

BEFORE THE
OHIO ENVIRONMENTAL PROTECTION AGENCY

In the Matter of:

Helical Line Products Co.
659 Miller Road
Avon Lake, Ohio 44012

:
:
:

Director's Final Findings
and Orders

OHIO E.P.A.
MAY 19 2004
INDEXED DIRECTOR'S JOURNAL

PREAMBLE

It is agreed by the parties hereto as follows:

I. JURISDICTION

These Director's Final Findings and Orders ("Orders") are issued to Helical Line Products Co. ("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 the Respondent's facility 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 has determined the following findings:

1. Respondent owns and operates a manufacturing facility located at 659 Miller Road, Avon Lake, Ohio. The facility manufactures wire components for the electric utility industry. The facility employs five "air contaminant sources" as defined by Ohio Administrative Code ("OAC") Rule 3745-35-01(B)(1) that emit one or more air contaminants such as particulate matter, dust, fumes, gas, vapor, and/or odorous substance. The facility has two bonding ovens and two gritting units identified by Ohio EPA as "K001 through K004," and an open top vapor degreaser unit is identified by Ohio EPA as "L001." Installation and operation of K001, K003 and L001 began in 1991.

Installation and operation of K002 began in 1995. Installation and operation of K004 began in 1997.

2. Sources K001 through K004 and L001 are or were subject to OAC Rules 3745-21-09, 3745-31-02, 3745-35-02 and 3745-77-02.

3. ORC § 3704.05(A) states, in part, that no person shall allow the emission of an air contaminant in violation of any rule adopted by the Director of Ohio EPA unless the person is the holder of a variance permitting the emission of the contaminant in excess of that permitted by the rule or the person is the holder of an operating permit that includes a compliance schedule.

4. ORC § 3704.05(G) prohibits any person from violating any order, rule or determination of the Director of Ohio EPA issued, adopted, or made under ORC Chapter 3704.

5. ORC § 3704.05(K) states, in part, that on or after the three hundred and sixty-sixth day following USEPA's final approval of Ohio EPA's Title V permit program, no person shall operate any source that is required to obtain a Title V permit without first obtaining a Title V permit, or submitting to Ohio EPA a timely and complete application for a Title V permit.

6. OAC Rule 3745-31-02 prohibits any person from allowing the installation of an air contaminant source without first applying for and obtaining a permit to install ("PTI"), unless otherwise provided by rule or law.

7. OAC Rule 3745-35-02 requires any owner or operator of an air contaminant source to apply for and obtain a permit to operate ("PTO") prior to operating any air contaminant source, unless otherwise provided by rule or law.

8. The Respondent's facility is identified by Ohio EPA as a "major source," as defined in OAC Rule 3745-77-01(W), and as a "Title V source" as defined in OAC Rule 3745-77-01(LL), and is subject to OAC Rules 3745-77-02, 3745-77-04, and 3745-78-02.

9. OAC Rule 3745-77-02 prohibits the operation of a Title V source after the date that a complete and timely Title V permit application is required to be submitted under OAC Chapter 3745-77, unless such facility is in compliance with a Title V permit issued under this rule or a timely Title V permit application has been submitted for which the Director has not issued a final incompleteness determination. Respondent was required to submit a Title V permit application to Ohio EPA as required by OAC Rule 3745-77-02, by no later than March 28, 1996, as specified in OAC Rule 3745-77-04. The Respondent operated the facility after March 28, 1996 without submitting a complete and timely Title V permit application or possessing a Title V permit and failed to submit the required Title

V permit application to Ohio EPA by the above required deadline, in violation of OAC Rules 3745-77-02 and 3745-77-04 and ORC § 3704.05(G) and (K).

