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

MAR 3 1 2015

REPLY TO THE ATTENTION OF:

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Anthony Koblinski, President
Madison-Kipp Corporation
P.O. Box 8043
Madison, Wisconsin 53708-8043

Re: Administrative Order EPA-5-15-113(a)-WI-04

Dear Mr. Koblinski

Enclosed is an executed original of the Administrative Consent Order regarding the above captioned case. If you have any questions about the Order, please contact me at (312) 886-6797.

Sincerely,

Sara Marshall
Chief
Air Enforcement and Compliance Assurance Section (MI/WI)

cc: Thomas Roushar, Wisconsin Department of Natural Resources
Bill Baumann, Wisconsin Department of Natural Resources

Enclosure:

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5

In the Matter of:	)	**EPA-5-15-113(a)-WI-04**
	)	
Madison-Kipp Corporation	)	**Proceeding Under Sections 113(a)(1) and**
Madison, Wisconsin	)	**114(a)(1) of the Clean Air Act,**
	)	**42 U.S.C. §§ 7413(a)(1) and 7414(a)(1)**
	)	

Administrative Consent Order

1. The Director of the Air and Radiation Division, U.S. Environmental Protection Agency (EPA), Region 5, is issuing this Administrative Consent Order (Order) to Madison-Kipp Corporation (MKC), Madison, Wisconsin, under Sections 113(a)(1) and 114(a)(1) of the Clean Air Act (CAA), 42 U.S.C. §§ 7413(a)(1) and 7414(a)(1).

Statutory and Regulatory Background

2. Section 114 of the CAA, 42 U.S.C. § 7414(a), authorizes the Administrator of EPA to require the submission of information for purposes of determining whether any person is in violation of any such standard or any requirement of such a plan as included as a State Implementation Plan (42 U.S.C. § 7410) or associated with Hazardous Air Pollutants (42 U.S.C. § 7412).

3. Each state must submit to the Administrator of EPA a plan for attaining and maintaining the National Ambient Air Quality Standards under Section 110 of the CAA, 42 U.S.C. § 7410.

4. Under Section 110(a) of the CAA, each SIP must include a permit program, enforceable emission limitations, control measures, and schedules for compliance. Upon EPA's approval of a SIP, the plans become independently enforceable by the federal government, as stated under Section 113(a) of the CAA, 42 U.S.C. § 7413(a).

5. Under Section 113(a)(1) of the CAA, 42 U.S.C. § 7413(a)(1), the Administrator of EPA may issue an order requiring compliance to any person who has violated or is violating a SIP.

6. On January 18, 1995, EPA approved Wisconsin Administrative Code (WAC) NR 407 as part of the federally enforceable SIP for Wisconsin. 60 Fed. Reg. 3538 (January 18, 1995); 40 C.F.R. §§ 52.2570(c)(75) and (76). On April 27, 1995, EPA approved NR 439 and NR 424 as part of the federally enforceable SIP for Wisconsin. 60 Fed. Reg. 20643 (April 27, 1995). On September 16, 2003, EPA approved NR 415.05 as part of the federally enforceable SIP for Wisconsin. 68 Fed. Reg. 54160 (September 16, 2003).

7. "Major Source" is defined in WAC NR 407.02(4)(b) as any source which emits, or has the potential to emit, 100 tons per year or more of any air contaminant subject to regulation under the CAA. As defined in WAC NR 407.02(9), a "Synthetic Minor Source" is generally any stationary source that has its potential to emit limited by federally-enforceable permit conditions so that it is not a Major Source.

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

9. MKC operates an aluminum diecasting facility 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.

10. Pursuant to WAC NR 407.09(1)(c)(3) and 439.03(1)(c), permit condition I.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.

11. Pursuant to permit condition I.A(3)(b)(2), MKC is required 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.

12. Pursuant to WAC NR 439.055(4), permit condition I.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.

13. Pursuant to permit condition I.A(4)(b)(2), MKC is required 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.

14. Pursuant to WAC NR 415.05(1)(g) and 415.05(2)(a)(1), permit condition I.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.

