

STEVE SISOLAK  
Governor



STATE OF NEVADA  
STATE ENVIRONMENTAL COMMISSION

901 South Stewart Street, Suite 4001  
Carson City, Nevada 89701-5249  
Telephone (775) 687-9374  
Fax (775) 687-5856  
[www.sec.nv.gov](http://www.sec.nv.gov)

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STAFF  
Valerie King  
Executive Secretary

Danyel Souilier  
Recording Secretary

May 5, 2021

Mr. Larry Lu  
CEO  
Lin Cubing Inc.  
26888 County Road 90  
Winters, CA 95694

RE: Notice of Alleged Air Quality Violation and Order Nos. 2768 and 2771  
Class III Air Quality Operating Permit AP2048-3568 (FIN A0128)

Dear Mr. Lu:

On March 25, 2020, the Nevada Division of Environmental Protection (NDEP) held an enforcement conferences with Lin Cubing Inc. to discuss supporting information regarding the draft Notice of Alleged Violation and Order (NOAV) Nos. 2768 and 2771. As a result of that meeting, NDEP formally issued the above NOAVs via certified mail on February 24, 2021. See attachment.

Upon formal issuance of the NOAVs, NDEP notified Lin Cubing Inc. of its appeal rights pursuant to NRS 445B.340 and NRS 445B.360. Lin Cubing Inc. did not appeal the NOAVs. Therefore, the State Environmental Commission (SEC) will determine the appropriate penalty for the violations contained in the above referenced NOAVs on **Wednesday, June 9, 2021 at 10:00 a.m. at the Richard H. Bryan Building, Tahoe Conference Room (2<sup>nd</sup> Floor) located at 901 South Stewart Street, Carson City. Additionally, the meeting will be video conferenced to the Grant Sawyer Building, Red Rock Conference room, located at 555 East Washington Avenue, Las Vegas. It will also be held virtually. To join remotely, please go to <https://call.lifesizecloud.com/9119222> or telephone into the meeting at 1 (877) 422-8614, ext. 9119222#**

Pursuant to NRS 445B.640(1), the SEC may approve an administrative penalty of not more than \$10,000 per day per violation. During the June 9<sup>th</sup> meeting, NDEP will provide the SEC with a brief overview of the NOAVs and the recommendation for an administrative penalty of \$4,000.00 for NOAV 2768 and a penalty of \$15,000 for NOAV No. 2771, totaling \$19,000.00. These recommended penalties were calculated using a penalty matrix previously approved by the SEC.

Although your presence is not required at this meeting, you or a representative may wish to attend to speak on behalf of Lin Cubing Inc.

The SEC may, without further notice, take administrative action against Lin Cubing Inc. if the SEC determines that such administrative action is warranted after it considers NOAV Nos. 2768 and 2771.

If you have any questions regarding this notice, please contact me at (775) 687-9374.

Sincerely,



Valerie King, CPM  
Executive Secretary

Certified Mail # 9171 9690 0935 0012 2756 77

cc: Greg Lovato, Administrator  
Jeffrey Kinder, Deputy Administrator  
Danilo Dragoni, Chief, BAQP  
Lisa Kremer, Chief, BAPC  
Andrew Tucker, Supervisor, BAQP  
Henna Rasul, SEC/DAG



February 24, 2021

Larry Lu  
CEO  
Lin Cubing Inc.  
26888 County Road 90  
Winters CA, 95694

**RE: Notice of Alleged Air Quality Violation and Orders Nos. 2768, 2769, 2770, 2771, 2843, and 2844 for Class III Air Quality Operating Permit AP2048-3568 (FIN A0128)**

Dear Mr. Lu:

The Nevada Division of Environmental Protection (NDEP) alleges that Lin Cubing Inc. (Lin Cubing) has violated one or more regulatory requirements and/or conditions of Class III Air Quality Operating Permit (AQOP) AP2048-3568.

On March 25, 2020, NDEP held an enforcement conference with Lin Cubing to discuss the violations alleged in Notice of Alleged Violation (NOAV) Nos. 2768, 2769, 2770, 2771, 2843 and 2844. The conference was held to clarify the circumstances of the alleged violation, provide an opportunity for Lin Cubing to provide evidence demonstrating that the alleged violations did not occur, or efforts made to mitigate the violation.

