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

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

In the Matter of

LOPAREX LLC

Respondent.

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Docket No. CAA-07-2025-0141

ADMINISTRATIVE ORDER FOR COMPLIANCE ON CONSENT

1. This Administrative Order for Compliance on Consent (“Order”) is entered into voluntarily by the United States Environmental Protection Agency (“EPA”) and Loparex LLC (“Loparex” or “Respondent”) pursuant to Section 113(a)(3)(B) of the Clean Air Act (“the Act” or “CAA”), 42 U.S.C. § 7413(a)(3)(B), as amended.

2. This Order requires Respondent to comply with the requirements of Sections 110 and 112 of the CAA, 42 U.S.C. §§ 7410 and 7412, the regulations promulgated thereunder and codified at 40 C.F.R. Part 63, Subpart JJJJ, Original State PSD Permit Number 09-A-365-P (“Construction Permit”), and Title V Operating Permit, Air Quality Operating Permit Number 01-TV-005R3 (“Operating Permit”). Specifically, EPA orders Respondent to repair the thermal oxidizers used for compliance with 40 C.F.R. Part 63, Subpart JJJJ and Construction Permit Condition 10a, submit Notifications of Performance Testing, conduct the required performance tests, demonstrate compliance with 40 C.F.R. Part 63, Subpart JJJJ through the use of a capture system and thermal oxidizer with an overall organic HAP control efficiency equal to 95 percent, and demonstrate compliance with Construction Permit Condition 10a for Thermal Oxidizer CE018 by meeting a minimum of a 98 percent reduction (three-hour average) based on the total volatile organic compound (“VOC”) inlet rate to the emission units on Line 18 and the outlet VOC emissions measured at each stack associated with Line 18. All activities specified below shall be initiated and completed as soon as possible even though maximum time periods for their completion may be specified herein. The terms of this Order shall not be modified except by a subsequent written agreement between the parties.

3. By entering into this Order, Respondent (1) consents to and agrees not to contest EPA’s authority or jurisdiction to issue or enforce this Order, (2) agrees to undertake all actions required by the terms and conditions of this Order, (3) consents to personal service by electronic mail at *steven.mcdowell@loparex.com*, and (4) consents to be bound by the requirements set forth herein. Respondent waives any and all remedies, claims for relief, and otherwise available rights to judicial or administrative review that Respondent may have with respect to any issue of fact or law set forth in this Order, including, but not limited to, any right of judicial review of this Order under Section 307(b)(1) of the CAA, 42 U.S.C. § 7607(b)(1), or under the Administrative Procedure Act, 5 U.S.C. §§ 701 – 706.

Statutory and Regulatory Framework

4. The Clean Air Act 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(b)(1).

5. Section 110(a) of the CAA, 42 U.S.C. § 7410(a), requires each state to adopt and submit to the 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").

6. 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.

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

8. Chapter 33 was first adopted as part of the federally enforceable Iowa SIP in 2007.

9. 567 IAC 33.3(1) defines "best available control technology" or "BACT" as "an emissions limitation, including a visible emissions standard, based on the maximum degree of reduction for each regulated NSR pollutant that would be emitted from any proposed major stationary source or major modification that 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 or 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 that 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 emissions guidelines), or federal regulations as set forth in 40 C.F.R. Parts 60, 61 and 63 but not 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 that achieve equivalent results."

10. 567 IAC 33.3(1) defines "emissions unit" 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."

11. 567 IAC 33.3(1) defines "enforceable permit condition" as "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 C.F.R. 52.21 or Part 51, Subpart I, as amended through October 20, 2010, or under construction or Title V operating permit rules."

12. 567 IAC 33.3(1), in relevant part, defines "regulated NSR pollutant" 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."

13. The PSD program requirements in 567 IAC Chapter 33 apply to the construction of any new major stationary source or any project classified as 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).

14. 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).

15. 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).

