



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

MAR 27 2007

REPLY TO THE ATTENTION OF:

(AE-17J)

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Premix, Inc.
Route 20 & Harmon Rd.
P.O. Box 281
North Kingsville, Ohio 44068-0281
Attn: Walt McSherry, Environmental Manager

Re: Finding and Notice of Violation at Premix, Inc., North Kingsville, Ohio

Dear Mr. McSherry:

This is to advise you that the United States Environmental Protection Agency (U.S. EPA) has determined that Premix, Inc. (Premix) at Route 20 & Harmon Rd., North Kingsville, Ohio (facility) is in violation of the Clean Air Act (CAA) and associated State pollution control requirements. A list of the requirements violated is provided below. We are today issuing to you a Finding of Violation and Notice of Violation (FOV/NOV) for these violations.

The CAA requires the development of Primary and Secondary National Ambient Air Quality Standards to protect public health and welfare. To attain and maintain these standards, each State is required to develop an implementation plan. Ohio's State Implementation Plan (Ohio SIP) includes the requirement to limit the discharge of any photochemically reactive organic compound to less than 40 pounds per day and 8 pounds per hour, unless said discharge has been reduced by at least 85 percent. The purpose of the photochemically reactive organic compound limits is to help protect the public from unhealthy exposures to photochemically reactive organic compounds. Photochemically reactive organic compounds react with nitrogen oxides in the presence of sunlight to form ground-level ozone, which contributes to respiratory problems such as increased susceptibility to respiratory infection, pulmonary inflammation, painful deep breathing, aggravated asthma, and reduced lung capacity.

U.S. EPA finds that Premix's facility violated the above listed Ohio SIP requirement as incorporated into Premix's Title V Permit. Since the CAA rules and regulations listed above are listed as applicable requirements in Premix's Title V permit, violations of these emission limits also constitute violations of Premix's Title V Permit.

U.S. EPA also finds that Premix's facility has violated its Title V permit which requires that emissions of organic compounds from the thick mold compound (TMC) machine are subject to

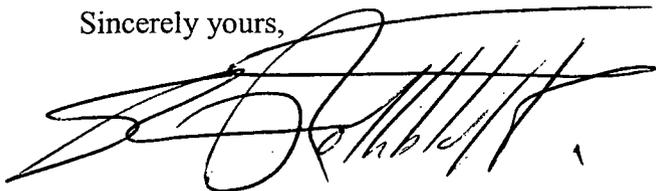
an emission limitation of 60 lb/day, including emissions from cleanup materials, and requires Premix to collect and record the actual number of hours that the emissions unit was operating.

Section 113 of the CAA gives us several enforcement options to resolve these violations, including: issuing an administrative compliance order, issuing an administrative penalty order, bringing a judicial civil action, and bringing a judicial criminal action. The option we select, in part, depends on the efforts taken by Premix to correct the alleged violations and the timeframe in which you can demonstrate and maintain continuous compliance with the requirements cited in the FOV/NOV.

Before we decide which enforcement option is appropriate, Section 113 of the CAA provides you with the opportunity to request a conference with us about the violations alleged in the FOV/NOV. This conference will provide you a chance to present information on the identified violations, any efforts you have taken to comply, and the steps you will take to prevent future violations. Please plan for your facility's technical and management personnel to take part in these discussions. You may have an attorney represent and accompany you at this conference.

The U.S. EPA contacts in this matter are Sheila Desai, Environmental Engineer, and Michael Berman, Associate Regional Counsel. You may call them at (312) 353-4150 and (312) 886-6837, respectively, if you wish to request a conference. U.S. EPA hopes that this FOV/NOV will encourage Premix's compliance with the requirements of the Clean Air Act.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Stephen Rothblatt", written over a horizontal line.

