



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

SEP 04 2012

REPLY TO THE ATTENTION OF:

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Robert M. Johnston, President and Chief Operating Officer
Madison-Kipp Corporation
201 Waubesa Street
Madison, Wisconsin 53704-5728

Re: Notice of Violation
Madison-Kipp Corporation
Madison, Wisconsin

Dear Mr. Johnston:

The U.S. Environmental Protection Agency is issuing the enclosed Notice of Violation (NOV) to Madison-Kipp Corporation (MKC) under Section 113(a)(1) of the Clean Air Act, 42 U.S.C. § 7413(a)(1). We find that MKC is violating the Wisconsin State Implementation Plan and the company's Air Pollution Operating Permit #113125320-F10 at the facility located at 201 Waubesa Street, Madison, Wisconsin.

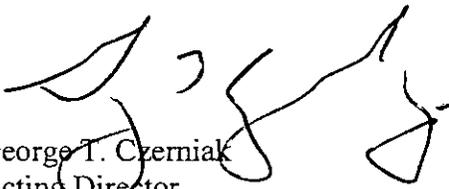
Section 113 of the Clean Air Act gives EPA several enforcement options. These options include issuing an Administrative Compliance Order, issuing an Administrative Penalty Order, and bringing a judicial civil action.

EPA is offering MKC an opportunity to confer with us about the violations alleged in the NOV. 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 Eleanor Kane. You may call her at (312) 353-4840 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,



George T. Czerniak
Acting Director
Air and Radiation Division

cc: Bill Baumann, Chief of Compliance & Enforcement
Bureau of Air Management
Wisconsin Department of Natural Resources
PO Box 7921
Madison, WI 53707-7921

Thomas Roushar
South Central District Office
Wisconsin Department of Natural Resources
3911 Fish Hatchery Road
Fitchburg, WI 53711

5. "Hazardous air pollutants listed under section 112(b) of the Act" means the federally regulated air pollutants included in the list in section 112(b)(1) of the Act (42 U.S.C. 7412(b)(1)) as revised by 40 C.F.R. part 63 Subpart C.

General Allegations

6. MKC owns and operates an aluminum diecasting facility at 201 Waubesa Street, Madison, Wisconsin.
7. MKC operates under a synthetic minor, non-Part 70 Air Pollution Control Operating Permit #113125320-F10 (Permit) issued by the Wisconsin Department of Natural Resources (WDNR) on July 30, 2008.

Applicable Regulations and Permit Conditions

8. Pursuant to WAC NR 407.09(1)(c)(3) and 439.03(1)(c), permit condition 1.ZZZ(2)(a)(2) requires MKC to submit an Annual Compliance Certification which identifies any permit provisions with which the facility was not in compliance. The document must be certified as true and accurate by a responsible official.
9. Pursuant to WAC NR 445.04(1), permit condition 1.A(3)(b)(2) requires MKC to determine monthly chlorine emissions from the aluminum melting furnaces (RCI-1 and RCI-2) using an emissions factor of 0.034 pounds of chlorine emitted per pound of chlorine injected.
10. Pursuant to WAC NR 439.055(4), permit condition 1.A(3)(c)(6) requires MKC to annually calibrate temperature monitoring devices, flow monitoring devices, and amperage monitoring devices for RCI-1 and RCI-2, and to maintain accurate calibration for each device.
11. Pursuant to WAC NR 445.04(1), permit condition 1.A(4)(b)(2) requires MKC to determine monthly hydrogen chloride (HCl) emissions from the aluminum melting furnaces (RCI-1 and RCI-2) using an emissions factor of 0.205 pounds of HCl emitted per pound of chlorine injected.
12. Pursuant to WAC NR 415.05(1)(g) and 415.05(2)(a)(1), permit condition 1.C(1)(c)(1) requires MKC to install and maintain a clearly visible sign in the Fair Oaks furnace area stating that no fluxing or demagging practices are allowed in the furnace for alloying purposes.
13. Pursuant to WAC NR 439.04(1)(d), permit condition 1.D(1)(c)(1)(b) requires MKC to maintain a calibration and maintenance log for die lube mixing equipment at the Atwood Building.
14. Pursuant to WAC NR 439.04(1)(d), permit condition 1.D(1)(c)(1)(c) requires MKC to maintain records of the amount of die lube material used, the amount of water added to the mix, and the calculated dilution ratio for operations at the Atwood building.

15. Pursuant to WAC NR 439.04(1)(d), permit condition I.E(2)(c)(1)(b) requires MKC to maintain a calibration and maintenance log for die lube mixing equipment at the Fair Oaks Building.
16. Pursuant to WAC NR 439.04(1)(d), permit condition I.E(2)(c)(1)(c) requires MKC to maintain records of the amount of die lube material used, the amount of water added to the mix, and the calculated dilution ratio for operations at the Fair Oaks Building.
17. Pursuant to NR 424.03(2)(c), permit condition I.E(2)(a)(1)(c) allows MKC to achieve a dilution of 223 parts water to one part lubricant blend (by volume), at the Fair Oaks operation. Given the properties of the die lube used at MKC, this water-to-lubricant blend corresponds to a ratio of 107 gallons of water to 1 gallon of die lube.
18. Pursuant to WAC NR 439.04(1)(d), permit condition I.G(3)(c)(2)(b) requires that MKC maintain records of total emissions of hazardous air pollutants (HAPs) for a rolling 12-month period.