16. Pursuant to Section 113 of the Act, 42 U.S.C. § 7413, the requirements of the Iowa SIP, as approved by the EPA, are enforceable by the 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.

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 the EPA and are delegated to the states. However, even when delegated to the states, the EPA retains the authority to implement and enforce the NESHAPs.

18. The EPA promulgated the NESHAPs for Paper and Other Web Coatings on December 4, 2002. These provisions are codified at 40 C.F.R. Part 63, Subpart JJJJ (“Subpart JJJJ”). Subpart JJJJ was amended on July 9, 2020. 85 Fed. Reg. 41276. Among other requirements, Subpart JJJJ sets forth emission and operating limitations, testing and initial compliance requirements, continuous compliance and performance test requirements, and recordkeeping and reporting requirements.

19. Subpart JJJJ applies to each new and existing facility that is a major source of HAP at which coating lines are operated. 40 C.F.R. § 63.3290.

20. 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 (hereinafter “compliance date”). 40 C.F.R. § 63.3320(b)(1).

21. 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).

22. 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).

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. No person may operate an affected source in violation of a standard, limitation or regulation promulgated under Section 112 of the Act after the effective date of any emissions standard, limitation or regulation. Section 112(i)(3)(A) of the CAA, 42 U.S.C. § 7412(i)(3)(A).

25. 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.

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

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

28. Under Section 113(a)(3) of the CAA, 42 U.S.C. § 7413(a)(3), the Administrator of the EPA may issue an order requiring compliance to any person who has violated or is violating the Subpart JJJJ regulations or any waiver, requirement or prohibition of Section 112 of the CAA, 42 U.S.C. § 7412. The Administrator has delegated this authority to the Director of the Enforcement and Compliance Assurance Division of EPA Region 7.

Definitions

29. “Capture system” is defined as “a hood, enclosed room, or other means of collecting organic HAP emissions into a closed-vent system that exhausts to a control device.” 40 C.F.R. § 63.3310.

30. “Control device” is defined 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.” *Id.*

31. “Control device efficiency” is defined as “the ratio of organic HAP emissions recovered or destroyed by a control device to the total organic HAP emissions that are introduced into the control device, expressed as a percentage.” *Id.*

32. “Existing affected source” is defined as “any affected source the construction or reconstruction of which is commenced on or before September 13, 2000, and has not undergone reconstruction as defined in § 63.2.” *Id.*

33. “Facility” is defined as “all contiguous or adjoining property that is under common ownership or control, including properties that are separated only by a road or other public right-of-way.” *Id.*

34. “Web coating line” is defined as “any number of work stations, of which one or more applies a continuous layer of liquid or semi-liquid coating materials across the entire width or any portion of the width of a web substrate, and any associated curing/drying equipment between an unwind or feed station and a rewind or cutting station.” *Id.*

35. “Work station” is defined as “a unit on a web coating line where coating material is deposited onto a web substrate.” *Id.*

Findings of Fact and Law

36. Loparex 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).

37. At all times pertinent to this action, Loparex was the “owner” and “operator” of a specialty paper and film release liner manufacturing facility, located at 2000 Industrial Park Road, Iowa City, Iowa (“the Facility”). The Facility’s operations include chemical storage and mixing, paper and film treatment, primer and coating applications, drying, printing, cutting, and auxiliary heat production.

38. The Facility is a major source of VOCs, individual HAPs, and combined HAPs.

39. The Facility has eight web coating lines and uses thermal oxidizers to demonstrate compliance with permitted emissions limits and Subpart JJJJ for Lines 14/16, 17, 18, and 22. These thermal oxidizers are known as Control Equipment (“CE”) 014/016, CE017, and CE018.

40. The Iowa Department of Natural Resources (“IDNR”) issued the Construction Permit to the Facility on July 28, 2009, for Line 18 Oven Zone 1 (EU 018-3a) and Line 18 Oven Zone 2 (EU 018-3b).

