

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5**

IN THE MATTER OF:)
)
Aluminum Casting and) **NOTICE OF VIOLATION**
Engineering Company)
Milwaukee, Wisconsin) **EPA-5-03-WI-02**
)
)
Proceedings Pursuant to)
Section 113(a)(1) of the)
Clean Air Act, 42 U.S.C.)
§ 7413(a)(1))

NOTICE OF VIOLATION

The United States Environmental Protection Agency (U.S. EPA) is issuing this Notice of Violation under Section 113(a)(1) of the Clean Air Act, 42 U.S.C. § 7413(a)(1). U.S.EPA finds that Aluminum Casting and Engineering (ACECO) is violating the Wisconsin State Implementation Plan, as follows:

Statutory and Regulatory Background

1. On March 3, 1978, pursuant to the requirements of Section 110 of the Clean Air Act (Act), 42 U.S.C. § 7410, U.S.EPA designated Milwaukee County, Wisconsin as primary nonattainment of the National Ambient Air Quality Standards (NAAQS) for ozone and as secondary nonattainment of the NAAQS for total suspended particulate. 43 Fed. Reg. 8962. At that time, the construction of new major stationary sources in nonattainment areas was regulated by the Act's New Source Review regulations at 40 C.F.R. § 52.24.
2. Effective June 30, 1979, the New Source Review regulations at 40 C.F.R. § 52.24 prohibited the construction of major stationary sources in nonattainment areas until U.S. EPA approved a State Implementation Plan (SIP) that met the requirements of Part D of the Act, 42 U.S.C. §§ 7501-7509.
3. Part D of the Act, 42 U.S.C. §§ 7501-7509, specifies the requirements that must be included in a SIP for those areas not attaining the NAAQS. Each SIP must contain a permit program for the construction and operation of new or modified major stationary sources, require those sources to meet an emission limitation defined as the Lowest Achievable Emission Rate, and require those sources to obtain air

emission offsets.

4. 40 C.F.R. § 52.24(4)(i)(a) defines a major stationary source as any stationary source of air pollutants which has the potential to emit 100 tons per year or more of any pollutant subject to regulation under the Act. Volatile organic compounds (VOC) and particulate matter emissions are subject to regulation under the Act.
5. On April 17, 1981, the U.S. EPA approved Chapter 144, Wisconsin Statute, which provides construction and operating permit requirements for the Wisconsin SIP. Chapter 144 implements Part D of the Act, 42 U.S.C. §§ 7501-7509. 46 Fed. Reg. 22374. Wisconsin Statutes 144.391 and 144.393 were again approved by U.S. EPA on January 18, 1995 as part of the federally enforceable Wisconsin SIP, and are currently in effect. 60 Fed. Reg. 3602.
6. On April 17, 1981, U.S. EPA approved Chapter 144, Wisconsin Statute 144.30, "Air Pollution; Definitions", as part of the federally enforceable Wisconsin SIP. 46 Fed. Reg. 22374. The definitions approved include: stationary source, Lowest Achievable Emission Rate, major source permit, nonattainment area and air contaminant.
7. Under 144.30(23), stationary source is defined as "an air contaminant source which directly or indirectly is capable of emitting an air contaminant only from a fixed location. A stationary source includes an air contaminant source which is capable of being transported to a different location. A stationary source may consist of one or more pieces of process equipment, each of which is capable of emitting an air contaminant."
8. Under 144.30(2), air contaminant source is defined as "a facility, building, structure, equipment, vehicle or action which may emit or result in the emission of an air contaminant directly, indirectly or in combination with another facility, building, structure, equipment vehicle or action."
9. Under 144.30(15), Lowest Achievable Emission Rate is defined as "the rate of emissions which reflects the more stringent of the following:
 - (a) the most stringent emission limitation which is contained in the air pollution regulatory program of any state for this class or category of source, unless an applicant for a permit demonstrates that these

- limitations are not achievable; or
 (b) the most stringent emission limitation which is achieved in practice by the class or category of source."
10. Under 144.30(19), major source permit is defined as "any permit under s. 144.391(1) or (2)."
 11. Under 144.391(1), "a stationary source is a nonattainment area major source if:
 - (1) the source is located in a nonattainment area or may affect significantly the air quality in a nonattainment area; and
 - (2) the source, without considering air pollution control equipment, is capable of emitting an air contaminant for which the area is classified as a nonattainment area in the following amounts:
 - a. one hundred tons per year or more of sulfur oxides, particulate matter, carbon monoxide, nitrogen oxides or volatile organic compounds, or
 - b. an amount specified by rule of the department of any other air contaminant."
 12. Chapter 144, Wisconsin Statute, 144.391(1)(b) states that "after July 29, 1979, no person may construct a new stationary source or commence modification of an existing source if that source is a nonattainment area major source unless the person has a permit from the department."
 13. Chapter 144, Wisconsin Statute, 144.393(2) allows the department to approve the application for a nonattainment area mandatory major source permit if the department finds the source meets the requirements under sub. (1) and it finds: reasonable further progress; the emissions from the source will be at the lowest achievable emission rate; and the applicant's other major sources meet or are on schedule to meet the requirements of ss 144.30 to 144.426 and the rules promulgated under those sections.
 14. Chapter 144, Wisconsin Statute, 144.393(1) allows the department to approve the application for a nonattainment area mandatory major source permit if it finds that: the source will meet all applicable emission limitations; the source will not violate or exacerbate a violation of an air quality standard or ambient air increment, if the source is operating under an emission reduction option; the required permit applications for other sources participating in that emission reduction option are approvable; and the source

