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

SEP 26 2016

REPLY TO THE ATTENTION OF:

Geoffrey H. Curtis, Vice President and General Manager
Harrison Steel Casting Company
900 S Mound St.
Attica, Indiana 47918

Dear Geoffrey H. Curtis:

Enclosed is a file-stamped Consent Agreement and Final Order (CAFO) which resolves Harrison Steel Casting Company, docket no. **CAA-05-2016-0044**. As indicated by the filing stamp on its first page, we filed the CAFO with the Regional Hearing Clerk on September 26, 2016.

Pursuant to paragraph 29 of the CAFO, Harrison Steel Casting Company must pay the civil penalty within 30 days of the filing date. Your check must display the case name and case docket number.

Please direct any questions regarding this case to Susan Perdomo, ORC Attorney, 312-886-0557.

Sincerely,

Sarah Marshall
MI/WI Section Chief

Enclosure

cc: Ann Coyle, Regional Judicial Officer/C-14J
Regional Hearing Clerk/E-19J
Susan Perdomo /C-14J
Phil Perry, Indiana Department of Environmental Management

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UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5

In the Matter of:	)	**Docket No.** CAA-05-2016-0044
	)	
Harrison Steel Castings Company	)	**Proceeding to Assess a Civil Penalty**
Attica, Indiana,	)	**Under Section 113(d) of the Clean Air Act,**
	)	**42 U.S.C. § 7413(d)**
Respondent.	)	
	)	

REGIONAL HEARING CLERK
RECEIVED
SEP 26 2016
U.S. ENVIRONMENTAL PROTECTION AGENCY
REGION 5

Consent Agreement and Final Order

Preliminary Statement

1. This is an administrative action commenced and concluded under Section 113(d) of the Clean Air Act (the CAA), 42 U.S.C. § 7413(d), and Sections 22.1(a)(2), 22.13(b) and 22.18(b)(2) and (3) of the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits (Consolidated Rules), as codified at 40 C.F.R. Part 22.

2. Complainant is the Director of the Air and Radiation Division, U.S. Environmental Protection Agency (EPA), Region 5.

3. Respondent is Harrison Steel Castings Company (Harrison Steel), a corporation doing business in the state of Indiana.

4. Where the parties agree to settle one or more causes of action before the filing of a complaint, the administrative action may be commenced and concluded simultaneously by the issuance of a consent agreement and final order (CAFO). 40 C.F.R. § 22.13(b).

5. The parties agree that settling this action without the filing of a complaint or the adjudication of any issue of fact or law is in their interest and in the public interest.

6. Respondent consents to the assessment of the civil penalty specified in this CAFO and to the terms of this CAFO.

Jurisdiction and Waiver of Right to Hearing

7. Respondent admits the jurisdictional allegations in this CAFO and neither admits nor denies the factual allegations in this CAFO.

8. Respondent waives its right to request a hearing as provided at 40 C.F.R. § 22.15(c), any right to contest the allegations in this CAFO and its right to appeal this CAFO.

Statutory and Regulatory Background

9. Under Section 112 of the CAA, EPA promulgated the National Emission Standards for Hazardous Air Pollutants (NESHAP) for Iron and Steel Foundries at 40 C.F.R. §§ 63.7680 through 63.7765.

10. The owner or operator of an existing affected facility was required to comply with the requirements of 40 C.F.R. §§ 63.7680 through 63.7765 by April 23, 2007. 40 C.F.R. § 63.7683(a).

11. The NESHAP, at 40 C.F.R. § 63.7690(a)(1) provides that "[f]or each electric arc metal melting furnace, electric induction metal melting furnace, or scrap preheater at an existing iron and steel foundry, you must not discharge emissions through a conveyance to the atmosphere that exceed either the limit for particulate matter (PM) in paragraph (a)(1)(i) of this section or, alternatively the limit for total metal HAP in paragraph (a)(1)(ii) of this section: (i) 0.005 grains of PM per dry standard cubic foot (gr/dscf), or (ii) 0.0004 gr/dscf of total metal HAP."

