



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

MAR 28 2005

REPLY TO THE ATTENTION OF

(AE-17J)

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Douglas A. Lopez
Environmental Health & Safety Coordinator
Daramic, LLC.
3430 Cline Road
Corydon, Indiana 47112

Re: Finding of Violation
Daramic, LLC.
Corydon, Indiana

Dear Mr. Lopez:

The United States Environmental Protection Agency is issuing the enclosed Finding of Violation (FOV) to Daramic, LLC. (you) under Section 113(a)(3) of the Clean Air Act, 42 U.S.C. § 7413(a)(3). We find that you are violating the Corydon facility's Title V permit.

Section 113 of the Clean Air Act gives us several enforcement options. 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 an 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.

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 EPA contact in this matter is Brian Dickens. You may call him at (312) 886-6073 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 yours,

A handwritten signature in cursive script, appearing to read "Stephen Rothblatt". The signature is written in black ink and is positioned above the typed name.

Stephen Rothblatt, Director
Air and Radiation Division

cc: David McIver, Chief

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5**

IN THE MATTER OF:)
)
Daramic, LLC,) **FINDING OF VIOLATION**
Corydon, Indiana)
) **EPA-5-05-IN-09**
)
Proceedings Pursuant to)
the Clean Air Act, 42 U.S.C.)
§ 7401 et seq.)
_____)

FINDING OF VIOLATION

The United States Environmental Protection Agency (U.S. EPA) finds that Daramic, LLC. is violating the conditions of its Title V Permit as follows:

Statutory and Regulatory Background

1. Section 502(a) of the CAA, 42 U.S.C. § 7661a(a), and 40 C.F.R. § 70.7(b) provide that, after the effective date of any permit program approved or promulgated under Title V of the CAA, no source subject to Title V may operate except in compliance with a Title V permit.
2. Section 113(a)(3) of the Act, 42 U.S.C. § 7413(a)(3), authorizes the Administrator to initiate an enforcement action whenever, among other things, the Administrator finds that any person has violated or is in violation of a requirement or prohibition of Title V of the CAA, or any rule promulgated, issued, or approved under Title V of the CAA.
3. The regulation at 40 C.F.R. § 70.6(b)(1) specifies that all terms and conditions in a permit issued under a Title V program are enforceable by U.S. EPA under the CAA.
4. U.S. EPA granted final interim approval of the Indiana Title V program on November 14, 1995 (60 Fed. Reg. 57191), and the program became effective on December 14, 1995. U.S. EPA granted final full approval to the Indiana Title V program on December 4, 2001 (66 Fed. Reg. 62969), which became effective on November 30, 2001.

Facility Facts and Discussion

5. Daramic owns and operates a battery separator facility at 3430 Cline Road, Corydon, Indiana (Daramic facility).
6. Indiana Department of Environmental Management (IDEM) issued Title V permit No. T061-5983-00012 to the Daramic facility on September 7, 1999, pursuant to the Indiana Title V program. IDEM issued a modified Title V permit No. 061-18443-00012 to the Daramic facility on February 20, 2004, pursuant to the Indiana Title V program. (Daramic Title V permit).
7. The Daramic facility includes three production lines, Sub-Micro (SM) lines 3, 4, and 6.
8. The Daramic Title V permit defines SM lines 3, 4, and 6 as emission units.
9. The Daramic Title V permit at Section D.1 states that SM lines 3 and 4 consist of the following equipment:
 - (A.) Two oil extraction systems, identified as Unit ID #'s 9.1 and 9.2, each system includes oil extraction pans, a solvent drying oven, a water drying oven, and a distillation unit;
 - (B.) Two extruders, identified as Unit ID#'s 8.1 and 8.2;
 - (C.) Two aerosol addition systems, identified as Unit ID #'s 10.1 and 10.2.
10. The Daramic Title V permit at Section D.1 states that SM line 6 consists of the following equipment:
 - (A.) One oil extraction system, identified as Unit ID # 9.3, oil extraction pans, a solvent drying oven, a water drying oven, and a distillation unit;
 - (B.) One extruder, identified as Unit ID # 8.3;
 - (C.) One aerosol addition system, identified as Unit ID # 10.3.
11. Daramic's Title V permit at D.1.1 indicates that IDEM determined that a carbon adsorption unit with 95% control efficiency is Best Available Control Technology (BACT) for Volatile Organic Control (VOC) control for SM lines 3, 4,

and 6.