Stephen Rothblatt, Director
Air and Radiation Division

Enclosure

cc: Robert Hodanboši, Chief
Division of Air Pollution Control
Ohio Environmental Agency

Dennis Bush, APC Supervisor
Northeast District Office
Ohio Environmental Protection Agency

Michael S. McCauley, Quarles & Brady, LLP

United States Environmental Protection Agency
Region 5

IN THE MATTER OF:)
)
Premix, Inc.) FINDING OF VIOLATION and
North Kingsville, Ohio) NOTICE OF VIOLATION
)
Proceedings Pursuant to) EPA-5-07-OH-10
the Clean Air Act,)
42 U.S.C. §§ 7401 et seq.)
)

FINDING AND NOTICE OF VIOLATION

Premix, Inc. (you or Premix) owns and operates a fiberglass reinforced composite plastic manufacturing plant at Route 20 & Harmon Rd., North Kingsville, Ohio.

United States Environmental Protection Agency (U.S. EPA) is sending this Finding of Violation and Notice of Violation (FOV/NOV or Notice) to you for violations of the Title V permit program and the Ohio State Implementation Plan ("SIP"). The underlying statutory and regulatory requirements include provisions of the Clean Air Act (the "Act" or "CAA"), its implementing regulations and the Ohio SIP.

Section 113 of the Act provides you with the opportunity to request a conference with us to discuss the violations alleged in the FOV/NOV. This conference will provide you a chance to present information on the identified violations, any efforts you have taken to comply, and the steps you will take to prevent future violations. Please plan for the facility's technical and management personnel to take part in these discussions. You may have an attorney represent and accompany you at this conference.

Explanation of Violations

1. The following provisions of the CAA, its implementing regulations and the Ohio SIP are relevant to this FOV/NOV:

Standards for Photochemically Reactive Compounds

- a. U.S. EPA approved the Ohio Environmental Protection Agency's (Ohio EPA) rules for carbon monoxide, photochemically reactive materials, hydrocarbons, and related materials at OAC 3745-21 as the federally enforceable Ohio SIP for Volatile Organic Compounds (VOCs) and Carbon Monoxide on October 31, 1980 (45 Fed. Reg. 72122).
- b. Among the rules approved in this action was OAC 3745-21-07(G)(2), which limits the discharge of any photochemically reactive organic compound to less than 40

pounds per day and 8 pounds per hour, unless said discharge has been reduced by at least 85 percent.

Requirements for Ohio SIP Permits to Install

- c. U.S. EPA approved Ohio EPA's permit to install (PTI) rules, OAC 3745-31, as part of the federally enforceable Ohio SIP on October 31, 1980 (45 Fed. Reg. 72119).
- d. Among the rules approved in this action was OAC 3745-31-05(A)(3), which provides that the director of the Ohio EPA shall issue a permit to install (PTI) if he determines that the air contaminant source will employ Best Available Technology (BAT).
- e. OAC 3745-31-01 defines Best Available Technology as any combination of work practices, raw material specifications, throughput limitations, source design characteristics, an evaluation of the annualized cost per ton of air pollutant removed, and air pollution control devices that have been previously demonstrated to the director of the Ohio EPA to operate satisfactorily in Ohio or other states with similar air quality on substantially similar air pollution sources.

Requirements for Title V Operating Permits

- f. Section 502(a) 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.
- g. 40 C.F.R. § 70.1(b) provides that all sources subject to the Part 70 regulations shall have a permit to operate that assures compliance by the source with all applicable requirements.
- h. Section 113(a)(3) of the CAA, 42 U.S.C. § 7413(a)(3), authorizes the Administrator to initiate an enforcement action whenever, among other things, the Administrator finds that any person has violated or is in violation of a requirement or prohibition of Title V of the CAA, or any rule promulgated, issued or approved under Title V of the CAA.
- i. U.S. EPA fully approved the Ohio Title V program, effective October 1, 1995. 60 Fed. Reg. 42045 (August 15, 1995). Ohio's Title V permit requirements are codified at OAC 3745-77.

Factual Background

- 2. Premix operates a thick mold compound (TMC) machine at the North Kingsville Plant. The TMC machine is designated as emission unit P029 in Premix's Title V permit.

