



Mike DeWine, Governor
Jon Husted, Lt. Governor
Laurie A. Stevenson, Director

June 20, 2019

CERTIFIED MAIL

Mr. Timothy W. Troyer
President
Quality Trailer Enterprises, Inc.
1664 Salem Parkway West
Salem, Ohio 44460

Re: Final Findings and Orders for air pollution
violations

Dear Mr. Troyer,

Transmitted herewith are the Final Findings and Orders ("Orders") of the Director of Ohio EPA concerning the above-referenced matter.

Please note that the effective date of the Orders is the date that the Orders were entered into the Ohio EPA Director's journal, which is the date that is stamped on the first page of the Orders.

Sincerely,

A handwritten signature in black ink, appearing to read "James Kavalec", is written over a faint, light-colored signature line.

James Kavalec, Manager
Compliance/Enforcement Section
Division of Air Pollution Control

cc: Tim Fischer, DAPC-NEDO
Brandon Schwendeman, DAPC
Steve Feldmann, Legal Office
Lee Tullis, DAPC

BEFORE THE
OHIO ENVIRONMENTAL PROTECTION AGENCY

In the Matter of:

Quality Trailer Enterprises, Inc. : Director's Final Findings
1664 Salem Parkway West : and Orders
Salem, Ohio 44460 :

I certify this to be a true and accurate copy of the official documents as filed in the records of the Ohio Environmental Protection Agency.

PREAMBLE

It is agreed by the parties hereto as follows:

By: Jerry Cassiter Date: 6/20/19

I. JURISDICTION

These Director's Final Findings and Orders ("Orders") are issued to Quality Trailer Enterprises, Inc. ("Respondent") pursuant to the authority vested in the Director of the Ohio Environmental Protection Agency ("Ohio EPA") under Ohio Revised Code ("ORC") §§ 3704.03 and 3745.01.

II. PARTIES BOUND

These Orders shall apply to and be binding upon Respondent and successors in interest liable under Ohio law. No change in ownership of Respondent or of the facility (as hereinafter defined) shall in any way alter Respondent's obligations under these Orders.

III. DEFINITIONS

Unless otherwise stated, all terms used in these Orders shall have the same meaning as defined in ORC Chapter 3704 and the rules promulgated thereunder.

IV. FINDINGS

The Director of Ohio EPA makes the following findings:

1. Respondent manufactures a broad line of landscape and car hauler equipment, and deckover metal trailers at its facility (identified by Ohio EPA as facility ID 0215090345) located at 1664 Salem Parkway West, Salem, Columbiana County, Ohio. At the facility Respondent employs a large spray paint booth (identified by Ohio EPA as emissions unit K001) where paint coatings are mixed, and the metal trailers are cleaned and painted. Emissions unit K001 is subject to the applicable requirements OAC Rule 3745-21-09. All reference to OAC Rule 3745-21-09 contained in these Findings refer to the October 15, 2015 effective date version of OAC Chapter 3745-21, rather than the

February 6, 2019 version.

2. Emissions unit K001 emits, among other air pollutants, volatile organic compounds ("VOCs"), and hazardous air pollutants ("HAPs") as defined in OAC Rules 3745-21-01(B)(17) and 3745-77-01(W), respectively.

3. ORC § 3704.05(C) prohibits any person who is a holder of a permit issued by the Director of Ohio EPA pursuant to ORC § 3704.03 from violating any of its terms and conditions.

4. ORC § 3704.05(G) prohibits a person from violating any order, rule, or determination of the Director that was issued, adopted, or made under ORC Chapter 3704. ORC § 3704.05(A) prohibits any person from causing, permitting or allowing emissions of an air contaminant in violation of any rule adopted by the Director of Ohio EPA unless otherwise specified by law.

5. OAC Rule 3745-15-03(D) requires the owner or operator of a permit-to-install and operate ("PTIO") to submit a permit evaluation report ("PER"), in a form and manner prescribed by the director, which identifies, among other information, all deviations from emission limitations, operational restrictions, and control device operating parameter limitations that have been detected by the testing, monitoring, and/or recordkeeping requirements specified in the PTIO.