12. The NESHAP, at 40 C.F.R. § 63.7710(b), provides that "[y]ou must prepare and operate at all times according to a written operation and maintenance plan for each capture and

collection system and control device for an emissions source subject to a PM, metal HAP, TEA, or VOHAP emissions limit in § 63.7690(a). [...]"

13. The NESHAP, at 40 C.F.R. § 63.7731(a), provides that "[y]ou must conduct subsequent performance tests [following an initial performance test] to demonstrate compliance with all applicable PM or total metal HAP [...] emissions limitations in § 63.7690 for your iron and steel foundry no less frequently than every 5 years and each time you elect to change an operating limit or to comply with a different alternative emissions limit, if applicable. [...]"

14. The NESHAP, at 40 C.F.R. § 63.7740(b), provides that "[f]or each negative pressure baghouse or positive pressure baghouse equipped with a stack that is applied to meet any PM or total metal HAP emissions limitation in this subpart, you must at all times monitor the relative change in PM loadings using a bag leak detection system according to the requirements in § 63.7741(b)."

15. The Administrator of EPA (the Administrator) may assess a civil penalty of up to $37,500 per day of violation up to a total of $320,000 for CAA violations that occurred after December 6, 2013, under Section 113(d)(1) of the CAA, 42 U.S.C. § 7413(d)(1), and 40 C.F.R. Part 19.

Factual Allegations and Alleged Violations

16. Harrison Steel owns and operates a steel foundry at 900 North Mound Street, Attica, Indiana (the facility). The facility operates three electric arc furnaces (EAF2, EAF3, and EAF4).

17. The facility is a major source of HAPs because it has the potential to emit in excess of 10 tons per year of an individual HAP and 25 tons per year of all HAPs combined, thus making it an affected source under the NESHAP for Iron and Steel Foundries.

18. EPA conducted an inspection of the facility on June 5, 2013.

19. EPA issued to Harrison Steel an information request under Section 114 of the CAA on December 9, 2013. Harrison Steel submitted a response on March 31, 2014.

20. Baghouse DC4 controls emissions from EAF2, Baghouse DC5 controls emissions from EAF3, and Baghouse DC40 controls emissions from EAF4. Baghouse DC 42 controls melt shop particulate emissions, including those from EAF3 and EAF4, and the pick-up point for this baghouse is located at the roof monitor. Baghouse DC38 controls melt shop particulate emissions, including those from EAF2, and the pick-up point for this baghouse is located at the roof monitor.

21. Harrison Steel did not conduct particulate matter emissions testing at DC42 and DC38 by April 23, 2007.

22. By failing to conduct particulate matter emissions testing at DC42 and DC38, Harrison Steel violated the performance testing requirement at 40 C.F.R. § 63.7731(a) and failed to demonstrate compliance with the emission limit at 40 C.F.R. § 63.7690(b).

23. Harrison Steel did not prepare and operate at all times according to a written operation and maintenance plan for DC 38 and DC 42.

24. Harrison Steel's failure to prepare an operation and maintenance plan for DC38 and DC42 violated the operation and maintenance requirements at 40 C.F.R. § 63.7710(b).

25. Harrison did not monitor the relative change in PM loadings using a bag leak detection system on its negative pressure baghouses that convey PM from DC 38 and DC 42.

26. Harrison's failure to install a bag leak detection system at DC38 and DC42 is a violation of the monitoring requirements at 40 C.F.R. § 63.7740(b).

27. EPA issued a Notice and Finding of Violation ("NOV/FOV") to Harrison Steel on March 4, 2014, alleging the violations in paragraphs 22, 24, and 26 above.

Civil Penalty

28. Based on analysis of the factors specified in Section 113(e) of the CAA, 42 U.S.C. § 7413(e), the facts of this case, and Respondent's cooperation and agreement to perform a supplemental environmental project, Complainant has determined that an appropriate civil penalty to settle this action is $15,919.

