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

MAR 11 2014

REPLY TO THE ATTENTION OF:

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Ron Nuckles
General Manager
Jupiter Aluminum Corp. – Coilcoating Division
205 East Carey Street
Fairland, Indiana 46126

Re: Jupiter Aluminum Corp. – Coilcoating Division
Fairland, Indiana
Administrative Consent Order EPA-5-14-113(a)-IN-01

Dear Mr. Nuckles:

I have enclosed an Administrative Consent Order relating to Jupiter Aluminum Corp. – Coilcoating Division's compliance with the Clean Air Act, 42 U.S.C. § 7412.

Please direct any questions regarding this case to Eleanor Kane at (312) 353-4840. Any legal questions should be directed to Mark Palermo, Associate Regional Counsel, at (312) 886-6082.

Sincerely,

Sarah Marshall
Chief
Air Enforcement and Compliance Assurance Section (MI/WI)

Enclosure

cc: Phil Perry, Indiana Department of Environmental Management

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UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5

In the Matter of:	)	**EPA-5-14-113(a)-IN-01**
	)	
Jupiter Aluminum Corporation –	)	**Proceeding Under Sections 113(a)(3) and 114(a)(1)**
Coilcoating Division	)	**of the Clean Air Act, 42 U.S.C.**
Fairland, Indiana	)	**§§ 7413(a)(3) and 7414(a)(1)**
	)	

Administrative Consent Order

1. The Director of the Air and Radiation Division, U.S. Environmental Protection Agency (EPA), Region 5, is issuing this Order to Jupiter Aluminum Corporation – Coilcoating Division (Jupiter) under Sections 113(a)(3) and 114(a)(1) of the Clean Air Act (CAA), 42 U.S.C. §§ 7413(a)(3) and 7414(a)(1).

Statutory and Regulatory Background

2. Under Section 112 of the CAA, U.S.C. § 7412, EPA promulgated the National Emission Standards for Hazardous Air Pollutants (NESHAP) for Surface Coating of Metal Coil at 40 C.F.R. Part 63, Subpart SSSS (Subpart SSSS). Subpart SSSS applies to any facility that performs metal coil surface coating and is a major source of hazardous air pollutants (HAP).

3. Subpart SSSS at § 63.5130(a) provides that for an existing affected source, the compliance date is three years after June 10, 2002.

4. Subpart SSSS at 40 C.F.R. § 63.5120 establishes emission standards for limiting organic HAP emissions from metal coil coating affected sources. Under § 63.5120(a), the owner or operator must comply with one of three standards. Of relevance to this action is the standard under § 63.5120(a)(1), which provides that the owner or operator must limit HAP emissions to no more than two percent of the organic HAP applied for each month during each 12-month compliance period (98 percent reduction). Subpart SSSS further provides at § 63.5120(b) that

the owner or operator must demonstrate compliance with the standards by following the applicable procedures in § 63.5170.

5. Subpart SSSS at Table 1 of 40 C.F.R. § 63.5170 provides four options for compliance with the emission standards set forth under § 63.5120(a). The compliance option of relevance to this action is the third option, use of a capture system and control device. For affected sources using a capture system and control device, Table 1 of § 63.5170 and § 63.5170(c) provide for certain methods to demonstrate compliance with Subpart SSSS, including (of relevance to this action) that for each individual coil coating line, the owner or operator demonstrates that the overall organic HAP control efficiency is at least 98 percent during the initial performance test and that operating limits are achieved continuously thereafter.

6. Subpart SSSS at 40 C.F.R. § 63.5170(c)(2) provides that if the affected source uses oxidizers to limit organic HAP emissions to the level specified in § 63.5120(a)(1) or (2), the owner or operator must demonstrate compliance with § 63.5170(f). Section 63.5120(f) provides that if the owner or operator uses one or more oxidizers to control emissions from always-controlled work stations, the owner or operator must follow the procedures in either (f)(1) or (2) of this section. The compliance option of relevance to this action, § 63.5170(f)(1), provides that the owner or operator must demonstrate initial compliance through performance tests of capture efficiency and control device efficiency and continuing compliance through continuous monitoring of capture system and control device operating parameters as specified under §§ 63.5170(f)(1)(i) through (xi). Section 63.5170(f)(1)(i) requires that, for each oxidizer used to comply with § 63.5120(a), the owner or operator must determine the oxidizer destruction or removal efficiency using the procedure in § 63.5160(d). Further, at § 63.5170(f)(1)(ii), whenever a work station is operated, the owner or operator must continuously monitor the

oxidizer operating parameter established in accordance with § 63.5150(a)(3). Additionally, § 63.5170(f)(1)(xi) requires the owner or operator to compare actual performance to performance required by the compliance option, specifying that the affected source is in compliance with § 63.5120(a) if, among other things, each oxidizer is operated such that the average operating parameter value is greater than the operating parameter established in § 63.5150(a)(3) for each three-hour period.

