COMMONWEALTH of VIRGINIA

DEPARTMENT OF ENVIRONMENTAL QUALITY
VALLEY REGIONAL OFFICE
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STATE AIR POLLUTION CONTROL BOARD ENFORCEMENT ACTION - ORDER BY CONSENT ISSUED TO MUNTERS CORPORATION FOR MUNTERS DES CHAMPS Registration No. 81310

SECTION A: Purpose

This is a Consent Order issued under the authority of Va. Code §§ 10.1-1309 and -1316, between the State Air Pollution Control Board and Munters Corporation, for the purpose of resolving certain violations of the Virginia Air Pollution Control Law, the Permit and applicable regulations.

SECTION B: Definitions

Unless the context clearly indicates otherwise, the following words and terms have the meaning assigned to them below:

1. "Board" means the State Air Pollution Control Board, a permanent citizens' board of the Commonwealth of Virginia, as described in Va. Code §§ 10.1-1184 and -1301.

2. "Department" or "DEQ" means the Department of Environmental Quality, an agency of the Commonwealth of Virginia, as described in Va. Code § 10.1-1183.

3. "Director" means the Director of the Department of Environmental Quality, as described in Va. Code § 10.1-1185.

4. "Facility" means the Munters Des Champs facility, owned by Munters Corporation, that manufactures heating, ventilation, and air conditioning equipment and is located at 225 South Magnolia Avenue in Buena Vista, Rockbridge County, Virginia.

5. "Munters" means Munters Corporation, a corporation authorized to do business in Virginia, and its affiliates, partners, and subsidiaries. Munters Corporation is a "person" within the meaning of Va. Code § 10.1-1300.

6. "Notice of Violation" or "NOV" means a type of Notice of Alleged Violation under Va. Code § 10.1-1309.

7. "NSR Permit" means the New Source Review permit which was issued under the Virginia Air Pollution Control Law and the Regulations to Munters Des Champs on April 8, 2015.

8. "Order" means this document, also known as a "Consent Order" or "Order by Consent," a type of Special Order under the Virginia Air Pollution Control Law.

9. "Regulations" or "Regulations for the Control and Abatement of Air Pollution" mean 9 VAC 5 chapters 10 through 80.

10. "SOP" means the State Operating Permit, which was issued under the Virginia Air Pollution Control Law and the Regulations to Munters Des Champs on November 8, 2004, as amended on March 31, 2008 and September 19, 2014.

11. "Va. Code" means the Code of Virginia (1950), as amended.

12. "VAC" means the Virginia Administrative Code.

13. "Virginia Air Pollution Control Law" means Chapter 13 (§ 10.1-1300 *et seq.*) of Title 10.1 of the Va. Code.

SECTION C: Findings of Fact and Conclusions of Law

1. Munters Corporation owns and operates Munters Des Champs (Facility), a heating, ventilation, and air conditioning equipment manufacturing plant located in Rockbridge County, Virginia.

2. Munters operates the Facility subject to a New Source Review (NSR) permit dated April 8, 2015; and a State Operating Permit (SOP) dated November 8, 2004, as amended March 31, 2008 and September 19, 2014.

3. On November 18, 2014, Munters submitted to DEQ a permit application for an abrasive blasting unit. In the permit application, Munters stated that the abrasive blasting unit was already in operation.

4. 9 VAC 5-80-1120.A. states: "No owner or other person shall begin actual construction of, or operate, any new stationary source or any project subject to this article without first obtaining from the board a permit under the provisions of this article."

5. 9 VAC 5-80-1210.E states: "Any owner who constructs or operates a new or modified source not in accordance with the terms and conditions of any permit to construct or operate, or any owner of a new or modified source subject to this article who commences construction or operation without receiving a permit hereunder, shall be subject to appropriate enforcement action including, but not limited to, any specified in this section."

6. On January 20, 2015, the Department issued Notice of Violation (NOV) No. AVRO000022-001 to Munters for the violations described in paragraphs C(3) through C(5) above.

7. On March 17, 2015, DEQ staff met with representatives of Munters to discuss the NOV. Facility representatives stated that following various corporation restructurings, Munters had engaged Faulkner & Flynn Environmental Management Consultants to conduct an audit of environmental operations on May 8, 9 and 10, 2013. Munters asserted that is was during this audit that the abrasive blast unit was identified.

8. On April 8, 2015, the NSR permit for the abrasive blasting unit was issued to Munters.

9. On May 20, 2105, DEQ received an electronic submittal from Munters that provided additional information on the timeline for the self-discovery and subsequent permit action.

10. On September 18, 2015, DEQ received a submittal from Munters that stated that the actual days of operation for the abrasive blast unit during the past five years was 80.9 days.

11. Based on the results of the January 15, 2015 evaluation, the Board concludes that Munters has violated 9 VAC 5-80-1120.A as described in paragraphs C(3) through C(5) above.

SECTION D: Agreement and Order

Accordingly, by virtue of the authority granted it in Va. Code §§ 10.1-1309 and -1316, the Board orders Munters, and Munters agrees to:

1. Pay a civil charge of **$8,944.00** within 30 days of the effective date of the Order in settlement of the violations cited in this Order.

