UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

MAY - 5 2016

REPLY TO THE ATTENTION OF:

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mark Halvorsen
Sensient Flavors
2300 Barrington Road, Suite 700
Hoffman Estates, Illinois 60169

Re: Administrative Order EPA-5-16-113(a)-MI-01

Dear Mr. Halvorsen,

Enclosed is an executed original of the Administrative Consent Order regarding the above captioned case. If you have any questions about the Order, please contact me at (312) 886-3850.

Sincerely,

Nathan A. Frank, P.E.
Section Chief
Air Enforcement and Compliance Assurance Section (IL/IN)

Enclosure

cc: Tom Hess/MDEQ
Chris Hare/MDEQ

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UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5

In the Matter of:	)	**EPA-5-16-113(a)-MI-01**
	)	
Sensient Flavors LLC	)	**Proceeding Under Section 113(a)(1) and**
Harbor Beach, Michigan	)	**114(a)(1) of the Clean Air Act, 42 U.S.C.**
	)	**§§ 7413(a)(1) and 7414(a)(1)**
	)	

Administrative Consent Order

1. The Director of the Air and Radiation Division, U.S. Environmental Protection Agency (EPA), Region 5, is issuing this Order to Sensient Flavors LLC, under Sections 113(a)(1) and 114(a)(1) of the Clean Air Act (CAA), 42 U.S.C. §§ 7413(a)(1) and 7414(a)(1).

Statutory and Regulatory Background

2. Each state must submit to the Administrator of EPA a plan for attaining and maintaining the National Ambient Air Quality Standards (NAAQS) under Section 110 of the CAA, 42 U.S.C. § 7410.

3. Under Section 110(a)(2) of the CAA, 42 U.S.C. § 7410(a)(2), each State Implementation Plan (SIP) must include a permit program to regulate the air pollution emissions of any stationary source as necessary to assure that NAAQS are achieved.

4. Pursuant to Section 113(a) and (b) of the CAA, 42 U.S.C. § 7413(a) and (b), upon EPA approval, SIP requirements are federally enforceable under Section 113 of the CAA. See also 40 C.F.R. § 52.23.

5. On May 6, 1980, EPA approved the requirements at Mich. Admin. Code r. 336.1201 (Michigan Rule 201), as part of the federally enforceable Michigan SIP. 45 Fed. Reg. 29790 (May 6, 1980).

6. Michigan Rule 201 authorizes the Michigan Department of Environmental Quality (MDEQ) to, among other things, issue federally-enforceable permits to install (PTI) with conditions that are reasonably necessary to assure compliance with all applicable requirements.

7. Under Section 113(a)(1) of the CAA, 42 U.S.C. § 7413(a)(1), the Administrator of EPA may issue an order requiring compliance to any person who has violated or is violating a SIP. The Administrator has delegated this authority to the Director of the Air and Radiation Division.

8. Under Section 114(a)(1) of the CAA, 42 U.SC. § 7414(a)(1), the Administrator of EPA may require any person who owns or operates an emission source to make reports; install, use and maintain monitoring equipment; sample emissions; and provide information required by the Administrator. The Administrator has delegated this authority to the Director of the Air and Radiation Division.

Sensient Permits to Install

9. The MDEQ issued Permit to Install (PTI) No. 85-96C to the Sensient Facility on October 9, 2008 (2008 PTI).

10. The 2008 PTI describes the hydrolyzed vegetable protein (HVP) reactors as being vented to a packed bed scrubber (HVP Reactor Room Scrubber). The HVP reactors have the Emission Unit ID EUHVPREACTORS.

11. The 2008 PTI describes the hydrochloric acid tank, two neutralization tanks, LAH tanks and casein hydrolysate still as being vented to a packed bed scrubber (Neutralization Tank Scrubber). The aforementioned units have the Emission Unit ID EUHCLNEULAHTANKS.

12. The 2008 PTI describes the emission units EUHVPREACTORS and EUHCLNEULAHTANKS as Flexible Group ID FGHVPHCLNEU.

13. Special Condition 1.2 of the 2008 PTI states that the permittee shall not operate FGHVPHCLNEU unless a malfunction abatement plan (MAP) for each packed bed scrubber system in FGHVPHCLNEU is implemented and maintained.

14. Special Condition 1.3 of the 2008 PTI states that the permittee shall not operate EUHVPREACTORS unless the HVP Reactor Room Scrubber is operated maintaining pH in the range of 8 to 10 and a maximum differential pressure of 4.0 inches water column.

15. Special Condition 1.4 of the 2008 PTI states that the permittee shall not operate EUHCLNEULAHTANKS unless the Neutralization Tank Scrubber is operated maintaining pH in the range of 8 to 10 and a maximum differential pressure of 4.0 inches water column.

