

John R. Kasich, Governor Mary Taylor, Lt. Governor Craig W. Butler, Director

Re:

March 3, 2016

CERTIFIED MAIL

Jim Reithel
Vice President of Operations
Martin Marietta Magnesia
Specialties, Inc.
755 Lime Road
Woodville, Ohio 43469

Final Findings and Orders for violations of air pollution regulations at 755 Lime Road, in Woodville, Ohio.

Dear Mr. Reithel:

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,

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

xc: James Lee, PIC

Lee Tullis/John Paulian/Tan Tran, DAPC

Stephan Feldmann, Legal Office

Mark Budge/Jennifer Jolliff, DAPC-NWDO

BEFORE THE

BHIS E.P.A.

OHIO ENVIRONMENTAL PROTECTION AGENCYMAR -3 2016

In the Matter of:

ENTERED BIRECTOR'S JOURNAL

Martin Marietta Magnesia Specialties, Inc. :

755 Lime Road

Woodville, Ohio 43469

Director's Final Findings

and Orders

PREAMBLE

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.

It is agreed by the parties hereto as follows:

I. JURISDICTION

These Director's Final Findings and Orders ("Orders") are issued to Martin Marietta Magnesia Specialties, 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 shall in any way alter Respondent's obligations under these Orders.

III. <u>DEFINITIONS</u>

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. <u>FINDINGS</u>

The Director of Ohio EPA has determined the following findings:

- 1. Respondent is a lime manufacturing plant with a facility located at 755 Lime Road in Woodville, Ohio (Facility ID #0372000127). At this facility, Respondent operates six (6) emissions units (rotary lime kilns). These rotary lime kilns are identified by Ohio EPA as P010, P013, P014, P015, P019 and P902 (Lime Kiln #7). Each of these above-referenced EUs is an "air contaminant source" as defined in OAC Rules 3745-15-01(C) and (X), and 3745-31-01(I), and ORC § 3704.01(C). EU P902 was installed in October 2012 and began operation in December 2012.
- 2. ORC § 3704.05(C) prohibits any person from violating the terms and conditions of any permit issued by the director of Ohio EPA.
- 3. On November 13, 2008, Ohio EPA issued the permit-to-install ("PTI") #03-17089 for all the rotary lime kilns. This PTI requires Respondent to demonstrate

Director's Final Findings and Orders Martin Marietta Magnesia Specialties, Inc. Page 2 of 5

compliance with MACT, Subpart AAAAA through emissions testing for each applicable kiln. Respondent must demonstrate that the actual emission rate for each air pollutant (i.e., PM, PM10, NOx, SO2, CO, and VOC) must be within allowable emission limit.

- 4. During the initial shakedown for EU P902, Respondent identified several mechanical and operational issues that appeared to be caused by design and as-built flaws. Respondent notified Ohio EPA of these issues and requested a 180-day testing extension in order to be able to correct the issues with different equipment, including a new gear box. By letter dated June 6, 2013, Ohio EPA denied the 180-day testing extension request, but did acknowledge EU P902's mechanical and operational issues and the lead-time needed to obtain and replace the new gear box.
- 5. On July 16, 2013, Respondent conducted stack test for EU P902. The actual emissions rate for NOx was 5.4 lbs per ton of lime which exceeded the allowable limit of 4.1 lbs per ton of lime, in violation of the terms and conditions of PTI #03-17089 and ORC § 3704.05(C).
- 6. On September 19, 2013, Ohio EPA, Northwest District Office ("NWDO") issued a notice of violation ("NOV") letter to Respondent for the violation referenced in Finding No. 5 of these Orders. NWDO requested that Respondent provide a compliance plan and schedule associated with EU P902, to include a timeline for the gear box correction.
- 7. By a letter dated October 1, 2013, Respondent replied to NWDO's September 19, 2013 NOV and provided the requested compliance plan and schedule. Specifically, Respondent informed NWDO that it changed out the gear box on September 16, 2013. Moreover, Respondent informed NWDO that the facility was in the process of making adjustments to EU P902 and that additional adjustments were anticipated. Respondent also stated that it hoped that EU P902 would be operating under representative conditions by May 2014. Finally, Respondent informed NWDO that it was planning to retest EU P902 by June 2014.
- 8. On July 9, 10 and 17, 2014, Respondent conducted a retest for EU P902 to demonstrate the compliance with the NOx allowable limit.
- 9. By a letter dated October 22, 2014, Ohio EPA informed Respondent that the facility had achieved compliance with the terms and conditions of its PTI based on results for NOx from the July 9, 10 and 17, 2014 retests.
- 10. 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 relation to benefits to the people of the State to be derived from such compliance.

Director's Final Findings and Orders Martin Marietta Magnesia Specialties, Inc. Page 3 of 5

V. ORDERS

The Director hereby issues the following Orders:

1. Respondent shall pay the amount of nine thousand five hundred dollars (\$9,500) 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 seven thousand and six hundred dollars (\$7,600) of the total amount (split to Funds 6960 and 6A10). 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. In lieu of paying the remaining one thousand and nine hundred dollars (\$1,900) of the civil penalty, Respondent shall, within fourteen (14) days of the effective date of these Orders, fund a Supplemental Environmental Project ("SEP") by making a contribution in the amount of \$1,900 to the Ohio EPA's Clean Diesel School Bus Program Fund (Fund 5CD0). Respondent shall tender an official check made payable to "Treasurer, State of Ohio" for \$1,900. The official check shall be submitted to Carol Butler, or her successor, together with a letter identifying Respondent and Fund 5CD0, to the above-stated address.
- 3. Should Respondent fail to fund the SEP within the required time frame set forth in Order 2, Respondent shall immediately pay to Ohio EPA \$1,900 of the civil penalty in accordance with the procedures 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.

Director's Final Findings and Orders Martin Marietta Magnesia Specialties, Inc. Page 4 of 5

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, Northwest District Office 347 North Dunbridge Road Bowling Green, Ohio 43402-9398 Attention: Mark Budge

and to:

Ohio Environmental Protection Agency
Division of Air Pollution Control
50 West Town Street, Suite 700
P.O. Box 1049
Columbus, Ohio 43216-1049
Attention: James Kavalec, Manager, Enforcement Section

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 specially waived in Section XII of these Orders.

Director's Final Findings and Orders Martin Marietta Magnesia Specialties, Inc. Page 5 of 5

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.

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.

Director's Final Findings and Orders Martin Marietta Magnesia Specialties, Inc. Page 6 of 5

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

Craig Butler

3/ / Date

IT IS SO AGREED:

Martin Marietta Magnesia Specialties, Inc.

Signature

2-16-16

Date

Jim Reithel

Printed or Typed Name

<u>Vice President of Operations, Magnesia Specialties</u>
Title