Based on the information provided during the enforcement conference, NDEP has determined that issuance of NOAV Nos. 2768, 2769, 2770, 2771, 2843, and 2844 is warranted and that issuance of Order Nos. 2769, 2843, and 2844 is warranted.

The recordkeeping violations alleged, in NOAV Nos. 2769, 2843, and 2844 are minor violations pursuant to NAC 445B.281. The violations in the NOAVs are the first, second, and third offense of recordkeeping violations for Lin Cubing in the previous 60 months. The administrative fine for a first offense recordkeeping violation is \$250.00, \$500.00 for the second, and \$1,000 for the third in accordance with NAC 445B.281. The total administrative fines for the violations for NOAV & Orders Nos. 2769, 2843, and 2844 is \$1,750.00. Pursuant to NAC 445B.283, the fines for minor violations must be submitted within 10 days of notice of the fines. The fines are payable by cashier's checks, certified checks, money orders or personal check. The check must be made payable to the State of Nevada and must be sent to the State Environmental Commission, 901 South Stewart Street, Suite 4001, Carson City, Nevada 89701-5249.

In accordance with **NAC 445B.281 Violations: Classification; administrative fines**, NOAV Nos. 2768, 2770, and 2771 constitute major violations. For major violations, NDEP makes penalty recommendations to the Nevada State Environmental Commission (SEC), but the SEC assesses the penalties. NDEP will be recommending a penalty of \$4,000 for NOAV No. 2768

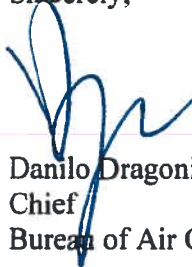
and a penalty of \$15,000 for NOAV No. 2771. NOAV No. 2770 is being issued as a warning, so no penalty will be recommended. The date for the next SEC hearing is expected to be on June 9, 2021 but may be subject to change. It is possible that the SEC hearing will be conducted by teleconference due to the COVID-19 emergency. Before the hearing for the penalty, the SEC will notify you of the final date and time of the hearing and provide information about how you can participate if you want.

Appeals of NOAV Nos. 2768, 2769, 2770, 2771, 2843, and 2844 and Order Nos. 2769, 2843, and 2844 may be requested pursuant to **Nevada Revised Statute (NRS) 445B.360 Appeals to Commission: Appealable matters; action by Commission; regulations and SEC administrative rules.** A copy of SEC Appeal Form #3 is enclosed. Appeals must be received within ten (10) days of receipt of this notice, pursuant to **NRS 445B.340 Appeals to Commission: Notice of appeal.** A copy of SEC Appeal Form #3 is enclosed and can also be found on the SEC website at: <https://sec.nv.gov/participate/forms-and-documents/>. Appeals are processed through Valerie King, the Executive Secretary for the SEC, at 901 South Stewart Street, Suite 4001, Carson City, Nevada, 89701-5249. Mrs. King can be reached at (775) 687-9374, or by email at [vking@ndep.nv.gov](mailto:vking@ndep.nv.gov). Please provide me with a copy of any correspondence your company may have with the SEC.

Additionally, The requirements of Order No. 2021EA-03 are hereby lifted effective February 17, 2021, but Lin Cubing must still submit records to the NDEP under the requirements of Order No. 2769, included with this letter. It should be noted that the fourth or greater occurrence of a minor violation within a 60-month period become major violation/s which are subject to penalties of up to \$10,000 per day, per violation, as assessed by the SEC.

If you have any questions regarding the NOAVs or the fines, please contact Andrew Tucker at (775) 687-9499 or by email at [atucker@ndep.nv.gov](mailto:atucker@ndep.nv.gov). (response may be delayed due to limited presence in the office because of the COVID-19 emergency).

