Little Rock Rogers Jonesboro Austin **MitchellWilliamsLaw.com** 

Mitchell, Williams, Selig, Gates & Woodyard, P.L.L.C.



Walter Wright, Jr. wwright@mwlaw.com (501) 688.8839

Air Enforcement: Arkansas Department of Energy & Environment - Division of Environmental Quality and Stuttgart Agricultural Products Storage/Manufacturing Complex Enter into Consent Administrative Order

## 01/05/2022

The Arkansas Department of Energy & Environment - Division of Environmental Quality ("DEQ") and Riceland Foods, Inc./Soy Division ("Riceland") entered into a December 21st Consent Administrative Order ("CAO") addressing alleged violations of an air permit. See LIS No. 21-140.

The CAO provides that Riceland owns and operates a large agricultural product storage and manufacturing complex in Stuttgart, Arkansas.

DEQ personnel are stated to have conducted a compliance inspection of the facility ("Facility") on February 10th. The inspection is stated to have covered the reporting period of January 1, 2020, through December 31, 2020.

The inspection allegedly identified the following violations:

- Exceedance of the Volatile Organic Compound ("VOC") emission rate limit of 593.6 tons per rolling 12-month total during three months, October 2020 through December 2020
- Exceedance of the 12-month rolling total emission rate limit of 1.98 pounds of VOC per ton of rice bran processing during six months , July 2020 through December 2020

Riceland submitted a response to a March 17 DEQ letter addressing the inspection. The April 29th response submitted by Riceland stated that:

... in November 2020, Respondent had an equipment supplier conduct an audit to address the high hexane loss and several issues were identified. Respondent stated that in the soy extraction plant, four major items were identified: extractor main shaft seal was leaking, extractor main shaft side plate was leaking, the desolventizer-toaster-dryer-cooler (DTDC) vapor recovery system (VRS) tray had a steam leak, and the DTDC vapor wash had damaged hexane spray nozzles. The desolventizer-toaster-dryer-cooler vapor recovery system tray and vapor wash were repaired and put back online in December 2020. In order to repair the extractor mainshaft seal and extractor mainshaft side plate, Respondent stated it will have to purge the extraction system. Respondent further stated it will be taking a downtime at the soy extraction plant the week of May 2, 2021, to perform the purge; a contractor will be onsite during the

downtime to repair the remaining two items. In the rice bran extraction plant, three major items were identified: the first skillet/desolventizing tray was offline, the staybolt deck chute was damaged, and the staybolt decks were plugged. Respondent stated all rice bran extraction plant items were repaired in December of 2020.

Riceland also informed DEQ on August 24th that the purge of the extraction system was conducted on May 2nd – 3rd of 2021.

Riceland is stated to have submitted Excess Emissions Reports ("EERs") to DEQ for the third quarter of 2020, fourth quarter of 2020, first quarter of 2021, and second quarter of 2021. The EERs are stated to have indicated that Riceland exceeded the 30-day rolling average Nitrous Oxide emission rate limit of 91.0 lb/hr at the SN-87 during the 3rd and 4th quarters of 2020 and 1st and 2nd quarters of 2021.

Riceland is stated to have submitted an Administrative Amendment to DEQ on November 9th to remove several sources which were approved by DEQ on November 10th.

Riceland neither admits nor denies the factual and legal allegations contained in the CAO.

The CAO assesses a civil penalty of \$14,000.

A copy of the CAO can be downloaded here.