



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

AUG 08 2013

REPLY TO THE ATTENTION OF:

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Michael A. Schumann
Registered Agent
I Schumann & Co. LLC
22500 Alexander Road, 44146
Bedford, Ohio 44146

Re: Notice of Violation and Finding of Violation under 42 U.S.C. § 7413(a)(1) and (a)(3)

Dear Mr. Schumann:

The U.S. Environmental Protection Agency is issuing the enclosed Notice of Violation and Finding of Violation (NOV/FOV) to I Schumann & Co. LLC (Schumann or the company) for violations of the Clean Air Act (the Act) identified at the facility located at 22500 Alexander Road, Bedford, Ohio 44146 (Facility). The NOV/FOV is issued in accordance with Sections 113(a)(1) and 113(a)(3) of the Act, 42 U.S.C. § 7413(a)(1) and (a)(3).

As explained in the NOV/FOV, the EPA finds that Schumann violated the Act, its implementing regulations, and permits at the Facility. Section 113 of the Act, 42 U.S.C. § 7413, gives us several enforcement options to resolve these violations, including: issuing an administrative compliance order; issuing an administrative penalty order; and bringing a judicial civil action.

We are offering Schumann the opportunity to request a conference with us about the violations alleged in the NOV/FOV. A conference should be requested within 10 days following receipt of this notice. A conference should be held within 30 days following receipt of this notice. This conference will provide the company with a chance to present information on the identified violations, any efforts the company has taken to comply, and the steps it will take to prevent future violations. Please plan for the company's technical and management personnel to take part in these discussions. Schumann may have an attorney at this conference.

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5

IN THE MATTER OF:)

I Schumann & Co. LLC)
Bedford, Ohio)

) Proceeding Pursuant to the Clean Air Act,
42 U.S.C. §§ 7401-7671q

)
) EPA-5-13-OH-08
)
)
)

NOTICE AND FINDING OF VIOLATION

The U.S. Environmental Protection Agency is issuing this Notice of Violation and Finding of Violation (NOV/FOV) to I Schumann & Co. LLC (I Schumann or you) to notify you that we have found violations of the Clean Air Act, 42 U.S.C. §§ 7401-7671q (CAA or the Act), its implementing regulations, and federally enforceable permits at the facility located at 22500 Alexander Road, Bedford, Ohio (Facility). The relevant statutory and regulatory background; factual background, notice and finding of violations, and environmental impact of these violations are set forth in detail below.

This NOV/FOV is issued in accordance with Sections 113(a)(1) and (a)(3) of the Act, 42 U.S.C. § 7413(a)(1) and (a)(3), which authorize the Administrator to take certain enforcement actions after notifying a person that it is in violation of the Act. The authority to issue this NOV/FOV has been delegated by the Administrator to the Regional Administrator and re-delegated to the Director of the Air and Radiation Division for Region 5 of the EPA.

Relevant Statutory and Regulatory Background

National Emission Standards for Hazardous Air Pollutants

1. Section 112 of the Act, 42 U.S.C. § 7412(c), requires the EPA to promulgate a list of all categories and subcategories of new and existing "major sources" of hazardous air pollutants (HAP), and establish emissions standards for the categories and subcategories. These emission standards are known as the National Emission Standards for Hazardous Air Pollutants (NESHAP). The EPA codified these standards at 40 C.F.R. Parts 61 and 63.
2. 40 C.F.R. Part 63, Subpart A, contains the general provisions for the NESHAP.
3. "Major source" is defined as "any stationary source or group of stationary sources located within a contiguous area and under common control that emits or has the potential to emit considering controls, in the aggregate, 10 tons per year or more of any hazardous air pollutant or 25 tons per year or more of any combination of hazardous air pollutants." 42 U.S.C. § 7412(a)(1).

4. "Area source" is defined as "any stationary source of hazardous air pollutants that is not a major source." 42 U.S.C. § 7412(a)(2).
5. "Stationary source" is defined as "any building, structure, facility, or installation, which emits or may emit any air pollutant." 42 U.S.C. § 7411(a)(3).
6. "Hazardous air pollutant" is defined as "any air pollutant listed in or pursuant to" Section 112(b) of the Act. 42 U.S.C. § 7412(a)(6).
7. Section 112(i)(3) of the Act, 42 U.S.C. § 7412(i)(3), prohibits any person subject to a NESHAP from operating a source in violation of a NESHAP after its effective date. *See also* 40 C.F.R. §§ 61.05 and § 63.4.

