U.S. ENVIRONMENTAL PROTECTION AGENCY
REGION 7
11201 Renner Boulevard
Lenexa, Kansas 66219

In the Matter of:	)	
	)	
LOPAREX LLC,	)	**Docket No.** CAA 07-2026-0059
	)	
Respondent.	)	
	)	

CONSENT AGREEMENT AND FINAL ORDER

Preliminary Statement

The U.S. Environmental Protection Agency, Region 7 (EPA or Complainant), and Loparex LLC (Respondent) have agreed to a settlement of this action before the filing of a complaint, and thus this action is simultaneously commenced and concluded pursuant to Rules 22.13(b) and 22.18(b)(2) of the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits, 40 C.F.R. §§ 22.13(b) and 22.18(b)(2).

Jurisdiction

1. This proceeding is an administrative action for the assessment of civil penalties initiated pursuant to Section 113(d) of the Clean Air Act (CAA), 42 U.S.C. § 7413(d). Pursuant to Section 113(d) of the CAA, 42 U.S.C. § 7413(d), the Administrator and the Attorney General jointly determined that this matter, in which the first date of alleged violation occurred more than twelve months prior to the initiation of the administrative action, was appropriate for administrative penalty action.

2. This Consent Agreement and Final Order serves as notice pursuant to Section 113(d)(2)(A) of the CAA, 42 U.S.C. § 7413(d)(2)(A), of the EPA's intent to issue an order assessing penalties for alleged violations of the Iowa State Implementation Plan (SIP), the Prevention of Significant Deterioration (PSD) Construction Permit and the Title V Operating Permit applicable to Respondent's facility, the National Emissions Standards for Hazardous Air Pollutants (NESHAP) for Paper and Other Web Coatings at 40 C.F.R. Part 63, and Section 112 of the CAA.

3. In satisfaction of the notice requirements of Section 113(a) of the CAA, 42 U.S.C. § 7413(a), the EPA issued a notice of violation (NOV) to Respondent and notified the State of Iowa concerning Respondent's violations of a requirement or prohibition of the Iowa SIP, as described in this Consent Agreement and Final Order. The NOV provided Respondent an opportunity to confer with the EPA concerning the alleged violations.

Parties

4. Complainant is the Director of the Enforcement and Compliance Assurance Division, Region 7, as duly delegated by the Administrator of EPA.

5. Respondent is Loparex LLC, licensed as a limited liability company in the State of Delaware and authorized to do business in the State of Iowa.

Statutory and Regulatory Background

6. The CAA was promulgated "to protect and enhance the quality of the Nation's air resources so as to promote the public health and welfare and the productive capacity of its population." 42 U.S.C. § 7401(b)(1).

7. Failure to comply with any approved regulatory provision of a SIP, or with any permit limitation or condition contained within a permit issued under an EPA approved program that is incorporated into the SIP, shall render the person or governmental entity so failing to comply in violation of a requirement of an applicable implementation plan and subject to enforcement action under Section 113 of the CAA. 40 C.F.R. § 52.23.

Iowa State Implementation Plan

8. Section 110 of the CAA, 42 U.S.C. § 7410, requires each state to adopt and submit to the EPA for approval a plan that provides for implementation, maintenance, and enforcement of the national ambient air quality standards (NAAQS). This plan is known as a State Implementation Plan (SIP).

9. Pursuant to Section 110 of the CAA, 42 U.S.C. § 7410, after a state regulation, permit, or other enforceable mechanism is approved into the SIP by the EPA, it is enforceable both by the respective state in which it is adopted and, pursuant to Section 113(a) of the CAA, 42 U.S.C. § 7413(a), by the EPA.

10. Effective January 11, 1982, the EPA approved modifications to Chapter 24: Excess Emissions of Section 567 of the Iowa Administrative Code (IAC) as part of the Iowa SIP, which contains requirements for reporting excess emissions.

11. The regulation at 567 IAC 24.1(2) states: "An incident of excess emission (other than an incident of excess emission during a period of startup, shutdown, or cleaning) shall be reported to the appropriate regional office of the department within eight hours of, or at the start of the first working day following the onset of the incident." *Approval and Promulgation of Implementation Plans; Iowa*, 47 FR 1119 (January 11, 1982).

12. Section 24.1(2) further requires the incident report to be made by e-mail, in person, or by telephone and to include, at a minimum:

a. The identity of the equipment or source operation from which the excess emission originated and the associated stack or emission point.

b. The estimated quantity of the excess emission.

c. The steps being taken to remedy the excess emission.

d. The steps being taken to limit the excess emission in the interim period.

Approval and Promulgation of Implementation Plans; Approval and Promulgation of State Air Quality Plans for Designated Facilities and Pollutants, State of Iowa; Control of Emissions from Existing Hospital/Medical/Infectious Waste Incinerator Units, Negative Declaration and 111(d) Plan Recission; Approval and Promulgation of Operating Permits Program, State of Iowa, 78 FR 63887 (October 25, 2013).

