



**REGION 7**

LENEXA, KS 66219

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

PARACORP INCORPORATED  
Registered Agent for Loparex LLC  
400 East Court Avenue, Suite 110  
Des Moines, Iowa 50309

Re: Notice and Finding of Violation Pursuant to the Clean Air Act  
Opportunity to Confer Regarding Administrative Order on Consent  
Loparex LLC

Dear PARACORP INCORPORATED:

This letter concerns the compliance of Loparex, LLC with the requirements of the Clean Air Act, 42 U.S.C. § 7401 *et seq.*, for its facility at 2000 Industrial Park Road, Iowa City, Iowa 52240 (the "Facility").

The U.S. Environmental Protection Agency, Region 7, conducted an inspection of the Loparex Facility on December 10-11, 2024. The purpose of the inspection was to determine the compliance of the Facility with the CAA. The EPA sent the inspection report to Loparex on February 18, 2025. On April 14, 2025, the EPA communicated to Loparex that it had failed to comply with the 2020 update to 40 C.F.R. Part 63, Subpart JJJJ (National Emission Standards for Hazardous Air Pollutants: Paper and Other Web Coating) by the compliance date.

Based on a review of the information gathered, the EPA has identified violations of the CAA and the implementing regulations. Specifically, the facility violated the Iowa State Implementation Plan, Loparex's Title V Operating Permit, the National Emission Standards for Hazardous Air Pollutants: Paper and Other Web Coating, promulgated at 40 C.F.R. Part 63, Subpart JJJJ, and the National Emission Standards for Hazardous Air Pollutants for Major Sources: Industrial, Commercial, and Institutional Boilers and Process Heaters, promulgated at 40 C.F.R. Part 63, Subpart DDDDD. The violations are detailed in the enclosed Notice and Finding of Violation, which is being issued to Loparex pursuant to Sections 113(a)(1) and 113(a)(3) of the Clean Air Act, 42 U.S.C. §§ 7413(a)(1) and 7413(a)(3). They include, but are not limited to, the following:

- Failure to timely report excess emissions from Thermal Oxidizer CE017 and Thermal Oxidizer CE018 to the Iowa Department of Natural Resources, as required by 567 IAC 24.1, in violation of Section 110 of the CAA, 42 U.S.C. § 7410 and Loparex's Permit;

- Failure to 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 from Thermal Oxidizer CE017 and Thermal Oxidizer CE018 as required 40 C.F.R. § 63.3320(b) and Loparex's Permit;
- Failure to timely conduct performance testing on the Thermal Oxidizers CE014/016, CE017, and CE018 as required by 40 C.F.R. § 63.3330(a)(2);
- Failure to operate and maintain Thermal Oxidizers CE017 and CE018 in a manner consistent with safety and good air pollution control practices for minimizing emissions, as required by 40 C.F.R. § 63.3340(b); and
- Failure to conduct annual tune-ups on Line 17 and Line 18 Auxiliary Heaters as required by 40 C.F.R. §63.7540(a)(10) and Loparex's Permit.

The performance testing requirements and emission limitations are a core portion of the rule and function to protect human health and the environment. Without a successful performance testing on the thermal oxidizers, there can be no reasonable assurance that the emission limitations are being met. Loparex's engineering study demonstrated it was not meeting the emission limits for the thermal oxidizers, and these control devices require repairs in order to properly control HAPs.

The CAA authorizes the EPA to issue an order requiring Loparex to comply with the requirements in question, and based on the information that it currently has, the EPA believes it is appropriate to do so. However, we recognize that the company is likely to have information relevant to this matter that should be considered, such as efforts taken to comply and steps planned to prevent future violations. Accordingly, the EPA invites Loparex to confer and provide input on some of the terms of an Administrative Compliance Order on Consent ("AOC").

Based on the EPA's current understanding of the facts, this AOC will include, at minimum, the requirement to make the temporary repairs to Thermal Oxidizer CE017 and Thermal Oxidizer CE018, replace specific parts on Thermal Oxidizer CE017 and Thermal Oxidizer CE018, submit a Notification of Performance Test, and conduct performance tests of Thermal Oxidizers CE014/016, CE017, and CE018, which needs to be completed within one year of the effective date of the AOC.

Please keep in mind that an AOC and the Notice and Finding of Violation do not affect Loparex's obligation to comply with all other requirements of the CAA. If Loparex has any questions or wishes to discuss the violations identified in these documents, please contact Christopher Appier, Enforcement and Compliance Assurance Division—Air Branch at (816) 885-1706, or [appier.christopher@epa.gov](mailto:appier.christopher@epa.gov) or Antonette Palumbo, Office of Regional Counsel at (913) 551-7121, or [palumbo.antonette@epa.gov](mailto:palumbo.antonette@epa.gov).