The NESHAP for Secondary Nonferrous Metal Processing Area Sources

8. Pursuant to Section 112 of the Act, the EPA promulgated the NESHAP for Secondary Nonferrous Metal Processing Area Sources 40 C.F.R. Part 63, Subpart TTTTTT, 40 C.F.R. §§ 63.11462 - 63.11474, on December 26, 2007. 72 Fed. Reg. 73207.
9. The NESHAP at 40 C.F.R. Part 63, Subpart TTTTTT, applies to the owner or operator of a secondary nonferrous metals processing facility that is an area source of HAP emissions. 40 C.F.R. § 63.11462(a).
10. 40 C.F.R. § 63.11463(a) provides that this subpart applies to any existing or new affected source located at a secondary nonferrous metals processing facility.
11. 40 C.F.R. § 63.11463(b) provides that the affected source includes all crushing and screening operations at a secondary zinc processing facility and all furnace melting operations located at any secondary nonferrous metals processing facilities.
12. 40 C.F.R. § 63.11472 defines "furnace melting operation" as the collection of processes used to charge post-consumer nonferrous scrap material to a furnace, melt the material, and transfer the molten material to a forming medium.
13. 40 C.F.R. § 63.11472 defines "secondary nonferrous metals processing facility" as a brass and bronze ingot making, secondary magnesium processing, or secondary zinc processing plant that uses furnace melting operations to melt post-consumer nonferrous metal scrap to make products including bars, ingots, blocks, or metal powders.
14. 40 C.F.R. § 63.11463(c) states that an affected source is existing if you commenced construction or reconstruction of the affected source on or before September 20, 2007.
15. 40 C.F.R. § 63.11463(d) states that an affected source is new if you commenced construction or reconstruction of the affected source after September 20, 2007.
16. 40 C.F.R. § 63.11464(a) provides that the compliance date for an existing affected source is December 26, 2007.

17. 40 C.F.R. § 63.11464(b)(2) provides that the compliance date for a new affected source started after December 26, 2007, is at startup.
18. 40 C.F.R. § 63.11465(a) states that you must route the emissions from each existing affected source through a fabric filter or baghouse that achieves a particulate matter (PM) control efficiency of at least 99.0 percent or an outlet PM concentration limit of 0.034 grams per dry standard cubic meter (g/dscm)(0.015 grains per dry standard cubic feet (gr/dscf)).
19. 40 C.F.R. § 63.11466(a) states that if you own or operate an existing or new affected source, you must conduct a performance test for each affected source within 180 days of your compliance date and report the results in your Notification of Compliance Status.
20. 40 C.F.R. § 63.11466(b) states that if you own or operate an existing affected source, you are not required to conduct a performance test if a prior performance test was conducted within the past 5 years of the compliance date using the same methods.
21. 40 C.F.R. § 63.11467(a) provides that you must demonstrate initial compliance with the applicable standards in § 63.11465 by submitting a Notification of Compliance Status.
22. 40 C.F.R. § 63.11467(b) requires that you conduct a baghouse inspection specified in 40 C.F.R. § 63.11467(c) and include the results of the inspection in the Notification of Compliance Status.
23. 40 C.F.R. § 63.11467(g) states that if you own or operate an existing affected source and are required to conduct a performance test under § 63.11466, you must submit the Notification of Compliance Status within 60 days after completing the performance test.
24. 40 C.F.R. § 63.11469(a) states that you must submit the Initial Notification required by § 63.9(b)(2) no later than 120 days after the applicable compliance date specified in § 63.11464. The Initial Notification must include the information specified in § 63.9(b)(2)(i) through (iv) and may be combined with the Notification of Compliance Status required in § 63.11467 and 40 C.F.R. § 63.11469(b) if you choose to submit both notifications within 120 days.
25. 40 C.F.R. § 63.11468(c) states that for each new affected source, you must install, operate, and maintain a bag leak detection system.

Federally Enforceable State Operating Permit Program

26. EPA promulgated approval of the Ohio Federally Enforceable State Operating Program (FESOP) on October 30, 1995. 60 Fed. Reg. 55200. Ohio's FESOP program became effective on December 29, 1995.
27. FESOP permits are described as a Federally Enforceable Permits-to-Install and Operate (FEPTIO) by the Ohio Environmental Protection Agency (Ohio EPA).

