

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5



In the Matter of:) Docket No. CAA-05-2026-0018
)
FiberPro, Inc.) Proceeding to Assess a Civil Penalty
La Crosse, Wisconsin) Under Section 113(d) of the Clean Air Act,
) 42 U.S.C. § 7413(d)
Respondent.)
_____)

Consent Agreement and Final Order

A. Preliminary Statement

1. This is an administrative penalty assessment proceeding commenced and concluded under Section 113(d) of the Clean Air Act (the CAA), 42 U.S.C. § 7413(d), and Sections 22.1(a)(2), 22.13(b) and 22.18(b) of the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits (Consolidated Rules), 40 C.F.R. §§ 22.1(a)(2), 22.13(b) and 22.18(b).

2. Complainant is the U.S. Environmental Protection Agency (EPA). The EPA Administrator has delegated the authority to settle civil administrative penalty proceedings under Section 113(d) of the CAA to the Division Director of the Region 5 Enforcement and Compliance Assurance Division.

3. Respondent is FiberPro, Inc. d/b/a Advanced Fiber Products (AFP), a corporation doing business in Wisconsin. Respondent is a "person," as defined in Section 302(e) of the CAA, 42 U.S.C. § 7602(e).

4. The EPA and Respondent agree that settling this action is in the public interest and consent to the entry of this Consent Agreement and Final Order (CAFO) pursuant to 40 C.F.R. § 22.18(b)(2) and (3) without the adjudication of any issues of law or fact.

5. Respondent agrees to comply with the terms of this CAFO.

B. Jurisdiction

6. The EPA has taken this action to address the violations alleged in this CAFO pursuant to Section 113(a)(3)(A) of the CAA, 42 U.S.C. § 7413(a)(3)(A).

7. The EPA and the United States Department of Justice have jointly determined that this matter, although it involves alleged violations that occurred more than one year before the initiation of this proceeding, is appropriate for an administrative penalty assessment. 42 U.S.C. § 7413(d); 40 C.F.R. § 19.4.

8. On May 23, 2025, the EPA issued to Respondent a Notice of Violation (NOV) and provided a copy of the NOV to the Wisconsin Department of Natural Resources (WDNR), providing notice to Respondent and WDNR that the EPA found that Respondent had committed the alleged violations described in Section E of this CAFO, and providing Respondent with an opportunity to confer with the EPA. On June 24, 2025, representatives of Respondent and the EPA conferred regarding the May 23, 2025 NOV.

9. The Regional Judicial Officer of Region 5 is authorized to ratify the Consent Agreement memorializing the settlement between the EPA and Respondent and to issue the attached Final Order. 40 C.F.R. §§ 22.4(b) and 22.18(b).

C. Statutory and Regulatory Background

10. Federal Title V Requirements

11. Title V of the CAA, 42 U.S.C. §§ 7661a-7661f, establishes an operating permit program for certain sources, including "major sources." Pursuant to Section 502(b) of the CAA, 42 U.S.C. § 7661a(b), on July 21, 1992, the EPA promulgated regulations establishing the minimum elements

of a permit program to be administered by any air pollution control agency. 57 Fed. Reg. 32,295.

These regulations are codified at 40 C.F.R. Part 70.

12. Section 502(a) of the CAA, 42 U.S.C. § 7661a(a), states that, after the effective date of any permit program approved or promulgated under Title V of the CAA, no source subject to Title V may operate the source except in compliance with its Title V permit.

13. 40 C.F.R. § 70.7(b) states that no source subject to Title V may operate the source except in compliance with a Title V permit.

14. On December 4, 2001, the EPA granted Wisconsin full approval of its Title V Clean Air Act Permit Program, effective November 30, 2001. See 66 Fed. Reg. 62,951 (Dec. 4, 2001). Wisconsin's Title V operating permit program regulations are codified at Wisconsin Administrative Code NR 407.

15. Wisconsin Department of Natural Resources Title V Permit Program

16. On November 16, 2018, WDNR issued to FiberPro, Inc. a Title V Major Source Part 70 Permit, Permit No. 632115330-P11 (AFP Title V Permit). This permit was effective until August 1, 2022.

