



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

JAN 13 2015

REPLY TO THE ATTENTION OF:

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

Greg Palen, Chairman  
Spectro Alloys Corporation  
13220 Doyle Path  
Rosemount, Minnesota 55068

Re: Notice and Finding of Violation  
Spectro Alloys  
Rosemount, Minnesota

Dear Mr. Palen:

The U.S. Environmental Protection Agency is issuing the enclosed Notice and Finding of Violation (NOV/FOV) to Spectro Alloys (you) under Section 113(a)(1) of the Clean Air Act, 42 U.S.C § 7413(a)(1). We find that you are violating the Minnesota State Implementation Plan and federal regulations under Title V of the Clean Air Act at your Rosemount, Minnesota facility.

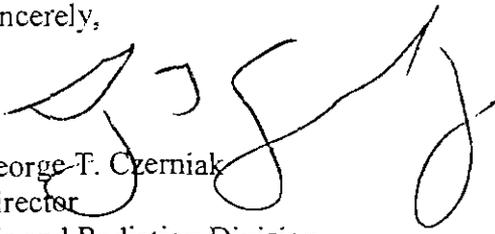
Section 113 of the CAA gives us several enforcement options to resolve these violations, including: issuing an administrative compliance order, issuing an administrative penalty order, bringing a judicial civil or criminal action.

We are offering you an opportunity to confer with us about the violations alleged in the NOV/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. In addition, in order to make the conference more productive, we encourage you to submit to us information responsive to the NOV/FOV prior to the conference date.

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 Gina Harrison. You may call her at (312) 353-6956 if you wish to request a conference. You should make the request within 10 calendar days following receipt of this letter. We should hold any conference within 30 calendar days following receipt of this letter.

Sincerely,

A handwritten signature in black ink, appearing to read 'G. Czerniak', written over the typed name.

George T. Czerniak  
Director  
Air and Radiation Division

**United States Environmental Protection Agency  
Region 5**

<b>IN THE MATTER OF:</b>	)	
	)	
<b>Spectro Alloys</b>	)	<b>NOTICE OF VIOLATION and</b>
<b>Rosemount, Minnesota</b>	)	<b>FINDING OF VIOLATION</b>
	)	
	)	<b>EPA-5-15-MN-01</b>
<b>Proceedings Pursuant to</b>	)	
<b>the Clean Air Act,</b>	)	
<b>42 U.S.C. §§ 7401 <i>et seq.</i></b>	)	

**NOTICE AND FINDING OF VIOLATION**

The U.S. Environmental Protection Agency is issuing this Notice and Finding of Violation (NOV/FOV) to Spectro Alloys (Spectro) for violations of its Title V Permit, the Minnesota State Implementation Plan and violations of the General Provisions of the National Emissions Standards for Hazardous Air Pollutants (NESHAP) at 40 C.F.R. Part 63, Subpart A and violations of the NESHAP for Secondary Aluminum Production at 40 C.F.R. Part 63, Subpart RRR, as promulgated pursuant to Section 112 of the Clean Air Act (CAA), 42 U.S.C. § 7412.

**Explanation of Violations**

**NESHAP Regulations**

1. Under Section 112 of the CAA, the Administrator of EPA promulgated the General Provisions of the NESHAP at 40 C.F.R. Part 63, Subpart A; 40 C.F.R. § 63.1 – 63.16.
2. Under Section 112 of the CAA, the Administrator of EPA promulgated the NESHAP for Secondary Aluminum Production at 40 C.F.R. Part 63, Subpart RRR; 40 C.F.R. § 63.1500 *et seq.*
3. Pursuant to the NESHAP at 40 C.F.R. § 63.1501, the owner or operator of an existing affected source must comply with the requirements of Subpart RRR by March 24, 2003; and the owner or operator of a new affected source that commences construction or

reconstruction after February 11, 1999, must comply with the requirements by March 24, 2000, or upon startup, whichever is later.

