



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

May 17, 2016

CERTIFIED MAIL

Mr. Daniel Rhoads
President
Ellwood Engineered Castings
7158 Hubbard Masury Road
Hubbard, Ohio 44425

Re: Final Findings and Orders for violations of
air pollution regulations at 7158 Hubbard
Masury Road, in Hubbard, Ohio.

Dear Mr. Rhoads:

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
Patty Porter, DAPC
Stephen Feldmann, Legal Office
Ed Fasko/Tim Fischer, NEDO

OHIO E.P.A.

MAY 17 2016

ENTERED DIRECTOR'S JOURNAL

BEFORE THE By: Jerry Cassiter Date: 5-17-16

OHIO ENVIRONMENTAL PROTECTION AGENCY

In the Matter of:

Ellwood Engineered Castings	:	<u>Director's Final Findings</u>
7158 Hubbard Masury Road	:	<u>and Orders</u>
Hubbard, Ohio 44425	:	

PREAMBLE

It is agreed by the parties hereto as follows:

I. JURISDICTION

These Director's Final Findings and Orders ("Orders") are issued to Ellwood Engineered Castings ("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 owns and operates a gray and ductile iron foundry ("facility") located at 7158 Hubbard Masury Road, Hubbard, Ohio. The facility (identified as facility 0278000025) produces gray iron castings up to 160 tons and ductile iron castings up to 60 tons using a "no-bake" sand system. The facility's operations include, among other operations, a casting shakeout and a Didion Sand system (Identified by Ohio EPA as emissions units F004 and F010, respectively). These emissions units, along with other emissions units, exhaust out a common stack and are controlled by a baghouse referred to as "big blue."

2. 40 CFR Part 64 regulations require the owner or operator of an applicable control device to establish appropriate monitoring ranges and/or conditions as indicators that operation within those ranges or conditions provide reasonable assurance of ongoing compliance with emission limitations or standards. These regulations are referred to as compliance assurance monitoring ("CAM"). CAM generally applies to emissions units at a major source subject to the Title V program which operates a control device to achieve compliance with an emission limitation. Additionally, the uncontrolled potential to emit (i.e., pre-controlled potential) equals or exceeds the amount that would classify the emissions unit as a major source for the pollutant subject to the limitation or standard. Respondent's "big blue" baghouse is subject to the monitoring requirements of 40 CFR Part 64. To comply with the CAM requirements, Respondent established a pressure drop range across the control equipment's bags. Specifically, a pressure drop monitoring range between two and five inches of water across "big blue's" bags was established to provide reasonable assurance that emissions units F004 and F010 are complying with a combined particulate emissions ("PE") limitation of 0.01 grains per dry standard cubic foot ("gr/dscf"). The CAM monitoring requirements and the PE limitation are specified in Respondent's Title V permit and in permit to install ("PTI") number 02-22773.

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(J)(2) prohibits any person from violating any applicable requirement of a Title V permit or any permit condition, except for an emergency as defined in 40 CFR 70.6(g).

5. On May 16, 2001, Respondent's original Title V permit was issued and on September 21, 2010, a renewal Title V permit was issued. The renewal permit requires Respondent to conduct, or have conducted, emission testing to determine if emissions unit F010, in combination with emissions unit F004, is complying with the 0.01 gr/dscf PE limitation in "big blue's" exhaust. Specifically, the permit requires that testing be conducted within 6 months after issuance of the permit and thereafter, at approximately 2.5 year intervals starting with the date of the last test that showed compliance.

6. On July 8, 2015, Respondent conducted a compliance test for emissions units F004 and F010 to determine if their exhaust was complying with the PE limitation 0.01 gr/dscf. During the test the pressure drop across the bags were within the CAM indicator range; however, the test disclosed that the average PE rate in the exhaust (i.e., 0.033 gr/dscf) exceeded the PE limitation. Respondent failed to comply with the PE limitation specified in the terms and conditions of PTI 02-22773 and its renewal Title V permit, in violation of ORC §§ 3704.05(C) and (J)(2). Furthermore, the test revealed that Respondent's current CAM indicator range (i.e., pressure drop across the bags) is not sufficient to provide reasonable assurance of compliance with the emissions

limitation.