7. Subpart SSSS at 40 C.F.R. § 63.5160(d) provides that, with certain exceptions not applicable here, if the owner or operator is using an add-on control device, such as an oxidizer, to comply with the standard in § 63.5120, the owner or operator must conduct a performance test to establish the destruction or removal efficiency of the control device or the outlet HAP concentration achieved by the oxidizer.

8. Subpart SSSS at 40 C.F.R. § 63.5121 provides that, with certain exceptions not applicable here, for any coil coating line for which the owner or operator uses an add-on control device, the owner or operator must meet the applicable operating limits specified in Table 1 of Subpart SSSS, establish the operating limits during the performance test, and must meet these limits at all times after the limits are established. Of relevance to this action, Subpart SSSS provides that, for thermal oxidizer control devices, the average combustion temperature in any three-hour period must not fall below the combustion temperature limit established during the performance test according to procedures set forth under § 63.5160(d)(3)(i). *See* Table 1 of Subpart SSSS. Subpart SSSS further provides that the owner or operator must demonstrate continuous compliance with the operating limit as follows: (i) by collecting the combustion temperature data according to § 63.5150(a)(3); (ii) reducing the data to three-hour block

averages; and (iii) maintaining the three-hour average combustion temperature at or above the temperature limit. *See Id.*

9. Subpart SSSS at 40 C.F.R. § 63.5150(a)(3) requires that if the owner or operator is complying with the emission standard in 40 C.F.R. § 63.5120 through the use of an oxidizer and demonstrating continuous compliance through monitoring of an oxidizer operating parameter, the owner or operator must install, calibrate, maintain, and operate temperature monitoring equipment according to manufacturer's specifications and each temperature monitoring device must be equipped with a continuous recorder.

10. Subpart SSSS at 40 C.F.R. § 63.5150(a)(3)(i) requires the owner or operator to verify the calibration of the oxidizer temperature monitoring equipment (chart recorder, data logger or temperature indicator) every three months, or the equipment must be replaced.

11. Subpart SSSS at 40 C.F.R. § 63.5190(a)(2) requires the owner or operator to maintain records of all measurements needed to demonstrate compliance with Subpart SSSS, including control device operating parameter data in accordance with 40 C.F.R. § 63.5150(a)(3).

12. Section 112(i)(3) of the CAA, 42 U.S.C. § 7412(i)(3), provides that after the effective date of any emission standard, limitation, or regulation promulgated pursuant to Section 112 of the CAA, no person may operate a source in violation of such standard, limitation, or regulation.

13. Section 502(d)(1) of the CAA, 42 U.S.C. § 7661a(d)(1), requires each state to develop and submit to EPA an operating permit program which meets the requirements of Title V.

14. EPA granted full approval to the Indiana Title V operating permit program on December 4, 2001 (66 Fed. Reg. 62969). The program became effective on November 30, 2001.

15. Section 502(b) of the CAA, 42 U.S.C. § 7661a(a), and 40 C.F.R.§ 70.7(b) provide that, after the effective date of any permit program approved or promulgated under Title V of the CAA, no source subject to Title V may operate except in compliance with a Title V permit.

16. Section 113(a)(3) of the CAA, 42 U.S.C. § 7413(a)(3), authorizes the Administrator to issue an order requiring compliance whenever, among other things, the Administrator finds that any person has violated or is in violation of a requirement or prohibition of Section 112 of the CAA, any NESHAP promulgated under Section 112 of the CAA, Title V of the CAA, or any permit promulgated, issued, or approved under Title V of the CAA.

17. Under Section 114(a) of the CAA, 42 U.S.C. § 7414(a), the Administrator of the EPA may require any person who owns or operates an emission source to, among other things, use and maintain monitoring equipment, keep records on control equipment parameters, make reports, and provide other information as the Administrator may reasonably require.

EPA's Findings

18. Jupiter owns and operates an aluminum coil coating facility located at 205 East Carey Street, Fairland, Indiana (Jupiter Facility).

19. The Jupiter Facility is a facility that performs metal coil surface coating operations and is a major source of HAP.

20. At the Jupiter Facility, two coil coating lines, Line #1 and Line #2, constitute an existing affected source under Subpart SSSS and therefore are subject to the requirements of Subpart SSSS.

21. From May 22, 2007, until August 16, 2012, Jupiter operated under Part 70 (Title V) Operating Permit #T 145-21274-00013 issued by the Indiana Department of Environmental Management. A renewal permit was issued on August 16, 2012.