13. The regulations further require a written report to follow-up the initial incident report "within seven days of the onset of the upset condition." *Id*. The incident report must minimally include six elements.

14. The Iowa Department of Natural Resources (IDNR) most recently submitted a SIP revision to approve changes to 567 IAC 24 into the SIP on March 1, 2011, and the EPA adopted these changes as part of Iowa's SIP on October 25, 2013. *See* 40 C.F.R. § 52.820(c).

15. After the 2013 SIP revision, IDNR revised Section 567 of the IAC, so that the regulations in Chapter 24 were moved to Chapter 21: Compliance, Excess Emissions, and Measurement of Emissions. Aside from renumbering, IDNR revised the excess emissions regulations to add two more required elements to an initial incident report.

16. The regulations appearing at 567 IAC 24.1, as approved into the Iowa SIP on October 25, 2013, were the relevant regulations at the time of the violations alleged in this document. All citations herein refer to provisions of the IAC as applicable at the times of the violations alleged herein. *See* 40 C.F.R. § 52.820(c).

Construction Permit Requirements for Major Stationary Sources

17. The regulations in Chapter 33: Construction Permit Requirements for Major Stationary Sources – Prevention of Significant Deterioration (PSD) of Air Quality of Section 567 of the IAC implements the major New Source Review (NSR) program set forth in Title I, Part C of the CAA and in 40 C.F.R. Part 52.

18. The EPA first adopted Chapter 33 into Iowa's federally enforceable SIP in 2007.

19. "Best available control technology" or "BACT" is defined as "an emissions limitation, including a visible emissions standard, based on the maximum degree of reduction for each regulated NSR pollutant which would be emitted from any proposed major stationary source or major modification which the reviewing authority, on a case-by-case basis, taking into

account energy, environmental, and economic impacts and other costs, determines is achievable for such source of modification through application of production processes or available methods, systems, and techniques, including fuel cleaning or treatment or innovative fuel combination techniques for control of such pollutant. In no event shall application of best available control technology result in emissions of any pollutant which would exceed the emissions allowed by any applicable standard under 567-subrules 23.1(2) through 23.1(5) (standards for new stationary sources, federal standards for hazardous air pollutants, and federal emission guidelines), or federal regulations as set forth in 40 CFR Parts 60, 61 and 63 but not yet adopted by the state. If the department determines that technological or economic limitations on the application of measurement methodology to a particular emissions unit would make the imposition of an emissions standard infeasible, a design, equipment, work practice, operational standard or combination thereof may be prescribed instead to satisfy the requirement for the application of best available control technology. Such standard shall, to the degree possible, set forth the emissions reduction achievable by implementation of such design, equipment, work practice or operation and shall provide for compliance by means which achieve equivalent results." 567 IAC 33.3(1).

20. "Emissions unit" is defined as "any part of a stationary source that emits or would have the potential to emit any regulated NSR pollutant and includes an electric utility steam generating unit. For purposes of this chapter, there are two types of emissions units: 1. A new emissions unit is any emissions unit that is (or will be) newly constructed and that has existed for less than two years from the date such emission unit first operated. 2. An existing emissions unit is any emissions unit that does not meet the requirements in '1' above. A replacement unit is an existing emissions unit." 567 IAC 33.3(1).

21. "Enforceable permit condition, for the purposes of this chapter, means any of the following limitations and conditions: requirements developed pursuant to new source performance standards, prevention of significant deterioration standards, emissions standards for hazardous air pollutants, requirements within the SIP, and any permit requirements established pursuant to this chapter, any permit requirements established pursuant to 40 CFR 52.21 or Part 51, Subpart I, as amended through October 20, 2010, or under construction or Title V operating permit rules." 567 IAC 33.3(1).

22. "Regulated NSR pollutant" is defined, in relevant part, as "any pollutant for which a national ambient air quality standard has been promulgated and any constituents or precursors for such pollutants identified by the Administrator [including] volatile organic compounds and nitrogen oxides are precursors to ozone in all attainment and unclassifiable areas." 567 IAC 33.3(1).

23. The PSD program requirements in 567 IAC Chapter 33 apply to the construction of any new major stationary source or any project at an existing major stationary source in an area designated as attainment or unclassifiable under Section 107(d)(1)(A)(ii) or (iii) of the CAA. 567 IAC 33.3(2).

24. The Iowa regulations incorporate by reference the control technology review provisions set forth in 40 C.F.R. § 52.21(j). 567 IAC 33.3(10).

25. The PSD program requires that "a major modification shall apply best available technology for each regulated NSR pollutant for which it would result in a significant net emissions increase at the source." 40 C.F.R. § 52.21(j)(3).

Title V Operating Permit

26. Section 502 of the CAA, 42 U.S.C. § 7661a, requires the EPA Administrator to establish the minimum elements of a permit program to be administered by any air pollution control agency. The EPA promulgated 40 C.F.R. Part 70, State Operating Permit Programs, which define the minimum elements for State operating permit programs and the standards and procedures by which the Administrator will approve, oversee, and withdraw approval of the State operating permit programs.

