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Air Enforcement: Arkansas Department of Energy and Environment - Division of Environmental Quality and Phillips County Biodiesel Production Facility Enter into Consent Administration Order

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The Arkansas Department of Energy and Environment – Division of Environmental Quality (“DEQ”) and Solfuels USA., Inc. (“Solfuels”) entered into a March 5th Consent Administrative Order (“CAO”) addressing alleged violations of an air permit. See LIS No. 20-133.

The CAO provides that Solfuels owns and operates a biodiesel production facility in Phillips County, Arkansas.

Solfuels is stated to have conducted initial performance testing of a Biodiesel Recovery System Final Vent (SN-05) on August 22, 2018. The test results were submitted on December 20, 2018.

December 20, 2018, correspondence submitted by the company’s consultants indicated corrective action alternatives were being evaluated in response to the test results of the initial performance testing of SN-05. The consultant is indicated to have stated that one alternative would be to retest SN-05. A second alternative identified is stated to have been modification of the facility’s air permit to increase the permitted emission rates.

DEQ is stated to have subsequently informed Solfuels of its evaluation of the test results. Such evaluation is stated to have indicated that the VOC emission rate limit at the time of testing was 2.67 pound per hour. This rate is stated to have exceeded the permitted VOC emission rate in the air permit of 0.1 lb/hr. This exceedance allegedly violated Specific Condition 1 of Solfuel’s facility air permit.

The CAO also provides that the evaluation revealed that the Methanol emission rate at the time of testing was 0.57 lb/hr. This rate is alleged to have exceeded the permitted Methanol emission rate limit of 0.1 lb/hr. This exceedance allegedly violated Specific Condition 2 of the facility’s air permit. A table is included in the CAO that allegedly identifies an exceedance.

Solfuels is stated to have submitted a permit modification on May 2, 2019, to address the VOC and Methanol exceedances. Further, Solfuels, through the permit modification application, is stated to have requested the following changes to Permit R6:

1. add an acidulating system for crude glycerin purification;
2. add and a diatomaceous earth filtration system;
3. increase the VOC emission rate to 4.7 lb/hr and 20.5 tons per year; and
4. increase the methanol emission rate to 1.0 lb/hr and 4.38 tons per year.

DEQ is stated to have issued Solfuels' Air Permit R7 in response to the permit modification application. Further, on January 23rd, DEQ is stated to have clarified the permitted capacity at SN-05 in Specific Condition 32 of Permit R7. The permitted capacity for purposes of determining testing conditions is stated to be 70 gallons per minute.

The CAO provides that Solfuels neither admits nor denies the factual and legal allegations contained in the CAO.

Solfuels is required to test SN-05 for VOC and Methanol no later than 180 days after the initial startup of the acidulating system and the diatomaceous earth filtration system at SN-05. Further, it is required to adhere to testing notification and reporting requirements of General Condition 7 of Permit R7. Additional instructions are provided in terms of required testing.

A civil penalty of \$2,400 is assessed which could have been reduced to \$1,200 if the CAO was signed and returned to DEQ prior to 4:00 p.m. on February 26th.

A copy of the CAO can be downloaded [here](#).