



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

MAY 12 2005

REPLY TO THE ATTENTION OF
(AE-17J)

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Valorie Miller
Environmental Manager
St Marys Cement, Inc.
1914 White Oak Lane
Dixon, Illinois 61021

Re: Notice and Finding of
Violation
St Marys' Dixon Plant
Dixon, Illinois

Dear Ms. Miller:

The United States Environmental Protection Agency (U.S. EPA, or us) is issuing the enclosed Notice and Finding of Violation (NOV) to St Marys Cement, Inc., (St Marys-Dixon Plant) (you) under Section 113(a)(1) and (3) of the Clean Air Act (the Act), 42 U.S.C. § 7413(a)(1) and (3). We find that St Marys-Dixon Plant is violating requirements for attainment areas in Subtitle I, Part C, of the Act, its implementing regulations at 40 C.F.R. § 52.21, also incorporated into the Illinois State Implementation Plan (SIP) and Sections 112, 502 and 503 of the Act, 42 U.S.C. § 7661a-b, at its Dixon, Illinois facility.

Section 113(a)(3) of the Clean Air Act gives us several enforcement options. 42 U.S.C. § 7413(a)(3). These options include issuing an administrative compliance order, issuing an administrative penalty order, or bringing a 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 NOV.

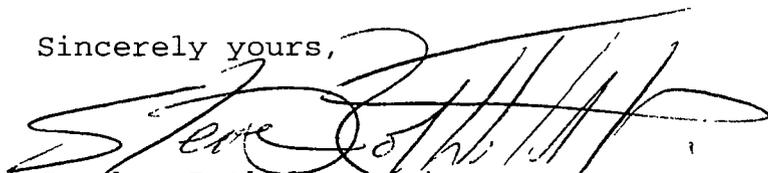
We are offering you an opportunity to confer with us about the violations alleged in the NOV. The conference will give you the opportunity to present information on the specific findings of violation, any efforts you have taken to comply and the steps you will take to prevent future violations of this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

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

represent you at this conference.

The EPA contact in this matter is Daniel Schaufelberger. You may call him at (312)886-6814 to request a conference. You should make this 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 yours,

A handwritten signature in black ink, appearing to read "Stephen Rothblatt", written over a horizontal line.

Stephen Rothblatt, Director
Air and Radiation Division

Enclosure

cc: Julie Armitage, Acting Manager
Compliance and Systems Management Section
Illinois Environmental Protection Agency

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5**

IN THE MATTER OF:)	
)	
St Marys Cement, Inc.)	NOTICE OF VIOLATION
Dixon, Illinois Plant)	and
)	FINDING OF VIOLATION
Proceeding Pursuant to)	
Section 113(a)(1) and (a)(3))	EPA-5-05-11-IL
of the Clean Air Act, 42)	
U.S.C. § 7413(a)(1) and (a)(3))	
)	
_____)	

The Administrator of the United States Environmental Protection Agency (U.S. EPA) is issuing this Notice of Violation and Finding of Violation to St Marys Cement, Inc., a Canadian corporation (St Marys) pursuant to Sections 113(a)(1) and (3) of the Clean Air Act (the Act), 42 U.S.C. §§ 7413(a)(1) and (3). The U.S. EPA finds that St Marys' cement manufacturing facility located at 1914 White Oak Lane in Dixon, Illinois, is in violation of Subchapter I, Parts A and C of the Act, and the Illinois State Implementation Plan (SIP), as follows:

SECTION I - STATUTORY AND REGULATORY BACKGROUND

Prevention of Significant Deterioration Requirements

1. On June 19, 1978, U.S. EPA promulgated the prevention of significant deterioration of air quality standards pursuant to Subchapter I, Part C of the Act. These regulations were revised on August 1, 1980 (45 Fed. Reg. 52676), and are codified at 40 C.F.R. § 52.21 (43 Fed. Reg. 26403), (the PSD regulations).
2. Subchapter I, Part C of the Act, and the PSD regulations implementing Part C at 40 C.F.R. § 52.21(i), prohibit a major stationary source from constructing a modification without first obtaining a PSD permit if the modification is "major" in that it will result in a significant net increase in emissions of a regulated pollutant, and if the source is located in an area which has either achieved the National Ambient Air Quality Standards ("NAAQS") for that pollutant, or has been designated as unclassifiable for that pollutant. Part C and its implementing regulations further require that a source subject to these PSD regulations shall install Best Available Control Technology ("BACT") to control the emissions of each regulated pollutant. 40 C.F.R. § 52.21(j).

3. On August 7, 1980, U.S. EPA delegated to the Illinois Environmental Protection Agency (IEPA) authority to review and process PSD permit applications and to implement the PSD program. 46 Fed. Reg. 9584.
4. On August 7, 1980, U.S. EPA incorporated the provisions of 40 C.F.R. § 52.21(b) through (w) into the Illinois State Implementation Plan (SIP). 40 C.F.R. § 52.738 (45 Fed. Reg. 52741, as amended at 46 Fed. Reg. 9584).
5. 40 C.F.R. § 52.21(b)(1)(i)(a) defines a "major stationary source" as any source, including Portland cement plants, which emit or has the potential to emit 100 tons per year or more of any pollutant subject to the regulation under the Act.
6. 40 C.F.R. § 52.21(b)(2)(i) defines a "major modification" as any physical change in or change in the method of operation of a major stationary source that would result in a significant net emissions increase of any pollutant subject to regulation under the Act.
7. 40 C.F.R. § 52.21(b)(23)(i) defines, in part, "significant" net emissions increase as a rate of emissions which would equal or exceed 40 tons per year (tpy) of nitrogen oxides (NOx).
8. 40 C.F.R. § 52.21(n) states that an applicant for a permit to modify a stationary source is required to provide all relevant information to allow the permitting authority to perform an analysis or make the determination required in order to issue the appropriate permit.
9. 40 C.F.R. § 52.21(i)(1) prohibits the actual construction or major modification of a major stationary source, without a permit which states that the major stationary source or modification would meet the requirements of 40 C.F.R. §§ 52.21 (j) through (r).
10. 40 C.F.R. § 52.21(r) states that any owner or operator of a source subject to the PSD regulations who operates a source or modification without applying for and receiving approval under the PSD regulations is subject to enforcement action.

National Emission Standards for Hazardous Air Pollutants

11. On June 14, 1999, in accordance with Section 112 (d) of the Act, 42 U.S.C. § 7412(d), U.S. EPA promulgated the NESHAP for the Portland Cement Manufacturing Industry, 40 C.F.R. Part 63, Subpart LLL, §§ 63.1340 - 63.1359.
12. Subpart LLL applies to each new and existing Portland cement plant which is a major source or an area source, as defined in § 63.2. 40 C.F.R. § 63.1340(a).
13. An "area source" is defined as any stationary source that is not a "major source." 40 C.F.R. § 63.2.
14. 40 C.F.R. § 63.6(e) states that at all times, including periods of startup, shutdown, and malfunction, owners or operators shall operate and maintain any affected source, including associated air pollution control equipment, in a manner consistent with good air pollution control practices for minimizing emissions at least to the levels required by all relevant standards.
15. 40 C.F.R. § 63.1351(a) provides that existing affected sources subject to Subpart LLL shall comply with its requirements by June 14, 2002.
16. 40 C.F.R. § 63.1343(d) sets forth limits for dioxins and furans (D/F) discharged from each kiln located at area sources.
17. 40 C.F.R. § 63.1344 states that the owner or operator of a kiln subject to a D/F emissions limitation under 40 C.F.R. § 63.1343 must operate the kiln such that the temperature of the gas at the inlet to the kiln particulate matter (PM) control device does not exceed the applicable temperature limit.

