BEFORE THE
OHIO ENVIRONMENTAL PROTECTION AGENCY

OHIO E.P.A.
JUL 18 2007
ENTERED DIRECTOR'S JOURNAL

In the Matter of:

Alumitech of Cleveland, Inc	:	**Director's Final Findings**
4181 Bradley Road	:	**and Orders**
Cleveland, Ohio 44109	:	

I certify this to be a true and accurate copy of the official documents as filed in the records of the Ohio Environmental Protection Agency.
By: Date: 7-18-07

PREAMBLE

It is agreed by the parties hereto as follows:

I. JURISDICTION

These Director's Final Findings and Orders ("Orders") are issued to Alumitech of Cleveland, Inc. ("Respondent"), pursuant to the authority vested in the Director of the Ohio Environmental Protection Agency ("Ohio EPA") under Ohio Revised Code ("ORC") §§ 3704.03 and 3745.01.

II. PARTIES

These Orders shall apply to and be binding upon Respondent and successors in interest liable under Ohio law. No change in ownership of Respondent or of the Facility (as hereinafter defined) shall in any way alter Respondent's obligations under these Orders.

III. DEFINITIONS

Unless otherwise stated, all terms used in these Orders shall have the same meanings as defined in ORC Chapter 3704 and the regulations promulgated thereunder.

IV. FINDINGS

The Director of the Ohio EPA has determined the following findings:

1. The City of Cleveland, Division of Air Quality ("CDAQ") acts as an agent of Ohio EPA for the Division of Air Pollution Control in Cuyahoga County.

2. Respondent operates an aluminum recycling facility ("Facility") located at 4181 Bradley Road, Cleveland, Cuyahoga County. Specifically, Respondent operates an exothermic dryer to dry the aluminum metal byproducts created during the aluminum recycling process. Emissions from the dryer are controlled by a baghouse and a wet scrubber, with part of the emission stream being directed to each air pollution control device. On January 17, 2006, it was reported by Respondent that it was issued two permits to install ("PTIs") for the same emissions unit and that emissions units P008 and

P910 both corresponded to the exothermic dryer. Emissions unit P008 was subject to the terms and conditions of PTI #13-1858 and included a baghouse and a scrubber as air pollution control equipment. Emissions unit P910 was subject to the terms and conditions of PTI #13-3175 and included only a baghouse as air pollution control equipment.

3. On June 18, 2002, CDAQ conducted an inspection of Respondent's facility. During the inspection, it was discovered that Respondent had failed to submit a Title V application in violation of Ohio Administrative Code ("OAC") Rule 3745-77-04(D).

4. On September 19, 2002, Respondent submitted an emissions inventory summary that indicated that its emissions did not meet the statutory requirements to be considered a Title V facility. Respondent submitted an emissions inventory based on actual operating data and not on maximum process weight. CDAQ required Respondent to resubmit the emissions inventory using the maximum process weight.

5. On October 7, 2002, Respondent submitted a revised emissions inventory at the request of CDAQ. The summary indicated that Respondent had underestimated its potential to emit and that Respondent is subject to Title V regulations. Failure to submit a timely and complete Title V application is a violation of OAC Rule 3745-77-04(D). Respondent stated that it would submit a Federally Enforceable State Operating Permit ("FESOP") application to limit its emissions to below levels that would trigger Title V regulations.

6. On December 3, 2002, Respondent submitted a FESOP application to CDAQ. CDAQ acknowledged the receipt of the corrective action plan which included the FESOP application in a letter dated December 3, 2002.

7. In a letter dated August 18, 2003, Respondent notified CDAQ that the exothermic dryer, as well as additional emissions units, were being taken off line. Respondent stated that 30-day notice would be provided to CDAQ prior to restarting any of the equipment.

8. In a letter dated August 19, 2004, Respondent notified CDAQ that it intended to restart its aluminum recycling process and, as such, would be restarting the exothermic dryer. Respondent stated that the processes used would be the same as those utilized when the emissions units were taken off line in 2003. The only changes noted were modifications and adjustments to increase the efficiency of the process, primarily a change from a batch mixing process to a continuous mixing process. This change is a violation of OAC Rule 3745-31-02(A)(1) which requires a PTI modification if the process changes. No determination was made as to whether this change would result in an increase of emissions.