Payment shall be made by check, certified check, money order or cashier's check payable to the "Treasurer of Virginia," and delivered to:

Receipts Control
Department of Environmental Quality
Post Office Box 1104
Richmond, Virginia 23218

Munters shall include its Federal Employer Identification Number (FEIN) with the civil charge payment and shall indicate that the payment is being made in accordance with the requirements of this Order for deposit into the Virginia Environmental Emergency Response Fund (VEERF).

SECTION E: Administrative Provisions

1. The Board may modify, rewrite, or amend this Order with the consent of Munters for good cause shown by Munters, or on its own motion pursuant to the Administrative Process Act, Va. Code § 2.2-4000 *et seq.*, after notice and opportunity to be heard.

2. This Order addresses and resolves only those violations specifically identified in Section C of this Order. This Order shall not preclude the Board or the Director from taking any action authorized by law, including but not limited to: (1) taking any action authorized by law regarding any additional, subsequent, or subsequently discovered violations; (2) seeking subsequent remediation of the facility; or (3) taking subsequent action to enforce the Order.

3. For purposes of this Order and subsequent actions with respect to this Order only, Munters admits the jurisdictional allegations, and agrees not to contest, but neither admits nor denies, the findings of fact and conclusions of law in this Order.

4. Munters consents to venue in the Circuit Court of the City of Richmond, Virginia for any civil action taken to enforce the terms of this Order.

5. Munters declares it has received fair and due process under the Administrative Process Act and the Virginia Air Pollution Control Law and it waives the right to any hearing or other administrative proceeding authorized or required by law or regulation, and to any judicial review of any issue of fact or law contained herein. Nothing herein shall be construed as a waiver of the right to any administrative proceeding for, or to judicial review of, any action taken by the Board to modify, rewrite, amend, or enforce this Order.

6. Failure by Munters to comply with any of the terms of this Order shall constitute a violation of an order of the Board. Nothing herein shall waive the initiation of appropriate enforcement actions or the issuance of additional orders as appropriate by the Board or the Director as a result of such violations. Nothing herein shall affect appropriate enforcement actions by any other federal, state, or local regulatory authority.

7. If any provision of this Order is found to be unenforceable for any reason, the remainder of the Order shall remain in full force and effect.

8. Munters shall be responsible for failure to comply with any of the terms and conditions of this Order unless compliance is made impossible by earthquake, flood, other acts of God, war, strike, or such other occurrence. Munters shall show that such circumstances were beyond its control and not due to a lack of good faith or diligence on its part. Munters

shall notify the DEQ Regional Director verbally within 24 hours and in writing within three business days when circumstances are anticipated to occur, are occurring, or have occurred that may delay compliance or cause noncompliance with any requirement of the Order. Such notice shall set forth:

a. the reasons for the delay or noncompliance;

b. the projected duration of any such delay or noncompliance;

c. the measures taken and to be taken to prevent or minimize such delay or noncompliance; and

d. the timetable by which such measures will be implemented and the date full compliance will be achieved.

Failure to so notify the Regional Director verbally within 24 hours and in writing within three business days, of learning of any condition above, which Munters intends to assert will result in the impossibility of compliance, shall constitute a waiver of any claim to inability to comply with a requirement of this Order.

9. This Order is binding on the parties hereto, their successors in interest, designees and assigns, jointly and severally.

10. This Order shall become effective upon execution by both the Director or his designee and Munters. Nevertheless, Munters agrees to be bound by any compliance date which precedes the effective date of this Order.

11. This Order shall continue in effect until:

    a. The Director or his designee terminates the Order after Munters has completed all of the requirements of the Order;

    b. Munters petitions the Director or his designee to terminate the Order after it has completed all of the requirements of the Order and the Director or his designee approves the termination of the Order; or

    c. The Director or Board terminates the Order in his or its sole discretion upon 30 days' written notice to Munters.

    Termination of this Order, or any obligation imposed in this Order, shall not operate to relieve Munters from its obligation to comply with any statute, regulation, permit condition, other order, certificate, certification, standard, or requirement otherwise applicable.

12. Any plans, reports, schedules or specifications attached hereto or submitted by Munters and approved by the Department pursuant to this Order are incorporated into this Order.

Any non-compliance with such approved documents shall be considered a violation of this Order.

13. The undersigned representative of Munters certifies that he or she is a responsible official authorized to enter into the terms and conditions of this Order and to execute and legally bind Munters to this document. Any documents to be submitted pursuant to this Order shall also be submitted by a responsible official of Munters.

14. This Order constitutes the entire agreement and understanding of the parties concerning settlement of the violations identified in Section C of this Order, and there are no representations, warranties, covenants, terms or conditions agreed upon between the parties other than those expressed in this Order.

15. By its signature below, Munters voluntarily agrees to the issuance of this Order.

And it is so ORDERED this 17th day of November, 2015

for Amy T. Owens, Regional Director
Department of Environmental Quality

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Munters Corporation voluntarily agrees to the issuance of this Order.

Date: 11/10/15 By: Maj-Britt Hallmark, President
Maj-Britt Hallmark
Munters Corporation

Commonwealth of ~~Virginia~~ MASS
City/County of ESSEX

The foregoing document was signed and acknowledged before me this 11 day of Nov, 2015, by MAJ-BRITT Hallmark who is President of Munters, on behalf of Munters.

Georgia A. Pace
Notary Public

N/A
Registration No.

My commission expires: 10/8/21

Notary seal:

GEORGIA A. PACE
Notary Public
Commonwealth of Massachusetts
Commission Expires Oct 8, 2021