41. Permit Condition 10a of the Construction Permit set 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.

42. Loparex was required to comply with the provisions of Subpart JJJJ by July 9, 2023, because the Facility was and remains an existing affected source, as defined by these regulations.

43. Loparex last conducted a stack test on Thermal Oxidizer CE017 on March 12, 2003.

44. Loparex last conducted a stack test on Thermal Oxidizer CE018 on March 11, 2003.

45. Loparex last conducted a stack test on Thermal Oxidizer CE014/016 on August 2, 2012.

46. On December 10 – 11, 2024, the EPA conducted an inspection at the Facility to determine compliance with the CAA.

47. On April 14, 2025, the EPA communicated to Loparex that it had failed to comply with the 2020 update to Subpart JJJJ by the compliance date.

48. Loparex provided the IDNR with 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.

49. On May 6, 2025, Loparex 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 pursuant to 40 C.F.R. § 63.3330(a)(2).

50. The results of the study demonstrated that Thermal Oxidizers CE017 and CE018 did not 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, in accordance with 40 C.F.R. § 63.3320(b)(1).

51. The results of the engineering study also demonstrated that the control efficiency for Thermal Oxidizer CE018 did not meet the 98 percent VOC destruction efficiency limit established by Construction Permit Condition 10a.

52. A contractor for Loparex determined that Thermal Oxidizer CE017 needed a new burner and patching of the heat exchanger and Thermal Oxidizer CE018 needed a new heat exchanger.

53. On May 7, 2025, Loparex submitted an updated Notification of Performance Test to IDNR stating that the stack test dates would be “TBD”.

54. In June 2025, Loparex submitted orders for parts to replace the burner and repair the heat exchanger on Thermal Oxidizer CE017 and to replace the heat exchanger on Thermal Oxidizer CE018 and notified the IDNR of potential deviations from emissions standards required by Subpart JJJJ.

55. Between July 25 through July 28, 2025, Loparex completed patch work on the Thermal Oxidizers CE017 and CE018.

56. On July 31, 2025, Loparex submitted its semiannual report for the periods of January 1 through June 30, 2025, in accordance with 40 C.F.R. § 63.3400(c)(2)(v), containing information pertaining to deviations from the emission limitation set forth in 40 C.F.R. § 63.3320(b)(1) and the operating limits established in 40 C.F.R. § 63.3321(a).

57. On August 6, 2025, Loparex performed a second engineering study to understand the efficacy of the temporary repairs. The preliminary engineering results showed an average destruction rate of 91.7 percent on CE017 and 98.3 percent on CE018.

58. Loparex conducted performance test for Thermal Oxidizer CE014/016 on August 21, 2025.

Findings of Violations

59. The failure to conduct performance tests of Thermal Oxidizers CE014/016, CE017, and CE018 by July 9, 2023, in accordance with the requirements of 40 C.F.R. § 63.3330(a)(2), are violations of the Subpart JJJJ regulations promulgated pursuant to Section 112(i)(3)(A) of the Act, 42 U.S.C. § 7412(i)(3)(A).

60. The failure of Thermal Oxidizers CE017 and CE018 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, in accordance with 40 C.F.R. § 63.3320(b)(1), are violations of the Subpart JJJJ regulations promulgated pursuant to Section 112(i)(3)(A) of the Act, 42 U.S.C. § 7412(i)(3)(A).

61. The failure of Thermal Oxidizer CE018 to meet a minimum of a 98 percent reduction, averaged over three hours, 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 is a violation of the Construction Permit and Section 110 of the Act, 42 U.S.C. § 7410.