17. The AFP Title V Permit states that if a timely and complete application for renewal has been submitted, the existing sources covered by this operating permit may continue to operate until the renewal application has been finally acted upon by WDNR.

18. Per the WDNR Air Permit Database, AFP submitted a renewal application for its Title V Permit on January 31, 2022, which has not yet been approved by WDNR, meaning the 2018 AFP Title V Permit is still active.

19. Under Section A.1.(1) of the AFP Title V Permit, AFP shall control emissions using the latest available control techniques and operating practices (LACT). LACT is then defined as:

- a. Stor[ing] all VOC-containing materials, including waste resin, in a manner that will prevent evaporation to the atmosphere.
- b. Keep[ing] all containers that contain VOC-containing materials (including waste resin) closed or covered, except as specified below:
 - i. [W]hen materials are being added or removed,
 - ii. [B]ulk storage tanks may be vented as necessary for safety.

20. Under Section A.2.(2)(d) of the AFP Title V Permit, for all mixing operations used in reinforced plastic composites manufacturing, AFP shall:

- i. Use mixer covers with no visible gaps, with the exception that gaps of up to 1 inch are allowed around the mixer shaft and required instrumentation;
- iii. Keep mixer covers closed whenever mixing is occurring except when adding materials or changing covers to the vessels.

D. Stipulated Facts

21. AFP owns and operates a reinforced plastic composites manufacturing facility at 2970 Luoyang Ave, La Crosse, WI, 54601 (the Facility).

22. On May 16, 2024, the EPA conducted an inspection of the Facility to evaluate compliance with the Clean Air Act and the AFP Title V Permit (2024 Inspection).

23. At the Facility, AFP manufactures products in one of nine resin pultrusion lines, using volatile organic compound (VOC)-containing resins that are mixed on-site.

24. During the 2024 Inspection, Facility personnel explained that for each of the nine resin pultrusion lines, a detachable auger pump is used to transfer resin from the 55-gallon drum in which they are mixed into the pultrusion resin bath.

25. During the 2024 Inspection, the EPA observed that, after use, the detachable auger pumps are drained of resin, and the resin is drained into open waste buckets. The EPA observed

four auger pumps either draining resin or sitting out after draining resin during the 2024 Inspection.

26. During the 2024 Inspection, the EPA observed resin mixing occurring with the mixer cover open, and that the gap around the mixer shaft exceeded one inch. Facility personnel stated that they needed to mix with the cover open after a forklift accidentally hit and damaged the mixer the previous week, preventing it from closing properly.

27. Between May 16, 2024, to July 9, 2024, Respondent completed the following actions to resolve the violations alleged in the May 23, 2025 NOV and to return to compliance:

- a. Repaired the damage to the resin cover as identified during the 2024 Inspection;
- b. Installed a dual brush unit that provides coverage around the mixer shaft during all mixing stages; and
- c. Deconstructed the auger pump drainage rack and began storing all auger pumps in the barrels of resin for which they are intended to be used.

E. Allegations

28. By failing to store all VOC-containing materials, including waste resin, in a manner that will prevent evaporation to the atmosphere, and failing to keep all containers that contain VOC-containing materials (including waste resin) closed or covered, AFP violated Section A.1.(1) of the AFP Title V Permit.

29. By failing to use mixer covers with gaps of less than one inch around the mixer shaft, and failing to keep mixer covers closed whenever mixing is occurring, AFP violated Section A.2.(2)(d)(i) and (iii) of the AFP Title V Permit.

F. Terms of Consent Agreement

30. For purposes of this proceeding, as required by 40 C.F.R. § 22.18(b)(2), Respondent:

- a. Admits to the jurisdictional allegations in this CAFO;

- b. Neither admits nor denies the allegations stated in Section E of this CAFO;
- c. Consents to the assessment of a civil penalty as stated below;
- d. Consents to any conditions specified in this CAFO;
- e. Waives any right to contest the allegations set forth in Section E of this CAFO; and
- f. Waives its right to appeal this CAFO.

