

FILED

September 29, 2025

1:16PM

**U.S. EPA REGION 7
HEARING CLERK**

**U.S. ENVIRONMENTAL PROTECTION AGENCY
REGION 7
11201 Renner Boulevard
Lenexa, Kansas 66219**

In the Matter of:

Precoat Metals Corp.,

Respondent.

)
)
)
)
)
)

Docket No. CAA 07-2025-0243

CONSENT AGREEMENT AND FINAL ORDER

Preliminary Statement

The U.S. Environmental Protection Agency, Region 7 (the EPA or Complainant), and Precoat Metals Corp. (Respondent) have agreed to a settlement of this action before the filing of a complaint, and thus this action is simultaneously commenced and concluded pursuant to Rules 22.13(b) and 22.18(b)(2) of the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits, 40 C.F.R. §§ 22.13(b) and 22.18(b)(2).

Jurisdiction

1. This Consent Agreement is entered into under Section 113(d) of the CAA, as amended, 42 U.S.C. § 7413(d), and the Consolidated Rules, 40 C.F.R. Part 22. The alleged violations in this Consent Agreement are enforced pursuant to Section 113(a)(1)(B) and 113(a)(3)(A).
2. The Regional Judicial Officer is authorized to ratify this Consent Agreement which memorializes a settlement between Complainant and Respondent. 40 C.F.R. §§ 22.4(a) and 22.18(b).
3. This Consent Agreement and Final Order serves as notice that the EPA has reason to believe that Respondent has violated its permit and the National Emission Standards for Hazardous Air Pollutants: Surface Coating of Metal Coil, promulgated at 40 C.F.R. Part 63, Subpart SSSS, pursuant to Section 112 of the CAA, 42 U.S.C. § 7412, and that Respondent is therefore in violation of Sections 112 and 502 of the CAA, 42 U.S.C. §§ 7412 and 7661a(a). Furthermore, this Consent Agreement and Final Order serves as notice pursuant to Section 113(d)(2)(A) of the CAA, 42 U.S.C. § 7413(d)(2)(A), of the EPA's intent to issue an order assessing penalties for these violations.

Parties

3. Complainant is the Director of the Enforcement and Compliance Assurance Division, Region 7, as duly delegated by the Administrator of the EPA.

4. Respondent is Precoat Metals Corp., a corporation in good standing under the laws of the State of Indiana and doing business in the State of Missouri, which owns and operates a coil coating line located at 4301 South Spring Avenue in St. Louis, Missouri (Respondent's Facility).

Statutory and Regulatory Background

National Emissions Standards for Hazardous Air Pollutants

5. The CAA was promulgated "to protect and enhance the quality of the Nation's air resources so as to promote the public health and welfare and the productive capacity of its population." 42 U.S.C. § 7401(b)(1).

6. Section 112 of the CAA, 42 U.S.C. § 7412, requires the Administrator of the EPA to regulate hazardous air pollutants (HAPs) that may have an adverse effect on health or the environment. The Administrator established emissions standards, the National Emissions Standards for Hazardous Air Pollutants (NESHAPs), which apply to specific categories of major sources and area sources that emit listed HAPs. The NESHAPs are developed and implemented by the EPA and can be delegated to the states. However, even when delegated to the states, the EPA retains the authority to implement and enforce the NESHAPs.

7. Section 302(e) of the CAA, 42 U.S.C. § 7602(e), defines "person" as an individual, corporation, partnership, association, State, municipality, political subdivision of a State, and any agency, department, or instrumentality of the United States and any officer, agent, or employee thereof.

8. Section 112(a)(1) of the CAA, 42 U.S.C. § 7412(a)(1), defines "major source" as any stationary source or group of stationary sources located in a contiguous area and under common control that emits or has the potential to emit, considering controls, in the aggregate, ten (10) tons per year or more of any single HAP or twenty-five (25) tons per year or more of any combination of HAPs.

9. Section 112(a)(3) of the CAA, 42 U.S.C. § 7412(a)(3), defines "stationary source" as any building, structure, facility, or installation which emits or may emit any air pollutant.

10. Pursuant to Section 112(d) of the CAA, 42 U.S.C. § 7412(d), the EPA promulgated the NESHAP for Hazardous Air Pollutants: Surface Coating of Metal Coil ("Metal Coil Coating NESHAP") at 40 C.F.R. Part 63, Subpart SSSS, which establishes standards for HAPs for subject facilities that perform metal coil surface coating operations and are a major source of HAPs.