16. MDEQ issued PTI No. 85-96D to the Facility on January 7, 2014 (2014 PTI).

17. The 2014 PTI describes the HVP reactors as being vented to the HVP Reactor Room Scrubber. The HVP reactors have the Emission Unit ID EUHVPREACTORS.

18. The 2014 PTI describes the two neutralization tanks and casein hydrolysate still as being vented to the Neutralization Tank Scrubber. These units have the Emission Unit ID EUNEUTANKS.

19. The 2014 PTI describes the hydrochloric acid tank and LAH tanks as being able to be vented to either the Neutralization Tank Scrubber or the HVP Reactor Room Scrubber. These units have the Emission Unit ID EUHCLLAHTANKS.

20. The 2014 PTI describes the emission units EUHVPREACTORS, EUNEUTANKS, and EUHCLLAHTANKS as being Flexible Group ID FGHVPHCLNEU.

21. FGHVPHCLNEU Condition III.1 of the 2014 PTI states that the permittee shall not operate FGHVPHCLNEU unless a MAP for each packed bed scrubber system in FGHVPHCLNEU is implemented and maintained.

22. FGHVPHCLNEU Condition IV.1 of the 2014 PTI states that the permittee shall not operate EUHVPREACTORS unless the HVP Reactor Room Scrubber is operated with a maximum differential pressure of 4.0 inches water column.

23. FGHVPHCLNEU Condition IV.2 of the 2014 PTI states that the permittee shall not operate EUNEUTANKS unless the Neutralization Tank Scrubber is operated with a maximum differential pressure of 4.0 inches water column.

24. FGHVPHCLNEU Condition IV.3 of the 2014 PTI states that the permittee shall not operate EUHCLLAHTANKS unless the Neutralization Tank Scrubber or the HVP Reactor Room Scrubber is operated with a maximum differential pressure of 4.0 inches water column.

Findings

25. Sensient owns and operates a food flavoring production plant located at 79 State Street, Harbor Beach, Michigan (the Facility).

26. Sensient operates HVP reactors and neutralization equipment at the Facility that are subject to the requirements of a PTI issued by MDEQ pursuant to Michigan Rule 201 of the approved Michigan SIP.

27. Sensient owns or operates an "emission source" within the meaning of Section 114(a)(1) of the CAA, 42 USC. § 7414(a)(1). Therefore, Sensient is subject to the requirements of Section 114(a)(1).

28. On February 14, 2014, EPA issued a request for information pursuant to Section 114 of the CAA to Sensient (Information Request).

29. In response to the Information Request, Sensient provided EPA with various records including the Facility's MAP and parametric monitoring records for the HVP Reactor Room Scrubber and Neutralization Tank Scrubber.

30. From July 1, 2010, through January 6, 2014, Sensient operated EUHVPREACTORS during periods when the pH and/or differential pressure at the HVP Reactor Room Scrubber were outside of the permitted ranges, in violation of Special Condition 1.3 of the 2008 PTI.

31. From January 7, 2014, to February 27, 2014, Sensient operated EUHVPREACTORS during periods when the differential pressure at the HVP Reactor Room Scrubber was outside operating limits in violation of FGHVPHCLNEU Condition IV.1 of the 2014 PTI.

32. From July 1, 2010, through January 6, 2014, Sensient operated EUHCLNEULAHTANKS during periods when the pH and/or differential pressure at the Neutralization Tank Scrubber were outside of the permitted ranges, in violation of Special Condition 1.4 of the 2008 PTI.

33. From January 7, 2014, to February 27, 2014, Sensient operated EUNEUTANKS during periods when the differential pressure at the Neutralization Tank Scrubber was outside operating limits in violation of FGHVPHCLNEU Condition IV.2 of the 2014 PTI.

34. From January 7, 2014, to February 27, 2014, Sensient operated EUHCLLAHTANKS during periods when the differential pressures at either the Neutralization Tank Scrubber or the HVP Reactor Room Scrubber were greater than 4.0 inches water column, in violation of FGHVPHCLNEU Condition IV.3 of the 2014 PTI.

35. From July 1, 2010, through January 6, 2014, Sensient operated FGHVPHCLNEU while not implementing the MAP, in violation of Special Condition 1.2 of the 2008 PTI.

36. From January 7, 2014, to February 27, 2014, Sensient operated FGHVPHCLNEU while not implementing the MAP, in violation of FGHVPHCLNEU Condition III.1 of the 2014 PTI.

37. Sensient's violations of the pH and differential pressure limits and MAP requirements are violations of its PTIs and the applicable Michigan SIP requirements.

38. On June 29, 2015, EPA issued to Sensient a Notice of Violation alleging that it violated its operating permits and the Michigan SIP as outlined in paragraphs 30 through 37, above.

39. On August 25, 2015, representatives of Sensient and EPA discussed the June 29, 2015 Notice of Violation.

Compliance Program

40. By the effective date of this Order, Sensient must achieve, demonstrate and maintain compliance with the SIP at its Harbor Beach, Michigan, facility.