10. OAC Rule 3745-78-02(A) requires owners or operators of sources that are subject to OAC Rule 3745-77-02 to submit an annual fee emission report that quantifies actual emissions for particulate matter, sulfur dioxide, organic compounds, nitrogen oxides, and lead. This required fee emission report was to be submitted by owners or operators of affected facilities by June 15, 1994 and each April 15th thereafter, indicating actual emissions for the previous calendar year. Respondent failed to submit the required fee emission reports for the calendar years 1993 through 2001, in violation of OAC Rule 3745-78-02(A) and ORC § 3704.05(G).

11. OAC Rule 3745-21-09(B)(3) requires an owner or operator of a coating line subject to OAC Rule 3745-21-09 to maintain certain records and submit reports for coating lines and printing lines. Specifically, an owner or operator of a coating line must collect and record the name and identification number for each coating and the mass of VOC per volume for each coating, as applied. Additionally, any owner or operator of a coating line must submit a record showing any use of noncomplying coatings to the Director of Ohio EPA within 30 days following the end of the calendar month. Respondent failed to maintain the required records and failed to submit the required reports for K001 through K004, in violation of OAC Rule 3745-21-09(B)(3)(f) and (g) and ORC § 3704.05(G). The Respondent is required to maintain records for a period of three years and did not maintain such records when the facility was inspected by NEDO on February 5, 2002 and has not began record keeping. Also, Respondent did not submit the required excursion reports beginning on June 1, 2002.

12. On February 5, 2002, Northeast District Office ("NEDO") of Ohio EPA conducted an inspection of Respondent's facility, located at 659 Miller Road, Avon Lake, Ohio. The purpose for this inspection was to identify all air contaminant emissions units requiring Ohio EPA air pollution control permits. The inspector discovered that the emissions units had been installed and operated without Respondent first applying for and obtaining PTIs and PTOs. Also, the Respondent was required to submit a Title V permit application to Ohio EPA and annual fee emission reports for the facility. K001 was installed in April 1991, K002 was installed in September 1995, K003 was installed in April 1991, K004 was installed in January 1997, and L001 was installed in April 1991, prior to applying for and obtaining a PTI, in violation of OAC Rule 3745-31-02 and ORC § 3704.05(G). Respondent has operated K001, K003, and L001 from April 1, 1991, through March 28, 1996 (Title V application deadline) without applying for and obtaining PTOs, in violation of OAC Rule 3745-35-02 and ORC § 3704.05(G).

13. On February 8, 2002, NEDO sent the Respondent a Notice of Violation ("NOV") notifying it of violations of OAC Rules 3745-31-02, 3745-35-02, and 3745-77-02. The NOV also requested the Respondent to submit a PTI application and Emission Activity

Category ("EAC") forms for the emissions units identified at the facility. The NOV also requested the Respondent to calculate a facility-wide potential to emit for volatile organic compounds ("VOCs") and hazardous air pollutants ("HAPs") emissions. NEDO also advised the Respondent that Ohio EPA's Small Business Assistance Program ("SBAP") was available if needed to provide guidance on completion of the requested forms and applications. The NOV requested that the Respondent submit all information within fourteen (14) days upon receipt of the letter.

14. On February 13, 2002, NEDO received a letter from the Respondent requesting an extension of the NOV deadline for the requested information, which included a PTI application for the emissions units at the facility. On March 14, 2002, the Respondent informed NEDO that it was currently receiving assistance from the SBAP and would like to request an extension on the NOV deadline for submitting the required applications.

15. On April 15, 2002, NEDO received PTI applications from Respondent for the five emissions units. On April 29, 2002, PTIs were recommended to Central Office for issuance, except for K001 (#1 rod bonding oven), which was out of compliance with OAC Rule 3745-21-09(U)(1) for using non-compliant coatings. L001 was reported to use trichloroethylene ("TCE"), which is a HAP. Additionally, the Respondent calculated allowable hourly VOC and HAP emission rates for the facility. Also, K001 was exceeding the 3 gallons/day exemption for miscellaneous metal parts coating per OAC Rule 3745-21-09(U)(2)(e). This PTI application for K001 could not be processed since K001 was not in compliance with OAC Rule 3745-21-09(U). The PTI application for K001 was returned to the Respondent with a request for a new PTI application, one which demonstrates compliance by the use of compliant coatings or controls, in accordance with OAC Rule 3745-21-09(U)(1).