FEPTIO Requirements

28. The Ohio EPA issued a Permit-to-Install and Operate, No.: 13-04754, to the Facility on September 16, 2008 (September 2008 FEPTIO Permit). This permit allowed I Schumann to replace the existing electric induction furnaces (EIFs) with new EIFs (Furnace No. 1 and Furnace No. 2).
29. Ohio EPA issued a Permit-to-Install and Operate, No.: P0105751, to the Facility on December 15, 2010 (December 2010 FEPTIO Permit No. 1).
30. Condition C.1.f)(1)a. of the December 2010 FEPTIO Permit No. 1 provides that for emission unit P009, Electric Induction Furnace No. 1, and emission unit P010, Electric Induction Furnace No. 2, vented to Baghouse No. 1, compliance with the emission limitation shall be demonstrated through emission testing, and shall be determined based on the stack test results for this baghouse using the $gr/dscf$ multiplied by the corresponding $dscf$ air flow contribution to the baghouse from each emissions unit to determine the lb/hr emission rate or alternatively, compliance may be determined by summing the allowable emission limits for all of the emissions units that are operating during the stack test and compare to the total lb/hr stack test result(s).
31. Ohio EPA issued an amended Permit-to-Install and Operate, No.: P0095703, to the Facility on December 15, 2010 (December 2010 FEPTIO Permit No. 2).
32. Condition C.1.b)(2)b.i. of the December 2010 FEPTIO Permit No. 2 provides that for the emission unit P003, Rotary Melting Furnace No. 3, the installation and use of hoods, fans, and/or other equipment to adequately enclose, contain, capture, vent, and control fugitive dust from this emissions unit shall meet the following requirement: the collection efficiency shall be sufficient to minimize or eliminate visible emissions of fugitive dust at the point(s) of capture to the extent possible with good engineering design.
33. Condition C.1.f)(2)b. of the December 2010 FEPTIO Permit No. 2 provides that for the emission unit P003, Rotary Melting Furnace No. 3, emission testing shall be conducted on Baghouses No. 2 and No. 3 to demonstrate compliance with the allowable mass emission rate(s) for particulates and opacity in the appropriate averaging period(s).
34. Ohio EPA issued a Permit-to-Install and Operate, No.: P0108039, to the Facility on May 12, 2011 (May 2011 FEPTIO Permit).
35. Condition C.1.f)(2)b. of the May 2011 FEPTIO Permit states that for the emission unit P004, Rotary Melting Furnace No. 4, emission testing shall be conducted on Baghouses No. 3 and No. 4 to demonstrate compliance with the allowable mass emission rate(s) for particulates, opacity, and lead emissions in the appropriate averaging period(s).
36. Condition C.2.f)(2)b. of the May 2011 FEPTIO Permit provides that for the emission unit P005, Rotary Melting Furnace No. 5, emission testing shall be conducted on Baghouses No. 1 and No. 3 to demonstrate compliance with the allowable mass emission rate(s) for particulates, opacity, and lead emissions in the appropriate averaging period(s).

37. Condition C.3.f)(2)b. of the May 2011 FEPTIO Permit provides that for the emission unit P006, Rotary Melting Furnace No. 6, emission testing shall be conducted on Baghouses No. 1, No. 2, and No. 3 to demonstrate compliance with the allowable mass emission rate(s) for particulates, opacity, and lead emissions in the appropriate averaging period(s).
38. Condition C.4.b)(2)b.i. of the May 2011 FEPTIO Permit provides that for the emission unit P008, Rotary Melting Furnace No. 7, the installation and use of hoods, fans, and/or other equipment to adequately enclose, contain, capture, vent, and control fugitive dust from this emissions unit shall meet the following requirement: the collection efficiency shall be sufficient to minimize or eliminate visible emissions of fugitive dust at the point(s) of capture to the extent possible with good engineering design.
39. Condition C.4.f)(3)b. of the May 2011 FEPTIO Permit provides that for the emission unit P008, Rotary Melting Furnace No. 7, emission testing shall be conducted on Baghouses No. 2, No. 3, and No. 4 to demonstrate compliance with the allowable mass emission rate(s) for particulates, opacity, and lead emissions in the appropriate averaging period(s).

Relevant Factual Background

40. I Schumann owns and operates the Facility located at 22500 Alexander Road, Bedford, Ohio.
41. The Facility produces brass and bronze ingots.
42. The Facility is a "secondary nonferrous metals processing facility."
43. The Facility is an area source of HAPs.
44. The Facility is subject to the requirements of 40 C.F.R. Part 63, Subpart TTTTTT and certain General Provisions at 40 C.F.R. §§ 63.1 through 63.15.
45. The Facility has two EIFs (Furnaces No. 1 and No. 2) and five rotary furnaces (Furnaces No. 3, No. 4, No. 5, No. 6, and No. 7).
46. Furnaces No. 1 through No. 7 are furnace melting operations.
47. Furnaces No. 3 through No. 7 are existing affected sources.
48. Furnaces No. 1 and No. 2 were replaced after Ohio EPA issued the September 2008 FEPTIO.
49. Furnaces No. 1 and No. 2 are new affected sources.
50. On April 9, 2013, the EPA conducted an inspection at the Facility (EPA Inspection).
51. During the EPA Inspection, EPA inspectors observed uncaptured emissions (or fugitive emissions as defined by the Ohio SIP) at Furnaces No. 3 and No. 7.