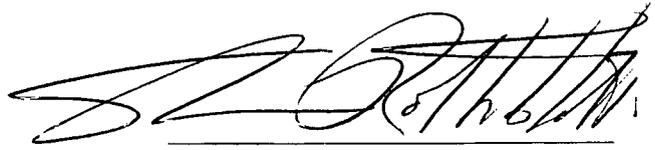
3. Emissions of photochemically reactive organic compounds from the TMC Machine are subject to the 8 lbs/hour and 40 lbs/day emission limitations in the Ohio SIP at OAC 3745-21-07(G)(2).
4. Ohio EPA issued Premix's North Kingsville plant a Title V permit on June 6, 2001.
5. Part III, Emission Unit P029, Section A.I.1. of Premix's Title V permit lists OAC 3745-21-07(G)(2) as an applicable requirement to the TMC machine.
6. Emissions of organic compounds from the TMC Machine are subject to an emission limitation of 60 lb/day, including emissions from cleanup materials, pursuant to a BAT determination made in PTI 02-1793 in accordance with OAC 3745-31-05(A)(3).
7. Part III, Emission Unit P029, Section A.I.1. of Premix's Title V permit lists the 60 lbs/day emission limitation as an applicable requirement to the TMC machine.
8. On July 27, 2006, Premix conducted an emissions test on the TMC Machine. The emissions test measured the emission rate of styrene using EPA Reference Test Methods 1, 2, and 4 at 40 C.F.R. Part 60 Appendix A and Test Methods 204, 204D, 204F, and 205 at 40 C.F.R. Part 51 Appendix M.
9. The emissions test demonstrated a styrene emission rate of 26.88 lbs/hour and at least 80.65 lbs/day.
10. Styrene is a photochemically reactive organic compound.
11. The July 27, 2006 emissions test demonstrated that Premix's TMC Machine is emitting photochemically reactive organic compounds in excess of 8 lbs/hour and 40 lbs/day in violation of OAC 3745-21-07(G)(2).
12. The July 27, 2006 emissions test demonstrated that Premix's TMC Machine is emitting organic compounds in excess of 60 lbs/day in violation of the BAT requirement of PTI 02-1793.
13. Since the emission limitations described in Paragraphs 3 and 6 above are listed as applicable requirements in Premix's Title V permit, violations of these emission limits also constitute violations of Premix's Title V Permit.
14. Part III, Emission Unit P029, Section A.III.1.g. of Premix's Title V permit states that Premix must collect and record the actual number of hours that the emissions unit was operating.
15. Based on Premix's response to the October 19, 2006 CAA Section 114 information request, Premix did not collect and record the actual number of hours that emissions unit

P029 was operating; therefore, U.S. EPA has determined that Premix has violated Part III, Emission Unit P029, Section A.III.1.g. of Premix's Title V permit.

Environmental Impact of Violations

16. Violation of the SIP Standards increases public exposure to unhealthy levels of air pollutants including VOCs which contribute to respiratory problems, lung damage and premature deaths.

3/28/2007
Date


Stephen Rothblatt, Director
Air and Radiation Division

CERTIFICATE OF MAILING

I, Loretta Shaffer, certify that I sent a Notice and Finding of Violation, No. EPA-5-07-OH-10, by Certified Mail, Return Receipt Requested, to:

Premix, Inc.
Route 20 & Harmon Rd.
P.O. Box 281
North Kingsville, Ohio 44068-0281
Attn: Walt McSherry, Environmental Manager

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

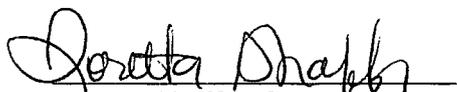
Robert Hodanbosi, Chief
Division of Air Pollution Control
Ohio Environmental Protection Agency
Lazarus Government Center
P.O. 1049
Columbus, Ohio 43216-1049

Dennis Bush, APC Supervisor
Northeast District Office
Ohio Environmental Protection Agency
2110 E. Aurora Rd.
Twinsburg, Ohio 44087

and

Michael S. McCauley
Quarles & Brady, LLP
411 East Wisconsin Avenue, Suite 2040
Milwaukee, Wisconsin 53202-4497

on the 28 day of March, 2007.


Loretta Shaffer, Secretary
AECAS, (MN/OH)

CERTIFIED MAIL RECEIPT NUMBER: 7001 0320 0005 8919 2225