Illinois Administrative Code (IAC)

18. On October 21, 1998, U.S. EPA promulgated federal implementation plans to reduce the regional transport of ozone, also known as the NOx SIP Call. These regulations were published in the Federal Register on October 27, 1998. 63 Fed. Reg. 57356.
19. On March 15, 2001, the NOx SIP Call or NOx Rules became effective in Illinois and its rules were coded under 35 IAC Part 217, Subpart T: Cement Kilns.

20. 35 IAC § 217.400 specifies that the NOx rules apply to, among other things, long dry kilns of a process rate equal to or greater than 12 tons per hour (tph) of clinker produced.
21. 35 IAC § 211.1515 defines "control period" as the period in 2004 beginning May 31st through September 30th.
22. 35 IAC § 217.402(a) requires an owner or operator of any cement kiln subject to the NOx Rules not to operate the kiln during the initial control period or any subsequent control period, unless the owner or operator complies with the control requirements for cement kilns that commenced operation prior to January 1, 1996. The NOx control requirements for cement kilns are; installation of a low-NOx burner or a mid-kiln firing system; NOx emission limits of 5.1 lb NOx/ton of clinker for long dry kilns; or alternative control technique that achieves a NOx reduction of 30% or greater from uncontrolled baseline emissions.
23. 35 IAC § 217.404(b) requires that an owner or operator of a kiln that commenced operation prior to May 1, 2003, and demonstrating compliance pursuant to § 217.402(a), must complete an initial performance test between May 1, 2003 and May 30, 2004, and conduct subsequent annual testing during each control period in which the kiln is operated.
24. 35 IAC § 217.406 requires that the owner or operator of a kiln subject to the NOx Rules submit a complete monitoring plan to U.S. EPA and obtain approval of such plan by the Agency. The plan was to be submitted on or before August 31, 2003 for any kiln that commenced operation on or before August 31, 2003.
25. 35 IAC § 217.410 requires that any owner or operator of a cement kiln subject to the NOx Rules must produce and maintain records that include, among other things, emissions in pounds of NOx per ton of clinker produced from each kiln subject to the NOx Rules.

SECTION II - ST MARYS'DIXON PLANT

26. St Marys owns and operates the St Marys'Dixon Plant (the Dixon Plant), which is a Portland cement manufacturing facility containing three preheater cement kilns and one long dry cement kiln.
27. The Dixon Plant is located in Lee County, Illinois, an area designated as attainment for the NAAQS for NOx. 40 C.F.R. § 81.314.

28. The cement kilns at the Dixon Plant emit or have the potential to emit 100 tons per year (tpy) or more of a pollutant regulated under the Act and, therefore, are "major stationary sources" as that term is defined at 40 C.F.R. § 52.21(b)(1)(i)(a).
29. In November 2003, the Dixon Plant started using petroleum coke as the only fuel in the cement kilns. This change to using 100% petroleum coke in the cement kilns continues to this date and constitutes a "physical change in" or "change in the method of operation" of the cement kilns at the Dixon Plant.
30. The November 2003 physical change or change in the method of operation to the usage of petroleum coke as the only fuel in the Dixon Plant's cement kilns resulted in a significant net emissions increase of NOx that equaled or exceeded 40 tpy.
31. On October 25-27, 2000, a stack test was conducted at the Dixon Plant's kiln's exhaust. The test was conducted to determine emissions of hazardous air pollutants (HAPs). The HAPs tested were hydrochloric acid (HCl), metal HAPs, and dioxin and furans (D/F). The test results showed that the Dixon Plant was an area source of HAPs and, therefore, was subject to the D/F emission limits in Subpart LLL.
32. Stack tests conducted in 2003 determined that the optimum temperature limit to control the D/F emissions at the inlet of the baghouse controlling PM emissions from kilns no. 1, 2, and 3 is 547°F; and that the optimum temperature limit to control the D/F emissions at the inlet of the baghouse controlling PM emissions from kiln no. 4, is 383°F.
33. On May 26-27, 2004, another stack test was conducted at the kilns' exhausts to determine the emission rates of HCl and chlorine gas (Cl₂), both HAPs. The test results showed that the Dixon Plant had the potential to emit 10 tpy or greater of HCl, and 10 tpy or greater of Cl₂ from its cement kilns.
34. The Dixon Plant is a major stationary source that emits or has the potential to emit 10 tpy of a HAP and, therefore, is subject to the emission limits in Subpart LLL.