7. In a letter to Ohio EPA's Northeast District Office ("NEDO") dated August 19, 2015, Respondent stated that after the failed test the baghouse was inspected and it was discovered that several replacement bags were determined to be in poor condition. Additionally the letter said that the faulty bags were replaced on July 27, 2015 and August 5, 2015. Respondent also completed a bag replacement project on September 14, 2015 in which 150 bags were replaced. On October 8, 2015, the baghouse exhaust was retested and the test results showed compliance with the PE limitation. During the stack test, Respondent informed a NEDO representative that the reason the bags were in poor condition stemmed from the fan on the baghouse being set higher than the factory setting and that the collection in the bags was actual sand that was being erroneously carried away. Respondent installed a new damper system and the fan was reset to the factory setting. In support of this, the actual flow rate measured during the retest was considerably lower than the flow rate measured during the July 8, 2015 test.

8. In accordance with Respondent's Title V renewal permit the July 8, 2015 compliance test was required to be conducted approximately two and half years from the previous compliance test which demonstrated compliance. Respondent conducted the previous compliance test on July 11, 2011; therefore, the compliance test was required to be conducted around January 11, 2014. Respondent failed to timely conduct the compliance test, in violation of ORC §§ 3704.05(C) and (J)(2).

9. On August 25, 2015, NEDO sent a notice of violation ("NOV") letter to Respondent for the violations mentioned above.

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.

V. ORDERS

The Director hereby Issues the following Orders:

1. Respondent shall monthly check the fan settings for the baghouse serving emissions units F004 and F010 to assure that the setting meets the manufacturing recommended setting and/or the fan setting of the last test that showed compliance.

2. Respondent shall pay the amount of nineteen thousand dollars (\$19,000) 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 five thousand (\$5,000) 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

3. In lieu of paying fourteen thousand (\$14,000) of the total civil penalty, Respondent shall be entitled to a credit in this amount for the installation and continued operation and maintenance of a bag leak detection system for the control device (i.e., "big blue baghouse") serving emissions units F004 and F010. Installation and operation shall be completed within 60 days of the effective date of these Orders. Should Respondent fail to timely complete this environmental credit within this time frame, Respondent shall immediately pay to Ohio EPA fourteen thousand (\$14,000) of the civil penalty in accordance with the procedures in Order 2.

4. If a bag leak detection system is installed, the bag leak detection system must meet the following requirements:

- The bag leak detection system must be certified by the manufacturer to be capable of detecting particulate matter emissions at concentrations of 10 milligrams per actual cubic meter (0.0044 grains per actual cubic foot) or less.
- The bag leak detection system sensor must provide output of relative particulate matter loadings, and you must also continuously record the output from the bag leak detection system.
- The bag leak detection system must be equipped with an alarm system that will sound when an increase in relative particulate loadings is detected over a preset level. The alarm must be located where it can be heard by the appropriate plant personnel.
- If the bag leak detection system works based on the triboelectric effect, it must be installed, calibrated, operated, and maintained consistent with the U.S. Environmental Protection Agency guidance document "Fabric Filter Bag Leak Detection Guidance" (EPA-454/R-98-015). Otherwise, it must be installed, calibrated, and maintained consistent with the manufacturer's written specifications and recommendations.
- The initial adjustment of the bag leak detection system must, at a minimum, consist of establishing the baseline output by adjusting the sensitivity (range) and the averaging period of the device, and establishing the alarm set points and the alarm delay time.
- Following the initial adjustment, no adjustments to the sensitivity or range, averaging period, alarm set points, or alarm delay time, shall be made except as

may be required in the maintenance plan required herein. In no event may the sensitivity be increased by more than 100 percent or decreased more than 50 percent over a 365-day period unless a responsible official certifies the baghouse has been inspected and found to be in good operating condition.

- o If multiple detectors are required, the system's instrumentation and alarm may be shared among detectors.

