



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

SEP 23 2011¹

REPLY TO THE ATTENTION OF.

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Michael L. Eveihoch
CPA, VP and Controller
Harsco Corporation
5000 Ritter Road
Suite 205
Mechanicsburg, Pennsylvania 17055

Dion K Mulcahy
Plant Supervisor
7100 West 9th Avenue
Gary, Indiana 46406

Dear Mr. Evelhoch and Mr. Mulcahy:

This is to advise you that the U.S. Environmental Protection Agency has determined that Harsco Corporation's (Harsco) facility located at 7100 West 9th Avenue, Gary, Indiana (facility) is in violation of the Clean Air Act (CAA) and associated state or local pollution control requirements. We are today issuing to you a Notice and Finding of Violation (NOV/FOV) for these violations.

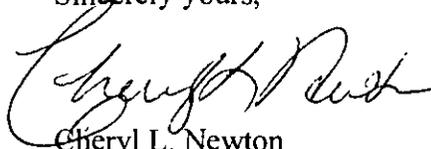
Specifically, EPA finds Harsco failed to fully comply with certain terms and conditions of its Federally Enforcement State Operation Permit (FESOP) F089-27389-00107 and the Indiana State Implementation Plan (IN SIP). The FESOP was issued on October 19, 2009 to Harsco for certain processes within the Gary, Indiana facility. Harsco's failure to fully comply with permit terms and conditions is a violation of the IN SIP subject to enforcement action under Section 113 of the CAA. 40 C.F.R. § 52.23.

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 Harsco to correct the alleged violations and the timeframe in which you can demonstrate and maintain continuous compliance with the requirements cited in the NOV/FOV.

We are offering you 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 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 EPA contacts in this matter are Shilpa Patel and Kevin Vuilleumier. You may call them at (312) 886-0120 or (312) 886-6188, respectively, if you wish to request a conference. EPA hopes that this NOV/FOV will encourage Harsco's compliance with the requirements of the CAA.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Cheryl L. Newton". The signature is fluid and cursive, written over the printed name.

Cheryl L. Newton
Director
Air and Radiation Division

Enclosure

cc: Rick Massoels, NWRO, IDEM

bcc: Mike Berman, ORC

United States Environmental Protection Agency
Region 5

IN THE MATTER OF:)
)
Harsco Corporation) NOTICE AND FINDING OF VIOLATION
Gary, Indiana)
) EPA-5-11-IN-12
Proceedings Pursuant to)
the Clean Air Act,)
42 U.S.C. §§ 7401 et seq.)
)

NOTICE AND FINDINGS OF VIOLATION

Harsco Corporation (you or Harsco) owns and operates a slag reclaiming operation, at 7100 West 9th Avenue, Gary, Indiana.

The U.S. Environmental Protection Agency is issuing this Notice and Findings of Violation (NOV/FOV) to notify you that we found Harsco failed to comply with conditions set forth in its permit. These deficiencies constitute a violation of the federally approved Indiana State Implementation Plan (IN SIP) and its Federally Enforceable State Operating Permit (FESOP) and are subject to enforcement action under section 113 of the Clean Air Act (CAA).

Regulatory Authority

1. The CAA requires EPA to develop Primary and Secondary National Ambient Air Quality Standards to protect public health, welfare and the environment. The CAA requires each state develop an implementation plan describing how it intends to attain and maintain these standards. These implementation plans are reviewed and approved by EPA. The State of Indiana has developed, and EPA has approved, Indiana's SIP.
2. On May 30, 2008, EPA approved 326 Indiana Administrative Code (IAC) 6.8-10-3 as part of the federally enforceable IN SIP. The IN SIP at 326 IAC 6.8-10-3 requires particulate matter emissions from source-wide activities to have a zero percent frequency of visible emission observations from a building enclosing all or part of the material processing equipment, except from a vent in the building. This provision is incorporated into Harsco's FESOP, F089-27389-00107, at Source Operating Condition C.6 (h).
3. On October 17, 1995, EPA approved 326 IAC 2-8-5(a)(4), as part of the federally enforceable IN SIP. The IN SIP at 326 IAC 2-8-5(a)(4) states the FESOP shall contain other provisions as the commissioner may require. Under this provision, Harsco's FESOP, F089-27389-00107, states that in order to comply with the particulate matter (PM) Limitations, baghouse CE02-14 shall be in operation and control PM emissions at all times that the dry

slag processing area is in operation. This provision is incorporated into Harsco's FESOP, F089-27389-00107, at Source Operating Condition D.1.6 (a).