27. The EPA approved Iowa's Title V permit program, codified at 567 IAC Chapter 22, in 1997. Clean Air Act Final Full Approval of Operating Permits Program and Approval of Delegation of Section 112(l); State of Iowa, 62 FR 37514 (July 14, 1997).

28. Section 22.101(1) of Iowa's regulations at 567 IAC requires that a stationary source obtain a Title V operating permit if it is a major source.

29. IDNR revised Section 567 of the IAC, so that the regulations in Chapter 22 were moved to Chapter 24: Operating Permits. Iowa did not submit this administrative renumbering in order to update the EPA-approved operating permits program.

30. Section 302(e) of the CAA, 42 U.S.C. § 7602(e), defines "person" as an individual, corporation, partnership, association, State, municipality, political subdivision of a State, and any agency, department, or instrumentality of the United States and any officer, agent, or employee thereof.

31. Section 302(z) of the CAA, 42 U.S.C. § 7602(z), defines "stationary source" as generally any source of an air pollutant except those emissions resulting directly from an internal combustion engine for transportation purposes or from a nonroad engine or nonroad vehicle.

32. Section 501(2) of the CAA, 42 U.S.C. § 7661(2) and 40 C.F.R. § 70.2, define "major source" in part, as any stationary source or group of stationary sources within a contiguous area and under common control that is either one of the following:

a. a source that emits or has the potential to emit, considering controls, in the aggregate, ten (10) tons per year or more of any single hazardous air pollutant (HAP) or twenty-five (25) tons per year or more of any combination of HAPs.

b. a major stationary source of air pollutants that directly emits, or has the potential to emit, 100 tons per year or more of any air pollutant subject to regulation.

33. Pursuant to Section 502(a) of the CAA, 42 U.S.C. § 7661a(a), it is unlawful for any person to, among other things, operate a major source subject to Title V except in compliance with a Title V permit after the effective date of any permit program approved or promulgated under Title V of the CAA.

34. Under 40 C.F.R. § 70.6(b), all terms and conditions contained in a permit issued under a permit program approved pursuant to Title V are federally enforceable under Section 113 of the CAA, 42 U.S.C. § 7413, unless the term or condition is not required under the CAA.

National Emission Standards for Hazardous Air Pollutants

35. Section 112 of the CAA, 42 U.S.C. § 7412, requires the EPA to develop emission standards that apply to specific categories of major sources and area sources of listed hazardous air pollutants. The NESHAPs apply to specific sources that emit listed HAPs. The EPA develops and implements the NESHAPs and delegates authority over them to the states after submission of adequate regulatory procedures for implementation and enforcement for a particular NESHAP. The EPA retains concurrent enforcement authority with authorized states for NESHAP violations.

36. Section 112(a)(3) of the CAA and the NESHAP General Provisions at 40 C.F.R. § 63.2 define "stationary source" as any building, structure, facility, or installation which emits or may emit any air pollutant.

37. The NESHAP for Paper and Other Web Coating at 40 C.F.R. Part 63, Subpart JJJJ (NESHAP JJJJ), establishes national emission standards for HAPs for paper and other web coating operations. NESHAP JJJJ has been delegated to the State of Iowa, and the EPA retains concurrent enforcement authority with the State for NESHAP JJJJ violations.

38. The owner or operator of existing affected sources must limit organic HAP emissions to no more than 5 percent of the organic HAP applied for each month (95 percent reduction) for all periods of operation, including startup, shutdown, and malfunction by July 9, 2023. 40 C.F.R § 63.3320(b)(1).

39. For any web coating line or group of web coating lines for which an add-on control device is used to demonstrate compliance, the owner or operator must meet operating limits specified in Table 1 to Subpart JJJJ. The operating limits must be established during the performance test according to the requirements of 40 C.F.R. § 63.3360(e)(3), and the owner or operator must meet the operating limits at all times after the limits are established. 40 C.F.R § 63.3321(a).

40. NESHAP JJJJ defines "control device" as "a device such as a solvent recovery device or oxidizer which reduces the organic HAP in an exhaust gas by recovery or by destruction." 40 C.F.R. § 63.3310.

41. The owner or operator of affected sources which commenced construction or reconstruction prior to September 19, 2019, must conduct a periodic emissions performance test

by July 9, 2023, or within 60 months of the previous test, whichever is later, and subsequent tests no later than 60 months thereafter. 40 C.F.R § 63.3330(a)(2).

42. The provisions of 40 C.F.R. § 63.3340(b) requires that "on and after July 9, 2021, [for affected sources as of September 19, 2019] . . ., you must always operate and maintain your affected source, including associated air pollution control equipment and monitoring equipment, in a manner consistent with safety and good air pollution control practices for minimizing emissions. The general duty to minimize emissions does not require the owner or operator to make any further efforts to reduce emissions if levels required by the applicable standard have been achieved. Determination of whether a source is operating in compliance with operation and maintenance requirements will be based on information available to the Administrator which may include, but is not limited to, monitoring results, review of operation and maintenance procedures, review of operation and maintenance records, and inspection of the source."

