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for Government &  
Tribal  
Nations

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FOR IMMEDIATE RELEASE  
THURSDAY, SEPTEMBER 1,  
2005

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#### **FEDERAL, MULTI-STATE CLEAN AIR ACT SETTLEMENT WITH CARGILL, INC. SECURES MAJOR POLLUTION REDUCTIONS**

*Eighty-one Percent of Uncontrolled Ethanol Production Capacity Now Under Federal Consent Decrees*

WASHINGTON, D.C. – The Department of Justice and the U.S. Environmental Protection Agency today announced a multi-state Clean Air Act settlement with Cargill, Inc. (Cargill), which will result in a reduction of approximately 30,000 tons of pollution a year and set new standards for limiting harmful emissions from specialty oilseed plants. Cargill is a multi-state agribusiness that owns and operates 27 plants which process corn, wheat, soybeans, and other oilseeds into value-added products used in the food, feed, and ethanol industries.

The government's complaint, filed in federal district court in Minnesota, alleges that Cargill had significantly underestimated emissions from its operations in 13 states. Under the settlement, Cargill is required to install air pollution control devices at its 27 corn and oilseed processing facilities and is expected to spend an estimated \$130 million to meet the requirements of the consent decree. Cargill will also pay a civil penalty of \$1.6 million and spend \$3.5 million on environmental projects across the country.

Ten states and four counties have joined the federal government in today's settlement: Alabama; Georgia; Illinois; Indiana; Iowa; Missouri; Nebraska; North Carolina; North Dakota; Ohio; Memphis and Shelby County; Tennessee; Montgomery County; Ohio; and Linn and Polk Counties; Iowa. The civil penalty and environmental project monies will be shared with the participating states and counties.

"All Americans benefit when large corporations agree to bring their facilities into compliance with our nation's environmental laws," said Acting Assistant Attorney General Kelly A. Johnson, of the Justice Department's Environment and Natural Resources Division. "Today's settlement is positive proof of the continued progress we

are achieving with the grain industry, through the cooperative enforcement efforts of federal, state, and local agencies.”

Today’s settlement calls for broad sweeping environmental improvements at all nine of Cargill’s corn processing plants, significantly advancing recent efforts by the government to bring the ethanol industry into compliance. With the lodging of today’s consent decree, 81 percent of uncontrolled ethanol production capacity will now be under settlement agreements to install air pollution control technologies to reduce emissions. The new technology standards established by this initiative apply to all ethanol plants now under construction. Ethanol is primarily a product of industrial corn and has been increasingly used as an automobile fuel alone or blended with gasoline. Ethanol’s high oxygen content allows automobile engines to better combust fuel, resulting in reduced tail pipe emissions. The installation of air pollution controls at ethanol plants across the country will ensure that this fuel can be made cleanly.

Cargill’s corn processing plants are significant sources of volatile organic compounds (VOC’s) and carbon monoxide (CO). In addition to contributing to ground-level ozone (smog), VOC’s can cause serious health problems such as cancer and other effects; CO is harmful because it reduces oxygen delivery to the body’s organs and tissues. Cargill’s oilseed plants emit a hazardous air pollutant, n-hexane, and are sources of VOC pollution.

“Cargill is following others in this industry by installing the appropriate controls and greatly reducing its air emissions, resulting in cleaner, healthier air,” said Granta Y. Nakayama, EPA’s Assistant Administrator for Office of Enforcement and Compliance Assurance. “This agreement will improve the environment and at the same time create a level playing field in the industry.”

Under the settlements, the corn processing plants are required to install or enhance thermal oxidizers and scrubbers that will reduce VOC emissions up to 98 percent, or 10,450 tons per year, and will reduce CO emissions by 10,900 tons per year—the equivalent of taking 1.16 million and 157,000 cars off the road each year, respectively. The settlement also will result in annual reductions of nitrogen oxides (NOx) by 1,350 tons, sulfur dioxide (SO<sub>2</sub>) by 2,250 tons per year, and additional reductions in particulate matter (PM) and hazardous air pollutants. The oilseed processing plants will meet more stringent limits for HAP and VOC emissions to reduce allowable emissions by more than 2,300 tons per year. New limits for these plants will, in some instances, be as much as 50 percent lower than current regulatory standards in the industry.

The United States initiated enforcement action against Cargill with the issuance of notices of violation against two oilseed plants in 2002 and all 9 corn mill plants in 2003. This settlement comes three years after federal and state agreements with 12 Ethanol Plants in Minnesota and the April 2003 settlement with Archer Daniels Midland, Cargill’s largest competitor in this industry.

Under the settlement Cargill will spend \$3.5 million on environmental projects, which include funding for the Mid-South Clean Air Coalition Diesel Retrofit Program in Tennessee, as well as wetland restoration projects in Iowa and Nebraska.

Today’s agreement has resulted from the combined enforcement efforts of many state and local entities whose participation in this federal action was instrumental in obtaining the quality of the settlement at hand.

The consent decree was lodged in federal district court in Minneapolis, Minnesota and is subject to a 30-day comment period. A copy of the consent decree is available on the Department of Justice website at [www.usdoj.gov/enrd/pressroom.htm](http://www.usdoj.gov/enrd/pressroom.htm). [EXIT disclaimer ►](#)

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Last updated on Tuesday, March 7th, 2006

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