The EPA is committed to working with you to resolve this matter. Your immediate attention to this matter is appreciated.

Sincerely,

David Cozad  
Director  
Enforcement and Compliance Assurance Division

Enclosures: Notice and Finding of Violation  
Administrative Order on Consent

cc: Steven McDowell, Site Manager, Loparex, [steven.mcdowell@loparex.com](mailto:steven.mcdowell@loparex.com)  
Ellen Hames, BrownWinnick, [ellen.hames@brownwinnick.com](mailto:ellen.hames@brownwinnick.com)  
Brian Hutchins, Iowa Department of Natural Resources, [brian.hutchins@dnr.iowa.gov](mailto:brian.hutchins@dnr.iowa.gov)

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 7  
11201 RENNER BOULEVARD  
LENEXA, KANSAS 66219

**FILED**

**July 28, 2025**

**10:41AM**

**U.S. EPA REGION 7  
HEARING CLERK**

**IN THE MATTER OF:**

**Loparex LLC**

**Respondent**

**Docket No. CAA-07-2025-0128**

**CLEAN AIR ACT**  
42 U.S.C. § 7401, *et. seq.*

**NOTICE AND FINDING OF VIOLATION**

The United States Environmental Protection Agency (“EPA”) notifies Loparex LLC that the EPA finds its Iowa City, Iowa facility in violation of Sections 110 and 112 of the Clean Air Act (“CAA” or “the Act”), 42 U.S.C. §§ 7410 and 7412, as specifically set forth below. This Notice and Finding of Violation is issued pursuant to Sections 113(a)(1) and 113(a)(3) of the CAA, 42 U.S.C. §§ 7413(a)(1) and 7413(a)(3), which provide that whenever, on the basis of information available to the Administrator, EPA finds that any person has violated or is violating any requirement or prohibition of an applicable implementation plan or permit, EPA shall notify the person and the State in which the plan applies of such finding.

**A. STATUTORY AND REGULATORY BACKGROUND**

1. The CAA establishes a regulatory framework designed to protect and enhance the quality of the nation’s air so as to promote the public health and welfare and the productive capacity of its population. 42 U.S.C. § 7401.

**Iowa Implementation Plan and Title V Operating Permit Program**

2. Section 110(a) of the CAA, 42 U.S.C. § 7410(a), requires each state to adopt and submit to EPA for approval a plan that provides for the attainment and maintenance of the national ambient air quality standards in each air quality control region within each state. This plan is known as a State Implementation Plan (“SIP”).

3. Pursuant to Section 110 of the CAA, 42 U.S.C. § 7410, after SIPs are approved by EPA, they are enforceable both by the respective states in which they are adopted and, pursuant to Section 113(b) of the CAA, 42 U.S.C. § 7413(b), by the United States.

4. The regulations in Chapter 24: Excess Emissions of Section 567 of the IAC govern reporting of excess emissions and were first adopted as part of the federally approved Iowa SIP in 1982.

5. 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).

6. 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).

7. 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.

8. 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 these changes were adopted as part of Iowa’s SIP on October 25, 2013. *See* 40 C.F.R. § 52.820(c).

9. Subsequent to 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 the renumbering, the excess emissions regulations were revised to add two more required elements to an initial incident report.

10. 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 Notice. 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).

11. Title V of the CAA, 42 U.S.C. §§ 7661-7661f, establishes an operating permit program for major sources of air pollution.

12. Section 502(d) of the CAA, 42 U.S.C. § 7661a(d), requires each state to develop and submit a permit program meeting the requirements of Title V for approval by the EPA.

13. The Iowa SIP regulations governing air quality and air pollution control are codified under Section 567 of the Iowa Administrative Code (“IAC”), Chapter 22. 567 IAC 22.101(1) requires that a stationary source obtain a Title V operating permit if it is a major source.

14. The regulations at 567 IAC 22.101(1) were all incorporated into and part of the Iowa SIP at the time of the violations alleged in this Notice of Violation. 567 IAC 22.101(1) was approved by the EPA as part of the Iowa SIP on July 14, 1997 (62 Fed. Reg. 37514).

15. Under 40 C.F.R. § 70.6(b), all terms and conditions contained in a permit issued under a permit program approved pursuant to the 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.

16. 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 Act.