4. The NESHAP, at 40 C.F.R. § 63.1506(b), requires the owner or operator to provide and maintain easily visible labels posted at each group 1 furnace, group 2 furnace, in-line fluxer and scrap dryer/delacquering kiln/decoating kiln which identify the applicable emission limits and means of compliance, including: the type of affected source or emission unit; and the operational standards and control methods.
5. The NESHAP, at 40 C.F.R. § 63.1511(g), requires that the owner or operator of the facility, during required performance tests, establish a minimum or maximum operating parameter value, or an operating parameter range for each parameter to be monitored as required by 40 C.F.R. § 63.1510 which ensures the facility's compliance with the applicable emission limit or standard.
6. The NESHAP, at 40 C.F.R. § 63.1506 (m)(4), requires that the facility operating a continuous lime injection system maintain free-flowing lime in the hopper to the feed device at all times and maintain the lime feeder setting at the same level established during the performance test.
7. The NESHAP, at 40 C.F.R. § 63.1510(b), requires that the owner or operator prepare and implement for each new or existing affected source and emission unit, a written operation, maintenance and monitoring (OM&M) plan.
8. The NESHAP, at 40 C.F.R. § 63.1510(b)(1-8), lists specific elements which are required in a facility's OM&M plan. These elements include, but are not limited to, a maintenance schedule for each process and control device that is consistent with the manufacturer's instructions and recommendations for routine and long-term maintenance. 40 C.F.R. § 63.1510(b)(7).
9. The NESHAP, at 40 C.F.R. § 63.1510(i)(2), requires that the facility inspect each lime feed hopper or silo at least once each 8-hour period and record the results of each inspection. The NESHAP, at 40 C.F.R. § 63.1517(b)(4) requires the owner or operator of the facility to retain the records of the lime feed hopper or silo inspections.
10. The NESHAP, at 40 C.F.R. § 63.1515(b), requires that each owner or operator of an existing affected source must submit a Notification of Compliance Status report (NOCS) within 60 days after the compliance date established by §63.1501(a). Each owner or operator of a new affected source must submit a notification of compliance status report within 90 days after conducting the initial performance test required by §63.1511(b), or within 90 days after the compliance date established by §63.1501(b) if no initial performance test is required.

11. The NESHAP, at 40 C.F.R. § 63.1515(b)(4), requires that the NOCS include the compliant operating parameter value or range established for each affected source or emission unit with supporting documentation and a description of the procedure used to establish the value (e.g., lime injection rate, total reactive chlorine flux injection rate, afterburner operating temperature, fabric filter inlet temperature), including the operating cycle or time period used in the performance test.
12. The NESHAP, at 40 C.F.R. § 63.1516(b), requires the owner or operator submit semiannual reports according to the requirements in §63.10(e)(3), including a certification of compliance with all monitoring, recordkeeping, and reporting requirements during the year.
13. The NESHAP, at 40 C.F.R. § 63.1517(a), requires that the owner or operator of the facility, as required by § 63.10(b), maintain files of all information (including all reports and notifications) required by the general provisions and this subpart.
14. The General Provisions of the NESHAP, at 40 C.F.R. § 63.10(b), require that the owner or operator of the facility maintain relevant records of all required maintenance performed on the air pollution and monitoring equipment and maintain files of all information (including all reports and notifications) required by Part 63 recorded in a form suitable and readily available for expeditious inspection and review.

### **Title V Regulations**

15. Section 502(d)(1) of the Act, 42 U.S.C. § 7661a(d)(1), requires each State to develop and submit to EPA an operating permit program which meets the requirements of Title V. EPA granted interim approval to Minnesota's Title V program on June 16, 1995, effective July 16, 1995. 60 Fed. Reg. 31637. EPA proposed final approval of Minnesota's Title V program on October 30, 2001. 66 Fed. Reg. 54739. EPA granted Minnesota final approval of its Title V Clean Air Act Permit Program, effective November 30, 2001. 66 Fed. Reg. 62967.
16. Title V regulations at 40 C.F.R § 70.3 provide that the requirements of Part 70 apply to any major source located in a state that has received whole or partial approval of its Title V program.
17. MPCA issued a Total Facility Operating Permit 03700066-001 to Spectro on June 15, 1995, and final Title V Permit 03700066-001 to Spectro on April 22, 2005.
18. Spectro's Permit 03700066-001 incorporates by reference the NESHAP for secondary aluminum production.
19. Spectro's Permit 03700066-001, Table B requires Spectro to submit, no later than 30 days

after the end of each calendar year, a Compliance Certification Report including an explanation of any period of excess emissions that occurred during the year, and certification that all monitoring, recordkeeping, and reporting requirements were met.