43. The owner or operator of an affected source must demonstrate compliance each month with the emission limitations in § 63.3320(b). An owner or operator of an existing affected source that demonstrates compliance through the use of a capture system and control device must demonstrate overall organic HAP control efficiency is equal to 95 percent. To make this demonstration, the owner or operator must follow the procedures set forth in § 63.3370(f) to determine compliance according to § 63.3370(l) if using an oxidizer. 40 C.F.R § 63.3370(a).

44. The NESHAP for Major Sources: Industrial, Commercial, and Institutional Boilers and Process Heaters at 40 C.F.R. Part 63, Subpart DDDDD (NESHAP DDDDD), establishes national emission limitations and work practice standards for HAPs emitted from industrial, commercial, and institutional boilers and process heaters located at major sources of HAP. The State of Iowa has not accepted delegation for NESHAP DDDDD, and the EPA retains sole enforcement authority for NESHAP DDDDD violations.

45. NESHAP DDDDD requires that "[i]f your boiler or process heater has a heat input capacity of 10 million Btu per hour or greater, you must conduct an annual tune-up of the boiler or process heater to demonstrate continuous compliance as specified in paragraphs (a)(10)(i) through (vi) of this section." 40 C.F.R. § 63.7540(a)(10).

46. Section 112(i)(3) of the CAA, 42 U.S.C. § 7412(i)(3), and 40 C.F.R. § 63.4 prohibit the owner or operator of any source from operating in violation of any NESHAP applicable to such source.

47. Section 113(d) of the CAA, 42 U.S.C. § 7413(d), states that the Administrator may issue an administrative order against any person assessing a civil administrative penalty of up to $25,000 per day of violation whenever, on the basis of any available information, the Administrator finds that such person has violated or is violating any requirement or prohibition of an applicable implementation plan or any other requirement or prohibition of Section 112(r) of the CAA, 42 U.S.C. § 7412(r), or Title V of the CAA. The Debt Collection Improvement Act of 1996, 31 U.S.C. § 3701, as amended, and the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015, 28 U.S.C. § 2461, and implementing regulations at 40 C.F.R. Part

19, increased these statutory maximum penalties to $59,114 for violations that occur after November 2, 2015, and for which penalties are assessed on or after January 8, 2025.

Factual Allegations

48. Respondent is, and at all times referred to herein was, a "person" as defined by Section 302(e) of the CAA, 42 U.S.C. § 7602(e).

49. Respondent is the "owner" and/or "operator" of the specialty paper and film release liner manufacturing facility located at 2000 Industrial Park Road, Iowa City, Iowa 52240 (the Facility) within the meaning of Section 112(a) of the Act, 42 U.S.C. § 7412(a).

50. The Facility is a "stationary source" as that term is defined in Sections 112(a)(3) and 302(z) of the CAA, 42 U.S.C. §§ 7412(a)(3), 7602(z).

51. The Facility is a major stationary source of volatile organic compounds (VOC), individual HAPs, and combined HAPs, as that term is defined at Sections 112(a)(1) and 501(2) of the CAA, 42 U.S.C. §§ 7412(a)(1), 7661(2).

52. The Facility has eight web coating lines and uses thermal oxidizers to demonstrate compliance with NESHAP JJJJ for Lines 14/16, 17, and 18. These thermal oxidizers are known as Control Equipment (CE) 014/016, CE017, and CE018, respectively.

53. The Thermal Oxidizers CE014/016, CE017, and CE018 are subject to 40 C.F.R. § 63.3321 because they are add-on control devices used to comply with the emission standards in § 63.3320.

54. The Facility also has Auxiliary Heaters EU-017-5 and EU-018-5, which are subject to 40 C.F.R. § 63.7540(a)(10) because they are industrial boilers or process heaters as defined in § 63.7575 that are located at a major source of HAPs and have a heat input capacity of greater than 10 million Btu per hour.

55. On July 28, 2009, INDR issued the Facility an Original State PSD Permit, Permit Number 09-A-365-P (hereinafter "Construction Permit") for the construction of Line 18 Oven Zone 1 (EU 018-3a) and Line 18 Oven Zone 2 (EU 018-3b).

56. Permit Condition 10a of the Construction Permit sets forth the BACT Emission limits for the emissions units, which includes a limit of 49.2 tons per year of VOCs for all emission points on Line 18. The Construction Permit allows the owner/operator to select from three different control options to meet the VOC emission limit. Control Option 3 requires that the owner or operator meet a minimum of a 98 percent reduction (three-hour average) based on the total VOC inlet rate to the emission units on Line 18 and the outlet VOC emissions measured at each stack associated with Line 18.

57. Effective March 17, 2022, IDNR issued the Facility a Title V Operating Permit, Air Quality Operating Permit Number: 01-TV-005R3 (hereinafter "Operating Permit"). The Permit includes the emissions limits set forth in NESHAP JJJJ and NESHAP DDDDD.

58. The Operating Permit also incorporates the BACT limit for VOC set forth in Construction Permit Condition 10a at page 71.

