



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

SEP 28 2016

REPLY TO THE ATTENTION OF:

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Kim Myers, Environmental Manager
Amsted Rail
3900 Bixby Road,
Groveport, Ohio 43125

Re: Notice of Violation and Finding of Violation
Amsted Rail
Groveport, Ohio

Dear Mr. Myers:

The U.S. Environmental Protection Agency is issuing the enclosed Notice of Violation and Finding of Violation (NOV/FOV) to Amsted Rail (you) under Section 113(a) of the Clean Air Act, 42 U.S.C. § 7413(a). Based on available information, we find that you are in violation of the National Emission Standards for Hazardous Air Pollutants for Iron and Steel Foundries Area Sources, Title V of the Act, your Title V permit, and the Ohio State Implementation Plan at your Groveport, Ohio facility.

Section 113 of the Clean Air Act 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 our findings, any efforts you have taken to comply, and the steps you will take to prevent future violations. In addition, in order to make the conference more productive, we encourage you to submit to us information responsive to the NOV/FOV prior to the conference date.

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 David Sutlin, Air Enforcement and Compliance Assurance Branch, whom you may contact at (312) 353-8990. 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,



Edward Nam
Acting Director
Air and Radiation Division

cc: Kelly Toth, APC Manager for Central District Office, OEPA
Robert Hodanbosi, APC Division Chief, Ohio EPA – DAPC
Amy Kosbab, Environmental Engineer, Amsted Rail

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5**

IN THE MATTER OF:)
)
Amsted Rail) **NOTICE OF VIOLATION AND**
Groveport, Ohio) **FINDING OF VIOLATION**
)
) **EPA-5-16-OH-20**
Proceedings Pursuant to)
the Clean Air Act,)
42 U.S.C. §§ 7401 et seq.)
)

NOTICE OF VIOLATION AND FINDING OF VIOLATION

Amsted Rail owns and operates a steel foundry at 3900 Bixby Road, Groveport, Ohio, Franklin County, Ohio (the Facility). Operations at the Facility include two Electric Arc Furnaces (EAFs) and their associated air pollution control devices, and the unloading and temporary storage of charge material outside the north wall of the melt shop.

The U.S. Environmental Protection Agency (EPA) is issuing this Notice of Violation and Finding of Violation (NOV/FOV) under Section 113(a) of the Clean Air Act (CAA), 42 U.S.C. § 7413(a). Based on available information and as explained below, EPA finds that Amsted Rail is in violation of: (1) Section 112 of the Clean Air Act, 42 U.S.C. § 7412, specifically the National Emission Standards for Hazardous Air Pollutants (NESHAP) for Iron and Steel Foundries Area Sources at 40 C.F.R. Part 63, Subpart ZZZZZ (Subpart ZZZZZ); (2) Title V of the CAA; (3) the Facility's Title V permit; and (4) the Ohio State Implementation Plan (SIP) as follows.

Regulatory Authority

NESHAP for Iron and Steel Foundries

1. Pursuant to Section 112 of the Act, 42 U.S.C. § 7412, EPA promulgated Subpart ZZZZZ, which applies to new and existing iron and steel foundries that are area sources of hazardous air pollutant (HAP) emissions.

2. "Area source" is defined as "any stationary source of hazardous air pollutants that is not a major source." 42 U.S.C. § 7412(a)(2).

3. "Major source" is defined as "any stationary source or group of stationary sources located within a contiguous area and under common control that emits or has the potential to emit considering controls, in the aggregate, 10 tons per year or more of any hazardous air pollutant or 25 tons per year or more of any combination of hazardous air pollutants." 42 U.S.C. § 7412(a)(1).

4. “Stationary source” is defined as “any building, structure, facility, or installation, which emits or may emit any air pollutant.” 42 U.S.C. § 7411(a)(3).

5. “Hazardous air pollutant” is defined as “any air pollutant listed in or pursuant to” Section 112(b) of the Act. 42 U.S.C. § 7412(a)(6).

