



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

REPLY TO THE ATTENTION OF

AUG 23 1999

(AE-17J)

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Ken Hallberg, Director Safety & Environmental Affairs
G&W Electric Company
3500 West 127th Street
Blue Island, Illinois 60406-1864

Re: In the Matter of G&W Electric Company
Blue Island, Illinois
CAA Docket No. *CAA 5-99-030*

Dear Mr. Hallberg:

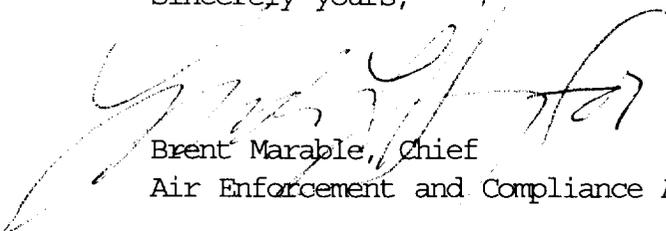
Enclosed herein is a file stamped original of the Consent Agreement and Consent Order (CACO) assessing administrative civil penalties against G&W Electric Company (G&W). This CACO resolves the violations alleged against G&W in the above-referenced proceedings. As indicated by the filing stamp on its cover page, the CACO was filed with the Regional Hearing Clerk on 8/24/99.

Pursuant to Paragraph 8 of the CACO, payment of the civil penalty is due within 30 days of the date the CACO was received. Your check should display the case docket number, *CAA 5-99-030*, and the billing document number, BD# 050399034.

Pursuant to Paragraph 12 of the CACO, G&W must complete the proposed Supplemental Environmental Project within 120 days after the entry date of this CACO. Pursuant to Paragraph 17 of the CACO, upon completion, G&W must submit a final SEP completion report as outlined in Paragraph 17.

Any questions regarding this case should be directed to Nidhi O'Meara, Assistant Regional Counsel, at (312) 886-0568 or Nhien Pham, Environmental Engineer, at (312) 353-8657.

Sincerely yours,



Brent Marable, Chief
Air Enforcement and Compliance Assurance Section (IL/IN)

Enclosures

cc: Ms. Katherine Delahunt
The Law Office of Katherine W. Delahunt
816 Keystone Avenue
River Forest, Illinois 60305

David Kolaz, Chief
Compliance and Systems Management Section
Bureau of Air
Illinois Environmental Protection Agency
1021 North Grand Avenue East
Springfield, Illinois 62702

Harish Narayen, Acting Regional Manager
Illinois Environmental Protection Agency
Chicago Regional Office
1701 First Avenue - Suite 1202
Maywood, Illinois 60153

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5

'99 AUG 24 P2:31

IN THE MATTER OF:

G&W Electric Company
3500 West 127th Street
Blue Island, Illinois

Respondent.

)
)
) Docket No. **CAA-5-99-030**
)
) Proceeding to Assess
) Administrative Penalties
) under Section 113(d) of the
) Clean Air Act,
) 42 U.S.C. § 7413(d)

CONSENT AGREEMENT AND CONSENT ORDER

Complainant, the Director of the Air and Radiation Division, United States Environmental Protection Agency, Region 5 (U.S. EPA), initiated this civil administrative proceeding for the assessment of a civil penalty pursuant to Section 113(d) of the Clean Air Act (Act), 42 U.S.C. § 7413(d), and Sections 22.01(a)(2) and 22.13 of the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and Revocation or Suspension of Permits (Consolidated Rules), 40 C.F.R. Part 22, by issuing and filing an Administrative Complaint (Complaint) against Respondent, G&W Electric Company (G&W).