41. Within 90 days after the effective date of this Order, Sensient must apply to the MDEQ for a permit modification to:

a. Set the minimum pH at the HVP Reactor Room Scrubber and the Neutralization Tank Scrubber to the manufacturer's recommended setting of 6; and

b. Incorporate the Malfunction Abatement Plan, revised in August 2015, into its operating permit.

42. Within seven days of submitting the permit application described in paragraph 41, above, to MDEQ, Sensient shall provide a copy of the application to EPA.

43. For each complete 90 day period following the effective date of this Order, for a period of 180 days, Sensient shall prepare and submit to EPA all operating logs documenting the recorded pH, flow rate, and differential pressure data recorded at the HVP Reactor Room Scrubber and Neutralization Tank Scrubber under Section 114(a)(1) of the CAA, 42 U.S.C. § 7414(A)(1).

44. Sensient must send all reports required by this Order to:

Attention: Compliance Tracker (AE-17J)
Air Enforcement and Compliance Assurance Branch
U.S. Environmental Protection Agency, Region 5
77 W. Jackson Boulevard
Chicago, Illinois 60604

General Provisions

45. This Order does not affect Sensient's responsibility to comply with other federal, state and local laws.

46. This Order does not restrict EPA's authority to enforce the Michigan SIP or any other section of the CAA.

47. Nothing in this Order limits the EPA's authority to seek appropriate relief, including penalties, under Section 113 of the CAA, 42 U.S.C. § 7413, for Sensient's violation of the SIP.

48. Failure to comply with this Order may subject Sensient to penalties of up to $37,500 per day for each violation under Section 113 of the CAA, 42 U.S.C. § 7413, and 40 C.F.R. Part 19.

49. The terms of this Order are binding on Sensient, its assignees and successors. Sensient must give notice of this Order to any successors in interest prior to transferring ownership and must simultaneously verify to EPA, at the above address, that it has given the notice.

50. Sensient may assert a claim of business confidentiality under 40 C.F.R. Part 2, Subpart B, for any portion of the information it submits to EPA. Information subject to a business confidentiality claim is available to the public only to the extent allowed by 40 C.F.R. Part 2, Subpart B. If Sensient fails to assert a business confidentiality claim, EPA may make all submitted information available, without further notice, to any member of the public who requests it. Emission data provided under Section 114 of the CAA, 42 U.S.C. § 7414, is not entitled to confidential treatment under 40 C.F.R. Part 2, Subpart B. "Emission data" is defined at 40 C.F.R. § 2.301.

51. This order is not subject to the Paperwork Reduction Act, 44 U.S.C. § 3501 *et seq.*, because it seeks collection of information by an agency from specific individuals or entities as part of an administrative action or investigation. To aid in our electronic recordkeeping efforts, please furnish an electronic copy on physical media such as compact disk, flash drive or other similar item. If it is not possible to submit the information electronically, submit the response to this Order without staples; paper clips and binder clips, however, are acceptable.

52. EPA may use any information submitted under this Order in an administrative, civil judicial or criminal action.

53. Sensient agrees to the terms of this Order. Sensient waives any remedies, claims for relief, and otherwise available rights to judicial or administrative review that it may have with respect to any issue of fact or law set forth in this Administrative Consent Order, including any right of judicial review under Section 307(b) of the CAA, 42 U.S.C. § 7607(b).

54. This Order is effective on the date of signature by the Director of the Air and Radiation Division. This Order will terminate one year from the effective date, provided that Sensient has complied with all terms of the Order throughout its duration.

4/20/2016
Date

Gautam Grover
President
Sensient Flavors LLC

5/5/16
Date

George T. Czerniak
Director
Air and Radiation Division
U.S. Environmental Protection Agency, Region 5

CERTIFICATE OF MAILING

I, Loretta Strath, certify that I sent the Administrative Consent Order, EPA-5-16-113(a)-MI-01, by certified mail, return receipt requested, to:

Mark Halvorsen
Sensient Flavors
2300 Barrington Road, Suite 700
Hoffman Estates, Illinois 60169

I also certify that I sent a copy of the Administrative Consent Order, EPA-5-16-113(a)-MI-01, by first-class mail to:

Chris Hare, Supervisor
Air Quality Division
Michigan Department of Environmental Quality
401 Ketchum Street, Suite B
Bay City, Michigan 48708

Tom Hess, Enforcement Unit Manager
Air Quality Division
Michigan Department of Environmental Quality
525 West Allegan
P.O. Box 30242
Lansing, Michigan 48909

On the 9 day of May 2016.

Loretta Strath

Kathy Jones
Program Technician
AECAB, PAS

CERTIFIED MAIL RECEIPT NUMBER: 7009 1680 0000 7673 8415