11. The definitions in 40 C.F.R. § 63.5110 of the Metal Coil Coating NESHAP pertinent to this matter include:

- a. “capture efficiency means the fraction of all organic HAP emissions generated by a process that is delivered to a control device, expressed as a percentage.”
- b. “capture system means a hood, enclosed room, or other means of collecting organic HAP emissions and conveying them to a control device.”
- c. “coil coating line means a process and the collection of equipment used to apply organic coating to the surface of metal coil. A coil coating line includes a web unwind or feed section, a series of one or more work stations, any associated curing oven, wet section, and quench station. A coil coating line does not include ancillary operations such as mixing/thinning, cleaning, wastewater treatment, and storage of coating material.”
- d. “control device means a device such as a solvent recovery device or oxidizer which reduces the organic HAP in an exhaust gas by recovery or destruction.”
- e. “control device efficiency means the ratio of organic HAP emissions recovered or destroyed by a control device to the total organic HAP emissions that are introduced into the control device, expressed as a percentage.”
- f. “facility means all contiguous or adjoining property that is under common ownership or control, including properties that are separated only by a road or other public right-of-way.”

12. The regulation at 40 C.F.R. § 63.5160 describes the performance tests that must be completed for facilities that perform metal coil surface coating operations. It further states that if you control HAP on your coil coating line by using a capture system and add-on control device, you must:

Except as specified in paragraph (a) of this section, conduct an initial performance test within 180 days of the applicable compliance date in § 63.5130, and conduct periodic performance tests within 5 years following the previous performance test, as follows: If you are not required to complete periodic performance tests as a requirement of renewing your facility's operating permit under 40 C.F.R. part 70 or 40 C.F.R. part 71, you must conduct the first periodic performance test before March 25, 2023, unless you already have conducted a performance test on or after March 25, 2018; thereafter, you must conduct a performance test no later than 5 years following the previous performance test. Operating limits must be confirmed or reestablished during each performance test. If you are required to complete periodic performance tests as a requirement of renewing your facility's operating permit under 40 C.F.R. part 70 or 40 C.F.R. part 71, you must conduct the periodic testing in accordance with the terms and schedule required by your permit conditions. For each performance test: (1) For each capture and control

system, determine the destruction or removal efficiency of each control device according to § 63.5160(d) and the capture efficiency of each capture system according to § 63.5160(e), and (2) confirm or re-establish the operating limits.

13. Section 112(i)(3)(A), 42 U.S.C. § 7412(i)(3)(A), prohibits any person from operating a source subject to any emissions standard, limitation or regulation promulgated under Section 112 in violation of such standard, limitation or regulation.

14. Under Section 112(l) of the CAA, 42 U.S.C. § 7412(l), States can develop and submit for approval a program for the implementation and enforcement of emissions standards. The program may provide for full or partial delegation of the Administrator's authorities but will not allow a State to include less stringent standards.

15. Delegation of the July 1, 2018, version of the Metal Coating NESHAP to Missouri was effective on February 28, 2019. 83 FR 25382. Missouri has not accepted delegation of the February 25, 2020, Metal Coating NESHAP.

16. 40 C.F.R. Part 63 applies to the owner or operator of any stationary source that (i) emits or has the potential to emit any HAP listed in or pursuant to section 112(b) of the CAA; and (ii) is subject to any standard, limitation, prohibition, or other federally enforceable requirement established pursuant to this part. 40 C.F.R. § 63.1(b)(1).

17. For purposes of Part 63, an "affected source" is "the collection of equipment, activities, or both within a single contiguous area and under common control that is included in a section 112(c) source category or subcategory for which a section 112(d) standard or other relevant standard is established pursuant to section 112 of the Act." 40 C.F.R. § 63.2.

18. Pursuant to 40 C.F.R. § 63.4(a)(1), "no owner or operator subject to the provisions of this part must operate any affected source in violation of the requirements of this part." 40 C.F.R. § 63.4(a)(1).

Title V Permitting

19. Title V of the CAA, 42 U.S.C. §§ 7661-7661f, establishes an operating permit program for major sources of air pollution.

20. Section 502(d) of the CAA, 42 U.S.C. § 7661a(d), requires each state to develop and submit a permit program meeting the requirements of Title V for approval by the EPA.

21. Under 40 C.F.R. § 70.6(b), all terms and conditions contained in a permit issued under a permit program approved pursuant to Title V are federally enforceable under Section 113 of the CAA, 42 U.S.C. § 7413, unless the term or condition is not required under the CAA.

