate, but no later than 180 days after initial start-up of the permitted source or (2) existing equipment already operating according to the time frames set forth by DEQ. Respondent must notify DEQ of the scheduled date of compliance testing at least fifteen (15) business days in advance of such test. Respondent must submit compliance test results to DEQ within sixty (60) calendar days after the completion of testing.

10. During the inspection, it was revealed that Respondent failed to conduct initial performance testing at SN-01, SN-04, SN-05, and SN-06. On June 3, 2018, SN-01, SN-04, SN-05, and SN-06 were permitted and should have been tested within 180 days of start-up or by November 30, 2018. Such a failure violates Specific Condition 12 and General Condition 7 of the Permit and Subpart DD and therefore violates Ark. Code Ann. § 8-4-217(a)(3) as referenced by Ark. Code Ann. § 8-4-304.

11. In correspondence dated August 29, 2023, DEQ informed Respondent of the compliance issues identified during the August 15, 2023 inspection. This was intended to provide Respondent with the opportunity to review the violations and submit any additional information Respondent deemed appropriate regarding the compliance issues.

12. In correspondence dated October 23, 2023, DEQ informed Respondent that formal enforcement action was proceeding regarding this matter.

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 submit a test protocol for performance testing at SN-01, SN-04, SN-05, and SN-06.
2. Within thirty (30) calendar days of the effective date of this CAO, Respondent shall conduct performance testing at SN-01, SN-04, SN-05, and SN-06.
3. Within sixty (60) calendar days of the effective date of this CAO, Respondent shall submit the performance test results for SN-01, SN-04, SN-05, and SN-06 to DEQ.
4. In compromise and full settlement of the violations specified in the FINDINGS OF FACT, Respondent agrees to pay a civil penalty of **TEN THOUSAND FIVE HUNDRED SIXTY DOLLARS (\$10,560.00)**, or one-half of the penalty, **FIVE THOUSAND TWO HUNDRED EIGHTY DOLLARS (\$5,280.00)** 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 **April 4, 2024**. Payment is due within thirty (30) calendar days after 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.

5. 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.

6. 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.

7. 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.

8. 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.

9. 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.

10. As provided by APC&EC Rule 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.

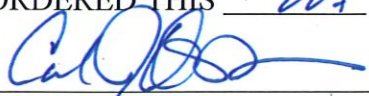
11. Nothing contained in this CAO shall relieve Respondent of any obligations imposed by any other applicable local, state, or federal laws. Except as specifically provided herein, nothing contained in this CAO shall be deemed in any way to relieve Respondent of responsibilities contained in the Permit.

12. 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.

13. 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.

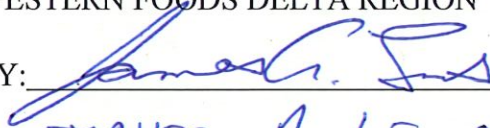
SO ORDERED THIS 22nd DAY OF MARCH, 2024.



CALEB J. OSBORNE
DIVISION OF ENVIRONMENTAL QUALITY, DIRECTOR
CHIEF ADMINISTRATOR, ENVIRONMENT
ARKANSAS DEPARTMENT OF ENERGY & ENVIRONMENT

APPROVED AS TO FORM AND CONTENT:

WESTERN FOODS DELTA REGION

BY:  (Signature)
JAMES A. LEUS (Typed or printed name)

TITLE: MANAGER

DATE: 3/5/24