### **Minnesota State Implementation Plan**

20. On May 24, 1995, EPA approved Rule 7007.0800 as part of the Federally Enforceable State Implementation Plan (SIP) for Minnesota.
21. Minnesota SIP Rule 7007.0800, Subpart 5(c), requires that the facility's permit include a requirement that the permittee retain records of all monitoring data and support information for a period of five years, or longer as specified by the commissioner, from the date of the monitoring sample, measurement, or report. The Rule defines support information to include all calibration and maintenance records and all original recordings for continuous monitoring instrumentation, and copies of all reports required by the permit and requires that the records be kept at the stationary source unless the permit allows otherwise.
22. Minnesota SIP Rule 7007.0800, Subpart 14, requires that the facility's permit include operating and maintenance requirements for each piece of control equipment located at the stationary source.
23. Minnesota SIP Rule 7007.0800, Subpart 16J, requires that the permittee shall at all times properly operate and maintain the facilities and systems of treatment and control and the appurtenances related to them which are installed or used by the permittee to achieve compliance with the conditions of the permit.
24. Spectro's Permit 03700066-001 incorporates, by reference, the Minnesota SIP.

### **Factual Background**

25. At all times relevant to this Notice, Spectro Alloys Corporation has owned and operated a secondary aluminum production facility, including Group 1 furnaces with add-on pollution control devices and continuous lime-injection systems, as those terms are defined at 40 C.F.R. § 63.1503, at its facility located at 13220 Doyle Path, Rosemount, Minnesota.
26. The facility is a "major source" as that term is defined at 40 C.F.R. § 63.2.
27. As a secondary aluminum production facility with Group 1 furnaces and associated continuous lime-injection systems, Spectro's facility is an emission source subject to the requirements of the Act, including 40 C.F.R. Part 63, Subpart RRR.
28. Spectro submitted its Notification of Compliance Status (NOCS) to EPA and MPCA on March 8, 2013, establishing alkaline (lime) reagent feed settings for its Group 1 furnaces

based on August 23, 2012, December 6, 2012, December 13, 2012, and January 17, 2013 performance tests. During each performance test, Spectro achieved compliance with HCl limits using lime feed rates of 25%, 14.5%, 23.5%, and 13.5% at the Furnace #1 scrap dryer, Furnace #1 charge well, Furnace #3 charge well, and Furnace #3 scrap dryer, respectively.

29. On April 8, 2014 and April 30, 2014, the Minnesota Pollution Control Agency (MPCA) inspected Spectro's facility.
30. During the April 8, 2014 inspection, MPCA identified discrepancies among Spectro's lime feed hopper labels, lime feed digital settings, and lime feed rates established during its most recent performance tests and subsequently submitted in its NOCS. MPCA also noted that Spectro did not have multiple maintenance and operation files related to the OM&M plan requirements available for inspection. During the April 30, 2014 inspection, MPCA noted that Spectro had failed to change the previously identified deviations to the lime feed settings required by the NESHAP. The following table reflects MPCA's observations during both the April 8, 2014 and April 30, 2014 inspections.

Emission Unit	Performance Test Date	Performance Test setting in reports	Setting on Label during 4/8 and 4/30 Inspections	Inspection setting 4/8/14	Inspection setting 4/30/14	Comment
CE001 Furnace #1 Charge Well	12/6/2012	14.50%	14.50%	55%	23.50%	Label showed north hopper when should be south
CE004 Furnace #3 Scrap Dryer	1/17/2013	13.50%	12%	11.20%	11.10%	
CE006 Furnace #1 Scrap Dryer	8/23/2012	25%	17%	Not recorded	25.00%	
CE009 Furnace #3 Charge Well	12/13/2012	23.50%	23.50%	23.50%	60.00%	Label showed south hopper when should be north

31. Additionally, MPCA noted two charge well lime feed hoppers were transposed and incorrectly labeled "north" and "south."