15. Pursuant to WAC NR 439.04(1)(d), permit condition I.D(1)(c)(1)(b) requires MKC to maintain a calibration and maintenance log for die lube mixing equipment at the Atwood Building.

16. Pursuant to WAC NR 439.04(1)(d), permit condition I.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.

17. 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.

18. 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.

19. 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.

20. 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.

Findings of Fact and Alleged Violations

21. MKC owns and operates an aluminum diecasting facility at 201 Waubesa Street, Madison, Wisconsin. The facility comprises operations in two separate buildings: Fair Oaks and Atwood.

22. On February 5, 2012, EPA issued to MKC an Information Request under Section 114 of the CAA. EPA received a partial response on March 26, 2012. On May 14, 2012, EPA issued MKC a second Information Request. EPA received a response on June 26, 2012.

23. 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 (SO_2). 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 true and complete compliance certifications, in violation of WAC NR 407.09(1)(c)(3) and 439.03(1)(c) and permit condition I.ZZZ(2)(a)(2).

24. 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 permit condition I.A(3)(b)(2).

25. 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 violated WAC NR 439.055(4) and permit condition I.A(3)(c)(6).

26. 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 violated WAC NR 439.055(4) and permit condition I.A(3)(c)(6).

27. 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 violated WAC NR 439.055(4) and permit condition I.A(3)(c)(6).

28. 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 permit condition I.A(4)(b)(2).

29. MKC did 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 violated WAC NR 415.05(1)(g) and 415.05(2)(a)(1), and permit condition I.C(1)(c)(1).

30. 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 violated WAC NR 439.04(1)(d) and permit condition I.D(1)(c)(1)(b).

31. 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 violated WAC NR 439.04(1)(d) and permit condition I.D(1)(c)(1)(c).

32. From March 30, 2007, to February 21, 2012, MKC did not maintain records for calibration and maintenance of die lube mixing equipment at the Fair Oaks Building. Therefore, MKC violated WAC NR 439.04(1)(d) and permit condition I.E(2)(c)(1)(b).

33. 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 violated WAC NR 439.04(1)(d) and permit condition I.E(2)(c)(1)(c).

34. 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).

35. 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 violated WAC NR 439.04(1)(d) and permit condition I.G(3)(c)(2)(b).

36. On September 4, 2012, EPA issued to MKC a Notice of Violation (NOV) alleging that MKC violated the provisions of its operating permit and the Wisconsin SIP outlined in paragraphs 23 through 35 of this Order.

37. On November 9, 2012, representatives of MKC and EPA discussed the September 4, 2012, Notice of Violation.

38. At EPA's request, MKC conducted additional emissions testing at the facility on May 10, 16, and 17, 2014, establishing current emissions factors for PM at the Atwood Plant, and for PM, Cl_2, and HCl at the Fair Oaks Plant. MKC provided results from the emissions testing to EPA on June 13, 2014.

Compliance Program

39. By the effective date of this Order, MKC must achieve, demonstrate and maintain compliance with its current operating permit and the Wisconsin SIP at its Madison, Wisconsin, facility.

40. Within 90 days of the effective date of this Order and during the term of this Order, MKC must establish and comply with a system for die lube use, dilution, monitoring, and tracking that complies with existing permit and regulatory requirements, and minimizes actual air emissions. The system must:

a. Operate per the protocols outlined in the "Die Lube Dilution, Tracking, Maintenance, and Calibration Work Instruction," included as

Attachment 1 to this Order, or equivalent protocol(s) approved by the EPA; and

b. Require plant employees to use the Die Lube Ratio Check Sheet included as Attachment 2 to this Order, or an equivalent check sheet approved by the EPA, whenever measuring and diluting die lube.

41. Within three months after the effective date of this order, MKC must apply to WDNR to modify their current operating permit to reflect the newest available emission factors for PM, Cl_2, and HCl.