59. The Operating Permit states that organic HAP emission from Line 17 shall be limited as required by NESHAP Subpart JJJJ.

60. Section G14.2 of the Operating Permit sets forth the mechanism for reporting excess emissions, incorporating 567 IAC 24.1(2) into the Operating Permit. Section G14.2(a) requires that an incident of excess emissions to be initially reported to the appropriate IDNR field office within eight hours of, or at the start of the first working day following the onset of the incident. This initial report must include: the identity of the equipment or source operation from which the excess emission originated and the associated stack or emission point; the estimated quantity of the excess emission; the time and expected duration of the excess emission; the cause of the excess emission; the steps being taken to remedy the excess emission; and the steps being taken to limit the excess emission in the interim period. The initial report can be made by email, in person, or telephone.

61. Section G14.2(b) sets forth the minimum requirements for a written follow-up report of excess emissions. The follow-up report must be submitted to IDNR within seven days of the onset of the incident. This report must include: the identity of the equipment or source operation point from which the excess emission originated and associated stack or emission point; the estimated quantity of the excess emission; the time and duration of the excess emission; the cause of the excess emission; the steps that were taken to remedy and to prevent the recurrence of the incident of excess emission; the steps that were taken to limit the excess emission; and if the owner claims that the excess emission was due to malfunction, documentation to support the claim.

62. On December 10 – 11, 2024, a duly authorized representative from EPA Region 7 conducted a CAA Inspection at the Facility. This inspection evaluated Respondent's compliance with CAA requirements, including but not limited to the Facility's Operating Permit and applicable NESHAPs.

63. Documentation gathered from the inspection demonstrated that the Line 17 Auxiliary Heater EU-017-5 had annual tune-ups conducted on May 14, 2021, December 19, 2024, and January 29, 2025.

64. Documentation gathered from the inspection demonstrated that the Line 18 Auxiliary Heater EU-018-5 had annual tune-ups conducted on May 7, 2021, December 12, 2024, and January 29, 2025.

65. On April 14, 2025, the EPA communicated to Respondent that it had failed to comply with the 2020 update to NESHAP JJJJ by the July 9, 2023, compliance date.

66. Respondent sent IDNR a Notification of Performance Test on April 22, 2025, to conduct stack tests on Thermal Oxidizers CE014/016, CE017, and CE018 between May 28 – 30, 2025.

67. On May 6, 2025, Respondent performed an engineering study to determine the control efficiency of Thermal Oxidizers CE014/016, CE017, and CE018 in preparation for conducting a periodic emissions performance test. The results demonstrated that Thermal Oxidizer CE017 did not limit organic HAP emissions to no more than 5 percent of the organic HAP applied for each month (95 percent reduction) and Thermal Oxidizer CE018 did not meet the 98 percent VOC destruction efficiency limit established by Construction Permit Condition 10a. On June 27, 2025, Respondent notified IDNR of potential deviations from the emission standards in NESHAP JJJJ and the immediate steps Loparex was undertaking to evaluate and address this matter. Loparex submitted a follow-up excess emissions report to IDNR on July 25, 2025.

68. A contractor for Respondent determined that Thermal Oxidizer CE017 needed a new burner and patching of the heat exchanger and Thermal Oxidizer CE018 needed a new heat exchanger. Respondent submitted orders for the necessary parts to make these repairs in June 2025. From July 25 through July 28, 2025, Respondent completed patch work on the Thermal Oxidizers CE017 and CE018.

69. On July 28, 2025, the EPA issued a Notice and Finding of Violation to Respondent for violations of provisions of Iowa's Air Quality Regulations, approved by EPA as part of the Iowa SIP; Respondent's Operating Permit; and Section 112 of the CAA, 42 U.S.C. § 7412, which was later amended on August 12, 2025 to include violations of Respondent's Construction Permit.

70. On August 6, 2025, Respondent performed a second engineering study to understand the efficacy of the patch work repairs. The engineering results showed a destruction rate of 91.7 percent on Thermal Oxidizer CE017 and 98.3 percent on Thermal Oxidizer CE018.

71. Respondent conducted a successful performance test for Thermal Oxidizer CE014/016 on August 21, 2025.

72. On September 4, 2025, the EPA entered into an Administrative Compliance Order on Consent, EPA Docket No. CAA 07-2025-0141, with Respondent. On February 11, 2026, Respondent completed the work required by the Administrative Compliance Order on Consent.

Alleged Violations

73. Complainant hereby states and alleges that Respondent has violated the CAA, the Iowa SIP, and federal regulations promulgated thereunder as follows.

74. For each count below, the facts stated in Paragraphs 48 – 72 are herein incorporated.

Counts 1 – 2

75. The Iowa SIP, 40 C.F.R. § 52.820(c), and Respondent's Operating Permit at Section G14.2 require the owner or operator to report an incident of excess emissions to IDNR within eight hours of the onset of the excess emission, and to further provide a written report within seven days of the onset of the incident of excess emission.