52. I Schumann submitted an Initial Notification and Notice of Compliance Status Letter dated July 2, 2009 (Combined Notification).
53. I Schumann failed to include the results of a baghouse inspection in the Combined Notification.
54. I Schumann failed to include the results of performance tests in the Combined Notification.
55. In the Combined Notification, I Schumann stated that the Baghouse No. 1 stack test was performed on March 27, 2009, Baghouse No. 2 and Baghouse No. 3 stack tests were performed in 1985, and Baghouse No. 4 stack test was performed in May 2005.
56. In the Combined Notification, I Schumann stated that plans for installing a bag leak detection system on Baghouse No. 1 were underway. During the EPA Inspection, EPA inspectors were told that I Schumann only monitors pressure drop, once per shift, at Baghouse No. 1 through No. 4.
57. I Schumann completed a performance test for Lead and PM at the baghouse controlling emission units P005, P006, P009, and P010 in March 2009.
58. I Schumann sent Ohio EPA a letter dated March 27, 2013 with proposed stack testing dates of April 30 and May 1, 2013 for Baghouse No. 1 and No. 2 and July 30 - 31, 2013 for Baghouse No. 3 and No. 4 and attached four Intent to Test Notifications.
59. The Intent to Test Notifications state that I Schumann proposed to test each baghouse independently and run all the units connected to each control device simultaneously.

60. The following table summarizes inconsistencies in the information regarding baghouse and furnace configurations at the Facility. This information was obtained from the diagram and the chart provided in the 2013 Intent to Test Notifications and the performance testing requirements identified in the permits:

		Baghouse No.		
		Intent to Test Notification		FEPTIO
		Diagram	Chart	Performance Testing Requirement
Induction	Furnace No. 1 (P009)	2	2	1 ¹
	Furnace No. 2 (P010)	2	2	1 ¹
Rotary	Furnace No. 3 (P003)	3	3	2,3 ²
	Furnace No. 4 (P004)	4	4	3,4 ³
	Furnace No. 5 (P005)	1,3	1,3	1,3 ³
	Furnace No. 6 (P006)	1,3,4	1,4	1,2,3 ³
	Furnace No. 7 (P008)	3,4	3,4	2,3,4 ³

- Notes: 1. Information from December 2010 FEPTIO Permit No. 1
 2. Information from December 2010 FEPTIO Permit No. 2
 3. Information from May 2011 FEPTIO Permit

Notice and Finding of Violations

Violations of the NESHAP for Secondary Nonferrous Metal Processing Area Sources

61. I Schumann failed to route the emissions from each existing affected source through a fabric filter, as demonstrated by the visible emissions escaping hoods during the EPA Inspection, in violation of 40 C.F.R. § 63.11465(a).
62. In the Combined Notification, I Schumann relied on a performance test performed more than 180 days after the compliance date, in violation of 40 C.F.R. § 63.11466(a).
63. In the Combined Notification, I Schumann relied on the March 2009 performance test that failed to separately quantify emissions from the two new affected sources (Furnace No. 1 and Furnace No. 2) in violation of 40 C.F.R. § 63.11466(a).
64. I Schumann failed to include the results of performance tests, required by 40 C.F.R. § 63.11466(a), in the Combined Notification.

65. In the Combined Notification, I Schumann relied on performance tests performed more than five years before the compliance date, in violation of 40 C.F.R. § 63.11466(b).
66. I Schumann failed to include the results of a baghouse inspection, required by 40 C.F.R. § 63.11467(c), in the Combined Notification, in violation 40 C.F.R. § 63.11467(b).
67. I Schumann failed to submit the Combined Notification within 60 days after completing the performance test, in violation of 40 C.F.R. § 63.11467(g).
68. I Schumann failed to install, operate, and maintain bag leak detection systems at the Facility, in violation of 40 C.F.R. § 63.11468(c).
69. I Schumann failed to submit the Combined Notification within 120 days after the applicable compliance date, in violation of 40 C.F.R. § 63.11469(a).

