

BEFORE THE  
OHIO ENVIRONMENTAL PROTECTION AGENCY

OHIO E.P.A.  
FEB 15 2001  
ENTERED DIRECTOR'S JOURNAL

In the Matter of:

Duracote Corporation : Director's Final Findings  
350 North Diamond Street : and Orders  
Ravenna, Ohio 44266 :

**PREAMBLE**

It is hereby agreed that:

**I. JURISDICTION**

These Director's Final Findings and Orders ("Orders") are issued to Duracote Corporation ("Duracote"), pursuant to the authority vested in the Director of the Ohio Environmental Protection Agency ("Ohio EPA") under R.C. 3704.03 and 3745.01.

**II. PARTIES BOUND**

These Orders shall apply to and be binding upon Duracote and its assigns and successors in interest.

**III. DEFINITIONS**

Unless otherwise stated, all terms used in these Orders shall have the same meaning as used in R.C. Chapter 3704 and the regulations promulgated thereunder.

**IV. FINDINGS OF FACT**

The Director of the Ohio EPA has determined the following findings of fact:

1. Duracote owns and operates a coating facility for the manufacturing of non-rubberized coated fabrics, which is located at 350 North Diamond Street, Ravenna, Ohio (Ohio EPA facility identification number 1667060088). The facility includes the following equipment: a vinyl coating line with one oven and one header for coating fabrics with plastisols, organosols, solutions and water-based coatings, and a vinyl coating line with three ovens with coating head for coating plastisols, organosols, and various coatings of polymer type. These coating lines are identified by Ohio EPA as "sources K001 and K002." Source K001 was installed in 1946 and has been operated since then. Source K002 was installed in June 1966 and has been operated since then.

2. Sources K001 and K002 were "air contaminant sources" as defined by Ohio Administrative Code ("OAC") Rule 3745-35-01(B)(1) and are now part of a "Title V source" as defined by OAC Rule 3745-77-01(LL). Sources K001 and K002 emit volatile organic compounds ("VOC") as defined by OAC Rule 3745-21-01(B)(6). Sources K001 and K002 employ "vinyl coatings" as defined by OAC Rule 3745-21-01(D)(61).

3. On June 30, 1986, Duracote was issued Director's Final Findings and Orders for violations of OAC Rule 3745-21-09(H)(1)(a) for sources K001 and K002, as well as violations associated with other coating lines at the facility.

4. Pursuant to OAC Rule 3745-21-04(C)(7), by April 1, 1982, Duracote was required to comply with OAC Rule 3745-21-09(H)(1) which states, in part, no owner or operator of a vinyl coating line may cause, allow, or permit the discharge into the ambient air of any VOCs from such coating line unless the VOC content of the coatings employed in the vinyl coating line does not exceed 4.8 pounds of VOC per gallon ("lbs/gal") of coating, excluding water and exempt solvents, or 25 percent VOC by volume of the volatile matter. Compliance with these limitations is determined as a daily, volume-weighted average pursuant to OAC Rule 3745-21-09(B)(1). On June 30, 1986, Director's Final Findings and Orders were issued to Duracote for violations of OAC rule 3745-21-09(H)(1)(a) for sources K001 and K002, as well as other violations associated with other coating lines (i.e., sources K003 and K004).

5. Prior to August 22, 1990, the definition of "vinyl coatings," under OAC Rule 3745-21-01(D)(61) stated a "vinyl coating means a coating or ink applied to the surface of vinyl coated fabric, vinyl sheets, or other vinyl products by means of a knife coater, roll coater, or roll printer." A modification to this definition on August 22, 1990 added the clause, "for purposes of this rule, vinyl coating shall not include organosol or plastisol coatings."

6. Permits to operate ("PTO") applications were submitted by Duracote for sources K001 and K002 on October 11, 1989, September 22, 1992, and September 22, 1995. The applications indicated the use of organosols and plastisols. However, Duracote did not specify which coatings contained either a plastisol or an organosol on the Appendix K forms which were part of the application. PTOs were issued for these sources by the Akron Regional Air Quality Management District ("ARAQMD") following each submittal of the PTO applications and after Duracote submitted the required record keeping. The PTOs referenced OAC Rules 3745-21-01(D)(61) and 3745-21-09(H) as being applicable.

7. After the August 22, 1990 definition change to OAC Rule 3745-21-01(D)(61), Duracote continued to average in the organosol and plastisol content to determine the lbs/gal VOC content in its coatings employed for sources K001 and K002, contrary to the definition in OAC Rule 3745-21-01(D)(61).

