



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 5

77 WEST JACKSON BOULEVARD

CHICAGO, IL 60604-3590

REPLY TO THE ATTENTION OF:

FEB 26 2009

AE-17J

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Garrett Tinsman
Executive Vice President, Operations
Sauder Woodworking Cogeneration Facility
502 Middle Street
Archbold, Ohio 43502

Dear Mr. Tinsman:

This is to advise you that the U.S. Environmental Protection Agency has determined that Sauder Woodworking Cogeneration Facility (Sauder) at 502 Middle Street in Archbold, Ohio (facility) was in violation of the Clean Air Act (CAA) and associated state pollution control requirements. The requirements violated are provided below. EPA is issuing Sauder a Finding of Violation (FOV) for the violation.

The CAA requires the development of Primary and Secondary National Ambient Air Quality Standards (NAAQS) to protect public health and welfare. To attain and maintain these standards, each State is required to develop an implementation plan. Among other things, each implementation plan must include a permit program to regulate the modification and construction of any stationary source of air pollution as necessary to assure that NAAQS are achieved. The State of Ohio has incorporated such a permitting program into its State Implementation Plan (SIP). Under this program, owners or operators must obtain a permit to install (PTI) from the director of the Ohio Environmental Protection Agency (OEPA) before beginning installation of a new source of air pollutants or the modification of an existing air containment source.

OEPA issued to Sauder a modification to its PTI 03-05740 on October 4, 2007. The PTI establishes a VOC limit of 0.15 pound per million British Thermal Units (lb/mmBTU) at both wood/natural gas-fired boilers at its facility [Boiler #1 (B008) and Boiler #2 (B009)]. This limit is incorporated into Sauder's Title V Permit. The purpose of the VOC limit is to lessen the formation of ground-level ozone and smog. Breathing ozone can trigger a variety of health problems, especially in the lungs. Ground-level ozone can also have detrimental effects on plants and ecosystems.

Sauder conducted a stack test at B009 on June 17, 2008 in which the three-run average rate result for VOC was 0.21 lb/mmBTU. In reviewing this result, EPA found that Sauder violated the VOC limit of 0.15 lb/mmBTU at B009, as is established in PTI 03-05740 and incorporated into Sauder's Title V Permit. Violations of the VOC limit are also violations of the CAA and its implementing regulations, including Section 502 of the CAA and 40 C.F.R. § 70.7. In violating its Title V Permit, Sauder has violated Title V of the CAA and its associated regulations, which require compliance with the terms and conditions of Title V permits.

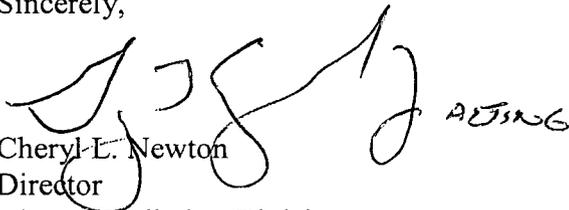
Section 113 of the CAA provides several enforcement options to resolve these violations, including: issuing an administrative compliance order, issuing an administrative penalty order, bringing a judicial civil action and bringing a judicial criminal action.

EPA is offering Sauder the opportunity to request a conference with EPA to discuss the violations alleged in the FOV. A conference should be requested within 10 days following receipt of this notice. A conference should be held within 30 days following receipt of this notice. This conference will provide Sauder a chance to present information on the identified violations, present any efforts taken to comply and identify steps to be taken to prevent future violations. Please plan for your facility's technical and management personnel to take part in these discussions. You may have an attorney represent and accompany you at this conference.

Also during this meeting, in addition to discussing this FOV, EPA recommends that Sauder be prepared to discuss resolution of the alleged violations identified in the Notice of Violation (NOV)/FOV issued to the facility on April 18, 2008. EPA reviewed Sauder's excess emission data for the 3rd and 4th quarters of 2008 and found that continuous compliance was not demonstrated for all alleged violations. EPA is aware that Sauder undertook measures in attempts to achieve compliance, and continues to do so, for example by installing "air rakes" at its selective catalytic reduction (SCR) equipment, but continuous compliance has not yet been demonstrated. During the conference, it would be valuable to discuss specifics of a compliance program that Sauder will commit to in order to fully come into compliance with regulations.

The EPA contact in this matter is Monica Onyszko. You may call her at 312-353-5139 if you wish to request a conference. EPA hopes that this FOV will encourage Sauder's compliance with the requirements of the CAA.