Order for Compliance

62. Based upon the Findings of Fact and Law, and the Findings of Violation set forth above, and pursuant to the authority of Section 113(a)(3)(B) of the CAA, 42 U.S.C. § 7413(a)(3)(B), it is hereby ordered and agreed that Loparex shall comply with the requirements of Section 112 of the CAA, 42 U.S.C. § 7412, and the regulations promulgated thereunder and codified at 40 C.F.R. Part 63, Subpart JJJJ. Specifically, the EPA and Loparex agree that Loparex shall, as expeditiously as possible, but in no event later than two hundred (200) days after the effective date of this Order, complete the following compliance actions:

- a. Loparex shall replace the burner of Thermal Oxidizer CE017 by no later than December 31, 2025.
- b. Loparex shall replace the heat exchanger of Thermal Oxidizer CE018 by no later than December 15, 2025.
- c. Loparex shall conduct a performance test of Thermal Oxidizer CE017 in accordance with the requirements of 40 C.F.R. §§ 63.3330(a)(2) and 63.3360 by no later than ninety (90) days after the burner is replaced, as required in subparagraph a.
- d. Loparex shall conduct a performance test of Thermal Oxidizer CE018 in accordance with the requirements of 40 C.F.R. §§ 63.3330(a)(2) and 63.3360 by

no later than one hundred and twenty (120) days after the heat exchanger is replaced, as required in subparagraph b.

- e. Loparex shall submit a Notification of Performance Test to EPA and IDNR to conduct stack tests on Thermal Oxidizers CE017 and CE018 as set forth in 40 C.F.R. § 63.3400(d) and in compliance with §§ 63.7 and 63.9(e), by no later than sixty (60) days prior to the scheduled date for the performance tests.
- f. Loparex shall demonstrate CE017 and CE018's compliance with Subpart JJJJ through the use of a capture system and thermal oxidizer with an overall organic HAP control efficiency equal to 95 percent, in accordance with 40 C.F.R. § 63.3370(a).
- g. Loparex shall demonstrate CE018's compliance with Construction Permit Condition 10a by limiting VOC emissions through a destruction efficiency of at least 98 percent averaged over three hours.

Compliance Reporting Obligations

63. Loparex shall provide four (4) monthly updates to the EPA Project Coordinators identified in paragraph 67 detailing (1) any change or delays to the shipping timelines for the burner and heat exchanger and subsequent replacements referenced in paragraph 62; and (2) any other issues encountered in the completion of the compliance actions. These monthly updates shall be sent to the EPA Project Coordinators on September 15, 2025; October 15, 2025; November 17, 2025, and December 15, 2025.

64. Loparex shall notify the EPA that the work referenced in paragraph 62 has been completed by no later than seven (7) days following completion. The notification will include specific details of the work performed, any unexpected complications, and Loparex's planned next steps.

65. In accordance with 40 C.F.R. § 63.3400(c)(2)(v), Loparex shall ensure its semiannual reports for the periods of January 1 through June 30, 2025, and July 1 through December 31, 2025, contain information pertaining to any deviation from the emission limitations set forth in 40 C.F.R. § 63.3320(b)(4) and the operating limits established in 40 C.F.R. § 63.3321(a).

Submissions

66. All documents required to be submitted to the EPA by this Order shall contain the following certification, signed by an official of Loparex:

I certify under penalty of law that I have examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the

information is true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment.

67. The required submissions required shall be made to the following EPA Project Coordinators:

Antonette Palumbo
palumbo.antonette@epa.gov

and

Christopher Appier
appier.christopher@epa.gov.

Force Majeure

68. Respondent agrees to perform all requirements under this Order within the time limits established under this Order unless the performance is delayed by a force majeure. For the purposes of this Order, a force majeure is defined as any event arising from causes beyond the control of Respondent, or any entity controlled by Respondent, which delays or prevents performance of any obligation under this Order despite Respondent's best efforts to fulfill the obligation. The requirements that Respondent exercise "best efforts to fulfill the obligation" includes using best efforts to anticipate any potential force majeure event and best efforts to address any potential force majeure event: (1) as it is occurring, and (2) following the potential force majeure event, such that the delay is minimized to the greatest extent possible. Force majeure does not include financial inability to complete the work described in this Order, increased cost of performance, or changes in Respondent's business or economic circumstances, but may include significant delays caused by weather, global shipping, or materials availability.

