

Bill Richardson Governor

NEW MEXICO ENVIRONMENT DEPARTMENT

Office of the Secretary

Harold Runnels Building 1190 Saint Francis Drive (87505) PO Box 26110, Santa Fe, NM 87502 Phone (505) 827-2855 Fax (505) 827-2836 www.nmeny.state.nm.us



Ron Curry Secretary Jon Goldstein Deputy Secretary

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Environment Secretary Issues Compliance Order with \$279,000 Penalty to Helena Chemical for 11 Violations of Company's Air Quality Permit

Southern New Mexico Company Continues History of Violating Air Quality Laws

(Santa Fe, NM) – New Mexico Environment Department Secretary Ron Curry issued a compliance order with a \$279,076 penalty to Helena Chemical Co. in Mesquite for 11 violations of the company's air quality permit.

The order alleges violations including allowing emissions to escape from the facility, neglecting to conduct testing and monitoring to make sure air quality standards are met and failing to maintain records of plant operations. That order is based on a notice of violation the department issued to the fertilizer company in November.

"Operating a business comes with certain responsibilities, including protecting residents and the environment from effects of that operation," said New Mexico Environment Department Secretary Ron Curry. "Helena continues to have lax air monitoring methods that put residents at risk – we will not tolerate that behavior from any company and will continue to ensure residents have the protection they deserve from problematic companies like Helena."

The facility processes and distributes agricultural chemicals, including fertilizer, at a facility at 252 John Grisham Drive in Mesquite.

Seven inspections conducted by the Department's Air Quality Bureau between March and June 2007 uncovered 11 violations of the Air Quality Control Act, Air Quality Control Regulations and Helena's air permit with the state.

Helena violated its permit by failing to enclose doors and other openings at the facility when it conducted work on fertilizer products; allowing emissions from the facility to escape outdoors; having a malfunctioning chute that allowed emissions to escape during product loading; failing to follow best engineering practices by keeping doors open while off-loading fertilizer into trucks; failing to keep the south haul road swept to control dust; failing to conduct compliance tests of regulated equipment on schedule; failing to notify the department of the installation of new equipment; failing during two periods of time to monitor differential pressure in

inches of water across the dust collection system; neglecting to conduct inspections of building enclosures and to keep records of those inspections; failing to use proper methods of observing emissions during various operations; and neglecting to maintain daily and annual production rates for emissions limits.

"In the first place, Helena violated state law by failing to obtain an air quality permit before it began operations at its Mesquite facility," Secretary Curry said. "Once the company obtained the permit, it still failed to understand the gravity of complying with that permit and laws governing air quality."

The department initially issued a notice of violation to the company in November for the violations (http://www.nmenv.state.nm.us/Oots/documents/PR-Helena2-11-14-07.pdf).

Inspectors from the department's Air Quality Bureau inspected the plant in spring 2007 and found the plant had not conducted initial compliance tests to make sure regulated emissions were in compliance with air quality requirements. The company also failed to maintain records it was required to possess.

The order contains revisions of the initial notice of violation.

The department first issued an Air Quality Permit to the company in November 2005.

The company can request a settlement hearing on the matter from the department. The department can arrange to hold that hearing near the facility.

The department issued a notice of violation and assessed a penalty of \$238,000 to the company in November 2004 for failing to obtain a permit to operate the facility. The department also issued a \$36,000 penalty to Helena in October 2006 when the company failed to report a chemical fertilizer spill. The department began investigating all state Helena facilities in March 2007 after a fire broke out at another Helena facility in Humboldt, Tennessee. Those investigations were conducted to ensure local operations were safe.

For more information, call Marissa Stone at (505) 827-0314 or (505) 231-0475.

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