



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

November 30, 2016

CERTIFIED MAIL

Elwood R. Hannold
Director of Operations
Aleris Rolled Products, Inc.
7319 Newport Road Southeast
Uhrichsville, OH 44683

Re: Final Findings and Orders for violations of
Ohio's air pollution regulations

Dear Mr. Hannold:

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

ec: James Lee, PIC
Lee Tullis, DAPC
Kara Philibin, DAPC
John Paulian, DAPC
Brandon Schwendeman, DAPC
Stephen Feldman, Legal Office
Melisa Witherspoon, SEDO-DAPC
Jessica Kuenzli, SEDO-DAPC
Devan Roof, SEDO-DAPC

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.

OHIO E.P.A.

NOV 30 2016

ENTERED DIRECTOR'S JOURNAL

BEFORE THE

By: Dana Cassler Date: 11-30-16

OHIO ENVIRONMENTAL PROTECTION AGENCY

In the Matter of:

Aleris Rolled Products, Inc.
7319 and 7335 Newport Road
Uhrichsville, Ohio 44683

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**Director's Final Findings
and Orders**

PREAMBLE

It is agreed by the parties hereto as follows:

I. JURISDICTION

These Director's Final Findings and Orders ("Orders") are issued to Aleris Rolled Products, 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 property (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 has determined the following findings:

1. Respondent owns and operates a secondary aluminum production facility located at 7319 and 7335 Newport Road SE, in Uhrichsville, Ohio (Tuscarawas County). At the facility, Respondent produces molten aluminum and recycled scrap ingots from the melting and recovery of aluminum from aluminum scrap and aluminum

dross. The molten aluminum is used to produce aluminum sheet. The facility is composed of a rolling mill and a recycling complex. The rolling mill is owned and operated by Aleris Rolled Products, Inc. ("Rolled Products") and the recycling facility is owned and operated by IMCO Recycling of Ohio, LLC ("IMCO"). Rolled Products owns IMCO. This facility is a Title V source and it is identified by Ohio EPA Facility ID 0679030152 ("Aleris").

2. Since the rolling mill and recycling facility came under common ownership in 2004, they have been considered one facility for Title V and PSD purposes. On March 20, 2008, the Title V permit for the combined facility became effective under Facility ID 0679030152. This operating permit which expired on March 20, 2013, lists the permittee as IMCO Recycling of Ohio, Inc. A notification letter was submitted on April 29, 2010 regarding the name change of IMCO Recycling of Ohio, Inc. to IMCO Recycling of Ohio, LLC. On September 20, 2012, Respondent submitted a timely application to renew this Title V permit; therefore, the permittee is authorized to operate pursuant to the terms of the expired Title V permit.

3. At this facility, Respondent operates the following emissions units ("EUs") which are the subject of this enforcement action: P901, P902, P903, P905 and P908, all of which are rotary furnaces used to melt aluminum scrap and dross. Each of the above-referenced EUs is an "air contaminant source" as defined in Ohio Administrative Code ("OAC") rules 3745-15-01(C) and (W) and 3745-31-01(I), and ORC § 3704.01(C). The PTIs and Title V permit established emissions limitations of 0.40 lb/ton for particulate matter and 15.0 ug TEQ/MG for dioxins/furans for these EUs.

4. 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.

5. ORC § 3704.05(J)(2), in part, prohibits any person from violating any applicable requirement of a Title V permit.

6. OAC rule 3745-31-02(a)(1)(a) states that except as provided in rule 3745-31-03 of the Administrative Code, no person shall cause, permit, or allow the installation of a new source of air pollutants, or cause, permit, or allow the modification of an air contaminant source, or without first obtaining a permit-to-install ("PTI") from the director.

7. OAC rule 3745-77-07(A)(7)(a) states that the permittee must comply with all conditions of the permit. Any noncompliance with the federally enforceable terms and conditions of the permit constitutes a violation of the act and is grounds for enforcement action or for permit revocation, revocation and reissuance, or modification, or for denial of a permit renewal application.

8. OAC rule 3745-77-07(A)(3)(c)(i) states that the permittee submit a report of any required monitoring every six months. To the extent possible, the schedule for submission of such reports shall be timed to coincide with other periodic reports required by the permit, including the permittee's annual compliance certification.