will not degrade the air quality in an area sufficiently to prevent the construction, modification or operation of another source.

15. Chapter 144.391(1)(b)(2) states "no person may operate a stationary source for which construction commenced after July 29, 1979, or operate an existing stationary source for which modification commenced after July 29, 1979, if that source is a nonattainment area major source unless the person has a permit from the department".
16. On August 15, 1994, U.S. EPA approved NR 408 as part of the federally enforceable Wisconsin SIP. 60 Fed. Reg. 3543. NR 408 provides additional definitions and requirements for construction permits for direct major sources in nonattainment areas.
17. NR 408.01 states that all new major sources and all major modifications to major sources located in areas designated as nonattainment areas are subject to Chapter 408.
18. NR 408.02(21) states that for severe ozone nonattainment areas "major stationary source" includes any stationary source of air pollutants which emits or has the potential to emit 25 tons per year of VOC in any severe nonattainment area for ozone.
19. NR 408.03(1) states that no person may begin construction of a major source or major modification unless the person has a permit which states that the stationary source or modification will meet the requirements of ss. NR 408.04 to 408.10.
20. NR 408.04 states that a major source or a major modification shall meet each applicable emission limitation for the proposed construction or modification and shall apply the lowest achievable emission rate (LAER) for each pollutant subject to the requirements of NR 408.
21. NR 408.06(2) requires that emissions resulting from the proposed construction or modification be offset by a reduction in actual emissions of the same pollutant from the same source or combination of other sources in the same nonattainment area.
22. On April 27, 1995, the U.S. EPA approved Wisconsin Administrative Code NR 424.03, Process Lines Emitting Organic Compounds, as part of the federally enforceable SIP

for the State of Wisconsin. 60 Fed. Reg. 20643.

23. NR 424.03(2)(b)(1) requires process lines on which construction or modification commenced on or after August 1, 1979, and which are not subject to emission limitations listed elsewhere in chs. NR 419 to 423, to control organic compound emissions by at least 85 percent.
24. On December 1, 1993, the U.S. EPA approved Wisconsin Administrative Code NR 406.03 as part of the federally enforceable SIP for the State of Wisconsin. 60 Fed. Reg. 3543.
25. NR 406.03 states that "no person shall commence construction, reconstruction, replacement, relocation or modification of a stationary source unless the person has a construction permit."
26. Failure to comply with any approved regulatory provision of a SIP or with any permit limitation or condition contained within an operating permit issued under a U.S. EPA approved program that is incorporated into the State SIP shall render the person so failing to comply in violation of the applicable implementation plan and subject to enforcement action under Section 113 of the Act. 40 C.F.R. § 52.23.

Factual Background

27. ACECO owns and operates an aluminum casting foundry at 2039 South Lenox Street, Milwaukee, Wisconsin.
28. In 1980, ACECO modified its facility by constructing the knockout process (P55) and two disamatic casting lines (P58 and P60). The knockout process and the two disamatic casting lines have the potential to emit more than 130 tons per year of VOCs and more than 380 tons per year of PM.
29. In 1980, when ACECO modified its facility, ACECO was located in an area designated as primary nonattainment for ozone and secondary nonattainment for total suspended particulate (TSP).
30. On November 6, 1991 (56 FR 56694), Milwaukee County was redesignated as a severe nonattainment area for ozone.
31. In 1987, U.S. EPA revised the NAAQS for particulate matter

(PM), replacing the TSP indicator with the PM indicator. In 1990, the entire State of Wisconsin was designated unclassifiable for PM under the Clean Air Act amendments. In 1995, all TSP area designations in the State of Wisconsin were removed.

