



CEMEX Settlement Bolsters EPA Air Enforcement Initiative

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Earlier this year, EPA announced revised National Enforcement Initiatives (“NEIs”) beginning October 1, 2016 for fiscal years 2017-2019. Among other areas of concentration, EPA’s NEIs include the expansion of a previous air quality enforcement initiative focused on reducing air pollution from large sources. With a renewed and expanded emphasis on pursuing enforcement for air emission violations, EPA quickly showed the industrial community the new NEIs are not simply agency rhetoric.

EPA and the Department of Justice recently reached an agreement with CEMEX, Inc., the nation’s largest supplier of Portland cement, settling alleged violations of air permitting regulations at facilities in Tennessee, Texas, Alabama, and Kentucky. DOJ’s complaint against CEMEX alleged the company made major modifications resulting in significant net emissions increases of nitrogen oxides at its facilities without undergoing proper permitting applications and reviews. As a result, the modified facilities allegedly operated without the required Best Available Control Technology and violated emissions limitations for several years.

To settle the alleged violations, CEMEX entered into a Consent Decree with EPA and DOJ on July 27, 2016, which was lodged in the U.S. District Court for the Eastern District of Tennessee. Under the Consent Decree, CEMEX agreed to pay a civil penalty of \$1.69 million, invest approximately \$10 million in control technologies aimed at reducing emissions at its facilities, and spend \$150,000 on energy efficiency projects to mitigate effects of past violations.

EPA’s announcement of the Consent Decree clearly indicated the settlement’s role in fulfilling the Agency’s policy: “This settlement is part of EPA’s National Enforcement Initiative to control harmful emissions from large sources of pollution.” Other NEIs include reduction of industrial pollutants and contaminated stormwater in the Nation’s waters, reducing risks of accidental releases at industrial and chemical facilities, and ensuring energy extraction activities comply with environmental laws. The CEMEX settlement should serve as a reminder to facility owners and operators to evaluate internal compliance assurance processes, with a particular emphasis on areas where EPA enforcement is focused.

, [Complaint](#) and [Consent Decree](#)

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- Ryan W. Trail – 803.567.4605 – Rtrail@williamsmullen.com

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