9. OAC rule 3745-77-07(A)(3)(c)(ii) states that each report submitted under paragraph (A)(3)(c)(i) of this rule shall clearly identify any deviations from the permit requirements that have occurred since the previous report has been submitted.

10. On April 17, 2014 Ohio EPA Southeast District Office ("SEDO") conducted an inspection of the facility. In addition, on May 1, 2014, SEDO met with Respondent to discuss the inspection and file review conducted by SEDO. As a result of the inspection, file review and meeting, Ohio EPA has determined that Respondent had:

- a. installed or modified two emissions sources without first applying for and receiving PTIs, in violation of OAC 3745-31-02 and ORC § 3704.05(G); and
- b. failed to submit quarterly and semi-annual compliance reports, intent to test notifications, stack test reports, the Operation, Maintenance and Monitoring ("OM&M") plan, and Notice of Compliance status reports in the method required by PTI P0110065 and ORC § 3704.05(J), in violation of the terms and conditions of the permit.

11. By letter dated May 16, 2014, SEDO notified Respondent of the violations referenced in Finding No. 10 of these Orders. On June 19, 2014, Respondent submitted a response to the Notice of Violation ("NOV") issued by Ohio EPA on May 16, 2014. A review of the response and the reports submitted in Air Services showed that Respondent adequately addressed the violations referenced in Finding No. 10 of these Orders.

12. For emissions unit P035, Respondent failed to test for particulate emissions and hydrogen fluoride six to twelve months prior to permit expiration, in violation of the terms and conditions of the Title V permit and ORC § 3704.05(J). Respondent submitted an updated Title V application with a request to remove the furnace testing requirements from the Title V permit for P035.

13. On August 5 to 8, 2014, Respondent conducted and failed emissions testing for dioxin/furan emissions on the rotary furnaces at IMCO, emissions units P902, P903, P905, and P908 and also failed for particulate matter emissions on unit P902 in violation of the terms and conditions of the Title V permit and ORC § 3704.05(J).

Specifically, the emissions test result for particulate matter was 0.58 lb/ton which exceeded the allowable limit of 0.40 lb/ton. For dioxin/furan, the highest emissions rate was 80 ug TEQ/MG (unit P902), which exceeded the allowable limit of 15.0 ug TEQ/MG.

14. On October 17, 2014, a NOV and Return to Compliance letter was issued to Respondent for the reporting requirements violation issued in the May 16, 2014 NOV. Also on October 17, 2014, a separate NOV was issued for excess particulate matter and dioxin/furan emissions based on tests conducted in August 2014. On November 3, 2014, Respondent submitted a corrective action plan to address the particulate and dioxin/furan emissions violations.

15. On April 8 and 9, 2015, Respondent conducted a retest of emissions units P902, P903, P905, and P908. On May 26, 2015, Respondent informed SEDO that emissions units P902, P903 and P908 demonstrated compliance and emissions unit P905 exceeded the dioxin/furan limitations during the April 8 and 9, 2015 testing, in violation of the terms and conditions of the Title V permit and ORC § 3704.05(J). By letter dated June 18, 2015, Ohio EPA notified Respondent that emissions units P902, P903 and P908 were in compliance with the applicable dioxin/furan emissions limitations, regulations and permit provisions and P905 was not in compliance with the applicable dioxin/furan emissions limitations, regulations and permit provisions.

16. On June 3 and 4, 2015 and on June 10 and 11, 2015, Respondent conducted and passed a retest of emissions unit P905. By letter dated July 30, 2015, Ohio EPA notified Respondent that it had determined that all emissions units were now in compliance with the applicable dioxin/furan emissions limitations, regulations and permit provisions.

17. On June 11, 2015, Respondent submitted an OM&M plan to DAPC, SEDO identifying the procedures the facility would implement to ensure continued compliance and on June 17, 2015, Respondent submitted a revised OM&M plan to DAPC SEDO incorporating the results of the June 2015 stack testing.

18. On September 15, 2015, SEDO sent a letter to Respondent acknowledging its new OM&M plan, adding that Respondent needed to expand the plan from monitoring flue gas temperature for only one furnace to monitoring for P902, P903, P905 and P908. Respondent responded to the September 15th letter on October 13, 2015, by submitting a letter accepting the new terms and a revised OM&M Plan in Air Services. The revised OM&M Plan with the new monitoring requirement was implemented at that time.