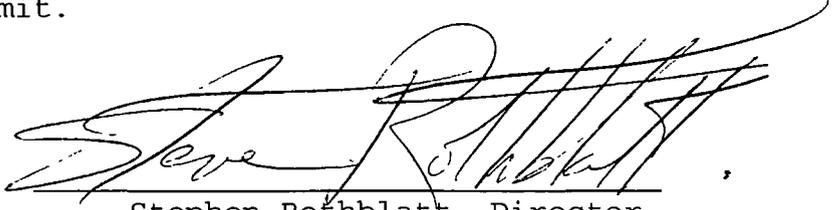
12. The Daramic Title V permit at D.1.1. requires that the carbon adsorption unit control VOC emissions from SM lines 3, 4, and 6 to a 95% VOC control efficiency at all times that the extruders, oil extraction systems, and aerosol additions systems for SM lines 3, 4, and 6 are used.
13. Daramic's 95% control efficiency requirement applies to all nonfugitive emissions from SM lines 3, 4, and 6, as those units are defined in Daramic's Title V permit.
14. On February 3, 2005, the Daramic facility provided to U.S. EPA its reported stack and fugitive VOC emissions data for SM lines 3, 4, and 6 in response to a U.S. EPA information request.
15. Fugitive emissions, as defined at 40 C.F.R. § 70.2, "are those emissions which could not reasonably pass through a stack, chimney, vent or other functionally equivalent opening."
16. The Daramic facility in its February 3, 2005 response to information request inappropriately identified emissions from SM lines 3, 4, and 6 as "fugitive". Emissions from SM lines 3, 4, and 6 are nonfugitive because they could reasonably be captured and/or controlled.
17. Daramic's reported VOC emissions for SM lines 3, 4, and 6, in pounds, and U.S. EPA's calculated control efficiency given that all emissions are nonfugitive are as follows:

Year	Reported Fugitive Emissions	Reported Stack Emissions	Uncontrolled Stack Emissions	Total Uncontrolled Emissions	Control Efficiency
2003	939899	33058	661160	1601059	39.23%
2002	1092991	5820	116400	1209391	9.14%
2001	829920	5820	116400	946320	11.69%
2000	572718	6777	135540	708258	18.18%
1999	301676	20482	409640	711316	54.71%
1998	288208	24688	493760	781968	59.99%

Violations

18. Daramic failed to apply BACT and control VOC emissions from SM lines 3, 4, and 6 to a 95% control efficiency as required by its Title V permit.

3/28/2005
Date


Stephen Rothblatt, Director
Air and Radiation Division

CERTIFICATE OF MAILING

I, Loretta Shaffer, certify that I sent a Finding of Violation, No. EPA-5-05-IN-09, by Certified Mail, Return Receipt Requested, to:

Douglas A. Lopez
Environmental Health & Safety Coordinator
Daramic, LLC.
3430 Cline Road
Corydon, Indiana 47112

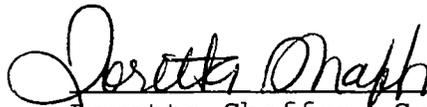
I also certify that I sent copies of the Finding of Violation by first class mail to:

Raymond Schick, Inspector
Office of Air Quality
Indiana Department of Environmental Management
100 North Senate Avenue, Room 1001
Indianapolis, Indiana 46206-6015

and

David McIver, Chief
Office of Enforcement Air Section
Indiana Department of Environmental Management
100 North Senate Avenue, Room 1001
Indianapolis, Indiana 46206-6015

on the 29th day of March, 2005.



Loretta Shaffer, Secretary
AECAS, (MN/OH)

CERTIFIED MAIL RECEIPT NUMBER: 7001 0320 0005 9025 7036