



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 5  
77 WEST JACKSON BOULEVARD  
CHICAGO, IL 60604-3590

AUG 20 2004

REPLY TO THE ATTENTION OF

(AE-17J)

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Gary Traverso, Plant Manager  
Stepan Company  
22500 W. Millsdale Road  
Elwood, Illinois 60421

Re: Finding of Violation  
Stepan Company  
Elwood, Illinois

Dear Mr. Traverso:

The United States Environmental Protection Agency (U.S. EPA) is issuing the enclosed Finding of Violation (FOV) to Stepan Company (you). We find that you are in violation of Section 112 of the Clean Air Act, 42 U.S.C. § 7412, at your Elwood, Illinois facility.

We have several enforcement options under Section 113(a)(3) of the Clean Air Act, 42 U.S.C. § 7413(a)(3). These options include issuing an administrative compliance order, issuing an administrative penalty order, and bringing a judicial civil or criminal action. The options we select may depend on, among other things, the length of time you take to achieve and demonstrate continuous compliance with the rules cited in the FOV.

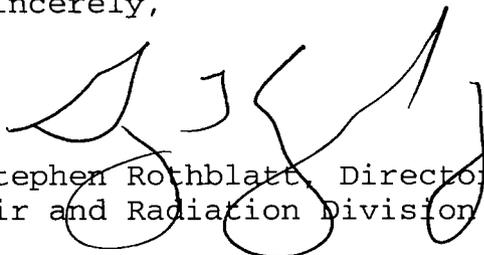
We are offering you an opportunity to confer with us about the violations alleged in the FOV. The conference will give you the opportunity to present information on the specific findings of violation, the efforts you have taken to comply, and the steps you will take to prevent future violations.

Please plan for your facility's technical and management personnel to attend the conference to discuss compliance measures and commitments. You may have an attorney represent you at this conference.

The U.S. EPA contacts in this matter are Constantinos Loukeris. You may call them at (312) 353-6198 to request a conference. You

should make the request as soon as possible, but no later than 10 calendar days after you receive this letter. We should hold any conference within 30 calendar days of your receipt of this letter.

Sincerely,



Stephen Rothblatt, Director *ACTING*  
Air and Radiation Division

Enclosure

cc:

Julie Armitage  
Illinois Environmental Protection Agency  
P.O. Box 19506  
Springfield, Illinois 62794-9506

Harish Narayan, Regional Manager  
Region I  
Illinois Environmental Protection Agency  
9511 W. Harrison Street  
Des Plaines, IL 60016



**United States Environmental Protection Agency  
Region 5**

**IN THE MATTER OF:** )  
 )  
Stepan Company ) **FINDING OF VIOLATION**  
Elwood, Illinois )  
 ) **EPA-5-04-IL-28**  
 )  
Proceedings Pursuant to )  
the Clean Air Act, )  
42 U.S.C. §§ 7401 et seq. )

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**FINDING OF VIOLATION**

The United States Environmental Protection Agency (U.S. EPA) finds that Stepan Company is in violation of Section 112 of the Clean Air Act, 42 U.S.C. § 7412. Specifically, Stepan Company is in violation of the National Emissions Standards for Hazardous Air Pollutants (NESHAP) for Equipment Leaks at 40 C.F.R. Part 63, Subparts F and H along with EPA Reference Method 21 (40 C.F.R. Part 60 Appendix A) as follows:

**Regulatory Authority**

1. The NESHAP provisions for Equipment Leaks applies to pumps, compressors, agitators, pressure relief devices, sampling connection systems, open-ended valves or lines, valves, connectors, surge control vessel, bottoms receivers, instrumentation systems, and control devices or closed vent systems that are intended to operate in organic hazardous air pollutant service 300 hours or more during the calendar year.
2. The NESHAP for Equipment Leaks was proposed on December 31, 1992 and became final on April 22, 1994. The owner or operator of an existing affected source must comply with the provisions of this subpart no later than April 24, 1995 for the Group III category. 40 C.F.R. § 63.100(k)(3)
3. The NESHAP, at 40 C.F.R. § 63.168(b)(1), requires the owner or operator of a source subject to this subpart to monitor all valves to detect leaks by the method specified in 40 C.F.R. § 63.180(b).
4. The NESHAP, at 40 C.F.R. § 63.174(a)(1), requires the owner or operator of a source subject to this subpart to monitor all

connectors to detect leaks by the method specified in 40 C.F.R. § 63.180(b).

5. The NESHAP, at 40 C.F.R. § 63.180, requires the owner or operator of a source subject to the provisions of this subpart to comply with the test methods and procedures requirements provided in this section.

6. The NESHAP, at 40 C.F.R. § 63.180(b)(1), requires the owner or operator of a source to comply with the monitoring procedures and requirements of Method 21 of 40 C.F.R Part 60 Appendix A.

7. Method 21 of 40 C.F.R. Part 60 Appendix A requires the owner or operator to slowly sample the interface where leakage is indicated until the maximum meter reading is obtained.

8. The NESHAP, at 40 C.F.R. § 63.4(a)(1), provides that no owner or operator subject to the provisions of this part shall operate any affected source in violation of this requirement of this part except under an extension of compliance granted by the Administrator, State with an approved permit program, or by the President under Section 112(i)(4).