19. On February 18, 2016, Respondent submitted, via Air Services, a PTI application for the installation of a new continuous casting degassing unit (P060). SEDO reviewed the application and determined that Respondent violated OAC 3745-31-02 by

not obtaining a PTI prior to the installation of unit P060, which was installed on November 21, 2012.

20. By letter dated March 30, 2016, SEDO notified Respondent of several violations pertaining to the installation of emissions unit P060. SEDO determined that Respondent had:

- a. installed or modified an emissions source without first applying for and receiving a PTI, in violation of OAC 3745-31-02; and
- b. failed to submit a site-specific test plan to SEDO prior to testing completed on February 28, 2013 in violation of 40 CFR 63.1511(a) and 40 CFR 63.7(b); and
- c. failed to submit the results from a performance test to SEDO within 60 days after completion of the February 28, 2013 stack test, in violation of 40 CFR 63.7(g); and
- d. failed to submit a Title V application for emissions unit P060 within 12 months after commencing operations of the significant source, in violation of OAC 3745-77-04(D).

21. On June 16, 2016, SEDO issued Respondent a Notice of Violation and Resolution of Violation ("NOV/ROV") letter notifying Respondent in detail of the following resolved and outstanding violations:

- a. On April 20, 2016, SEDO received a site-specific test plan and stack test report from Respondent via Air Services, therefore resolving the violations of 40 CFR 63.1511(a), 40 CFR 63.7(b) and 40 CFR 63.7(g); and
- b. On February 8, 2016, SEDO received a PTI application for emissions unit P060. The violation of OAC 3745-31-02 will be resolved upon issuance of the PTI and no further action is required by Respondent; and
- c. The violation of OAC 3745-77-04(D) would not be resolved until Respondent submits a revision to the Title V permit application that includes emissions unit P060.

22. An inspection of the facility was conducted on May 25, 2016 by SEDO staff in order to determine the facility's compliance with Ohio's air pollution laws. During

the inspection SEDO determined that Respondent was in violation of OAC 3745-31-05(A)(3) and PTI # P0117115 – Term a.d)(2) which state in part that the permittee is required to perform daily checks for visible emissions of fugitive dust from the egress points while emissions unit P048 is operating and maintain records of daily checks in an operations log.

23. Respondent submitted a response letter to SEDO dated July 19, 2016. After reviewing the documentation provided, SEDO determined that Respondent has resolved the violations discovered during the May 25, 2016 inspection. By letter dated August 5, 2016, SEDO issued Respondent an ROV stating that Respondent is no longer in violation of OAC 3745-31-05(A)(3) and PTI # P0117115 – Term a.d)(2).

24. 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 of Ohio EPA hereby issues the following Orders:

1. Respondent shall pay the amount of one hundred and thirty-five thousand five hundred dollars (\$135,500) 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 one hundred and thirty-five thousand five hundred dollars (\$135,500). The \$135,500 official check shall be submitted to Carol Butler, or her successor, together with a letter identifying Respondent, to:

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

VI. TERMINATION

Respondent 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, the operations of 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 Southeast District Office
2195 Front Street
Logan, OH 43138-8637
Attention: Jessica Kuenzli, Environmental Manager

and to:

Ohio Environmental Protection Agency
Division of Air Pollution Control

P.O. Box 1049
Columbus, Ohio 43216-1049
Attention: James 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.

II. 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 consent to the issuance of these Orders and agree 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 waive the right to appeal the issuance, terms and conditions, and service of these Orders, and Respondent hereby waive 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

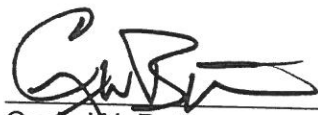
The effective date of these Orders is the date these Orders are entered into the Ohio EPA Director's journal.

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



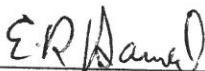
Craig W. Butler
Director

Date

11/28/16

AGREED:

Aleris Rolled Products, Inc.



Signature

Date

11-16-16

Elwood R. Hannold

Printed or Typed Name

Director, Operations

Title