

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

IN THE MATTER OF:

AFIN: 26-00039

LIS No. 22-029

ALLIANCE RUBBER COMPANY
210 CARPENTER DAM ROAD
HOT SPRINGS, AR 71903

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

The issues herein having been settled by agreement of Alliance Rubber Company (Respondent) and the Director of the Division of Environmental Quality¹ (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 mechanical rubber product manufacturing facility located at 210 Carpenter Dam Road in Hot Springs, Garland County, Arkansas.
2. There are two Air Permits referenced in this CAO. Permit 1453-AR-3 (Permit

¹ Pursuant to Act 910 of 2019, the Arkansas Transformation and Efficiencies Act, the former Arkansas Department of Environmental Quality is now the Division of Environmental Quality in the newly created Arkansas Department of Energy and Environment.

R3) was issued on September 14, 2006, and voided on April 10, 2019. Permit 1453-AR-4 (Permit R4) was issued on April 10, 2019.

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) 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 April 6, 2017, DEQ personnel inspected the Respondent’s facility and found that Respondent was using the component Colorbond UV RubberBond-Pretreatment Version 2 that contained the Hazardous Air Pollutant (HAP) Acetonitrile.

7. In CAO LIS: 17-071 executed on September 19, 2017, Respondent agreed to either immediately cease use of Colorbond UV RubberBond-PretreatmentVersion 2 or submit a permit modification application allowing the use of the HAP Acetonitrile at the Silk Screening Area (SN-14).

8. In correspondence dated November 14, 2017, Respondent requested through an Administrative Amendment to Permit R3 the addition of Acetonitrile usage at SN-14 as an

insignificant activity.

9. In a response dated November 29, 2017, DEQ personnel notified Respondent that an Administrative Amendment to Permit R3 could not be completed to allow for the usage of Acetonitrile as an insignificant activity and that a permit application would need to be submitted.

10. Specific Condition 7 of Permit R3 and Permit R4 states that “the permittee shall not use any HAP-containing component at the Silk Screening Area without first obtaining a permit modification.”

11. To date, Respondent has not submitted a permit application to incorporate the use of Acetonitrile at SN-14. Such failure violates Specific Condition 7 of Permit R3 and Permit R4 and therefore violates Ark. Code Ann. § 8-4-217(a)(3) as referenced by Ark. Code Ann. § 8-4-304.

12. On June 9, 2021, DEQ personnel performed a compliance inspection of Respondent’s facility. The inspection covered the reporting period of May 2017 through April 2021.

13. Specific Condition 6 requires Respondent to maintain individual monthly records of total VOC emissions from SN-14 and indicate the amount of each material used, material density, and VOC percent by weight for each month.

14. The inspection found that Respondent failed to provide records of total VOC emissions for the use of 24349 Rubber Adhesion Promoter and Colorbond UV RubberBond-Pretreatment Version 2 at SN-14 for the period of May 2017 through April 2021. Such failure violates Specific Condition 6 of Permit R3 and Permit R4 and therefore violates Ark. Code Ann. § 8-4-217(a)(3) as referenced by Ark. Code Ann. § 8-4-304.

15. Specific Condition 7 requires Respondent to use only authorized HAP containing components at SN-14.

16. The inspection found that Respondent used HAP containing components 24349 Rubber Adhesion Promoter and Colorbond UV Rubber Bond- Pretreatment Version 2 prior to obtaining a permit modification. The two (2) components contained the HAP Acetonitrile. Such act violates Specific Condition 7 of Permit R3 and Permit R4 and therefore violates Ark. Code Ann. § 8-4-217(a)(3) as referenced by Ark. Code Ann. § 8-4-304.

17. APC&EC Reg. 18.301 provides that no person shall cause or permit the operation, construction, or modification of a stationary source without first obtaining a permit.

18. The inspection found that Respondent installed and operated an Emergency Diesel Fire Pump and three (3) natural gas generators without a permit. Such acts violate APC&EC Reg. 18.301 and therefore violate Ark. Code Ann. § 8-4-217(a)(3) as referenced by Ark. Code Ann. § 8-4-304.

19. In correspondence dated June 17, 2021, DEQ personnel notified Respondent of the violations found during the inspection. This was intended to provide Respondent with the opportunity to review the violations and submit additional information deemed appropriate regarding the violations.

20. In a response dated August 17, 2021, Respondent stated that a permit modification application would be submitted to address the Acetonitrile containing components and the addition of the emergency fire pump and three (3) emergency generators. Respondent also stated that updated VOC calculations would be provided.

21. In an emailed letter dated August 30, 2021, DEQ notified Respondent that the

violations found during the inspection are routing through formal enforcement channels.

22. On December 22, 2021, the DEQ, Air Enforcement mailed a proposed CAO to Respondent.

23. In a response dated January 20, 2022, Respondent stated that facility would be making the necessary permitting modifications to include the unpermitted sources and would be updating recordkeeping methodology to restore the facility's compliance status.

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 thirty (30) calendar days of the effective date of the CAO, Respondent shall submit a permit modification application to address the violations outlined above in paragraphs 14 and 16 of the Findings of Fact.

2. Within thirty (30) calendar days of the effective date of this CAO, Respondent shall submit records showing compliance with Specific Condition 6. The records shall be submitted monthly for a period of six (6) months. Respondent shall submit records to:

DEQ, Office of Air Quality
Enforcement Section
5301 Northshore Drive
North Little Rock, Arkansas 72118-5317.

3. In compromise and full settlement of the violations specified in the FINDINGS OF FACT, Respondent agrees to pay a civil penalty of **TWENTY-TWO THOUSAND DOLLARS (\$22,000.00)**. Payment is due within thirty (30) calendar days of 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.

4. 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.

5. 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.

6. 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.

7. 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.

8. 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.


9. As provided by APC&EC Regulation 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.

10. 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.

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. 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 17TH DAY OF MARCH, 2022.


JULIE LINCK, CHIEF ADMINISTRATOR
ARKANSAS DEPARTMENT OF ENERGY AND ENVIRONMENT,
DIVISION OF ENVIRONMENTAL QUALITY

APPROVED AS TO FORM AND CONTENT:

ALLIANCE RUBBER COMPANY
BY:  (Signature)

TREVOR HAMILTON (Typed or printed name)

TITLE: Safety/Environmental Mgr

DATE: 03/10/2022