#### **Factual Background**

9. Stepan Company owns and operates a chemical plant at 22500 W. Millsdale Road in Elwood, Illinois 60421.

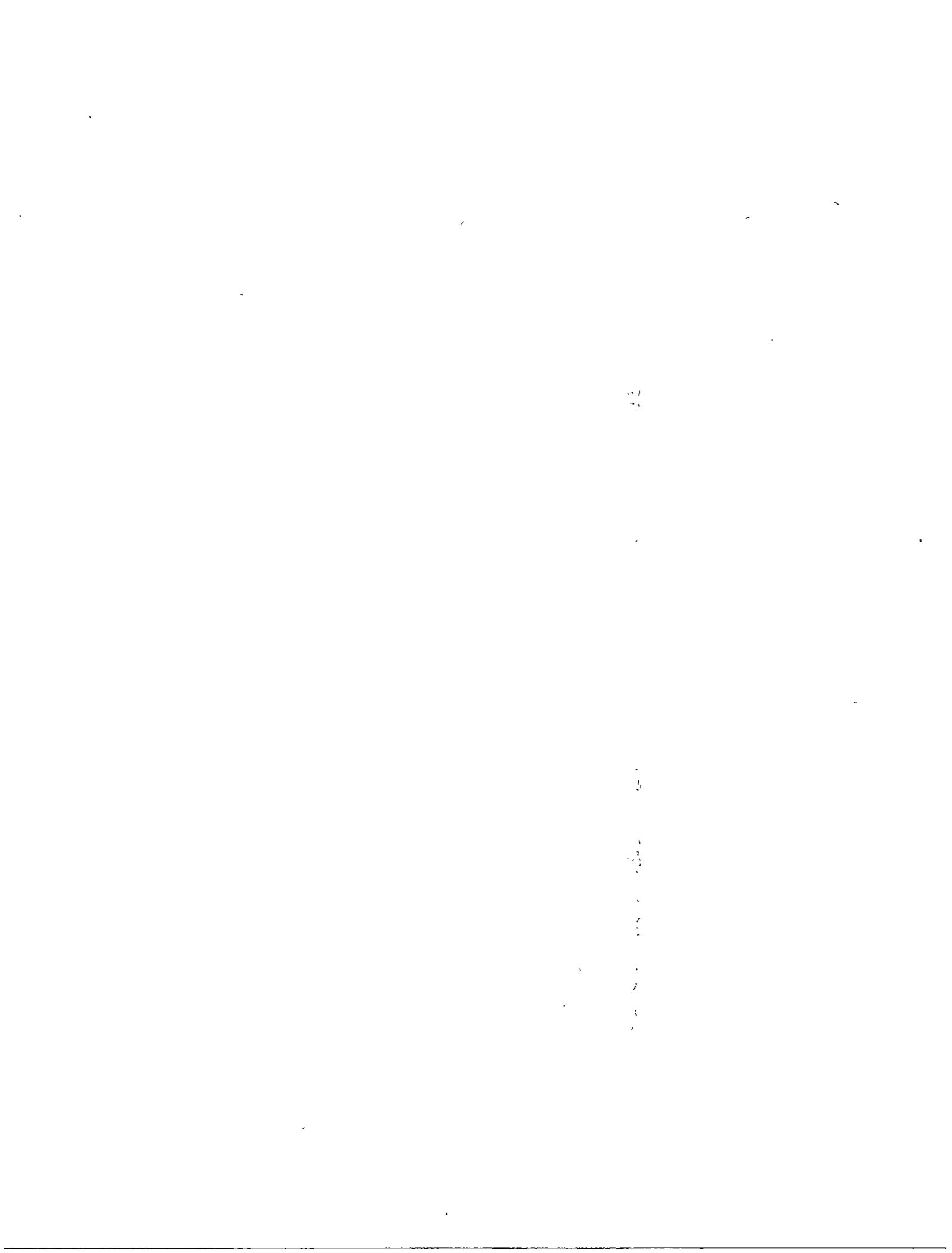
10. Stepan Company manufactures Pthalic Anhydride (PA).

11. Stepan Company is an existing source required to demonstrate compliance with 40. C.F.R. § 63.100(k)(3).

12. The PA process uses ortho-xylene, a HAP, which makes the processing equipment subject to the requirements of 40 C.F.R. Part 63 Subparts F and H (Group III category).

13. For the PA process, Stepan Company is subject to EPA Reference Method 21 Leak Detection and Repair monitoring. (40 C.F.R. Part 60 Appendix A)

14. During the May 25-26, 2004 U.S. EPA inspection, U.S. EPA conducted "leak detection and repair" (LDAR) monitoring on the PA process equipment and components per EPA Reference Method 21 (40 C.F.R. Part 60 Appendix A).







**CERTIFICATE OF MAILING**

I, Shanee Rucker, certify that I sent a Finding of Violation, No. EPA-5-04-IL-28, by Certified Mail, Return Receipt Requested, to:

Gary Traverso, Plant Manager  
Stepan Company  
22500 W. Millsdale Road  
Elwood, Illinois 60421

I also certify that I sent copies of the Finding of Violation by first class mail to:

Julie Armitage, Section Manager  
Compliance and Systems Management Section  
Illinois Environmental Protection Agency  
P.O. Box 19506  
Springfield, Illinois 62794-9506

Harish Narayen, Regional Manager  
Region I  
Illinois Environmental Protection Agency  
9511 W. Harrison Street  
Des Plaines, IL 60016

on the 20<sup>th</sup> day of August, 2004.

Shanee Rucker  
Shanee Rucker,  
Administrative Program Assistant  
AECAS, (MI/WI)  
(312) 886-6086

CERTIFIED MAIL RECEIPT NUMBER: 70010320000615650354