SECTION III - NOTICE OF VIOLATION

PSD Permit

35. In November 2003, a major modification was commenced on the cement kilns at the Dixon Plant without obtaining a PSD permit and complying with the requirements of 40 C.F.R. §§ 52.21(j) through (r) in accordance with the Act, in violation of Subchapter I, Part C, of the Act, and its implementing regulations at 40 C.F.R. § 52.21, as incorporated into the Illinois SIP.
36. In November 2003, BACT was not installed on the cement kilns at the Dixon Plant to control NOx emissions, in violation of Subchapter I, Part C, of the Act, and its implementing regulations at 40 C.F.R. § 52.21, as incorporated into the Illinois SIP.
37. The Dixon Plant failed to provide the permitting authorities with all relevant information necessary for the permitting authorities to perform an analysis of whether its operational changes were a "major modification", or make the determination required in order to issue the appropriate permit, resulting in an erroneous determination in violation of the Act and its implementing regulations at 40 C.F.R. § 52.21(n), as incorporated into the Illinois SIP.
38. The Dixon Plant has operated and continues to operate its cement kilns without obtaining a PSD permit for the November 2003 major modification in violation of Subtitle I, Part C of the Act and its implementing regulations at 40 C.F.R. § 52.21, as incorporated into the Illinois SIP.
39. These violations commenced in November 2003, on the date operation of the cement kilns was modified, and continue until the appropriate permits are obtained and the applicable requirements are complied with, including the installation and operation of pollution control equipment.
40. The Administrator of U.S. EPA, by authority duly delegated to the undersigned, has notified the State of Illinois that St Marys is in violation of Subchapter I, Part C of the Act, its implementing regulations at 40 C.F.R. § 52.21, and the Illinois SIP, as set forth in this Notice of Violation.

Illinois Administrative Code - NOx Rules

41. The Dixon Plant's failure to operate its long dry kiln without installing a NOx control technology to reduce NOx emissions is a violation of 35 IAC § 217.402(a).
42. The Dixon Plant's failure to complete an initial performance test between May 1, 2003 and May 30, 2004, and complete subsequent annual testing during each control period in which the kiln is operated, is a violation of 35 IAC § 217.404(b).
43. The Dixon Plant's failure to submit a complete monitoring plan to U.S. EPA and obtain approval of such plan by the Agency on or before August 31, 2003 for any kiln that commenced operation on or before August 31, 2003 is a violation of 35 IAC § 217.406.
44. The Dixon Plant's failure to produce and maintain records that include, among other things, emissions in pounds of NOx per ton of clinker produced from each kiln subject to the NOx Rules is a violation of 35 IAC § 217.410.

SECTION IV - FINDING OF VIOLATION

NESHAP - Subpart LLL

43. Between January 20, 2004 and June 12, 2004, the Dixon Plant exceeded the D/F limits at cement kilns no. 1, 2, and 3 by not maintaining the optimum temperature limits necessary to control D/F emissions at these kilns, during 11 time periods on four days. See attached Table.
44. Between January 5, 2004 and July 20, 2004, the Dixon Plant exceeded the D/F limits at cement kiln no. 4 by not maintaining the optimum temperature limits necessary to control D/F emissions at this kiln, during 82 time periods on 44 days. See attached Table.
45. This exceedance of the D/F limits set forth at 40 C.F.R. § 63.1343(d), by not operating the kilns such that the temperature of the gas at the inlet to the kilns' PM control devices did not exceed the applicable temperature limits, is a violation of 40 C.F.R. § 63.1344(a).
46. This exceedance of the D/F limits set forth at 40 C.F.R. § 63.1343(d), by not operating the kilns such that the temperature of the gas at the inlet to the kilns' PM control devices did not exceed the applicable temperature limit,