31. For purposes of this proceeding, Respondent:

- a. Agrees that this CAFO states a claim upon which relief may be granted against Respondent;
- b. Acknowledges that this proceeding constitutes an enforcement action for purposes of considering Respondent's compliance history in any subsequent enforcement actions;
- c. Waives any and all remedies, claims for relief and otherwise available rights to judicial or administrative review that Respondent may have with respect to any issue of fact or law set forth in this CAFO, including any right of judicial review under Section 307(b)(1) of the Clean Air Act, 42 U.S.C. § 7607(b)(1);
- d. Waives its right to request a hearing as provided at 40 C.F.R. § 22.15(c);
- e. Waives any rights or defenses that Respondent has or may have for this matter to be resolved in federal court, including but not limited to any right to a jury trial, and waives any right to challenge the lawfulness of the Final Order accompanying the Consent Agreement; and
- f. Waives any rights it may possess at law or in equity to challenge the authority of the EPA to bring a civil action in a United States District Court to compel compliance with the CAFO, and to seek an additional penalty for noncompliance, and agrees that federal law shall govern in any such civil action.

32. Based on an analysis of the factors specified in Section 113(e) of the CAA, 42 U.S.C.

§ 7413(e), the facts of this case, and Respondent's cooperation, the EPA has determined that an appropriate civil penalty to settle this action is \$62,698.

33. Respondent agrees to pay a civil penalty in the amount of \$62,698 (“Assessed Penalty”) within thirty (30) days after the date the Final Order ratifying this Consent Agreement is filed with the Regional Hearing Clerk (“Filing Date”).

34. Respondent shall pay the Assessed Penalty and any interest, fees, and other charges due using any method, or combination of appropriate methods, as provided on the EPA website:

<https://www.epa.gov/financial/makepayment>. For additional instructions see:

<https://www.epa.gov/financial/additional-instructions-making-payments-epa>.

35. When making a payment, Respondent shall:

- a. Identify every payment with Respondent’s name and the docket number of this CAFO, CAA-05-2026-0018,
- b. Concurrently with any payment or within 24 hours of any payment, Respondent shall serve proof of such payment to the following person(s):

Regional Hearing Clerk (E-19J)
U.S. Environmental Protection Agency, Region 5
r5hearingclerk@epa.gov

Air Enforcement and Compliance Assurance Branch
U.S. Environmental Protection Agency, Region 5
R5airenforcement@epa.gov

Justin Berchiolli
Office of Regional Counsel
U.S. Environmental Protection Agency, Region 5
berchiolli.justin@epa.gov

U.S. Environmental Protection Agency
Cincinnati Finance Center
Via electronic mail to:
CINWD_AcctsReceivable@epa.gov

“Proof of payment” means, as applicable, a copy of the check, confirmation of credit card or debit card payment, or confirmation of wire or automated clearinghouse transfer, and any other information required to demonstrate that payment has been made according to EPA requirements, in the amount due, and identified with the appropriate docket number and Respondent’s name.

36. Interest, Charges, and Penalties on Late Payments. Pursuant to 42 U.S.C. § 7413(d)(5), 31 U.S.C. § 3717, 31 C.F.R. § 901.9, and 40 C.F.R. § 13.11, if Respondent fails to timely pay the full amount of the Assessed Penalty per this CAFO, the entire unpaid balance of the Assessed Penalty and all accrued interest shall become immediately owing, and the EPA is authorized to recover the following amounts.

- a. Interest. Interest begins to accrue from the Filing Date. If the Assessed Penalty is paid in full within thirty (30) days, interest accrued is waived. If the Assessed Penalty is not paid in full within thirty (30) days, interest will continue to accrue until any unpaid portion of the Assessed Penalty as well as any interest, penalties, and other charges are paid in full. Per 42 U.S.C. § 7413(d)(5), interest will be assessed pursuant to 26 U.S.C. § 6621(a)(2), that is, the IRS standard underpayment rate, equal to the Federal short-term rate plus 3 percentage points.
- b. Handling Charges. The United States' enforcement expenses including, but not limited to, attorneys' fees and costs of handling collection.
- c. Late Payment Penalty. A ten percent (10%) quarterly non-payment penalty.