69. If an event occurs that may delay the performance of any obligation under this Order, whether or not caused by a force majeure event, Respondent shall notify the EPA in writing within five (5) days of when Respondent knew that the event will cause a delay. Such notice shall: (1) identify the event causing the delay and the anticipated duration of the delay; (2) provide the Respondent's rationale for attributing such delay to a force majeure event; (3) state the measures taken or to be taken to prevent or minimize the delay; (4) estimate the timetable for implementation of those measures; and (5) state whether, in the opinion of the Respondent, such event may cause or contribute to an endangerment to public health, welfare, or the environment. For purposes of this Order in regard to materials availability and global shipping, "when Respondent knew or should have known that the event might cause a delay" shall occur when Respondent is provided information that definitively states that a material or part is unavailable and/or the delivery date is scheduled for a later date than the original timeframe upon placing the order. Respondent shall utilize the monthly update notifications, as set forth in paragraph 63, to notify the EPA of any communication or information provided to Respondent regarding the possibility or potential for delay in delivery or availability of parts or materials.

70. If the EPA determines the delay in performance or anticipated delay in fulfilling a requirement of this Order is or was attributable to a force majeure, then the time period for performance of the requirement will be extended as deemed necessary by the EPA. If the EPA determines that the delay or anticipated delay has been or will be caused by a force majeure, then the EPA will notify the Respondent, in writing, of the length of the extension, if any, for performance of such obligations affected by the force majeure. Any such extensions shall not alter the Respondent's obligation to perform or complete other tasks required by this Order which are not directly affected by the force majeure.

Modification of this Order

71. If at any time during the implementation of the work described in paragraph 62, Respondent identifies a need for a compliance date or schedule modification, except as provided for in paragraphs 68 – 70 as to force majeure delays, Respondent shall submit a memorandum documenting the need for the modification to the EPA Project Coordinators. The EPA in its discretion will determine if the modification or revision is warranted and may provide written approval or disapproval. Any approved modified compliance date or schedule modification is incorporated by reference into this Order.

72. Except for modification of any compliance date or schedule as provided for in paragraph 62, this Order may only be modified by the mutual agreement of the EPA and Respondent. The agreed modifications shall be in writing and signed by both parties. The effective date of any modification shall be the date on which it is signed by the EPA. Any such written modification shall be incorporated into this Order.

73. No informal advice, guidance, suggestion, or comment by the EPA regarding reports, plans, specifications, schedules, or any other writing submitted by Respondent shall relieve Respondent of its obligation to obtain such formal approval as may be required by this Order, and to comply with all requirements of this Order unless it is modified in accordance with this Section. Any deliverables, plans, technical memoranda, reports, specifications, schedules and attachments required by this Order are, upon approval by the EPA, incorporated into and enforceable under this Order.

Dispute Resolution

74. Respondent shall raise any disputes concerning the work described in paragraph 62 required under this Order to the EPA in writing, within fifteen (15) business days after receiving written notice from the EPA regarding any aspect of the work required in paragraph 62 of this Order that Respondent disputes. The EPA and Respondent shall expeditiously and informally attempt to resolve any disagreements as follows:

- a. The EPA and Respondent shall first confer in an effort to resolve the dispute.