16. On May 8, 2002, NEDO sent a NOV letter to Respondent regarding the violations that had occurred at Respondent's facility. The NOV noted Respondent's violations of OAC Rules 3745-35-02 and ORC § 3704.05(G) (failure to obtain permits to operate); 3745-31-02 and ORC § 3704.05(G)(failure to obtain permits to install); 3745-77-02 (failure to timely file a Title V application and operating a Title V source without a Title V permit or timely filed application); and 3745-78-02 (failure to file fee emission reports). The NOV also cited the Respondent for not complying with the Maximum Achievable Control Technology ("MACT") standard in 40 CFR, Part 63, Subpart T. The MACT violation concerned the failure to keep the required records for L001. The compliance deadline for Subpart T (record keeping) was December 2, 1997. On April 15, 2002, the Respondent submitted a certificate of compliance indicating that the required MACT records were being maintained for calendar year 2001. Furthermore, the letter noted that K001 was employing a noncompliant coating, in violation of OAC Rule 3745-21-09(U)(1)(i) and ORC § 3704.05(A) and (G). The Respondent was in violation from April 15, 2002 to July 8, 2002 (date the Respondent converted to using a water-based rod bonder). The rule

cites a VOC coating limit of 4.3 pounds of VOC per gallon of coating, excluding water and exempt solvents, and K001 was employing a coating of 6.48 pounds of VOC per gallon. Based on the observations during this inspection, the PTI application for K001 was returned to the Respondent. NEDO stated the Respondent must demonstrate that compliant coatings are employed at the facility. The NOV also requested the Respondent submit a compliance schedule to correct the violation listed above within thirty (30) days upon receipt of this letter.

17. On June 19, 2002, NEDO sent a follow-up letter to the NOV dated May 22, 2002 to the Respondent. The letter stated that the Respondent failed to apply for a synthetic minor source status prior to the first MACT compliance deadline for L001. The compliance deadline was December 2, 1997 for the open top vapor degreaser, as stated in 40 CFR, Part 63, Subpart T. Additionally by obtaining federally enforceable state operating permits ("FESOP"), the Respondent could have avoided Title V permitting by requesting operating restrictions. Since all the deadlines have expired, it cannot now opt out of the Title V permitting requirements, and will owe non-Title V fees for calendar years 1991 and 1992, and Title V fees will have to be paid for calendar years 1993 through 2001. In this letter, NEDO informed the Respondent of the facility-wide potential emissions exceeding the Title V applicability threshold and that a Title V permit is required.

18. On April 15, 2002, the Respondent submitted a PTI application for all of the emissions units, which included the initial notification of compliance for the degreaser pursuant to Subpart T. On May 8, 2002, the PTI application was returned to the Respondent, since K001 was not employing compliant coatings per OAC Rule 3745-21-09(U)(1). On June 19, 2002, NEDO received a resubmitted PTI application for K001.

19. NEDO has requested the Respondent to submit a compliance schedule for the emissions units and indicated that an assessment will be made for the measures the entity is taking to remedy the violations. On July 8, 2002, NEDO received a letter summarizing yearly emissions for the degreaser unit from 1993 to 2001 to determine Title V fees. Additionally, the letter stated the Respondent implemented the use of a water-based rod bonder in K001 with a VOC content of 0.017 pound of VOC per gallon and plans on converting over to a water-based grit bonder in the future. On October 3, 2002, NEDO sent a letter to the Respondent stating the facility lost the exemption under OAC Rule 3745-21-09(U)(2)(e).