37. Late Penalty Actions. In addition to the amounts described in the prior Paragraph, if Respondent fails to timely pay any portion of the Assessed Penalty, interest, or other charges and penalties per this CAFO, the EPA may take additional actions. Such actions the EPA may take include, but are not limited to, the following.

- a. Refer the debt to a credit reporting agency or a collection agency, per 40 C.F.R. §§ 13.13 and 13.14.
- b. Collect the debt by administrative offset (*i.e.*, the withholding of money payable by the United States government to, or held by the United States government for, a person to satisfy the debt the person owes the United States government), which includes, but is not limited to, referral to the Internal Revenue Service for offset against income tax refunds, per 40 C.F.R. Part 13, Subparts C and H.
- c. Suspend or revoke Respondent's licenses or other privileges or suspend or disqualify Respondent from doing business with the EPA or engaging in programs the EPA sponsors or funds, per 40 C.F.R. § 13.17.
- d. Request that the Attorney General bring a civil action in the appropriate district court to enforce the Final Order and recover the full remaining balance of the

Assessed Penalty, in addition to interest and the amounts described above, per 42 U.S.C. § 7413(d)(5). In any such action, the validity, amount, and appropriateness of the Assessed Penalty and Final Order shall not be subject to review.

38. Allocation of Payments. Pursuant to 31 C.F.R. § 901.9(f) and 40 C.F.R. § 13.11(d), a partial payment of debt will be applied first to outstanding handling charges, second to late penalty charges, third to accrued interest, and last to the principal that is the outstanding Assessed Penalty amount.

39. Tax Treatment of Penalties. Penalties, interest, and other charges paid pursuant to this CAFO shall not be deductible for purposes of federal taxes.

40. Pursuant to 26 U.S.C. § 6050X and 26 C.F.R. § 1.6050X-1, the EPA is required to annually send to the Internal Revenue Service (“IRS”) a completed IRS Form 1098-F (“Fines, Penalties, and Other Amounts”) with respect to any court order or settlement agreement (including administrative settlements) that require a payor to pay an aggregate amount that the EPA reasonably believes will be equal to, or in excess of, \$50,000 for the payor’s violation of any law or the investigation or inquiry into the payor’s potential violation of any law, including amounts paid for “restitution or remediation of property” or to come “into compliance with a law.” The EPA is further required to furnish a written statement, which provides the same information provided to the IRS, to each payor (*i.e.*, a copy of IRS Form 1098-F). Respondent’s failure to comply with providing IRS Form W-9 or Tax Identification Number (“TIN”), as described below, may subject Respondent to a penalty, per 26 U.S.C. § 6723, 26 U.S.C. § 6724(d)(3), and 26 C.F.R. § 301.6723-1. To provide the EPA with sufficient information to enable it to fulfill these obligations, Respondent shall complete the following actions as applicable:

- a. Respondent shall complete an IRS Form W-9 (“Request for Taxpayer Identification Number and Certification”), which is available at <https://www.irs.gov/pub/irs-pdf/fw9.pdf>.

- b. Respondent shall therein certify that its completed IRS Form W-9 includes Respondent's correct TIN or that Respondent has applied and is waiting for issuance of a TIN.
- c. Respondent shall email its completed Form W-9 to the EPA's Cincinnati Finance Division at wise.milton@epa.gov within 30 days after the Final Order ratifying this Consent Agreement is filed, or within 7 days after the Final Order ratifying this Consent Agreement is filed should that happen between December 15 and December 31 of the calendar year. The EPA recommends encrypting IRS Form W-9 email correspondence.
- d. In the event that Respondent has certified in its completed IRS Form W-9 that it does not yet have a TIN but has applied for a TIN, Respondent shall provide the EPA's Cincinnati Finance Center with Respondent's TIN, via email, within five (5) days of Respondent's receipt of a TIN issued by the IRS.