76. The results of the May 6, 2025, engineering study demonstrated that Thermal Oxidizer CE017 did not limit organic HAP to no more than 5 percent of the organic HAP applied for each month (95 percent reduction) for all periods of operation and Thermal Oxidizer CE018 did not meet the 98 percent VOC destruction efficiency limit.

77. Respondent failed to make both an initial report of an incident of excess emissions to IDNR within eight hours of receiving the engineering study results and a written report within seven days of receiving the engineering study.

78. Respondent's failure to timely submit initial and written reports pertaining to the incident of excess emissions from Thermal Oxidizers CE017 and CE018 pursuant to the requirements of the Iowa SIP and Operating Permit Section G14.2 violate 40 C.F.R. § 70.6(b), the Iowa SIP, and Section 502(a) of the CAA, 42 U.S.C. § 7661a(a).

Count 3

79. The Iowa SIP, 40 C.F.R. § 52.820(c), and Respondent's Construction Permit at Condition 10a require Respondent to limit VOC emissions from Thermal Oxidizer CE018 through ventilation of all VOC emissions to a thermal incinerator with a destruction efficiency of at least 98 percent averaged over three hours.

80. The results of the May 6, 2025, engineering study demonstrated that Thermal Oxidizer CE018 did not meet the 98 percent VOC destruction efficiency limit.

81. Respondent completed patchwork repairs to Thermal Oxidizer CE018 between July 25 and July 28, 2025.

82. The results of the August 6, 2025, engineering study demonstrated that Thermal Oxidizer CE018 had a destruction efficiency of 98.3 percent.

83. Respondent's failure to limit VOC emissions from Thermal Oxidizer CE018 through ventilation of all VOC emissions to a thermal incinerator with a destruction efficiency of at least 98 percent average over three hours pursuant to the requirements of Construction Permit Condition 10a is a violation of the Iowa SIP.

Count 4

84. The regulation at 40 C.F.R. § 63.3320(b)(1) and Respondent's Operating Permit require Respondent to limit organic HAP emissions to no more than 5 percent of the organic HAP applied for each month (95 percent reduction) from Thermal Oxidizer CE017 for all periods of operation.

85. The results of the May 6, 2025, engineering study demonstrated that Thermal Oxidizer CE017 did not limit organic HAP to no more than 5 percent of the organic HAP applied for each month (95 percent reduction) for all periods of operation.

86. From July 25 through July 28, 2025, Respondent completed patch work on the Thermal Oxidizers CE017.

87. The results of the August 6, 2025, engineering study demonstrated that Thermal Oxidizer CE017 reduced organic HAP emissions by 91.7 percent.

88. Respondent completed installation of a replacement burner on Thermal Oxidizer CE017 on January 30, 2026.

89. The results of the February 11, 2026, performance test demonstrated that Thermal Oxidizer CE017 reduced organic HAP emissions by 95 percent.

90. Respondent's failure to limit organic HAP emissions from Thermal Oxidizer CE017 to no more than 5 percent of the organic HAP applied for each month, as required by NESHAP JJJJ and Respondent's Operating Permit, violates Sections 112(i)(3) and Section 502(a) of the CAA, 42 U.S.C. §§ 7412(i)(3), 7661a(a).

Counts 5 – 7

91. The regulation at 40 C.F.R. § 63.3330(a)(2) and Respondent's Operating Permit requires the owner or operator of an affected source which commenced construction or reconstruction prior to September 19, 2019, to conduct a periodic emissions performance test by July 9, 2023, or within 60 months of the previous test, whichever is later.

92. Respondent failed to comply with this requirement, as it had conducted periodic emissions performance tests on Thermal Oxidizer CE018 on March 11, 2003; on Thermal Oxidizer CE017 on March 12, 2003; and on Thermal Oxidizer CE014/016 on August 2, 2012.

93. Respondent's failure to conduct emissions performance tests on Thermal Oxidizers CE014/016, CE017, and CE018 by July 9, 2023, as required by NESHAP JJJJ and Respondent's Operating Permit, violates Sections 112(i)(3) and Section 502(a) of the CAA, 42 U.S.C. §§ 7412(i)(3), 7661a(a).

Counts 8 – 9

94. The regulation at 40 C.F.R. § 63.7540(a)(10) and Respondent's Operating Permit require owners or operators of a boiler or process heater that has a heat input capacity of 10 million Btu per hour or greater, to conduct an annual tune-up of the boiler or process heater to demonstrate continuous compliance.

95. Respondent conducted an annual tune-up on the Line 17 Auxiliary Heater EU-017-5 on May 14, 2021.

96. Respondent did not conduct an annual tune-up on the Line 17 Auxiliary Heater EU-017-5 in 2022 or 2023, next performing an annual tune-up on December 19, 2024.

97. Respondent conducted an annual tune-up on the Line 18 Auxiliary Heater EU-018-5 on May 7, 2021.

98. Respondent did not conduct an annual tune-up on the Line 18 Auxiliary Heater EU-018-5 in 2022 or 2023, next performing an annual tune-up on December 12, 2024.