22. Pursuant to Section 502(a) of the CAA, 42 U.S.C. § 7661a(a), it is unlawful for any person to, among other things, operate a major source subject to Title V except in

compliance with a Title V permit after the effective date of any permit program approved or promulgated under Title V of the Act.

23. Section 113(d) of the CAA, 42 U.S.C. § 7413(d), authorizes the Administrator to issue an administrative order against any person assessing a civil penalty of up to \$25,000 per day of violation whenever, on the basis of any available information, the Administrator finds that such person has violated or is violating any requirement or prohibition of the CAA referenced therein, including Section 112, and the implementing regulations. The Debt Collection Improvement Act of 1996, 31 U.S.C. § 3701, as amended, and the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015, 28 U.S.C. § 2461, and implementing regulations at 40 C.F.R. Part 19, increased these statutory maximum penalties to \$59,114 for violations that occur after November 2, 2015, and for which penalties are assessed on or after January 8, 2025.

General Factual Allegations

24. Respondent is, and at all times referred to herein was, a “person” as defined by Section 302(e) of the CAA, 42 U.S.C. § 7602(e).

25. Respondent is, and at all times referred to herein was, the owner and/or operator of the Precoat Metals Facility located at 4301 South Spring Avenue, St. Louis, Missouri, within the meaning of Section 112(a)(9) of the CAA, 42 U.S.C. § 7412(a)(9).

26. Respondent’s Facility is a “stationary source” as that term is defined in Section 112(a)(3) of the CAA, 42 U.S.C. § 7412(a)(3).

27. Respondent’s Facility is a major air emissions source as defined in Section 112(a)(1) of the CAA, 42 U.S.C. § 7412(a)(1)

28. Because Respondent operates two coil coating lines that are collectively a major source of HAP, Respondent’s Facility is subject to the standards of 40 C.F.R. Part 63, Subpart SSSS.

29. Respondent is subject to the Title V permitting program, 42 U.S.C. § 7661a. The Missouri Department of Natural Resources issued Title V Operating Permit OP2018-115 to Respondent’s Facility on December 21, 2018. The Facility submitted a timely permit renewal application in June 2023.

30. Permit Condition 003 states that “[f]or any coil coating line for which the permittee uses an add-on control device, the permittee must meet the applicable operating limits specified below (from Table 1 to 40 C.F.R. 63 Subpart SSSS). The permittee must establish the operating limits during the performance test according to the requirements in § 63.5160(d)(3).”

31. On September 23, 2024, the EPA conducted an on-site inspection of the Facility. The inspection evaluated Respondent’s compliance with CAA requirements, including but not limited to its Title V Operating Permit and 40 C.F.R. Part 63, Subpart SSSS.

32. During the inspection, the EPA determined that Respondent did not conduct performance tests on the Facility's coating lines before March 25, 2023.

33. On June 27, 2025, the EPA issued a Finding of Violation to Respondent for violations of Sections 112 and 502(a) of the Act, 42 U.S.C. §§ 7412, 7661a(a).

Allegation of Violation

34. Paragraphs 24 through 33 are herein incorporated by reference.

35. The regulation at 40 C.F.R. § 63.5160 requires owners or operators of facilities that perform metal coil surface coating operations and control HAPs by using a capture system and add-on control device to conduct a periodic performance test before March 25, 2023.

36. Permit Condition 003 of Operating Permit OP2018-115 requires that "permittee must establish the operating limits during the performance test according to the requirements in § 63.5160(d)(3)."

37. Respondent last conducted a performance test of the capture system and add-on control devices for the Facility's coating lines in 2005.

38. Respondent's failure to timely conduct a performance test by March 25, 2023, pursuant to the requirements of 40 C.F.R. § 63.5160 and OP2018-115 Condition 003, as enforceable in accordance with 40 C.F.R. §§ 63.4(a)(1) and 70.6(b), is a violation of Sections 112(i)(3)(A) and 502(a) of the CAA, 42 U.S.C. §§ 7412(i)(3)(A) and 7661a(a).