5. Additionally, if Respondent decides to install a bag leak detection system, a maintenance plan must be developed which specifies corrective action procedures to be followed in the case of a bag leak detection system alarm, or if visible emissions above the permitted amount from the baghouse are observed, or if through periodic baghouse system inspections indication that the system is not operating properly. The corrective action must be initiated as soon as practicable after the occurrence of the observation or event indicating a problem.

6. The corrective action plan must include procedures used to determine the cause of an alarm or other indications of problems as well as actions to minimize emissions. These actions may include the following:

- o Inspecting the baghouse for air leaks, torn or broken bags or filter media, or any other condition that may cause an increase in emissions.
- o Sealing off defective bags or filter media.
- o Replacing defective bags or filter media, or otherwise repairing the control device.
- o Sealing off a defective baghouse compartment.
- o Cleaning the bag leak detection system probe, or otherwise repairing the bag leak detection system.
- o Shutting down the process producing the particulate matter emissions.

7. If a bag leak detection system is installed, Respondent shall, at a minimum, conduct the following activities for the baghouse serving emissions units F004 and F010:

- o Check the compressed air supply daily.
- o Develop and implement an appropriate methodology for monitoring cleaning cycles to ensure proper operation.
- o Check the bag cleaning mechanisms monthly for proper functioning through visual inspection or equivalent means.
- o Confirm the physical integrity of the baghouse structure through visual inspection of the baghouse interior for air leaks quarterly.
- o Inspect the fans and damper system for wear, material buildup, and corrosion through visual inspection, vibration detectors, or equivalent means quarterly.

8. Respondent shall maintain records of the activities specified in Orders 1 and 7 for 5 years from the date of the monitoring specified in Order 1 for the baghouse serving emissions units F004 and F010. Respondent shall maintain the following additional records for 5 years from the date of each record if the bag leak detection system is installed:

- o Records of the manufacturer's certification that the monitoring device(s) are accurate to within 5 percent and of calibrations performed at the manufacturer's recommended frequency, or at a frequency consistent with good engineering practice, or as experience dictates.
- o Records of bag leak detection system output.
- o Identification of the date and time of all bag leak detection system alarms, the time that procedures to determine the cause of the alarm were initiated, the cause of the alarm, an explanation of the actions taken, and the date and time the alarm was corrected.
- o Copy of the written maintenance plan for the control device.
- o Records of each maintenance inspection and repair, replacement, or other corrective action.

9. Within 60 days of the effective date of these Orders, Respondent shall submit to Ohio EPA a revised CAM plan for the control device serving emissions units F004 and F010 for inclusion into the Title V renewal permit. If a bag leak detection system is installed; the CAM plan may propose it as a measure for providing reasonable assurance of compliance with the PE limitation. The requirements specified herein, should not be construed to preclude any additional monitoring, record-keeping and reporting requirements that may be determined to satisfy CAM or any other regulatory requirements.

10. If the bag leak detection is installed, it shall be operated and maintained and monitored in accordance with the terms and conditions of the final issued PTI issued authorizing its installation and/or Title V permit and any subsequent renewals or modifications issued thereafter unless prohibited by Federal, State or local laws and/or regulations.

11. Respondent may request that adjustments be made to the requirements and schedules specified in Order 3 by submitting written justification for the Director's approval. The Director will provide written partial/full approval or denial of the request within 30 days of receipt of the request. Adjustments shall be effective on the date specified in the Director's response.

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 be signed by Respondent and contain the following attestation: "I certify that the information contained in or accompanying this certification is true, accurate and complete."

This certification shall be signed by a responsible official of Respondent and submitted by Respondent to Ohio EPA. For the purposes of these Orders, a responsible official is a principal executive officer of at least the level of vice president, or his duly authorized representative.

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.

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



Craig W. Butler
Director

5/16/16

Date

AGREED:

Ellwood Engineered Castings

BY: Daniel L. Rhoads

Signature

4/20/2016

Date

Daniel L. Rhoads

Printed or Typed Name

President

Title