6. OAC Rule 3745-21-01(D)(52) defines, in part, a coating line as an operation consisting of a series of one or more coating applications and any associated flash-off areas, drying areas and ovens wherein a surface coating is applied, dried, and/or cured.

7. OAC Rule 3745-21-09(U)(1) requires the owner or operator of a miscellaneous metal parts or products coating line to comply with applicable VOC emission limitations (expressed as pounds of VOC emitted to the ambient air per gallon of applied coating excluding water and exempt solvents), unless otherwise exempted under OAC Rule 3745-21-09(U)(2).

8. OAC Rule 3745-21-09(U)(2)(e) exempts, in part, any miscellaneous metal part or product coating line, located in a non-specified county, that never uses more than ten gallons of applied coatings per day from the requirement to comply with the applicable VOC emission limitations in OAC Rule 3745-21-09(U)(1). Respondent is located in a non-specified county and uses more than ten gallons of coatings per day; therefore, it is subject to the applicable VOC emissions limitation and other requirements.

9. Respondent does not employ a VOC emission control system and the coatings applied in emissions unit K001 are dried at temperatures less than two hundred degrees Fahrenheit. OAC Rule 3745-21-09(U)(1)(d) requires that no more than 3.5 pounds of VOC per gallon of coating excluding water and exempt solvents (i.e., VOC emission limitation) be emitted to the ambient air for any coating that is dried at

temperatures not exceeding two hundred degrees Fahrenheit and where a control system is not employed.

10. OAC Rule 3745-21-09(B)(1) states that compliance with the applicable VOC emission limitation be based on a weighted average by volume of all coating materials employed in the coating line in any one day. Whereas, OAC Rule 3745-21-09(B)(3)(f) allows the owner or operator of a coating line to demonstrate ongoing compliance with the applicable VOC emission limitation through the use of complying coatings (i.e., each as applied coating complies with the applicable VOC emission limitation) and requires that the following information be collected each month and maintained at the facility for a period of three years:

- the name and identification number of each coating, as applied.
- the mass of VOC per volume of each coating (excluding water and exempt solvents), as applied.

11. OAC Rule 3745-21-09(B)(3)(h) requires the owner or operator of a coating line that complies with the applicable VOC emission limitation specified in OAC Rule 3745-21-09(U)(1) by means of a daily, volume-weighted average VOC content, to collect and record, each day, the following information, which must be maintained at the facility for a period of three years:

- the name and identification number of each coating employed;
- the mass of VOC per volume of each coating and volume of each coating, as applied; and
- the daily, volume-weighted average VOC content of all coatings, as applied.

12. OAC Rule 3745-21-09(B)(3)(g) and (i), requires the owner or operator of a coating line to notify the Director of Ohio EPA of any day a coating line exceeded the applicable VOC emission limitation specified in OAC Rule 3745-21-09(U)(1). OAC Rule 3745-21-09(B)(3)(i) requires that copies of any daily record showing non-compliance be mailed to the Director within forty-five (45) days of the exceedance of the daily volume-weighted average VOC contents and OAC Rule 3745-21-09(B)(3)(g) requires a copy of any record showing the use of a noncomplying coating be sent to the director within thirty days following the end of the calendar month.

13. OAC Rule 3745-77-02 states that the owner or operator of a major source (i.e., any stationary source or group of stationary sources located within a contiguous area and under common control that emits or has the potential to emit, in the aggregate, 100 tons per year ("TPY") or more of any air pollutant, 10 TPY or more of any HAP, 25 TPY or more of any combination of HAPs) cannot operate the source after the date that a timely and complete Title V permit application is required to be submitted, unless a timely and complete Title V permit application has been submitted or such operation is in compliance with a Title V permit issued pursuant to this rule.