22. Section E.2.2 of Jupiter's Title V Operating Permit requires Jupiter to comply with specified provisions of Subpart SSSS for its two coil coating lines, which includes all of the Subpart SSSS provisions identified in this CAFO.

23. Jupiter uses two thermal oxidizers to comply with the Subpart SSSS emission standard under 40 C.F.R. § 63.5120(a)(1). Each of the two coil coating lines utilizes a separate thermal oxidizer for emission control and has associated combustion temperature monitoring equipment.

24. On August 4, 2008, a performance test of the thermal oxidizer servicing Line #1 demonstrated compliance with Subpart SSSS with an average combustion temperature of 1422°F as specified by 40 C.F.R. § 63.5160(d)(3). Based upon the 2008 performance test, 1422°F was the minimum three-hour average combustion temperature operating limit for the thermal oxidizer servicing Line #1 under 40 C.F.R. § 63.5121. On July 10, 2013, Jupiter conducted a new performance test that established a new minimum three-hour average combustion temperature limit of 1433°F based upon the results of the new performance test.

25. On November 21, 2007, a performance test of the thermal oxidizer servicing Line #2 demonstrated compliance with Subpart SSSS with an average combustion temperature of 1611°F as specified by 40 C.F.R. § 63.5160(d)(3). Based upon the 2007 performance test, 1611°F was the minimum three-hour average combustion temperature operating limit for the thermal oxidizer servicing Line #2 under 40 C.F.R. § 63.5121. On August 10, 2012, Jupiter conducted a new performance test that established a new minimum three-hour average combustion limit of 1560°F based upon the results of the new performance test.

26. Between August 30, 2010, and August 15, 2012, Jupiter failed to continuously maintain the three-hour average combustion temperature at or above the minimum combustion

temperature operating limit established for the oxidizer servicing Line #1, in violation of Section 112 of the CAA, 42 U.S.C. § 7412, and its implementing regulations under 40 C.F.R. §§ 63.5121(a) and 63.5170, and Table 1 of 40 C.F.R. Part 63, Subpart SSSS, Section 502 of the CAA, 42 U.S.C. § 7661a, and its implementing regulations under 40 C.F.R.§ 70.7(b), and Jupiter's Title V Permit.

27. Between August 29, 2010, and August 10, 2012, Jupiter failed to continuously maintain the three-hour average combustion temperature at or above the minimum combustion temperature operating limit established for the oxidizer servicing Line #2, in violation of Section 112 of the CAA, 42 U.S.C. § 7412, and its implementing regulations under 40 C.F.R. §§ 63.5121(a) and 63.5170, and Table 1 of 40 C.F.R. Part 63, Subpart SSSS, Section 502 of the CAA, 42 U.S.C. § 7661a, and its implementing regulations under 40 C.F.R.§ 70.7(b), and Jupiter's Title V Permit.

28. Between August 29, 2010, and August 15, 2012, Jupiter failed to properly measure, calculate, and record the three-hour average combustion temperature for each of the oxidizers servicing Line #1 and Line #2 and compare the actual oxidizer performance to the required performance, in violation of Section 112 of the CAA, 42 U.S.C. § 7412, and its implementing regulations under 40 C.F.R. §§ 63.5170(f)(ix) and 63.5190(a)(2), and Table 1 of 40 C.F.R. Part 63, Subpart SSSS, Section 502 of the CAA, 42 U.S.C. § 7661a, and its implementing regulations under 40 C.F.R.§ 70.7(b), and Jupiter's Title V Permit.

29. Prior to December 20, 2012, Jupiter calibrated the combustion temperature monitoring devices associated with each of the oxidizers servicing Line #1 and Line #2 every four months instead of every three months, in violation of Section 112 of the CAA, 42 U.S.C. § 7412, and its implementing regulations under 40 C.F.R. § 63.5150(a)(3)(i), and Section 502 of

the CAA, 42 U.S.C. § 7661a, and its implementing regulations under 40 C.F.R.§ 70.7(b), and Jupiter's Title V Permit.

30. On December 20, 2012, EPA issued to Jupiter a Finding of Violation (FOV) alleging that it violated provisions of Subpart SSSS and its Title V operating permit, as outlined in Paragraphs 26 through 29 of this Order.

31. On February 5, 2013, representatives of Jupiter and EPA discussed the December 20, 2012 FOV.

Compliance Program

32. Within 30 days of the effective date of this Order, Jupiter must achieve, demonstrate and maintain compliance with Subpart SSSS and its Title V Permit at its Fairland, Indiana facility.