9. On June 27, 2005, CDAQ conducted a United States Environmental Protection Agency ("U.S. EPA") Reference Method 9 visible emissions ("VE") observation on the stack serving the exothermic dryer. Visible emissions from the stack averaged 54% opacity for six consecutive minutes and 50% opacity for fourteen minutes. The observed visible emissions exceeded the 20% VE limitation of PTI # 13-3175 and OAC Rule 3745-17-07(A).

10. On July 15, 2005, CDAQ sent Respondent a Notice of Violation ("NOV") for the above violation. CDAQ also requested that Respondent submit a corrective action plan to reduce visible emissions from the exothermic dryer.

11. In a letter dated August 2, 2005, Respondent responded to the July 15, 2005 NOV stating that the cause of the opacity violation discovered by CDAQ resulted from the air scrubber serving the exothermic dryer not being able to effectively remove all of the particulate matter from the effluent air stream. Respondent stated that it was currently working on process improvements to achieve better scrubber performance. As of the date of the letter, Respondent stated that it had spent $131,533 on capital improvements and fabrication services to improve scrubber efficiency.

12. On September 8, 2005, CDAQ met with Respondent to discuss the opacity issues associated with the exothermic dryer. During the meeting, Respondent presented CDAQ with stack test results for tests conducted on the scrubber associated with the exothermic dryer in May 2005. CDAQ did not accept the results because proper emissions testing protocols were not followed. Specifically, particulate emissions in pounds per hour were not noted, grains per dry standard cubic feet were not noted, and the company only completed two test runs. No intent to test ("ITT") notification had been submitted to CDAQ, and no visible emissions readings were completed during the test. Also during the meeting, CDAQ was informed that Respondent had replaced the impingement scrubber in 2004 with a new impingement scrubber. Respondent also had modified the new scrubber by adding more nozzles to increase the water flow rate.

13. On September 22 and 27, 2005, CDAQ conducted visible emissions readings on the stack for the scrubber serving the exothermic dryer. VE readings on September 22 averaged 72% opacity for six consecutive minutes and 60% opacity over twenty consecutive minutes. VE readings from the stack on September 27 averaged 59.8% opacity for six consecutive minutes and 58.1% opacity for fourteen consecutive minutes.

14. On October 10, 2005, Respondent submitted its fourth quarter deviation report. The report stated that the scrubber serving the exothermic dryer malfunctioned, causing increases in opacity as noted during the CDAQ VE readings. A malfunction report or notification, as required by OAC Rule 3745-15-06, was not submitted to CDAQ at the time of the malfunction.

15. On October 11, 2005, CDAQ received an ITT notification from Respondent for the scrubber serving the exothermic dryer. The test was scheduled to begin November 8, 2005.

16. In a letter dated October 31, 2005, Respondent informed CDAQ that it was delaying the stack test scheduled for November 8, 2005. Respondent determined that additional changes to the scrubber were needed in order to meet the emissions limits outlined in the PTI.

17. On September 3 and October 12, 2005, and January 4, 2006, CDAQ received quarterly deviation reports from Respondent reporting increased opacity levels from the scrubber serving the exothermic dryer.

18. On February 7, 2006, at the request of Respondent, CDAQ submitted a permit withdrawal / revocation form to Ohio EPA Central Office to withdraw the PTI for emissions unit P008 since this emissions unit was mistakenly issued two PTIs. The exothermic dryer is now solely permitted as emissions unit P910 which lists only a baghouse as the best available technology ("BAT") for air pollution control.

19. On February 16, 2006, CDAQ sent a NOV to Respondent for violations on June 27, September 22, and September 27, 2005 of the opacity limitations in PTI #13-3175 and OAC Rule 3745-17-07(A)(1)(a) and also for violations of OAC Rule 3745-31-02(A)(1) and OAC Rule 3745-31-05(A)(3) by modifying an air contaminant source without submitting a PTI modification and by not following the BAT requirements listed in the approved PTI for the exothermic dryer.

20. In a letter dated March 2, 2006, Respondent responded to CDAQ's February 16, 2006 NOV with the following compliance plan and schedule.

