



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

MAY 31 2007

REPLY TO THE ATTENTION OF:

(AE-17J)

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Todd R. Wiener, Esq.
McDermott Will & Emery
227 West Monroe Street
Chicago, Illinois 60606-5096

Dear Mr. Wiener:

Enclosed is a file-stamped Amendment to Consent Agreement and Final Order (CAFO) which resolves H. Kramer and Company CAA Docket No. 05-2006-0019. As indicated by the filing stamp on its first page, we filed the amended CAFO with the Regional Hearing Clerk on JUN 01 2007.

Please direct any questions regarding this case to Christine M. Liszewski, Associate Regional Counsel, (312) 886-4670.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Brent Marable".

Brent Marable, Chief
Air Enforcement and Compliance Assurance Section (IL/IN)

Enclosure

cc: David Bloomberg, Acting Manager
Compliance and Enforcement Protection Agency
Illinois Environmental Protection Agency

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5

IN THE MATTER OF:) Docket No. CAA-05-2006-0019
)
H. Kramer and Company) Proceeding to Assess a Civil
Chicago, Illinois,) Penalty under Section 113(d)
) of the Clean Air Act,
Respondent.) 42 U.S.C. § 7413(d)
)
_____)

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Amendment To Consent Agreement and Final Order

1. This amendment modifies paragraphs 34, 35, 36, 37, 41 and 46 and of the Consent Agreement and Final Order (CAFO) filed with the Regional Hearing Clerk on March 30, 2006, in the above-referenced matter. Except as specifically set forth herein, all provisions of the March 30, 2006 CAFO shall remain in full force and effect.

2. Paragraph 34 of the original CAFO filed on March 30, 2006 is replaced as follows:

H. Kramer must complete a supplemental environmental project (SEP) designed to reduce fugitive emissions from two rotary furnaces at its plant no later than sixteen (16) weeks after the receipt of all required permits. Currently, the fugitive emission lines from the two rotary furnaces converge and are directed to the Number One Baghouse which operates at 36,000 cfm. The Number Five Baghouse which operates at 30,000 cfm serves as a backup to handle the combined emissions if the Number One

Baghouse is temporarily inactive due to maintenance activities or fails. As part of the SEP, H. Kramer shall connect each rotary furnace hood to its own baghouse by installing a separate flue line from each furnace to the baghouse dedicated to it. Rotary II Furnace Hood shall be connected to the Number One Baghouse. Rotary I Furnace Hood shall be connected to a baghouse H. Kramer purchased in September 2006 that will replace the Number Five Baghouse. The new baghouse has a predicted average flow rate of 35,000 cfm. H. Kramer shall also relocate the collection point for emissions from the side to the top center of each hood to improve capture efficiency.

3. Paragraph 35 of the original CAFO filed on March 30, 2006 is replaced as follows:

H. Kramer must complete the SEP as follows:

- a. apply for all permits required by federal, state or local law no later than March 30, 2007;
- b. fabricate a new flue line from Rotary I Furnace Hood to the baghouse H. Kramer purchased to replace the Number Five Baghouse no later than January 25, 2007;
- c. fabricate a new flue line from Rotary II Furnace Hood to the Number One Baghouse no later than January 25, 2007;
- d. demolish the Number Five Baghouse no later than six (6) weeks after the receipt of all required permits;
- e. install duct work for both new flue lines, with interconnects and control dampers manufactured and ready for installation, by May 29, 2007;
- f. complete all electrical work required to connect the Rotary I Furnace Hood to the baghouse H. Kramer

purchased to replace the Number Five Baghouse and the Rotary II Furnace Hood to Number One Baghouse no later than twelve (12) weeks after the receipt of all required permits;

g. relocate the collection point for emissions from the side to the top center of Rotary II Furnace Hood no later than two (2) weeks after the receipt of all required permits and relocate the collection point for emissions from the side to the top center of Rotary I Furnace Hood no later than sixteen (16) weeks after the receipt of all required permits;

h. connect the new flue line from Rotary I Furnace Hood to the baghouse H. Kramer purchased to replace the Number Five Baghouse and begin operating the baghouse to control emissions from the Rotary I Furnace no later than sixteen (16) weeks after the receipt of all required permits; and

i. connect the new flue line from Rotary II Furnace Hood to the Number One Baghouse and begin operating the Number One baghouse to control emissions from the Rotary II Furnace no later than sixteen (16) weeks after the receipt of all required permits.

4. Paragraph 36 of the original CAFO filed on March 30, 2006 is replaced as follows:

H. Kramer must spend at least \$780,000 to complete the SEP described in paragraphs 34 and 35, above.

5. Paragraph 37 of the original CAFO filed on March 30, 2006 is replaced as follows:

H. Kramer must continuously use or operate the baghouse it purchased to replace the Number Five Baghouse to control emissions from the Rotary I Furnace and the Number One Baghouse to control emissions from the Rotary II Furnace for not less than five (5) years following completion of the SEP, provided

H. Kramer continues to operate the Rotary I Furnace and the Rotary II Furnace or H. Kramer has not replaced the Number One Baghouse and the baghouse it purchased to replace the Number Five Baghouse. If H. Kramer replaces the Number One Baghouse or the baghouse it purchased to replace the Number Five Baghouse within the five (5) year period following the completion of the SEP, the replacement baghouse must operate at the same or higher flow rate as the baghouse which was replaced.