I. PRELIMINARY STATEMENT

1. The Complaint alleges that Respondent violated Section 112 of the Act, 42 U.S.C. § 7412, and the regulations promulgated thereunder at 40 C.F.R. Part 63, Subpart T, which set forth the National Emission Standards for Hazardous Air Pollutants for Halogenated Solvent Cleaning, 40 C.F.R. Sections 460-469. Specifically, the Complaint alleges that Respondent, on December 2, 1997 to December, 1998, failed to maintain a water layer at a minimum thickness of 2.5 centimeters (1.0 inch) on the surface of the solvent within the cleaning machine, or have a freeboard ratio of 0.75 or greater at its existing batch cold solvent cleaning machine in violation of 40 C.F.R. Section 63.462(a), and on May 2, 1998 to December, 1998, G&W did not provide the Administrator with a compliance report for its existing batch cold solvent cleaning machine in violation of 40 C.F.R. 63.468(c).
2. Complainant and Respondent have determined that this matter should be settled without a hearing or further proceedings, upon the terms set forth in this Consent Agreement and Consent Order. Respondent admits the jurisdictional allegations set forth in the Complaint and neither admits

nor denies the factual allegations set forth in the Complaint.

3. Respondent waives its right to a hearing on the allegations of the Complaint.
4. This Consent Agreement and Consent Order (CACO) shall apply to and be binding upon Respondent, its officers, directors, servants, employees, agents, successors and assigns, including, but not limited to, subsequent purchasers.
5. Respondent and Complainant consent to the terms of settlement set forth below.

II. TERMS OF SETTLEMENT

6. Based on the foregoing stipulations and findings, and having taken into account the seriousness and duration of the violations, Respondent's full compliance history, degree of culpability, economic benefit or savings resulting from the violations, the size of Respondent's business and the economic impact of the penalty on the business, Respondent's good faith efforts to comply, and Respondent's agreement to perform the Supplemental Environment Project (SEP) described below in paragraph 12, Complainant agrees to mitigate the forty-six thousand, two hundred dollar (\$46,200.00) penalty

to ten thousand, three hundred and ninety-five dollars (\$10,395.00).

7. Respondent consents to the issuance of this Consent Agreement and consents for the purposes of settlement to the payment of the civil penalty cited in the foregoing paragraph and to the performance of the SEP described below in paragraph 12.
8. Within thirty (30) days of receiving a copy of this CACO signed by the U.S. EPA Regional Administrator, Region 5, Respondent shall submit a cashier's or certified check in the amount of ten thousand, three hundred and ninety-five dollars (\$10,395.00), payable to the "Treasurer, United States of America," to:

U.S. Environmental Protection Agency
Region 5
P.O. Box 70753
Chicago, Illinois 60673

9. A transmittal letter, indicating Respondent's name, complete address, the case docket number and the billing document number must accompany the payment. The case docket number and the billing document number shall also be included on the face of the check. Respondent shall send copies of the check and transmittal letter to:

Attn: Regional Hearing Clerk, (R-19J)
U.S. Environmental Protection Agency, Region 5
77 West Jackson Blvd.
Chicago, Illinois 60604-3590

Attn: Compliance Tracker, (AE-17J)
Air Enforcement and Compliance Assurance Branch
Air and Radiation Division
U.S. Environmental Protection Agency, Region 5
77 West Jackson Blvd.
Chicago, Illinois 60604-3590

Ms. Nidhi K. O'Meara, (C-14J)
Office of Regional Counsel
U.S. Environmental Protection Agency, Region 5
77 West Jackson Blvd.
Chicago, Illinois 60604-3509

10. The penalty specified in Paragraph 6, above, shall represent civil penalties assessed by U.S. EPA and shall not be deductible for purposes of Federal taxes.
11. Respondent shall complete the following SEP, which the parties agree is intended to secure significant environmental or public health protection and improvements by eliminating the use of methanol at its epoxy machine.
12. Within one hundred and twenty (120) days of entry of this CACO, Respondent shall replace its current epoxy dispensing system with an epoxy machine that eliminates the use of methanol within the process. The epoxy dispensing system is used in the manufacturing of bushings. At the end of the process, methanol is used to flush out mixed material, also

called line flushing. The new epoxy machine will not require line flushing. As a result, this SEP will eliminate the use of eight to ten 55-gallon drums of methanol on a yearly basis. The existing epoxy dispensing system and the use of methanol associated with the bushing manufacturing process shall be eliminated and replaced by the installation of the new epoxy machine. The methanol emissions from this process will be zero after the implementation of the epoxy machine.