St Marys Cement, Inc
Dixon, Illinois Plant
Notice of Violation/Finding of Violation
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does not constitute operation and maintenance of an affected source in a manner consistent with good air pollution control practices and is in violation of 40 C.F.R. § 63.6(e).

5/12/2005
Date



Stephen Rothblatt, Director
Air and Radiation Division

Attachment to St Marys' Dixon Plant NOV/FOV no. EPA-5-05-11-IL

Dracco baghouse controlling kilns 1, 2, and 3. Inlet temperature limit: 547°F		
Date	Time	Exceedance
1/20/04	16:34:13 - 16:35:13	548 - 549°F
	16:37:24 - 16:38:44	548 - 549°F
	16:44:36 - 17:38:51	548 - 561°F
	17:44:52 - 18:05:08	548 - 556°F
2/27/04	07:49:55 - 08:55:59	548 - 551°F
	11:59:58 - 12:21:45	548 - 551°F
5/20/04	11:32:09 - 11:33:29	548 - 549°F
	11:43:24 - 11:44:54	548°F
	12:18:28 - 15:06:11	548 - 592°F
6/12/04	16:02:33 - 17:44:15	548 - 557°F
	19:01:59 - 19:41:56	548 - 559°F

Wheelabrator baghouse controlling kiln no. 4. Inlet temperature limit: 383°F		
Date	Time	Exceedance
1/5/04	23:13:09 - 23:41:37	384 - 390°F
1/6/04	12:10:40 - 12:11:10	384°F
	19:39:33 - 19:40:03	384°F
	21:15:41 - 21:34:27	384 - 422°F
1/7/04	08:55:00 - 10:20:14	384 - 420°F
	13:30:16 - 14:08:46	384 - 437°F
	16:23:31 - 16:28:53	384 - 402°F
1/8/04	21:18:03 - 21:20:23	384°F
1/9/04	00:00:16 - 00:07:09	384 - 394°F
	08:37:35 - 09:10:52	384 - 401°F
1/15/04	08:20:36 - 08:36:51	384 - 392°F
	09:52:52 - 10:01:34	384 - 388°F
1/21/04	19:19:25 - 19:44:31	384 - 394°F
1/24/04	23:35:50 - 23:36:50	384°F
2/1/04	23:58:07 - 23:59:51	384 - 388°F
2/2/04	00:00:01 - 00:01:19	384 - 389°F

2/3/04	11:12:55 - 11:17:56 22:55:19 - 23:03:11	384 - 387°F 384 - 385°F
2/6/04	20:25:27 - 20:30:38	384 - 397°F
2/8/04	00:04:50 - 00:28:35	384 - 392°F
2/12/04	01:34:51 - 01:41:23	384 - 387°F
2/16/04	14:33:34 - 15:03:34	384 - 416°F
2/27/04	12:02:19 - 12:05:40 22:40:14 - 22:44:06	384°F 384 - 390°F
2/28/04	03:38:15 - 03:44:47 13:55:57 - 14:03:39	384°F 384 - 389°F
3/7/04	00:47:34 - 00:53:16 02:52:07 - 02:54:48 23:40:01 - 23:47:43	384°F 384°F 384 - 386°F
3/15/04	08:00:08 - 08:03:09	384°F
3/19/04	05:39:25 - 05:52:30	384 - 389°F
3/21/04	10:32:10 - 12:05:00	384 - 438°F
3/23/04	03:39:06 - 03:55:32	384 - 421°F
4/2/04	11:57:54 - 12:00:45 17:50:54 - 17:58:27	384°F 384 - 390°F
4/3/04	01:05:21 - 01:23:08 02:46:04 - 03:10:36	384 - 390°F 384 - 397°F
4/7/04	00:36:16 - 00:49:21	384 - 388°F
4/8/04	18:59:40 - 19:07:53	384 - 388°F
4/11/04	07:28:51 - 07:40:32	384 - 387°F
4/12/04	03:39:06 - 03:55:26	384 - 387°F
4/13/04	08:13:31 - 08:31:17 11:27:38 - 11:37:31 12:57:59 - 13:05:41	384 - 388°F 384 - 386°F 384 - 387°F
4/18/04	15:50:57 - 16:19:48	384 - 418°F
4/21/04	00:34:43 - 00:39:15	384°F