99. Respondent's failures to conduct annual tune-ups of the Line 17 and Line 18 Auxiliary Heaters in 2022 and 2023, as required by NESHAP DDDDD and Respondent's Operating Permit, violate Sections 112(i)(3) and Section 502(a) of the CAA, 42 U.S.C. §§ 7412(i)(3), 7661a(a).

CONSENT AGREEMENT

100. For the purposes of this proceeding, as required by 40 C.F.R. § 22.18(b)(2), Respondent:

a. admits the jurisdictional allegations set forth herein;

b. neither admits nor denies the specific factual allegations stated herein;

c. consents to the assessment of a civil penalty, as stated herein;

d. consents to the issuance of any specified compliance or corrective action order;

e. consents to any conditions specified herein;

f. consents to any stated Permit Action;

g. waives any right to contest the allegations set forth herein; and

h. waives its rights to appeal the Final Order accompanying this Consent Agreement.

101. By signing this consent agreement, Respondent waives any rights or defenses that Respondent has or may have for this matter to be resolved in federal court, including but not limited to any right to a jury trial, and waives any right to challenge the lawfulness of the Final Order accompanying the Consent Agreement.

102. Respondent consents to the issuance of this Consent Agreement and Final Order and consents for the purposes of settlement to the payment of the civil penalty specified herein.

103. Respondent and EPA agree to conciliate this matter without the necessity of a formal hearing and to bear their respective costs and attorneys' fees.

104. The parties consent to service of this Consent Agreement and Final Order electronically at the following e-mail addresses: *palumbo.antonette@epa.gov* (for Complainant) and *ellen.hames@brownwinick.com* (for Respondent). Respondent understands that the Consent Agreement and Final Order will become publicly available upon filing.

Penalty Payment

105. Respondent agrees that, in settlement of the claims alleged herein, Respondent shall pay a civil penalty of three hundred thirty-eight thousand dollars ($338,000), as set forth below.

106. Respondent shall pay the penalty within thirty (30) days of the effective date of the Final Order. Such payment shall identify Respondent by name and docket number and shall be made using any payment method provided at http://www.epa.gov/financial/makepayment. For instructions for wire transfers and additional information, see https://www.epa.gov/financial/additional-instructions-making-payments-epa.

107. Confirmation of payment shall simultaneously be sent to the following:

Regional Hearing Clerk
R7_Hearing_Clerk_Filings@epa.gov; and

Antonette Palumbo, Attorney
palumbo.antonette@epa.gov.

108. Respondent understands that its failure to timely pay any portion of the civil penalty may result in the commencement of a civil action in Federal District Court to recover the full remaining balance, along with penalties and accumulated interest. In such case, interest shall begin to accrue on a civil or stipulated penalty from the date of delinquency until such civil or stipulated penalty and any accrued interest are paid in full. 31 C.F.R. § 901.9(b)(1). Interest will be assessed at a rate of the United States Treasury Tax and loan rates in accordance with 31 U.S.C. § 3717. Additionally, a charge will be assessed to cover the costs of debt collection including processing and handling costs, and a non-payment penalty charge on a per year,

compounded annually basis will be assessed on any portion of the debt which remains delinquent more than ninety (90) days after payment is due. 31 U.S.C. § 3717(e)(2).

109. Pursuant to 26 U.S.C. § 6050X and 26 C.F.R. § 1.6050X-1, the EPA is required to send to the Internal Revenue Service (IRS) annually, a completed IRS Form 1098-F ("Fines, Penalties, and Other Amounts") with respect to any court order or settlement agreement (including administrative settlements) that require a payor to pay an aggregate amount that the EPA reasonably believes will be equal to, or in excess of, $50,000 for the payor's violation of any law or the investigation or inquiry into the payor's potential violation of any law, including amounts paid for "restitution or remediation of property" or to come "into compliance with a law." The EPA is further required to furnish a written statement, which provides the same information provided to the IRS, to each payor (*i.e.*, a copy of IRS Form 1098-F). Respondent's failure to provide IRS Form W-9 or Tax Identification Number (TIN), as described below, may subject Respondent to a penalty, per 26 U.S.C. § 6723, 26 U.S.C. § 6724(d)(3), and 26 C.F.R. § 301.6723-1. To provide the EPA with sufficient information to enable it to fulfill these obligations, Respondent herein agrees that:

a. Respondent shall complete an IRS Form W-9 ("Request for Taxpayer Identification Number and Certification"), which is available at https://www.irs.gov/pub/irs-pdf/fw9.pdf;

b. Respondent shall certify that its completed IRS Form W-9 includes Respondent's correct TIN or that Respondent has applied and is waiting for issuance of a TIN;

c. Respondent shall email its completed Form W-9 to EPA's Cincinnati Finance Division at sherrer.dana@epa.gov within 30 days after the Final Order ratifying this Agreement is filed, and the EPA recommends encrypting IRS Form W-9 email correspondence; and

d. In the event that Respondent has certified in its completed IRS Form W-9 that it does not yet have a TIN but has applied for a TIN, Respondent shall provide EPA's Cincinnati Finance Division with Respondent's TIN, via email, within five (5) days of Respondent's receipt of a TIN issued by the IRS.