42. For each of the two six month periods following the effective date of this Order, MKC must prepare and submit a report containing:

a. Monthly chlorine usage at the Fair Oaks furnace, along with records of chlorine purchases and inventory;

b. Calculated monthly emissions for Cl_2, HCl, dioxins and furans, and total HAP;

c. Any calibrations performed for the temperature, flow, and amperage monitoring devices during the time period, as required by existing permit and regulatory requirements;

d. Die lube use, per the system established in paragraph 40 above; and

e. Any permit applications sent to, and draft or final permit issuances received from, the WDNR.

43. The semi-annual reports outlined in paragraph 42, above, must be submitted to EPA within 30 days after the end of the period.

44. MKC must send all reports required by this Order to:

Attention: Compliance Tracker (AE-17J)
Air Enforcement and Compliance Assurance Branch
U.S. Environmental Protection Agency, Region 5
77 W. Jackson Boulevard
Chicago, Illinois 60604

General Provisions

45. This Order does not affect MKC's responsibility to comply with other federal, state and local laws.

46. This Order does not restrict EPA's authority to enforce the Wisconsin SIP or any other section of the CAA.

47. This Order resolves only Respondent's liability for injunctive relief necessary for Respondent to come into compliance related to the violations and facts alleged in this Order and the NOV.

48. Except as provided in paragraph 47, nothing in this Order limits the EPA's authority to seek appropriate relief, including penalties, under Section 113 of the CAA, 42 U.S.C. § 7413, for MKC's violations of the CAA.

49. Failure to comply with this Order may subject MKC to penalties of up to $37,500 per day for each violation under Section 113 of the CAA, 42 U.S.C. § 7413, and 40 C.F.R. Part 19.

50. The terms of this Order are binding on MKC, its assignees and successors. MKC must give notice of this Order to any successors in interest prior to transferring ownership and must simultaneously verify to EPA, at the above address, that it has given the notice.

51. MKC may assert a claim of business confidentiality under 40 C.F.R. Part 2, Subpart B, for any portion of the information it submits to EPA. Information subject to a business confidentiality claim is available to the public only to the extent allowed by 40 C.F.R.

Part 2, Subpart B. If MKC fails to assert a business confidentiality claim, EPA may make all submitted information available, without further notice, to any member of the public who requests it. Emission data provided under Section 114 of the CAA, 42 U.S.C. § 7414, is not entitled to confidential treatment under 40 C.F.R. Part 2, Subpart B. "Emission data" is defined at 40 C.F.R. § 2.301.

52. This order is not subject to the Paperwork Reduction Act, 44 U.S.C. § 3501 *et seq.*, because it seeks collection of information by an agency from specific individuals or entities as part of an administrative action or investigation. To aid in our electronic recordkeeping efforts, please furnish an electronic copy on physical media such as compact disk, flash drive or other similar item. If it is not possible to submit the information electronically, submit the response to this Order without staples; paper clips and binder clips, however, are acceptable.

53. EPA may use any information submitted under this Order in an administrative, civil judicial or criminal action.

54. The parties agree nothing in this Order shall be deemed an admission of fact or issue of law by MKC.

55. Respondent waives any and all remedies, claims for relief and otherwise available rights to judicial or administrative review that Respondent may have with respect to any issue of fact or law set forth in this Order, including any rights of judicial review under Section 307(b)(1) of the CAA, 42 U.S.C. § 7607(b)(1).

56. MKC agrees to the terms of this Order.

57. This Order is effective on the date of signature by the Director of the Air and Radiation Division. This Order will terminate two years from the effective date, provided that MKC has complied with all terms of the Order throughout its duration.

MARCH 27, 2015
Date

Anthony Koblinski
President
Madison-Kipp Corporation

3/31/15
Date

George T. Czerniak
Director
Air and Radiation Division
U.S. Environmental Protection Agency, Region 5