6. Paragraph 41 of the original CAFO filed on March 30, 2006 is replaced as follows:

H. Kramer must submit a SEP completion report to U.S. EPA no later than twenty (20) weeks after the receipt of all required permits. This report must contain the following information:

- a. detailed description of the SEP as completed;
- b. description of any operating problems and the actions taken to correct the problems;
- c. itemized costs of goods and services used to complete the SEP documented by copies of invoices, purchase orders, or cancelled checks that specifically identify and itemize the individual costs of the goods and services;
- d. certification that H. Kramer has completed the SEP in compliance with this CAFO; and
- e. description of the environmental and public health benefits resulting from the SEP (quantify the benefits and pollution reductions, if feasible).

7. Paragraph 46 of the original CAFO filed on March 30, 2006 is replaced as follows:

If H. Kramer violates any requirement of this CAFO relating to the SEP, H. Kramer shall be liable for stipulated penalties to the United States as follows:

a. If Respondent has satisfactorily completed the SEP but spent less on the SEP than \$702,000 (90 percent of \$780,000), Respondent must pay a stipulated penalty equal to the difference between the amount it spent on the SEP and \$702,000.

b. If Respondent has not satisfactorily completed the SEP, Respondent must pay (i) \$94,000; and (ii) the difference between the amount it spent on the SEP and \$702,000 if the amount Respondent spent on the SEP is less than \$702,000.

c. If Respondent fails to comply with the schedule in paragraph 35, above, for implementing the SEP, fails to submit a timely and complete SEP completion report as required by paragraph 41, above, or fails to submit timely and complete progress reports as required by paragraph 40, above, Respondent must pay stipulated penalties for each failure to meet an applicable milestone, as follows:

| <u>Penalty per violation per day</u> | <u>Period of violation</u> |
|--------------------------------------|---|
| \$200 | 1 st through 14 th day |
| \$400 | 15 th through 30 th day |
| \$800 | 31 st day and beyond |

These penalties will accrue from the date Respondent was required to meet each milestone until it achieves compliance with the milestone.

(This space intentionally left blank. Signature pages follow.)

AMENDMENT TO CONSENT AGREEMENT AND FINAL ORDER

H. Kramer and Company

Docket No. CAA-05-2006-0019

U.S. Environmental Protection Agency, Complainant

5/24/2007
Date

Steve Rothblatt
Stephen Rothblatt, Director
Air and Radiation Division
U.S. Environmental Protection
Agency, Region 5 (A-18J)

H. Kramer and Company, Respondent

5/22/07
Date

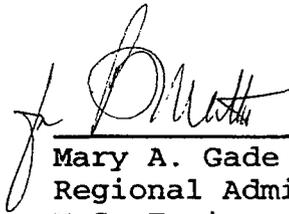
Randall K. Weil
Randall K. Weil,
Executive Vice President
H. Kramer and Company

AMENDMENT TO CONSENT AGREEMENT AND FINAL ORDER
H. Kramer and Company
Docket No. CAA-05-2006-0019

Final Order

The foregoing Amendment to the Consent Agreement and Final Order is hereby approved and incorporated by reference into this Order, effective immediately upon filing with the Regional Hearing Clerk.

5-31-07



Mary A. Gade
Regional Administrator
U.S. Environmental Protection
Agency, Region 5
77 West Jackson Boulevard
Chicago, Illinois 60604-3511

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In the Matter of H. Kramer and Company (Amendment) to CAFO
Docket No: CAA-05-2006-0019

CERTIFICATE OF FILING AND MAILING

I, Betty Williams, certify that I hand delivered the Amendment of the Consent Agreement and Final Order, docket number CAA-05-2006-0019 to the Regional Hearing Clerk, Region 5, United States Environmental Protection Agency, 77 West Jackson Boulevard, Chicago, Illinois 60604; and that I mailed by Certified Mail, Return Receipt Requested, to H. Kramer and Company Corporation's Counsel by placing it in the custody of the United States Postal Service addressed as follows:

Todd R. Wiener, Esq.
McDermott Will & Emery
227 West Monroe Street
Chicago, Illinois 60606-5096

I also certify that a copy of the CAFO was sent by first-class mail to:

David Bloomberg, Acting Manager
Compliance and Enforcement Section
Illinois Environmental Protection Agency
Springfield, Illinois 62702

on the 1st Day of June 2007.


Betty Williams, Secretary
AECAS (IL/IN)

CERTIFIED MAIL RECEIPT NUMBER: 7001 0320 0005 8920 1767

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