Effect of Settlement and Reservation of Rights

110. Full payment of the penalty proposed in this Consent Agreement shall only resolve Respondent's liability for federal civil penalties for the violations alleged herein. Complainant reserves the right to take any enforcement action with respect to any other violations of the CAA or any other applicable law.

111. The effect of settlement described in the immediately preceding paragraph is conditioned upon the accuracy of Respondent's representations to the EPA, as memorialized in the paragraph directly below.

112. Respondent certifies by the signing of this Consent Agreement that it is presently in compliance with all requirements of the CAA and its implementing regulations.

113. Full payment of the penalty proposed in this Consent Agreement shall not in any case affect the right of the Agency or the United States to pursue appropriate injunctive or other equitable relief or criminal sanctions for any violations of law. This Consent Agreement and Final Order does not waive, extinguish, or otherwise affect Respondent's obligation to comply with all applicable provisions of the CAA and regulations promulgated thereunder.

114. The allegations in this Consent Agreement and Final Order constitute "prior violations" as that term is used in EPA's *Clean Air Act Stationary Source Civil Penalty Policy* to determine Respondent's "history of noncompliance" under Section 113(e) of the CAA, 42 U.S.C. § 7413(e).

115. Complainant reserves the right to enforce the terms and conditions of this Consent Agreement and Final Order.

General Provisions

116. By signing this Consent Agreement, the undersigned representative of Respondent certifies that they are fully authorized to execute and enter into the terms and conditions of this Consent Agreement and have the legal capacity to bind the party they represent to this Consent Agreement.

117. This Consent Agreement shall not dispose of the proceeding without a final order from the Regional Judicial Officer or Regional Administrator ratifying the terms of this Consent Agreement. This Consent Agreement and Final Order shall be effective upon the filing of the Final Order by the Regional Hearing Clerk for EPA, Region 7. Unless otherwise stated, all time periods stated herein shall be calculated in calendar days from such date.

118. The penalty specified herein shall represent civil penalties assessed by the EPA and shall not be deductible for purposes of Federal, State, or local taxes.

119. This Consent Agreement and Final Order shall apply to and be binding upon Respondent and Respondent's agents, successors and/or assigns. Respondent shall ensure that all contractors, employees, consultants, firms, or other persons or entities acting for Respondent with respect to matters included herein comply with the terms of this Consent Agreement and Final Order.

RESPONDENT:
LOPAREX LLC

Date: 3/23/2026

Signed by:
Jason VonStein
413079B33AEE497...

Signature

Jason VonStein

Name

VP Finance

Title

COMPLAINANT:
U.S. ENVIRONMENTAL PROTECTION AGENCY

VEDA HAKAMI STOY
Digitally signed by VEDA HAKAMI STOY
Date: 2026.03.31 10:11:32 -05'00'

Alyse Stoy
Acting Director
Enforcement and Compliance Assurance Division

ANTONETTE PALUMBO
Digitally signed by ANTONETTE PALUMBO
Date: 2026.03.31 10:17:49 -05'00'

Antonette Palumbo
Assistant Regional Counsel
U.S. Environmental Protection Agency, Region 7

FINAL ORDER

Pursuant to Section 113(d) of the CAA, 42 U.S.C. § 7413(d), and the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/ Termination or Suspension of Permits, 40 C.F.R. Part 22, the foregoing Consent Agreement resolving this matter is hereby ratified and incorporated by reference into this Final Order.

Respondent is ORDERED to comply with all of the terms of the Consent Agreement. In accordance with 40 C.F.R. § 22.31(b), the effective date of the foregoing Consent Agreement and this Final Order is the date on which this Final Order is filed with the Regional Hearing Clerk.

IT IS SO ORDERED.

KARINA BORROMEO

Digitally signed by KARINA BORROMEO
Date: 2026.04.01 08:05:59 -05'00'

Karina Borromeo
Regional Judicial Officer

CERTIFICATE OF SERVICE
(to be completed by EPA)

I certify that a true and correct copy of the foregoing Consent Agreement and Final Order was sent this day in the following manner to the addressees:

Copy via E-mail to Complainant:

Antonette Palumbo
palumbo.antonette@epa.gov

Christopher Appier
appier.christopher@epa.gov

Alyse Stoy
stoy.alyse@epa.gov

Carrie Venerable
venerable.carrie@epa.gov

Copy via E-mail to Respondent:

Marc Tucker, Loparex LLC
marc.tucker@loparex.com

Steven McDowell, Loparex LLC
steven.mcdowell@loparex.com

Ellen Hames, Brown Winick
ellen.hames@brownwinick.com

Sam Olson, Brown Winick
sam.olson@brownwinick.com

Dated this ______ day of __________________, ________

AMY GONZALES
Digitally signed by AMY GONZALES
Date: 2026.04.02 07:27:23 -05'00'

Signed