13. Respondent shall complete the SEP within one hundred and twenty (120) days of entry of this CACO as follows:
 - (i) Purchase the new epoxy machine,
 - (ii) Complete the fabrication and installation of the new epoxy machine,
 - (iii) Complete training of employees and testing of the new epoxy machine, and
 - (iv) Start-up the new epoxy machine and totally eliminate the use of methanol by the epoxy dispensing system.

14. G& W shall spend at least fifty-five thousand, eight hundred and eight-five dollars (\$55,885.00), in the performance of this SEP. Respondent shall include documentation of the

expenditures made in connection with the SEP as part of the SEP Completion Report.

15. G&W shall continuously use or operate the epoxy machine installed as the SEP for at least 2 year(s) subsequent to installation, unless G&W ceases to manufacture bushings or is able to implement an improved epoxy dispensing process that is pollution preventing, and Respondent shall not reinstate the use of methanol in the epoxy dispensing process at any time.
16. Respondent hereby certifies that, as of the date of this CACO, Respondent is not required to perform or develop the SEP by any Federal, State or local law or regulation; nor is Respondent required to perform or develop the SEP by agreement, grant or as injunctive relief in this or any other case. Respondent further certifies that it has not received, and is not presently negotiating to receive, credit for the SEP in any other enforcement action.
17. Respondent shall submit a SEP Completion Report to U.S. EPA by within one hundred and fifty (150) days of the entry of the CACO . The SEP Report shall contain the following information:
 - (i) A detailed description of the SEP as implemented;

- (ii) A description of any operating problems encountered and the solutions thereto;
- (iii) Itemized costs, documented by copies of purchase orders and receipts or canceled checks;
- (iv) Certification that the SEP has been fully implemented pursuant to the provisions of this CACO; and
- (v) A description of the environmental and public health benefits resulting from implementation of the SEP (quantifying the benefits and pollution reductions, if feasible).

18. Respondent agrees that failure to submit the SEP Completion Report required by paragraph 17 above shall be deemed a violation of this CACO and Respondent shall become liable for stipulated penalties pursuant to paragraph 24 below.

19. Respondent shall submit all notices and reports required by this CACO, by first class mail, to:

Attn: Compliance Tracker (AE-17J)
Air Enforcement and Compliance Assurance Branch
Air and Radiation Division
U.S. Environmental Protection Agency, Region 5
77 West Jackson Blvd.
Chicago, Illinois 60604-3590

and

Nhien Pham
Air and Radiation Division
U.S. EPA, Region 5
77 West Jackson Blvd.
Chicago, Illinois 60604-3590

20. Respondent agrees that U.S. EPA may inspect the facility at any time, during regular business hours, in order to confirm that the SEP is being undertaken in conformity with the representations made herein.
21. Respondent shall maintain legible copies of all background technical documentation obtained and generated in pursuit of the implementation and completion of this SEP, and Respondent shall provide this documentation to U.S. EPA within seven (7) days of a request for such information. In all documents or reports, including, without limitation, the SEP Report, submitted to U.S. EPA pursuant to this CACO, Respondent shall, by its officers, sign and certify under penalty of law that the information contained in such document or report is true, accurate, and not misleading by signing the following statement:

I certify under penalty of law that I have examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that

there are significant penalties for submitting false information, including the possibility of fines and imprisonment.

22. Following receipt of the SEP completion report described in paragraph 17 above, U.S. EPA shall notify G&W in writing that:

(i) It has satisfactorily completed the SEP and the SEP report;

(ii) There are deficiencies in the SEP as completed or in the SEP report and EPA will give G&W 30 days to correct the deficiencies; or

(iii) It has not satisfactorily completed the SEP or the SEP report and EPA will seek stipulated penalties under paragraph 24.