29. Within 30 days after the effective date of this CAFO, Respondent must pay a $15,919 civil penalty by sending a cashier's or certified check, payable to "Treasurer, United States of America," to:

U.S. EPA
Fines and Penalties
Cincinnati Finance Center
P.O. Box 979077
St. Louis, Missouri 63197-9000

30. Respondent must send a notice of payment that states Respondent's name and the docket number of this CAFO to EPA at the following addresses when it pays the penalty:

Attn: Compliance Tracker (AE-17J)
Air Enforcement and Compliance Assurance Branch
Air and Radiation Division
U.S. Environmental Protection Agency, Region 5
77 W. Jackson Boulevard
Chicago, Illinois 60604

Susan Perdomo (C-14J)
Office of Regional Counsel
U.S. Environmental Protection Agency, Region 5
77 W. Jackson Boulevard
Chicago, Illinois 60604

Regional Hearing Clerk (E-19J)
U.S. Environmental Protection Agency, Region 5
77 W. Jackson Boulevard
Chicago, Illinois 60604

31. This civil penalty is not deductible for federal tax purposes.

32. If Respondent does not pay timely the civil penalty, or any stipulated penalties due under paragraph 43 below, EPA may request the Attorney General of the United States to bring an action to collect any unpaid portion of the penalty with interest, nonpayment penalties and the United States enforcement expenses for the collection action under Section 113(d)(5) of the CAA, 42 U.S.C. § 7413(d)(5). The validity, amount, and appropriateness of the civil penalty are not reviewable in a collection action.

33. Respondent must pay the following on any amount overdue under this CAFO. Interest will accrue on any overdue amount from the date payment was due at a rate established by the Secretary of the Treasury pursuant to 26 U.S.C. § 6621(a)(2). Respondent must pay the United States enforcement expenses, including but not limited to attorneys' fees and costs incurred by the United States for collection proceedings. In addition, Respondent must pay a quarterly nonpayment penalty each quarter during which the assessed penalty is overdue. This nonpayment penalty will be 10 percent of the aggregate amount of the outstanding penalties and nonpayment penalties accrued from the beginning of the quarter. 42 U.S.C. § 7413(d)(5).

Supplemental Environment Project

34. Respondent agrees to complete a SEP designed to protect the environment and public health by reducing energy use and, as a result, reducing emissions of harmful air pollutants.

35. Respondent shall provide partial funding for the replacement of an existing boiler in the Attica Consolidated School District with an energy efficient boiler which will result in

energy savings, an improvement of indoor air quality at the school, a reduction of environmental asthma triggers and a reduction of greenhouse gases, particulate matter, and volatile organic (New Boiler Project). The Attica Consolidated School District will be responsible for selecting the equipment and installing it on the school grounds of its middle school.

36. Respondent must provide to the Attica Consolidated School District at least $59,676 towards the purchase of the equipment no later than 15 days from the effective date of this CAFO.

37. Respondent certifies as follows:

> I certify that Harrison Steel is not required to perform or develop the SEP by any law, regulation, order, or agreement or as injunctive relief as of the date that I am signing this CAFO. I further certify that Harrison Steel has not received, and is not negotiating to receive, credit for the SEP in any other enforcement action.
>
> I certify that Harrison Steel is not a party to any open federal financial assistance transaction that is funding or could be used to fund the same activity as the SEP. I further certify that, to the best of my knowledge and belief after reasonable inquiry, there is no such open federal financial transaction that is funding or could be used to fund the same activity as the SEP, nor has the same activity been described in an unsuccessful federal financial assistance transaction proposal submitted to EPA within two years of the date that I am signing this CAFO (unless the project was barred from funding as statutorily ineligible). For purposes of this certification, the term "open federal financial assistance transaction" refers to a grant, cooperative agreement, loan, federally-guaranteed loan guarantee or other mechanism for providing federal financial assistance whose performance period has not expired.

