STATE OF NEVADA





Joe Lombardo, *Governor* James A. Settelmeyer, *Director* Jennifer L. Carr, *Administrator*

April 17, 2025

Scott Thibodeaux Plant Manager Albemarle US, Inc. PO Box 98 Silver Peak, NV 89047

RE: Letter of Alleged Findings and Order to Appear for Enforcement Conference Class 2 Air Quality Operating Permit AP2819-0050 (FIN A0452)

Dear Scott Thibodeaux:

The Nevada Division of Environmental Protection (Division) alleges that Albemarle US, Inc. (Albemarle) has violated one or more conditions of Class II Air Quality Operating Permit (AQOP) AP2819-0050.

On March 25, 2025, the Division held an enforcement conference with Albemarle to discuss potential enforcement actions alleged in the Letter of Alleged Findings (LOAF) previously sent to Albemarle. The conference was held to clarify the circumstances of the potential enforcement actions and provide an opportunity for Albemarle to provide evidence demonstrating that violations did not occur or that efforts were made to mitigate the violation.

Based on the information provided during the enforcement conference, the Division has determined that the issuance of Notice of Alleged Violation (NOAV) 3067 is warranted and the issuance of NOAV 3105 is warranted as a warning.

In accordance with NAC 445B.281 Violations: Classification; administrative fines, NOAVs 3067 and 3105 constitute major violations. For major violations not issued as warnings, the Division makes penalty recommendations to the Nevada State Environmental Commission (Commission), and the Commission assesses the penalties. Based on the factors considered in the penalty matrix and penalty calculation worksheet, as established with the Commission, the Division has calculated a recommended penalty of \$31,600 for NOAV No. 3067. As NOAV 3105 is a warning with no monetary penalty associated it will not be recommended to the Commission.

The date for the next Commission hearing for penalties has not yet been determined. Before the hearing for the penalties, the Commission 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 NOAVs 3067 and 3105 may be requested pursuant to **Nevada Revised Statute (NRS) 445B.360 Appeals to Commission: Appealable matters; action by Commission; regulations** and the Commission's administrative rules. 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 the Commission's appeal form is enclosed and can also be found on the Commission's

website at: https://sec.nv.gov/participate/forms-and-documents/. Appeals are processed through Sheryl Fontaine, the Executive Secretary for the Commission, at 901 South Stewart Street, Suite 4001, Carson City, Nevada, 89701-5249. Ms. Fontaine can be reached at (775) 687-9374, or by email at sfontaine@ndep.nv.gov. Please provide me with a copy of any correspondence your company may have with the Commission.

If you have any questions regarding the NOAVs or the fines, please contact me at (775) 687-9392 or by email at m.grover@ndep.nv.gov.

Sincerely,

Michelle Grover (Apr 16, 2025 07:22 PDT)

Michelle Grover, Supervisor, Enforcement Branch Bureau of Air Quality Planning

MG/nr

enc.: Notice of Alleged Air Quality Violation Nos. 3067 and 3105

SEC Appeal Form #3

E-Copy: Danilo Dragoni, Ph.D, Deputy Administrator, NDEP

Andrew Tucker, Chief, BAQP Jennifer Schumacher, Chief, BAPC

Chad Myers, P.E., Compliance Supervisor, BAPC Shannon Watson, Compliance Staff, BAPC Pete Preciado, Compliance Staff, BAPC

Tanya Soleta, P.E., Permitting Supervisor, BAPC

Nathan Rash, Enforcement Staff, BAQP

Certified Mail No.: 9489 0090 0027 6528 8121 14

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. 3067

Person(s) to Whom Served: Scott Thibodeaux, Plant Manager

Company Name: Albemarle US, Inc.

Address: PO Box 98, Silver Peak, NV 89047

Permit Number: AP2819-0050 **FIN:** A0452

Site of Alleged Violation: Silver Peak Operations, Esmarelda County, Nevada

Date of Observation: 5/10/2022, 1/11/2024 Time: N/A

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:

Failed Source Test

Evidence:

Albemarle US, Inc. (Albemarle) currently holds a Class 2 Air Quality Operating Permit (AQOP) to operate the Silver Peak Operations site, a lithium salt recovery facility, under the requirements of AP2819-0050, last issued by the Nevada Division of Environmental Protection (Division) on March 21, 2023.