14. OAC Rule 3745-77-02(C)(4) states that synthetic minor sources are exempt from the requirements of the Title V permit rules. OAC Rule 3745-77-01(NN) defines a "synthetic minor source" as a stationary source that would be classified as a major source in the absence of federally enforceable restrictions on the potential to emit ("PTE") of the source.

15. OAC Rule 3745-78-02(A) requires, by April 15 of each year, the owners or operators of sources subject to the Title V permit program to submit fee emission reports and pay fees on the facility's actual emissions of certain air pollutants.

16. On August 22, 2000, Ohio EPA issued permit-to-install ("PTI") number 02-14263 to Respondent authorizing the installation of emissions unit K001 and on October 8, 2008, issued PTIO number P0084461 to Respondent with an expiration date of October 8, 2018. The permits specified the applicable requirements of OAC Rule 3745-21-09(U) and contain a VOC emission limitation of 3.5 pounds of VOC per gallon of coating excluding water and exempt solvents. The PTIO also contained best available technology ("BAT) limitations of 10.5 pounds per hour and 46 TPY VOC emission. The BAT limitations were based on compliance with OAC Rule 3745-21-09(U)'s coating VOC emission limitation. In accordance with Respondent's permit applications, the permits indicate and contain applicable requirements for the use of "complying coatings." The permit also contains applicable record-keeping and reporting requirements, including the requirement to identify any deviations in the PER. Further, the standard terms and conditions of the PTIO require Respondent to maintain records required by the permit for five years from the date the record was created.

17. On September 5, 2018, Respondent submitted a PTIO renewal application. During the review of the application and additional requested information, Ohio EPA noticed that Respondent's HAP and VOC emission PTE calculations appeared to exceed the Title V permit applicability threshold values. Similarly, the application and additional information indicated that some of the coatings employed at the facility were exceeding the allowable VOC content limitation of 3.5 pounds of gallon of coating applied excluding water and exempt solvents. Additionally, Respondent appeared to be mixing the coatings with other additives which potentially could change the VOC contents per volume of coating applied. As a result, Ohio EPA asked Respondent to provide additional detailed emission calculations and to provide safety data sheets ("SDS") for the coatings used at the facility.

18. On October 23, 2018, Respondent provided Ohio EPA with the SDS for the coatings used at the facility. The SDS showed that five of the eleven coatings exceeded the pounds of VOC per gallon compliant coating limitation prior to the coatings being mixed with other additives (i.e., not as applied).

19. October 24, 2018, Ohio EPA requested Respondent to provide corrected PTE emission calculations for the facility and to calculate the pounds of VOC per gallon of coating as applied minus water and exempt solvents.

20. On October 26, 2018, Ohio EPA visited the site and reviewed Respondent's coating records and discovered that Respondent was not maintaining records of the VOC content of each coating employed or the number of gallons of each coating employed on an as applied basis. Also, during the visit Respondent stated that the facility started using non-compliant coatings in May of 2013.

21. On November 2, 2018, Ohio EPA sent a notice of violation ("NOV") letter to Respondent for violations of OAC Rule 3745-21-09(U) and requested additional information be submitted, including information to determine compliance with the daily VOC emission limitation expressed as applied for each coating used and the facility-wide PTE emission calculations.

22. On November 5, 2018, Respondent informed Ohio EPA that it would be working with a consultant to assist in providing the information requested in the NOV letter. On November 21, 2018, Respondent submitted a response to the November 2, 2018 NOV letter indicating the facility's past potential emissions, without synthetic minor limitations, exceeded the Title V permit applicability threshold. However, the facility's actual emissions had remained below the threshold and below the annual BAT VOC emissions limitation specified in the facility's PTIO. The response included the correction of actual emissions for each year from 2013 to 2017, which identified the actual highest annual VOC emissions were approximately 21.5 TPY which occurred in 2017. The response also indicated that since 2013 the facility used numerous non-complying coatings. Because the short-term BAT VOC emission limitation was based on the usage of all complying coating, Respondent also exceeded the hourly BAT VOC emissions listed in the facility's PTIO.