20. On October 31, 2002, NEDO sent a letter to the Respondent stating that the updated application indicated that the only air contaminant that K001 emits is VOC. Additionally, the letter stated that the potential emissions in the absence of air pollution control equipment were calculated to be 0.017 lb/hr, 0.41 lb/day, and 0.07 tpy (actual emissions are less than 0.03 tpy) at the facility. According to the letter, this demonstrates that K001 meets the criteria of "de minimis" pursuant to OAC Rule 3745-15-05, which does not require the unit to have a permit.

21. On July 30, 2002, the PTIs for K002, K003, K004 and L001 were issued. Since the facility has received a "de minimis" status for K001, the unit does not require a permit.

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

V. ORDERS

The Director hereby issues the following Orders:

1. Within sixty (60) days of the effective date of these Orders, Respondent shall submit a complete and approvable Title V permit application pursuant to the requirements of OAC Chapter 3745-77.

2. Pursuant to OAC Rule 3745-78-02 and within thirty (30) days of the effective date of these Orders, Respondent shall submit the required Fee Emission Reports in accordance with OAC Rule 3745-78-02 for calendar years 1993 through 2001, and shall maintain compliance thereafter.

3. Pursuant to ORC § 3704.06, Respondent is assessed a civil penalty in the amount of forty-six thousand nine hundred dollars (\$46,900) in settlement of Ohio EPA's claim for civil penalties. Within fourteen (14) days after the effective date of these Orders, Respondent shall pay to Ohio EPA the amount of thirty-six thousand nine hundred dollars (\$36,900) of the total penalty amount. Payment shall be made by an official check made payable to "Treasurer, State of Ohio" for thirty-six thousand nine hundred dollars (\$36,900). The official check shall be submitted to Brenda Case at Ohio EPA, Office of Fiscal Administration, P.O. Box 1049, Columbus, Ohio 43216-1049, together with a letter identifying the Respondent and the facility. A copy of the check shall be sent to James A. Orlemann, Assistant Chief, Enforcement Section, or his successor, at the following address:

Division of Air Pollution Control
Ohio Environmental Protection Agency
P.O. Box 1049
Columbus, Ohio 43216-1049

In lieu of payment to Ohio EPA of the remaining ten thousand dollars (\$10,000) of the total penalty amount, Respondent shall perform the supplemental environmentally beneficial project identified in Order 4. In the event Respondent defaults or otherwise fails to complete the project as specified in Order 4, the \$10,000 shall immediately become due and payable to Ohio EPA. Such payment shall be made by official check made payable to "Treasurer, State of Ohio" and sent to Brenda Case at the above-stated address. A copy of the check shall be sent to James A. Orlemann, Manager, Engineering Section, or his successor, at the above-stated address.

4. As outlined below, and with reference to the chapters described in Ohio EPA's 1993 "Ohio Pollution Prevention and Waste Minimization Planning Guidance Manual" (the Manual), Respondent shall conduct a pollution prevention study ("P2 Study") at the facility. The P2 Study is an assessment of selected facility processes to identify and evaluate specific source reduction and environmentally sound recycling opportunities.

- a. Within ninety (90) days after the effective date of these Orders, Respondent shall submit a detailed narrative report to Ohio EPA for review and approval containing the following:
 - i. a list of the members of a cross-functional team for the P2 Study, including the name of a designated team leader;
 - ii. an identification of the processes selected for study and the methods used to select the processes; and
 - iii. a description of the processes being studied, including types and quantities of raw materials used, waste generated (i.e., air emissions, hazardous waste, solid waste, wastewater), and the intermediate or final products.

The above items shall be completed following the guidance provided in Chapters 8 and 9 of the Manual.

- b. Within one hundred eighty (180) days after the effective date of these Orders, Respondent shall submit a detailed narrative report to Ohio EPA for review and approval containing the following:
 - i. an analysis of the process-related factors contributing to waste generation;
 - ii. a description of the specific pollution prevention opportunities identified; and

- iii. a discussion of the approach used in screening and prioritizing pollution prevention opportunities for future implementation.