Attachment 1

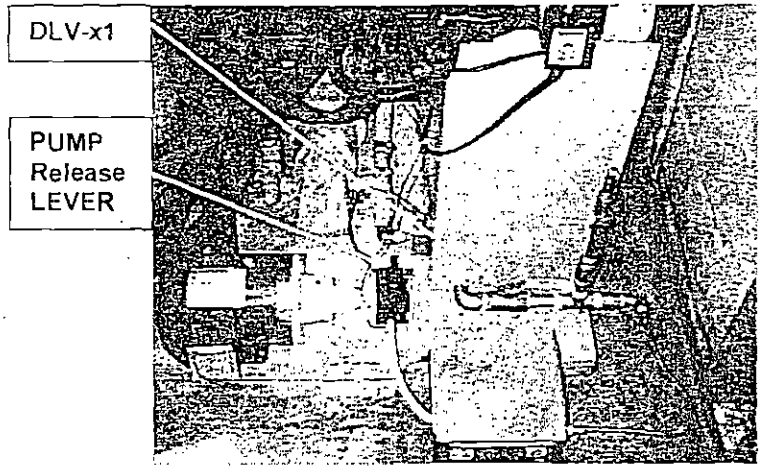
Die Lube Dilution, Tracking, Maintenance,
and Calibration Work Instruction

LEVER

C. To replace the tubing
   1. Turn machine off
   2. Cut 4-5 feet of new "LS-24" pump tubing
   3. Close lube supply valve DLV-(name of the system)1
   4. Lift the release lever and remove old tubing
   5. Install new tubing and place it in the pump
   6. Close the release lever and open lube supply valve DLV-(name of the system)1
   7. Turn machine to auto mode

D. Safety
   1. Only trained personnel can perform this work.
   2. Always perform volumetric ratio test MMI 120.02 after this work instruction.

E. Reference picture for die lube system "E" and "F"



3. *Calibration*

A. Beakers and totes do not need to be calibrated if they have not been modified.
B. Flow Meter Calibration:
During the Volumetric Ratio Test the known volume of water measured from the beaker will be compared to the volume of water recorded through the flow meter. If these two values are within 3% of each other, the flow meter is considered calibrated. This test will be performed at least weekly. If the flow meter is out of calibration, the unit will be replaced or repaired according to manufacturer's instructions.

4. *Maintenance*

V. SCOPE:
Instruct trained personnel how to move or change the tubing in order to operate within set ratio limits.

VI. RESPONSIBILITY:
Production and Maintenance personnel

VII. DEFINITIONS (if applicable):
N/A

VIII. WORK INSTRUCTION:

A. The tubing pump works by pinching a bubble of the lube concentrate in the tubing and propelling it along with the rollers. There is always one of the three rollers in contact with the tubing, which keeps the lube concentrate from siphoning through the tube. The tubing will eventually become squished flat from the rollers and the pump will lose some of its output since the bubble of liquid becomes smaller. This is evident by the lube ratio becoming leaner. When this happens, it is time to move or replace tubing in the pump.

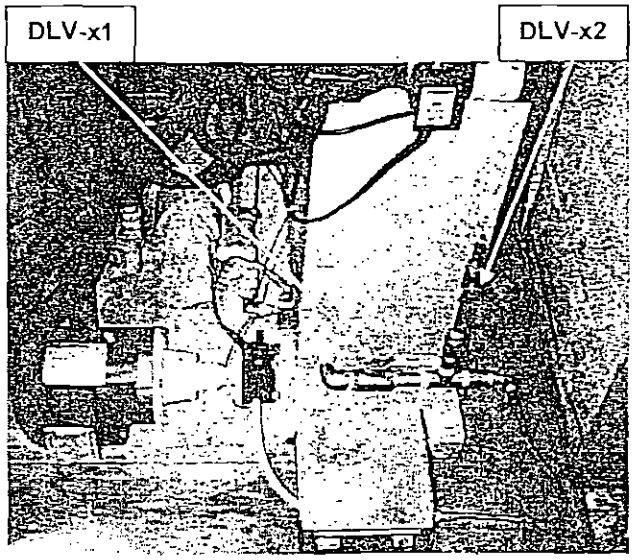
B. To move tubing to a new section
1. Turn machine off
2. Lift pump lever to release the roller bed
3. Slide the tubing 4 inches forward to a new position
4. Close the lever to clamp the tubing in place
5. Turn machine to auto mode

6. While test container is on top of the tank, open lube supply valve DLV-(name of the system)1 to let the rest of the lube back into the tank, then close the test port valve DLV-(name of the system)2.
7. Turn selector switch to auto mode.
8. Enter recorded values into panel view "test ratio" screen for instant result.
9. Compare test result with **five cycle average ratio** Displayed on panel view.

