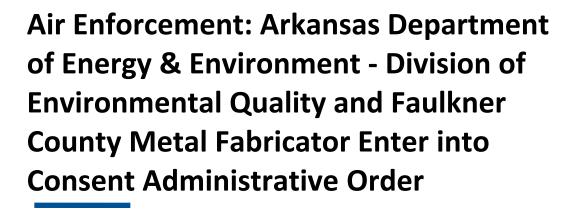
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## 08/09/2022

The Arkansas Department of Energy & Environment - Division of Environmental Quality ("DEQ") and SFI of Arkansas, LLC ("SFI") entered into a June 3rd Consent Administrative Order ("CAO") addressing alleged violations of an air permit. See LIS No. 22-070.

The CAO provides that SFI owns and operates a manufacturing facility ("Facility") that is a fabricator of medium grade metals in Faulkner County, Arkansas.

The Facility is stated to specialize in laser cutting, punching, bending, welding, and powder coating.

The Facility engages in certain activities pursuant to an air permit.

DEQ personnel are stated to have conducted an inspection of the Facility on September 9, 2021. The inspection is stated to have covered the reporting period of July 2016 through July 2021.

SFI is stated to have installed and operated a Mitsubishi Laser Table without first submitting a permit modification application to DEQ to have the new source added to its air permit.

The inspection is also stated to have determined the Facility:

- Failed to maintain the monthly and 12-month rolling total records for SN-301, SN-302, and SN-303 from July 2016 through July 2021
- Failed to maintain the monthly and 12-month rolling total records for SN-401 from July 2016 through
   July 2021

SFI responded to a DEQ query regarding the inspection and provided the following information:

- 1. Regarding the violations outlined in Paragraph 8 of the Findings of Fact, Respondent stated that a revised permit application, if requested, would be submitted to DEQ to include the Mitsubishi Laser Table.
- 2. Regarding the violations outlined in Paragraph 13 of the Findings of Fact, Respondent included attachments of monthly records to demonstrate compliance with Specific Conditions 6, 7, and 8.
- 3. Regarding the violations outlined in Paragraph 16 of the Findings of Fact, Respondent included attachments of monthly records to demonstrate compliance with Specific Conditions 10.

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

The CAO requires that within 30 calendar days of its effective date that SFI shall, if it has not done so prior to execution of the document, submit to DEQ a permit modification application to add the Mitsubishi Laser Table to the permit. Further, to demonstrate compliance with Specific Conditions 9 and 11 of the air permit, the company is required to submit the monthly and 12-month rolling total records referenced in Paragraphs 14 and 17 of the Findings of Fact of the CAO to DEQ. Such records are required to submitted for three consecutive months beginning with the month following the effective date of the CAO.

A civil penalty of \$16,320 is assessed, which could have been to reduced one-half if the CAO was signed and returned to DEQ by April 8th.

A copy of the CAO can be downloaded <u>here</u>.