### **National Emission Standards for Hazardous Air Pollutants**

17. Section 112 of the CAA, 42 U.S.C. § 7412, requires the EPA to develop emissions standards that apply to specific categories of major sources and area sources of listed hazardous air pollutants. The National Emissions Standards for Hazardous Air Pollutants (“NESHAPs”) apply to specific sources that emit listed hazardous air pollutants. These emissions standards must require the maximum degree of reduction in emissions of HAPs that the Administrator, taking into consideration the cost of achieving such emission reduction, and any non-air quality health and environmental impacts and energy requirements, determines is achievable for the new or existing sources in the category to which the emission standard applies. The NESHAPs are developed and implemented by EPA and are delegated to the states. However, even when delegated to the states, EPA retains the authority to implement and enforce the NESHAPs.

18. The NESHAP for Paper and Other Web Coating at 40 C.F.R. Part 63, Subpart JJJJ, establishes national emission standards for hazardous air pollutants for paper and other web coating operations.

19. 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).

20. 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).

21. 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).

22. 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.”

23. 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).

24. Pursuant to Section 112(l) of the CAA, 42 U.S.C. § 7412(l), states may develop and submit to the Administrator for approval a program for the implementation and enforcement (including a review of enforcement delegations previously granted) of emissions standards and other requirements for air pollution subject to this section.

25. Iowa accepted delegation for 40 C.F.R. Part 63, Subpart JJJJ on November 3, 2020.

26. EPA retains concurrent enforcement authority of the NESHAP. 42 U.S.C. § 7412(1)(7).

27. The NESHAP for Major Sources: Industrial, Commercial, and Institutional Boilers and Process Heaters at 40 C.F.R. Part 63, Subpart 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.

28. 40 C.F.R. § 63.7540(a)(10) requires that “If 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.”

29. Iowa has not accepted delegation for 40 C.F.R. Part 63, Subpart DDDDD.

30. Section 112(i)(3) of 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 such source in violation of any NESHAP applicable to such source.

31. Pursuant to Section 113 of the Act, 42 U.S.C. § 7413, the requirements of the Iowa SIP, as approved by EPA, are enforceable by EPA. Section 113(a)(1) of the Act, 42 U.S.C. § 7413(a)(1), states that once the Administrator finds that any person is in violation of any requirement of an applicable implementation plan or permit, the Administrator shall notify the person and the State in which the plan applies of such finding.

32. Section 113(a)(1) of the Act further provides that at any time after the expiration of 30 days following the date on which such notice of a violation is issued, the Administrator may issue an order requiring such person to comply with the requirements or prohibitions of such plan or permit.

## **B. FACTUAL BACKGROUND**

33. 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(a).

34. 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).

35. The Facility is a “stationary source” as defined by Section 302(z) of the CAA, 42 U.S.C. § 7602(z).

36. 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.

37. The Facility is a major source of volatile organic compounds (“VOC”), individual HAPs, and combined HAPs.

38. 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.

39. The Auxiliary Heaters EU-017-5 and EU-018-5 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.



40. Respondent is a “major source” subject to Title V of the CAA, 42 U.S.C. § 7661 *et seq.* Effective March 17, 2022, the Iowa Department of Natural Resources issued the Facility a Title V Operating Permit, Air Quality Operating Permit Number: 01-TV-005R3 (“Permit”). The Permit includes the NESHAP limits for 40 C.F.R. Part 63, Subpart DDDDD, and 40 C.F.R. Part 63, Subpart JJJJ.

41. EPA conducted an inspection at the Facility on December 10-11, 2024, to determine compliance with the CAA.

42. As a part of the inspection, EPA received information demonstrating that the latest performance test demonstrating compliance with 40 C.F.R. § 63.3360 for Thermal Oxidizer CE014/016 was conducted on August 2, 2012.

43. As a part of the inspection, EPA received information demonstrating that the latest performance test demonstrating compliance with 40 C.F.R. § 63.3360 for Thermal Oxidizer CE017 was conducted on March 12, 2003.

44. As a part of the inspection, EPA received information demonstrating that the latest performance test demonstrating compliance with 40 C.F.R. § 63.3360 for Thermal Oxidizer CE018 was conducted on March 12, 2003.

45. As part of the inspection, EPA received information indicating that Loparex performed an engineering study of Thermal Oxidizer CE014/016, Thermal Oxidizer CE017, and Thermal Oxidizer CE018 on May 6, 2025. The engineering study results demonstrated that Thermal Oxidizer CE017 and Thermal Oxidizer CE018 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, set forth in 40 C.F.R. § 63.3320(b)(1).

46. As a part of the inspection, EPA received information demonstrating 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.

47. As a part of the inspection, EPA received information demonstrating 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.