32. On June 13, 2014, as a followup to the April inspections, Spectro provided to MPCA maintenance records for the years 2012-2014. Upon review of these records MPCA noted that Spectro had failed to document certain inspections, baghouse bag blowdown and maintenance, and furnace burner cleanings, among other requirements specified in its OM&M Plan. Failure to document these activities also constitutes failure to maintain all relevant records of required maintenance performed on the air pollution and monitoring equipment and maintain files of all information (including all reports and notifications), required by both its Permit and the NESHAP.
33. Spectro submitted Excess Emission Reports to EPA and MPCA on May 28, 2013, November 21, 2013, January 15, 2014, and March 11, 2014, certifying compliance with lime injection requirements and standards for the years 2012 and 2013.

#### **Violations of Monitoring Requirements**

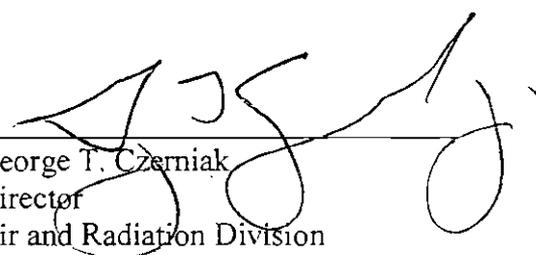
34. Spectro's failure to maintain free-flowing lime in the continuous lime-injection system hoppers to the feed devices at the same levels established during the performance tests required by 40 C.F.R. § 63.1511(g) is a violation of the NESHAP at 40 C.F.R. § 63.1511(g) and 63.1506 (m)(4), its Title V permit, and the Minnesota SIP at 7007.0800, Subpart 16J.
35. Spectro's failure to document inspections and maintenance required by the NESHAP is a violation of 40 C.F.R. § 63.1517(b)(4) and 63.1510(i)(2), and the Minnesota SIP at 7007.0800, Subpart 5(c).
36. Spectro's failure to monitor and keep records of all parameters and standards required by the NESHAP and its Title V permit is a violation of the NESHAP at 40 C.F.R. § 63.10(b), and its Title V Permit 03700066-001, Table B, and the Minnesota SIP at 7007.0800, Subpart 5(c).
37. Spectro's failure to provide to MPCA relevant records of all required maintenance performed on the air pollution and monitoring equipment and maintain files of all information (including all reports and notifications) required by Part 63 available for expeditious inspection and review is a violation of the NESHAP at 40 C.F.R. § 63.10(b).
38. Spectro's submittal of Compliance Certification Reports for the years 2012 and 2013 which certify compliance with all monitoring, recordkeeping, and reporting requirements despite failing to record certain inspections and maintenance procedures is a violation of the NESHAP at 40 C.F.R. § 63.1516(b) and 63.1515(b), and Table B of Permit 03700066-001.

**Environmental Impact of Violations**

39. Failure to meet operational limits may lead to violations of particulate emissions standards, which may increase public exposure to unhealthy particulate matter.

1/13/15

Date

  
George T. Czerniak  
Director  
Air and Radiation Division

**CERTIFICATE OF MAILING**

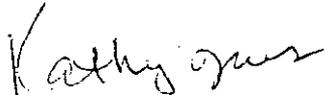
I, Loretta Shaffer, certify that I sent a Notice and Finding of Violation, No. **EPA-5-15-MN-01**, by Certified Mail, Return Receipt Requested, to:

Greg Palen  
Chairman  
Spectro Alloys  
13220 Doyle Path  
Rosemount, Minnesota 55068

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

Sarah Kilgriff  
Air Compliance and Enforcement Unit Supervisor  
Minnesota Pollution Control Agency  
520 Lafayette Road  
St. Paul, Minnesota 55155-4194

on the 14<sup>th</sup> day of January, 2014.

  
for Loretta Shaffer, APA  
AECAB/PAS

CERTIFIED MAIL RECEIPT NUMBER: 7011 1150 0000 2640 5946