4. Harsco's FESOP, F089-27389-00107, at Source Operating Condition C.14 (a) states that upon detecting an excursion or exceedance, the Permittee shall restore operation of the emission unit (including any control device and associated capture system) to its normal or usual manner of operation as expeditiously as practicable in accordance with good air pollution control practices for minimizing emissions.

Factual Background

5. Harsco owns and/or operates a facility at 7100 West 9th Avenue, Gary, Indiana (Gary facility).
6. The Indiana Department of Environmental Management (IDEM) issued a FESOP, F089-27389-00107, to Harsco for its Gary facility on March 3, 2010.
7. Harsco operates an enclosed dry slag processing operation at its Gary facility.
8. The building encloses the dry slag processing operation's material processing equipment including crushers, screens, conveyors, bucket elevators, blend silos, roofing silos, blasting silos and chutes.
9. The crushers, screens, conveyors, bucket elevators, roofing silos, blasting silos and chutes are emission units.
10. Harsco operates a baghouse, identified as CE02-14, located outside its enclosed dry slag processing operation at its 7100 West 9th Avenue, Gary, Indiana facility.
11. Harsco's Gary facility is subject to 326 IAC 6.8-10-3 and 326 IAC 2-8-5(a)(4) and the permit conditions in Harsco's FESOP.
12. On June 6 and June 14, 2011, EPA inspected Harsco's Gary facility and observed the following:
 - a. Multiple instances of visible PM emissions escaping the enclosed dry slag processing building into the atmosphere;
 - b. Multiple holes and/or openings in the dry slag processing operation's building;
and
 - c. Multiple PM piles inside and outside the dry slag processing operation's building.
13. On June 14, 2011, EPA observed a stack test and observed the following:

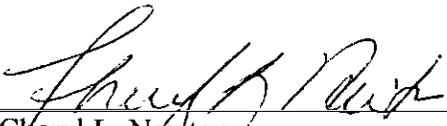
- a. A plume of PM emissions originating from the Gary facility's baghouse (CE02-14); and
- b. PM emissions from the dry slag processing operation's crushers (P03-14), chutes (M06-14, M07-14 through M09-14), conveying system (M02-14), and bucket elevators (M01-14) escaping from baghouse capture points and ductwork.

Violations

14. Harsco failed to prevent visible PM emissions from leaving the dry slag processing operation's building enclosing material processing equipment at its Gary facility in violation of the IN SIP at 326 IAC 6.8-10-3.
15. Harsco failed to prevent visible PM emissions from leaving the dry slag processing operation's building enclosing material processing equipment at its Gary facility in violation of Harsco's FESOP's, F089-27389-00107, Source Operating Condition at Section C.6 (h).
16. Harsco failed to have its baghouse control the PM emissions from the dry slag processing operation at its Gary facility in violation of Harsco's FESOP's, F089-27389-00107, Source Operating Condition at Section D.1.6.
17. Harsco's failed to restore operations of the emission units (crushers, screens, conveyors, bucket elevators, blend silos, roofing silos, blasting silos and chutes) inside the dry slag processing operation's building at its Gary facility upon detecting the exceedances to its normal or usual manner of operation as expeditiously as practicable in accordance with good air pollution control practices for minimizing emissions in violation of Harsco's FESOP's, F089-27389-00107, Source Operating Condition at Section C.14 (a).

Date

9/23/11


Cheryl L. Newton
Director
Air and Radiation Division

CERTIFICATE OF MAILING

I, Betty Williams, certify that I sent a Notice and Finding of Violation, No. EPA-5-11-
IN-12, by Certified Mail, Return Receipt Requested, to:

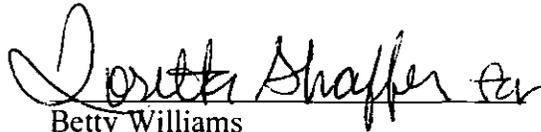
Michael L. Eveihoch
CPA, VP and Controller
Harsco Corporation
5000 Ritter Road
Suite 205
Mechanicsburg, Pennsylvania 17055

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

Phil Perry, Chief
Compliance and Enforcement Section
Office of Air Quality
Indiana Department of Environmental Management
100 North Senate Avenue
MC 61-53, IGCN 1003
Indianapolis, Indiana 46204-2251

Rick Massoels
Air Compliance
Indiana Department of Environmental Management
8380 Louisiana Street
Merrillville, Indiana 46410

On the 23 day of September 2011.


Betty Williams
Administrative Professional Assistant
Planning and Administration Section

CERTIFIED MAIL RECEIPT NUMBER: 70091680000076728089