6. Subpart ZZZZZ, at 40 C.F.R. § 63.10895(e), prohibits the owner and operator of an affected source that is a large foundry from discharging to the atmosphere fugitive emission from foundry operations that exhibit opacity greater than 20 percent, using a 6-minute average, except for one 6-minute average per hour that does not exceed 30 percent.

7. Subpart ZZZZZ, at 40 C.F.R. § 63.10906, defines “large foundry” as an existing affected source (i.e., affected sources that were constructed or reconstructed before September 17, 2007) with an annual metal melt production greater than 20,000 tons.

8. Subpart ZZZZZ, at 40 C.F.R. § 63.10906, defines “foundry operations” as all process equipment and practices used to produce metal castings for shipment, including: mold or core making and coating; scrap handling and preheating; metal melting and inoculation; pouring, cooling, and shakeout; shotblasting, grinding, and other metal finishing operations; and sand handling.

9. Section 112(i)(3) of the Act, 42 U.S.C. § 7412(i)(3), prohibits any person subject to a NESHAP from operating a source in violation of a NESHAP after its effective date. *See also* 40 C.F.R. §§ 61.05 and 63.4.

Title V Requirements and the Facility’s Title V Permit

10. On August 15, 1995, EPA approved the State of Ohio operating permit program pursuant to Section 502(d) of the Act, 42 U.S.C. § 7661a(d), with an effective date of October 1, 1995. 60 Fed. Reg. 42,045.

11. The Ohio Environmental Protection Agency (OEPA) issued a Part 70 Operating Permit, P0103976, to the Facility on January 19, 2011, which became effective on February 9, 2011 (Title V Permit).

12. Condition C.11.b)(2)b. of the Title V Permit states that visible fugitive particulate emissions from the roof monitor associated with electric arc furnace no. 1 and no. 2 shall not exceed 20 percent opacity, as a 6-minute average, during any one hour observation period.

13. Section 502(a) of the Act, 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 Act, no source subject to Title V may operate except in compliance with a Title V permit.

14. Section 503 of the Act, 42 U.S.C. § 7661b, sets forth the requirement to timely submit an application for a permit, including information required to be submitted with the application.

15. 40 C.F.R. § 70.5(a) and (c) require timely and complete permit applications for Title V permits with required information that must be submitted.

16. 40 C.F.R. § 70.5(b) provides that “[a]ny applicant who fails to submit any relevant facts or who has submitted incorrect information in a permit application shall, upon becoming aware of such failure or incorrect submittal, promptly submit such supplementary facts or corrected information. In addition, an applicant shall provide additional information as necessary to address any requirements that become applicable to the source after the date it filed a complete application but prior to release of a draft permit.”

17. 40 C.F.R. § 70.6(b)(1) provides that all terms and conditions in a Title V permit are enforceable by EPA.

Ohio SIP

18. On August 24, 2015, EPA approved Ohio Administrative Code Rule 3745-31-02 as part of the federally enforceable SIP for Ohio. *See* 80 Fed. Reg. 36477.

19. OAC Rule 3745-31-02(A)(1)(a) states, in relevant part, that “no person shall cause, permit, or allow . . . installation of any new source that is, or will be, part of a facility . . . and that is required to obtain a Title V permit . . . without first obtaining a permit-to-install from the director.”

Relevant Factual Background

20. Amsted Rail owns and operates a foundry at 3900 Bixby Road, Groveport, Ohio 43125. The Facility operates two EAFs.

21. The Facility is an area source of HAPs because it has the potential to emit less than 10 tons per year of an individual HAP and less than 25 tons per year of all HAPs combined. *See* Condition B.2.a) of the Title V Permit.

22. The Facility is an existing affected source that is a large foundry because the Facility was built in 1986 and its metal melt production for calendar year 2008 exceeded 20,000 tons.

23. Condition B.2.b) of the Title V permit lists as enforceable the opacity limit for fugitive particulate emissions in 40 C.F.R. § 63.10895(e). The requirements in 40 C.F.R. § 63.10895 apply to sources classified as large iron and steel foundries under Subpart ZZZZZ.