- b. If the parties are unable to informally resolve the dispute within three (3) business days of the first conference, Respondent shall notify the EPA, within five (5) business days, in writing of its objections.
- c. Written objections shall identify Respondent's objections, state the basis for those objections, and provide all data, analysis and information relied upon by Respondent.
- d. The EPA and Respondent then have an additional fourteen (14) business days from the EPA's receipt of the objections to reach agreement. If an agreement is not reached within the fourteen (14) business days, Respondent may request in writing, within five (5) business days, a determination resolving the dispute by EPA Region 7's Regional Judicial Officer ("RJO").
- e. The request should provide all information that Respondent believes is relevant to the dispute. The EPA may also submit to the RJO all information that the EPA believes is relevant to the dispute. If Respondent's request is submitted within five (5) business days, the RJO shall issue a determination in writing which will be the EPA's final decision.
- f. The EPA's final decision shall be incorporated into and become an enforceable part of this Order and shall no longer be subject to dispute pursuant to this Order. Respondent shall proceed in accordance with the RJO's decision regarding the matter in dispute, regardless of whether Respondent agrees with the decision.
- g. If Respondent does not perform the work described in paragraph 62 in accordance with the EPA's decision, the EPA reserves the right in its sole discretion to seek enforcement of this Order, seek stipulated penalties, and/or any other appropriate relief.
- h. Any disputes arising under this Order are not subject to judicial review until such time as the EPA seeks to enforce this Order, including an action for penalties or an action to compel Respondent's compliance with the terms and conditions of the Order.

75. If the EPA and Respondent reach agreement on the dispute at any time, the agreement shall be set forth in writing and shall, upon signature of both parties, be incorporated into and become an enforceable part of this Order.

76. The existence of a dispute and the EPA's consideration of matters placed in dispute shall not excuse, toll, or suspend any compliance obligation or deadline required pursuant to this Order during the pendency of the dispute resolution process except as agreed by the EPA in writing. The invocation of dispute resolution does not stay the accrual of stipulated penalties under this Order.

Stipulated Penalties

77. Respondent shall be liable for stipulated penalties to the United States in the amounts set forth in subparagraphs a. and b. below for failure to comply with the requirements of this Order.

- a. The following stipulated penalties shall accrue per violation per day for failure to comply with any requirement of paragraph 62:

<u>Penalty Per Violation Per Day</u>	<u>Period of Noncompliance</u>
\$1,000	1 st through 15 th day
\$2,000	15 th day and beyond

- b. The following stipulated penalties shall accrue per day for failure to submit any report or documentation as required by paragraphs 66 and 67:

<u>Penalty Per Violation Per Day</u>	<u>Period of Noncompliance</u>
\$250	1 st through 30 th day
\$500	31 st day and beyond

78. All penalties shall begin to accrue on the day after the complete performance is due or the day a violation occurs and shall continue to accrue through the final day of the correction of the noncompliance or completion of the activity. Nothing herein shall prevent the simultaneous accrual of separate penalties for separate violations of this Order.

79. The payment of penalties under this Order shall not alter in any way Respondent's obligations to comply with the provisions of this Order.

80. Respondent shall pay stipulated penalties not more than thirty (30) days after receipt of a written demand by EPA for such penalties. Method of payment shall be in accordance with the provisions set forth in paragraphs 82 – 83 of this Order.

81. The stipulated penalties provided for in this Order shall be in addition to any other rights, remedies, or sanctions available to the EPA for Respondent's violation of this Order or application law. Where a violation of this Order is also a violation of statutory or regulatory requirements, Respondent shall be allowed a credit, for any stipulated penalties paid, imposed for such violation.

82. Payment of any stipulated penalties shall identify Respondent by name and docket number CAA 07-2025-0141 and shall be by certified or cashier's check made payable to the "United States Treasury" and sent to:

U.S. Environmental Protection Agency
Fines and Penalties
Cincinnati Finance Center
PO Box 979078
St. Louis, MO 63197-9000.

or by alternate payment method described at <http://www.epa.gov/financial/makepayment>.