8. On February 11, 1998, Duracote sent ARAQMD a letter stating its findings during a review of its Draft Title V Permit that it was in violation of OAC Rule 3745-21-09(H)(1) by exceeding the VOC content limit of 4.8 lbs/gal of coating for sources K001 and K002. (The alternative limitation of 25 percent VOC by volume of the volatile matter is more stringent.) Duracote averaged the organosol and plastisol content into the total VOC content of the coatings. Without averaging in the organosol and plastisol contents, Duracote stated that it was most likely in violation of the VOC content limit. Duracote stated that by averaging in the organosol and plastisol content, it was able to stay below 4.8 lbs of VOC/gal of coating. Duracote noted that the STARShip software that Ohio EPA sent to the company to develop its Title V permit application did not specify that organosols and plastisols were excluded from the vinyl coating definition. As a result of Duracote's findings, it requested a 12-month period to consider a VOC capture/control system.

9. On March 9, 1998, Duracote submitted a compliance plan and schedule to ARAQMD. The compliance plan included stack testing, analyzing the option of installing recuperative oxidizing equipment for control, and evaluating the project for compliance by June 15, 1999. If installing oxidizing equipment was determined to not be economically feasible, Duracote stated it would analyze the option of replacing noncomplying coatings and processes during this time frame.

10. On March 31, 1998, Duracote submitted a report providing the monthly and yearly summaries of usages and VOC contents of the compounds employed in sources K001 and K002, from January 1990 through January 1997, that exceeded the 4.8 lbs of VOC/gal, excluding plastisols, organosols, water, and exempt solvents. The report indicated that Duracote was employing coatings in sources K001 and K002 with VOC contents between 5.3 to 6.2 lbs of VOC/gal of coating, excluding water, exempt solvents, plastisols, and organosols, in violation of OAC Rule 3745-21-09(H)(1) and R.C. 3704.05(A) and (G).

11. On August 8, 1998, a Final Title V Permit was issued to Duracote for its facility. Included in the Miscellaneous Requirements was a compliance schedule that shortened the time for which Duracote was to comply with OAC Rule 3745-21-09(H). The schedule required Duracote to award contracts for an emission control system, or issue orders for purchase of component parts for process modifications, or cease the use of noncomplying coatings by February 15, 1999. The date for demonstrating final compliance by installing an emission control system was set at May 15, 1999.

12. On January 21, 1999, Duracote sent ARAQMD a letter stating that Duracote had attained compliance with OAC rule 3745-21-09(H) through reformulation and replacement of vinyl coatings. The present vinyl coatings employed by Duracote each have less than 4.8 lbs VOC/gal, excluding water, exempt solvents, plastisols, and organosols. By exceeding VOC content limits, Duracote violated OAC Rule 3745-21-09(H)(1) and R.C. 3704.05(A) and (G) from August 22, 1990 [following the definition change in OAC Rule 3745-21-01(D)(61)] until January 21, 1999 [when Duracote indicated

that complying coatings were being employed in the coating lines]. See the attached Table 1 for annual summaries of usage and days of violation.

13. On March 4, 1999, upon Duracote's request, Ohio EPA met with representatives of Duracote to discuss the noncompliance issues associated with K001 and K002 and the change in the definition of a vinyl coating. Duracote stated it was unaware of the definition change prior to its Draft Title V permit review in late 1997 or early 1998. Duracote believed it was in compliance due to the continued issuance of PTOs for its facility by ARAQMD.

14. The Director has given consideration to, and based on 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. Duracote shall maintain sources K001 and K002 in compliance with the requirements of OAC Rule 3745-21-09(H)(1).

2. Pursuant to R.C. 3704.06, Duracote is assessed a civil penalty in the amount of ten thousand seven hundred fifty dollars (\$10,750) in settlement of Ohio EPA's claim for civil penalties. In lieu of payment of the total penalty, Duracote shall perform the supplemental environmentally beneficial project ("SEP") identified in Order 3. In the event Duracote defaults or otherwise fails to complete the project as specified in Order 3, the \$10,750 shall immediately become due and payable to Ohio EPA. Such payment shall be made by certified check made payable to "Treasurer, State of Ohio" and sent to Vicki Galilei at the following address:

Fiscal Administration  
Ohio Environmental Protection Agency  
P.O. Box 1049  
Columbus, Ohio 43216-1049

A copy of the check shall be sent to James A. Orlemann, Manager, Engineering 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