The above items shall be completed following the guidance provided in Chapters 11 and 12 of the Manual.

- c. Within two hundred seventy (270) days after the effective date of these Orders, Respondent shall submit a detailed narrative final report to Ohio EPA for review and approval containing the following:
 - i. an evaluation of the cost considerations and feasibility analysis of the identified pollution prevention opportunities;
 - ii. a discussion of those projects that have been eliminated as well as those that have been implemented, planned for implementation, or under consideration for possible implementation; and
 - iii. a description of the other items bulleted in Table 7 of Chapter 15 of the Manual.

The above items shall be completed following the guidance provided in Chapters 13, 14 and 15 of the Manual.

- d. Within three hundred and thirty (330) days after the effective date of these Orders, Respondent shall submit an approvable detailed narrative final report to Ohio EPA, unless the report submitted to Ohio EPA pursuant to the above paragraph c is approved by Ohio EPA.

Ohio EPA shall provide Respondent with its comments and an indication of approval or disapproval of the reports submitted pursuant to this Order in a timely manner.

5. Within thirty (30) days of the completion and approval by Ohio EPA of the project identified in Order 4, Respondent shall submit documentation to Ohio EPA of the total cost of the P2 Study (including any costs associated with implementation of any pollution prevention project where study costs are insufficient to cover the full amount of the penalty credit). If the total cost of the P2 Study is less than \$10,000, Respondent shall submit along with the final report identified in Order 4, and in the manner described in Order 3, an official check to Ohio EPA for the difference in cost between \$10,000 and the total cost of the P2 Study.

VI. TERMINATION

Respondent's obligations under these Orders shall terminate when Respondent certifies in writing and demonstrates to the satisfaction of Ohio EPA that Respondent has performed all obligations under these Orders and the Chief of Ohio EPA's Division of Air Pollution Control acknowledges, in writing, the termination of these Orders. If Ohio EPA does not agree that all obligations have been performed, then Ohio EPA will notify Respondent of the obligations that have not been performed, in which case Respondent shall have an opportunity to address any such deficiencies and seek termination as described above.

The certification shall contain the following attestation: "I certify that the information contained in or accompanying this certification is true, accurate and complete."

This certification shall be submitted by Respondent to Ohio EPA and shall be signed by a responsible official of Respondent. For purposes of these Orders, a responsible official is as identified in OAC Rule 3745-35-02(B)(1) for a corporation.

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, the Respondent's facility.

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. 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 Environmental Protection Agency
Northeast District Office
Division of Air Pollution Control
2110 E. Aurora Road
Twinsburg, Ohio 44087
Attn: Mr. Tony Becker, Environmental Specialist

and to:

Ohio Environmental Protection Agency
Lazarus Government Center
Division of Air Pollution Control
122 South Front Street, P.O. Box 1049
Columbus, Ohio 43216-1049
Attn: Mr. Tom Kalman, Supervisor

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, Respondent agrees to comply with these Orders. Compliance with these Orders shall be a full accord and satisfaction for Respondent's civil liability for the specific violations cited herein. Respondent hereby waives the right to appeal the issuance, terms, and service of these Orders and hereby waives any and all rights it might 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 an appeal. In such event, Respondent shall continue to comply with these Orders unless these Orders are stayed, vacated, or modified.

XIII. EFFECTIVE DATE

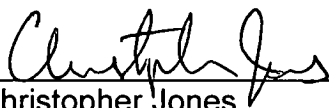
The effective date of these Orders is the date these Orders are entered into the Ohio EPA Director's journal.

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.

IT IS SO ORDERED AND AGREED:

Ohio Environmental Protection Agency




Christopher Jones
Director

5-18-04

Date

IT IS SO AGREED:

Helical Line Products Co.



Signature

May 5, 2004

Date

William T. Bonds

Printed or Typed Name

Secretary Treasurer

Title