Sincerely,



Danilo Dragoni, Ph.D  
Chief  
Bureau of Air Quality Planning

DD/ajt/dd

enc.: Notices of Alleged Air Quality Violation and Orders Nos. 2768, 2769, 2770, 2771, 2843, 2844 and Order Nos. 2769, 2843, and 2844

cc (w/enc.): Valerie King, SEC  
Lyon County Board of Commissioners  
FIN A0128 (Certified Copy)

E-Copy: Danilo Dragoni, Ph.D., Chief, BAQP  
Lisa Kremer, P.E., Chief, BAPC

Travis Osterhout, P.E., Compliance Supervisor, BAPC  
Tanya Soleta, P.E., Permitting Supervisor, BAPC  
David Dragon, Enforcement Staff, BAQP  
Nathan Rash, Compliance Staff, BAPC  
Kristen Burke, Administrative Assistant, NDEP  
Jessica Lunz, Administrative Assistant, NDEP

Certified Mail No.: 9171 9690 0935 0239 7989 66

STATE OF NEVADA  
DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES  
DIVISION OF ENVIRONMENTAL PROTECTION  
BUREAU OF AIR QUALITY PLANNING  
901 SOUTH STEWART ST., SUITE 4001  
CARSON CITY, NEVADA 89701-5249  
**NOTICE OF ALLEGED AIR QUALITY VIOLATION NO. 2768**

**Person(s) to Whom Served:** Larry Lu, CEO

**Company Name:** Lin Cubing Inc.

**Address:** 26888 County Road 90, Winters CA, 95694

**Permit Number:** AP2048-3568

**FIN:** A0128

**Site of Alleged Violation:** 1605 Hwy 95A South, Fernley, NV 89408

**Date of Observation:** 5/31/2019      **Time:** 8:54 AM

**It is alleged that the following regulation was violated by the person named in this notice:**

**Nevada Administrative Code (NAC) 445B.275 Violations: Acts constituting; notice.**

1. Failure to comply with any requirement of NAC 445B.001 to 445B.3689, inclusive, any applicable requirement or any condition of an operating permit constitutes a violation. As required by NRS 445B.450, the Director shall issue a written notice of an alleged violation to any owner or operator for any violation, including, but not limited to:

(c) Failure to construct or operate a stationary source in accordance with any condition of an operating permit;

**It is alleged that the following act or practice constitutes the violation:**

Failure to comply with opacity limits as required by the Air Quality Operating Permit (AQOP).

**Evidence:**

Lin Cubing held a Class III AQOP to operate a hay cubing operation under the requirements of AQOP No. AP2048-3568, issued by the Nevada Division of Environmental Protection (NDEP) on December 1, 2014. Lin Cubing currently operates under Class II Air Quality Operating Permit AP2048-4224, issued on June 26, 2020.

On May 31, 2019, NDEP staff conducted an EPA Method 9 visible emission test on the hay buster and associated transfers (System 01, PF 1.002) for six minutes. NDEP staff observed an opacity coming from the operation of 43%, which is 215% of the permitted opacity limit of 20%.

**Table 1: Method 9 Opacity Observations**

Minute	Seconds				Minute	Seconds			
	0	15	30	45		0	15	30	45
1	50%	40%	50%	65%	5	30%	Interference		
2	40%	45%	25%	20%	6	25%	35%	45%	40%
3	35%	70%	85%	75%	7	55%	25%	40%	-
4	70%	35%	20%	20%	<b>Six Minute Average:</b>				<b>43%</b>

On March 25, 2020, NDEP held an enforcement conference with Lin Cubing. During the enforcement conference Lin Cubing was unable to show cause why NOAV No. 2768 should not be issued. NDEP has subsequently determined that formal issuance of NOAV No. 2768 is warranted.

*This NOAV becomes final unless appealed within ten (10) days after the notice. The person named in this notice may appeal the notice by submitting a written request for a hearing to the Chairman of the Environmental Commission, 901 South Stewart Street, Suite 4001, Carson City, Nevada 89701-5249.*

In accordance with **NAC 445B.281 Violations: Classification; administrative fines**, the alleged violation constitutes a major violation. Lin Cubing has no prior air quality violations within the last 60 months.