5/9/04	03:00:44 - 03:01:04 03:35:26 - 03:36:26 03:47:00 - 03:47:20 03:57:53 - 03:58:24 06:49:43 - 06:50:03 07:13:51 - 07:14:41 07:25:45 - 07:27:35 07:29:16 - 07:43:40 14:03:08 - 14:57:16 14:58:37 - 14:59:27 21:12:55 - 21:16:57	384°F 384 - 385°F 384°F 384°F 384°F 384 - 386°F 384 - 386°F 384 - 401°F 384 - 463°F 384°F 384 - 385°F
5/10/04	02:35:34 - 03:03:42 23:04:54 - 23:17:10	384 - 397°F 384 - 385°F
5/13/04	14:53:04 - 15:15:53	384 - 385°F
5/19/04	11:03:43 - 11:17:38	384 - 385°F
5/22/04	18:35:18 - 18:55:07 21:31:39 - 21:38:21	384 - 399°F 384 - 385°F
5/23/04	14:08:47 - 14:14:29	384°F
5/24/04	00:02:48 - 00:09:52 10:15:59 - 10:31:35 14:14:31 - 14:59:48 15:34:32 - 15:40:34 19:00:27 - 19:39:52 21:54:54 - 22:10:08	384 - 389°F 384 - 397°F 384 - 386°F 384 - 398°F 384 - 389°F 384 - 389°F
5/30/04	21:17:33 - 21:26:06	384 - 389°F
6/19/04	00:08:28 - 00:52:57 17:29:23 - 17:45:10	384 - 414°F 384 - 399°F
6/20/04	12:55:09 - 13:08:14 13:23:11 - 13:33:56	384 - 398°F 384 - 391°F
6/22/04	09:38:22 - 09:42:44 11:37:12 - 11:58:40	384 - 387°F 384 - 392°F
6/30/04	02:55:44 - 03:11:41 22:54:16 - 22:59:59 23:04:51 - 23:14:04	384 - 385°F 384 - 413°F 384 - 419°F
7/20/04	01:21:02 - 01:27:14	384 - 396°F

CERTIFICATE OF MAILING

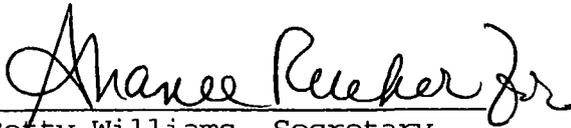
I, Betty Williams, certify that I sent a Notice of Violation/
Finding of Violation, NO. EPA-5-05-11-IL by Certified Mail, Return
Receipt Requested, to:

Valorie Miller
Environmental Manager
St Marys Cement, Inc.
1914 White Oak Lane
Dixon, Illinois 61021

I also certify that I sent a copy of the Notice of Violation/
Finding of Violation by First Class Mail to:

Julie Armitage, Acting Manager
Compliance and Systems Management Section
Illinois Environmental Protection Agency
1021 North Grand Avenue East
Springfield, Illinois 62702

on the 13th day of May 2005.


Betty Williams, Secretary
AECAS (IL/IN)

CERTIFIED MAIL RECEIPT NUMBER: 7001 0320 0006 0295 2986