- Installation of mist eliminator on scrubber in an attempt to control opacity limit exceedances: March 17, 2006
- Submittal of ITT: March 17, 2006
- Emission testing: April 24, 2006
- Submittal of revised PTI/permit to operate ("PTO") for emissions unit P910 to resolve the discrepancies between air pollution control equipment listed in PTI #13-3175 and the actual air pollution control equipment being used at the facility: May 24, 2006
- Submittal of revised Federally Enforceable State Operating Permit ("FESOP") application: May 24, 2006.
- Submittal of revised deviation reports: May 24, 2006

21. On April 7, 2006, Respondent met with CDAQ to discuss the time line for returning to compliance. During the meeting CDAQ agreed that Respondent would not submit an ITT until 30 days after the issuance of the modified PTI for emissions unit P910. Respondent has submitted the revised FESOP application and a revised PTI that includes changes that would correct errors in the previous PTI. Since the emissions unit has not been tested it is unknown whether emissions limits in the PTI are being met.

22. On May 5, 2006, Respondent submitted a Voluntary Audit Disclosure ("VAD") pursuant to ORC § 3745.72(C). In the VAD, Respondent was seeking immunity from violations of the PTIs issued to the facility. Ohio EPA did not agree that the disclosure met

the requirements of ORC § 3745-72(C) and, thus, did not agree that Respondent should be granted immunity from the disclosed violations. In a letter dated July 11, 2006, CDAQ notified Respondent that CDAQ and Ohio EPA did not agree with their claim for immunity.

23. On July 19, 2006, CDAQ received a complaint about smoke emanating from Respondent's scrubber stack. A CDAQ inspector visited the facility and conducted VE observations in accordance with U.S. EPA Method 9. The CDAQ investigator observed visible emissions that averaged 75% opacity over a twelve-minute period which exceeded the 20% opacity allowed by OAC Rule 3745-17-07(A)(1)(b) and PTI #13-3175.

24. On September 12, 2006, CDAQ staff met with Respondent to discuss additional changes that Respondent wanted to make to the air pollution control equipment controlling emissions from the exothermic dryer. Specifically, Respondent was planning to install a venturi scrubber to be used in addition to the impingement scrubber that is currently being used. Additionally, CDAQ notified Respondent that additional changes needed to be made to the PTI and FESOP applications that were submitted before they could be processed. Specifically, CDAQ stated that the following items needed to be addressed; fugitive particulate emissions, ammonia emissions noted in the VAD, emissions modeling, a quantified amount of all emissions that are vented to the baghouse from emissions unit P910 with an appropriate emissions factor, and the specifications for the modified (additional) venturi scrubber. Respondent has since submitted the required PTI and FESOP changes to CDAQ.

25. In January 2007, Respondent installed a venturi scrubber on the exothermic dryer in addition to the wet impingement scrubber currently being used. The new scrubber is expected to help control opacity exceedances.

26. On April 17, 2007, CDAQ sent a NOV to Respondent for violations of the terms and conditions of PTI #13-3175. Specifically, Respondent reported in its third quarter of 2006 and first quarter of 2007 deviation reports that the pressure drops for its baghouse ranged from 2.0 to 16.0 inches of water. PTI #13-3175 requires that the pressure drops for the baghouse must be maintained at 4.0 to 5.0 inches of water.

27. On May 3, 2007, Respondent submitted a corrective action plan letter to CDAQ. In the letter, Respondent indicated that it had requested a permit modification that would change the pressure drop range for the baghouse from 4.0 to 5.0 inches of water to 2.0 to 12.0 inches of water. Respondent submitted literature from the scrubber manufacturer that indicated that this increased range should not result in increased opacity or particulate concentrations. Additionally, Respondent indicated that it was planning to install an automated pulse cleaning control system on the baghouse. The new system will sound an alarm when the differential pressures approach the permit limits.

28. The Director has given consideration to, and based his determination on, evidence relating to the technical feasibility and economic reasonableness of complying with the following Orders and their benefits to the people of the State to be derived from such compliance.

V. ORDERS

The Director hereby issues the following Orders:

1. Respondent shall submit an ITT for the exothermic dryer 30 days prior to conducting emissions testing. Respondent shall conduct emissions testing to show compliance with the new permit emissions limits within 90 days of the effective date of the revised PTI currently being reviewed by CDAQ.