CONSENT AGREEMENT

39. For the purposes of this proceeding, as required by 40 C.F.R. § 22.18(b)(2), Respondent:

- a. admits the jurisdictional allegations set forth herein;
- b. neither admits nor denies the specific factual allegations stated herein;
- c. consents to the assessment of a civil penalty, as stated herein;
- d. consents to the issuance of any specified compliance or corrective action order;
- e. consents to any conditions specified herein;
- f. consents to any stated Permit Action;
- g. waives any right to contest the allegations set forth herein; and
- h. waives its rights to appeal the Final Order accompanying this Consent Agreement.

40. By signing this consent agreement, Respondent waives any rights or defenses that Respondent has or may have for this matter to be resolved in federal court, including but not limited to any right to a jury trial, and waives any right to challenge the lawfulness of the Final Order accompanying the Consent Agreement.

41. Respondent consents to the issuance of this Consent Agreement and Final Order and consents for the purposes of settlement to the payment of the civil penalty specified herein.

42. Respondent and EPA agree to conciliate this matter without the necessity of a formal hearing and to bear their respective costs and attorneys' fees.

43. The parties consent to service of this Consent Agreement and Final Order electronically at the following e-mail addresses: *palumbo.antonette@epa.gov* (for Complainant) and *jessicachristiansen@azz.com* (for Respondent). Respondent understands that the Consent Agreement and Final Order will become publicly available upon filing.

Penalty Payment

44. Respondent agrees that, in settlement of the claims alleged herein, Respondent shall pay a civil penalty of seventy-three thousand seven hundred thirty-three dollars (\$73,733) as set forth below.

45. Respondent shall pay the penalty within thirty (30) days of the effective date of the Final Order. Such payment shall identify Respondent by name and docket number and shall be made using any payment method provided at <http://www.epa.gov/financial/makepayment>. For instructions for wire transfers and additional information, see <http://www.epa.gov/financial/makepayment-epa>.

46. Respondent shall simultaneously email confirmation of payment to the following:

Regional Hearing Clerk
R7_Hearing_Clerk_Filings@epa.gov; and

Antonette Palumbo, Attorney
palumbo.antonette@epa.gov.

47. Respondent understands that its failure to timely pay any portion of the civil penalty may result in the commencement of a civil action in Federal District Court to recover the full remaining balance, along with penalties and accumulated interest. In such case, interest shall begin to accrue on a civil or stipulated penalty from the date of delinquency until such civil or stipulated penalty and any accrued interest are paid in full. 31 C.F.R. § 901.9(b)(1). Interest will be assessed at a rate of the United States Treasury Tax and loan rates in accordance with 31 U.S.C. § 3717. Additionally, a charge will be assessed to cover the costs of debt collection including processing and handling costs, and a non-payment penalty charge of six (6) percent per

year compounded annually will be assessed on any portion of the debt which remains delinquent more than ninety (90) days after payment is due, 31 U.S.C. § 3717(e)(2).

48. Pursuant to 26 U.S.C. § 6050X and 26 C.F.R. § 1.6050X-1, EPA is required to send to the Internal Revenue Service (“IRS”) annually, a completed IRS Form 1098-F (“Fines, Penalties, and Other Amounts”) with respect to any court order or settlement agreement (including administrative settlements) that require a payor to pay an aggregate amount that EPA reasonably believes will be equal to, or in excess of, \$50,000 for the payor’s violation of any law or the investigation or inquiry into the payor’s potential violation of any law, including amounts paid for “restitution or remediation of property” or to come “into compliance with a law.” EPA is further required to furnish a written statement, which provides the same information provided to the IRS, to each payor (i.e., a copy of IRS Form 1098-F). Respondent’s failure to provide IRS Form W-9 or Tax Identification Number (“TIN”), as described below, may subject Respondent to a penalty, per 26 U.S.C. § 6723, 26 U.S.C. § 6724(d)(3), and 26 C.F.R. § 301.6723-1. To provide EPA with sufficient information to enable it to fulfill these obligations, Respondent herein agrees that:

- a. Respondent shall complete an IRS Form W-9 (“Request for Taxpayer Identification Number and Certification”), which is available at <https://www.irs.gov/pub/irs-pdf/fw9.pdf>;
- b. Respondent shall certify that its completed IRS Form W-9 includes Respondent’s correct TIN or that Respondent has applied and is waiting for issuance of a TIN;
- c. Respondent shall email its completed Form W-9 to the EPA’s Cincinnati Finance Division at sherrer.dana@epa.gov within thirty (30) days after the Final Order ratifying this Agreement is filed, and EPA recommends encrypting IRS Form W-9 email correspondence; and
- d. In the event that Respondent has certified in its completed IRS Form W-9 that it does not yet have a TIN but has applied for a TIN, Respondent shall provide EPA’s Cincinnati Finance Division with Respondent’s TIN, via email, within five (5) days of Respondent’s receipt of a TIN issued by the IRS.