Alleged Violations

19. On January 27, 2011, MKC submitted an Annual Compliance Certification for the year 2010 to the WDNR, certifying that the facility was in continuous compliance with the permit at all times. However, the accompanying annual emissions summary erroneously indicated that emissions exceeded minor source limits of 100 tons per year for carbon monoxide (CO), nitrous oxides (NO_x), particulate matter (PM), volatile organic compounds (VOC), and sulfur dioxide (SO₂). In addition, emissions of HAPs were erroneously reported to exceed the HAPs minor source limit of 25 tons per year for combined HAPs and 10 tons per year for an individual HAP. MKC, therefore, did not submit a true and complete compliance certification, in violation of WAC NR 407.09(1)(c)(3) and 439.03(1)(c) and permit condition I.ZZZ(2)(a)(2).
20. From March 30, 2007, to February 21, 2012, monthly chlorine emissions were calculated using an emission factor of 0.00590 pounds of chlorine emitted per pound of chlorine injected. This factor is 5.8 times lower than the required emissions factor of 0.034 and is a violation of WAC NR 445.04(1) and permit condition I.A(3)(b)(2).
21. From March 30, 2007, to February 21, 2012, the temperature monitoring devices at MKC were calibrated only in October 2009. The equipment should have been calibrated annually. Therefore, MKC is in violation of WAC NR 439.055(4) and permit condition I.A(3)(c)(6).
22. From March 30, 2007, to February 21, 2012, the flow monitoring devices were calibrated only on June 12, 2008, and November 18, 2010. The equipment should have been calibrated annually. Therefore, MKC is in violation of WAC NR 439.055(4) and permit condition I.A(3)(c)(6).
23. From March 30, 2007, to February 21, 2012, the amperage monitoring devices at MKC were not calibrated. The equipment should have been calibrated annually. Therefore, MKC is in violation of WAC NR 439.055(4) and permit condition I.A(3)(c)(6).

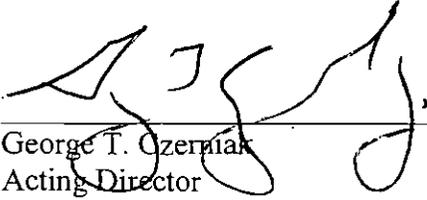
24. From March 30, 2007, to February 21, 2012, monthly HCl emissions were calculated using an emission factor of 0.1825 pounds of HCl emitted per pound of chlorine injected. This factor is 1.12 times lower than the required emissions factor of 0.205 and is a violation of WAC NR 445.04(1) and permit condition I.A(4)(b)(2).
25. MKC does not maintain a sign in the Fair Oaks furnace area stating that no fluxing or demagging practices are allowed in the furnace for alloying purposes. Therefore, MKC is in violation of WAC NR 415.05(1)(g) and 415.05(2)(a)(1), and permit condition I.C(1)(c)(1).
26. From March 30, 2007, to February 21, 2012, MKC did not maintain a record for calibration and maintenance of die lube mixing equipment at the Atwood Building. Therefore, MKC is in violation of WAC NR 439.04(1)(d) and permit condition I.D(1)(c)(1)(b).
27. From March 30, 2007, to February 21, 2012, MKC did not maintain records of the die lube material used, the amount of water added to the mix, and the calculated dilution ratio for operations at the Atwood building. Therefore, MKC is in violation of WAC NR 439.04(1)(d) and permit condition I.D(1)(c)(1)(c).
28. From March 30, 2007, to February 21, 2012, MKC did not maintain a record for calibration and maintenance of die lube mixing equipment at the Fair Oaks Building. Therefore, MKC is in violation of WAC NR 439.04(1)(d) and permit condition I.E(2)(c)(1)(b).
29. From March 30, 2007, to February 21, 2012, MKC did not maintain records of the die lube material used, the amount of water added to the mix, and the calculated dilution ratio for operations at the Fair Oaks building. Therefore, MKC is in violation of WAC NR 439.04(1)(d) and permit condition I.E(2)(c)(1)(c).
30. From March 30, 2007, to February 21, 2012, the recorded ratio of water to die lube used at the Fair Oaks operation dropped below 107 on 73 occasions. These exceedences represent violations of NR 424.03(2)(c) and permit condition I.E(2)(a)(1)(c).
31. From March 30, 2007, to February 21, 2012, MKC did not maintain records of total HAP emissions for a rolling 12-month period. Therefore, MKC is in violation of WAC NR 439.04(1)(d) and permit condition I.G(3)(c)(2)(b).

Environmental Impact of Alleged Violations

32. The alleged violations delineated above have caused or can cause excess emissions of chlorinated compounds, including hydrochloric acid and dioxins. Hydrochloric acid emissions can cause adverse health effects, including chronic health disorders (for example, effects on the central nervous system, blood, and heart) and acute health disorders (for example, irritation of eyes, throat, and mucous membranes and damage to the liver and kidneys). Many studies, including U.S. EPA's reassessment of dioxins, have shown that dioxins can cause cancer and other health problems, including birth defects and liver damage.

Date

9/19/12



George T. Czerniak
Acting Director
Air and Radiation Division

CERTIFICATE OF MAILING

I, Donashia Hamilton certify that I sent a Notice of Violation, No.

EPA-5-12-WI-08, by Certified Mail, Return Receipt Requested, to:

Mr. Robert M. Johnston
President and Chief Operating Officer
Madison-Kipp Corporation
P.O. Box 8043
Madison, Wisconsin 53708-8043

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

Thomas Roushar
South Central District Office
Wisconsin Department of Natural Resources
3911 Fish Hatchery Road
Fitchburg, WI 53711

Bill Baumann, Chief of Compliance & Enforcement
Bureau of Air Management
Wisconsin Department of Natural Resources
PO Box 7921
Madison, WI 53707-7921

On the 7th day of September 2012.

Donashia Hamilton

AECAB, PAS

CERTIFIED MAIL RECEIPT NUMBER: 7009 1680 0000 7069 7132