CERTIFIED MAIL#7012 2920 0000 4177 2020

Ms. Amber Bouska
Amite BioEnergy LLC
1500 North 19th Street, Suite 501
Monroe, Louisiana 71201

Re: Amite BioEnergy LLC, Wood Pellet Manufacturing Facility
Agreed Order No. 7082 20

Dear Ms. Bouska:

Enclosed you will find a copy of Agreed Order No. 7082 20, which has been executed by the Interim Executive Director of the Mississippi Department of Environmental Quality, Chris Wells, on behalf of the Mississippi Commission on Environmental Quality.

The enclosed Order assesses a civil penalty. The penalty payment, when due, should be made by check payable to the Mississippi Department of Environmental Quality and returned in the enclosed, self-addressed envelope to the MDEQ Accounts Receivable at P.O. Box 2339, Jackson, MS 39225.

If you have any questions regarding your obligations under the enclosed order, please contact Geoffrey Martin at (601) 961-5024.

Sincerely,

Michelle Clark, P.E., BCEE, Chief
Environmental Compliance and Enforcement Division

Enclosure
cc: Geoffrey Martin
BEFORE THE MISSISSIPPI COMMISSION
ON ENVIRONMENTAL QUALITY

MISSISSIPPI COMMISSION ON
ENVIRONMENTAL QUALITY

COMPLAINANT

VS.

ORDER NO. 7082 20

AMITE BIOENERGY LLC
1500 NORTH 19TH STREET, SUITE 501
MONROE, LOUISIANA 71201

RESPONDENT

AGREED ORDER

COME NOW the Mississippi Commission on Environmental Quality (Commission), acting through the staff and Executive Director of the Mississippi Department of Environmental Quality (MDEQ), Complainant, and Amite BioEnergy LLC, Respondent, in the above captioned cause and agree as follows:

1. By letter dated January 9, 2020, Respondent was contacted by Complainant and notified of the following violations at its facility located at 1763 Georgia Pacific Road #2, Gloster, Mississippi in Amite County:

   A. Air Construction Permit No. 0080-00031 Condition No. L-5: “For Emission Point AA-001, the permittee shall have emissions of Volatile Organic Compounds (VOC) less than or equal to 40 tons per year.” According to the actual emission calculations submitted by the facility, Emission Point AA-001 has exceeded the VOC limit since 2017.

   B. Air Construction Permit No. 0080-00031 Condition No. L-7: “For entire facility, the permittee shall have emissions of VOC less than or equal to 249 tons per year.” According to the actual emission calculations submitted by the facility, the VOC emission limitation has been exceeded since 2016.
Respondent asserts the facility will be capable of meeting the VOC limits by the construction and operation of a Regenerative Catalytic Oxidizer (RCO). Based on calculations provided by the Respondent, the RCO is considered a de minimis construction project; therefore, a permit to construct is not required.

C. Agreed Order No. 6959 19 Paragraph 2.B.: “By September 30, 2019, Respondent shall submit documentation to MDEQ of the installation of the electric pump and wash down tank.” Respondent failed to provide documentation of the installation of the wash down tank by the September 30, 2019 deadline.

By letter dated August 18, 2020, Respondent submitted documentation the electric pump was commissioned on August 19, 2019 and the wash down system upgrades were completed on August 14, 2020.

2.

In lieu of a formal enforcement hearing concerning the violations listed above, Complainant and Respondent agree to settle this matter as follows:

A. Respondent agrees to pay and Complainant agrees to accept a civil penalty in the amount of $2,500,000.00. Respondent shall pay $1,250,000.00 to MDEQ within forty-five (45) days after this Agreed Order has been executed by the MDEQ Interim Executive Director or his designee. Respondent shall pay $1,250,000.00 to MDEQ on or before January 31, 2021. The settlement payments shall be submitted to:

Mississippi Department of Environmental Quality
Attn: Accounts Receivable
P.O. Box 2339
Jackson, MS 39225

B. Respondent agrees to submit to MDEQ notification of the start-up of the RCO no later than fifteen (15) days after the date of initial start-up.

C. Respondent agrees to operate the RCO continuously as designed and/or permitted beginning on the date specified in Paragraph 2.B.

D. Respondent agrees to pay and Complainant agrees to accept a civil penalty in the amount of $80,000.00 per month, beginning on July 1, 2021 and ending on the start-
up date specified in Paragraph 2.B. The final month will be prorated at an amount of $2,667.00 per day. Respondent shall pay this penalty to MDEQ within forty-five (45) days after notification from MDEQ that such payment is due. The settlement payment shall be submitted to the address in Paragraph 2.A.

E. Respondent agrees to limit production to an average of forty thousand (40,000) tons per month beginning in September 2020 until the start-up of the RCO, as specified in Paragraph 2.B. Respondent shall submit production documentation in a summary report by January 31 and July 31 for the preceding six-month period. The production average shall be calculated on a four (4) month rolling average with no single calendar month exceeding forty-five thousand (45,000) tons.

3.

Nothing in this Agreed Order shall limit the rights of MDEQ or the Commission in the event Respondent fails to comply with this Agreed Order. The Agreed Order shall be strictly construed to apply to those matters expressly resolved herein.

4.

Nothing contained in this Agreed Order shall limit the rights of MDEQ or the Commission to take enforcement or other actions against Respondent for violations not addressed herein and for future violations of environmental laws, rules, and regulations.

5.

The parties agree that, by entering into this Agreed Order and agreeing to the terms and conditions set forth herein, Respondent does not admit any of the allegations listed above and nothing contained herein shall be in any way construed as an admission of liability by Respondent. Without admitting any liability, Respondent consents to entry of this Agreed Order, which the parties agree shall serve as the full resolution of the violations alleged above. The parties further agree that the Commission continues to assert that the matters set forth above were violations of the environmental laws, regulations and/or permits applicable to Respondent.
6.

Respondent understands and acknowledges that it is entitled to an evidentiary hearing before the Commission pursuant to Miss. Code Ann. § 49-17-31, and that it has made an informed waiver of that right.
ORDERED, this the 4th day of November, 2020.

MISSISSIPPI COMMISSION ON ENVIRONMENTAL QUALITY

BY: [Signature]

CHRIS WELLS
EXECUTIVE DIRECTOR
MISSISSIPPI DEPARTMENT OF ENVIRONMENTAL QUALITY

AGREEED, this the 27 day of October, 2020.

AMITE BIOENERGY LLC

BY: [Signature]

TITLE: Senior Vice President

STATE OF Louisiana

COUNTY OF Ouachita

PERSONALLY appeared before me, the undersigned authority in and for the jurisdiction aforesaid, the within named Matt White who first being duly sworn, did state upon his/her oath and acknowledge to me that he/she is the Senior Vice President of Amite BioEnergy LLC and is authorized to sign and enter this Agreement.

AND SUBSCRIBED BEFORE ME, this the 27 day of October, 2020.

[Signature]

NOTARY PUBLIC

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