Sincerely,


Cheryl E. Newton
Director
Air and Radiation Division

Enclosure

cc: Robert Hodanbosi, Ohio EPA, DAPC
Donald Waltermeyer, Ohio EPA, NWDO

e-bcc: Steve Mendoza, C-14J (with e-attachments)

United States Environmental Protection Agency
Region 5

FEB 26 2009

IN THE MATTER OF:)
)
Sauder Woodworking Cogeneration Facility) **FINDING OF VIOLATION**
Archbold, Ohio)
) **EPA-5-09-OH-07**
Proceedings Pursuant to)
the Clean Air Act,)
42 U.S.C. § 7401, et seq.)
)

FINDING OF VIOLATION

Sauder Woodworking Cogeneration Facility (you or Sauder) owns and operates two wood/natural gas-fired boilers at 502 Middle Street in Archbold, Ohio (facility). The boilers are identified as Boiler #1 (B008) and Boiler #2 (B009). Each boiler has a heat input capacity of 57.0 million British Thermal Units (mmBTU)/hour.

The U.S. Environmental Protection Agency is sending this Finding of Violation (FOV) to notify you that we have found volatile organic compound (VOC) emissions from B009 at your facility to be in excess of the limits specified in Sauder's Title V Permit and Permit to Install (PTI) 03-05740. This deviation constitutes a violation of the Clean Air Act (the Act or CAA) and its implementing regulations. Details of the violation are provided below.

Section 113 of the Act provides you with the opportunity to request a conference with us to discuss the violations alleged in the FOV. This conference will provide you a chance to present information on the identified violations, any efforts you have taken to comply and the steps you will take to prevent future violations. Please plan for the facility's technical and management personnel to take part in these discussions. You may have an attorney represent and accompany you at this conference.

Explanation of Violation

1. The permits and permit conditions relevant to this FOV are as follows:
 - a. PTI 03-05740 issued to Sauder (Facility ID: 03-26-00-0079) by the Ohio Environmental Protection Agency (OEPA) in August 1992, and later modified on October 4, 2007.
 - b. Final Title V Permit (3745-77) OEPA issued to Sauder on October 24, 2001.
 - c. Title V Minor Permit Modification OEPA issued to Sauder on February 17, 2005.

- d. Final Title V Administrative Permit Amendment OEPA issued to Sauder on March 1, 2005.

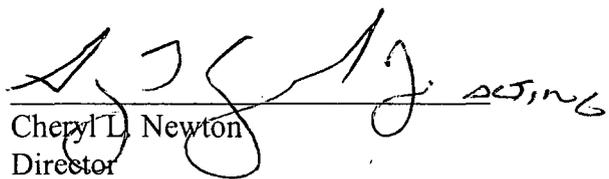
VOC

- e. Sauder's PTI states that VOC emissions at B009 at the facility shall not exceed 0.15 pound (lb) per mmBTU.
 - f. Part III.A.I.1. of Sauder's Title V Permit (Page 20 of 27) incorporates Sauder's PTI VOC limit, prohibiting B009 from emitting greater than 0.15 lb VOC/mmBTU of actual heat input.
2. On June 17, 2008 Sauder conducted a stack test at its facility. The three-run average rate result for VOC was 0.21 lb/mmBTU, which exceeds the VOC limit established in PTI 03-05740 and incorporated into Sauder's Title V Permit.

Environmental Impact of Violations

3. Emissions of volatile organic compounds contribute to the formation of ground-level ozone and smog. Breathing ozone can trigger a variety of health problems including chest pain, coughing, throat irritation and congestions. It can worsen bronchitis, emphysema and asthma. Ground-level ozone also can reduce lung function and inflame the linings of the lungs. Repeated exposure may permanently scar lung tissue. Ground-level ozone can have detrimental effects on plants and ecosystems. These effects include: interfering with the ability of sensitive plants to produce and store food, making them more susceptible to certain diseases, insects, other pollutants, competition and harsh weather; damaging the leaves of trees and other plants, negatively impacting the appearance of urban vegetation, national parks and recreation areas; and reducing crop yields and forest growth, potentially impacting species diversity in ecosystems.

2/26/09
Date


Cheryl L. Newton
Director
Air and Radiation Division

CERTIFICATE OF MAILING

I, Betty Williams, certify that I sent a Finding of Violation, EPA-5-09-OH-07, by

Certified Mail, Return Receipt Requested, to:

Garrett Tinsman
Executive Vice President, Operations
Sauder Woodworking Cogeneration Facility
502 Middle St.
Archbold, OH 43502

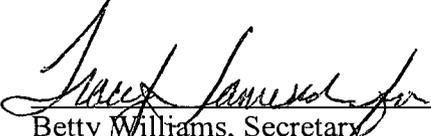
I also certify that I sent a copy of the Finding of Violation, EPA-5-09-OH-07, by First

Class Mail to:

Robert Hodanbosi, Chief
Division of Air Pollution Control
Ohio Environmental Protection Agency
Lazarus Government Center
P.O. Box 1049
Columbus, Ohio 43216

Donald Waltermeyer, Air Pollution Control Supervisor
Ohio Environmental Protection Agency
Northwest District Office
347 North Dunbridge Road
Bowling Green, Ohio 43402

on the 27 day of February 2009.


Betty Williams, Secretary
AECAS(IL/IN)

CERTIFIED MAIL RECEIPT NUMBER: 7001 0320 0006 0186 0644