3. By not later than February 15, 2001, Duracote shall implement a SEP at its facility consisting of the replacement of the existing automotive top coating, which is identified as SAPW0960, with a new automotive top coating with a lower VOC content, which is identified as SAPW0961. Specifically, Duracote shall replace automotive top coating SAPW0960, which has a VOC content of 3.9 lbs of VOC per gallon of coating, including water and exempt solvents, with new coating SAPW0961, which shall have a VOC content of not greater than 2.7 lbs of VOC per gallon of coating, including water and exempt solvents. If at some point in time, Duracote no longer desires to employ coating SAPW0961 and has ceased use of coating SAPW0960, it shall not be obligated to continue use of coating SAPW0961 under the above provision. Furthermore, beginning with the year 2001, such replacement shall achieve a minimum VOC reduction per calendar year of 9.2 tons of VOC (or the required prorated emission reduction for the year 2001) as determined by either (1) the difference between the VOC emissions resulting from the use of coating SAPW0961 and the VOC emissions that would have been emitted had coating SAPW0960 continued to be used for each year, or (2) the difference between the current year's total VOC emissions for the facility and the 1999 baseline total VOC emission level for the facility of 33.54 tons. The second option above shall be used to determine compliance with the annual VOC reduction requirement in the event that Duracote discontinues the use of coatings SAPW0960 and SAPW0961.

4. In order to document compliance with the above VOC content and VOC emission reduction limitations for the SEP, beginning no later than February 15, 2001, Duracote shall collect and record the following information on a calendar month basis:

for demonstrating a VOC emission reduction on an individual coating basis;

- a. coating identification;
- b. VOC content of coating SAPW0961, as applied (lbs VOC/gal of coating, including water and exempt solvents);
- c. VOC content of the former coating SAPW0960 (lbs VOC/gal of coating, including water and exempt solvents);
- d. volume of coating SAPW0961, as applied (gallons of coating, including water and exempt solvents);
- e. volume of the former coating SAPW0960 necessary to supply the same volume of coating SAPW0961 (gallons of coating, including water and exempt solvents);
- f. total VOC emissions for the former coating SAPW0960, in tons [summation of (c) x (e) /2000 lbs/ton];
- g. total VOC emissions for coating SAPW0961, in tons [summation of (b) x (d) /2000 lbs/ton]; and
- h. total VOC emission reduction from the use of coating SAPW0961 instead of the former coating SAPW0960, in tons [(f) - (g)]; and
- i. cumulative total VOC emission reduction for the calendar year, in tons [sum of (h) for the calendar year]; or

for demonstrating a VOC emission reduction based on the comparison to 1999 baseline total VOC emissions from the facility:

- j. coating and cleanup material identification;
- k. VOC content of each coating, as applied (in lbs of VOC, including water and exempt solvents) and each cleanup material (lbs of VOC/gal of cleanup material);
- l. volume of each coating, as applied, and each cleanup material used (in gallons);
- m. total VOC emissions from all coatings and cleanup materials employed (in tons)[summation of (k) x (l)/2000 lbs/ton for all coatings and cleanup materials]; and
- n. cumulative total VOC emissions for the calendar year, in tons [sum of (m) for the calendar year].

5. In addition, Duracote shall submit reports to ARAQMD that document the following for the SEP:

- a. any exceedance of the VOC content limit of 2.7 lbs of VOC/gallon, including water and exempt solvents, as is applicable to new coating SAPW0961 (these reports shall include the cause of and extent of the violation, shall state the actual VOC content, and shall be submitted within 45 days of the occurrence); and
- b. the annual VOC emission reduction from the use of coating SAPW0961 instead of former coating SAPW0960 or from the baseline VOC emissions for 1999 of 33.54 tons (these reports shall be submitted by January 31 of each year and shall cover the previous calendar year).

6. Duracote shall submit a certification of the implementation of the SEP to ARAQMD and Ohio EPA at the following addresses by no later than March 15, 2001:

Akron RAQMD  
146 South High St, Room 904  
Akron, Ohio 44308  
Attn: Sean Vadas

and to:

Ohio Environmental Protection Agency/DAPC  
P.O. Box 1049  
Columbus, Ohio 43216-1049  
Attn: Thomas Kalman

7. By no later than March 15, 2001, Duracote shall provide documentation of the expenditure for the above SEP to Ohio EPA. In the event that Duracote completes the project at an expenditure of less than \$10,750 by February 15, 2001, Duracote shall remit to Ohio EPA, in the same manner as described in Order 2 and by March 15, 2001, an amount equal to the difference between \$10,750 and the actual expenditure.