41. By signing this CAFO, Respondent consents to the release of any information in this CAFO to the public and agrees this CAFO does not contain business information that is entitled to confidential treatment under 40 C.F.R. Part 2.

42. By signing this CAFO, the undersigned representative of the EPA and the undersigned representative of Respondent each certify that they are fully authorized to execute and enter into the terms and conditions of this CAFO and have the legal authority to bind the party they represent to this CAFO.

43. By signing this CAFO, Respondent certifies the information it has supplied concerning this matter was at the time of submission true, accurate, and complete for each such submission, response, and statement. Respondent acknowledges that there may be significant penalties for knowingly submitting false information, including the possibility of fines and/or imprisonment under 18 U.S.C. § 1001 and/or § 1519.

44. Each party shall bear its own attorney's fees, costs, and disbursements incurred in this proceeding, except in the case of a civil action brought by the Attorney General of the United States to recover unpaid penalties as described above.

G. Effect of Consent Agreement and Final Order

45. The parties consent to service of this CAFO by e-mail at the following e-mail addresses:

berchiolli.justin@epa.gov (for the EPA), and mpeyer@afpfiberglass.com (for Respondent).

46. In accordance with 40 C.F.R. § 22.18(c), completion of the terms of this CAFO resolves only Respondent's liability for federal civil penalties for the violations specifically alleged in this CAFO.

47. This CAFO constitutes the entire agreement and understanding of the parties and supersedes any prior agreements or understandings, whether written or oral, among the parties with respect to this matter.

48. The terms, conditions, and compliance requirements of this CAFO may not be modified or amended except upon the written agreement of both parties and approval of the Regional Judicial Officer.

49. The provisions of this CAFO shall apply to and be binding upon Respondent and its officers, directors, authorized representatives, successors, and assigns.

50. Any violation of this CAFO may result in a civil judicial action for an injunction or civil penalties of up to \$124,426 per day per violation, or both, as provided in Section 113(b) of the CAA, 42 U.S.C. § 7413(b), and 40 C.F.R. § 19.4, as well as criminal sanctions as provided in Section 113(c) of the CAA, 42 U.S.C. § 7413(c). The EPA may use any information submitted under this CAFO in an administrative, civil judicial, or criminal action.

51. Nothing in this CAFO relieves Respondent of the duty to comply with all applicable provisions of the CAA and other federal, state, or local laws or statutes, nor does it restrict the EPA's authority to seek compliance with any applicable laws or regulations, nor is it a ruling on, or determination of, any issue related to any federal, state, or local permit.

52. Nothing in this CAFO limits the power of the EPA to undertake any action against Respondent or any person in response to conditions that may present an imminent and substantial endangerment to the public health, welfare, or the environment.

53. The EPA reserves the right to revoke this CAFO and settlement penalty if and to the extent that the EPA finds, after signing this CAFO, that any information provided by Respondent was materially false or inaccurate at the time such information was provided to the EPA, and to assess and collect any civil penalties permitted by statute for any violation described herein. The EPA will give Respondent written notice of its intent to revoke this CAFO, which will not be effective until received by Respondent.

H. Effective Date

54. This CAFO will be effective on the date of filing with the Regional Hearing Clerk. Upon filing, the EPA will transmit a copy of the filed CAFO to Respondent.

FiberPro, Inc., Respondent

1/15/26
Date

Michael Peyer
Michael Peyer
Chief Operating Officer

In the Matter of: FiberPro, Inc.
Docket No. CAA-05-2026-0018

United States Environmental Protection Agency, Complainant

Carolyn Persoon
Division Director
Enforcement and Compliance Assurance Division
U. S. Environmental Protection Agency, Region 5

Consent Agreement and Final Order
In the Matter of: FiberPro, Inc.
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Final Order

This Consent Agreement and Final Order, as agreed to by the parties, shall become effective immediately upon filing with the Regional Hearing Clerk. This Final Order concludes this proceeding pursuant to 40 C.F.R. §§ 22.18 and 22.31. IT IS SO ORDERED.

Date

Ann L. Coyle
Regional Judicial Officer
U.S. Environmental Protection Agency
Region 5