2. Respondent shall pay the amount of fifty thousand one hundred six dollars ($50,106) in settlement of Ohio EPA's claims for civil penalties, which may be assessed pursuant to ORC Chapter 3704. Within thirty (30) days after the effective date of these Orders, payment to Ohio EPA shall be made by an official check made payable to "Treasurer, State of Ohio" for forty thousand eighty-five dollars ($40,085) of the total amount. The official check shall be submitted to Brenda Case, or her successor, together with a letter identifying the Respondent to:

Ohio EPA
Office of Fiscal Administration
P.O. Box 1049
Columbus, Ohio 43216-1049

A copy of each check shall be sent to James A. Orlemann, Assistant Chief, SIP Development and Enforcement, or his successor, at the following address:

Ohio EPA
Division of Air Pollution Control
P.O. Box 1049
Columbus, OH 43216-1049

3. In lieu of paying the remaining ten thousand twenty-one dollars ($10,021) of the civil penalty, Respondent shall within thirty (30) days of the effective date of these Orders, fund a Supplemental Environmental Project ("SEP") by making a contribution to the Ohio EPA's Clean Diesel School Bus Fund (Fund 5CD). Respondent shall tender an official check made payable to "Treasurer, State of Ohio" for $10,021. The official check shall be submitted to Brenda Case, or her successor, together with a letter identifying the Respondent, to:

Ohio EPA
Office of Fiscal Administration
P.O. Box 1049
Columbus, Ohio 43216-1049

4. A copy of each check shall be sent to James A. Orlemann, Assistant Chief, SIP Development and Enforcement, or his successor, at the following address:

Ohio EPA
Division of Air Pollution Control
P.O. Box 1049
Columbus, OH 43216 - 1049

5. Should Respondent fail to fund the SEP within the required timeframe set forth in Order 3, Respondent shall immediately pay to Ohio EPA $10,021 of the civil penalty in accordance with the procedures in Order 2.

VI. TERMINATION

Respondent's obligations under these Orders shall terminate upon Ohio EPA's receipt of the valid official checks required by Section V of these Orders.

VII. OTHER CLAIMS

Nothing in these Orders shall constitute or be construed as a release from any claim, cause of action or demand in law or equity against any person, firm, partnership or corporation, not a party to these Orders, for any liability arising from, or related to, the Respondent's activities at the Facility.

VIII. OTHER APPLICABLE LAWS

All actions required to be taken pursuant to these Orders shall be undertaken in accordance with the requirements of all applicable local, state and federal laws and regulations. These Orders do not waive or compromise the applicability and enforcement of any other statutes or regulations applicable to Respondent.

IX. MODIFICATIONS

These Orders may be modified by agreement of the parties. Modifications shall be in writing and shall be effective on the date entered in the journal of the Director of Ohio EPA.

X. NOTICE

All documents required to be submitted by Respondent pursuant to these Orders shall be addressed to:

City of Cleveland
Division of Air Quality
1925 St. Clair Avenue
Cleveland, Ohio 44114
Attn: Nelson Andrekovic

and to:

Ohio Environmental Protection Agency
Lazarus Government Center
Division of Air Pollution Control
P.O. Box 1049
Columbus, Ohio 43216-1049
Attn: John Paulian

or to such persons and addresses as may hereafter be otherwise specified in writing by Ohio EPA.

XI. RESERVATION OF RIGHTS

Ohio EPA and Respondent each reserve all rights, privileges and causes of action, except as specifically waived in Section XII of these Orders.

XII. WAIVER

In order to resolve disputed claims, without admission of fact, violation or liability, and in lieu of further enforcement action by Ohio EPA for only the violations specifically cited in these Orders, Respondent consents to the issuance of these Orders and agrees to comply with these Orders. Compliance with these Orders shall be a full accord and satisfaction for Respondent's liability for the violations specifically cited herein.

Respondent hereby waives the right to appeal the issuance, terms and conditions, and service of these Orders, and Respondent hereby waives any and all rights Respondent may have to seek administrative or judicial review of these Orders either in law or equity.

Notwithstanding the preceding, Ohio EPA and Respondent agree that if these Orders are appealed by any other party to the Environmental Review Appeals Commission, or any court, Respondent retains the right to intervene and participate in such appeal. In such an event, Respondent shall continue to comply with these Orders notwithstanding such appeal and intervention unless these Orders are stayed, vacated or modified.

XIII. EFFECTIVE DATE

The effective date of these Orders is the date these Orders are entered into the Ohio EPA Director's journal.

XIV. SIGNATORY AUTHORITY

Each undersigned representative of a party to these Orders certifies that he or she is fully authorized to enter into these Orders and to legally bind such party to these Orders.

IT IS SO ORDERED AND AGREED:

Ohio Environmental Protection Agency

Director

7/9/07
Date

IT IS SO AGREED:

Alumitech of Cleveland, Inc.

Gerald K. Reichelt
Signature

June 11, 2007
Date

GERALD K. REICHELT
Printed or Typed Name

Plant Manager
Title