8. In the event that Duracote does not meet the VOC content limitation of 2.7 lbs of VOC/gallon, including water and exempt solvents, and a 9.2 tons/yr reduction of VOC emissions in any calendar year (or the required prorated emission reduction for the year 2001) at its facility, as described above, Duracote shall pay to Ohio EPA the full amount of the credit given to the SEP, equal to \$10,750, by no later than January 31 of the succeeding year and in the manner described in Order 2. To the extent that Duracote does not meet the required SEP requirements in any calendar year and makes the payment referenced in this Order, the SEP requirements of Order 2, Orders 3 through 5, and this Order shall terminate automatically, and Duracote shall have no further obligation to continue the SEP as described in these Orders.

#### **VI. 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 Duracote's operation.

#### **VII. NOTICE**

All documents required by these Orders, unless otherwise specified in writing, shall be addressed to:

Akron RAQMD  
146 South High St, Room 904  
Akron, Ohio 44308  
Attn: Sean Vadas

and to:

Ohio Environmental Protection Agency/DAPC  
P.O. Box 1049  
Columbus, Ohio 43216-1049  
Attn: Thomas Kalman

### **VIII. RESERVATION OF RIGHTS**

Nothing contained herein prevents the Ohio EPA from seeking legal or equitable relief to enforce the terms of these Orders or from taking other administrative, legal, or equitable action as deemed appropriate and necessary, including seeking penalties against Duracote for noncompliance with these Orders. Nothing contained herein prevents the Ohio EPA from exercising its lawful authority to require Duracote to perform additional activities at the facility pursuant to R.C. Chapter 3704 or any other applicable law in the future. Nothing herein restricts the right of Duracote to raise any administrative, legal, or equitable claim or defense with respect to such further actions that the Ohio EPA may seek to require from Duracote.

### **IX. SIGNATORIES**

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 this document.

### **X. WAIVER**

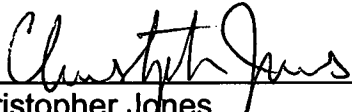
In order to resolve disputed claims, without admission of fact, violation or liability, Duracote agrees to comply with these Orders. Compliance with these Orders shall be a full accord and satisfaction for Duracote's civil liability for the specific violations cited herein. Duracote hereby waives the right to appeal the issuance, terms and service of these Orders and it 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, the Ohio EPA and Duracote agree that if these Orders are appealed by any other party to the Environmental Review Appeals Commission, or any court, Duracote retains the right to intervene and participate in such an appeal. In such event, Duracote shall continue to comply with these Orders unless said Orders are stayed, vacated, or modified.



**IT IS SO ORDERED AND AGREED:**

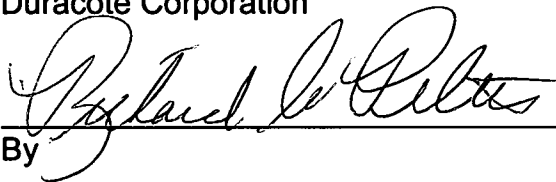
Ohio Environmental Protection Agency

  
\_\_\_\_\_  
Christopher Jones  
Director

2-13-01  
Date

**IT IS AGREED:**

Duracote Corporation

  
\_\_\_\_\_  
By  
Vice President  
\_\_\_\_\_  
Title

1-30-01  
Date

**Table 1.** Combined annual usages of non-complying coatings in sources K001 and K002 and resulting days of violation for exceeding the VOC content limit of 4.8 pounds of VOC per gallon (lbs/gal) of coating, excluding water, exempt solvents, organosols and plastisols.

<b>Annual Usages of Non-complying Coatings and Days of Violation for K001 and K002</b>			
Year	Total Usage (Gallons)	Days of Violation	Basis for Violation
1990	2,086.2	28	Violation started with definition change on Aug. 22, 1990. Taken from daily usage reports submitted by company.
1991	2,147.1	72	Taken from daily usage reports submitted by company.
1992	2,767.6	70	Taken from daily usage reports submitted by company.
1993	3,168.0	85	Taken from daily usage reports submitted by company.
1994	2,638.9	70	Taken from daily usage reports submitted by company.
1995	2,387.7	47	Taken from daily usage reports submitted by company.
1996	1,674.0	54	Taken from daily usage reports submitted by company.
1997	1,742.0	57	Taken from daily usage report submitted by company.
1998	1,281.43	44	Taken from daily usage reports submitted by company.
1999	586.88	9	The company ceased the use of non-complying coatings as of January 21, 1999. Taken from daily usage reports submitted by company.
	<b>TOTAL:</b>	<i>536 days of violation or appr. 18 mos.</i> [(536 days x 1 month/30 days) = 17.87 months]	On these days, the daily average VOC contents of the coatings employed on K001 and K002 ranged from 4.95 to 6.20 lbs of VOC/gal, excluding plastisols, organosols, water, and exempt solvents.