38. Respondent must submit a SEP completion report to EPA pursuant to the notice provisions of Paragraph 48 no later than 30 days from the effective date of this CAFO. This report must contain the following information:

a. Documentation that a payment was made by Harrison Steel to the Attica Consolidated School District; and

b. Statement from the Attica Consolidated School District certifying that the money was received and will be used for the purchase and installation of the New Boiler Project no later than December 2017. Harrison shall also include with the School District certification an identification of the make and model of the boiler and the purchase price. Respondent will provide a copy of the purchase invoice to EPA within 15 business days of receiving the purchase invoice from the Attica Consolidated School District. Respondent must submit all notices and reports required by this CAFO by first-class mail to the Compliance Tracker of the Air Enforcement and Compliance Assurance Branch at the address provided in paragraph 48.

39. In the report that Respondent submits as provided by this CAFO, it must certify that the report is true and complete by including the following statement signed by one of its officers:

> I certify that I am familiar with the information in this document and that, based on my inquiry of those individuals responsible for obtaining the information, it is true and complete to the best of my knowledge. I know that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing violations.

40. Following receipt of the SEP completion report described in paragraph 38 above, EPA must notify Respondent in writing that:

a. It has satisfactorily completed the SEP and the SEP report;

b. There are deficiencies in the SEP as completed or in the SEP report and EPA will give Respondent 30 days to correct the deficiencies; or

c. It has not satisfactorily completed the SEP or the SEP report and EPA will seek stipulated penalties under paragraph 42.

41. If EPA exercises option b above, Respondent may object in writing to the deficiency notice within 10 days of receiving the notice. The parties will have 30 days from EPA's receipt of Respondent's objection to reach an agreement. If the parties cannot reach an agreement, EPA will give Respondent a written decision on its objection. Respondent will comply with any requirement that EPA imposes in its decision. If Respondent does not complete the SEP as required by EPA's decision, Respondent will pay stipulated penalties to the United States under paragraph 42, below.

42. If Respondent violates any requirement of this CAFO relating to the SEP, Respondent must pay stipulated penalties to the United States as follows:

a. If Respondent does not provide to the Attica School District the payment required under paragraph 36, Respondent must pay a penalty of $63,676, minus any penalty amount paid under paragraph 28 above.

b. If Respondent did not submit timely the SEP completion report or any other report required by paragraph 38, Respondent must pay penalties in the following amounts for each day after the report was due until it submits the report:

Penalty per violation per day	Period of violation
$100	1st through 14th day
$150	15th through 30th day
$200	31st day and beyond

43. EPA's determinations of whether Respondent completed the SEP satisfactorily and whether Respondent made good faith and timely efforts to complete the SEP will bind Respondent.

44. Respondent must pay any stipulated penalties within 15 days of receiving EPA's written demand for the penalties. Respondent will use the method of payment specified in paragraph 29 above, and will pay interest and nonpayment penalties on any overdue amounts.

45. Any public statement that Respondent makes referring to the SEP must include the following language: "Harrison Steel undertook this project under the settlement of the United States Environmental Protection Agency's enforcement action against Harrison Steel for alleged violations of the Clean Air Act "

46. For federal income tax purposes, Respondent shall not deduct any costs or expenditures incurred in performing the SEP.

General Provisions

47. Consistent with the Standing Order Authorizing E-Mail Service of Orders and Other Documents Issued by the Regional Administrator or Regional Judicial Officer under the Consolidated Rules, dated March 27, 2015, the parties consent to service of this CAFO by e-mail at the following e-mail addresses: perdomo.susan@epa.gov (for Complainant), and linda.rockwood@faegrebd.com and olivia.lucas@faegrebd.com (for Respondent). The parties waive their right to service by the methods specified in 40 C.F.R. § 22.6.

