



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

FEB 09 2007

REPLY TO THE ATTENTION OF:

(AE-17J)

**CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

Mr. Paul Curtis
President
Spectro Alloys Corporation
13220 Doyle Path
Rosemount, Minnesota 55068

Re: Finding of Violation

Dear Mr. Curtis:

This is to advise you that the United States Environmental Protection Agency (U.S. EPA) has determined that Spectro Alloys Corporation (Spectro), located at 13220 Doyle Path, Rosemount, Minnesota, is in violation of the Clean Air Act (CAA). A list of the requirements violated is provided below. A Finding of Violation (FOV) for these violations is being issued and is enclosed for your review.

The Section 112 of the CAA requires the Administrator to promulgate regulations establishing emission standards for each category or subcategory of major sources and area sources of hazardous air pollutants. The National Emission Standards for Hazardous Air Pollutants for Secondary Aluminum Production (NESHAP), located at 40 C.F.R. Part 63, Subpart RRR, sets forth a number of requirements for owners and operators of secondary aluminum production facilities, including:

1) Limitations on the quantity of tetra-, penta-, hexa- and octachlorinated dibenzo dioxins and furans (Dioxins/Furans) which can be emitted. This limitation applied to Spectro when the NESHAP became effective on March 24, 2003. The purpose of this limitation is to help protect the public from exposures to a known human carcinogen.

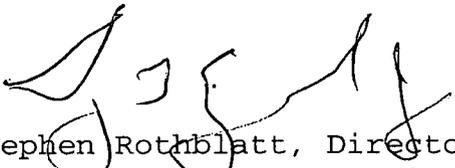
2) Annual inspections of the facility's afterburner(s) must be performed and the results documented and retained as a record. This requirement of the NESHAP became effective on March 24, 2003. The purpose of these inspections is to insure that the afterburner(s) are in proper working order to control emissions of Dioxin/Furans and volatile organic compounds (VOCs).

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 action, and bringing a judicial criminal action. The option we select, in part, depends on the efforts taken by Spectro to correct the alleged violations and the timeframe in which you can demonstrate and maintain continuous compliance with the requirements cited in the FOV.

Before we decide which enforcement option is appropriate, we are offering you the opportunity to request a conference with us about the violations alleged in the FOV. This conference will provide you a chance to present information on the identified violations, 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 take part in these discussions. You may have an attorney represent and accompany you at this conference.

The U.S. EPA contact in this matter is Charmagne Ackerman. You may call her at (312) 886-0448 if you wish to request a conference. U.S. EPA hopes that this FOV will encourage Spectro's compliance with the requirements of the Clean Air Act.

Sincerely yours,


Stephen Rothblatt, Director
Air and Radiation Division

Enclosure

cc: Ann Foss, Enforcement Manager
Environmental Control
Minnesota Pollution Control Agency

United States Environmental Protection Agency
Region 5

IN THE MATTER OF:)	
)	
Spectro Alloys Corporation)	FINDING OF VIOLATION
Rosemount, Minnesota)	
)	EPA-5-07-MN-06
)	
Proceedings Pursuant to)	
the Clean Air Act,)	
42 U.S.C. §§ 7401 et seq.)	

FINDING OF VIOLATION

Spectro Alloys Corporation (you or Spectro) owns and operates two group 1 furnaces (furnaces 1 and 3). These group 1 furnaces use a chlorine flux to reduce the amount of magnesium in the product. The two group 1 furnaces are vented to a single control device.

U.S. EPA is sending this Finding of Violation (FOV) to you for exceeding the emission limits for dioxin/furans from group 1 furnaces, as specified in the National Emission Standards for Hazardous Air Pollutants for Secondary Aluminum Production (Secondary Aluminum Production NESHAP). The underlying statutory and regulatory requirements include provisions of the Clean Air Act (the Act or CAA) and its implementing regulations.

U.S. EPA Region 5 is providing you with the opportunity to request a conference with us to discuss the violations alleged in the FOV. This conference will provide you a chance to present information on the identified violations, any efforts you have taken to comply, and the steps you will take to prevent future violations. Please plan for the Facility's technical and management personnel to take part in these discussions. You may have an attorney represent and accompany you at this conference.

Explanation of Violations

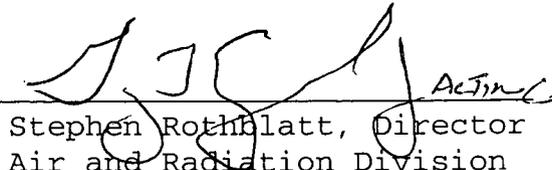
1. The regulatory and facility requirements relevant to this FOV are as follows:
 - a. Under Section 112(d) of the Act, the Administrator of the U.S. EPA promulgated the Secondary Aluminum Production NESHAP at 40 C.F.R. §§ 63.1500 et seq.
 - b. The Secondary Aluminum Production NESHAP applies to the owner or operator of each secondary aluminum production facility.
 - c. The Secondary Aluminum Production NESHAP at 40 C.F.R. § 63.1505 (i)(3), states that the owner or operator of a group 1 furnace must meet the following emission standards: 15 μg of D/F TEQ per Mg (2.1×10^{-4} gr of D/F TEQ per ton).
 - d. The Secondary Aluminum Production NESHAP at 40 C.F.R. § 63.1517 (b)(2)(ii), states that the owner or operator of a new or existing affected source (including an emission unit in a secondary aluminum processing unit) must maintain records of annual afterburner inspections.
2. Results of a stack test submitted to U.S. EPA in October 2006 reported that the emission rate for dioxin/furans from Furnaces 1 and 3 was 0.00050 gr of D/F TEQ per ton. U.S. EPA has determined that Furnaces 1 and 3 emissions exceeded the emission limits identified in Paragraph 1, above.
3. Based on the evaluation of the response to a CAA § 114 information request submitted to U.S. EPA in December 2006, U.S. EPA has determined that the afterburner inspection records for 2003, 2004, 2005, and 2006, were not maintained as required in Paragraph 1.d., above.
4. Spectro's exceedance of the emission rate for dioxin/furans constitutes a violation of 40 C.F.R. § 63.1505(i)(3) and Section 112 of the Act, 42 U.S.C. § 7412.
5. Spectro's failure to maintain records of afterburner inspections constitutes a violation of 40 C.F.R.

§ 63.1517 (b)(2)(ii) and Section 112 of the Act, 42
U.S.C. § 7412.

Environmental Impact of Violations

6. Violation of dioxin/furan standards increases public exposure to dioxin/furan, which bioaccumulate in the body and are anticipated to increase the risk of cancer.

2/9/07
Date


Stephen Rothblatt, Director
Air and Radiation Division

CERTIFICATE OF MAILING

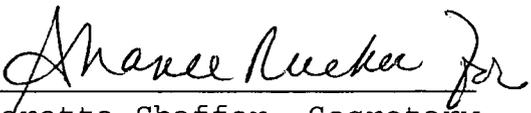
I, Loretta Shaffer, certify that I sent a Finding of Violation, No. EPA-5-07-MN-06, by Certified Mail, Return Receipt Requested, to:

Paul Curtis, President
Spectro Alloys Corporation
13220 Doyle Path
Rosemount, Minnesota 55068

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

Ann Foss, Enforcement Manager
Environmental Control
Minnesota Pollution Control Agency
520 Lafayette Road
St. Paul, Minnesota 55155-4194

on the 12th day of February, 2007.


Loretta Shaffer, Secretary
AECAS (MN/OH)

CERTIFIED MAIL RECEIPT NUMBER: 7001 0320 000601988737