### **C. VIOLATIONS**

48. Loparex has violated Section 110 of the Act, 42 U.S.C. § 7410, and Loparex’s Permit from at least May 6, 2025, through at least July 21, 2025, by failing to report excess emissions from the Thermal Oxidizer CE017 and the Thermal Oxidizer CE018, as required by 567 IAC 24.1(2), as approved into the Iowa SIP on October 25, 2013, and Section G14.2 of Loparex’s Permit.

49. Loparex has violated Section 112 of the Act, 42 U.S.C. § 7412 and Loparex’s Permit from at least May 6, 2025, through present, by failing 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 and Thermal Oxidizer CE018, as required by 40 C.F.R. § 63.3320(b)(1) and Loparex's Permit at pages 65 – 66 and 74 – 75.

50. Loparex has violated Section 112 of the Act, 42 U.S.C. § 7412, from at least July 9, 2023, through present by failing to conduct the required performance test on Thermal Oxidizers CE014/016, CE017, and CE018 by the compliance date, as required by 40 C.F.R. § 63.3330(a)(2).

51. Loparex has violated Section 112 of the Act, 42 U.S.C. § 7412 and Loparex's Permit from at least May 6, 2025, through present, by failing to operate and maintain Thermal Oxidizer CE017 and Thermal Oxidizer CE018 in a manner consistent with safety and good air pollution control practices so as to minimize emissions, as required by 40 C.F.R. § 63.3340(b).

52. Loparex has violated Section 112 of the Act, 42 U.S.C. § 7412 and Loparex's Permit from at least May 7, 2022, through January 29, 2025, by failing to conduct required annual tune-ups on Auxiliary Heater EU-017-5 and Auxiliary Heater EU-018-5, as required by 40 C.F.R. § 63.7540(a)(10) and Loparex's Permit at page 69.

#### **D. POTENTIAL LIABILITY**

53. Sections 113(a)(1) and (3) of the Clean Air Act, 42 U.S.C. §§ 7413(a)(1) and (3), provide that, whenever on the basis of available information, the Administrator finds that any person has violated or is in violation of any requirement or prohibition of any other requirement or prohibition of an applicable implementation plan or permit, the Administrator shall notify the person and the State in which the plan applies of such a finding. At any time after the expiration of thirty (30) days following the date this Notice and Finding of Violation is issued, the Administrator may, without regard to the period of violation:

- a. Issue an order requiring compliance with the requirements or prohibitions of the applicable plan or permit;
- b. Issue an administrative penalty order assessing a civil penalty not to exceed \$59,114 per day for each violation that occurred after November 2, 2015;
- c. Bring a civil action for permanent or temporary injunction or to recover a penalty not to exceed \$124,426 per day for each violation that occurred after November 2, 2015; or;
- d. Request the Attorney General to commence a criminal action in accordance with Section 113(c).

54. The issuance of this Notice and Finding of Violation does not preclude the State of Iowa or EPA from assessing penalties or taking any action authorized by the CAA. This Notice and Finding of Violation does not affect the obligation of Loparex to comply with all applicable federal, state, and local regulations.

55. Pursuant to Section 306 of the CAA, 42 U.S.C. § 7606, Executive Order 11738, and EPA regulations at 40 C.F.R. Part 15, facilities to be utilized in federal contracts, grants, and loans must be in compliance with standards established pursuant to the Act. The violations set forth in this notification may result in ineligibility to participate with a federal contract, grant, or loan.

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Date

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David Cozad  
Director  
Enforcement and Compliance Assurance Division

**CERTIFICATE OF SERVICE**  
(to be completed by EPA)

I certify that that a true and correct copy of the foregoing Notice and Finding of Violations was sent this day in the following manner to the addressees:

Copy via E-mail to Complainant:

Antonette Palumbo  
Office of Regional Counsel  
*palumbo.antonette@epa.gov*

Christopher Appier  
Enforcement and Compliance Assurance Division  
*appier.christopher@epa.gov*

Carrie Venerable  
Office of Regional Counsel  
*venerable.carrie@epa.gov*

Copy via E-mail to Respondent:

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

Steven McDowell  
Site Manager, Loparex  
*steven.mcdowell@loparex.com*

Ellen Hames  
Brown Winnick  
*ellen.hames@brownwinnick.com*

Copy via email to the State of Iowa:

Brian Hutchins  
Iowa Department of Natural Resources  
*brian.hutchins@dnr.iowa.gov*

Copy via Certified Mail, Return Receipt Requested to Respondent:

PARACORP INCORPORATED  
Registered Agent for Loparex LLC  
400 East Court Avenue, Suite 110  
Des Moines, Iowa 50309

Dated this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Signed