23. On November 27, 2018, Ohio EPA sent an email to Respondent advising it that OAC Rule 3745-21-09(U) allowed compliance by means of a daily volume-weighted average. However, Respondent failed to keep records to allow for the calculations of the daily volume-weighted averages to determine compliance with VOC emissions limitation.

24. On November 29, 2018, Ohio EPA sent a NOV letter to Respondent for operating without a Title V permit or a timely submitted Title V permit application. Shortly thereafter, Respondent's consultant discussed with Ohio EPA revisions to the potential to emit calculations to allow for drying and preparation times.

25. On December 21, 2018, Respondent's consultant sent an email to Ohio EPA which contained revised historical (i.e., used average formulation from 2013 to 2017 data to determine emissions) and current/future potential emission calculations that considered physical and operational limitations which showed the facility's potential to emit below the Title V permit applicability thresholds. Ohio EPA reviewed the revised

calculations submitted and determined further information was necessary to justify the physical and operational limitations identified. This email response also indicated that Respondent started to use all complying coatings on November 5, 2018 and submitted information supporting their use.

26. Respondent/Respondent's consultant had several emails and calls with Ohio EPA to discuss calculation revisions and physical and operational limitations, from December 31, 2018 until January 28, 2019. On January 28, 2019, Respondent's consultant sent an email to Ohio EPA which contained revised historical (i.e., used worst formulation from 2013 to 2017 data to determine emissions) and current/future potential emission calculations that considered physical and operational limitations which showed the facility's potential to emit for the historical potential to emit exceeding Title V threshold for HAP emissions, but below Title V threshold for VOC emissions. The revised current/future potential emission calculations, that considered physical and operational limitations, showed the facility's potential to emit is below the Title V permit applicability thresholds.

27. On March 22, 2019, Respondent's consultant submitted all information necessary for a preliminary complete chapter 31 modification permit application, which identified the facility as a true minor when using complying coatings and physical and operational limitations for the PTE emissions calculations.

28. Respondent violated ORC Sections 3704.05(A), (C) and (G) when it:

- failed to use coatings that complied with the VOC emission limitation (i.e., 3.5 pounds of VOC per gallon of coating, excluding water and exempt solvents) specified in OAC Rule 3745-21-09(U)(1)(d). Similarly, Respondent failed to comply with short-term BAT VOC emissions limitation (i.e., exceeded 10.5 pounds of VOC emissions per hour).
- failed to properly maintain records of the VOC content of each coating employed on an "as applied" basis as specified in OAC Rule 3745-21-09(B)(3)(f) or failed to properly maintain daily records of the mass of VOC per volume (excluding water and exempt solvents) and the volume of each coating (excluding water and exempt solvents), as applied required in OAC Rule 3745-21-09(B)(3)(h).
- failed to timely notify the Director of Ohio EPA of the exceedances of the VOC emission limitation, as specified in OAC Rule 3745-21-09(B)(3)(g) and/or OAC Rule 3745-21-09-(B)(3)(i).
- failed to include the above violations in the required PER.
- failed to submit a timely and complete Title V application, in violation of OAC Rule 3745-77-04(D) and ORC §§ 3704.05(G) and (J)(2).
- failed to submit Title V permit fee reports required by OAC Rule 3745-78-02(A).

29. The Director has given consideration to, and based her determination on, evidence relating to the technical feasibility and economic reasonableness of complying with the following Orders and their relation to benefits to the people of the State to be derived from such compliance.

V. ORDERS

The Director hereby issues the following Orders:

1. Respondent shall pay the amount of twenty thousand dollars (\$20,000) in settlement of Ohio EPA's claims for civil penalties, which may be assessed pursuant to ORC Chapter 3704. Within thirty (30) days after the effective date of these Orders, payment to Ohio EPA shall be made by an official check made payable to "Treasurer, State of Ohio" for twenty thousand dollars (\$20,000). The official check shall be submitted to Carol Butler, or her successor, together with a letter identifying the Respondent, to:

Ohio EPA
Office of Fiscal Administration
P.O. Box 1049
Columbus, Ohio 43216-1049

2. Within thirty (30) days after the effective date of these Orders, Respondent shall submit to Ohio EPA revised fee emission reports for the years 2013 through 2017 which contain the facility's actual emissions of pollutants subject to the requirements OAC Rule 3745-78-02(A). Respondent shall pay the invoiced amount as specified in the invoice which will reflect the difference between the amount Respondent paid in the respective years and the amount Respondent would have been invoiced if the facility had been classified as a major Title V source. Payment of the invoiced amount as specified in the invoice shall be made in the manner as specified in Order 1.

