



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

JAN 25 2008

REPLY TO THE ATTENTION OF
(AE-17J)

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mark Taylor, Vice President
GFX International, Inc.
333 Barron Blvd.
Grayslake, IL 60030

Re: Notice and Finding of Violation
GFX International, Inc.
Grayslake, IL

Dear Mr. Taylor:

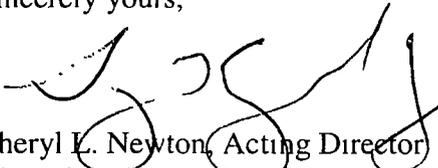
The U.S. Environmental Protection Agency is issuing the enclosed Notice and Finding of Violation (NOV/FOV) to GFX International, Inc. (GFX or you) under Section 113(a)(1) of the Clean Air Act (CAA), 42 U.S.C. § 7413(a)(1). We find that you are violating Title V of the Clean Air Act, the requirements for Control Technology Determinations for Major Sources under Section 112 (g) of the CAA, and the Illinois State Implementation Plan, at your Grayslake, Illinois facility.

Section 113 of the CAA gives us several enforcement options. These options include issuing an administrative compliance order, issuing an administrative penalty order, and 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.

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 Natalie Topinka. You may call her at (312) 886-3853 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 yours,

 F-12
Cheryl L. Newton, Acting Director
Air and Radiation Division

cc: Ray Pilapil, Manager
Compliance and Enforcement Section
Illinois Environmental Protection Agency

4. On March 7, 1995, EPA gave Illinois' Clean Air Act Permit Program interim approval as a 40 C.F.R. Part 70 permit program. 60 Fed. Reg. 12478. The program was granted full approval effective November 30, 2001. 40 C.F.R. Part 70, Appendix A.
5. Title V of the CAA, 40 C.F.R Part 70 applies to any major stationary source that emits or has the potential to emit 10 tons per year (tpy) or more of any hazardous air pollutant (HAP).

Nonattainment New Source Review (NSR)

6. Section 110(a)(2)(I) of the Act requires that each (SIP) must meet the applicable requirements of Part D of the Act.
7. Section 173(a)(4) of the Act prohibits the issuance of a construction permit in a nonattainment area if the applicable implementation plan is not being adequately implemented.
8. On April 4, 1979, EPA prohibited construction of major sources within nonattainment areas if, after June 30, 1979, the state SIP did not satisfy the requirements of Part D of the Act. This construction ban continued until after the state SIP met Part D requirements. 44 Fed. Reg. 20372, 20373.
9. On December 17, 1992, EPA approved the incorporation of the Illinois nonattainment NSR rules, 35 Illinois Administrative Code Part 203, into the Illinois SIP. 57 Fed. Reg. 59928 (effective February 16, 1993). On September 27, 1995, EPA approved a revision to the Illinois nonattainment NSR rule as part of the SIP. 60 Fed. Reg. 49778 (effective October 27, 1995).
10. The Illinois SIP prohibits the construction of a new major stationary source that is major for a pollutant for which the area is designated as a nonattainment area without first, among other things, obtaining a permit, offsetting emissions and achieving Lowest Achievable Emission Rate in accordance with 35 Ill. Admin. Code Part 203.
11. 35 IL Admin. Code Part 203.206 defines a major stationary source as a stationary source which emits or has the potential to emit volatile organic material (VOM) in an amount equal to or greater than 25 tons per year in an area classified as severe nonattainment for ozone.
12. On or about September of 1999, Lake County was in an area designated as severe nonattainment for the National Ambient Air Quality Standards (NAAQS) for ozone. 40 C.F.R. § 81.314. 70 FR 55545, 55549.

IL SIP Part 218 - Organic Material Emission Standards and
Limitations for the Chicago Area - Subpart G

13. Under Section 110 of the Act, 42 U.S.C. § 7410, each state must submit to the Administrator of EPA a plan which provides for implementation, maintenance and enforcement of the NAAQS promulgated under Section 109 of the Act, 42 U.S.C. § 7409.
14. On September 9, 1994, EPA approved 35 Ill. Admin. Code Part 218, as part of the federally enforceable SIP for Illinois. 59 Fed. Reg. 46562 (effective October 11, 1994).
15. 35 Ill. Admin. Code § 218.301 states that no person shall cause or allow the discharge of more than 3.6 kg/hr (8 lbs/hr) of organic material into the atmosphere from any uncontrolled emission unit, except if no odor nuisance exists the limitation of this Subpart shall apply only to photochemically reactive material.

CAA Sec 112 (g) - Hazardous Air Pollutants

16. CAA Section 112 (g) (2) (B) states, "After the effective date of a permit program under Title V in any State, no person may construct or reconstruct any major source of hazardous air pollutants, unless the Administrator (or the State) determines that the maximum achievable control technology emission limitation under this section for new sources will be met. Such determination shall be made on a case-by-case basis where no applicable emission limitations have been established by the Administrator."
17. 40 CFR § 63.41 defines the *Effective date of section 112(g)(2)(B) in a State or local jurisdiction* as the effective date specified by the permitting authority at the time the permitting authority adopts a program to implement section 112(g) with respect to construction or reconstruction or major sources of HAP, or June 29, 1998, whichever is earlier.