Signature \_\_\_\_\_



**Issued by:** Danilo Dragoni, PhD  
Chief  
Bureau of Air Quality Planning

**Phone:** 775-687-9340      **Date:** February 24, 2021

DD/ajt/dd

Certified Mail No.: 9171 9690 0935 0239 7989 66

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STATE OF NEVADA  
DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES  
DIVISION OF ENVIRONMENTAL PROTECTION  
BUREAU OF AIR QUALITY PLANNING  
901 SOUTH STEWART ST., SUITE 4001  
CARSON CITY, NEVADA 89701-5249  
**NOTICE OF ALLEGED AIR QUALITY VIOLATION NO. 2771**

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**Person(s) to Whom Served:** Larry Lu, CEO

**Company Name:** Lin Cubing Inc.

**Address:** 26888 County Road 90, Winters CA, 95694

**Permit Number:** AP2048-3568

**FIN:** A0128

**Site of Alleged Violation:** 1605 Hwy 95A South, Fernely, NV 89408

**Date of Observation:** 12/16/2019      **Time:** 8:54 AM

**It is alleged that the following regulation was violated by the person named in this notice:**

**Nevada Administrative Code (NAC) 445B.275 Violations: Acts constituting; notice.**

*1. Failure to comply with any requirement of NAC 445B.001 to 445B.3689, inclusive, any applicable requirement or any condition of an operating permit constitutes a violation. As required by NRS 445B.450, the Director shall issue a written notice of an alleged violation to any owner or operator for any violation, including, but not limited to:*

*(a) Failure to apply for and obtain an operating permit;*

**It is alleged that the following act or practice constitutes the violation:**

Failure to apply for and obtain an air quality operating permit.

**Evidence:**

Lin Cubing Inc. (Lin Cubing) held a Class III Air Quality Operating Permit (AQOP) to operate a hay cubing operation under the requirements of AQOP No. AP2048-3568, issued by the Nevada Division of Environmental Protection (NDEP) on December 1, 2014. Lin Cubing currently operates under Class II Air Quality Operating Permit AP2048-4224, issued on June 26, 2020.

In a letter dated January 13, 2017, NDEP notified Lin Cubing that regulatory changes, effective November 2, 2016, would require that the facility be permitted as a Class II source based on an analysis conducted by NDEP. The analysis consisted of an evaluation of the facility's potential to emit regulated pollutants based on the best data available at the time.

On letters dated March 12, 2019, and April 8, 2019, NDEP reminded Lin Cubing that their permit would be expiring on December 1, 2019. The letters also informed Lin Cubing that the application for a new Class II permit would need to be submitted before the permit expired.

On December 16, 2019, the NDEP discovered that an application for a new Class II AQOP for Lin Cubing's operations had not been submitted. A compliance inspection was conducted on the same day by the NDEP, the equipment listed on the expired permit was on site and the NDEP determined that the facility had operated beyond the December 1, 2019 permit expiration.

On March 25, 2020, NDEP held an enforcement conference with Lin Cubing. During the enforcement conference Lin Cubing was unable to show cause why NOAV No. 2771 should not be issued. NDEP has subsequently determined that formal issuance of NOAV No. 2771 is warranted.

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*This NOAV becomes final unless appealed within ten (10) days after the notice. The person named in this notice may appeal the notice by submitting a written request for a hearing to the Chairman of the Environmental Commission, 901 South Stewart Street, Suite 4001, Carson City, Nevada 89701-5249.*



NOAV NO. 2771

In accordance with NAC 445B.281 Violations: Classification; administrative fines, the alleged violation constitutes a major violation, Lin Cubing has one prior air quality violation within the last 60 months.

Signature \_\_\_\_\_



Issued by: Danilo Dragoni, PhD  
Chief  
Bureau of Air Quality Planning

Phone: 775-687-9340 Date: February 24, 2021

DD/ajt/dd

Certified Mail No.: 9171 9690 0935 0239 7989 66

~~This NOAV becomes final unless appealed within ten (10) days after the notice. The person named in this notice may appeal the notice by submitting a written request for a hearing to the Chairman of the Environmental Commission, 901 South Stewart Street, Suite 4001, Carson City, Nevada 89701-5249.~~