Effect of Settlement and Reservation of Rights

49. Full payment of the penalty proposed in this Consent Agreement shall only resolve Respondent’s liability for federal civil penalties for the violations alleged herein. Complainant reserves the right to take any enforcement action with respect to any other violations of the CAA or any other applicable law.

50. The effect of settlement described in the immediately preceding paragraph is conditioned upon the accuracy of Respondent’s representations to the EPA, as memorialized in the paragraph directly below.

51. Respondent certifies by the signing of this Consent Agreement that it is presently in compliance with all requirements of the CAA and its implementing regulations.

52. Full payment of the penalty proposed in this Consent Agreement shall not in any case affect the right of the Agency or the United States to pursue appropriate injunctive or other equitable relief or criminal sanctions for any violations of law. This Consent Agreement and Final Order does not waive, extinguish, or otherwise affect Respondent's obligation to comply with all applicable provisions of the CAA and regulations promulgated thereunder.

53. Complainant reserves the right to enforce the terms and conditions of this Consent Agreement and Final Order.

General Provisions

54. By signing this Consent Agreement, the undersigned representative of Respondent certifies that they are fully authorized to execute and enter into the terms and conditions of this Consent Agreement and have the legal capacity to bind the party they represent to this Consent Agreement.

55. This Consent Agreement shall not dispose of the proceeding without a final order from the Regional Judicial Officer or Regional Administrator ratifying the terms of this Consent Agreement. This Consent Agreement and Final Order shall be effective upon the filing of the Final Order by the Regional Hearing Clerk for EPA, Region 7. Unless otherwise stated, all time periods stated herein shall be calculated in calendar days from such date.

56. The penalty specified herein shall represent civil penalties assessed by the EPA and shall not be deductible for purposes of Federal, State, or local taxes.

57. This Consent Agreement and Final Order shall apply to and be binding upon Respondent and Respondent's agents, successors and/or assigns. Respondent shall ensure that all contractors, employees, consultants, firms, or other persons or entities acting for Respondent with respect to matters included herein comply with the terms of this Consent Agreement and Final Order.

RESPONDENT:

Precoat Metals Corp.

Date: _____

Anu Singh Digitally signed by Anu Singh
Date: 2025.09.29 10:04:48
-05'00'

Signature

Name

Title

COMPLAINANT:
U.S. ENVIRONMENTAL PROTECTION AGENCY

DATE

DAVID
COZAD

Digitally signed by DAVID
COZAD
Date: 2025.09.29
11:53:37 -05'00'

David Cozad, Director
Enforcement and Compliance Assurance Division

Antonette
Palumbo

Digitally signed by
Antonette Palumbo
Date: 2025.09.29
08:21:41 -05'00'

DATE

Antonette Palumbo
Office of Regional Counsel

FINAL ORDER

Pursuant to Section 113(d) of the CAA, 42 U.S.C. § 7413(d), and the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits, 40 C.F.R. Part 22, the foregoing Consent Agreement resolving this matter is hereby ratified and incorporated by reference into this Final Order.

Respondent is ORDERED to comply with all of the terms of the Consent Agreement. In accordance with 40 C.F.R. § 22.31(b), the effective date of the foregoing Consent Agreement and this Final Order is the date on which this Final Order is filed with the Regional Hearing Clerk.

IT IS SO ORDERED.

DATE

KARINA
BORROMEO

Digitally signed by
KARINA BORROMEO
Date: 2025.09.29
13:09:37 -05'00'

Karina Borromeo
Regional Judicial Officer

CERTIFICATE OF SERVICE
(to be completed by EPA)

I certify that that a true and correct copy of the foregoing Order was sent this day in the following manner to the addressees:

Copy via E-mail to Complainant:

Antonette Palumbo, palumbo.antonette@epa.gov,

Joe Terriquez, terriquez.joe@epa.gov,

Carrie Venerable, venerable.carrie@epa.gov.

Copy via E-mail to Respondent:

Anu Singh, anu_singh@precoat.com,

Jessica M. Christiansen, jessicachristiansen@azz.com.

Dated this _____ day of _____, _____.

AMY GONZALES

Digitally signed by AMY
GONZALES
Date: 2025.09.29 13:48:39 -05'00'

Signed