23. If U.S. EPA elects to exercise option (ii) above, U.S. EPA shall permit Respondent the opportunity to object in writing to the notification of deficiency or disapproval given pursuant to this paragraph within ten (10) days of receipt of such notification. U.S. EPA and Respondent shall have an additional thirty (30) days from the receipt by U.S. EPA of the notification of objection to reach agreement. If agreement cannot be reached on any such issue within this thirty (30) day period, U.S. EPA shall provide a written statement of its decision to Respondent, which decision shall be final and binding upon Respondent. Respondent agrees to comply with any reasonable requirements imposed by

U.S. EPA as a result of any such deficiency or failure to comply with the terms of this CACO. In the event the SEP is not completed as contemplated herein, as determined by U.S. EPA, stipulated penalties shall be due and payable by Respondent to U.S. EPA in accordance with paragraph 24 herein.

24. In the event that Respondent fails to comply with any of the terms or provisions of this Agreement relating to the performance of the SEP described in paragraphs 12 and 13 above and/or to the extent that the actual expenditures for the SEP do not equal or exceed the cost of the SEP described in paragraph 14 above, Respondent shall be liable for stipulated penalties according to the provisions set forth below:

- (i) Except as provided in subparagraph (ii) immediately below, for a SEP which has not been completed satisfactorily pursuant to this CACO, Respondent shall pay a stipulated penalty to the United States in the amount of twenty five thousand nine hundred and eighty-eight dollars (\$25,988.00).
- (ii) If the SEP is not completed satisfactorily, but the Respondent: a) made good faith and timely efforts to complete the project; and b) certifies, with supporting documentation, that at least 90 percent of the amount of money which was required to be spent was

expended on the SEP, Respondent shall not be liable for any stipulated penalty.

- (iii) If the SEP is satisfactorily completed, but the Respondent spent less than 90 percent of the amount of money required to be spent for the project, Respondent shall pay a stipulated penalty to the United States in the amount of three thousand four hundred and sixty-five dollars (\$3,465.00).
- (iv) If the SEP is satisfactorily completed, and the Respondent spent at least 90 percent of the amount of money required to be spent for the project, Respondent shall not be liable for any stipulated penalty.
- (v) For failure to submit the SEP Completion Report required by paragraph 17 above, Respondent shall pay a stipulated penalty in the amount of \$100.00 for each day after the report was due until it submits the report.

25. The determination as to whether the SEP has been satisfactorily completed and whether the Respondent has made a good faith, timely effort to implement the SEP shall be in the sole discretion of U.S. EPA.

26. Stipulated penalties for subparagraph (v) shall begin to accrue on the day after performance is due, and shall continue to accrue through the final day of the completion of the activity.

27. Respondent shall pay stipulated penalties within fifteen (15) days of receipt of written demand by U.S. EPA for such

penalties. Method of payment shall be in accordance with the provisions of paragraphs 8 and 9 above. Interest and late charges shall be paid as stated in paragraph 29 herein.

28. Any public statement, oral or written, in print, film, or other media, made by Respondent making reference to the SEP shall include the following language, "This project was undertaken in connection with the settlement of an enforcement action taken by the U.S. Environmental Protection Agency for violations of 40 C.F.R. Part 63, Subpart T."
29. Interest shall accrue on any amounts overdue under the terms of this CACO at the rate established by the Secretary of the Treasury, pursuant to 31 U.S.C. § 3717. In addition, a late payment handling charge of \$15.00 will be imposed if payment is not made within sixty (60) days after the Complainant files a fully executed copy of this CACO with the Regional Hearing Clerk, with an additional charge of \$15.00 for each subsequent 30-day period over which an unpaid balance remains.
30. This CACO constitutes a settlement by U.S. EPA of all claims for civil penalties pursuant to Section 113(d) of the CAA, 42 U.S.C. § 7413(d), for the violations alleged in the

Complaint. Nothing in this CACO is intended to nor shall be construed to operate in any way to resolve any criminal liability of the Respondent. Compliance with this CACO shall not be a defense to any actions subsequently commenced pursuant to Federal laws and regulations administered by U.S. EPA, and it is the responsibility of Respondent to comply with such laws and regulations.