Emissions Reduction Market System (ERMS)

18. On October 12, 2001, U.S. EPA approved 35 Ill. Admin. Code § 205, Emissions Reduction Market System (ERMS) with an effective date of November 14, 2001, as part of the federally enforceable SIP for Illinois. This rule establishes a trading program for major sources of VOC emissions. 66 Fed. Reg. 52359.
19. 35 Ill. Admin. Code § 205.210 states that any source not operating prior to May 1, 1999, located in the Chicago ozone nonattainment area, is considered a new participating source if the source emits or has the potential to emit 25 tons per year or more of VOM or is required to obtain a CAAPP permit; and has or will have seasonal emissions of at least 10 tons of VOM.

20. 35 Ill. Admin. Code § 205.210(b) states that each new participating source shall hold Allotment Trading Units, as specified in Section 205.150(d) of this Part.

GFX Facility

21. GFX operates a commercial printing facility at 333 Barron Blvd., Grayslake, IL.
22. Pursuant to a telephoned citizen complaint of odor from GFX, EPA conducted an inspection of the facility on November 6, 2007.
23. GFX uses a wash-up solvent (Hydrite Blend 4400) to cleanse printing screens and wipe up excess ink.
24. During the November 6, 2007, inspection, EPA obtained purchase orders from 2006 and the MSDS for Hydrite Blend 4400 in order to calculate actual and potential emissions of VOM and HAPs.
25. EPA calculated actual and potential VOM emissions to be 28.2 tpy and 51.3 tpy, respectively, and actual and potential HAP (toluene) emissions to be 16.9 tpy and 30.8 tpy, respectively.
26. EPA calculated actual hourly VOM emissions to be 11.71 lbs/hr.

Violations

27. GFX failed to obtain a state operating permit upon startup of their Grayslake, IL facility in September of 1999 in accordance with 35 Ill. Admin. Code § 201.143.
28. VOM emissions from GFX's wash-up solvent (Hydrite Blend 4400) exceed 8 lbs per hour and are therefore in violation of Subpart G of Part 218 in the Illinois SIP. 35 Ill. Admin. Code § 218.301.
29. Actual and potential emissions from GFX's wash-up solvent (Hydrite Blend 4400) exceed 10 tons per year of toluene, a regulated HAP. This classifies GFX as a "major source," requiring a Title V permit.
30. GFX failed to obtain a Title V permit upon startup of their Grayslake, IL facility in September of 1999 in accordance with 40 C.F.R Part 70.
31. GFX failed to obtain a NSR permit before commencing construction of their operations at 333 Barron Blvd, Grayslake, IL in violation of 35 IL Admin. Code § 203.206.

32. GFX failed to determine maximum available control technology for its HAP emissions before commencing construction of operations at their Grayslake, IL facility, which is in violation of CAA Section 112(g).
33. GFX failed to participate in the ERMS program and obtain ATUs, in violation of 35 Ill. Admin. Code § 205.210(b).

Environmental Impact of Violations

GFX's solvent usage has the potential to release more than 50 tpy of VOM to the atmosphere. VOM, along with nitrogen oxides (NO_x), are the major precursors in the formation of ground-level ozone, a photochemical oxidant associated with a number of detrimental health and environmental effects. In the presence of sunlight, and under a variety of meteorological conditions, VOM and NO_x react with oxygen in the air to produce ozone. Although ozone's precursors are naturally occurring in the environment, their existence is greatly enhanced in and around urban areas by anthropogenic contributions.

Ozone is one of six listed criteria pollutants targeted for control under the Clean Air Act by the establishment of a NAAQS. Its human health effects are largely associated with decreased respiratory function, even among healthy individuals. Accompanying symptoms from exposure may include sore throat, tightness or pain on breathing, coughing and headache. Those with asthma or other underlying respiratory ailments may be at higher risk for adverse effects from ozone exposure. Aside from its human health impact, ozone can prove harmful to crops and vegetation and can cause materials such as rubber to prematurely degrade. As a component in "smog," ozone contributes to decreased visibility in polluted areas.

1/25/08

Date


Cheryl L. Newton, Acting Director
Air and Radiation Division

CERTIFICATE OF MAILING

I, Betty Williams, certify that I sent a Notice and Finding of Violation, No

EPA-5-08-IL-02, by Certified Mail, Return Receipt Requested, to:

Mark Taylor, Vice President
GFX International, Inc.
333 Barron Blvd.
Grayslake, IL 60030

I also certify that I sent copies of the Notice and Finding of Violation by first

class mail to:

Ray Pilapil, Manager
Compliance and Enforcement Section
Bureau of Air
Illinois Environmental Protection Agency
1021 North Grand Avenue East
Springfield, IL 62794

Harish Narayan, Acting Regional Manager
Region 1
Illinois Environmental Protection Agency
9511 West Harrison Street
Des Plaines, IL 60016

on the 28th day of January, 2008.



Betty Williams, Secretary
AECAS, (IL/IN)

CERTIFIED MAIL RECEIPT NUMBER: 7001032000058920 1910