

BEFORE THE MISSISSIPPI COMMISSION  
ON ENVIRONMENTAL QUALITY

MISSISSIPPI COMMISSION ON  
ENVIRONMENTAL QUALITY

COMPLAINANT

VS.

ORDER NO. 7344 24

TOYOTA MOTOR MANUFACTURING, MISSISSIPPI, INC.  
1200 MAGNOLIA WAY  
BLUE SPRINGS, MISSISSIPPI 38828

RESPONDENT

AGREED ORDER

COME NOW the Mississippi Commission on Environmental Quality (Commission), acting through the staff and Executive Director of the Mississippi Department of Environmental Quality (MDEQ), Complainant, and Toyota Motor Manufacturing, Mississippi, Inc., Respondent, in the above captioned cause and agree as follows:

1.

By letter dated December 18, 2023, Respondent was contacted by Complainant and notified of the following violation of Title V Operating Permit No. 2700-00045 at its automobile manufacturing plant in Union County:

- A. Condition 3.B.11: Respondent failed to meet the required 95% Destruction / Removal Efficiency of Volatile Organic Compounds (VOCs) during performance testing of Emission Points AA-132 and AA-134 on July 13-14, 2023. Respondent achieved 82.8% at Emission Point AA-132 and 91.9% at Emission Point AA-134. Subsequently, Respondent demonstrated compliance with 95% Destruction / Removal Efficiency Standard during performance testing on August 24, 2023.

2.

In lieu of a formal enforcement hearing concerning the violation listed above, Complainant

and Respondent agree to settle this matter as follows:

- A. Respondent agrees to pay and Complainant agrees to accept a civil penalty in the amount of \$90,000.00. Respondent shall pay this penalty as follows:
1. Respondent shall pay to MDEQ by certified check or money order a penalty in the amount of \$40,000.00 within forty-five (45) days after this Agreed Order has been executed by the MDEQ Executive Director or his designee (the "Effective Date"). The payment shall be submitted to:  
Mississippi Department of Environmental Quality  
Attn: Accounts Receivable  
P.O. Box 2339  
Jackson, MS 39225
  2. In accordance with the provisions of this Agreed Order between Complainant and Respondent, Complainant shall allow Respondent credit as follows toward payment of the civil penalty in the amount of \$50,000.00:
    - i. Within forty-five (45) days of the Effective Date, Respondent shall, as part of a Supplemental Environmental Project (SEP), submit to MDEQ a contribution to the Mississippi Diesel School Bus Replacement Program by certified check or money order in the amount of \$50,000.00 made payable to MDEQ. The contribution shall be submitted to:  
Mississippi Department of Environmental Quality  
Attn: Accounts Receivable  
P.O. Box 2339  
Jackson, MS 39225
  3. Should Respondent fail to comply with Section 2.A.2. of this Agreed Order, \$50,000.00 shall be immediately due and payable to MDEQ as a civil penalty.
- B. In accordance with the provisions of this Agreed Order between Complainant and Respondent, Complainant asserts that the contribution described in Section 2.A.2. will be used by the Mississippi Diesel School Bus Replacement Program to implement diesel emissions reduction projects in accordance with the Diesel

Emissions Reduction Act (DERA) of 2023.

C. Respondent further understands and agrees that as part of the referenced settlement, Respondent shall comply with the following:

1. Any public statement, oral or written, in print, film or other media, made by Respondent referring to the payment described in Section 2.A.2. of this Agreed Order shall include the following language: *“This contribution was made in connection with the settlement of an environmental enforcement action taken by the Mississippi Department of Environmental Quality.”*
2. Respondent shall not deduct any Supplemental Environmental Project expenditures from its state or federal income taxes or receive any state or federal credit for these expenditures as current operating expenses in 2024. Respondent may capitalize the SEP expenditures.

3.

Nothing in this Agreed Order shall limit the rights of MDEQ or the Commission in the event Respondent fails to comply with this Agreed Order. The Agreed Order shall be strictly construed to apply to those matters expressly resolved herein.

4.

Nothing contained in this Agreed Order shall limit the rights of MDEQ or the Commission to take enforcement or other actions against Respondent for violations not addressed herein and for future violations of environmental laws, rules, and regulations.

5.

Respondent understands and acknowledges that it is entitled to an evidentiary hearing before the Commission pursuant to Miss. Code Ann. § 49-17-31, and that it has made an informed waiver of that right.

ORDERED, this the 15<sup>th</sup> day of August, 2024.

MISSISSIPPI COMMISSION ON ENVIRONMENTAL QUALITY

BY: [Signature]

CHRIS WELLS  
EXECUTIVE DIRECTOR  
MISSISSIPPI DEPARTMENT  
OF ENVIRONMENTAL QUALITY

AGREED, this the 9<sup>th</sup> day of August, 2024.

TOYOTA MOTOR MANUFACTURING, MISSISSIPPI, INC.

BY: [Signature]  
ERIK SKAGGS  
PRESIDENT

STATE OF MS

COUNTY OF Union

PERSONALLY appeared before me, the undersigned authority in and for the jurisdiction aforesaid, the within named ERIK SKAGGS, who first being duly sworn, did state upon his oath and acknowledge to me that he is the PRESIDENT of TOYOTA MOTOR MANUFACTURING, MISSISSIPPI, INC. and is authorized to sign and enter this Agreement.

SWORN AND SUBSCRIBED BEFORE ME, this the 9<sup>th</sup> day of August, 2024.

[Signature]  
NOTARY PUBLIC

My Commission expires: 5/19/26