31. Respondent's failure to comply with any provision of this CACO may subject Respondent to a civil action pursuant to Section 113(d)(5) of the Act, 42 U.S.C. § 7413(d)(5), to collect any unpaid portion of the civil penalty, together with interest, handling charges, and nonpayment penalties as set forth in Paragraph 29 above. In any such collection action, the validity, amount, and appropriateness of this Order or the penalty assessed hereunder are not subject to review.
32. Nothing in this agreement shall be construed as prohibiting, altering or in any way limiting the ability of U.S. EPA to seek any other remedies or sanctions available by virtue of Respondent's violation of this agreement or of the statutes and regulations upon which this agreement is based, or for Respondent's violation of any applicable provision of law.

33. Nothing in this CACO shall relieve Respondent of the duty to comply with all applicable provisions of the Clean Air Act and other Federal, State and local laws and statutes.
34. Each undersigned representative of each party to this CACO certifies that he or she is duly authorized by the party whom he or she represents to enter into the terms of this CACO and to bind that party to such terms.
35. This CACO constitutes the entire agreement between Complainant and Respondent.
36. The parties to this agreement consent to the entry of this CACO without further notice.
37. Each party shall bear its own costs, fees and disbursements in this action.
38. This is a "final order" for purposes of the "enforcement response" policy set forth in U.S. EPA penalty policies.

**U.S. Environmental Protection Agency,
Complainant**

Date: _____

8/17/99



Margaret M. Guerriero, Acting Director
Air and Radiation Division
U.S. Environmental Protection Agency,

Region 5 (AE-18J)
77 West Jackson Boulevard
Chicago, Illinois 60604-3590

G&W Electric, Respondent

CAA-5-99-030

Date: 7/22/99

By: John Scroger
John Scroger, Vice President
Operations
G&W Electric Company

CONSENT AGREEMENT AND CONSENT ORDER
G&W ELECTRIC
Docket No. DAAS-99-030

III. ORDER

The foregoing Consent Agreement is hereby approved and incorporated by reference into this Order. Respondent is hereby ordered to comply with the terms of the above Consent Agreement, effective immediately.

Date: 8/23/99

for 
FRANCIS X. LYONS
Regional Administrator
U.S. Environmental Protection Agency
Region 5
77 West Jackson Boulevard
Chicago, Illinois 60604-3590

In the Matter of: G&W Electric
Docket No. **CAA-5-99-030**

RECEIVED
AUG 24 1999

CERTIFICATE OF SERVICE 99 AUG 24 P2:31

I, Betty Williams, certify that I hand delivered the original of the foregoing Administrative Complaint to the Regional Hearing Clerk, Region 5, United States Environmental Protection Agency, and that I mailed correct copies, along with a copy of the "Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation or Suspension of Permits," 40 C.F.R. Part 22, and a copy of the Penalty Policy (described in the Complaint) by first-class, postage prepaid, certified mail, return receipt requested, to the Respondent and Respondent's Counsel by placing it in the custody of the United States Postal Service addressed as follows:

Ken Hallberg, Director Safety & Environmental Affairs
G&W Electric Company
3500 West 127th Street
Blue Island, Illinois 60404-1864

Ms. Katherine Delahunt
The Law Office of Katherine W. Delahunt
816 Keystone Avenue
River Forest, Illinois 60305

I also certify that copies of the Administrative Complaint were sent by First Class Mail to:

David Kolaz, Chief
Compliance and Systems Management Section
Bureau of Air
Illinois Environmental Protection Agency
1021 North Grand Avenue East
Springfield, Illinois 62702

Harish Narayen, Acting Regional Manager
Illinois Environmental Protection Agency
Chicago Regional Office
1701 First Avenue - Suite 1202
Maywood, Illinois 60153

on the 24th day of August, 1999.



Betty Williams, Secretary
AECAS (IL/IN)

CERTIFIED MAIL RECEIPT NUMBER: P140 779 172