83. A copy of the check or other information confirming payment shall simultaneously be emailed to the following:

Regional Hearing Clerk
Office of Regional Counsel
U.S. Environmental Protection Agency, Region 7
R7_hearing_clerk_filings@epa.gov, and to

Christopher Appier
U.S. Environmental Protection Agency, Region 7
Enforcement and Compliance Assurance Division
11201 Renner Blvd.
Lenexa, KS 66219
appier.christopher@epa.gov

84. If Respondent fails to timely pay any portion of the stipulated penalty assessed under this Order, the EPA may:

- a. Request the Attorney General to bring a civil action in an appropriate district court to recover the amount assessed; interest at rates established pursuant to 26 U.S.C. § 6621(a)(2); the United States' enforcement expenses; and a ten (10) percent quarterly nonpayment penalty pursuant to 42 U.S.C. § 7413(d)(5);
- b. Refer the debt to a credit reporting agency or collection agency, 42 U.S.C. § 7413(d)(5), 40 C.F.R. §§ 13.13, 13.14, and 13.33;
- c. Collect the debt by administrative offset (i.e., the withholding of money payable by the United States to, or held by the United States for, a person to satisfy the debt the person owes the Government), which includes, but is not limited to, referral to the Internal Revenue Service for offset against income tax refunds, 40 C.F.R. Part 13, Subparts C and H; and
- d. Suspend or revoke Respondent's licenses or other privileges, or suspend or disqualify Respondent from doing business with the EPA or engaging in programs the EPA sponsors or funds, 40 C.F.R. § 13.17.

Taxpayer Identification Number

85. 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 and 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 Center at sherrer.dana@epa.gov within thirty (30) days after the Effective Date of this Order, 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.

Potential Liability

86. Failure to comply with any of the provisions of this Order may result in an enforcement action under Section 113 of the CAA, 42 U.S.C. § 7413. Under Section 113(a)(3) of the CAA, 42 U.S.C. § 7413(a)(3), the Administrator may:

- a. issue an administrative penalty order assessing a civil penalty not to exceed \$59,114 per day of violation, pursuant to Section 113(d)(1)(B) of the CAA, 42 U.S.C. § 7413(d)(1)(B);

- b. bring a civil action for permanent or temporary injunction, or to assess and recover a civil penalty not to exceed \$124,426 per day of violation, or both, pursuant to Section 113(b)(2) of the CAA, 42 U.S.C. § 7413(b)(2); or
- c. request the Attorney General to commence a criminal action pursuant to Section 113(c) of the CAA, 42 U.S.C. § 7413(c).

87. In accordance with Section 113(a)(4) of the CAA, 42 U.S.C. § 7413(a)(4), issuance of this Order does not preclude the EPA from assessing penalties or taking any other action authorized under the CAA for this or any other violation found. This Order does not affect the obligation of Respondent to comply with all federal, state, and local statutes, regulations, and permits.

Effective Date

88. This Order shall become effective upon the date of signature by the EPA. Unless otherwise stated, all time periods stated herein shall be calculated in calendar days from such date.

Termination

89. This Order shall terminate one year after the Effective Date of this Order, or at the time that the EPA determines that Respondent has achieved compliance with all the terms of this Order, whichever is earlier.

Notice to the State

90. Pursuant to Section 113(a)(4), 42 U.S.C. § 7413(a)(4), the State of Iowa has been provided notice of this action.

FOR THE U.S. ENVIRONMENTAL PROTECTION AGENCY:

Date _____

David Cozad
Director
Enforcement and Compliance Assurance Division

FOR RESPONDENT:

LOPAREX LLC.

Date 8/25/25

Jason VonStein

Signature:

Jason VonStein

Printed Name:

Vice President of Finance

Title:

CERTIFICATE OF SERVICE
(to be completed by EPA)

I certify that that a true and correct copy of the foregoing Administrative Order for Compliance on Consent 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:

Jason VonStein
Vice President of Finance, Loparex LLC
jason.vonstein@loparex.com

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

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

Ellen Hames
BrownWinick
ellen.hames@brownwinick.com

Copy via E-mail to the State of Iowa:

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

Dated this _____ day of _____, _____.

Signed