D. **After the test**

1. Lower test container on the floor to let the lube that was left in the container tubing back into container.
2. Disconnect and empty container into the barrel or tote.
3. Rinse container with water and store it in provided enclosure.
4. Check that lube supply valve DLV-(name of the system)1 is open, test port valve DLV-(name of the system)2 is closed and machine is in auto mode.
5. Volumetric ratio test result and panel view average ratio display should be within +/- 5%, if not notify maintenance.

Die lube system "E" and "F"



E. **Safety**

1. Only trained personnel can perform the test.
2. Do not leave unit unattended during the test.

MKC WORK INSTRUCTION	
TITLE: Die Lube Dilution, Tracking, Maintenance and Calibration	DOC #: D-W-08-001-054
OWNER TITLE: Machine Maintenance Supervisor	ORIGINATION DATE: 7/28/10
All hard copies are uncontrolled. Controlled documents are on the Intranet.	Page 1 of 4

Revision Date:	8/22/2014
Revised by:	Alina Walcek
Revision Approved by:	Alina Walcek
Revision Description:	Original

I. SCOPE:

Instruct trained personnel how to perform the die lube ratio test in order to verify actual lube concentrate to water ratio. Instruct trained personnel to track, maintain and calibrate the die lube system.

II. RESPONSIBILITY:

Production and Maintenance

III. DEFINITIONS (if applicable):

N/A

IV. WORK INSTRUCTION:

1. *Changing a Tote of Die Lube*
   A. Record when changing a tote on the Die Lube Ratio Check Sheet. Record the water flow meter. Reset water flow meter once new tote is installed. Record die lube ratio on Die Lube Ratio Check Sheet.

2. *Volumetric Ratio Test*
   A. This test can be used to confirm lube concentrate to water ratio displayed on panel view.

   B. Prepare for the test

      1. Zero metric ruler on tank sight glass to water level.
      2. Connect graduated container to the test port.
      3. Open test port valve DLV-(name of the system)2 and lower the container below the tank level to fill it with 500 milliliters of lube.
      4. Close test port valve DLV-(name of the system)2 and set the container on top of the tank.

   C. To run the test
      1. Turn selector switch from auto to test position.
      2. Close lube supply valve DLV-(name of the system)1, and open test port valve DLV-(name of the system)2.
      3. Make sure the ruler on sight glass is zeroed at the water level.
      4. As soon as ratio test push button is lit, push and hold it until the cycle stops and light goes out.
      5. Record the lube amount and water height used for the test

Attachment 2

Die Lube Ratio Check Sheet

MKC

Plant __________ Die Lube Ratio Check Sheet

Results of 107 and below: Make adjustments, retest. If levels are still low, notify Maintenance.
Make notes in "Comments" section, use back of page if necessary.

Tubing				New Die Lube Tote				Ratio					
Date	Moved	Changed	Clock No.	Date	Water Flow Meter (gal)	Ratio	Clock No.	Date	Daily Ratio (calculated)	5-Cycle Ave (measured)	Calibration (% Difference from flow meter and beaker)	Comments	Clock No.

CERTIFICATE OF MAILING

I, Kathy Jones, certify that I sent the Administrative Consent Order, EPA-5-15-113(a)-WI-04, by certified mail, return receipt requested, to:

Mr. Anthony Koblinski
President
Madison-Kipp Corporation
P.O. Box 8043
Madison, Wisconsin 53708-8043

I also certify that I sent a copy of the Administrative Consent Order, EPA-5-15-113(a)-WI-04, by first-class mail to:

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

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

On the 1st day of April 2015.

for Kathy Jones
Loretta Shaffer, Program Technician
AECAB, PAS

CERTIFIED MAIL RECEIPT NUMBER: 7014 2870 0001 9580 5029