33. Within 30 days of the effective date of this Order, Jupiter must implement a program for measuring the operating temperature, and calculating and recording the average operating temperature at each of the two thermal oxidizers servicing its coil coating lines as follows:

a. At each fifteen minute interval on each day (e.g., 12:00, 12:15, 12:30, etc.):

   i. Record whether the coating application roller is closed (if so, coating is being applied); and

   ii. Record temperature.

b. For each three-hour block (e.g., 12:00-2:59, 3:00-5:59, etc.):

   i. Add together all temperatures recorded during the time period in which the coating application roller was closed;

ii. Divide the sum by the number of addends in the calculation (e.g., divide by 12 if coating application roller was closed at all recording intervals, 11 if the coating application roller was open at one recording interval, etc.); and

iii. If the result is zero (presumably because the coating application roller was open at all 12 measurement intervals), the system will indicate that coating operations did not occur during that block.

34. By no later than July 31, 2014, Jupiter must submit a report containing all recorded and calculated data for both thermal oxidizers during the second calendar quarter of 2014, using the monitoring program specified in Paragraph 33, with the report starting with the first day of compliance required under Paragraph 33. Jupiter must submit the data in an electronic spreadsheet. The report must include, for each excursion of the minimum operating limit specified by Subpart SSSS, an explanation for the reason for the excursion and description of the corrective action taken. For each calendar-quarter period thereafter, Jupiter must submit a report with the information specified under this paragraph within 30 days after the end of each calendar quarter thereafter, continuing until termination of this Order.

35. Jupiter must send all reports required by this Order to:

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

General Provisions

36. Jupiter does not admit the factual allegations, alleged violations or legal conclusions alleged in this Order and the FOV, but in the interest of settlement, Jupiter agrees not to contest the jurisdictional allegations in this Order and agrees to the terms of this Order.

37. This Order does not affect Jupiter's responsibility to comply with other federal, state and local laws.

38. This Order does not restrict EPA's authority to enforce any requirement of the CAA or its implementing regulations.

39. Failure to comply with this Order may subject Jupiter to penalties of up to $37,500 per day for each violation under Section 113 of the CAA, 42 U.S.C. § 7413, and 40 C.F.R. Part 19.

40. The terms of this Order are binding on Jupiter, its assignees and successors. Jupiter must give notice of this Order to any successors in interest prior to transferring ownership and must simultaneously verify to EPA, at the above address, that it has given the notice.

41. This Order is not subject to the Paperwork Reduction Act, 44 U.S.C. § 3501 *et seq.*, because it seeks collection of information by an agency from specific individuals or entities as part of an administrative action or investigation.

42. EPA may use any information submitted under this Order in an administrative, civil judicial or criminal action.

43. For purposes of this Order, Jupiter waives all remedies, claims for relief and otherwise available rights to judicial or administrative review that it may have with respect to any issue of fact or law set forth in this Order, including any right of judicial review of the Order under Section 307(b) of the CAA.

44. Except as otherwise specified in this Order, Jupiter reserves all of its rights, remedies, and defenses in any future proceeding.

45. This Order is effective on the date of signature by the Director of the Air and Radiation Division. This Order will terminate August 31, 2015, provided that Jupiter has complied with all terms of the Order throughout its duration.

Administrative Consent Order
In the Matter of Jupiter Aluminum Corporation – Coilcoating Division
Fairland, Indiana

February 28 2014
Date

Paul-Henri Chevalier
President
Jupiter Aluminum Corporation – Coilcoating Division

3/11/14
Date

George T. Czerniak
Director
Air and Radiation Division
U.S. Environmental Protection Agency, Region 5

CERTIFICATE OF MAILING

I, Loretta Shaffer, certify that I sent the Administrative Consent Order, EPA-5-14-113(a)-IN-01, by certified mail, return receipt requested, to:

Mr. Ron Nuckles
General Manager
Jupiter Aluminum Corp. – Coilcoating Division
205 East Carey Street
Fairland, Indiana 46126

Mark Volkmann
EHS Director
1745 - 165th Street
Hammond, Indiana 46320 ~ 7009 1680 0000 7670 0542

I also certify that I sent a copy of the Administrative Consent Order, EPA-5-14-113(a)-IN-01, by first-class mail to:

Mr. Phil Perry, Chief
Air Compliance and Enforcement Branch
Indiana Department of Environmental Management
100 N. Senate Ave. (Mail Code 61-53 IGCN 1003)
Indianapolis, IN 46204-2251

On the 17 day of March 2014.

Loretta Shaffer
Loretta Shaffer
Program Technician
AECAB, PAS

CERTIFIED MAIL RECEIPT NUMBER: 7009 1680 0000 7670 0535