VI. TERMINATION

Respondent's obligations under these Orders shall terminate upon Ohio EPA's receipt of the official checks required by Section V of these Orders.

VII. OTHER CLAIMS

Nothing in these Orders shall constitute or be construed as a release from any claim, cause of action or demand in law or equity against any person, firm, partnership or corporation, not a party to these Orders, for any liability arising from, or related to, operations by Respondent.

VIII. OTHER APPLICABLE LAWS

All actions required to be taken pursuant to these Orders shall be undertaken in accordance with the requirements of all applicable local, state and federal laws and regulations. These Orders do not waive or compromise the applicability and enforcement of any other statutes or regulations applicable to Respondent.

IX. MODIFICATIONS

These Orders may be modified by agreement of the parties hereto. Modifications shall be in writing and shall be effective on the date entered in the journal of the Director of Ohio EPA.

X. NOTICE

All documents required to be submitted by Respondent pursuant to these Orders shall be addressed to:

Ohio EPA
Northeast District Office
2110 East Aurora Road
Twinsburg, Ohio 44087
Attention: Timothy Fischer

and to:

Ohio EPA
Division of Air Pollution Control
P.O. Box 1049
Columbus, Ohio 43216-1049
Attention: Jim Kavalec

or to such persons and addresses as may hereafter be otherwise specified in writing by Ohio EPA.

XI. RESERVATION OF RIGHTS

Ohio EPA and Respondent each reserve all rights, privileges and causes of action, except as specifically waived in Section XII of these Orders.

XII. WAIVER

In order to resolve disputed claims, without admission of fact, violation or liability, and in lieu of further enforcement action by Ohio EPA for only the violations specifically cited in these Orders, Respondent consents to the issuance of these Orders and agrees to comply with these Orders. Compliance with these Orders shall be a full accord and satisfaction for Respondent's liability for the violations specifically cited herein and all violations of ORC Chapter 3704 known to Ohio EPA or CDAQ up through the effective date of these Orders.

Respondent hereby waives the right to appeal the issuance, terms and conditions, and service of these Orders and Respondent hereby waives any and all rights Respondent may have to seek administrative or judicial review of these Orders either in law or equity.

Notwithstanding the preceding, Ohio EPA and Respondent agree that if these Orders are appealed by any other party to the Environmental Review Appeals Commission, or any court, Respondent retains the right to intervene and participate in such appeal. In such an event, Respondent shall continue to comply with these Orders notwithstanding such appeal and intervention unless these Orders are stayed, vacated or modified.

XIII. EFFECTIVE DATE

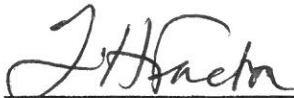
The effective date of these Orders is the date these Orders are entered into the Ohio EPA Director's journal.

XIV. SIGNATORY AUTHORITY

Each undersigned representative of a party to these Orders certifies that he or she is fully authorized to enter into these Orders and to legally bind such party to these Orders.

ORDERED AND AGREED:

Ohio Environmental Protection Agency



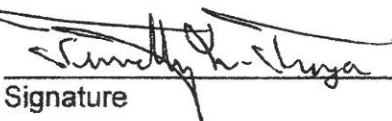
Laurie A. Stevenson
Director

6/18/19

Date

AGREED:

Quality Trailer Enterprises, Inc.



Signature

6/13/2019

Date

Timothy W. Troyer

Printed or Typed Name

President

Title