32. In 1980, ACECO did not apply for or receive a construction permit authorizing emissions of volatile organic compounds (VOCs) or TSP from the knockout process and the two DISA casting lines.
33. In 1982, ACECO installed 21 permanent mold tilt tables (P09) and (P19).
34. In 1983, ACECO installed isocure core machine No. 1. In 1984, ACECO installed isocure core machine No. 2. In 1988, ACECO installed isocure core machine No. 3. In 1990, ACECO installed isocure core machine No. 4. In 1991, ACECO installed isocure core machine No. 5. In 1992, ACECO installed isocure core machine No. 6. In 1993, ACECO installed isocure core machine No. 7. In 1999, ACECO installed isocure core machine No. 8. These eight core machines comprise ACECO's processes P08 and P34.
35. On June 20, 1990, the Wisconsin Department of Natural Resources (WDNR) issued Air Pollution Control Operation Permit No. 90-JSB-217 to ACECO. This permit includes applicable limitations and specific conditions for an isocure core line and includes Isocure Core Machines Nos. 1-3.
36. On August 30, 1995, ACECO submitted its Part 70 Operating Permit Application to the WDNR, which included emissions data from all processes operating at ACECO. In the Operating Permit Application, ACECO provided the following information on its facility:

Process Unit	Installation Date	VOC PTE (tpy)	PM PTE (tpy)	Compliance Certification
knockout	1980	65.2	175	No-NR 424.03
DISA #1	1980	32.6	103	No-NR 424.03
DISA #2	1980	32.6	103	No-NR 424.03
Permanent Mold Tilt Tables (1-8)	1982	3.39	0	No-NR 424.03
Permanent Mold Tilt Tables (9-21)	1982	5.51	0	No-NR 424.03
Isocure Core Machines #3,4,6,7	1988-1993	12.2	0	No-NR 424.03
Isocure Core Machines #1,2,5,8	1983-1999	12.1	0	No-NR 424.03

The Operating Permit Application also states that the only air pollution permit issued to ACECO is WDNR Air Pollution Permit No. 90-JSB-217, for Isocure Core Machines Nos. 1-3.

Violations

New Source Review

37. In 1980, ACECO violated Chapter 144, Wisconsin Statute, 144.391(1)(b)1, by constructing the knockout process and two DISA lines without first obtaining the required construction permit.
38. In 1980, and continuing to the present, ACECO violated Chapter 144, Wisconsin Statute, 144.393 and NR 408 by constructing the knockout process and two DISA lines without first obtaining the necessary offsets and attaining LAER.
39. In 1980 and continuing to the present, ACECO failed to obtain an operating permit for the knockout process and two DISA lines, in violation of Chapter 144, Wisconsin Statute, 144.391(1)(b)2.

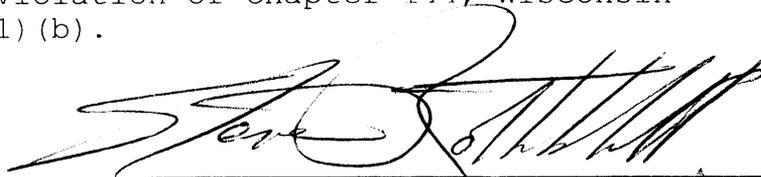
**Wisconsin State Implementation Plan - 85% VOC Control
Requirements**

40. ACECO failed to meet the 85% control requirement for VOC emissions from the knockout process from at least August 30, 1995 to the present, in violation of NR 424.03(2)(b)(1).
41. ACECO failed to meet the 85% control requirement for VOC emissions from DISA casting line #1 from at least August 30, 1995 to the present, in violation of NR 424.03(2)(b)(1).
42. ACECO failed to meet the 85% control requirement for VOC emissions from DISA casting line #2 from at least August 30, 1995 to the present, in violation of NR 424.03(2)(b)(1).
43. ACECO failed to meet the 85% control requirement for VOC emissions from the permanent mold tilt tables from at least August 30, 1995 to the present, in violation of NR 424.03(2)(b)(1).
44. ACECO failed to meet the 85% control requirement for VOC emissions from the isocure core machines from at least August 30, 1995 to the present, in violation of NR 424.03(2)(b)(1).

**Wisconsin State Implementation Plan - general construction and
operating permits**

45. ACECO failed to obtain construction permits for the isocure core machines #4-8, in violation of NR 406.03.
46. ACECO failed to obtain operating permits for isocure core machines #4-8 in violation of Chapter 144, Wisconsin Statute, 144.391(1)(b).

1/13/2003
Date



Stephen Rothblatt, Acting Director
Air and Radiation Division

CERTIFICATE OF MAILING

I, Shanee Rucker, certify that I sent a Notice of Violation,
No. EPA-5-03-WI-02, by Certified Mail, Return Receipt Requested,
to:

Echart Grohmann, President
Aluminum Casting and Engineering Company
2039 South Lenox Street
Milwaukee, Wisconsin 53207

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

Colin Duffy, Team Leader
Bureau of Air Management
Wisconsin Department of Natural Resources
101 South Webster Street
P.O. Box 7921
Madison, Wisconsin

and

Lakshmi Sridharan, Regional Leader
Southeast Region
Wisconsin Department of Natural Resources
2300 North Dr. Martin Luther King Jr. Drive
P.O. Box 12436
Milwaukee, Wisconsin 53212

on the 15th day of January, 2003.



Shanee Rucker, Secretary
AECAS, (MI/WI)

CERTIFIED MAIL RECEIPT NUMBER: 700103200006 01778710