48. Unless otherwise specified in this CAFO, whenever notifications, submissions, or communications are required by this CAFO, they must be made in writing and addressed as follows:

To Harrison Steel Castings Company:

Mr. Geoffrey H. Curtis, Vice President and General Manager
Harrison Steel Castings Company
900 Mound Street
Attica, IN 47918
Tel: (765) 762-2481
Email: curtisgh@hscast.com

And

Linda L. Rockwood
Olivia D. Lucas
Faegre Baker Daniels, LLP
3200 Wells Fargo Center
1700 Lincoln Street
Denver, CO 80203
Tel: (303) 607-3500
Email: Linda.Rockwood@faegrebd.com
Email: Olivia.Lucas@faegrebd.com

To EPA:

Attn: Compliance Tracker (AE-17J)
Air Enforcement and Compliance Assurance Branch

Air and Radiation Division
U.S. Environmental Protection Agency, Region 5
77 W. Jackson Blvd
Chicago, IL 60604

49. This CAFO resolves only Respondent's liability for federal civil penalties for the violations alleged in this CAFO and the March 4, 2015 FOV/NOV.

50. Except as provided in paragraph 49 above, the CAFO does not affect the rights of EPA or the United States to pursue appropriate injunctive or other equitable relief or criminal sanctions for any violation of law.

51. This CAFO does not affect Respondent's responsibility to comply with the CAA and other applicable federal, state, and local laws. Except as provided in paragraph 49 above, compliance with this CAFO will not be a defense to any actions subsequently commenced pursuant to federal laws administered by EPA.

52. Respondent certifies that it is, to the best of its knowledge, complying fully with the requirements of 40 C.F.R. §§ 63.7680 through 63.7765, except for the actions to be taking pursuant to this CAFO.

53. This CAFO constitutes an "enforcement response" as that term is used in EPA's Clean Air Act Stationary Civil Penalty Policy to determine Respondent's "full compliance history" under Section 113(e) of the CAA, 42 U.S.C. § 7413(e).

54. The terms of this CAFO bind Respondent, its successors, and assigns.

55. Each person signing this consent agreement certifies that he or she has the authority to sign for the party whom he or she represents and to bind that party to its terms.

56. Each party agrees to bear its own costs and attorneys' fees in this action.

57. This CAFO constitutes the entire agreement between the parties.

Harrison Steel Casting Company
Attica, Indiana

9/9/16
Date

Geoffrey H. Curtis
Vice President and General Manager
Harrison Steel Castings Company
Attica, Indiana

United States Environmental Protection Agency, Complainant

9/22/16
Date

Edward Nam
Acting Director
Air and Radiation Division
U.S. Environmental Protection Agency, Region 5

Final Order

This Consent Agreement and Final Order, as agreed to by the parties, shall become effective immediately upon filing with the Regional Hearing Clerk. This Final Order concludes this proceeding pursuant to 40 C.F.R. §§ 22.18 and 22.31. IT IS SO ORDERED.

9/23/15
Date

Robert A. Kaplan
Acting Regional Administrator
U.S. Environmental Protection Agency
Region 5

Consent Agreement and Final Order
In the matter of: Harrison Steel Casting Company Docket Number: **CAA-05-2016-0044**

CERTIFICATE OF SERVICE

I certify that I served a true and correct copy of the foregoing **Consent Agreement and Final Order**, docket number **CAA-05-2016-0044**, which was filed on September 26, 2016, in the following manner to the following addressees:

Copy by E-mail to Respondent:	Mr. Geoffrey H. Curtis curtisgh@hscast.com
Copy by E-mail to Attorney for Complainant:	Susan Perdomo Perdomo.Susan@epa.gov
Copy by E-mail to Attorney for Respondent:	Linda L. Rockwood Olivia D. Lucas Linda.Rockwood@faegrebd.com Olivia.Lucas@faegrebd.com
Copy by E-mail to Regional Judicial Officer:	Ann Coyle coyle.ann@epa.gov

Dated: September 26, 2016

LaDawn Whitehead
Regional Hearing Clerk
U.S. Environmental Protection Agency, Region 5