24. Amsted Rail’s semiannual report dated October 28, 2013 contains opacity readings conducted under Subpart ZZZZZ. These readings indicate that opacity in excess of 20 percent, using a 6-minute average, occurred on September 26, 2013 between 9:30 am and 10:30 am.

25. EPA conducted inspections of the Facility on February 20, 2015 and December 15, 2015, and conducted a partial inspection on July 12, 2016. EPA also conducted opacity observations on February 20, 2015, March 30, 2015, and July 12, 2016.

26. During the February 20, 2015 and December 15, 2015 inspections, EPA observed that the capture and control system at the EAFs captures and controls emissions during the melting but does not capture and control emissions during charging and tapping. EPA also observed poor capture during lime addition and oxygen injection, which occur during melting.

27. On February 20, 2015, EPA conducted opacity observations at the west roof monitor (located above the EAFs). EPA observed opacity in excess of 30 percent, using a 6-minute average.

28. On March 30, 2016, EPA conducted opacity observations at the west roof monitor (located above the EAFs). EPA observed opacity in excess of 20 percent, using a 6-minute average.

29. During the July 12, 2016 partial inspection, Amsted Rail stated that, two to three times per week, it unloads charge material that does not make it into the EAFs along the north wall of the melt shop.

30. On July 12, 2016, EPA conducted opacity observations outside the north wall of the melt shop where the charge material that does not make it into the EAFs is unloaded for temporary storage. EPA observed opacity in excess of 20 percent, using a 3-minute average, for four sets of observations.

31. Amsted Rail has not received a permit-to-install for the unloading and temporary storage of charge material outside the north wall of the melt shop, and did not include this air contaminant source in its Title V permit application.

Alleged Violations

32. Based on the above-referenced opacity readings taken on September 26, 2013, February 20, 2015, and March 30, 2016, Amsted Rail is in violation of the opacity limit Condition C.11.b)(2)b. of the Title V Permit.

33. Based on the above-referenced opacity readings taken on February 20, 2015, Amsted Rail is in violation of the opacity limit at 40 C.F.R. § 63.10895(e).

34. By failing to obtain a permit-to-install for the unloading and temporary storage of charge material outside the north wall of the melt shop, Amsted Rail is in violation of the permitting requirements at OAC Rule 3745-31-02(A)(1)(a).

35. By failing to include the unloading and temporary storage of charge material outside the north wall of the melt shop in its Title V permit application, and continuing to fail to supplement or correct its application to include this emission unit, Amsted Rail is in violation of the Title V permitting requirements at Sections 502(a) and 503 of the CAA and at 40 C.F.R. § 70.5.

Environmental Impact of Violations

36. These violations have caused or can cause excess emissions of particulate matter (PM), which is a surrogate for metal HAPs. PM, especially fine particulate matter, contributes to respiratory problems and lung damage.

9/28/16
Date


Edward Nam
Acting Director
Air and Radiation Division

CERTIFICATE OF MAILING

I, Loretta Shaffer, certify that I sent a Notice of Violation and Finding of Violation, No. EPA-5-16-OH-20, by Certified Mail, Return Receipt Requested, to:

Kim Myers, Environmental Manager
Amsted Rail
3900 Bixby Road,
Groveport, Ohio 43125

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

Amy Kosbab, Environmental Engineer
Amsted Rail
3900 Bixby Road
Groveport, Ohio 43125

Kelly Toth, APC Manager
Central District Office
50 West Town Street, Suite 700
Columbus, Ohio 43215

Robert Hodanbosi, APC Division Chief
Ohio EPA - DAPC
50 West Town Street, Suite 700
Columbus, Ohio 43215

On the 29 day of September 2016



Loretta Shaffer
Program Technician
AECAB, PAS

CERTIFIED MAIL RECEIPT NUMBER: 7009 1680 0000 7667 5765