Violations of FEPTIOs

70. I Schumann failed to adequately enclose, contain, capture, vent, and control fugitive dust from emission unit P003, Rotary Melting Furnace No. 3, in violation of Condition C.1.b)(2)b.i. of the December 2010 FEPTIO Permit No. 2 during the EPA Inspection.
71. I Schumann failed to adequately enclose, contain, capture, vent, and control fugitive dust from emission unit P008, Rotary Melting Furnace No. 7, in violation of Condition C.4.b)(2)b.i. of the May 2011 FEPTIO Permit during the EPA Inspection.
72. I Schumann failed to demonstrate compliance with emission limits at Furnace No. 1 (P009) and Furnace No. 2 (P010) in accordance with Condition C.1.f)(1)a. of the December 2010 FEPTIO Permit No. 1 during performance tests in 2013.
73. I Schumann failed to demonstrate compliance with emission limits at Furnace No. 3 (P003) in accordance with Condition C.1.f)(2)b. of the December 2010 FEPTIO Permit No. 2 during performance tests in 2013.
74. I Schumann failed to demonstrate compliance with emission limits at Furnace No. 4 (P004) in accordance with Condition C.1.f)(2)b. of the May 2011 FEPTIO Permit during performance tests in 2013.
75. I Schumann failed to demonstrate compliance with emission limits at Furnace No. 5 (P005) in accordance with Condition C.2.f)(2)b. of the May 2011 FEPTIO Permit during performance tests in 2013.
76. I Schumann failed to demonstrate compliance with emission limits at Furnace No. 6 (P006) in accordance with Condition C.3.f)(2)b. of the May 2011 FEPTIO Permit during performance tests in 2013.

77. I. Schumann failed to demonstrate compliance with emission limits at Furnace No. 7 (P008) in accordance with Condition C.4.f)(2)b. of the May 2011 FEPTIO Permit during performance tests in 2013.

Environmental Impact of Violations

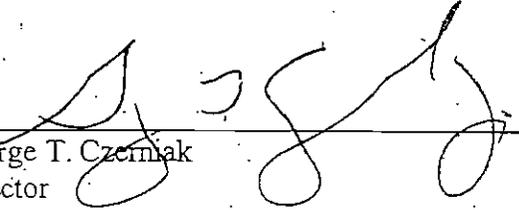
78. These violations have caused excess emissions of PM. PM, especially fine particulates, contains microscopic solids or liquid droplets, which can get deep into the lungs and cause serious health problems. PM exposure contributes to:

- irritation of the airways, coughing, and difficulty breathing;
- decreased lung function;
- aggravated asthma;
- chronic bronchitis;
- irregular heartbeat;
- nonfatal heart attacks; and
- premature death in people with heart or lung disease.

79. The violations of the above-referenced NESHAP resulted in increased emissions of metal HAPs, including arsenic, chromium, lead, manganese, and nickel. Lead can affect almost every organ in the body, but is most detrimental to the nervous system. In children, low levels of lead in the blood can result in permanent damage to the brain and nervous system, leading to behavior and learning problems, lower IQ, hearing problems, slowed growth, and anemia. In adults, lead has nervous system effects, cardiovascular effects, and causes decreased kidney function. Lead can also lead to reproductive problems for both men and women and has resulted in serious effect on pregnancy and developing fetuses for women.

8/8/13

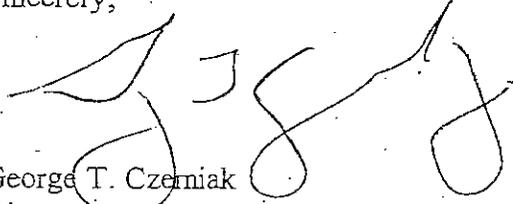
Date



George T. Czerniak
Director
Air and Radiation Division

The EPA contact in this matter is Dakota Prentice. A company representative may call him at 312.886.6761 or email him at prentice.dakota@epa.gov to request a conference. The EPA hopes that this NOV/FOV will encourage Schumann's compliance with the requirements of the Act.

Sincerely,

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

George T. Czerniak
Director
Air and Radiation Division

Enclosure

cc: Mark Budge
Ohio EPA NW District
Division of Air Pollution Control

CERTIFICATE OF MAILING

I, Loretta Shaffer, certify that I sent a Notice and Finding of Violation, No. EPA-5-12-OH-08 by Certified Mail, Return Receipt Requested, to:

Michael A. Schumann
Registered Agent
I Schumann & Co. LLC
22500 Alexander Road
Bedford, Ohio 44146

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

Mark Budge
Ohio EPA NW District
Division of Air Pollution Control
347 N. Dunbridge Road
Bowling Green, Ohio 43402

On the 9th day of AUGUST 2013.

CERTIFIED MAIL RECEIPT NUMBER:

7009 1680 0000 7672 8904