In May of 2022 the Facility, contracting through a third party, conducted source testing. System 04 (Rotary Dryer) was shown to have exceeded permitted emission limits. A retest was completed in August of 2022 and the test was invalidated and required retesting within 45 days. Retesting was not completed until January of 2024 and System 04 exceeded permitted emission limits again. System 04 was again retested in June of 2024 and passed.

On March 25, 2025, the Division held an enforcement conference with Albemarle to determine whether the issuance of Notice of Alleged Air Quality Violation (NOAV) 3067 was or was not warranted. During the enforcement conference, Albemarle did not supply any evidence that the alleged violation did not occur. The Division has subsequently determined that formal issuance of NOAV 3067 is warranted for System 04.

Based on the factors considered in the penalty matrix and penalty calculation worksheet, as established with the Nevada State Environmental Commission, the Division has calculated a recommended penalty of \$31,600.00 for NOAV No. 3067.

Table 1: Failed Source Tests

Item	System Name	System/ Emission Unit	Date	Pollutants	Tested Value [lb/hr.]	Permit Limit [lb/hr.]	Percent Limit
1	Rotary Dryer	S04.S2.007a & S04.S2.07b	5/10/2022	Particulate Matter (PM ₁₀ & PM _{2.5})	1.93	1.3	148%
2	Rotary Dryer	S04.S2.007a & S04.S2.07b	1/11/2024	Particulate Matter (PM ₁₀ & PM _{2.5})	6.291	1.3	484%

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

Signature _____

Issued by: Andrew Tucker

Chief

Bureau of Air Quality Planning

Phone: 775-687-9340 Date: Apr 16, 2025

AT/MG/nr

Certified Mail No.: 9489 0090 0027 6528 8121 14

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. 3105

Person(s) to Whom Served: Scott Thibodeaux, Plant Manager

Company Name: Albemarle US, Inc.

Address: PO Box 98, Silver Peak, NV 89047

Permit Number: AP2819-0050 **FIN:** A0452

Site of Alleged Violation: Silver Peak Operations, Esmarelda County, Nevada

Date of Observation: 10/24/2023

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 a Permitted Operating Parameter as required by the Nevada Administrative Code and the Air Quality Operating Permit.

Evidence:

Albemarle US, Inc. (Albemarle) currently holds a Class 2 Air Quality Operating Permit (AQOP) to operate the Silver Peak Operations site, a lithium salt recovery facility, under the requirements of AP2819-0050.05, issued by the Nevada Division of Environmental Protection (Division) on March 21, 2023.

On October 2, 2023, BAPC Compliance Staff initiated a partial, off-site inspection of the facility. As part of this inspection, records were requested from the facility for review. During this review, multiple instances were noted where the recorded values exceeded permitted operating parameters.

On March 25, 2025, the Division held an enforcement conference with Albemarle. During the enforcement conference Albemarle was unable to provide evidence that the alleged violation did not occur. Therefore, the Division has determined that issuance of NOAV No. 3105 is warranted as a warning.

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

ORDER

Under the authority of Nevada Revised Statute (NRS) 445B.100 to 445B.640, inclusive, the person named in this notice is ordered:

To pay the following administrative fine in accordance with NAC 445B.281:

To take corrective action:

To appear for an enforcement conference in person at: 901 S. Stewart St. Suite 4001, Carson City, Nevada, 89701, or by video conference or phone.

Date:

To conduct a Supplemental Environmental Project specified by NDEP

X This notice is a warning.

Signature

Issued by: Andrew Tucker Chief Bureau of Air Quality Planning

Apr 16, 2025

Phone: 775-687-9340 Date:

AT/MG/nr

Certified Mail No.: 9489 0090 0027 6528 8121 14

231024_A0452_FinalNOAVPackage

Final Audit Report 2025-04-16

Created: 2025-04-16

By: Michelle Grover (m.grover@ndep.nv.gov)

Status: Signed

Transaction ID: CBJCHBCAABAAT8TBX_TfOxRXJzJbSpb4AsbAXJ3cVynP

"231024_A0452_FinalNOAVPackage" History

- Document created by Michelle Grover (m.grover@ndep.nv.gov) 2025-04-16 2:21:19 PM GMT
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